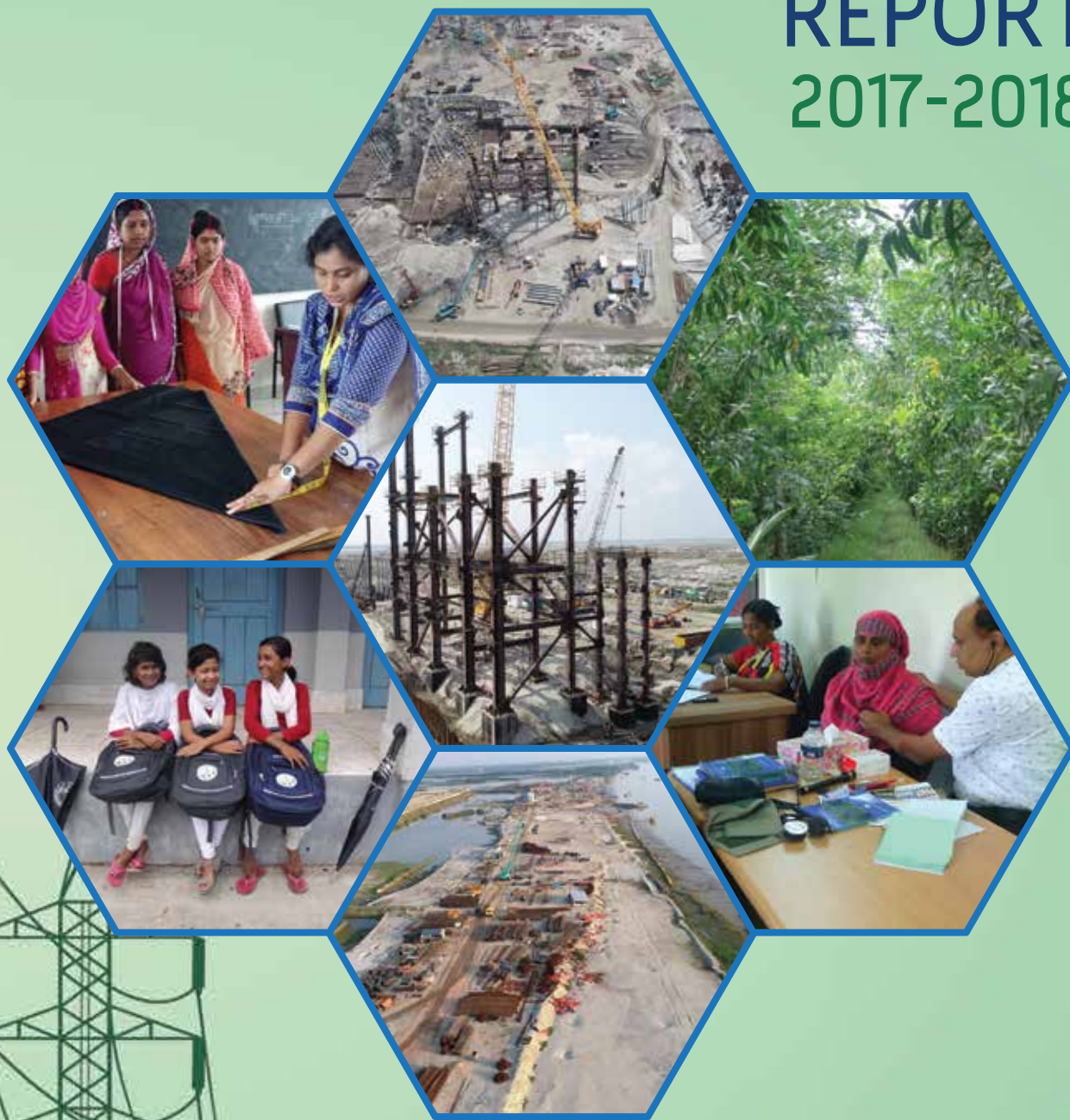


# ANNUAL REPORT 2017-2018



**Bangladesh-India Friendship Power Company (Pvt.) Limited**

A Joint Venture of BPDB and NTPC Ltd.





**Model of 2 x 660 MW  
Maitree Super Thermal Power Project at Rampal, Bagerhat**

# Location Map of the Project

Minimum Distance from Proposed Power Plant site to Environmentally Important Area

Mongla Port  
14 km (S)

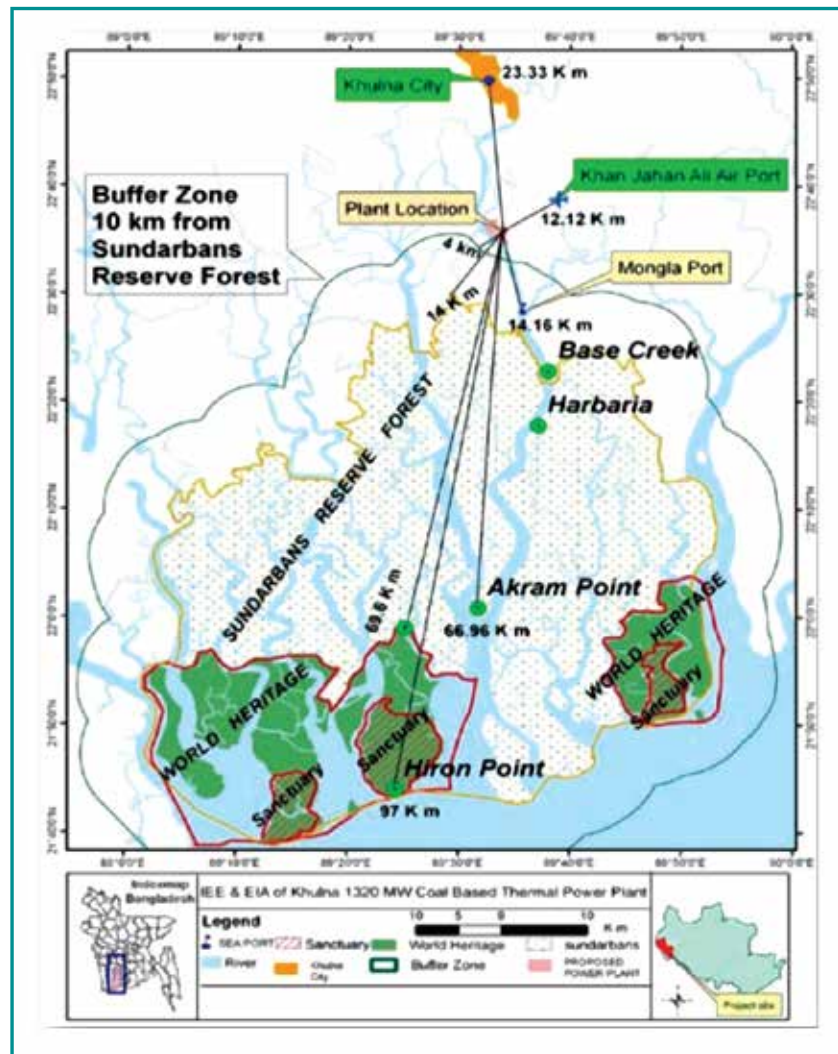
Sundarbans boundary  
(10 Km Buffer Zone +  
4 Km off Buffer Zone)  
Min. 14 km (S)

Khulna City  
23 km (N)

World Heritage  
(UNESCO) boundary  
Min. 69.6 km (S)

Akram Point  
67 km (S)

Hiron Point  
101 km (S)



Note: The depiction of the vicinity around the plant location, as above, is taken from the EIA Study conducted by Center for Environmental and Geographic Information Services (CEGIS) of Bangladesh, as approved in August 2013.



## Bangladesh-India Friendship Power Company (Pvt.) Limited

(A Joint Venture of BPDB and NTPC Ltd.)

Registered Office : Borak Unique Heights (Level-17)  
117 Kazi Nazrul Islam Avenue, Dhaka, Bangladesh

Ref : 01 / AGM-6 / 2018

Date : 25.11.2018

### Notice for the 6th Annual General Meeting

Notice is hereby given that the 6th Annual General Meeting (AGM) of Bangladesh-India Friendship Power Company (Pvt.) Limited (BIFPCL) will be held on Thursday, 6th December 2018 at 7.00 P.M at Bijay Hall of Bidyut Bhaban (14th Floor), 1 Abdul Gani Road, Dhaka, Bangladesh, to transact the following businesses :

#### **Agenda :**

1. To receive, consider and adopt the Financial Statements of the Company together with the Auditor's Report thereon and the Directors' Report for the year ended 30th June 2018
2. To appoint Auditor and fix remuneration

All the members are requested to make it convenient to attend the meeting.

Dr. Ahmad Kaikaus  
Chairman

#### **Distribution to :**

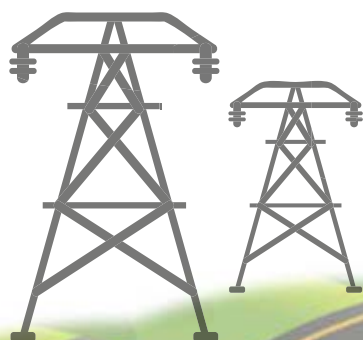
- All Members of BIFPCL (Secretary, BPDB and Company Secretary, NTPC)
- Chairman, BPDB
- Chairman & Managing Director, NTPC

#### **Copy (with request to attend the meeting) to :**

- All Directors of BIFPCL
- Company Secretary, BIFPCL
- M/s. S. F. Ahmed & Co., Chartered Accountants, Auditor, BIFPCL



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**Energy Environment Economy**



## Chairman's Address



## Dear Shareholders,

I convey you my hearty welcome to the 6th Annual General Meeting of Bangladesh-India Friendship Power Company (Pvt.) Limited (BIFPCL). On this grand occasion, I, on behalf of the Board of Directors of the Company, take delight in presenting before you the Annual Report of the Company together with the audited financial statements for the year ended 30th June 2018. Through the Annual Report, I am happy to convey you the progress of project development activities of the Company during the financial year 2017-2018.

With consistently an average GDP growth of more than 6%, the economy of Bangladesh has taken a new height. Under the dynamic and visionary leadership of the Hon'ble Prime Minister of the country, Bangladesh adopted bold and forward-looking development strategies which yielded rapid but inclusive economic growth, structural transformation and remarkable social progress. In 2018, Bangladesh has graduated from the status of 'least developed country' to 'developing country'. To move forward this progress of success, the Govt. has undertaken a master plan to establish Bangladesh as a middle-income country by 2021 and a developed country by 2041. These ambitious targets have coincided with the 2030 agenda for Sustainable Development Goals (SDGs).

With an objective to transform Bangladesh at the desired level, the Govt. is implementing a master plan for development of power sector alongside taking up various development activities in other sectors too. Besides, there is no alternative to energy sufficiency for implementation of SDGs by 2030. Target has been fixed to provide 100% access to electricity for all the people of Bangladesh by 2021 by keeping up the existing pace of electricity generation. As part of the master plan, the Govt. has set a target to generate electricity up to 24,000 MW by 2021, 40,000 MW by 2030 and 60,000 MW by 2041. At present, the installed generation capacity of electricity (September 2018) stands at 20,133 MW, which is upped by almost 15,191 MW as compared to 2009.

To improve the power situation, the Govt. is presently implementing mega power projects in Bangladesh through its own agencies and joint collaboration. 2x660 MW Maitree Super Thermal Power Project at Rampal, Bagerat (the Project) being implemented by BIFPCL is one of such Projects. The Project has been enlisted as one of the Fast Track Projects of Bangladesh and being monitored by the Prime Minister's Office. Upon achievement of commercial operation, this Project will augment the power generation capacity of Bangladesh.

Since incorporation in October 2012 as a limited liability company with joint venture of Bangladesh Power Development Board (BPDB) and NTPC Limited of India (NTPC), BIFPCL has already passed more than six (06) years of journey. Meantime, there has been a remarkable progress in the development activities of the Project. Still, BIFPCL has to go a long way to the achievement of ultimate goal and the way BIFPCL is moving ahead of its goal is praiseworthy, and indicates that the accomplishment of major milestones on its roadmap to the ultimate goal would not require much time. The financial year 2017-2018 is in fact very important for the Company because after achievement of financial closure followed by issuance of Notice to Proceed (NTP) to BHEL (EPC Contractor) in April 2017, EPC Contractor had started mobilization at site. EPC Contractor is progressing with construction activities of the main plant of the Project and has already made a very significant progress in preliminary works particularly in the areas of piling works of Boiler, Chimney, ESP, CHP, AHP etc. Piling works of Boiler (Unit # 1) have been completed and now erection works of Boiler (Unit # 1) are in progress. I am happy to note that BIFPCL has achieved first major milestone with regard to

construction activities of main plant i.e. erection of Boiler Unit # 1 as per schedule. The work of dedicated jetty for unloading of materials / coal has also commenced. Till September 2018, the progress of work on EPC Contract in financial term is almost 19%.

In addition, initial enabling site infrastructures are ready for further development works. Development activities of other components of the Project are also progressing well. Techno-commercial proposals against international tender for township package (turnkey basis) are under evaluation process and award is targeted by December 2018.

I appreciate the endeavor, dedication, hard work, and team effort of the management and employees of the Company for bringing the Project in current shape. I also appreciate the support and cooperation of Promoters and other stakeholders.

I look forward to your continuous help and cooperation.



**Dr. Ahmad Kaikaus**

Chairman, BIFPCL &  
Secretary, Power Division, MPEMR, GoB



## From The Desk Of Managing Director



### Dear Shareholders,

I take the opportunity to welcome you to the 6th AGM of the Company. After assuming the office of Managing Director on 14th December 2017, this is in fact the first AGM for me. On this occasion, I sincerely convey my special gratitude to you for your support in implementing the project activities.

I would like to express my profound gratefulness to the Government of Bangladesh particularly Prime Minister's Office, Power Division & Power Cell under the Ministry of Power, Energy and Mineral Resources, Department of Environment, Forest Department, Bangladesh Bank, National Board of Revenue, various Custom Houses, Mongla Port Authority, Bangladesh Investment Development Authority, Bangladesh Securities and Exchange Commission and Registrar of Joint Stock Companies and Firms for their co-operation and facilitation to 2x660 MW Maitree Super Thermal Power Project at Rampal, Bagerhat (the Project).

Since issuance of NTP to BHEL (EPC Contractor) on 24th April 2017, more than 18 (eighteen) months have passed in execution of the construction activities of the main plant of Project. Meantime, EPC Contractor has made substantial progress in preliminary works of the construction / erection activities. In June 2018, erection works of Boiler Unit # 1 was started as per schedule. This is achievement of another important major milestone for the Project. Erection of ESP and chimney raft work has already commenced. EPC Contractor has deployed various agencies for supply of materials and is augmenting additional resources to achieve other Project milestones as per schedule.

Project development activities in other fronts are also progressing at a good pace. The consultants appointed in different areas are functioning as per schedule. We have received a very good response to the international competitive bidding (ICB) for township package (turnkey basis) of the Project. Bid proposals for township package were opened on 25th October 2018 and techno-commercial evaluation of proposals is under process.

You will be happy to know that for effective & smooth execution and monitoring of the overall project activities, an experienced and qualified professional Project Director has been appointed. Besides, a Deputy Project Director has also been deployed on lien from BPDB to assist the Project Director. I am delighted to share that during the financial year 2017-2018 BIFPCL as part of terminal benefit has established contributory provident fund and gratuity fund for the employees of the Company. HR Policy 2018 and Group Term Life Insurance for the employees of the Company are also in place.

As always, I desire to deliver my sincere gratitude to the Board of Directors, specially to Chairman, BIFPCL for their continued guidance, supervision and support. I convey my thanks to each and every employee of the Company for their commitment, enthusiasm, resilience, professionalism and collective efforts for bringing the project at this level. I thankfully acknowledge the invaluable contribution received from officials of BPDB and NTPC, bankers, consultants, advisors, contractors, lawyers, the press and media and other relevant stakeholders.

I am confident that we have the right strategic focus, dedication and precise direction to touch our destination in time.



**Naresh Anand**  
Managing Director

# Directors' Profile





## Directors' Profile



### **Dr. Ahmad Kaikaus**

**Chairman, BIFPCL &  
Secretary, Power Division**

Ministry of Power, Energy &  
Mineral Resources

Government of Bangladesh

**Dr. Ahmad Kaikaus**, Secretary, Power Division, Ministry of Power, Energy and Mineral Resources, Government of Bangladesh (GoB) joined the Board of BIFPCL as a nominee director of Bangladesh Power Development Board (BPDB) and was elected as its Chairman on 29th March 2017.

He has been working in the power sector for more than 4 years. Prior to this as the Chairman, Bangladesh Energy and Power Research Council (EPRC), the role of Dr. Ahmad Kaikaus is to provide a platform to attract experts worldwide, and help to create in-country expertise through scientific collaboration. It will strengthen and mobilize research capabilities at universities, public and private research organizations, as well as assist individual entrepreneurs to develop applicable technologies and systems for the development of the energy and power sector.

