

Directors' Report to the Shareholders

FOR THE YEAR ENDING 30 JUNE 2020



Honorable Shareholders,

The Board of Directors of **UNITED POWER GENERATION & DISTRIBUTION COMPANY LTD (UPGDCL)**, also referred to as the “company” in the Report hereafter, have the pleasure in submitting the Directors’ Report and the Audited Financial Statements of the company for the financial year ending 30 June 2020.

Last quarter of the year was marked by the coronavirus (COVID-19), an unprecedented and unanticipated global scenario. Economy and business suffered side by side the society as a whole. UPGDCL as a business unit and linked to the economy, was no exception in this case. During the lockdown period the country’s EPZs, more specifically DEPZ and CEPZ both experienced closure and economic activity disruptions in different forms. Overall financial results reflected the impact of Covid 19 which remains a growing reality in the near future as well.

GLOBAL ECONOMIC OUTLOOK

The coronavirus (COVID-19), which has emerged as a global pandemic, poses a major risk to a global economy. Protecting lives and allowing health care systems to cope with, have required quarantine, isolation, lockdown etc. which in turn has severely limited economic activity. As a result of the pandemic, the global economy is anticipated to contract significantly more than during the 2008-09 financial crises.

The IMF report indicated that the global big four, the US, China, the Eurozone, and Japan would not see any improvement in their growth rates over the next five years. The OECD Interim Economic Outlook made projections for these economies where the estimated growth rates for 2019 and 2020 for these countries/zone are as follows: the US at 2.4 per cent and 2.0 per cent respectively, down by 0.4 percentage point, the Eurozone at 1.1 per cent and 1.0 per cent respectively, down by 0.1 percentage point, China at 6.1 per cent and 5.7 per cent respectively down by 0.4 percentage point and Japan at 1.0 and 0.6 respectively down by 0.4 percentage point. The OECD report further added that the global economic outlook had become increasingly fragile and uncertain. It also observed that GDP (gross domestic point) growth was subdued and global trade was contracting.

GDP in the South Asia region is projected to contract by 2.7% in 2020 as pandemic mitigation measures hinder consumption and services activity and uncertainty about the course of the pandemic chills private investment. In India, growth is estimated to have slowed to 4.2% in FY 2019/20, which ended in March 2020. Output is projected to contract by 3.2% in FY 2020/21, when the impact of the pandemic will largely hit. Pakistan (-2.6% in FY 2019/20) and Afghanistan (-5.5%) are both projected to experience contractions,

as mitigation measures are anticipated to weigh heavily on activity. Growth in Bangladesh (1.6% in FY 2019/20) and Nepal (1.8% in FY 2019/20) is expected to decelerate markedly due to pandemic-related disruptions including mitigation measures and sharp falls in exports and remittance inflows.

GLOBAL TRADE

World trade was already been slowing down prior to the COVID-19 pandemic, the economic and social disruptions brought by COVID-19 are resulting in a dramatic decline in trade. The value of international trade in goods has declined by about 5 percent in Q1 2020 and is expected to decline further by 27 percent in Q2 2020. A Steep Downturn in Global Trade in Goods Leading indicators, such as the Purchasing Manager Indices (PMIs), also signal further deterioration of international trade in the second quarter. While PMIs tracking international trade indicate that the pace of contraction has slowed in May, they have remained well below the 50 points benchmark.¹ International trade is likely to remain below the levels observed in 2019 in the second half of the year. The magnitude of which will be dependent upon not only additional economic disruptions brought by the COVID-19 pandemic but also on the type and extent of policies that countries will adopt to restart their economies. Assuming persisting uncertainty, UNCTAD expects a decline of around 20 per cent for the year 2020. This is in line with World Trade Organization (WTO) which expects that the decline in international trade will be between 13 and 32 percent. European Commission expects that EU27 trade will decline by 10-16 percent in 2020. The wide range of estimates is a sign of the still high uncertainty about the possibility of any economic recovery in the second half of the year.

FINANCIAL MARKET

More importantly, the current global economic environment creates policy uncertainty that flows on to weigh on risk sentiment in financial markets negatively impacting on the future growth prospects. Still uncertainty persists about the exact nature and timing of Brexit which further adds to uncertainty, hence uncertainty about European and British economic growth prospects. In fact, the IMF indicated that the US-China trade conflict would cause a decline in Global GDP by 0.8 per cent in 2020. In addition, rising levels of debt have made the global financial system more vulnerable to financial market stress. Since the global financial crisis, global debt has risen to 230 percent of GDP, with EMDE debt reaching a historic high of 170 percent of GDP by 2019 (Figure 1.15.A). In almost 40 percent of EMDEs, government debt is now at least 20 percentage points of GDP higher than it was in 2007 (Kose et al. 2020). In addition, more than a quarter of corporate debt in the average EMDE is denominated in foreign currency.

COMMODITY MARKET

Commodity prices fell sharply in the first half of 2020, owing to a collapse in demand resulting from the COVID-19 pandemic. The fall was greatest in oil prices, partly reflecting weaker demand for transport and travel. A renewed OPEC+ agreement in April proved insufficient to bolster prices, which have fallen more than in previous major events. The decline in demand expected for 2020 is unprecedented by historical standards.

OUTLOOK 2020

The June 2020 Global Economic Prospects describes both the immediate and near-term outlook for the impact of the pandemic and the long-term damage it has dealt to prospects for growth. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights—the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkage.

Emerging market and developing economies will be buffeted by economic headwinds from multiple quarters: pressure on weak health care systems, loss of trade and tourism, dwindling remittances, subdued capital flows, and tight financial conditions amid mounting debt. Exporters of energy or industrial commodities will be particularly hard hit. The pandemic and efforts to contain it have triggered an unprecedented collapse in oil demand and a crash in oil prices. Demand for metals and transport-related commodities such as rubber and platinum used for vehicle parts has also tumbled. While agriculture markets are well supplied globally, trade restrictions and supply chain disruptions could yet raise food security issues in some places.

BANGLADESH ECONOMIC OUTLOOK:

Country Overview

AREA	POPULATION
148,460 km	164 million (2020)
GDP PER CAPITA	GDP GROWTH RATE
US\$ 1,970 (FY2019-20)	8.15% (2020)
GNI PER CAPITA (PPP)	COUNTRY STATUS
US\$ 2,064 (FY2019-20)	Lower Middle-Income Country (2015)

Source: Bangladesh Economic Review, 2020



**Bangladesh, the next
China**

MCKINSEY & COMPANY

Macroeconomic Overview: Bangladesh 2019-20

Economic growth slowed to 5.34 percent in FY2019-20, according to the provisional estimates of Bangladesh Bureau of Statistics (BBS), which is the lowest since FY2008-09. As per final estimate GDP growth was 8.15 percent in FY 2019-20. According to the provisional estimate of BBS, the growth of agriculture sector has slowed to 3.11 percent in FY2019-20, from 3.92 percent in FY2018-19. During the same period, industry sector grew by 6.48 percent, which was 12.67 percent in previous fiscal year. The service sector grew by 5.32 percent in FY2019-20 compared to 6.78 percent in the previous fiscal year. The contribution of agricultural, industry and service sectors reached at 13.35 percent, 35.36 percent and 51.30 percent respectively in FY2019-20 against 13.65 percent, 35.00 percent and 51.35 percent respectively in the previous fiscal year.

Source: Trading Economics

The gross investment stood at 31.75 percent of GDP in FY2019-20, which was 31.57 percent of GDP in the previous fiscal year. Of this, public investment and private investment accounted for 8.12 percent and 23.63 percent of GDP, respectively, up from 8.03 percent and 23.54 percent of GDP in the previous fiscal year. In FY2019-20, the inflation rate stood at 5.65 percent, which is slightly higher than the target (5.50%). In this case, food inflation increased to 5.56 percent and nonfood inflation stood at 5.85 percent. The Coronavirus (COVID-19) pandemic has slowed global economic activity and reduced inflation globally. However, the pandemic could ignite world food production and cause disruption in supply chain. Therefore, food inflation is likely to increase in the coming months.

According to the revised budget, the total expenditure target for FY2019-20 has been set at Tk. 5,01,577 crore, which is 17.88 percent of GDP. Of this, operating expenditure is Tk. 2,95,280 crore (10.52% of GDP) and development expenditure is Tk. 2,02,349 crore (7.21% of GDP). Annual Development Programme (ADP) allocation is Tk. 1,92,921 crore (6.88% of GDP) of the total development budget.

With a view to ensuring the adequate liquidity in the financial system to tackle the impending financial crisis stemming from the outbreak of the COVID-19 pandemic, Bangladesh Bank reduced the repo rate from 6 percent to 5.25 percent. The Cash Reserve Requirement (CRR) was initially reduced from 5 percent to 4.5 percent (daily-basis) and from 5.5 percent to 5 percent (bi-weekly basis), with a further reduction to 4 percent and 3.5 percent, respectively, from 15 April 2020. Bangladesh Bank has also raised the advance-deposit ratio (ADR) and investment-deposit ratio (IDR) by 2 percent to 87 percent and 92 percent respectively to facilitate credit to the private sector and improve liquidity in the banking system.

At the end of FY2019-20, the growth of private sector credit stood at 8.61 percent, compared to 11.32 percent in the previous fiscal year.



The net credit to the government increased by 55.51 percent at the end of June, 2020 compared to 19.37 percent increase in same period of previous fiscal year. Initiatives have been taken to rationalize the interest/profit rate of loans/investments with a view to creating an industry and business friendly environment for the industrial, business and service organizations. Bangladesh Bank issued a circular on fixing the interest rate on loans at a maximum of 9 percent (except credit card).

World trade has slowed since the beginning of 2020 due to trade disputes between the United States and China, falling oil prices and declining revenue in the oil producing countries. The economic activities came to stagnant due to the COVID-19 pandemic, which also affected country's foreign trade. Total export earnings in FY2019-20 stood at US\$ 33,674.09 million, down 16.93 percent from the previous fiscal year. Similarly, imports in FY2019-20 stood at US\$ 54,784.70 million, down 8.56 percent over the previous fiscal year. The export sector is expected to rebound once the Corona crisis is resolved. The government has taken several steps as an incentive in the export sector. The size of the Export Development Fund (EDF) has already been increased from US\$ 350 million to US\$ 500 million and interest rate has been reduced to 2 percent.



Bangladesh will be the 12th economic power of the world in 2050

USB



Low cost and high return manufacturing destination in Asia

JETRO



“The Next Eleven - Bangladesh among the 11 nations, have high economic potential”

GOLDMAN SACHS

INVESTMENT CLIMATE

Considering industrialization or industrial sector as the most important sector, Industrial Policy, 2016, was announced to speed up the pace of industrialization in the country and inclusive industrial growth through generation of productive employment to create new entrepreneurs, mainstreaming women in the industrialization process and international market linkage creation. In order to implement these goals and objectives, proper strategies are outlined in the industrial policy. Small and Medium Enterprises (SMEs) are considered as a potential sector for solving unemployment problem through new employment generation. Total outstanding loan in SME sector at the end of 2019 is Tk. 2,19,293.97 crore. In 2019, Banks and NBFIs altogether have disbursed an amount of Tk. 1,67,970.67 crore against 774,122 SMEs. On the other hand, 56,706 women led SME enterprises received financing of Tk. 6,108.99 crore in 2019.

Bangladesh Export Processing Zones Authority (BEPZA) has been engaged in attracting and facilitating foreign and local investment in the Export Processing Zones of the country. As of February 2020, 474 enterprises are in operation and 83 enterprises are under construction. As of February 2020, the amount of cumulative investment in the EPZs is US\$ 5,226.40 million. Up to February 2020, a total of 5,01,355 Bangladeshi nationals have been employed in the enterprises in the EPZs, out of which 66 percent are female.