Previously, he was Additional Secretary of the Power Division where his responsibilities were development planning of the projects for the improvement of power infrastructure, financing and implementation. Dr. Ahmad worked for 3 years as the Deputy Chief of Party of the Policy Research and Strategy Support Program (PRSSP) at the International Food Policy Research Institute (IFPRI). His civil service career provided him a unique opportunity to working in diverse places encompassing both rural and urban areas, regulatory and development agencies, and local government as well as ministerial positions. His academic and research background, on the other hand, made him well conversant of the development policy perspectives. He was also deeply involved in preparing Power Sector Master Plan, 2015, which is currently under the consideration of the Government.

He was born in 1962 from a respectful Muslim family in the District of Chattogram, located in the south-eastern part of Bangladesh.

Dr. Kaikaus received his Master of Arts degree in Development Economics from the Center for Development Economics, Williams College, Massachusetts, USA, and PhD in Public Policy and Political Economy from the University of Texas at Dallas, Texas, USA. His research focus covers interdisciplinary subjects such as governance, poverty, development, labor market, energy, etc. Dr. Kaikaus has published research papers and survey reports for IFPRI.

Dr. Ahmad Kaikaus joined the Bangladesh Civil Service (Administration) cadre on 21<sup>st</sup> January 1986. He has worked different levels of field administration such as Assistant Commissioner, Upazila Magistrate, and Upazila Nirbahi Officer. He also worked on deputation in several organizations that include Directorate of Accommodation, Department of Narcotics Control and Bangladesh Services Limited. At the Ministerial level, Dr. Ahmad worked for the Ministry of Public Administration, Ministry of Post and Telecommunications, and Economic Relations Division.

Dr. Kaikaus also worked as part-time faculty at Collin County Community College in Texas, USA and at the American International University, Bangladesh. He regularly attends as guest speaker at the Public Administration Training Centre, Bangladesh Civil Service Academy, the Dhaka University, and other training institutes of civil service as well as power utilities.

# Directors' Profile

**Engr. Khaled Mahmood**, Chairman of Bangladesh Power Development Board (BPDB) joined the Board of BIFPCL on 16th July 2016 as BPDB nominee Director.

He took over the charge of Chairman, BPDB on 17th August 2016. Prior to his present position, he was Member (Generation), BPDB. He also worked as Chief Engineer, Generation, BPDB. Mr. Mahmood was born in Mymensingh on 23<sup>rd</sup> December 1958. He obtained BSc. in Electrical & Electronic Engineering from Bangladesh University of Engineering and Technology (BUET) in 1981. He joined the Directorate of Programme, BPDB as an Assistant Engineer in 1981.

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

He was involved as a member in feasibility study team for the first coal based power plant (2x125 MW Barapukuria) project in Bangladesh, Tender document / RFP preparation of different power plant projects and consultancy services. He participated in basic design & drawing approval meeting with BHEL for Bhaghabari 100 MW gas turbine power plant, with Chinese companies for unit no. 1, 2 & 3 of Barapukuria coal based power plant and also worked in design & drawing approval team of Kooda 150 MW and Bhola 225 MW combined cycle power plant. He has been working as Member of Joint Working Group and Joint Steering Committee for Bangladesh-India power sector cooperation.

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

As a part of witnessing manufacturing facility, Mr. Mahmood visited GE France, AEG Germany, ABB Switzerland, Andritz Hydro Italy and Wood Group USA. As a renowned sportsman & organizer, he also visited India, Japan, South Korea, Australia, China, Thailand, Singapore, Czech Republic and Russia for training and professional purposes.

He worked as Director of BPDB-RPCL Powergen Ltd. (A joint venture company of BPDB and RPCL).

Currently, he is Chairman of Board of Directors of Ashuganj Power Station Company Ltd.(APSC), Member of Board of Directors of Electricity Generation Company of Bangladesh Ltd.(EGCB), North-West Power Generation Company Ltd.(NWPGCL), Power Grid Company of Bangladesh Ltd.(PGCB), Coal Power Generation Company of Bangladesh Ltd.(CPGCL), Bangladesh-China Power Company (Pvt.) Ltd.(BCPCL), Bay of Bengal Power Company Ltd.,Titas Gas Transmission & Distribution Company Ltd., Rooppur Nuclear Power Company Ltd. and Bakhraabad Gas Distribution Company Ltd. At present, he is an elected central council Member of Institution of Engineers Bangladesh (IEB).



**Engr. Khaled Mahmood**  
Director, BIFPCL &  
Chairman, BPDB

## Directors' Profile



**Md. Mahbub-ul-Alam**  
**Director, BIFPCL &**  
**Additional Secretary (Development)**  
**Power Division**

Ministry of Power, Energy &  
Mineral Resources  
Government of Bangladesh

**Mr. Md. Mahbub-ul-Alam**, Additional Secretary (Development), Power Division, Ministry of Power, Energy and Mineral Resources, Government of Bangladesh (GoB) joined the Board of BIFPCL as a nominee director of Bangladesh Power Development Board (BPDB) on 02nd December 2016.

He had completed M.Sc. in Botany from Rajshahi University. He joined Bangladesh Civil Service (Administration) Cadre in 1984 (5th) batch. He has about 30 years' experience in different positions in the field of administration as well as some Ministries of the Government of Bangladesh. He also joined in the service as Assistant Commissioner and Magistrate in Pirojpur District in 1986. He had served in the Ministry of Shipping, ERD, and IMED in different positions. In the field level, he served in Pirojpur, Bogura, Thakurgaon, Naogaon, Sirajgonj, Panchagarh, Dinajpur, Netrokona, Sylhet districts.

He served in the field of road safety as Manager, Road Safety Cell (now merged with BRTA), which was secretariat of National Road Safety Council. During this period he started to publish Annual Road Accident Report, which has become regular effort of the concerned agency of the Government.

He was born in 1960 from a respectful Muslim family in the District of Kurigram, located in the northern part of Bangladesh.

He had participated in many training courses in Bangladesh and abroad. He has been promoted as Joint Secretary in 2012. He is also working as Chairman of Dhaka Electricity Supply Company Limited (DESCO).

He has gone through National Defense Course in National Defense College Dhaka in 2013.



## Directors' Profile

**Engr. Md. Mustafizur Rahman**, Member (Company Affairs) of Bangladesh Power Development Board (BPDB) joined the Board of BIFPCL on 29th March 2017 as BPDB nominee Director.

He took over the charge of Member (Company Affairs) on 14th March 2017. Prior to joining as Member (Company Affairs), he worked as Chief Engineer, Civil Works. He was born on 01 January 1961 in Lakshmipur District of Bangladesh.

He passed SSC in 1976 and HSC in 1978. He completed his Bachelor degree in Electrical & Electronics Engineering from Bangladesh University of Engineering & Technology (BUET) in 1983.

Mr. Rahman joined in BPDB as Assistant Engineer on 01 January 1984. As Assistant Engineer, Sub-divisional Engineer and Executive Engineer, he worked in various offices of distribution sector of BPDB up to 2013.

In 2014, Mr. Rahman worked as Superintendent Engineer in Chattogram & Khulna Coal based Thermal Power Plant construction project and Operation & Maintenance Circle, Noakhali from 2014 to 2015. As Additional Chief Engineer, he worked in the office of Distribution Zone, Rangpur and Rajshahi from 2015 to 2016.

He visited Norway, United Kingdom, Korea, China, Singapore, Malaysia, USA, Thailand, India and other countries of the world for training and professional purposes.

Currently, he is member of Board of Directors of Northern Electric Supply Company Limited (NESCO), Bay of Bengal Power Company Ltd., BPDB-RPCL Powergen Ltd. and Bangladesh Energy & Power Research Council (BEPRC).



**Engr. Md. Mustafizur Rahman**  
Director, BIFPCL &  
Member (Company Affairs), BPDB

## Directors' Profile



**Engr. Gurdeep Singh**  
Director, BIFPCL &  
Chairman & Managing Director,  
NTPC Limited

**Engr. Gurdeep Singh**, Chairman & Managing Director of NTPC Limited joined the Board of BIFPCL on 02nd December 2016 as NTPC nominated Director.

He took over as Chairman & Managing Director of NTPC on 4th February 2016. He has an illustrious career spanning over three decades in the power sector. He started his career in 1987 as an Engineer Trainee with NTPC and has worked his way through various ranks in both public and private sectors. He has worked at CxO/Senior positions in Indian companies (GSECL, IDFC and CESC) as well as in multi-national companies (PowerGen, CLP and AES). His wide ranging experience entailing all aspects of power generation business, in different organizations and cross cultural environment has provided him with the unique ability to deal with intricate and complex issues of power sector.

Prior to joining NTPC, he was Managing Director of Gujarat State Electricity Company (GSECL). His sustained focus on cost reduction resulted in conceptualization of coal swapping and freight rationalisation much ahead of time. His visionary leadership transformed GSECL and made the company highly cost-competitive and forward looking.

He graduated in Mechanical Engineering from NIT Kurukshetra and has undergone Management Education Program from IIM Ahmedabad. He has also received management and leadership training from global institutions like Said Business School-Oxford(UK), Harvard-Kennedy School (USA), Darden School of Management-Virginia (USA), Singapore Civil Services College (Singapore) and ISB Hyderabad (India), etc.

He firmly believes that the key to excellence is occupational health and safety, employee empowerment, capability augmentation and process optimization. He has placed greater emphasis on global exposure to NTPC executives to make them ready for future business challenges.

He has launched a series of initiatives to sustain NTPC's growth and bring about cultural changes necessary to maintain NTPC's position as a leading global power company. His thrust on minimizing environmental footprint, maximizing sustainability efforts and focused approach of 'Low Cost Low Emission' aligns with India's ambitious target of cleaner and affordable power for all.

## Directors' Profile

**Engr. Susanta Kumar Roy**, Director (Projects) of NTPC Limited joined the Board of BIFPCL on 27th September 2017 as NTPC nominated Director. He is a Mechanical Engineering Graduate. He joined NTPC in 1981 as Executive Trainee. He is having more than 37 years of experience in large size coal power Stations in the area of operation, maintenance, commissioning and project construction. He was associated as business unit head in managing largest station of the country at Vindhyachal. He has worked at Korba, Unchahar, Singrauli, Rihand and Vindhyachal stations.

Mr. Roy's experience in power sector include 10 years of senior management level as O&M Head and Business Unit Head of NTPC's largest stations at Korba and Vindhyachal.

He has also worked as Executive Director (Operation Services) at Corporate Centre and looking after thermal, hydro and renewable generation of NTPC Group.

As Director (Projects), he is responsible for overall planning and execution of capacity addition in Thermal and Hydro.



**Engr. S. K. Roy**  
Director, BIFPCL &  
Director (Projects), NTPC Limited



## Directors' Profile



### **Sangeeta Bhatia**

**Director, BIFPCL &  
Executive Director (Finance),  
NTPC Limited**

**Ms. Sangeeta Bhatia**, Executive Director (Finance) of NTPC Limited, a premier organization of Govt. of India and also a Maharatna CPSE engaged in the business of Power Generation, Power trading and Coal Mining. She joined the Board of BIFPCL on 27th December 2017 as NTPC nominated Director.

Ms. Bhatia is a member of core strategic group of NTPC engaged in formulating business strategies, overseeing the Finance and Accounts function having multiple locations spread in India and abroad.

In addition, she is serving as part time Director on Board(s) of NTPC's subsidiaries namely "Kanti Bijlee Utpadan Nigam Ltd., Bhartiya Rail Bijlee Co. Ltd., Patratu Vidyut Utpadan Nigam Ltd., Nabinagar Power Generating Co. Pvt. Ltd., BF-NTPC Energy Systems Limited.

Resource mobilization from domestic as well as foreign lenders has been her forte. Her experience spans over areas in International Finance, Budgeting, Internal Audit, Investor Services, Treasury and Commercial Finance. She also handled the listing of NTPC and thereafter various FPOs and OFS issuances of disinvestment by Govt. of India.

She was also responsible for developing Internal Control Framework in relation to Financial Reporting in the Company. For a very long time she had been head of "Investors Relations", "Official Spokesperson" of NTPC and also the Chairman of Committee on "Prevention of Sexual Harassment in NTPC".

She Graduated in B.Sc. in the year 1978 from the Delhi University and then pursued post graduate diploma in International Trade from Punjab University. She is also a fellow member of Institute of Chartered Financial Analysts of India.

She was also a member of Committee for formulation of "Investor Guidelines" constituted by Deptt. of Investment and Public Asset Management, Ministry of Finance, Govt. of India. She was also awarded for her contribution to power sector by National Council of Power Utilities in the year 2013.

## Directors' Profile

**Engr. Naresh Anand**, Managing Director of Bangladesh-India Friendship Power Company (Pvt.) Limited, born in 1963, has completed his B.E / B.Tech with a Gold Medal in Mechanical Engineering.

After graduation from Panjab University, Chandigarh, India he started his career as an Engineer Trainee in NTPC Limited in 1984. He has long experience of more than 34 years in various Projects of NTPC Limited in the field of Erection, Testing, Construction, Operation & Maintenance of Power Projects, Commercial Tariff Management, Coal Mine Development Operation etc.

Mr. Anand joined Bangladesh-India Friendship Power Company (Pvt.) Limited as General Manager on 02<sup>nd</sup> August 2017 and subsequently was appointed as Managing Director on 14<sup>th</sup> December 2017.



**Engr. Naresh Anand**  
Managing Director, BIFPCL

BIG PICTURE



ENERGY  
ENVIRONMENT  
ECONOMY





# Corporate Profile



## Corporate Profile

### The Company

Bangladesh-India Friendship Power Company (Pvt.) Limited ('BIFPCL' / 'the Company') is a private company limited by shares duly incorporated in Bangladesh under the Companies Act 1994 and was registered with the Office of the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on 31 October 2012 vide the Certificate of Incorporation with Registration No. C-105370/12.

### Main Objectives of the Company

The main objectives for which the Company has been established are –

- To design, engineer, manufacture, insure finance, acquire, construct, complete, permit, test, commission, own, operate and maintain thermal power projects;
- To undertake, wherever necessary the construction of transmission lines and ancillary works for timely and coordinated exchange of electric power;
- To carry on the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspects of electric power; and
- To set-up, operate and manage all necessary plants, establishments and works in other allied industries.

### The Project of the Company

The Company is currently implementing a 1320 MW (2X660 MW) Maitree Super Thermal Power Project (the Project) at Rampal in Bagerhat District of Khulna, Bangladesh. The Project represents a priority infrastructure development project for Bangladesh in an effort to establish reliable, cost-effective base load power production in a country that currently has one of the highest costs of electricity generation in the region. The design of the Project is using state of the art technology to actively mitigate environmental impacts, whilst at the same time introducing coal power generation capacity in a country with limited alternative fuel options.



The Project represents a priority infrastructure development project for Bangladesh in an effort to establish reliable, cost-effective base load power production.

## Benefits from the Project

### NATIONAL ENERGY SECURITY BENEFITS



- Reliable energy supply
- Industrial development
- Availability of reliable power for irrigation system

### ENVIRONMENTAL SAFETY BENEFITS



- Planed green belt development
- Ecosystem improvement facilities
- Ambient environmental monitoring
- Disaster management program
- Improve aquatic environment
- Improvement of the security system of Sundarban

### SOCIO-ECONOMIC BENEFITS



- Employment opportunities
- Tremendous infrastructure development
- Health security for the people
- Quality of life improvement
- Social safety
- Urbanization
- Educational and Institutional development
- Market development and value
- Chain facilities
- Awareness program
- Improve communication facilities

## Background of The Company and its Project

During the visit of the Honorable Prime Minister of Bangladesh to India, an umbrella Memorandum of Understanding (MOU) on Power Sector Cooperation between the two Governments was signed on 11.01.2010 and a Joint Steering Committee (JSC) co-chaired by the Power Secretaries of two countries was constituted. In the first JSC meeting, various areas were identified for cooperation between NTPC Ltd., India and Bangladesh Power Development Board (BPDB) which included preparation of Feasibility Report (FR) by NTPC for two coal based power plants (at Khulna and Chattogram area with capacity of 1320 MW each). The FR for Khulna is to be taken up in first phase and the project is proposed to be implemented as joint venture project between BPDB and NTPC. An MOU for implementation of 1320 MW coal based Thermal Power Plant (TPP) in Khulna as Joint Venture Project was signed between BPDB and NTPC on 30.08.2010.

A Contract Agreement for FR Consultancy for Khulna project was signed between NTPC and BPDB at Dhaka on 30.09.2010. As per the scope of the consultancy assignment, all the studies /investigations including topographical survey, geotechnical investigations, coal transportation logistic study etc. were to be carried out by BPDB. Survey and geotechnical details at the plant area were received in February 2011 and a Draft Feasibility Report (DFR) for Rampal, Bagerhat TPP comprising of 2x660 MW was submitted to BPDB on 31.03.2011.