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GLOBAL OUTLOOK ON BANGLADESH



WORLD BANK

Rapid growth of electricity generation appears to have energized the urban formal and rural non-farm economy. Private consumption has remained strong, underpinned by strong remittance and rural income growth.

(Bangladesh Development Update, April 2019)



ASIAN DEVELOPMENT BANK

Bangladesh's economic expansion has been robust over the past decade and in fiscal year (FY) 2019 the economy grew by 8.2%, the highest in the Asia and Pacific region.

(Bangladesh Factsheet, October 2020)



FDI INFLOW



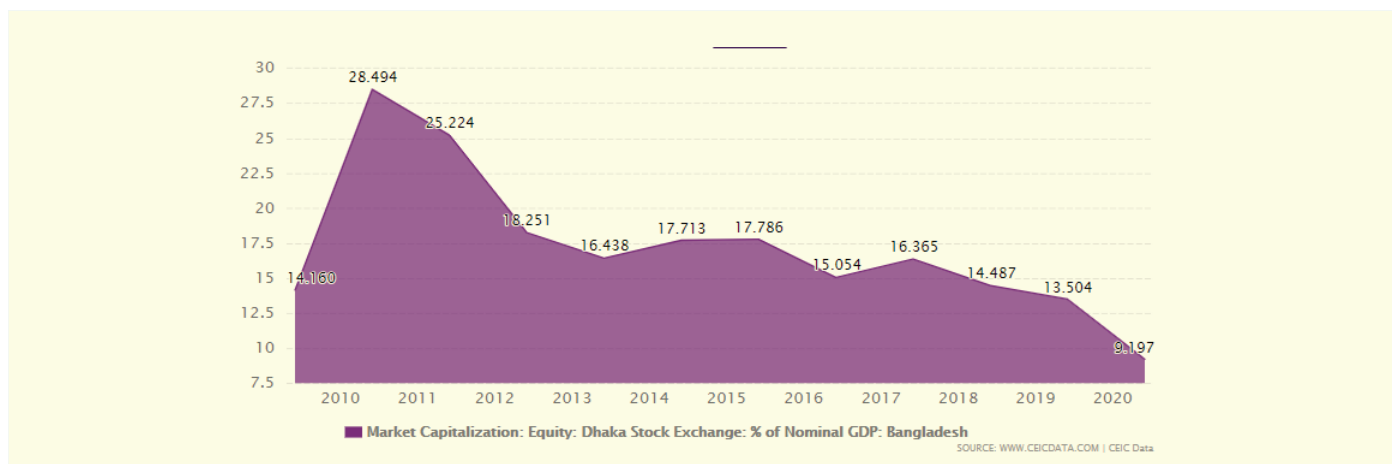
In the first nine months of FY2019-20 (July-March, 2020), the country's manpower exports stood at 5.31 lakh people, which is 2.73 percent more than the same period of the previous fiscal year. From April 2020 to June 2020, manpower exports were virtually closed. In FY2019-20, remittance inflows stood at US\$ 18,205.01 million, an increase of 10.87 percent over the previous fiscal year due to introduction of 2 percent incentives on remittances sent by NRBS.

During this period, the current account balance decreased as remittance flows increased. The current account deficit stood at US\$ 4,849 million, compared to US\$ 5,102 million in the previous fiscal year. On the other hand, due to increase inflow in capital and financial account, the overall balance of payments increased from US\$ 179 million in FY2018-19 to US\$ 3,655 million in FY2019-20.

The surplus in the overall balance helped maintain the foreign exchange reserve up. On 30 June 2020, the foreign exchange reserves reached US\$ 36.04 billion which was US\$ 32.72 billion 30 June 2019. On October 8, 2020, our foreign exchange reserve reached the record level of US\$ 40 billion. In FY2019-20, the exchange rate of Taka against US\$ remained stable.



BANGLADESH'S MARKET CAPITALIZATION: % OF GDP IN 2020



POWER SECTOR SCENARIO IN BANGLADESH

Bangladesh has made significant progress in developing its power sector, primarily through increasing the power generation capacity and by increasing the population’s access to electricity. This progress has been achieved through a strategy that combined public and private sector investment, engaging in power trade with India and improving sector efficiency by sharply reducing transmission and distribution losses. It may be particularly mentioned that the recent years have seen the policy and institutional support being geared up to help leverage private investments alongside public investments in energy and power sector. The financing strategy emphasized both public funding as well as financing based on public-private-partnership (PPP).

COUNTRY/REGION	OVERALL INFRASTRUCTURE SCORE	ELECTRICITY
Bangladesh	2.9	2.9
India	4.2	3.5
China	4.7	4.3
Cambodia	3.1	3.4
Myanmar	2.1	2.8
Pakistan	3.0	2.5
Sri Lanka	3.8	3.9
Thailand	4.7	4.8

Source: World Economic Forum, the Global Competitiveness Report 2017-2018, cited in 7th 5 year Plan, Bangladesh

The Global Competitive Index (GCI) published by WEF shows that Bangladesh made progress in improving its overall infrastructure performance, the progress being largely contributed by the marked development in power sector.

YEAR	OVERALL INFRASTRUCTURE SCORE	ELECTRICITY
2017 - 18	2.9	2.9
2014 - 15	2.8	2.5
2009 - 10	2.4	1.8

Source: World Economic Forum, the Global Competitiveness Reports 2009-10, 2014-2015 & 2017-18 cited in 7th 5 year Plan, Bangladesh

A SUCCESS STORY

From the beginning of 2009 to September 2020, the total installed capacity has increased from 4,942 MW to 20,383 MW (including captive power). This is a massive increase in installed capacity within a period of less than a decade. The population's access to electricity increased from 47% to 97%, per capita electricity generation also increased from 220 kWh to 512 kWh. Transmission and distribution losses have reduced from 18.2% to 11.96%. These statistics put forward a subtle improvement in electricity production, distribution and generation during the years.

FUTURE PLAN

Bangladesh is one of the fastest growing economies in the world. As per the latest forecast of the Asian Development Bank, the Bangladesh economy will grow at 8 percent this fiscal year, which would be the highest in Asia. The forecast is close to the government target of 8.2 percent growth in fiscal year 2019-20. Last fiscal year, Bangladesh pulled off 8.13 percent GDP growth.

The latest version of the Power System Master Plan, PSMP 2016 aims to create a well-balanced power generation environment that maximizes the respective advantages of different types of power generation methods, including nuclear power, thermal power, hydropower generation and power imports from neighboring countries, from the comprehensive perspective of stable supply, or energy security, environmental performance and economic security

Despite a weaker global growth, favorable trade prospects continue in Bangladesh. On the supply side, higher expansion in industry and services has lifted the robust growth. A steady and available source of electricity has ensured that Bangladesh economy is able to hold onto its momentum.

The performance of Bangladesh's power sector has been impressive due to the progressive efforts of policymakers, support from developing partners and effective project implementation by public and private developers. The growth in terms of capacity addition in the last 10 years has been remarkable, from around 4.5 GW in 2007-08 to 20 GW by October 2018. Bringing this target to fruition, investment of about US\$ 21 billion during 2017-21, US\$ 24 billion during 2022-31 and US\$ 10 billion during 2032-41 will be required. Bangladesh has the potential and capacity to absorb the investment and ensure the return for the investors.

However, further steps need to be taken to match the demand-supply gap of electricity in a sustainable way and this match the pace of economic growth of the country. Massive capacity enhancement and expansion projects of the power sector are being undertaken. It has been planned to increase the installed capacity to 36 GW by 2025 and about 8,000 km of new transmission lines and 1,20,000 km of distribution lines have also been planned to be constructed by 2020. In accordance with the recent Power System Master Plan, Bangladesh aims to add 2 GW renewable energy (RE) projects in the long term.

Bangladesh power sector is no longer heavily reliant upon Gas as fuel source. In 2010, about 84% of power installed capacity was gas based while about 8% was fuel oil based. As gas reserves are depleting in an unspecified manner the fuel mix proportion has reshuffled and in 2019 about 57.37% of the installed capacity is dependent upon natural gas as fuel source and 25.16% upon furnace oil. The introduction of Coal based power plants and the Nuclear power plant at Rooppur will diversify the fuel mix proportion even more.

The government has started introducing imported coal as new reliable fuel source as 100MW of electricity was generated and added to the national grid in January, 2020 by the first unit of Payra's 1,320MW coal fired power plant as a test run. About 60% work of the 1,320 MW Rampal power plant in Rampal Upazila of Bagerhat has been completed and is expected to start test run in December, 2020 according to officials. Another 1,200 MW coal fired power plant is under construction in Matarbari, Cox's Bazar district, financed by Japan International Cooperation Agency (JICA) and Implementation by Coal Power Generation Company Bangladesh Limited (CPGCBL), about 30% of the project has been completed so far. There are also plans to add another 1,200 MW unit as Phase 2 at Matarbari.

Country's first NPP is under construction at Rooppur which will have total capacity of 2,400 MW and two units of 1,200 MW. The reactors are of Russian Design and VVER-1200 model. The government and IAEA have plans to go into full capacity production by 2023 and 2024.

Government is continuing on its efforts to increase the proportion of renewable energy based power generation in its fuel mix. Scalable power generation through renewable energy is especially important to meet the demand in areas where grid supply is not immediately possible. Bangladesh boasts having the fastest growing Solar Home System (SHS) in the world with about 4 million SHSs already installed having about 18 million beneficiaries (about 11% of the country's total population). Bangladesh's Nationally Determined Contribution (NDC) speaks of producing 10% of its electricity from renewable sources by 2020, a target the country aspires to achieve, in part, by developing a 400-megawatt wind power generation capacity and adding 1000 megawatts of utility-scale solar capacity by 2030.

To continue on its journey of economic growth and thus achieving the developed nation status by 2041, Bangladesh will need to develop the requisite infrastructure to feed the electricity load demand. The number of power plants rose to about 138 with combined power generation capacity of 23,548 MW including 2,800 MW captive generation and 365 MW through renewable energy. The access to electricity has increased to 97%. The maximum demand served so far is 12,892 MW (as of 06 Sep 2020). Bangladesh government has taken aggressive

DIRECTORS' REPORT (CONT.)

measures to mitigate this demand - supply. The country's recent achievements in economic growth and success at maintaining that growth bears testimony to these efforts

KEY STATISTICS

Table 1: Power Sector Snapshot

PARTICULARS	UNIT	BEGINNING OF 2009	PRESENT STATUS	% PROGRESS
Installed Generation Capacity <i>(including captive generation)</i>	MW	4,942	20,383 <i>(as of August 2020)</i>	
Maximum Generation	MW	4,130 <i>(on 18 September 2009)</i>	12,892 <i>(on 6 September 2020)</i>	212%
Access to Electricity <i>(including renewable)</i>	%	47	97	106%
Per Capita Electricity Generation	kWh	220	512	132%
Number of Consumers	Lacs	108	379	250%
Total Length of Transmission Line	ckt. km.	7,991	12,293	54%
Total Length of Distribution Line	Thousand km.	260.4	582	123%
Total System Loss (T&D)	%	18.2	11.96	(34%)