In the mid of December 2011, BPDB informed NTPC that M/s CEGIS, Consultant for Coal Transportation Logistics Study, has collected details and data and the same needs to be discussed and BPDB desired NTPC team to be deputed for this purpose. Later on NTPC team visited BPDB office, Dhaka on December 25-27, 2011.

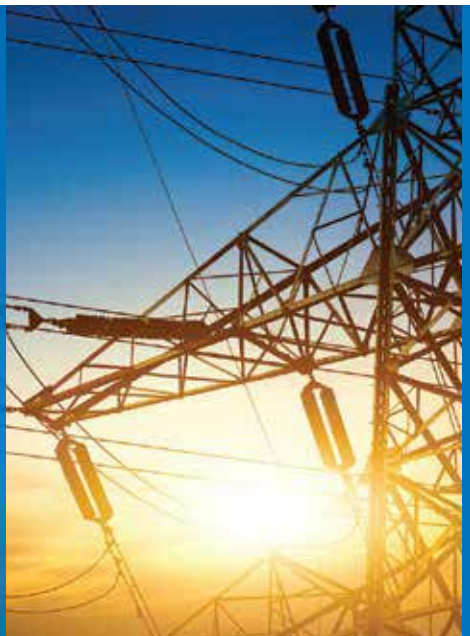
The Final Feasibility Report (Draft) was submitted to BPDB on 31.12.2011.

The Joint Venture Agreement (JVA) between BPDB and NTPC was signed on 29.01.2012 and accordingly Bangladesh-India Friendship Power Company (Pvt.) Limited was incorporated as Private Limited Company and Registered with Registrar of Joint Stock Companies (RJSC) on 31.10.2012.

After incorporation, BIFPCL, in 20th April 2013, had signed the Implementation Agreement and the Power Purchase Agreement with the Government of Bangladesh and Bangladesh Power Development Board respectively for relevant

purposes. On the same day, the Supplementary Joint Venture Agreement was signed between NTPC and BPDB by amending Joint Venture Agreement to give effect to some provisions of the Implementation Agreement.

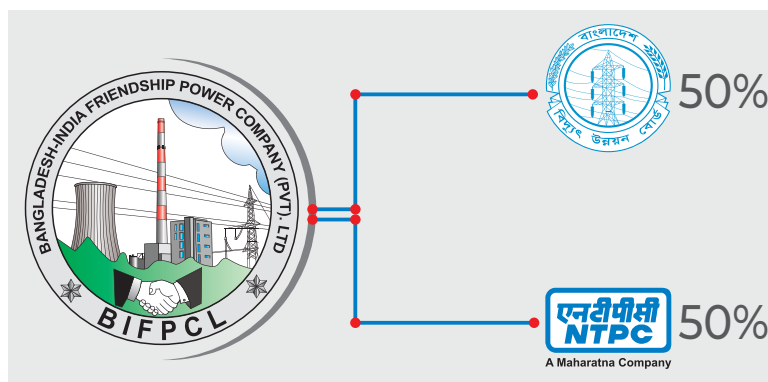
The Joint Venture Agreement (JVA) between BPDB and NTPC was signed on 29.01.2012 and accordingly Bangladesh-India Friendship Power Company (Pvt.) Limited was incorporated as a Private Limited Company.





## About the Promoters

BIFPCL is incorporated pursuant to the Joint Venture Agreement executed on 29 January 2012 between Bangladesh Power Development Board (BPDB) and NTPC Limited of India (NTPC) with equal (50:50) equity participation of BPDB and NTPC.



A brief introduction to the promoters is given below:

### Bangladesh Power Development Board (BPDB)

Bangladesh Power Development Board (BPDB) is a statutory body created in May 1, 1972, by presidential Order No. 59 after bifurcation of erstwhile Bangladesh Water and Power Development Authority. BPDB started its operation with Installed Generation capacity of only 200 MW. Installed Generation capacity including Captive Power (as on 11 September 2018) has increased to  $(17,043+2,800+290) = 20,133$  MW.

The BPDB is responsible for major portion of generation and distribution of electricity mainly in urban areas except Dhaka and West Zone of the country. The Board is under the Power Division of the Ministry of power, Energy and Mineral Resources, Government of Bangladesh.

BPDB has taken a massive capacity expansion plan to add about 11,600 MW Generation capacity in next 5 years to achieve 24,000 MW Capacity according to PSMP-2010 by 2021 with the aim to provide quality and reliable electricity to all the people of Country for desired economic and social development. The power system has been expanded to keep pace with the fast growing demand.

### NTPC Limited, India

NTPC is India's largest energy conglomerate with roots planted way back in 1975 to accelerate power development in India. Since then it has established itself as the dominant power major with presence in the entire value chain of the power generation business. From fossil fuels it has forayed into generating electricity via hydro, nuclear and renewable energy sources. This foray will play a major role in lowering its carbon footprint by reducing green house gas emissions. To strengthen its core business, the corporation has diversified into the fields of consultancy, power trading, training of power professionals, rural electrification, ash utilisation and coal mining as well.

NTPC became a Maharatna company in May 2010, one of the only four companies to be awarded this status. NTPC was ranked 512th in the 2018, Forbes Global 2000 ranking of the World's biggest companies.

The total installed capacity of the company is 53,651 MW (including JVs) with 21 coal based, 7 gas based stations, 1 Hydro based station and 1 Wind based station. 9 Joint Venture stations are coal based and 11 Solar PV projects. The capacity will have a diversified fuel mix and by 2032, non fossil fuel based generation capacity shall make up nearly 30% of NTPC's portfolio.

NTPC has been operating its plants at high efficiency levels. Although the company has 15.56% of the total national capacity, it contributes 22.74% of total power generation due to its focus on high efficiency.

In October 2004, NTPC launched its Initial Public Offering (IPO) consisting of 5.25% as fresh issue and 5.25% as offer for sale by the Government of India. NTPC thus became a listed company in November 2004 with the Government holding 89.5% of the equity share capital. In February 2010, the Shareholding of Government of India was reduced from 89.5% to 84.5% through a further public offer. Government of India has further divested 9.5% shares through OFS route in February 2013. With this, GOI's holding in NTPC has reduced from 84.5% to 75%. The rest is held by Institutional Investors, banks and Public. Presently, Government of India is holding in NTPC has reduced to 69.74%.

NTPC is not only the foremost power generator; it is also among the great places to work. The company is guided by the "People before Plant Load Factor" mantra which is the template for all its human resource related policies. NTPC has been ranked as "6th Best Company to work for in India" among the Public Sector Undertakings and Large Enterprises for the year 2014, by the Great Places to Work Institute, India Chapter in collaboration with The Economic Times.

## Corporate Directory

**“Together we are Stronger,,**

### Board of Directors



Directors Nominated by BPDB	Directors Nominated by NTPC
Dr. Ahmad Kaikaus, Chairman	Engr. Gurdeep Singh
Mr. Md. Mahbub-ul-Alam	Engr. S. K. Roy
Engr. Khaled Mahmood	Ms. Sangeeta Bhatia
Engr. Md. Mustafizur Rahman	Engr. Naresh Anand

### Audit Committee



Engr. Khaled Mahmood	Chairman
Engr. Md. Mustafizur Rahman	Member
Engr. S. K. Roy	Member
Ms. Sangeeta Bhatia	Member

### Remuneration and Appointments Committee



Mr. Md. Mahbub-ul-Alam	Chairman
Engr. Md. Mustafizur Rahman	Member
Engr. S. K. Roy	Member
Ms. Sangeeta Bhatia	Member

### Project Committee



Engr. Khaled Mahmood	Chairman
Engr. S. K. Roy	Member

### Project Sub-Committee



Engr. Md. Mustafizur Rahman	Member
Engr. S. K. Roy	Member
Engr. Naresh Anand	Member

### Management Team



Engr. Naresh Anand	Managing Director
Engr. S. C. Pandey	Project Director
Mr. Soumitra Ghosh	Chief Finance Officer

### Management Team

Mr. Kazi Nazrul Islam	Chief Human Resource Officer
Engr. Ravindra Kumar	Chief Technical Officer
Engr. Md. Mofijul Islam	Chief Procurement Officer
Mr. Arojit Saha	Company Secretary

### Statutory Auditors



**M/s. S. F. Ahmed & Co.**  
Chartered Accountants  
House 51, Road 9, Block F  
Banani, Dhaka 1213, Bangladesh

### Bankers

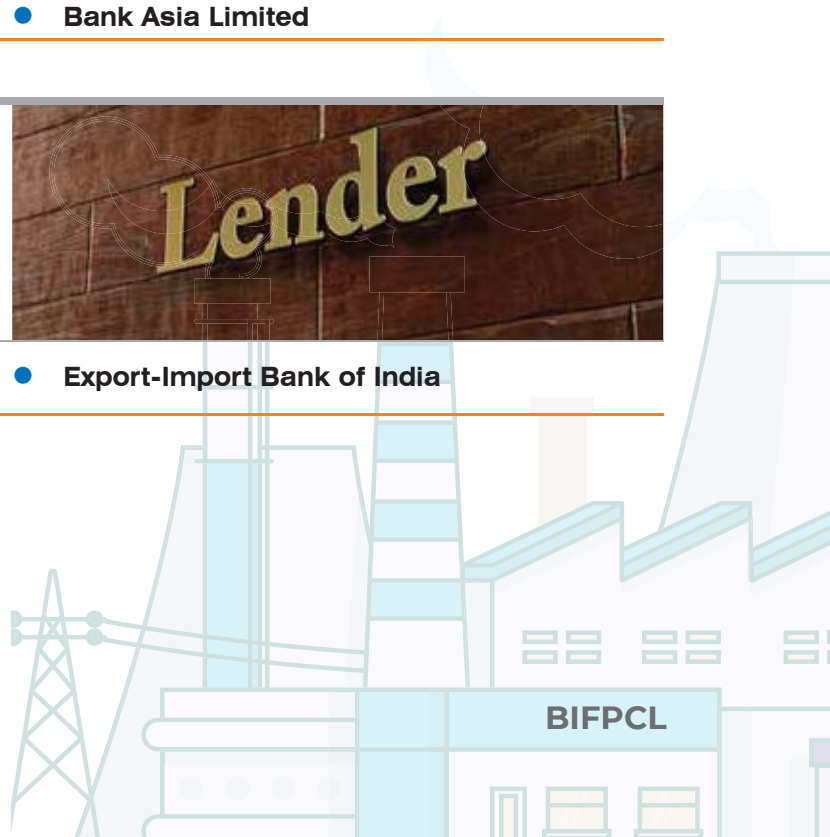


- Janata Bank Limited
- Bank Asia Limited

### Lender



- Export-Import Bank of India





## General Information



<b>Name of the Company</b>	Bangladesh-India Friendship Power Company (Pvt.) Limited (A joint venture of BPDB and NTPC Ltd.)
<b>Registration No. &amp; Date</b>	Registration No. : C-105370/12 dated 31 October 2012
<b>Registered Office</b>	Borak Unique Heights (Level-17), 117 Kazi Nazrul Islam Avenue, Dhaka, Bangladesh
<b>Status of the Company</b>	Private Limited Company
<b>Project Camp Office</b>	132 KV Grid Sub-station Complex, PGCB, Mongla, Bagerhat, Post Code - 9351, Bangladesh
<b>Site Location</b>	Village : Sapmari Katakhalī & Koigar Daskati, Upazila : Rampal, District : Bagerhat, Division : Khulna, Bangladesh
<b>Business Category</b>	Electric Power Generation [After Installation of Power Plant]
<b>Authorized Capital</b>	Taka 3,200 crore
<b>Paid-up Capital</b>	Taka 685 crore
<b>Number of Shareholders</b>	2
<b>Estimated Project Cost</b>	USD 2.00 bn.
<b>Proposed No. of Units</b>	2
<b>Proposed Capacity</b>	1320 MW (2 x 660 MW)
<b>Fuel to be used</b>	Imported Coal

## Management Team



**Mr. Naresh Anand**

B.E / B. Tech (Mechanical Engineering)

**Managing Director**



**Mr. S. C. Pandey**

B.E. Engg. (Instrumentation)

**Project Director**



**Mr. Soumitra Ghosh**

B. Com, FCMA

**Chief Finance Officer**



**Mr. Kazi Nazrul Islam**

BA (Hon's), MA (English)

**Chief Human Resource Officer**



**Mr. Ravindra Kumar**

B.Sc Engg. (Mech.)

**Chief Technical Officer**



**Mr. Md. Mofijul Islam**

B.Sc Engg. (EEE), FIEB

**Chief Procurement Officer**



**Mr. Arojit Saha**

M. Com (Acct), ACS

**Company Secretary**

A composite image showing a business meeting. The top part shows a person in a grey suit. The bottom part shows two people shaking hands over a laptop on a desk, with a document featuring a bar chart visible in the background.

# Directors' Report 2017-18

## Directors' Report : 2017-18

### Honorable Shareholders,

The Board of Directors of Bangladesh-India Friendship Power Company (Pvt.) Limited ('BIFPCL'/'the Company') welcome you to the 6th Annual General Meeting (AGM) of the Company. It is our pleasure and privilege to place herewith the Directors' Report and the Auditors' Report along with the Audited Financial Statements of the Company for the year ended 30th June 2018 for your valued consideration, approval and adoption.

### 1.0 Progress of The Project

**1.1.** You are aware that the Company is implementing 2x660 MW Maitree Super Thermal Power Project at Rampal, Bagerhat (the Project). The implementation works of the Project is going on in full swing. The overall progress of the Project including EPC Contract in financial terms (% payment) till 30th June 2018 is 16.63%.

**1.2.** The physical progress on major activities of the Project till 30th June 2018 is outlined below :

#### **a). Highlights of Activities already Completed :**

- Land Filling (5.5m level average);
- Boundary Wall;
- Construction Power (2 Nos. 33kV lines);
- Pontoon for Material Unloading;
- RO Plant (5m<sup>3</sup>/hr) for Drinking / Consumptive Phase;
- Watch Towers (5 Nos.);
- Quality Lab at Site for Civil;
- Video Conferencing Facility with Dhaka / Delhi / Stuttgart;
- Construction Gate (Jetty Side) and Labour Gate;
- Temporary Ansar Security Camp;
- HBB Road;
- Pre-Fab Office Cum Residential Complex with Conference Hall and Residential Facility;
- Additional 20 (Twenty) Rooms for Accommodation and Club House;
- Pre-Fab Store;
- Slope Protection;
- Property Fencing;
- Access Road;
- Commencing Afforestation;
- Test Piling Works;
- Site Specific Studies;
- Mobilization of EPC Contractor;



- Construction Power Network, Construction Water, Living Accommodation & Office for BIFPCL and its Owner Engineer;
- Temporary Road & Drain Works;
- Job Piling Works of Boiler Unit # 1;
- Permanent Jetty Survey, Soil Investigation Work and Sand Filling.

**b). Highlights of On-going Activities :**

- Boiler erection of Unit # 1 is in progress;
- Piling works of main power house area are in progress and almost 25% piles have already been completed;
- Chimney area piling works are in progress and almost 46% piles have already been completed;
- Piling works of Unit #1 ESP area are in progress and more than 80% piles have already been casted with 50% piles driven;
- Piling works of Unit # 2 Boiler area are in progress;
- Civil works of piling & substructure in other areas of CHP, AHP, Cooling Tower, De-silting Basin, DM Tank etc. are in progress;
- Tendering for Coal Handling Plant, AC & Ventilation System, Covered Coal Yard etc.;
- Award of major sub-contracts for EPC execution like Chimney, Ash Handling Plant, Transportation & Logistics, Piling & Substructure for Unit # 1 & 2, BOPs, Piling / Substructure for CHP & AHP, IDCT, Condensate Polishing Unit, Boiler # 1 Erection, Water Systems, Compressed Air System, Fuel Oil Handling System, 230/400 kV GIS etc.;
- Manufacturing of Structure for Boiler, Power House and ESP is in progress at BHEL's site.

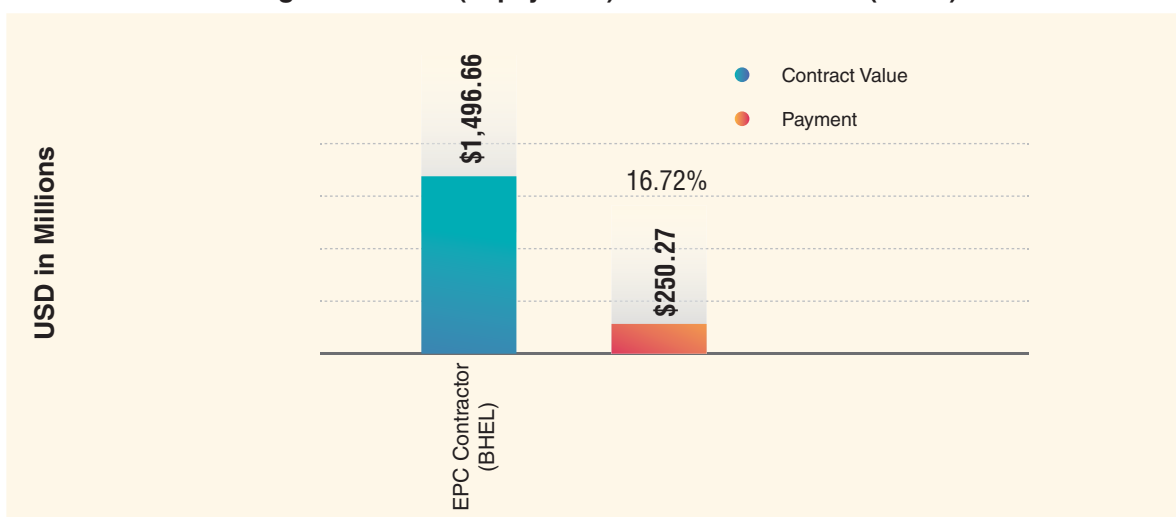
## **2.0. Progress of Work on EPC Contract and Major Consultancy Contracts**

- 2.1.** EPC contract valued at equivalent USD 1,496 million (approx.) was signed with Bharat Heavy Electricals Limited of India (BHEL) on 12th July 2016 for construction of main plant of the Project on turnkey basis. The contract was awarded to BHEL following an international competitive bidding process.
- 2.2.** The Company also appointed a number of consultants for the Project for having expertise and professional excellence in the field of the project engineering, study on the coal sourcing, transportation & handling, the environment, the assistance in debt financing and so on.
- 2.3.** M/s. RINA Consulting S.p.A was appointed as consultant for feasibility study on coal sourcing and logistics for the Project. They have already conducted the study and submitted report to the management of the Company. In the report, they have identified Indonesia, Australia, South Africa, Russia, Columbia and Mozambique as the countries for sourcing of coal for the Project. The discussions on consultant's findings and recommendation separately for coal sourcing and transportation (including transshipment and barging) are in advanced stage for selection of business model and other modalities.

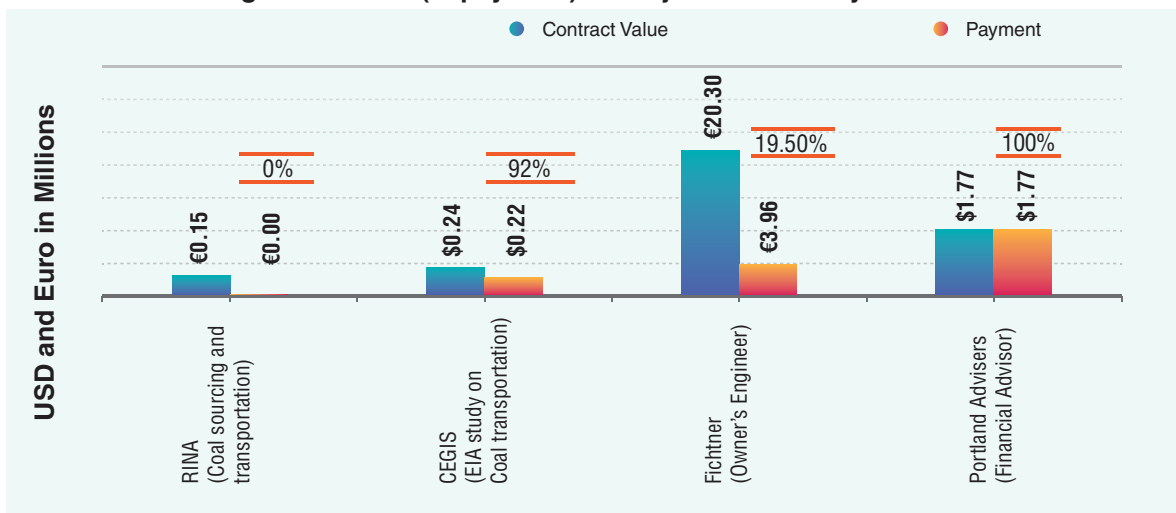
## Directors' Report : 2017-18

- 2.4.** A graphical view of the progress of work on EPC Contract and major consultancy contracts in financial terms (% payment) till 30th June 2018 is given below :

**Progress of work (% payment) on EPC Contractor (BHEL)**



**Progress of work (% payment) on Major Consultancy Contracts**



### 3.0. Township Package (Residential Complex)

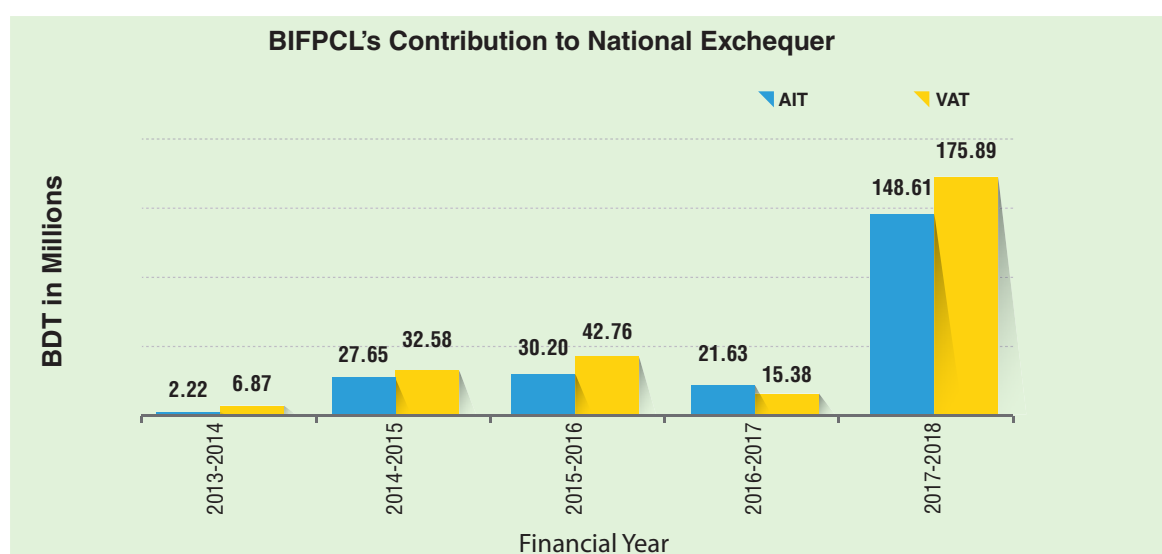
- 3.1.** In August 2018, EPC tender for township package of the Project on a turnkey basis was floated for international competitive bidding (ICB). Five bidders submitted bid proposals for the tender on 25th October 2018. The techno-commercial proposals were opened by the tender opening committee on the day of bid submission in presence of the representatives of bidders. After evaluation of techno-commercial bids, the financial bids of the successfully

responsive bidders will be opened and upon evaluation thereof, the responsive and the lowest evaluated bidder will be issued the award for EPC township package.

- 3.2.** The township package shall provide accommodation to the officers and staffs of BIFPCL and other associated personnel. Additionally, the township package will include the facilities for training center & training hostel, nursery & high school, hospital, shopping center with post office, bank and estate office, club, swimming pool, indoor sports complex, outdoor sports area, mosque, temple, cyclone-shelter, police station, security force, army barracks etc.

#### 4.0. Contribution to National Exchequer

- 4.1.** Being one of the contributors to the national exchequer, the Company during the year under review contributed BDT 148.61 million to the national exchequer as AIT. The Company, in the financial year 2017-2018, also contributed BDT 175.89 million to national exchequer as Value Added Tax.
- 4.2.** BIFPCL's contribution of AIT and VAT to the national exchequer for last five (05) years is depicted in graph as follows :



#### 5.0. Financial Position of the Company

- 5.1.** The Directors take pleasure in reporting the financial results of the Company for the year ended 30th June 2018 as compared to previous year and some highlights of the Company's Financial Statements (FSs) are stated below (in BDT million) :

Items	2017-2018	2016-2017
Paid-up Share Capital	6,850.00	3,250.00
Liabilities	23,709.07	3,163.18
<b>Total Equity &amp; Liabilities</b>	<b>30,559.07</b>	<b>6,413.18</b>
Non-current Assets	27,869.15	4,776.04
Current Assets	2,689.92	1,637.14
<b>Total Assets</b>	<b>30,559.07</b>	<b>6,413.18</b>

## Directors' Report : 2017-18

### 6.0. Dividend

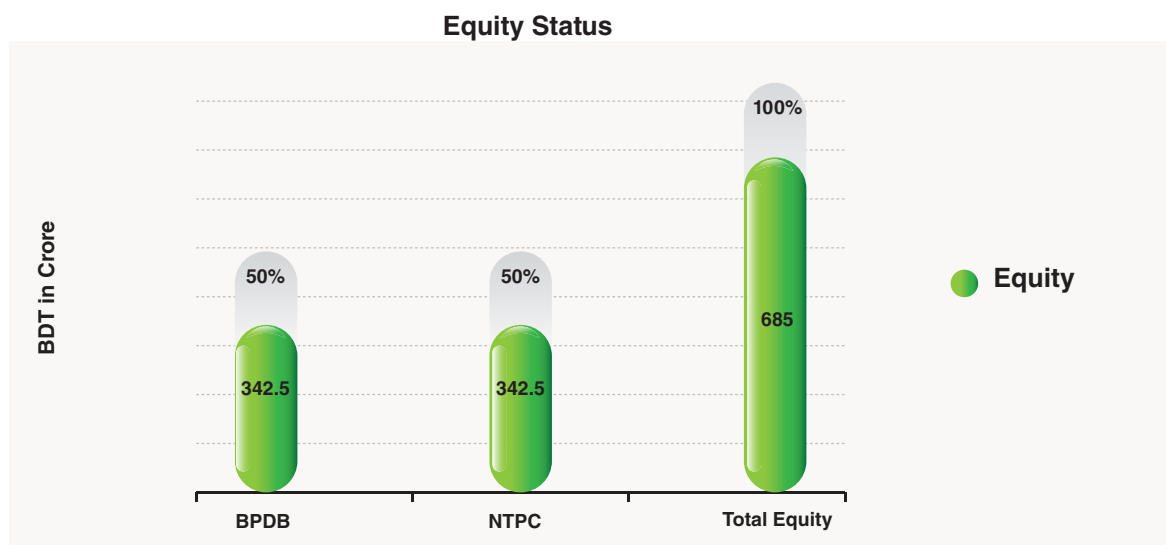
**6.1.** Since the Company has not gone into commercial operation, it could not generate operational profit to recommend dividend to the shareholders for the period.

### 7.0. Paid-up Share Capital

**7.1.** During the year under review, as decided by the Board of Directors, BPDB and NTPC (the Promoters) made total contributions of BDT 360 crore (i.e. BDT 180 crore each) towards further increase in equity share capital of the Company in two phases comprising each of BDT 160 crore and BDT 200 crore respectively. Of the total contribution of BDT 360 crore, BDT 160 crore (approx.) has already been utilized to settle the liability of Company to the Promoters on account of prior period expenditure made by BPDB and miscellaneous salary & other employee related payments made by NTPC and balance amount will be utilized to carry out activities of the Company (like payment for consultancy, statutory dues of local supply and services of EPC Contract, EDC, ICD, L/C charges etc).

**7.2.** The Board of the Directors, upon receipt of consents for raising paid-up share capital from Bangladesh Securities and Exchange Commission (BSEC), equally allotted 3.60 crore Ordinary Shares of BDT 100 each in favor of BPDB and NTPC against the aforesaid equity contribution of BPDB and NTPC.

**7.3.** The equity share capital of BIFPCL as on 30th June 2018 stands at BDT 685 crore. The share capital and shareholding patterns appears in notes to the financial statements of Company. Besides, a graph showing the current equity status of BIFPCL is presented below :



### 8.0. Human Resources

**8.1.** In BIFPCL, the employees enjoy working with pride and are strongly motivated to gain and maintain professional excellence to convert the human resource into human capital. The Company recognizes its human capital as a core part of its business sustainability and growth.



The Company promotes a safe and conducive environment for the development of the employees, which creates commitments and increase productivity.

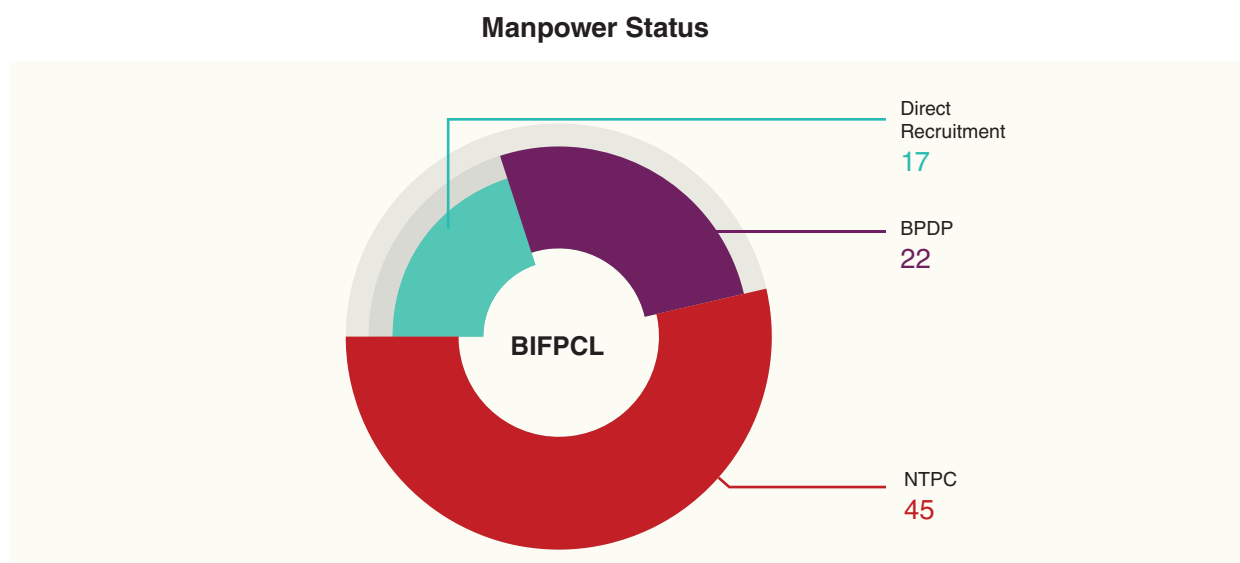
## 8.2. Appointment of Project Director

**8.2.1.** The Board of Directors of BIFPCL, in its 21st Meeting held on 27th September 2017, approved the proposal for creating a post of Project Director for the Project and appointment therefor. Accordingly, interviews of the shortlisted candidates, as recommended by the Remuneration and Appointments Committee of the Board, were conducted by the Members of the Board prior to the 23rd Board Meeting held on 30th January 2018. Mr. Subhash Chandra Pandey was found most suitable candidate for the post of Project Director considering his expertise and experience in 600 MW+ Greenfield Supercritical Thermal Project and top level management. Subsequent to selection by the Board, Mr. Subhash Chandra Pandey joined as Project Director on 10th March 2018.

## 8.3. Deployment of Deputy Project Director

**8.3.1.** As recommended by the Remuneration and Appointments Committee of the Board, the proposal for deployment of Deputy Project Director (DPD) from BPDB was put to the 23rd Meeting of the Board of Directors held on 30th January 2018 for approval. In that meeting, the Board approved the proposal for creating a post of DPD for the Project and deployment of one eligible person to the post of DPD from BPDB on lien / nomination basis. Accordingly, Mr. Md. Rezaul Karim was posted to BIFPCL on lien from BPDB as Deputy Project Director on 9th April 2018.

**8.4.** The Company has 84 (eighty four) employees either by way of deputation / secondment (from NTPC) or lien (from BPDB) or direct recruitment as on 30th September 2018. A graphical view showing deployment of employees in BIFPCL from NTPC, BPDB and direct recruitment is presented below :



**8.5.** The list of key employees of the Company is given below :

## Directors' Report : 2017-18

Sl. No.	Name of Employees	Date of Joining	Position
<b>Employees deputed from NTPC :</b>			
1.	Mr. Naresh Anand	02.08.2017	Managing Director
2.	Mr. Soumitra Ghosh	19.02.2017	Chief Finance Officer
3.	Mr. Ravindra Kumar	08.10.2017	Chief Technical Officer
<b>Employees from BPDB on Lien :</b>			
1.	Mr. Kazi Nazrul Islam	15.12.2016	Chief Human Resource Officer
2.	Mr. Md. Mofijul Islam	09.05.2017	Chief Procurement Officer
3.	Mr. Md. Rezaul Karim	09.04.2018	Deputy Project Director
<b>Employees appointed through Direct Recruitment :</b>			
1.	Mr. Subhash Chandra Pandey	10.03.2018	Project Director
2.	Mr. Arojit Saha	01.02.2015	Company Secretary

### 9.0. Health and Safety

- 9.1.** BIFPCL is fully committed to ensure sustainable development, preservation & protection of environment and welfare of communities. BIFPCL understands its social obligation and technological commitments. It is BIFPCL's responsibility to maintain a safe and healthy workplace for its employees, contractors, visitors and any others that may be affected by construction activities, and strive for a goal of "Zero Reportable Incidents" on the Project.
- 9.2.** In view of the above, the safety officers from BIFPCL and BHEL has already been posted at site. They are monitoring BHEL's / other Contractors' adherence to HSE policy and conducting regular safety inspection at site for the purpose. Weekly safety meetings are being conducted at site between BHEL and BIFPCL. The activities like awareness programs on safety and health aspects, safety pep talks, installation of safety poster at various locations have been conducted in 2018.