Source: Bangladesh Power Development Board

Chart 1: Year-wise Increase in Generation

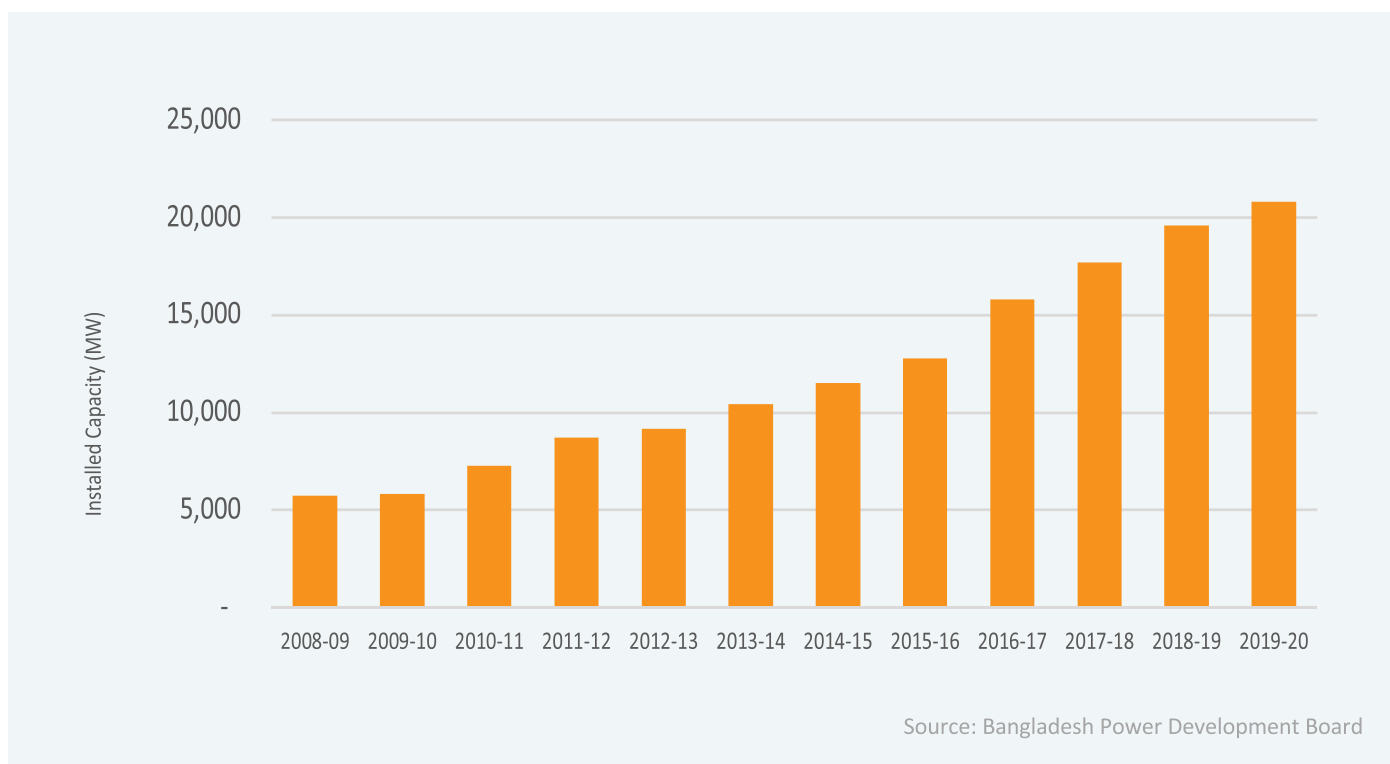


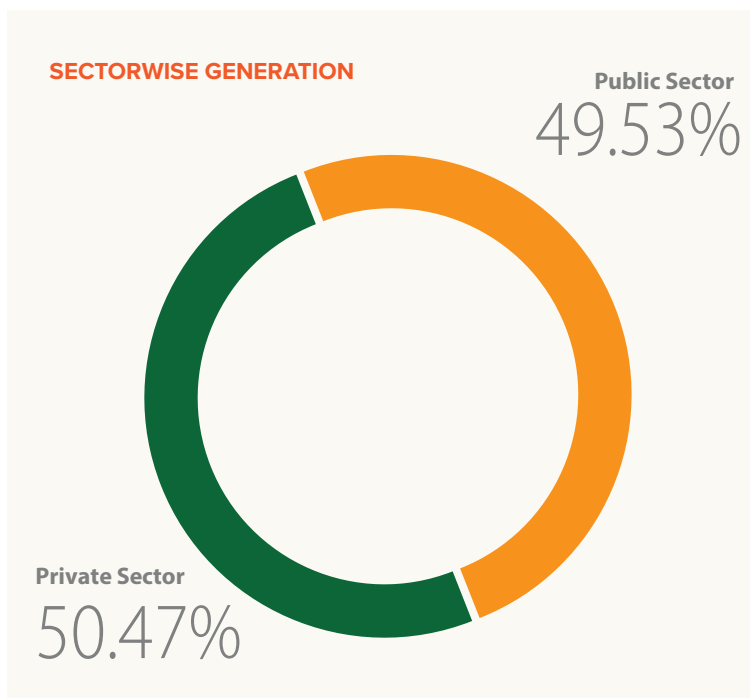
Table 2: Public-Private Mix

YEAR	2020	2021	2022	2023	2024	2025	TOTAL
Public Sector (MW)	2,456	2,139	981	3,621	2,400	1,975	13,572
Private Sector (MW)	1,063	150	3,109	757	590	1,240	6,909
Power Import (MW)	0	0	1496	0	0	0	1,496
Total (MW)	3,519	2,289	5,586	4,378	2,990	3,215	21,977

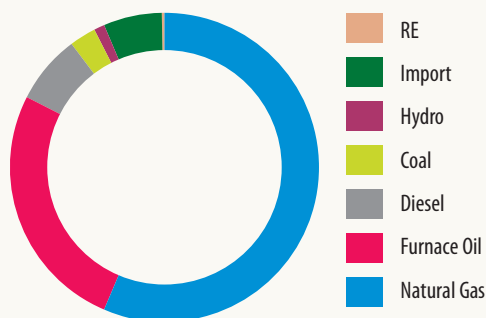
Source: Bangladesh Power Development Board

Table 3: Sector-wise Generation

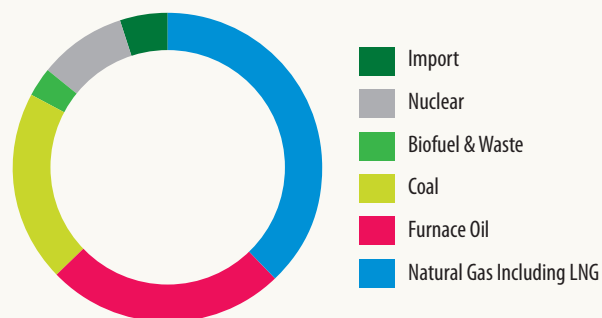
	Installed Capacity (MW)	%
Public Sector		
BPDB	5,498	28.64%
APSCCL	1,444	7.52%
EGCB	839	4.37%
NWPGCL	1,395	7.27%
RPCL	182	0.95%
BPDB-RPCL JV	149	0.78%
Sub-total	9,507	49.53%
Private Sector		
IPPs	6,689	34.85%
SIPPs (BPDB)	99	0.52%
SIPPs (REB)	251	1.31%
15 year Rental	169	0.88%
3/5 year Rental	1,320	6.88%
Power Import	1,160	6.04%
Sub-total	9,688	50.47%
Sub-total (private only)	8,528	44.43%
Grand Total	19,195	100.00%



Fuel Mix Proportion - August 2019



Fuel Mix Proportion - Forecasted 2041



DIRECTORS' REPORT (CONT.)

OVERALL PERFORMANCE OF THE COMPANY

UPGDCL's overall performance in the year 2019-20 "remained consistent", although, the results of the last quarter of the financial year was impacted by the closure of the DEPZ and CEPZ respectively amid the Covid 19 situation which forced the Government to impose strict quarantine and lock down of the country.

Total Revenue, Gross Profit and Net Profit at the year-end bore a testimony to the above. Revenue growth was 4 percent lower than last year and actual electricity production was 1007,546 MWH 1.63 percent lower in the end. Due to rise in tariff of the gas supplied (42 percent) and also imposition of Demand Charge on the approved gas load resulted over 6 percent higher Cost of Sales which ultimately lowered the Gross Profit by 9 percent. Ultimate Net Profit of the company was BDT 4,349 million.

Consolidated level financial results for UPGDCL bore the combined impact of Covid-19, closure of operations of 53MW plant under United Energy Ltd (UEL), a subsidiary of UPGDCL. At the same time, United Ashuganj Energy Ltd (UAEL) which happens to be a subsidiary of UEL, reported lower adjusted revenue due to the adoption, for the first time, of IFRS 16.

Again, Cost of Sales of all these companies were up due to the imposition of new gas tariff and Demand Charge on the approved load. But, lower O&M costs mostly in the absence of major engine overhauling resulted in considerable savings which somewhat neutralized the cost and revenue impacts narrated earlier.

Consolidated Net Profit for the year was BDT 6,079 million and EPS stood at BDT 11.26.

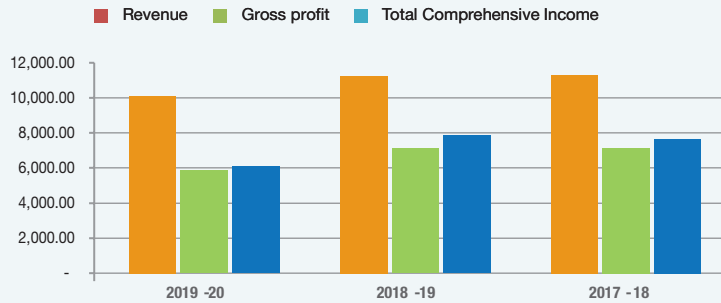
Key operational performance parameters during the period were in line with the results achieved overcoming the challenges thrown out by the Covid 19 situation.

FINANCIAL PERFORMANCE:

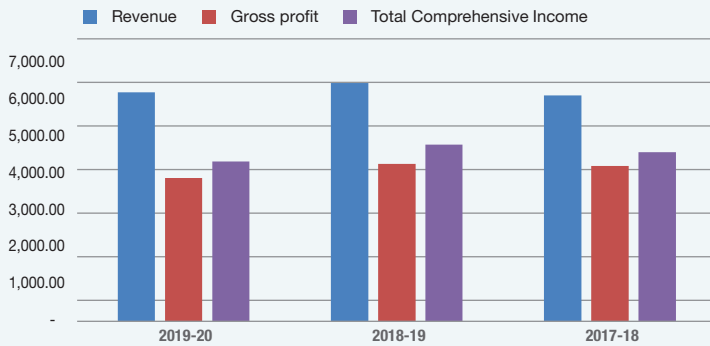
UPGDCL has now under its belt six plants in operation with total generation capacity of 38,72,000 MHW. Total accumulated revenue for the year was BDT 10,094.03 million. Overall summary of financial performance is presented below –

FINANCIAL HIGHLIGHTS						
YEAR	IN MLN BDT					
	2019-20		2018-19		2017-18	
	CONSOLIDATED	SEPARATE	CONSOLIDATED	SEPARATE	CONSOLIDATED	SEPARATE
Revenue	10094.03	6223.16	11253.36	6473.68	11305.49	6144.61
Cost of Sales	(4242.26)	(2328.67)	(4132.34)	(2192.60)	(4177.01)	(1925.80)
Gross Profit	5851.78	3894.49	7121.02	4281.08	7128.48	4218.71
General and administrative expenses	(69.45)	(54.94)	(99.72)	(56.42)	(154.60)	(55.36)
Other income	3.97	3.95	810.97	16.72	783.32	(6.01)
Operating profit	5786.30	3843.50	7832.27	4241.38	7757.20	4157.33
Finance income	524.79	508.26	627.87	562.29	731.85	439.02
Foreign exchange gain/(loss)	(40.56)	0.00	(84.03)	0.01	(279.22)	-
Finance expense	(338.52)	(1.52)	(495.05)	-	(461.80)	-
Profit before tax	5932.01	4350.24	7881.07	4803.68	7748.03	4596.36
Income tax expense	146.78	(1.47)	(26.04)	-	(103.17)	-
Net Profit	6078.79	4348.77	7855.03	4803.68	7644.86	4596.36
EPS (BDT)	11.26	8.25	14.62	9.12	15.65	11.51
NOCFPS (BDT)	13.25	7.19	14.67	8.86	4.80	10.81
NAV (BDT)	56.64	29.64	57.09	33.21	55.68	40.80
Total Assets	36078	15857	42032	17700	43478	16425
Shareholders' Equity	29851	15622	30088	17501	26673	16290