A pictorial view of ongoing safety training at site

**9.3.** We believe that these types of steps will help us in achieving the objective of safe work attitude in the long run. As a responsible organization, with a view to maintaining a world class standard of environment, health and safety practices, the Company has finalized Environment Social Management System Manual (ESMS) for providing environment, health & safety standards in accordance with International guidelines.

**9.4.** BIFPCL in the financial year 2017-2018 has introduced and established the facilities of canteen and gymnasium at Dhaka office to ensure hygienic food and good health for the employees at work. The employees are enjoying both the facilities as per their convenience.

## 10.0. The Board of Directors

**10.1.** The Board of Directors, the top management echelon, is responsible to the shareholders for strategic direction of the Company aimed at optimum utilization of the Company's assets in order to maximize the shareholders' wealth. The Board of BIFPCL comprises of eight (8) nominee Directors, four (4) from BPDB and four (4) from NTPC.

## 10.2. Board Meetings and Attendance

**10.2.1.** The Board of Directors hold the ultimate responsibility and accountability with due diligence for conducting the activities of the company as per provisions of law in the interest of the shareholders, the stakeholders, the state and the society. The Board of Directors in fulfillment of its responsibility hold periodic meetings and provide appropriate directions to the management. The Board meets regularly to discharge its duties effectively. During the period ended 30th June 2018, the Board of Directors met four times (21st, 22nd, 23rd and 24th Meetings). The attendance by each Director in the meeting was as follows :

Name of Directors	Tenure of Directorship	Number of Meetings	
		Held	Attended

### Directors Nominated by BPDB :

Dr. Ahmad Kaikaus	Since 29.03.2017	4	4
Engr. Khaled Mahmood	Since 16.07.2016	4	4
Mr. Md. Mahbub-ul-Alam	Since 02.12.2016	4	4
Engr. Md. Mustafizur Rahman	Since 29.03.2017	4	3

### Directors Nominated by NTPC :

Engr. Gurdeep Singh	Since 02.12.2016	4	4
Mr. Kulamani Biswal, FCMA	30.09.2015 to 27.12.2017	2	2
Engr. S. K. Roy	Since 27.09.2017	4	2
Ms. Sangeeta Bhatia	Since 27.12.2017	2	2
Engr. Ujjwal K. Bhattacharya	30.04.2015 to 14.12.2017	2	2
Engr. Naresh Anand	Since 14.12.2017	2	2

Engr. Md. Mustafizur Rahman and Engr. S. K. Roy were duly granted leave of absence in those meetings they could not attend.

## Directors' Report : 2017-18



24th Board Meeting of the Board of Directors held on 07th June 2018 at Board Room of BIFPCL, Dhaka through Video Conferencing

### 10.3. Change of Directors and Managing Director

- 10.3.1.** During the financial year, NTPC changed nomination of Director on the Board of BIFPCL. Accordingly, Mr. S. K. Roy, Executive Director, Operation Services of NTPC (presently Director, Projects of NTPC), was appointed as NTPC nominated Director on the Board of BIFPCL, in its 21st Meeting held on 27th September 2017, to fill casual vacancy caused by withdrawal of nomination of Mr. A. K. Jha.
- 10.3.2.** In view of request from Managing Director, Mr. Ujjwal Kanti Bhattacharya for returning to NTPC, NTPC (as per AoA and JVA provision) agreed to provide another nominee to BIFPCL. Accordingly, in August 2017, Mr. Naresh Anand, General Manager of NTPC (presently Executive Director of NTPC) was deputed to BIFPCL. Subsequently, as per office order of NTPC dated 13th December 2017, the Board by way of resolution by circulation decided to release Mr. Ujjwal Kanti Bhattacharya from the position of Managing Director and pleased to appoint Mr. Naresh Anand as NTPC nominated Director on the Board and Managing Director of the Company in his place with effect from 14th December 2017, upon conclusion of 5th AGM and 5th EGM of the Company. The appointment of Managing Director was confirmed by the Shareholders in the 5th Annual General Meeting of the Company held on 14th December 2017.

**10.3.3.** Nomination of Director on the Board of BIFPCL was further changed by NTPC. Hence, the Board through resolution by circulation appointed Ms. Sangeeta Bhatia, Executive Director (Finance) of NTPC as NTPC nominated Director to fill casual vacancy caused by withdrawal of nomination of Mr. Kulamani Biswal with effect from 27th December 2017, which was ratified by the Board in its 23rd Meeting held on 30th January 2018.

## 11.0. Audit Committee Meeting

**11.1.** The Audit Committee as one of the Board Sub-Committees assists the Board in discharging of its responsibilities. The Committee inter alia reviews audited accounts, annual budgets, business plan etc. prior to their submission to the Board for its consideration. The Audit Committee is comprised of four (04) Members of the Board of Directors of BIFPCL.

**11.2.** The Committee met two times (5th and 6th Meetings) during the financial year 2017-2018. The Committee reviewed and recommended the following items before submission to the Board for approval :

**11.2.1.** Annual Financial Statements for the year ended 30th June 2017;

**11.2.2.** Re-appointment and remuneration of Statutory Auditors of the Company for the financial year 2017-2018;

**11.2.3.** Budget for the financial year RE 2017-2018 & BE 2018-2019;

**11.2.4.** Financial Statements in INR for the year ended March 31, 2018 and Financial Statements in BDT for the year ended March 31, 2018 (for the purpose of consolidation of accounts of NTPC Limited);

**11.2.5.** Deed of Trust and Rules pertaining to the Contributory Provident Fund and the Gratuity Fund respectively for the employees of Company; and

**11.2.6.** Revised Delegation of Power.

**11.3.** The attendance of Members of the Audit Committee during the year under review is given below :

Committee Members	Status	Tenure of Membership	Number of Meetings	
			Held	Attended
Mr. Khaled Mahmood	Chairman	Since 27.09.2017	2	2
Mr. Md. Mustafizur Rahman	Member	Since 27.09.2017	2	2
Mr. Kulamani Biswal	Member	27.09.2017 to 27.12.2017	1	1
Mr. S. K. Roy	Member	Since 27.09.2017	2	1
Ms. Sangeeta Bhatia	Member	Since 27.12.2017	1	1

Mr. S. K. Roy was duly granted leave of absence in the meeting he could not attend. Managing Director, Chief Finance Officer and Company Secretary of BIFPCL attended the Meetings as invitees.



## Directors' Report : 2017-18



6th Meeting of the Audit Committee held on 24th April 2018 through Video Conferencing

### 12.0. Remuneration and Appointments Committee Meeting

- 12.1.** Remuneration and Appointments Committee of the Board among others reviews the performances of the key personnel and their appointments and remuneration prior to submission of the Board for its consideration. The committee is composed of four (04) Members of the Board of Directors of BIFPCL.
- 12.2.** During the year under review, the Committee met once. The attendance of Members of the Remuneration and Appointments Committee during the year under review is given below :

Committee Members	Status	Tenure of Membership	Number of Meetings	
			Held	Attended
Mr. Md. Mahbub-ul-Alam	Chairman	Since 27.09.2017	1	1
Mr. Md. Mustafizur Rahman	Member	Since 27.09.2017	1	1
Mr. Kulamani Biswal	Member	27.09.2017 to 27.12.2017	-	-
Mr. S. K. Roy	Member	Since 27.09.2017	1	1
Ms. Sangeeta Bhatia	Member	Since 27.12.2017	1	-

Ms. Sangeeta Bhatia was duly granted leave of absence in the meeting she could not attend. Managing Director and Company Secretary of BIFPCL attended the Meeting as invitees.

- 12.3.** The Committee, in its 4th Meeting held on 17th January 2018, reviewed and considered the shortlisting of the candidates identified for the post of Project Director and recommended to the Board for selection through interview. In the same meeting, the Committee also recommended to the Board for approval of grade and pay fixation of the employees deputed from BPDB, project allowance to the employees of BIFPCL posted at site and deployment of one eligible person from BPDB as Deputy Project Director for the Project.



4th Meeting of the Remuneration and Appointments Committee held on 17th January 2018 through Video Conferencing

### 13.0. Project Sub-Committee Meeting

- 13.1.** The Board of Directors of BIFPCL, in its 22nd Meeting held on 06th December 2017, formed a 3-Member Project Sub-Committee comprising of Mr. Md. Mustafizur Rahman, Director nominated by BPDB, Mr. S. K. Roy, Director nominated by NTPC and Managing Director, BIFPCL to review deviation for amendment of Contracts awarded for initial site infrastructure development and recommend the Board for approval.
- 13.2.** The Committee met twice during the financial year 2017-2018 and reviewed and recommended the deviations to the Board for approval. The Chief Procurement Officer and the Company Secretary of BIFPCL attended the Meetings on invitation.

## Directors' Report : 2017-18



Project Sub-Committee Meeting held on 17th January 2018 through Video Conferencing

### 14.0. Project Committee

**14.1.** The Project Committee comprising of two (02) nominated Directors (one each from BPDB and NTPC) of the Board of BIFPCL had been constituted by the Board, in its 24th meeting held on 07th June 2018. The Committee has been delegated certain power in respect of procurement contracts (i.e. contracts for works / purchase / consultancy assignments etc.) beyond the delegated power / authority to Managing Director. During the financial year, Meeting of the Project Committee was not held as in line with delegation of power, no matter was required to be referred to the Project Committee. The Members of the Committee are as follows :

Committee Members	Status	Tenure of Membership
Mr. Khaled Mahmood	Chairman	Since 07.06.2018
Mr. S. K. Roy	Member	Since 07.06.2018



## 15.0 Directors' Responsibility Statement

**15.1.** The Board is responsible to present a true and fair view of the Company's financial performance and position. The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994. Your Directors also hereby confirm to the best of their knowledge that :

**15.1.1.** The financial statements fairly present the company's state of affairs, the results of its pre-commercial operation activities, cash flows and changes in equity;

**15.1.2.** Proper books of accounts as required by law have been maintained;

**15.1.3.** Appropriate accounting policies have been consistently followed in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;

**15.1.4.** International Accounting Standards (IASs) as applicable in Bangladesh have been followed in preparation of the financial statements;

**15.1.5.** There are no significant doubts on the company's ability to continue as a going concern.

**15.1.6.** The Directors have also taken proper and sufficient care for maintenance of accounting records, safeguarding assets of the company and preventing and detecting fraud and other irregularities.

## 16.0. Appointment of Auditors

**16.1.** Appointment of the Statutory Auditor is regulated by the Companies Act, 1994. On the basis of the law, the current statutory auditors, M/s. S. F. Ahmed & Co., Chartered Accountants, (which is affiliated with HLB International, UK), having office at House 51, Road 9, Block F, Banani, Dhaka 1213, Bangladesh, will retire at the 6th Annual General Meeting of the Company.

**16.2.** They, being qualified, have expressed willingness to be re-appointed as statutory auditors for another term till conclusion of the 7th AGM of the Company. M/s. S. F. Ahmed & Co. has completed assignment of audit for consecutive 6 (six) financial years including the year ended 30th June 2018.

**16.3.** On the basis of recommendation of the Audit Committee, the Board recommends for re-appointment of M/s. S. F. Ahmed & Co. as its statutory auditor for next financial year and till conclusion of the 7th AGM at a fee / remuneration of BDT 2,75,000/- (Taka Two Lac Seventy Five Thousand only) plus applicable taxes and requests the Shareholders to approve the appointment.

## 17.0. Annual General Meeting

**17.1.** The Company held its 5th Annual General Meeting (AGM) on 14th December 2017 at Bijay Hall of Bidyut Bhaban (14th Floor), 1 Abdul Gani Road, Dhaka-1000, Bangladesh. Dr. Ahmad Kaikaus, Chairman of the Company, presided over the meeting. Other directors of the Company namely, Mr. Khaled Mahmood, Mr. Md. Mahbub-ul-Alam, Mr. Md. Mustafizur Rahman, Mr. Gurdeep Singh, Mr. S.K. Roy and Mr. Ujjwal K. Bhattacharya were present in the meeting.

## Directors' Report : 2017-18

- 17.2.** Mr. K. P. Gupta, Executive Director (Finance & Law) & Company Secretary of NTPC and Mr. Mina Masud Uzzaman, Secretary of BPDB attended the meeting as authorized representatives of NTPC and BPDB respectively (both nominated under Section 86 of the Companies Act, 1994).



5th Annual General Meeting of BIFPCL

- 17.3.** On the occasion of 5th AGM, the Chairman, BIFPCL handed over two Share Certificates, each equally issued in favor of 'Bangladesh Power Development Board (BPDB)' and 'NTPC Limited' on 30th March 2017 against allotment of 1,50,00,000 (One Crore Fifty Lac) Ordinary Shares of BDT 100/- each to the above authorized representatives of BPDB and NTPC.



Handing-over of Share Certificate to the Authorized Representative of BPDB



Handing-over of Share Certificate to the Authorized Representative of NTPC



## 18.0. Extra-Ordinary General Meeting

- 18.1.** The 5th Extra-Ordinary General Meeting of BIFPCL was held on Thursday, 14th December 2017 at Bijoy Hall of Bidyut Bhaban (14th Floor), 1 Abdul Gani Road, Dhaka-1000, Bangladesh after the 5th AGM was held. As per special resolution passed in the meeting, Authorized Capital of the Company was increased from BDT 1,500 crore to BDT 3,200 crore and necessary amendments related thereto were made to the Memorandum of Association and Articles of Association of the Company.



5th Extra-Ordinary General Meeting of BIFPCL

## 19.0. Contributory Provident Fund (CPF) and Gratuity Fund (GF)

- 19.1.** As part of social security measures and terminal benefits, the Board of Directors of the Company, in its 24th Meeting held on 7th June 2018, had approved the schemes of Contributory Provident Fund (CPF) and Gratuity Fund (GF) for the employees of BIFPCL.
- 19.2.** Accordingly, "Bangladesh-India Friendship Power Company (Pvt.) Limited Employees' Contributory Provident Fund Deed of Trust" and "Bangladesh-India Friendship Power Company (Pvt.) Limited Employees' Contributory Provident Fund Rules-2018" are in practice. As per provision of the rules, contribution made by any member (Employee's Contribution) shall be at the rate of 10% (Ten Percent) of his basic salary and such contribution shall be deducted from each member's salary every month which will be

## Directors' Report : 2017-18

credited to the members account. An equal amount i.e. 10% (Ten Percent) of basic salary shall also be paid by the Company to each employee and shall be credited to the employee's individual account.

- 19.3.** Similarly, "Bangladesh-India Friendship Power Company (Pvt.) Limited Employees' Gratuity Fund Deed of Trust" and "Bangladesh-India Friendship Power Company (Pvt.) Limited Employees' Gratuity Fund Rules-2018" are also in practice. Subject to the provision of rules, all regular employees, who have rendered at least 3 (three) years' continuous service in the Company, are entitled to Gratuity at the rate of 2.5 (two point five) months' basic pay for each completed year of service or any part thereof minimum 180 days on his / her last drawn basic, payable on cessation of service from the Company, in the following manner:

Length of Service	Gratuity Payable
Less than Three (03) years	Nil
Three (03) years and above	100%

- 19.4.** Both the Funds (CPF and GF) are being controlled and administered by the respective Trust, and are effective from 1st day of July 2014. The FY 2014-2015 has been considered for effectiveness, as direct recruitment of employees for the Company had started in the same FY.

### 20.0. Human Resources (HR) Policy, 2018

- 20.1.** In view of the recommendation of the Remuneration and Appointments Committee, the Board after the financial year 2017-2018, in its 25th Meeting held on 24th September 2018, approved the Human Resources (HR) Policy, 2018 for the employees of the Company. The HR Policy, 2018 is effective from 24th September 2018. Upon approval of the said HR Policy, the salary and other benefits as adopted by the Board earlier for the employees of the Company as an interim measure ceases to exit.

### 21.0. Training for the Employees

- 21.1.** The success of BIFPCL depends on the capability of its employees to execute this project and subsequently manage it. Training for the employees of BIFPCL is not a stand-alone activity but it has implication on the business of BIFPCL too.
- 21.2.** So far, BIFPCL has successfully provided 216 man-days of foreign training in India to its employees and 27 man-days of local training comprising of BIFPCL's own cadre and the employees on lien from BPDB.
- 21.3.** In future, BIFPCL also intends to design and deliver training programmes that combine both theoretical as well as practical job training. Hence it has plan to design and deliver OEM certified 240 man-days of training programs at EPC Works and its vendor units for all major equipment. Also about 6000 man-days shall be invested on training of our staffs in the fields of Operation, Mechanical-Electrical-C&I Maintenance, Coal & Material handling etc. at our own MSTPP site. These programs shall be made available free of cost by our EPC contractor so that our staff is adequately trained in operation and maintenance of plant & equipment independently after commissioning of the Project.

## 22.0. Corporate Social Responsibilities (CSR)

**22.1.** CSR reflects an organization's commitment towards improving the society's wellbeing and it also serves to enhance the organizational image. CSR is essential for the business sustainability and enhancement of long-term stakeholders' value. BIFPCL is a contributor and provider to the society through its CSR initiatives, sustainable balance of economic development, environmental protection and social progress of the community. As a part of sustainable development, it takes seriously its corporate social responsibilities. Some CSR initiatives of the Company are highlighted below:

### 22.1.1. Medical Facility at Site

**22.1.1.1.** Since early stage of the project activities, BIFPCL has been providing free medical facilities to the local residents. So far, some 13,500 local people have been given free medical services from the Company and this facility would be continued in future as well.



Patients Waiting for Medical Service



Free Medical Service

### 22.1.2. Facilitation to Local Education and Social Programmes

**22.1.2.1.** BIFPCL during the financial year organized drawing & essay competition in observance of Independence Day (26th March 2018), cultural programme on the occasion of Pahela Baishakh (14th April 2018) to enhance social harmony with the local community, distributed prize amongst the local students having highest GPA in SSC and HSC examinations. BIFPCL is also organizing regular interactions with local leaders, teachers, students and journalists through different forums and also through social media as important segment of building rapport with local community. Local administration and public representatives are always invited in such types of programmes.



## Directors' Report : 2017-18



Drawing Competitions



Distribution of Books

**22.1.2.2.** Around the Project site, BIFPCL in August 2018 in presence of the local representatives had distributed school bags, water bottles and umbrella amongst the 800 students of four schools of Rampal upazila of Bagerhat.



Distribution of school bags, water bottles and umbrella amongst the school students



### 22.1.3. Skill Development Activities

**22.1.3.1.** BIFPCL has been contributing to the skill development of local youths through computer and tailoring training programmes since October 2016. Until now, the Company has provided computer training to 65 local youths. On the other hand, it has given tailoring training to 41 local women. These people are utilizing their training knowledge in the nearby cities and other areas as a means of their livelihoods. Sewing training for

local women and computer training for local youths has got huge attention from the local community.



Inauguration Program of Computer Course

#### 22.1.4. Hand-over of Vehicle to District Police of Bagerhat

**22.1.4.1.** In July 2018, BIFPCL handed-over a police van to Bagerhat District Police to support their duties and responsibilities in the region. In this connection, a function was held at the office of local police super (SP).



Vehicle Hand-over Ceremony

#### 22.1.5. Going Green

**22.1.5.1.** The Company had entered into an agreement on 24th January 2018 with the Forest Department under the Ministry of Environment, Forest and Climate Change, GoB, following the Memorandum of Understanding (MoU) signed earlier with Forest Department. Pursuant to the agreement, BIFPCL is implementing afforestation programme at the project site, thereby being created a green belt (carbon sink) in and



## Directors' Report : 2017-18

around the project area which will absorb carbon dioxide to be emitted from the Project. Besides, this will significantly improve the environment and ecological balance of the region. Under the programme, approximately 2.0 lakh trees / saplings will be planted gradually within the acquired land area at Rampal site. Meantime, some 68,875 saplings of various species like Coconut, Emery, Arjuna, Gauva, Corn meal, Apple, Tamarind, Pitheura, Nut, Neem, Simul, Mahagony, Pipul, flowering trees, ornamental trees etc. have already been planted in and around the Project. For maintenance of the planted saplings / trees, a full-time environmental monitoring system is in place in association with Department of Environment and will be continued.



Tree Plantation at Site

### Acknowledgement

Our remarkable performance over the year under review demonstrates the dedication and support to the Company by its employees' at the front and by those numerous stakeholders offstage. In this context, the Board of Directors would like to extend its foremost regards and appreciation to the values shareholders and stakeholders of the Company for their patronage and guidance to the Company that led to the achievements. The Directors also like to extend its appreciation to government agencies, regulators, Export-Import Bank of India (Lender), bankers, business constituents, suppliers, auditors, consultants, press & media and other stakeholders.

Our employees' dedication, hard work and passion have been the enduring hallmark of our success. So, we would like to express once again our sincere thanks to them and look forward to their continued dedication and contribution in taking BIFPCL to the peak of progress.

For and on behalf of Board of Directors,

**Dr. Ahmad Kaikaus**  
Chairman



# Auditors' Report and Financial Statements 2017-18

## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Independent Auditors' Report to the Shareholders

For the year ended 30 June 2018

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

#### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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


#### Opinion

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

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by the 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 (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account and returns.

Dhaka, Bangladesh  
Dated, 08 October 2018

  
S.F. AHMED & CO  
Chartered Accountants

# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Statement of Financial Position (Balance Sheet)

As at 30 June 2018

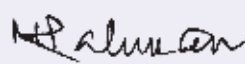
	Notes	2018 BDT	2017 BDT
<b>Equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	2	6,850,000,000	3,250,000,000
Equity contribution		-	-
		6,850,000,000	3,250,000,000
<b>Non-current liabilities</b>			
Long-term borrowings	3	22,933,328,983	-
Other long-term liabilities	3A	366,961,416	78,016,826
<b>Total non-current liabilities</b>		23,300,290,399	78,016,826
<b>Current liabilities</b>			
Trade payables		-	-
Other current liabilities	4	408,781,603	3,085,165,649
<b>Total current liabilities</b>		408,781,603	3,085,165,649
<b>Total equity and liabilities</b>		<b>30,559,072,002</b>	<b>6,413,182,475</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	2,117,850,788	1,801,395,171
Intangible assets	5A	418,355	467,109
Capital works-in-progress	6	8,044,879,394	2,945,961,438
Long-term loans and advances	7	17,706,002,346	28,217,800
<b>Total non-current assets</b>		27,869,150,883	4,776,041,518
<b>Current assets</b>			
Short-term loans and advances	8	70,173,040	28,484,167
Cash and cash equivalents	9	1,419,748,079	1,608,656,790
Other current assets	10	1,200,000,000	-
<b>Total current assets</b>		2,689,921,119	1,637,140,957
<b>Total assets</b>		<b>30,559,072,002</b>	<b>6,413,182,475</b>

These financial statements should be read in conjunction with annexed notes

For and on behalf of Board of Directors of  
Bangladesh-India Friendship Power Company (Pvt.) Limited


  
Company Secretary

  
Managing Director

  
Director

See annexed report of the date

Dhaka, Bangladesh  
Dated, 08 October 2018

  
S. F. AHMED & CO  
Chartered Accountants


**Bangladesh-India Friendship Power Company (Pvt.) Limited**  
**Statement of Profit or Loss and Other Comprehensive Income (Profit or Loss Statement)**  
For the year ended 30 June 2018

	<b>2018</b>	<b>2017</b>
	BDT	BDT
<b>Revenue</b>		
Revenue from operations (gross)	-	-
Less: Electricity duty	-	-
Revenue from operations (net)	-	-
Other income	-	-
<b>Total revenue</b>	-	-
<b>Expenses</b>		
Fuel	-	-
Employee benefits expense	-	-
Finance costs	-	-
Depreciation and amortisation expense	-	-
Generation, administration and other expenses	-	-
Prior period items (net)	-	-
<b>Total expenses</b>	-	-
<b>Profit before tax and exceptional items</b>	-	-
Exceptional items	-	-
<b>Profit before tax</b>	-	-
<b>Tax expense</b>		
<b>Current tax</b>		
Current year	-	-
Earlier years	-	-
<b>Deferred tax</b>		
Current year	-	-
Earlier years	-	-
<b>Total tax expense</b>	-	-
<b>Profit for the year</b>	-	-

For and on behalf of Board of Directors of  
Bangladesh-India Friendship Power Company (Pvt.) Limited


  
Company Secretary

  
Managing Director

  
Director

See annexed report of the date

Dhaka, Bangladesh  
Dated, 08 October 2018

  
S. F. AHMED & CO  
Chartered Accountants



# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Statement of Changes in Equity


For the year ended 30 June 2018

	Share capital	Equity contribution	Retained earnings	Total
	BDT	BDT	BDT	BDT
<b>Year ended 2017</b>				
Balance as at 01 July 2016	1,750,000,000	-	-	1,750,000,000
Addition during the year	1,500,000,000	-	-	1,500,000,000
Profit for the year	-	-	-	-
<b>Balance as at 30 June 2017</b>	<b>3,250,000,000</b>	<b>-</b>	<b>-</b>	<b>3,250,000,000</b>
<b>Period ended 2018</b>				
Balance as at 01 July 2017	3,250,000,000	-	-	3,250,000,000
Addition during the year	-	3,600,000,000	-	3,600,000,000
Transfer to share capital	3,600,000,000	(3,600,000,000)	-	-
Profit for the year	-	-	-	-
<b>Balance as at 30 June 2018</b>	<b>6,850,000,000</b>	<b>-</b>	<b>-</b>	<b>6,850,000,000</b>

For and on behalf of Board of Directors of  
Bangladesh-India Friendship Power Company (Pvt.) Limited

  
Company Secretary

  
Managing Director

  
Director

See annexed report of the date

Dhaka, Bangladesh  
Dated, 08 October 2018

## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Statement of Cash Flows


For the year ended 30 June 2018

	2018	2017
	BDT	BDT
<b>A. Cash flows from operating activities</b>		
Net profit/(loss) before tax	-	-
Depreciation and amortisation	134,234,962	78,794,615
Changes in working capital:		
Increase in loans and advances	-	(20,897,140)
Decrease in other current liabilities	(3,587,439,456)	1,334,653,885
<b>Net cash from operating activities (A)</b>	<b>(3,453,204,494)</b>	<b>1,392,551,360</b>
<b>B. Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(450,711,203)	(10,261,859)
Proceeds from disposal, property, plant and equipment	-	13,042
Capital advances	(17,719,473,419)	-
Increase in works-in-progress	(5,098,848,578)	(1,787,538,547)
<b>Net cash used in investing activities (B)</b>	<b>(23,269,033,200)</b>	<b>(1,797,787,364)</b>
<b>C. Cash flows from financing activities</b>		
Share capital	3,600,000,000	1,500,000,000
Long-term borrowings	22,933,328,983	-
Net cash from financing activities (C)	26,533,328,983	1,500,000,000
<b>D. Net changes in cash and cash equivalents (A+B+C)</b>	<b>(188,908,711)</b>	<b>1,094,763,997</b>
<b>E. Opening cash and cash equivalents</b>	<b>1,608,656,790</b>	<b>513,892,794</b>
<b>F. Closing cash and cash equivalents</b>	<b>1,419,748,079</b>	<b>1,608,656,790</b>

For and on behalf of Board of Directors of  
Bangladesh-India Friendship Power Company (Pvt.) Limited

  
Company Secretary

  
Managing Director

  
Director

See annexed report of the date

Dhaka, Bangladesh  
Dated, 08 October 2018

# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Notes to the Financial Statements

For the year ended 30 June 2018

### 1. The company and its activities

#### 1.1.1 Company's profile

Bangladesh-India Friendship Power Company (Pvt) Limited (the Company/BIFPCL) is a joint venture company incorporated in Bangladesh under the Companies Act 1994 registered with the Office of Registrar of Joint Stock Companies and Firms (RJSCF), Dhaka, vide its certificate of incorporation no. C-105370/12 dated 31 October 2012. It is a private limited company incorporated under a joint venture agreement between Bangladesh Power Development Board (BPDB) and National Thermal Power Corporation Limited (NTPC) with equal equity participation of (1) Bangladesh Power Development Board, a board constituted under the Bangladesh Water and Power Development Board's Order 1972 (PO No. 59 of 1972) referred to as BPDB having its Head Office at WAPDA Building, 12 Motijheel Commercial Area, Dhaka 1000, Bangladesh and, (2) NTPC Limited, a company incorporated under the laws of India, having its registered office at NTPC Bhaban, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi 110003, India.

#### 1.1.2 Nature of business

The principal activities of the Company for which it was established are to design, engineer, manufacture, insure, finance, acquire, construct, complete, permit, test, commission, own, operate and maintain thermal power projects; to undertake, wherever necessary, the construction of transmission lines and ancillary works for timely and coordinated exchange of electric power; and to carry on the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspects of electric power and for the purpose to set-up, operate and manage all necessary plants, establishments and works in other allied industries.

Presently, the Company is setting up a 1320 MW (2 X 660 MW) Coal Based Thermal Power Plant at Rampal in Bagerhat District of Khulna Division, Bangladesh. The Project is expected to be completed in 3 years and thereafter will commence its commercial operations.

### 1.2 Significant accounting policies

#### 1.2.1 Preparation of financial statements

The financial statements have been prepared in accordance with the requirements of Bangladesh Financial Reporting Standards (BFRS) which also cover Bangladesh Accounting Standards (BAS), the Companies Act 1994 and other applicable laws and regulations.

#### 1.2.2 Basis of measurement

These financial statements have been prepared on a going concern and accrual bases under historical cost convention in accordance with BFRS. Wherever appropriate, such principles are explained in the succeeding notes.

#### 1.2.3 Property, plant and equipment

##### 1.2.3.1 Recognition and measurement

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

##### 1.2.3.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of day to day servicing of fixed assets are recognised under work in progress as incurred.

##### 1.2.3.3 Maintenance activities

The Company incurs maintenance costs for all of its major property, plant and equipment. Repair and maintenance costs are charged as expenses.

## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Notes to the Financial Statements

For the year ended 30 June 2018

#### 1.2.3.4 Depreciation

Depreciation on property, plant and equipment has been charged applying straight line method considering the estimated life and the salvage value of the assets procured. Depreciation is charged on property, plant and equipment on a monthly basis.

#### 1.2.3.5 Additional information

Useful life of EDP equipment and its ancillary items is determined at 3 years.

Useful life of temporary building is determined at 5 years.

#### 1.2.4 Functional and presentational currency

These financial statements are presented in BDT, which is the Company's functional and presentational currency.

#### 1.2.5 Components of these financial statements

Following are the components of these financial statements:

- (i) Statement of financial position (balance sheet)
- (ii) Statement of profit or loss and other comprehensive income (profit or loss statement)
- (iii) Statement of Changes in Equity
- (iv) Statement of cash flows; and
- (v) Explanatory notes to the above financial statements which also describe accounting policies adopted and followed by the Company.

#### 1.2.6 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities. Actual results may differ from these estimate.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

#### 1.2.7 Reporting period

These financial statements cover the period of one (1) year from 01 July 2017 to 30 June 2018.

#### 1.2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

#### 1.2.9 Foreign currency transactions

Foreign currency transactions are converted at the rates ruling on the dates of transactions in accordance with BAS 21 "The Effects of Changes in Foreign Exchange Rates". Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rate prevailing on that date. Exchange losses/(gain) arising out of the said conversion is recognised as an expense/(income) for the year.

However, under section 185, read with Part I, Schedule XI of the Companies Act, 1994 where the cost of any fixed asset which has been acquired from a country outside Bangladesh, and in consequence of a change in the rate of exchange at anytime after the acquisition of such asset, there has been an increase or reduction in the liability of the company, as expressed in presentation currency for making payment in foreign currency shall be deducted or taken to the cost of the asset. Therefore, the policy, as aforementioned, consistently followed by the company in recognising the foreign exchange gain/loss is a departure from the said act.

## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Notes to the Financial Statements

For the year ended 30 June 2018

#### 1.2.10 Income Tax

Income tax expense comprises current tax only, and it is recognised in profit or loss when it relates to the items recognised in profit or loss.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any.

The company is exempted from payment of tax arising from its income from business sources for a period of fifteen years from the date of starting its commercial operation vide SRO no. 213/Law/Income tax/2013 dated 01 July 2013. The company has, however, some income from other sources from which advance tax has been deducted under section 53(F). That tax has been charged an expense and subsequently capitalised following the policy as stated in note 6.

#### 1.3 Significant contract

##### 1.3.1 Joint venture agreement

BPDB and NTPC entered into a joint venture agreement on 29 January 2012 with the objective of setting up and implementing coal based power plant(s) in Bangladesh to cater to the growing power requirements of Bangladesh. The parties have agreed that NTPC and BPDB shall incorporate a special purpose vehicle in the form of a joint venture company being a private company limited by shares in Bangladesh for implementing the project in Bangladesh in compliance with applicable laws by subscribing share capital of the joint venture company (JVC) in the ratio of 50:50. The JVC shall implement the project with a loan component and an equity component of 80:20 respectively as mutually agreed between parties. The parties have entered into this definitive and binding joint venture agreement pursuant to the memorandum of understanding (MOU) dated 30 August 2010 with regard to the setting up of JVC for inter alia, their participation in and to determine their relationship with each other as shareholders of the JVC and management of their respective relationship with each other.