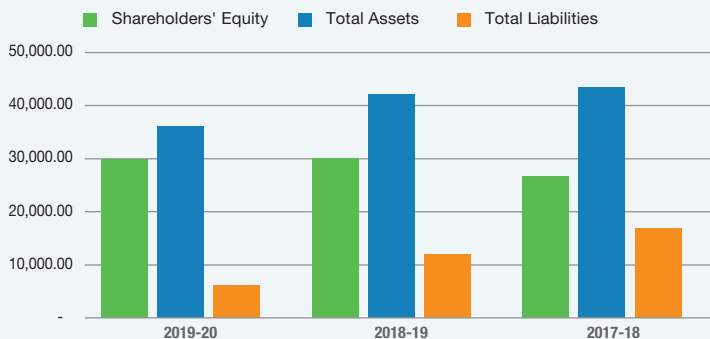
Operating Performance (Consolidated)



Operating Performance (Separate)



Consolidated Balance Sheet Data



“28th & 23rd largest economy of World by 2030 & by 2041”

PRICewaterhouseCOOPERS



Bangladesh one of the Frontier 5 economies

JP MORGAN

DIRECTORS' REPORT (CONT.)

FINANCIAL STATEMENTS

Year 2019-20 Financial Statements were audited by A. Qasem & Co., Chartered Accountants, a Member Firm of Ernst & Young Global Limited.

Financial Statements were prepared conforming to the International Accounting standard (IAS) and International Financial Reporting Standard (IFRS) on both Separate and Consolidated basis encompassing the results/accounts of the UPGDCL (Separate basis) and subsidiary companies like United Energy Ltd. (UEL) and Leviathan Global BD Ltd. (LGBDL) respectively.

Auditors opinion as to the Financial Statements for the year 2019-20 were as follows-

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of United Power Generation & Distribution Company Ltd. ("the Company") and which comprise the consolidated statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of United Power Generation & Distribution Company Ltd. ("the Group" or "UPGDCL") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Honorable Shareholders, it may be mentioned that UPGDCL acquired 99 percent shares in UEL in the year 2018 (13th November) which have two plants namely 53MW plant at Ashuganj and 28 MW plant at Sylhet, respectively. At present, only 28 MW plant is in operation while 53 MW plant stopped production on 22nd June, 2019 upon the expiry of the Contract for Supply of Electricity on Rental Basis with the Bangladesh Power Development Board (BPDB). Company filed an application for extension of the contract for further 5 years and the negotiation in this respect is under active consideration of the Authorities and at a an advanced stage. Company has provided adequate disclosures in financial statements in this respect.

The other subsidiary company under UPGDCL, is Leviathan Global BD Ltd (LGBDL) wherein 75 percent shares were acquired on 22nd June, 2019. The company is expected to be operational by end of the calendar year 2020.

GENERATION PLATFORM

Total generation capacity of the company stands at 484 MW at the consolidated level.

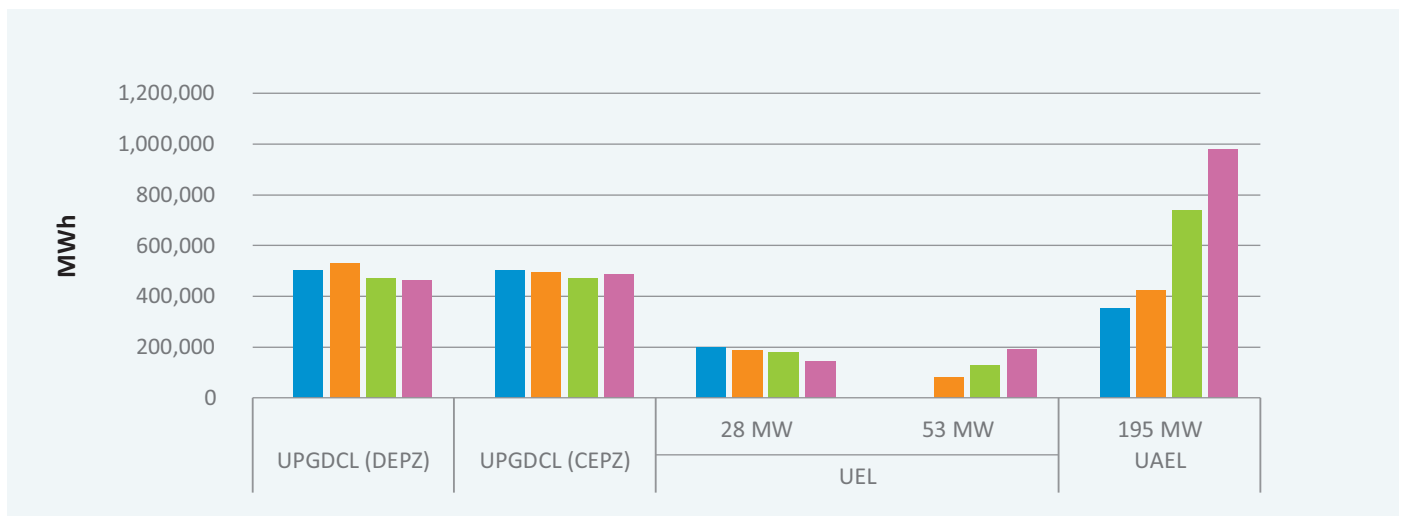
	LOCATION	COMMERCIAL OPERATION DATE (COD)	CONTRACT EXPIRY	CAPACITY (MW)	CAPACITY UTILIZATION IN 2019-20
UPGDCL	DEPZ	26 Dec, 2008	Year 2038	86	73%
	CEPZ	12 Aug, 2009	Year 2039	72	88%
UEL	Ashuganj	22 Jun, 2011	Extension under negotiation	53	-----
	Sylhet	21 Oct, 2013	Year 2043	28	89%
UAEL	Ashuganj	08 May, 2015	Year 2030	195	23%
LGBDL	KEPZ	Expected Dec,20	Year 2048	50	NA

INSTALLED CAPACITY

PRODUCTION		2019-20	2018-19	2017-18	2016-17
(AMOUNT IN MWH)					
UPGDCL (DEPZ)		6,88,000	6,88,000	6,88,000	6,88,000
UPGDCL (CEPZ)		5,76,000	5,76,000	5,76,000	5,76,000
UEL	28 MW	2,24,000	2,24,000	2,24,000	2,24,000
	53 MW	4,24,000	4,24,000	4,24,000	4,24,000
UAEL	195 MW	15,60,000	15,60,000	15,60,000	15,60,000

PLANT WISE PRODUCTION

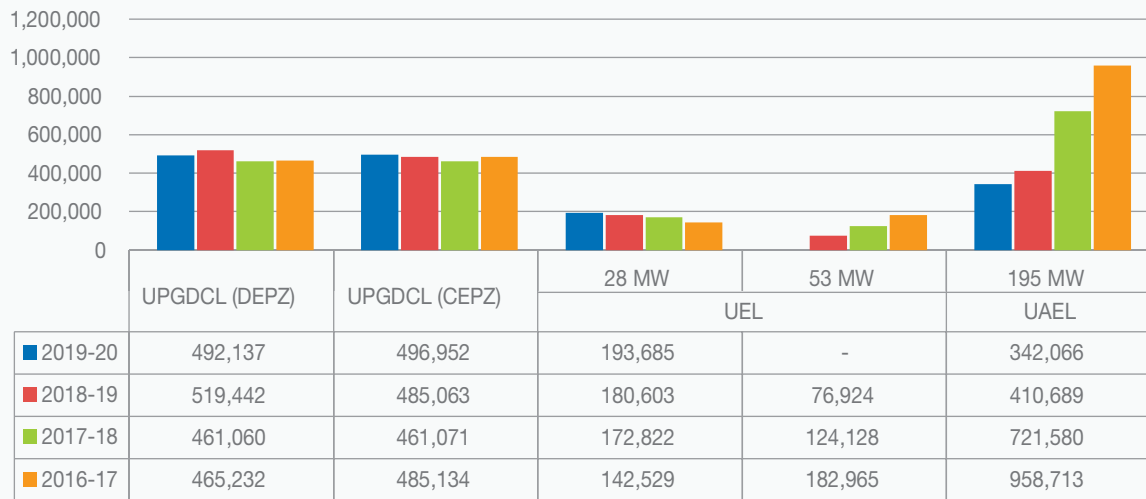
PLANT		2019-20	2018-19	2017-18	2016-17
UPGD(CEPZ)	72 MW	504,804 MWh	492,726 MWh	468,834 MWh	485,134 MWh
UEL	28 MW	199,175 MWh	185,331 MWh	176,765 MWh	145,430 MWh
	53 MW	-	80,057 MWh	128,817 MWh	190,074 MWh
UAEL	195 MW	353,284 MWh	424,309 MWh	739,489 MWh	981,767,744 MWh





PLANT WISE SALES

PLANT		2019-20	2018-19	2017-18	2016-17
UPGD (DEPZ)	86 MW	492,137 MWh	519,442 MWh	461,060 MWh	465,232 MWh
UPGD (CEPZ)	72 MW	496,952 MWh	485,063 MWh	461,071 MWh	485,134 MWh
UEL	28 MW	193,685 MWh	180,603 MWh	172,822 MWh	142,529 MWh
	53 MW	-	76,924 MWh	124,128 MWh	182,965 MWh
UAEL	195 MW	342,066 MWh	410,689 MWh	721,580 MWh	958,713 MWh



AUXILIARY CONSUMPTION

		2019-20	2018-19	2017-18	2016-17
UPGD (DEPZ)	86 MW	2.11%	2.22%	2.36%	2.32%
UPGD (CEPZ)	72 MW	1.56%	1.56%	1.66%	1.69%
UEL	28 MW	2.76%	2.40%	2.10%	2.00%
	53 MW	-	3.80%	3.60%	3.70%
UAEL	195 MW	3.17%	3.21%	2.42%	2.34%

FUEL CONSUMPTION

All of the power plants of UPGDCL are gas fired. Overall Fuel consumption for the year was as follows-

		2019-20	2018-19	2017-18	2016-17
UPGD (DEPZ)	86 MW	0.280 m3/kWh	0.242 m3/kWh	0.287 m3/kWh	0.250 m3/kWh
UPGD (CEPZ)	72 MW	0.236 m3/kWh	0.247 m3/kWh	0.277 m3/kWh	0.255 m3/kWh
UEL	28 MW	0.23 m3/kWh	0.245 m3/kWh	0.25 m3/kWh	0.25 m3/kWh
	53 MW	-	0.33 m3/kWh	0.31 m3/kWh	0.29 m3/kWh
UAEL	195 MW	0.253 m3/kWh	0.251 m3/kWh	0.245 m3/kWh	0.244 m3/kWh

DIRECTORS' REPORT (CONT.)