##### 1.3.2 Implementation agreement

The Company has entered into an implementation agreement (IA) with the Government of Bangladesh (GoB) on 20 April 2013. Through the IA, the GoB ensures that the Bangladesh Bank will give consent to the foreign investor for opening and operation of BDT and Dollar bank accounts, including bank account(s) necessary to invest in the Company inside Bangladesh and the accumulation of earnings and sales proceeds from the share and other receipts and transfer of fund into and out of such accounts to any other accounts inside and/ or outside Bangladesh related to the facility as per laws of Bangladesh. Among incentives, there are a fifteen-year corporate income tax exemption and the ability to repatriate dividends and profits after commencing of commercial operation as per applicable laws.

The IA also states that, GoB shall ensure that no Government authority will take any discriminatory action which materially and adversely affect the Project or the performance of the Company's obligations or the enjoyment of its rights or interest of the investors or lenders under the security package or expropriation, acquires the facility or the Company, whether in whole or in part.

As per IA, GoB shall ensure that the land on which the Facility or any part thereof is to be built shall be leased to the Company by BPDB through land lease agreement. The land lease agreement shall be for an initial period of thirty five (35) years and shall be extended from time to time so that the same is valid during the term of the power purchase agreement (PPA). GoB shall be responsible for maintenance of general law and order as per the laws of Bangladesh.



## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Notes to the Financial Statements

For the year ended 30 June 2018

BPDB has identified the plot of land at the bank of river Possur approximately 14 km upstream of Mongla port in Rampal Upazila, District Bagherhat, Khulna Division for development of a coal based power plant of capacity 1234.2 MW (net) for electric power generation with imported coal.

#### 1.3.3 Power purchase agreement

The Company has entered into a power purchase agreement with BPDB on 20 April 2013 for a period of twenty five (25) years from the date of commercial operations whereby BPDB agrees to purchase all net electrical outputs of the Facility. The Company shall not, sell or deliver electricity produced by the Facility to other person or entity without prior consent of BPDB.

## 2. Share capital

Equity share capital

Authorised

320,000,000 shares of BDT 100 each

(Previous year: 150,000,000 shares of BDT 100 each)

Issued, subscribed and fully paid-up

68,500,000 shares (previous year: 32,500,000 shares of BDT 100 each)

	2018	2017
	BDT	BDT
320,000,000 shares of BDT 100 each	32,000,000,000	15,000,000,000
68,500,000 shares (previous year: 32,500,000 shares of BDT 100 each)	6,850,000,000	3,250,000,000

a) During the year, the Company in its board meeting held on 08 April 2018 and 07 June 2018 decided to issue 16,000,000 and 20,000,000 ordinary shares of BDT 100 each to existing shareholders. Share money against the said issue of ordinary shares were deposited/transferred to Janata Bank Limited, Nawab Abdul Gani Road Branch, by the respective shareholders following due regulatory procedures.

b) The Company has only ordinary class of equity shares. The holders of the equity shares are entitled to receive dividends as may be declared from time to time and are entitled to voting rights proportionate to their shareholdings at the meetings of shareholders.

c) During the year ended 30 June 2018, no dividend was declared (previous year nil).

d) Details of shareholders holding more than 5% shares in the Company:

Particulars	30 June 2017		Addition during the year	30 June 2018	
	No. of shares	Percentage of holding	No. of shares	No. of shares	Percentage of holding
NTPC Limited	16,250,000	50	18,000,000	34,250,000	50
Bangladesh Power Development Board	16,250,000	50	18,000,000	34,250,000	50

## 3. Long-term borrowings

Loan from Export-Import Bank of India

22,933,328,983	-
<b>22,933,328,983</b>	<b>-</b>





# Bangladesh-India Friendship Power Company (Pvt.) Limited Notes to the Financial Statements For the year ended 30 June 2018

Annual Report  
2017-2018

## 5. Tangible assets

	Gross Block			Rate (%)	Depreciation/Amortisation				Net Block	
	As at 01 July 2017	Additions	Deductions/ Adjustments	As at 30 June 2018	Up to 01 July 2017	For the year	Deductions/ Adjustments	Up to 30 June 2018	As at 30 June 2018	As at 30 June 2017
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Land (including development expenses)										
Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold	1,574,651,890	-	-	1,574,651,890	56,976,155	52,593,372	-	109,569,527	1,465,082,362	1,517,675,735
Boundary wall and fencing	166,344,444	278,207,910	-	444,552,354	6,018,896	14,848,050	3,871,726	24,738,672	419,813,682	160,325,548
Roads, bridges, culverts & helipads	41,080,380	39,042,072	-	80,122,452	8,966,731	11,430,506	4,036,037	24,433,275	55,689,177	32,113,649
Building	-	-	-	-	-	-	-	-	-	-
Freehold	-	-	-	-	-	-	-	-	-	-
Main plant	-	-	-	-	-	-	-	-	-	-
Others	10,125,362	119,217,674	-	129,343,036	366,369	18,376,414	8,617,243	27,360,026	101,983,010	9,758,993
Leasehold	-	-	-	-	-	-	-	-	-	-
Temporary erection	18,575,157	2,945,910	-	21,521,067	6,316,543	5,784,556	1,898,252	13,999,351	7,521,716	12,258,614
Water supply, drainage & sewerage system	19,291,820	3,587,295	-	22,879,115	3,996,541	3,989,136	1,556,683	9,542,360	13,336,755	15,295,279
MGR track and signalling system	-	-	-	-	-	-	-	-	-	-
Railway siding	-	-	-	-	-	-	-	-	-	-
Earth dam reservoir	-	-	-	-	-	-	-	-	-	-
Plant and equipment	-	-	-	-	-	-	-	-	-	-
Furniture and fixtures	-	-	-	-	-	-	-	-	-	-
Vehicles including speedboats	26,777,400	651,634	-	27,429,034	3,373,445	1,711,916	-	5,085,361	22,343,673	23,403,955
Owned	15,544,868	-	-	15,544,868	4,931,982	1,476,762	-	6,408,744	9,136,124	10,612,886
Leased	-	-	-	-	-	-	-	-	-	-
Office equipment	9,135,912	4,388,203	-	13,524,115	1,233,429	677,739	-	1,911,167	11,612,948	7,902,483
EDP, WP machines and satcom equipment	4,190,976	1,549,887	(75,000)	5,665,863	2,598,021	1,595,926	(5,625)	4,188,322	1,477,541	1,592,955
Construction equipment	1,187,751	-	-	1,187,751	131,048	62,713	-	193,761	993,989	1,056,703
Electrical installations	4,870,535	-	-	4,870,535	1,959,359	876,696	-	2,836,054	2,034,481	2,911,177
Communication equipment	7,169,030	801,646	-	7,970,676	681,337	463,509	-	1,145,346	6,825,330	6,487,191
Hospital equipment	-	-	-	-	-	-	-	-	-	-
Laboratory and workshop equipment	-	-	-	-	-	-	-	-	-	-
Assets under 5 KM scheme of the GOI	-	-	-	-	-	-	-	-	-	-
Capital expenditure on assets not owned by the Company	-	-	-	-	-	-	-	-	-	-
Assets of government	-	-	-	-	-	-	-	-	-	-
Less: Grants from government	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,898,945,525</b>	<b>450,392,231</b>	<b>(75,000)</b>	<b>2,349,262,756</b>	<b>97,550,356</b>	<b>113,887,295</b>	<b>19,979,941</b>	<b>231,411,966</b>	<b>2,117,850,788</b>	<b>1,801,395,171</b>

# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Notes to the Financial Statements

For the year ended 30 June 2018



### 5A. Intangible assets

	Gross Block			Amortisation			Net Block	
	As at	Additions	Deductions/	As at	Rate	Upto	As at	As at
	01 July 2017	BDT	BDT	30 June 2018	(%)	01 July 2017	30 June 2018	30 June 2017
Software	880,600	318,972	-	1,199,572	33.33	413,491	367,726	781,217
Right of use - Land	-	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-	-
<b>Total</b>	<b>880,600</b>	<b>318,972</b>	<b>-</b>	<b>1,199,572</b>		<b>413,491</b>	<b>367,726</b>	<b>781,217</b>
								<b>418,355</b>
								<b>467,109</b>

Deduction/adjustments from gross block and amortisation for the year includes:

	Gross Block		Amortisation	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Retirement of assets	-	-	-	-
Cost adjustments including exchange differences	-	-	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	-	-	-
Others	-	-	-	-

Depreciation/amortisation (BDT 133,867,236 + BDT 367,726 = BDT 134,234,962) of Tangible and Intangible Assets for the year is allocated as given below:

	30 June 2018	30 June 2017
Charged to statement of profit & loss	-	-
Allocated to fuel cost	-	-
Transferred to expenditure during construction period (net) - Note 11	134,234,962	78,794,615
Transferred to development of coal mines	-	-
Adjustment with deferred income/expense from deferred foreign currency fluctuation	-	-
	<b>134,234,962</b>	<b>78,794,615</b>



# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Notes to the Financial Statements

For the year ended 30 June 2018

Annual Report  
2017-2018

### 6. Capital works-in-progress

	As at 01 July 2017	Additions	Deductions & Adjustments	Capitalised	As at 30 June 2018
	BDT	BDT	BDT	BDT	BDT
Boundary wall, slope protection & earthen dyke	358,101,659	8,623,618	-	343,711,673	23,013,604
Land filling	64,490,366	-	(60,000,000)	-	4,490,366
Main plant	-	3,294,142,697	-	-	3,294,142,697
Other civil structure	6,115,191	-	-	-	6,115,191
Building non-residential	97,916,766	1,427,949	-	98,905,136	439,577
Survey, investigation, consultancy and supervision charges	-	-	-	-	-
Difference in exchange on foreign currency loans	-	-	-	-	-
Unallocated interest	7,988,482	-	(7,988,482)	-	-
Expenditure towards diversion of forest land	-	-	-	-	-
Pre-commissioning expenses (net)	-	-	-	-	-
Expenditure during construction period (net)	2,411,348,974	2,297,340,500	7,988,482	-	4,716,677,960
Less: Allocated to related works	-	-	-	-	-
Less: Provision for unserviceable works	-	-	-	-	-
<b>Construction stores (net of provision)</b>	-	-	-	-	-
<b>Total 2018</b>	<b>2,945,961,438</b>	<b>5,601,534,763</b>	<b>(60,000,000)</b>	<b>442,616,809</b>	<b>7,686,777,735</b>
<b>Total 2017</b>	<b>1,158,422,891</b>	<b>1,805,926,636</b>	<b>-</b>	<b>-</b>	<b>2,945,961,438</b>

The company is recording costs pertaining to development and construction of the 1320 MW (2 X 660 MW) Coal Based Thermal Power Plant (power plant) in-line with the hierarchy of BFRS. In light of BAS 16, the above stated cost items meet the criteria to be recognised as an asset on their own right because without incurring such costs the joint venture partners are unable to manufacture the power plant and thereby sell the electricity to be generated by it. According to our assessment these costs items as incurred for the development and construction of the power plant satisfy the following conditions as set forth in the said standard for these to be capitalized:

- it is probable that future economic benefits associated with the incurring the said costs will flow to the company in the form of revenue to be earned from selling of electricity that will be generated once the power plant is in operating state;
  - the cost items can be measured reliably; and
  - the costs are directly attributable to bringing the power plant to the location and condition necessary for it to be capable of operating in the manner intended by management of the company.
- Further to this, finance income in terms of interest income and others earned against fixed deposits and other fees has been netted-off with the other cost items of the power plant (note 11) since such incomes generated are taken to be incidental to the development and construction of the power plant and accordingly netted-off.

# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Notes to the Financial Statements

For the year ended 30 June 2018

### 7. Long-term loans and advances (Considered good, unless otherwise stated)

	2018 BDT	2017 BDT
<b>Loans</b>		
Related parties		
Unsecured	-	-
Employees (including accrued interest)		
Secured	-	-
Unsecured	-	-
Considered doubtful	-	-
Loan to state government in settlement of dues from customers		
Unsecured	-	-
Others		
Secured	-	-
Unsecured	-	-
Less: Allowance for bad & doubtful advances	-	-
<b>Advances for capital expenditure</b>		
Unsecured	17,706,002,346	28,217,800
Considered doubtful	-	-
Less: Allowance for bad & doubtful advances	-	-
	17,706,002,346	28,217,800
Tax deducted at source by Bank	-	-
	<b>17,706,002,346</b>	<b>28,217,800</b>

## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Notes to the Financial Statements

For the year ended 30 June 2018

#### 8. Short-term loans and advances (Considered good, unless otherwise stated)

	2018 BDT	2017 BDT
Loans		
Related parties		
Unsecured	-	-
Employees (including accrued interest)		
Secured	-	-
Unsecured	-	-
Considered doubtful	-	-
Loan to state government in settlement of dues from customers		-
Unsecured	-	-
Others		-
Secured	-	-
Unsecured	-	-
Less: Allowance for bad & doubtful advances	-	-
<b>Advances</b>		
Related parties		
Unsecured	-	-
Employees		
Unsecured	6,152,546	3,480,705
Considered doubtful	-	-
Contractors & suppliers, including material issued on loan		
Secured	-	-
Unsecured	-	-
Considered doubtful	-	-
Others		
Unsecured	7,290,308	3,487,551
Considered doubtful	-	-
Less: Allowance for bad & doubtful advances	-	-
	13,442,854	6,968,256
Advance income tax	23,272,639	21,403,801
<b>Security deposits (unsecured)</b>	33,457,547	112,110
	<b>70,173,040</b>	<b>28,484,167</b>

# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Notes to the Financial Statements

For the year ended 30 June 2018

### 9. Cash and cash equivalents

	2018 BDT	2017 BDT
Balances with banks		
Current accounts	65,878,692	32,620,508
Deposits with maturity upto three months	1,353,869,387	1,576,036,282
Cash in hand	-	-
Others (stamps in hand)	-	-
Other bank balances	-	-
Deposits with maturity of more than three months but not more than twelve months	-	-
Others	-	-
	<b>1,419,748,079</b>	<b>1,608,656,790</b>

### 10. Other current assets

"Short term investment in fixed deposit with Janata Bank Limited,  
Local Office"

	<b>1,200,000,000</b>	-
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### 11. Expenditure during construction period (net)

#### A. Employee benefits expense

Salaries and wages	264,638,331	131,280,754
Contribution to provident and other funds	17,017,807	4,194,464
Staff welfare expenses	30,479,820	15,436,684
<b>Total (A)</b>	<b>312,135,958</b>	<b>150,911,902</b>

#### B. Finance costs

Interest on	-	-
Bonds	-	-
Foreign currency term loans	545,303,332	-
Rupee term loans	-	-
Foreign currency bonds/notes	-	-
Others	-	-
Other borrowing costs	-	-
Foreign currency bonds/notes expenses	-	-
Management/arrangers/upfront fee (Note 11.B.1)	35,073,842	1,311,398,662
Others	-	-
Exchange differences regarded as an adjustment to interest costs	747,527,000	19,148,822
<b>Total (B)</b>	<b>1,327,904,174</b>	<b>1,330,547,484</b>

#### 11.B.1. Management/arrangers/upfront fee

Management fee	-	1,274,880,000
Commitment feett	35,073,842	20,582,662



## Bangladesh-India Friendship Power Company (Pvt.) Limited

### Notes to the Financial Statements

For the year ended 30 June 2018

	2018 BDT	2017 BDT
Legal and documentation fee	-	15,936,000
	35,073,842	1,311,398,662

The above amount represents management fees, commitment fee and legal and documentation fee for the loan facility of USD 1.6 billion from Export-Import Bank of India as per sanction letter no. NDRO/CFS-01/2017/911 dated 10 February 2017.