DIVIDEND FOR THE YEAR 2019-20

The Board of Directors of the company in its 95th meeting held on 28 October 2020 have recommended **Cash Dividend @145%** per share of Taka 10/- each and **Stock Dividend @10%** i.e. 1 (one) Bonus Shares for every 10 (ten) Ordinary Shares of Taka 10/- each held aggregating in total BDT 8,168,433,350 for the year ended 30 June 2020.

The aforementioned Dividend has been recommended being the **'final dividend'** for the year ended 30 June 2020. Further, to mention that no Interim Dividend was declared during the year.

Shareholders' whose name will be appearing in the Shareholders' Registry as on the **Record Date (30 November 2020)** shall be eligible to receive the above Dividends subject to approval by the Shareholders in the **13th Annual General Meeting (AGM) scheduled to be held on 20 December, 2020.**

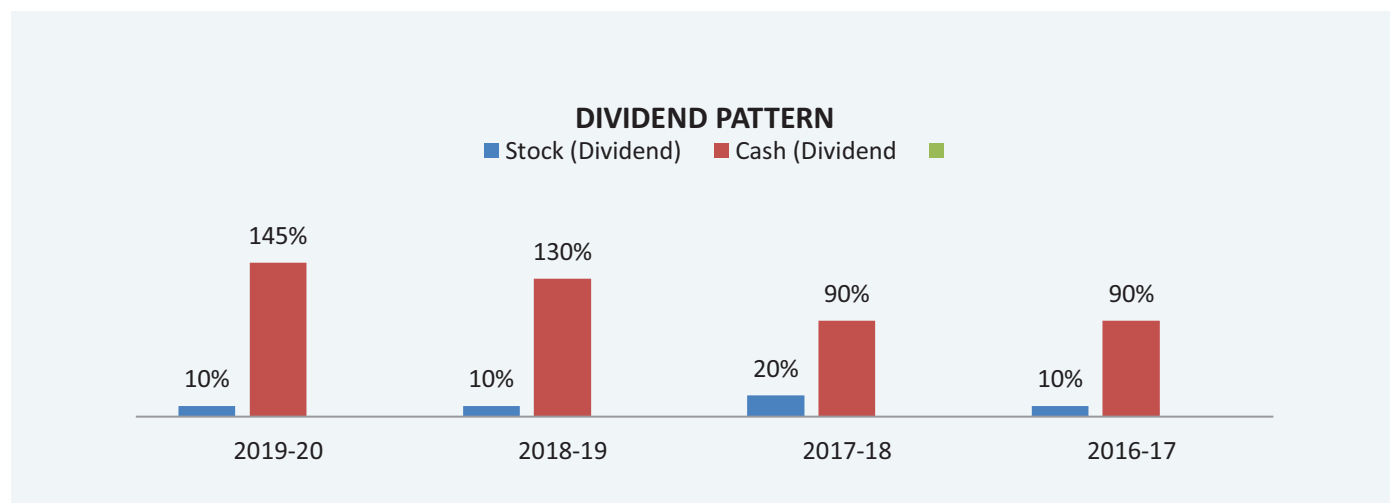
Justifications for Stock Dividend (as per the BSEC Notification dated 20 June 2019): Bonus shares recommended will be utilized for resource mobilization and implementation of the acquisition of majority shares (99%) of two power plants viz United Anwara Power Ltd (UAnPL) and United Jamalpur Power Ltd (UJPL) respectively. This particular initiative was disclosed on 15th September 2020.

Overall appropriation of the Distributable Profit for the year was as follows:

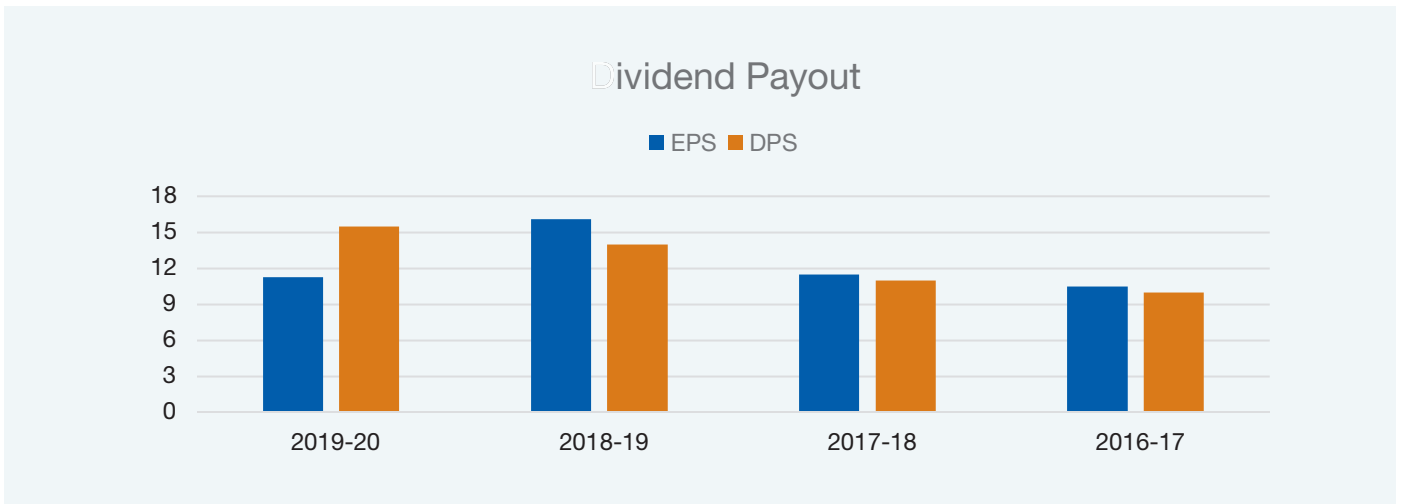
	AMOUNT (IN BDT)
Total: Available for distribution	830,59,86,678
Appropriations by the Board	
Cash Dividend: 145%	764,14,37,650
Stock Dividend: 10%	52,69,95,700
Balance Transferred to R/E	13,75,53,328

Dividend trend of the company was as follows-

PARTICULARS	2019-20	2018-19	2017-18	2016-17
Stock Dividend (%)	10%	10%	20%	10%
Cash Dividend (%)	145%	130%	90%	90%



PARTICULARS	2019-20	2018-19	2017-18	2016-17
EPS	11.26	16.08	11.5	10.46
DPS	15.5	14	11	10
DP Ratio	137.66%	87.06%	95.65%	95.60%



IMPACT OF PANDEMIC

Following the declaration of Covid-19 as a pandemic by World Health Organization (WHO), Government of Bangladesh introduced restrictive measures affecting the movements of people and goods. Nationwide general holidays were announced from 26 March until 30 June 2020. During the mentioned period electricity demand of BEPZA fell in the month of April only. At the same time BPDB and REB bought electricity at lower tariff (contractual) from UPGDCL. While, electricity demand from UAEL by BPDB (the sole customer) fell during the restriction periods. However, due to the continuance of capacity payment and pass through of fuel payment, company's Revenue and Gross Profit had reasonably lower impact.

Therefore, **there were no material impact on the financial results due to Covid 19 during the reporting period.**



DIRECTORS' REPORT (CONT.)

5 (FIVE) YEAR FINANCIAL HIGHLIGHTS

Year-wise Financial Review

Particulars	2019-20		2018-19		2017-18	2016-17	2015-16
	CONSOLIDATED	SEPARATE	CONSOLIDATED	SEPARATE	SEPARATE	SEPARATE	SEPARATE
Operating Data							
Revenue	10,094.03	6,223.16	11,253.34	6,473.67	6,144.61	5,759.24	7,901.37
Operating Expenses	-4,242.26	-2,328.67	-4,132.32	-2,192.60	-1,925.89	-1,727.29	-2,445.26
Gross Profit	5,851.78	3,894.49	7,121.02	4,281.07	4,218.72	4,031.95	5,456.11
General and Administrative Expense	-69.45	-54.94	-99.35	-56.42	-55.37	-60.79	-140.83
Operating Profit	5,786.30	3,843.50	7,832.65	4,241.39	4,157.34	3,988.04	5,726.00
Financial Expenses	338.52	-	-495.42	-	-	-	165.67
Total Comprehensive Income	6,078.79	4,348.77	7,855.03	4,803.67	4,596.36	4,174.96	5,606.15
Balance Sheet Data (BDT million)							
Paid-up Capital	5,269.96	5,269.96	4,790.87	4,790.87	3,992.39	3,629.45	3,629.45
Shareholders' Equity	29,851.21	15,621.94	30,087.74	17,501.30	16,290.78	14,960.92	12,419.21
Total Debt	4,081.87	-	7,061.77	-	-	-	-
Current Assets	15,140.23	7,807.87	21,590.58	9,428.10	7,874.95	6,451.79	4,063.32
Current Liabilities	2,119.34	209.86	4,881.79	198.46	133.71	131.68	574.03
Total Assets	36,077.57	15,856.95	42,032.01	17,700.46	16,425.19	15,093.30	12,993.24
Total Liabilities	6,226.36	235.01	11,944.27	199.16	134.41	132.38	574.03
Financial Ratios							
Current Ratio (Times)	7.14	37.21	4.42	47.51	58.9	48.99	7.08
Debt to Equity Ratio (Times)	0.14	0	0.23	0	0	0	0
Debt to Asset Ratio (Times)	0.11	0	0.17	0	0	0	0
Return on Asset (%)	15.56%	15.02%	26.87%	28.15%	29.17%	29.73%	44.39%
Return on Equity (%)	20.36%	27.84%	26.11%	27.45%	28.21%	27.91%	45.14%
Gross Margin Ratio (%)	57.97%	62.58%	63.28%	66.13%	68.66%	70.01%	69.05%
Net Income Ratio (%)	60.22%	69.88%	69.80%	74.20%	74.80%	72.49%	70.95%
Other Data							
Earnings Per Share (Taka)	11.26	8.25	16.08	10.03	11.51	10.46	15.57
Stock Dividend (%)	10%		10%		20%	10%	Nil
Cash Dividend (%)	145%		130%		90%	90%	125%
Total no. of shares outstanding	526,995,700	526,995,700	479,087,000	479,087,000	399,239,167	362,944,698	362,944,698

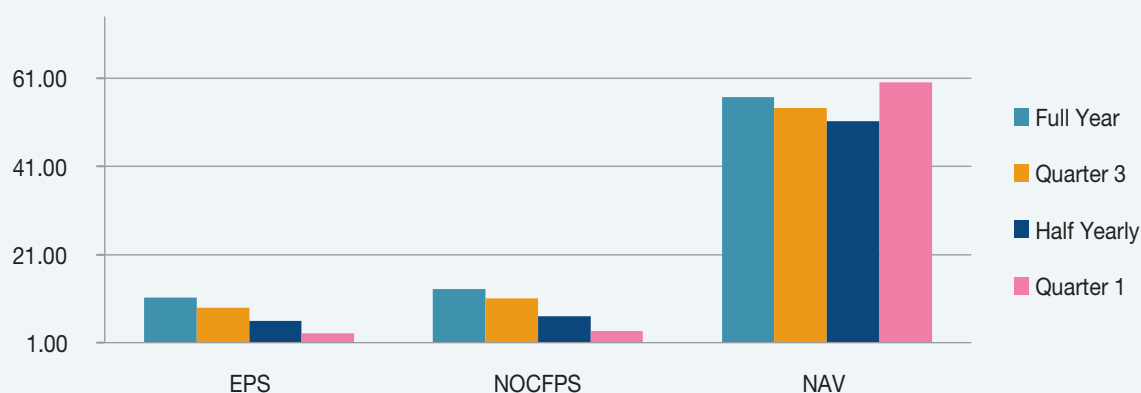
Extra-ordinary gain or loss: as per IAS 1 no extra-ordinary gain or loss has been recognized in the financial statements.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS:

Variance in Quarterly Financial Statements (Consolidated)

	JULY TO SEPTEMBER (Q1)			OCTOBER TO DECEMBER (Q2)			JANUARY TO MARCH (Q3)		
	2019	2018	%	2019	2018	%	2020	2019	%
Revenue	2,765,041,135	2,922,089,031	-5.37%	2,665,857,246	2,866,778,402	-7.01%	2,593,471,767	2,679,140,052	-3.20%
Cost of Sales	-1,127,240,324	-1,127,284,232	0.00%	-1,112,033,980	-923,797,774	20.38%	-1,029,320,982	-915,652,043	12.41%
Gross profit	1,637,800,811	1,794,804,799	-8.75%	1,553,823,266	1,942,980,628	-20.03%	1,564,150,785	1,763,488,009	-11.30%
Net Profit	1,647,579,593	1,814,311,142	-9.19%	1,593,780,271	1,947,988,860	-18.18%	1,583,326,611	2,530,052,073	-37.42%
EPS	3.06	3.37	-9.20%	2.95	3.62	-18.51%	2.93	4.72	-37.92%
NOCFPS	3.62	2.71	33.58%	3.29	4.24	-22.41%	4.18	2.62	59.54%
NAV	60.05	57.09	5.18%	51.26	57.09	-10.21%	54.26	57.09	-4.96%

Quarterly Performance

**VARIANCE IN ANNUAL FINANCIAL STATEMENTS:**

	FOR THE YEAR ENDED		
	'30 JUNE 2020	'30 JUNE 2019	%
Revenue	10,094,032,945	11,253,361,366	-10.30%
Cost of Sales	(4,242,256,126)	(4,132,336,855)	2.66%
Gross profit	5,851,776,819	7,121,024,511	-17.82%
Net Profit	6,078,787,549	7,855,028,025	-22.61%
EPS	11.26	14.62	-22.97%
NOCFPS	13.25	14.67	-9.68%
NAV	56.64	57.09	-0.79%

DIRECTORS' REPORT (CONT.)

Previous year, there was an extra ordinary gain arising out of the disposal of subsidiary of United Energy Ltd. (UEL) and there was no such gain in this the period. Further, Ashuganj 53 MW power plant was fully operational during the previous year but in the year 2019-20 the plant is not in operation due to expiration of contract. Renewal application approval is under process. Moreover, there were impact of Covid in the Revenue of UPGDCL, which arose due to closure of DEPZ and CEPZ during the lockdown period in April and May 2020.

CONTRIBUTION TO NATIONAL EXCHEQUER

Overall contribution of the company in the sphere of National Exchequer, social responsibility or accountability perspective has been depicted in the following statements –

(amount in BDT)				
FORMS OF CONTRIBUTION	2019-2020	2018-2019	2017-2018	2016-2017
Salary Taxes (Directors and Employee)	4,602,771	4,738,132	4,357,500	4,082,500
Custom duty on spares and parts	97,595,763	84,687,950	3,793,851	1,340,759
AIT of Suppliers	8,277,916	13,052,754	4,314,091	6,753,983
VAT of Suppliers & Customers	33,939,592	49,177,637	32,672,145	41,108,505
AIT on Dividend	124,814,157	111,061,075	48,539,461	247,261,707
AIT on Gas bill	56,444,073	31,614,563	12,405,101	11,424,413
Total	325,674,272	294,332,111	106,082,150	311,971,867

VALUE ADDED BY UPGDCL:

VALUE ADDED:	2019-2020	2018-2019	2017-2018	2016-2017
Revenue	10,094.03	11,253.36	6,144.61	5,759.24
Other income including interest income	697.14	1,445.09	457.05	202.14
Cost of Sales, Excluding Depreciation and Amortization	-2,914.39	-2,807.44	-1,574.52	-1,278.08
Other operating expenses, excluding depreciation	-61.03	-91.39	-51.82	-53.62
Total Value Added	7,815.76	9,799.61	4,975.33	4,629.69
Distribution of added value:				
To Employees as salaries and allowances and others	211.65	262.722	95.224	83.583
To Directors as salaries and allowances	15.932	24.27	19.93	19.03
To Banks and other lenders	338.52	495.046	-	-
To Shareholders	7,641.44	6,228.13	3,266.50	1,633.25
	8,207.54	7,010.17	3,381.66	1,735.86
Retained for reinvestment & future growth:				
Depreciation and amortization	1,314.60	1,312.96	354.92	453.75
Retained Profit	-1,706.38	1,476.49	1,238.75	2,440.07
	-391.78	2,789.45	1,593.67	2,893.82
Total	7,815.76	9,799.61	4,975.33	4,629.69

RELATED PARTY TRANSACTIONS

Related Party transactions of the company during the year have been narrated in detail in the Financial Statements for the year ended 30 June, 2020 as below following the compliance requirements under the BAS 24 –

UPGDCL Separate Financial Statements Note 34

UPGDCL Consolidated Financial Statements Note 42

It may be mentioned that the company and its subsidiaries hire all operational and administrative/corporate services from M/S United Engineering & Power Services Ltd (UEPSL) under an Operation & Maintenance (O&M) agreement with respective companies. Besides there are intercompany transactions with respect to repair maintenance support and movements of surplus business funds at approved price.

In compliance with requirements of the BSEC notification no BSEC/CMMRRCD/2009-193/Admin/103 dated 5th February 2020 specific approval from the Shareholders at the AGM has been proposed in connection with the Related Party transactions.

BUSINESS RISKS & UNCERTAINTIES:

UPGDCL operates in an industry which is exposed to a number of internal and external risk factors over which UPGDCL has little or no control. The occurrence of the risk factors as delineated hereunder can have significant bearing on the operational and financial performance of the Company. The Board of Directors has overall responsibility for the establishment and oversight of the company and group risk management framework. It oversee and monitors risk management process and compliances including adequacy of measures at place. Board is assisted by the Audit Committee. Internal Audit under the purview of the Audit Committee reviews risk management controls and provides feedback to the Committee.

CREDIT RISK

Credit risk refers to the financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivable from customers. Company's product, electricity and steam, is sold to Dhaka Export Processing Zone Authority (DEPZ), Chittagong Export Processing Zone Authority (CEPZ), Rural Electrification Board (REB), Bangladesh Power Development Board (BPDB), Karnaphuli Export Processing Zone (KEPZ), and other private customers under the conditions of the long-term Power Sales Agreement (PSA)/Power Purchase Agreement (PPA). Sales made to these entities are fully secured by Letters of Credit issued by local scheduled banks. Credit risk does not arise in respect of any other receivables.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

UPGDCL has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast that has been prepared based on timeline of payment of the financial obligation and has accordingly arranged for sufficient liquidity/fund to make the expected payment within due date. Moreover, UPGDCL seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

MARKET RISK

Market risk refers to the risk that accompanies the changes in market forces, such as foreign exchange rates and interest rates, which affects the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return:

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rate. Your Company is exposed to currency risk as it imports machinery and equipment against payment of international currencies (USD and EURO). Unfavorable volatility or currency fluctuations may increase import cost and thus affect profitability of the company. Besides as a group exposure to currency risks are there with respect to FC loans of UAEL. However, the management of your company is fully aware of the risks associated with currency fluctuations.

DIRECTORS' REPORT (CONT.)

INTEREST RATE RISK

Interest rate risk refers to the likely changes in the cash flows or future value of a firm on account of changes in the interest rates in the market. Increase in interest rate increases the cost of borrowed funds for a company in case of floating rate loans. Interest/financial charges are paid against the Company's borrowed funds. In the event of unfavorable movement in money markets, rising interest rate could increase the cost of debt and negatively impact profitability. Since UPGDCL is a debt free company and surplus cash in operation, the only liabilities that your company is subjected to are short term, in terms receivables and payables.

CAPITAL RISK MANAGEMENT

Capital risk management refers to the implementation policies and measures adopted to maintain sufficient capital (consisting of share capital and retained earnings) and to assess the Company's internal capital adequacy to ensure its operation as a going concern. Valued shareholders, it is for your kind information that all major investment and operational decisions having even the slightest exposure to any risk are evaluated and approved by the Board or your Company. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. The Board also monitors the dividend trend to ordinary shareholders

OPERATIONAL RISK

Operational risk is measured against the ability of the Company's power projects to generate and distribute stipulated electricity to its off-takers. Limitation of technology used, fuel supply arrangement, operational and maintenance (O&M) arrangement, political or force majeure in the form of natural disasters like floods, cyclone, tsunami and earthquake may hamper normal performance of power generation.

The routine and proper maintenance of their own distribution networks undertaken by both the O&M operators and BEPZA reduces the chance of major disruptions. However, severe natural calamities which are unpredictable and unforeseen have the potential to disrupt normal operations of UPGDCL. The management of your company believes that prudent rehabilitation schemes and quality maintenance will lessen the damages caused by such natural disasters. Most importantly, all the above risks are covered under the insurance agreement with Pragati Insurance Ltd., Pioneer Insurance Company Ltd. and Green Delta Insurance Company Ltd., to compensate for all potential damages caused in such situations.

RISK ASSOCIATED WITH SUPPLY OF RAW MATERIAL (GAS SUPPLY)

The main raw material used for generating electricity is natural gas. Any interruption of supplies of the gas to the power plants will hamper the generation of electricity, the main product of your Company.

The supply of raw material to your Company is secured by the Gas Supply Agreements with Karnaphuli Gas Distribution Company Ltd. and Titas Gas Transmission & Distribution Company Limited for the term of the Power Supply Agreement with BEPZA. Hence there is no threat of interruption of supplies of the gas to the power plants that may hamper the generation of electricity.

ENVIRONMENTAL RISKS

UPGDCL is committed to conducting its business in socially responsible and environmentally sustainable manner. All the power plants of UPGDCL have acquired the necessary clearances from the Department of Environment (DoE), Ministry of Environment and Forest, Bangladesh and ensures compliance to the standards and limits set forth as conditions in the said clearances/licenses/permits. The environmental parameters such as air, quality and noise are periodically monitored by representatives of the DoE and EPZ authorities. Thus, UPGDCL's power plants have been operating keeping within the standard limits.

UPGDCL's power plants are designed such that the pollution levels adhere to all environmental regulations and pollution norms of the country. In addition, it is working closely with the community to minimize environmental hazards.

Furthermore, UPGDCL's power plants uses natural gas, the cleanest of all fossil fuels, as its primary fuel thus keeping carbon emissions at minimum. The plants also employ best-in-class, high efficiency engines that ensure complete combustion of the fuel contributing further in reducing carbon emissions. To increase efficiency levels further several of the engines at the power plants in Dhaka & Chittagong EPZs have exhaust gas boilers fitted with them so that the exhaust gas can be used to produce quality steam that can be commercially sold to export processing industries with a demand for steam. This ensures fossil fuel saving that otherwise would have been needed to produce the steam and further reduces carbon emission to the environment as burning of that additional fossil fuel would have led to far greater concentration of greenhouse gases as exhaust.

FAIR REPRESENTATION OF STATE OF AFFAIRS AND COMPLIANCE OF ACCOUNTING POLICIES, STANDARDS ETC.