<b>C. Depreciation and amortisation</b>	<b>134,234,962</b>	<b>78,794,615</b>
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#### D. Generation, administration and other expenses

Power charges	3,244,496	
<u>Less: Recovered from contractors and employees</u>	-	
Water charges	3,244,496	1,970,476
Rent	-	-
Repairs and maintenance	45,506,370	24,382,640
Buildings	-	
Construction equipment	-	
Others	11,346,177	1,455,929
Insurance	218,110	239,115
Rates and taxes	21,403,801	18,388,089
Communication expenses	3,499,012	2,522,452
Travelling expenses	15,122,942	10,824,866
Tender expenses	-	
<u>Less: Income from sale of tenders</u>	17,000	(5,000)
Advertisement and publicity	2,820,714	10,079,868
Security expenses	1,783,079	721,935
Entertainment expenses	1,117,727	705,037
Guest house expenses	8,799,326	2,503,053
Education expenses	-	-
Brokerage and commission	-	-
Books and periodicals	-	-
Community development expenses	11,374,336	1,853,873
Professional charges and consultancy fee	353,301,168	89,293,583
Legal expenses	239,719	-
EDP hire and other charges	-	-

# Bangladesh-India Friendship Power Company (Pvt.) Limited

## Notes to the Financial Statements

For the year ended 30 June 2018

	2018 BDT	2017 BDT
Printing and stationery	4,496,945	2,558,055
Miscellaneous expenses	105,344,908	39,881,324
Total (D)	<b>589,601,830</b>	<b>207,375,295</b>
<b>E. Less: Other income</b>		
Hire charges	-	-
Sale of scrap	-	-
Interest from contractors	-	-
Interest- others	66,536,424	60,969,258
Miscellaneous income	-	92,000
<b>Total (E)</b>	<b>66,536,424</b>	<b>61,061,258</b>
<b>F. Prior period items (net)</b>	-	-
<b>Grand total (A+B+C+D-E+F)</b>	<b>2,297,340,500</b>	<b>1,706,568,038</b>

\* Carried to capital works-in-progress (Note 6)

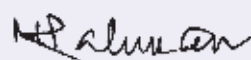
### 12. Others

- Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year, without causing any impact on the operational result and value of assets and liabilities as reported in the financial statements.
- Figures in these notes and in the annexed financial statements have been rounded off to the nearest BDT.
- These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

For and on behalf of Board of Directors of  
Bangladesh-India Friendship Power Company (Pvt.) Limited

  
Company Secretary

  
Managing Director

  
Director

Dhaka, Bangladesh  
Dated, 08 October 2018

## Bangladesh-India Friendship Power Company (Pvt.) Limited

**Amortisation schedule: Total loan amount USD 1,600,000,000**

**Total repayment period: 20 years including grace period**

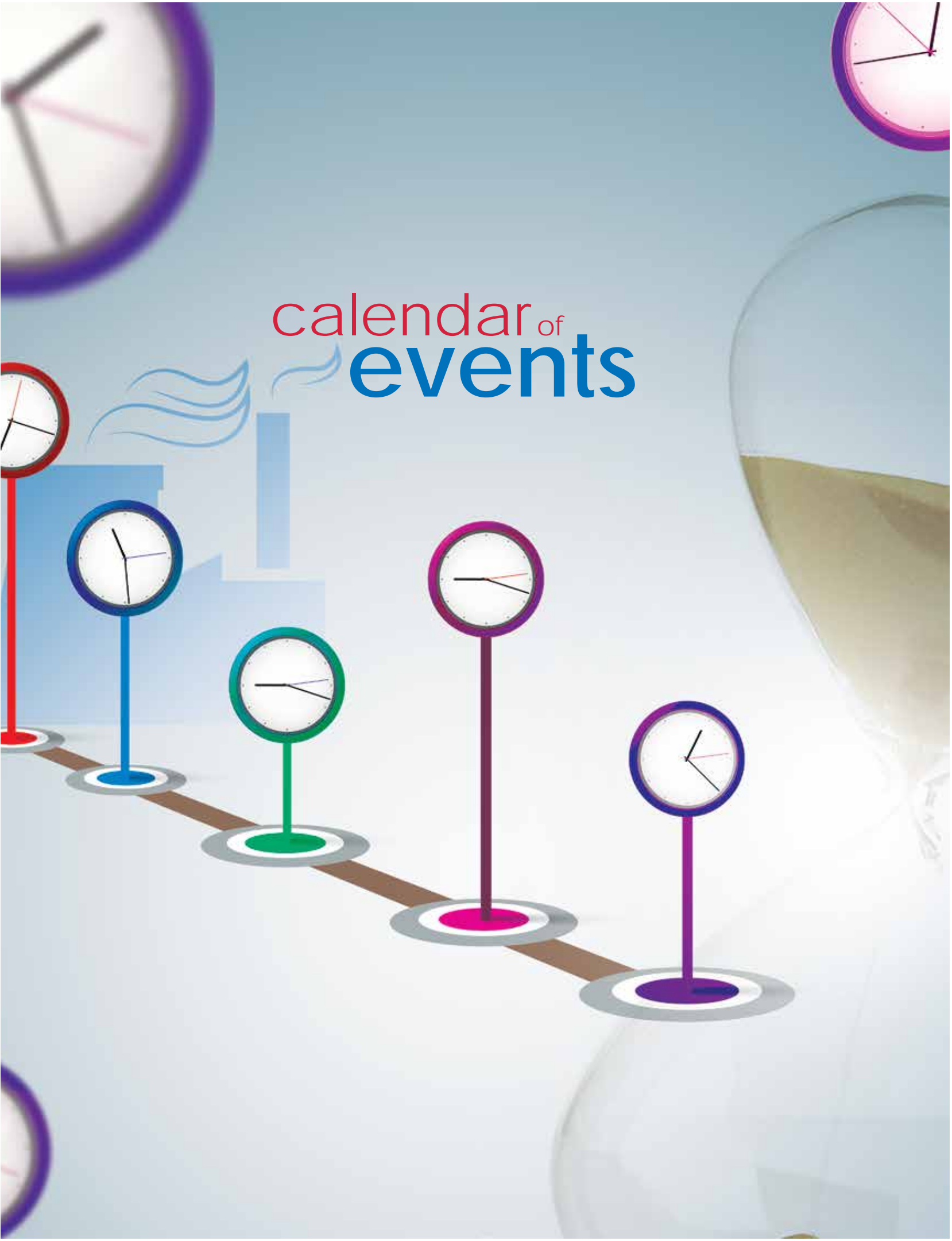
**Grace period: 7 years**

**Interest rate: 6 months LIBOR+1%**

Year	Instalment no.	Prepayment % of Principal	Year	Instalment no.	Prepayment % of Principal
Year 1	1	2.50%	Year 8	15	4.00%
	2	2.50%		16	4.00%
Year 2	3	2.50%	Year 9	17	4.00%
	4	2.50%		18	4.00%
Year 3	5	2.50%	Year 10	19	4.00%
	6	2.50%		20	4.00%
Year 4	7	3.00%	Year 11	21	5.00%
	8	3.00%		22	5.00%
Year 5	9	3.00%	Year 12	23	5.00%
	10	3.00%		24	5.00%
Year 6	11	3.00%	Year 13	25	5.00%
	12	3.00%		26	5.00%
Year 7	13	4.00%	Year 14	27	5.00%
	14	4.00%			

**\*\* Interest will be paid along with principal.**

# calendar<sub>of</sub> events





**11 January 2010**

Signing of Umbrella Memorandum of Understanding (MOU) on Power Sector Cooperation between the Govt. of Bangladesh and Govt. of India

Constitution of a Joint Steering Committee (JSC) co-chaired by the Power Secretaries of India and Bangladesh for power sector cooperation

**30 August 2010**

Signing of Memorandum of Understanding for Implementation of 1320 MW coal based Thermal Power Project (TPP) at Khulna in Joint Venture between NTPC and BPDB

**30 September 2010**

Signing of Contract Agreement for Feasibility Report (FR) Consultancy for Khulna Project between NTPC and BPDB at Dhaka

**06 October 2010**

Final IEE report submission

**2011**

**2012**

**2010**

**31 March 2011**

Submission of Draft Feasibility Report (DFR) to BPDB

**23 May 2011**

Location / Site clearance received from DOE, GoB

**31 December 2011**

Submission of Final Feasibility Report (Draft) for Khulna Thermal Power Project comprising of 2 units of 660 MW to BPDB

**29 January 2012**

Signing of Joint Venture Agreement between BPDB and NTPC

**20 July 2012**

Submission of Final Feasibility Report to BPDB

**31 October 2012**

Incorporation as Private Limited Company and Registered with RJSC

**11 November 2012**

Finalization of Feasibility Report incorporating comments received from BPDB and Power Grid Company of Bangladesh (PGCB) Limited

### **30 January 2013**

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Site visit of Hon'ble Advisor for Power, Energy & Mineral Resources Affairs, Hon'ble Minister of State for Power, Energy & Mineral Resources of GoB along with HE Indian High-Commissioner and Secretary (Power) of GoI

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### **31 January 2013**

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Adoption of Feasibility Report for 1320 MW Coal based TPP at Rampal by the Board of Directors of BIFPCL

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### **12 April 2013**

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Peoples' consultation on EIA

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### **20 April 2013**

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Signing of Supplementary Joint Venture Agreement between BPDB and NTPC

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Signing of Implementation Agreement between BIFPCL and GoB

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Signing of Power Purchase Agreement between BIFPCL and BPDB

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### **29 May 2013**

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Progress Review at Site by the Directors of BIFPCL

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### **01 August 2013**

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EOI for Owner's Engineer published in Newspaper

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### **05 August 2013**

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Approval of EIA report accorded by DOE, GoB

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### **12 September 2013**

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EOI for Coal Consultant published in Newspaper

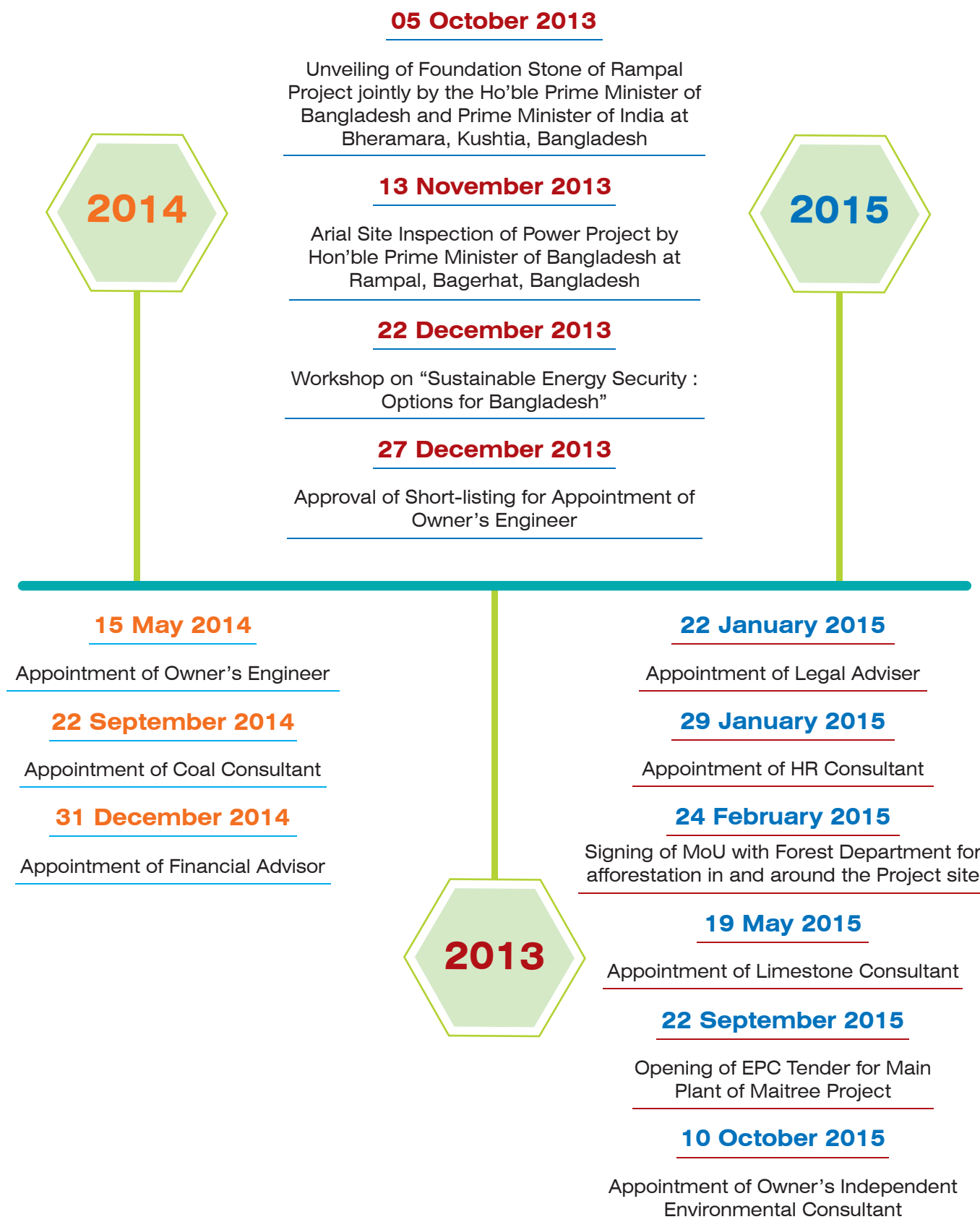
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### **21 September 2013**

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Review of Progress by the Directors of BIFPCL at Project Site

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**31 January 2016**

Appointment of Consultant for EIA Study on Coal Transportation

**12 July 2016**

Singing of EPC Contract Agreement  
for Main Plant of Maitree Project

**2017**

**30 March 2017**

Signing of Facility Agreement between BIFPCL and Export-Import Bank of India for the purpose of part financing 2x660 MW Maitree Super Thermal Power Project at Rampal, Bagerhat

**09 April 2017**

Issuance of Sovereign Guarantee by GoB to Export-Import Bank of India

Achievement of Financial Closure for 2x660 MW Maitree Super Thermal Power Project at Rampal, Bagerhat

**10 April 2017**

Exchange of Facility Agreement between IEXIM and BIFPCL at Delhi during the visit of Hon'ble PM of Bangladesh to India

**23 April 2017**

Issuance of Sovereign Guarantee(s) by GoB to BIFPCL and NTPC separately as per Schedule 3 and 3A of Implementation Agreement

Signing of Sponsor Support Agreements separately by BPDB and NTPC with Lender and BIFPCL respectively

**24 April 2017**

Issuance of Notice to Proceed (NTP) to BHEL

**15 May 2017**

Signing of contract with PwC, India for feasibility study on Solar Power Plant at Rampal, Bagerhat

**24 July 2017**

Signing of Contract with Sheba Manab Kallyan Kendra for plantation of coconut and ornamental trees at Project site

**16 August 2017**

Signing of Memorandum of Agreement with Mongla Port Authority for capital and maintenance dredging through Pussur Channel and other support activities for coal transportation

**20 August 2017**

Signing of ESCROW Agreement amongst BPDB, NTPC, BIFPCL and Janata Bank Limited

**18 September 2017**

Holding of Market Sounding Meeting with prospective suppliers of coal in Dhaka, Bangladesh

**27 November 2017**

Signing and Registration of Land Lease Agreement between BPDB and BIFPCL

**2016**



**09 January 2018**

Completion of formal hand-over and take-over of Lease Land between BPDB and BIFPCL pertaining to the Project

**24 January 2018**

Signing of agreement for afforestation between BIFPCL and Forest Department, GoB

**25 January 2018**

Signing of Security Trustee Agreement and Trust & Retention Account Agreement amongst BIFPCL, IEXIM and Security Trustee (Janata Bank Limited)

**31 January 2018**

Approval of EIA for Coal Transportation

**12 June 2018**

Appointment of M/s RINA Consulting S.p.A for the consultancy assignment on coal sourcing and transportation

**30 June 2018**

Starting of Boiler erection (Unit #1) as per schedule

**07 August 2018**

Floating of International tender for township / residential complex (turnkey basis)

**2018**

# Photo Album



Highlights on **Project site**  
and **Events**



**Overview of Main Plant Area**



**Boiler Erection (Unit # 1)**





**Chimney Pile Excavation**



**Permanent Jetty Civil Works**



**Signing Ceremony of Security Trustee Agreement and TRA Agreement**



**Address by Principal Coordinator, SDG, Prime Minister's Office during Visit at Site**





**Site Visit by Board of Directors of BIFPCL**



**Inauguration of Temporary Residence at Site**



Inauguration of Recreation Center at Site



Visit of Secretary, Power Division, MPEMR, GoB at BIFPCL Stall during Power and Energy Week, 2018





**Celebration of 6<sup>th</sup> Raising Day of BIFPCL at Dhaka Office**



**Celebration of 6<sup>th</sup> Raising Day of BIFPCL at Site**



Blood Donation Camp at Site



Tree Plantation at Site



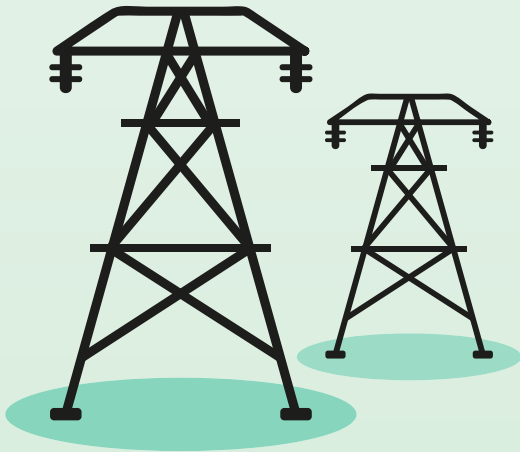


**Celebration of Bangla Noboborsho at Site**



**BIFPCL's Stall at Development Fair**





# Energy Environment Economy

**Bangladesh-India Friendship Power Company (Pvt.) Limited**

(A Joint Venture of BPDB and NTPC Ltd.)

## **Bangladesh-India Friendship Power Company (Pvt.) Limited**

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