The Board of Directors are also pleased to make the following declarations in their report:

- a) The financial statements prepared by the management of your Company fairly presents its state of affairs, the result of its operations, cash flows and changes in equity
- b) Proper books of accounts of your Company have been maintained;
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- d) International Accounting Standards and International Financial Reporting Standards as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;
- e) The system of internal control is well structured and has been effectively implemented and monitored;
- f) There are no significant doubts upon your Company's ability to continue as an ongoing concern basis;
- g) Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in financial results and profit appropriation;
- h) Significant plans and decisions, such as future prospects, risks and uncertainties surrounding the Company has been outlined under the relevant captions of this report;

Further standards followed or adopted by the company while presenting financial statements have been narrated in the Notes thereof under "significant Accounting policies".

While approving the audited Financial Statements for the year 2019-20, Board of Directors also took due cognizance of the "declaration" or "certification" given by the Managing Director and the CFO of the company in compliance with the BSEC Notification dated 3 June 2018 condition No. 3(3). The said certification has been disclosed with the Report as per the requirements of the condition No. 3(3)(c) and 1(5) (xxvi) respectively of the BSEC Notification under reference.



DIRECTORS' REPORT (CONT.)

INTERNATIONAL ACCOUNTING STANDARDS (IAS)

ACCOUNTING STANDARDS	EFFECTIVE DATE	TITLES	REMARKS
IAS-01	1st January 2007	Presentation of Financial Statements	Applied
IAS-02	1st January 2007	Inventories	Applied
IAS-07	1st January 1999	Statement of Cash Flows	Applied
IAS-08	1st January 2007	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS-10	1st January 2007	Events after the Reporting Period	Applied
IAS-11	1st January 1999	Construction Contracts	N/A
IAS-12	1st January 1999	Income Taxes	Applied
IAS-16	1st January-2007	Property, Plant & Equipment	Applied
IAS-19	1st January 2004	Employee Benefits	N/A
IAS-20	1st January 1999	Accounting of Government Grants and Disclosure of Government Assistance	Applied
IAS-21	1st January 2007	The Effects of Changes in Foreign Exchange Rates	Applied
IAS-23	1st January 2010	Borrowing Costs	Applied
IAS-24	1st January 2007	Related Party Disclosures	Applied
IAS-26	1st January 2007	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS-27	1st January 2010	Separate Financial Statements	Applied
IAS-28	1st January 2007	Investments in Associates	N/A
IAS-29	1st January 2013	Financial Reporting in Hyperinflationary Economics	N/A
IAS-32	1st January 2010	Financial Instruments: Presentation	Applied
IAS-33	1st January 2007	Earnings per Share	Applied
IAS-34	1st January 1999	Interim Financial Reporting	Applied
IAS-36	1st January 2005	Impairment of Assets	N/A
IAS-37	1st January 2007	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS-38	1st January 2005	Intangible Assets	N/A
IAS-39	1st January 2010	Financial Instruments: Recognition and Measurement	Applied
IAS-40	1st January 2007	Investment Property	N/A
IAS-41	1st January 2007	Agriculture	N/A



INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

ACCOUNTING STANDARDS	EFFECTIVE DATE	TITLES	REMARKS
IFRS 1	1st January 2009	First-time adoption of International Financial Reporting Standards	N/A
IFRS 2	1st January 2007	Share-based Payment	N/A
IFRS 3	1st January 2010	Business Combinations	Applied
IFRS 4	1st January 2010	Insurance Contracts	N/A
IFRS 5	1st January 2007	Non-current Assets Held for Sale and Discontinued Operations	N/A
IFRS 6	1st January 2017	Exploration for and Evaluation of Mineral Resources	N/A
IFRS 7	1st January 2010	Financial Instruments: Disclosures	Applied
IFRS 8	1st January 2010	Operating Segments	N/A
IFRS 9	1st January 2013	Financial Instruments	Applied
IFRS 10	1st January 2013	Consolidated Financial Statements	Applied
IFRS 11	1st January 2013	Joint Arrangements	N/A
IFRS 12	1st January 2013	Disclosure of Interests in other Entities	Applied
IFRS 13	1st January 2013	Fair Value Measurement	Applied
IFRS 14	1st January 2016	Regulatory Deferral Accounts	N/A
IFRS 15	1st January 2018	Revenue from Contract with Customers	Applied
IFRS 16	1st January 2019	Leases	Applied

MINORITY INTEREST

Share capital structure of the company as of **30 June 2020** comprises of **10% Minority Shareholders** which is a mix of institutional and individual shareholders. Being a public limited and listed entity, UPGDCL adheres to all the rules and regulations of the Bangladesh Securities & Exchange Commission (BSEC) and the Stock Exchanges. Apart from that any major policy decision affecting shareholders interest, irrespective of the holding pattern, are taken on an absolute transparent manner with appropriate market disclosures which paves the way for proper recourse by the shareholders bracketed as Minority Shareholders. Board of Directors, in particular, Independent Directors and Nominee from Investment Corporation of Bangladesh (ICB) have been playing an effective role in this regard.

In the Consolidated Financial Statements, Note 21 has been included to provide detail calculation of the Non-controlling interests from the group or holding company perspective of UPGDCL.

UPGDCL: A GOING CONCERN ENTITY

Your company is the first Commercial Independent Power Purchase (CIPP) power generation company of the country which was established under the Private Sector Power Generation Policy of Bangladesh on Nov 2004. As per the clause 2(b) of the Power Sharing Agreement (PSA) with BEPZA, the company is to run initially for 30 years which is renewable for further 30 years. Moreover, Gas Supply for the Plants are ensured by the Government. It is dubbed an "open ended" project because of the longer duration. Mentionable that, EPZ operation is a 24X7 cycle and hence necessity of power is a prevalent necessity. EPZs are a necessity for the country and so the energy supply. Therefore, confining UPGDCL's life term within the PSA framework will be imprudent rather it should be considered as a "going-concern" economic unit for all the practical purposes.

CORPORATE GOVERNANCE

With the advent of the CORPORATE GOVERNANCE CODE (CGC) introduced through the BSEC Notification dated 3 June 2018, Board of Directors have adopted the same with a view to "full" compliance. Moreover, as per the previous year's, corporate governance practices of the company have been reviewed by a Professional (Firm) namely Messrs. Poddar & Associates, Cost & Management Accountants. **The certification of the Professional is attached as disclosure along with this Report.**

Status of Compliance with the conditions of the Corporate Governance Code (CGC) is also disclosed in this Report in compliance with the condition 9 (1) of the Code.

HUMAN RESOURCE MANAGEMENT

Efficient manpower is the pre-requisite for an organization's development. Success of this organization depends on qualified and skilled manpower for the right post. UPGDCL is performing the task with due care and integrity to increase the efficiency of the plant through appropriate maintenance and operation. The aim is to maintain the place of work and surrounding condition in a manner that permits employees to work to the highest effectiveness and perform investing their full potential. To develop and equip the employees with essential skills, the company places great emphasis on the development of its people and hence the Company undertakes appropriate training and workshops to update their knowledge in their respective functional areas. UPGDCL has implemented Training Needs Assessment (TNA) as part of its training system. The aspects of Training Needs Analysis include determining what is required to complete the work activity, the existing skill levels of the staff completing the work and the training gap (if any).

In total 75(including 34 online trainings) trainings and drills have been conducted in the reporting year 32 trainings being conducted at DEPZ plant 43 trainings and drills being conducted at CEPZ plant. The training equipped the plant personnel with technical and organization skills. We have an enriched Employee Service Rules with proper job descriptions and responsibilities. A detailed succession planning is considered every year to ensure good working environment and enhancement of knowledge of the employees. A yearly performance appraisal is carried out to reward and encourage diligent employees and assess their training requirements. Accordingly, the personnel department awards the yearly increment and other remuneration related matters.

Besides, the Nomination and Remuneration Committee (NRC) of the board as envisaged is playing its due role in this respect.



SHAREHOLDING INFORMATION

AS OF 30 JUNE 2020

	NAME OF THE SHAREHOLDERS		SHARES HELD	(%) OF SHAREHOLDING
i) Parent/Subsidiary/Associated Companies and Other Related Parties				
	United Mymensingh Power Ltd	Corporate Director	474,288,093	90.00%
ii) Directors				
	Mr. Hasan Mahmood (Raja)	Director	-	-
	Mr. Ahmed Ismail Hossain	Director	-	-
	Mr. Khandaker Moinul Ahsan	Director	-	-
	Mr. Akhter Mahmud	Director	-	-
	Mr. Faridur Rahman Khan	Director	-	-
	Mr. Abul Kalam Azad	Director	-	-
	Mr. Malik Talha Ismail Bari	Director	-	-
	Mr. Nasiruddin Akhter Rashid	Director	-	-
	Mr. Fahad Khan	Director	-	-
	Mr. Wasekul Azad	Director	-	-
	Mr. Nizamuddin Hasan Rashid	Director	-	-
	Mr. Khondaker Zayed Ahsan	Director	-	-
	Mr. Moinuddin Hasan Rashid	Managing Director	-	-
	Mr. Md. Abul Hossain	Nominated Director ICB	-	-
iii) Independent Director				
	Lt. Gen. Sina Ibn Jamali, awc, psc (Retd)	Independent Director	-	-
	Mr. Sabbir Ahmed, FCA	Independent Director	-	resigned with effect from 16 September 2019
	Dr. M. Fouzul Kabir Khan	Independent Director	-	-
	Professor Mohammad Musa, PhD.	Independent Director	-	-
Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and Their Spouses and Minor Children				
	Mr. Mohammad Mejbahuddin	Chief Executive Officer	-	resigned from the service effective 21 October 2019
	Mr. Md. Ebadat Hossain Bhuiyan, FCA	Chief Financial Officer	-	resigned from the service effective 15 December 2019
iv)	*Mr. Badrul H. Khan, FCA			Presently overseeing as CFO
	Mr. Badrul H. Khan, FCA	Company Secretary	-	-
	Mr. Mahtab Murshed, FCA	Head of Internal Audit &	-	resigned from the service effective 01 April 2020
	*K M Atiqul Islam FCA, ACMA (UK), CGMA	Compliance (HIAC)		Presently overseeing in absence of HIAC
v) Executives			Not Applicable	
vi) Shareholders Holding 10% or more voting interest in the Company				
	United Mymensingh Power Ltd	Corporate Director	474,288,093	90.00%
vii) Subsidiary Companies			UPGDCL Shareholding	(%) of Shareholding
i)	United Energy Ltd. (UEL)		29,700	99%
ii)	Leviathan Global BD Ltd. (LGBDL)		300,000	75%

DIRECTORS' REPORT (CONT.)

UPGDCL CORPORATE STRUCTURE

Board of Directors is the supreme corporate platform with respect to the overall strategic and policy making decisions of the company. It comprises of Eighteen (18) Directors including Three (3) Independent Directors. United Mymensingh Power Ltd (UMPL), which holds 90% shares, has fourteen (14) Nominees and Investment Corporation of Bangladesh (ICB) has one Nominee in the board. Chairman of the Board of Directors is from amongst the Non-executive Directors. Managing Director is a salaried executive and entrusted with running the day-to-day business affairs of the company.

Company follows and complies all the regulatory norms and requirements as ordained in the Articles of Association and the related laws including corporate governance code. In total, Four (4) Board Meetings took place during the reporting ending 30 June 2020. The attendances of the Directors were as follows:

	Designation	Attendance
General Md. Abdul Mubeen SBP, ndc, psc (Retd.)	Chairman	4
Mr. Hasan Mahmood Raja	Director	3
Mr. Ahmed Ismail Hossain	Director	3
Mr. Khandaker Moinul Ahsan	Director	3
Mr. Akhter Mahmud	Director	3
Mr. Abul Kalam Azad	Director	4
Mr. Faridur Rahman Khan	Director	4
Mr. Moinuddin Hasan Rashid	Managing Director	4
Mr. Kazi Sanaul Hoq, Managing Director, ICB	Director	1
Mr. Md. Abul Hossain, Managing Director, ICB	Director	3
Lt. Gen. Sina Ibn Jamali awc, psc (Retd)	Independent Director	4
Prof. Mohammad Musa, Ph.D.	Independent Director	3
Dr. Muhammad Fouzul Kabir Khan	Independent Director	2
Mr. Sabbir Ahmed, FCA	Independent Director	1
Mr. Malik Talha Ismail Bari	Director	4
Mr. Nasiruddin Akhter Rashid	Director	3
Mr. Fahad Khan	Director	3
Mr. Wasekul Azad	Director	3
Mr. Nizamuddin Hasan Rashid	Director	4
Mr. Khondaker Zayed Ahsan	Director	4



SNAPSHOT OF THE BOARD OF DIRECTORS MEETING DURING THE YEAR IS GIVEN BELOW

FINANCIAL YEAR 2019-20

	Q1	Q2	Q3	Q4
	JULY - SEPT 2019	OCT-DEC 2019	JAN- MAR 2020	APR- JUN 2020
Board Meeting	90 BM	91 BM	92 BM	93 BM
	August 1, 2019	13th Nov 2019	30th Jan 2020	9th Jun 2020
Audit Committee Meeting	August 1, 2019	13th November 2019	30th January 2020	9th June 2020
PSI	August 1, 2019 Dividend, 12th AGM Date, Record Date & performance KPI of year ended 30th June 2019	November 13, 2019 Performance KPI of 1st Quarter (July- Sept) 2019-20	30th Jan 2020 Performance KPI of 2nd Quarter (Oct -Dec) 2019-20	30th Apr 2020 Performance KPI of 3rdQuarter(Jan- Mar) 2019- 20
Compliance Notice for Board Meeting Date	August 1, 2019	November 7, 2019	27th Jan 2020	4th June 2020
	(90 BM)	(91BM)	(92 BM)	(93 BM)
Disclosures	21st July 2019	20th August 2019		June 30, 2020
	UAEL Dividends (final and interim)	UAEL repaid the entire foreign loan worth USD 45,872,757.25 equivalent to BDT 3,890,009,814.80		Shifting of Corporate Office of United Power Generation and Distribution Co. Ltd. (UPGDCL).

Board has two Committees namely the **AUDIT COMMITTEE** and the **NOMINATION & REMUNERATION COMMITTEE (NRC)**, respectively. Both the Committees are empowered to perform the given roles as per the Code of Corporate Governance (CCG) 2018 besides specific performance, if any. Committees' Chairpersons are Independent Directors while the respective committee Members are nominated by the Board. Both the committees comprise of three Members and the Company Secretary acts as the Member Secretary in both the committees.

AUDIT COMMITTEE met on a total Four (4) times in line with the Board meetings:

	POSITION IN THE BOARD	POSITION IN THE COMMITTEE	ATTENDANCE
Lt. Gen. Sina Ibn Jamali awc, psc (Retd)	Independent Director	Chairperson	4
Prof. Mohammad Musa, Ph.D.	Independent Director	Member	3
Mr. Abul Kalam Azad	Director	Member	4

AUDIT COMMITTEE MEETING FOR	DATE
Q1	13th November 2019
Q2	30th January 2020
Q3	9th June 2020
Q4	28th October 2020

DIRECTORS' REPORT (CONT.)

WHILE NOMINATION & REMUNERATION COMMITTEE (NRC) MET FOR ONCE IN THE PERIOD

	DESIGNATION	ATTENDANCE
Dr. Muhammad Fouzul Kabir Khan	Chairperson	1
Mr. Faridur Rahman Khan	Member	1
Mr. Malik Talha Ismail Bari	Member	1

Roles and responsibilities of the Chairman and the Managing Director are clearly segregated. Day to day operations and business activities are carried through well-defined functions at Head Office and at the Plants.

REMUNERATION PAID TO DIRECTORS

The remuneration paid to Directors including Independent Directors were as follows:

	30 JUNE 2020	30 JUNE 2019
Directors' remuneration	15,932,500	24,272,500
Board meeting fees	3,325,876	2,896,658
Total	19,258,376	27,169,158

DIRECTORS' ELECTION AND RE-APPOINTMENT

As per the Article 23 (a) of the Articles of Association of the company following Directors are to retire in the 13th AGM of the company and being eligible will be re-elected:

Proposed re-elected Directors:

General Md. Abdul Mubeen, SBP, ndc, psc (Retd.)

Mr. Hasan Mahmood Raja

Mr. Ahmed Ismail Hossain

Mr. Khandaker Moinul Ahsan

Mr. Akhter Mahmud

Mr. Abul Kalam Azad

According to BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June, 2018, Dr. Muhammad Fouzul Kabir Khan, Independent Director, completed his 1st tenure and being eligible will be re-elected for another tenure (three years).

Mr. Khondaker Zayed Ahsan was inducted in the Board of Directors of the Company as Nominee Director of United Mymensingh Power Ltd. (UMPL) on 92nd Board Meeting held on 30th January, 2020. As per the provisions of the Article 20(b) of the Articles of Association of the Company, Mr. Khondaker Zayed Ahsan is to retire from the position of Directorship and being eligible have expressed desire to be re-elected as Director of the Company.

APPOINTMENT OF AUDITOR

Board of Directors has recommended **Messrs. A. Quasem & Co**, Chartered Accountants to be re-appointed as auditor for the year 2020-21. It may be mentioned A. Qasem & Co, Chartered Accountant is one of the leading Audit firm of the country and is affiliated member of the world renowned audit practitioner Ernst & Young Global Limited. It is also enlisted with the Financial Reporting Council as per the Financial Reporting Act, 2015 and also Panel Auditors' of Bangladesh Securities and Exchange Commission.

APPOINTMENT OF PROFESSIONAL TO CERTIFY COMPLIANCE OF THE CGC

Board of Directors of the company has recommended Messrs. PODDAR & ASSOCIATES, Cost & Management Accountants, as the professional to provide the certification as to the compliance of the Corporate Governance Code (CGC) issued by the BSEC Notification dated 3 June 2018. As per the Condition 9(2) of the said Notification, this will be placed at the 13th AGM for due approval by the shareholders.

FUTURE PROSPECT

UPGDCL can foresee a load growth inside Dhaka and Chittagong Export Processing Zones due to an increase in the number of industries as well as capacity development of the existing industries housed inside. We are also anticipating increased load growth due to expansion of capacity of our private clients. We are hopeful that in time we will be successful to acquire more clients in the near future.

Further, to create shareholders' value, your company has undertaken initiatives to go for parallel expansion of generation capacity through acquisitions.

ECONOMIC VALUE ADDED (EVA)

Residual wealth creation or **Economic Value Added (EVA)** by the company at the end of the year signifies the future potentialities for growth and also show cases the value addition through power assets consolidation.

PARTICULARS	2019-2020	2018-2019	2017-2018	2016-2017
Net Profit after tax	6,078.79	7,855.03	4,596.36	4,174.96
Shareholders' equity	29,851.21	30,087.74	16,290.78	14,960.92
Cost of capital	14.07%	11.74%	11.89%	13.25%
Value of Cost of Shareholders equity	4,198.78	3,532.30	1,936.97	1,982.32
Economic Value Added (EVA)	1,880.00	4,322.73	2,659.39	2,192.64

CORPORATE SOCIAL RESPONSIBILITY

United Power Generation and Distribution Company Ltd (UPGDCL) supports and contributes towards many social and humanitarian causes as part of its Corporate Social Responsibility. **Corporate Social Responsibility is practiced through its sister organization United Trust Ltd.** to embrace responsibility for the Company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who are also part of the Company's stakeholders. Such activities are in favor of Education, Poverty Alleviation, and Healthcare and so on.

'United Trust' (UT), registered on 29 December 2011, is a 'Social Development' wing of United Group established by the Board of Directors of United Group, the parent concern of UPGDCL, from their religious urge of helping the poor and socially disadvantaged people. Islam has made this responsibility mandatory on anybody who is financially capable in the society. UT aims to plan, build, establish, maintain and run the charitable Social Welfare projects financed by the Group in a professional and efficient way.

VISION

The Vision of United Trust is to improve the quality of life of the underprivileged and socially disadvantaged population of the country, primarily in the rural area.

MISSION

The Mission of United Trust is to address people's basic needs: Education, Health, Sanitation, Employment and basic amenities whatever is implemented should be of standard quality. Thus, ensuring that the poor are not left outside the circle of quality life.

It accomplishes its works in four broad sectors: 'Education', 'Health', 'Interest free Micro Credit', and 'Community Development'.



COVID RELIEF ACTIVITIES

United Group (United Trust) during the Covid lockdown supported the SWAPNO project (Strengthening Women's Ability for Productive New Opportunities) in partnership with UNDP's Bangladesh office. The objective was to assist underprivileged women of the vulnerable rural communities by providing food security and sustainable livelihood during the crippling COVID-19 health and humanitarian crisis. Total food relief support was worth over BDT 10 Million to ensure the project was productive and an overall success. "SWAPNO" provided food items to over 7300 deprived women in 126 unions of the three project districts. Highest priority was set on putting special precautions to ensure all activities of the project were conducted under strict health and safety regulations in accordance with the COVID-19 social distancing protocols.

"To help the society in a more organized and meaningful manner, we are determined to continue our relationships with UNDP"

– Moinuddin Hasan Rashid, Chairman & Managing Director, United Group

UPGDCL Board Members also donated Meeting attendance fees Tk 360,000 towards the above trust – UNDP partnership. Besides, group also contributed BDT 50 million to the Prime Minister's Relief and Welfare Fund.

ACKNOWLEDGEMENT

The Board of Directors would like to especially thank the members of the public for placing their confidence on the company by purchasing its shares and supporting its activities. Without the persistent support of the valued Shareholders the Company could not have attained what it has achieved today. The Board would extend its foremost regards and appreciation to the Stakeholders and the Customers of the company for their unrelenting support and trust on the company. This, we strongly believe, acts as the driving force of the company. We accept this trust in all humility and shall continue to strive to live up to the expectations.

The Board also recognizes that the attainment made during the year was possible because of the cooperation, positive support and guidelines it had received from the Government of Bangladesh, Prime Minister's Office, Ministry of Power, Energy and Mineral Resources, Power Division, Energy Division, Ministry of Finance, National Board of Revenue, Ministry of Commerce, Board of Investment, Bangladesh Power Development Board, Petrobangla, Titas Gas Transmission & Distribution Company Ltd. and Karnaphuli Gas Distribution Company Ltd. local administration of Dhaka and Chittagong EPZ and the people of the locality. Accordingly, the Board offers its utmost and sincere gratitude to them. The Board also extends its best wishes to the contractors and consultants who helped us running power plants and achieve this growth.

The Board would also like to express their humble gratitude to all the stakeholders including the investors, suppliers, banks and financial institutions, insurance companies, service providers, Bangladesh Securities & Exchange Commission, Registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, The Central Depository of Bangladesh Limited, various Government Authorities and lastly the individuals and agencies who have helped us accomplish what we are today.

Your Board would also like to put on record its deep appreciation of the efforts made by the employees of the Company. Their commitment and passion, both individually and through team work has led your company achieve the accolades that it has acquired so far. The Board also recognizes and appreciates the critical support provided by the families of the employees which enables them to focus on their daily work in UPGDCL.

We are proud of you all and look forward to your continued support as we march ahead to take United Power Generation & Distribution Company Limited further forward as a leading player in the power sector of the country.

With Best Wishes,

On behalf of the Board,

General Md. Abdul Mubeen, SBP, ndc, psc (Retd.)

Chairman