



ANNUAL REPORT 2022-23



UNITED
POWER

UNITED POWER GENERATION & DISTRIBUTION CO. LTD.

"হে আল্লাহ! আপনি তাকে ক্ষমা করুন, তাকে দয়া করুন, তাকে পূর্ণ
নিরাপত্তায় রাখুন, তাকে মাফ করে দিন"

"Oh Allah, forgive him and have mercy on him and give
him strength and pardon him."



In Memoriam
Nasiruddin Akhter Rashid
Director, UPGDCL



Thank you for leading us on "Uniting Dreams
for a Brighter Tomorrow." Your life was a
blessing, your memory a treasure.

May Your Soul Rest in Peace



10th ICSB National Award 2022 for Corporate Governance Excellence

Position : Gold Award(1st)
Category : Fuel & Power

ICMAB Best Corporate Award 2022

Position : Gold Award(1st)
Category : Power & Energy

9th ICSB National Award 2021 for Corporate Governance Excellence

Position : Gold Award(1st)
Category : Fuel & Power

Manufactured Capital

Total MWH:

Installed capacity: **6,760,000**

Production: **2,740,355**



Financial Capital

- Owners' Equity Taka 31,352 mln
- Long-term debt taka 3,020 mln
- Retained Earnings Taka 22,951 mln

Human Capital

- Number of employees: 489
(Employees under separate O&M contracts)

Intellectual Capital

- Number of training session: **246 H**
- Technical prowess built up over decades

Social and Relationship Capital

- Cooperation with business partners
- Relationships of trust with stakeholders

Natural Capital

- Natural Gas: **310099092.05 (m3)**
- HFO: **310474.781 (MT)**

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PROXY FORM



Notice of The 16th Annual General Meeting (AGM)



UNITED POWER GENERATION & DISTRIBUTION COMPANY LIMITED

United House, Madani Avenue, United City, Dhaka-1212, Bangladesh.
Web: www.unitedpowerbd.com, E-mail: info.power@united.com.bd

Notice is hereby given that the 16th AGM of **United Power Generation & Distribution Company Ltd.** (UPGDCL) will be held on **14th December 2023 (Thursday) at 11:00 a.m.** (Dhaka Time) in the **digital platform** through the following link **<https://agmbd.live/unitedpower2023>** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Financial Statements for the year ended 30 June 2023 and the Auditors' and Directors' Reports;
2. To declare dividend for the year ended 30 June 2023;
3. To elect/re-elect Directors;
4. To appoint Statutory Auditors of the Company for the year 2023-24 and to fix their remuneration.
5. To appoint Corporate Governance Compliance Auditors for the year 2023-24 and to fix their remuneration.

SPECIAL BUSINESS:

1. To consider and approve the **Related Party Transactions** (as disclosed in Note 12 of the Separate and Note 11 of the Consolidated Audited Financial Statements), pursuant to the BSEC Notification No. *BSEC/CMRRCD/2009-193/10/Admin/118 dated March 22, 2021*;
2. To consider and approve the issuance of **Corporate Guarantee** in favor of Dhaka Bank Ltd. on behalf of United Enterprises & Company Ltd. (UECL), pursuant to the BSEC Order No. *SEC/CMRRCD/2006-159/Admin/02-10 dated 10th September 2006*.

Dhaka, 23-11-2023

By order of the Board

Sd/-
Mostak Ahmmed, FCA
Company Secretary

Notes:

1. Members whose names appear on the Members/Depository Register as on "**Record Date i.e., 16th November 2023**" are eligible to attend the AGM and are also entitled to receive Dividend.
2. Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/91 dated 31st March 2021, the AGM will be a virtual meeting of the Members, which will be **conducted via live webcast by using the digital platform**.
3. A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote on his/her behalf. The scanned copy of "The Proxy Form, duly signed and affixed with BDT 20 revenue stamp must be sent through email at elias@united.com.bd or sazzad.kabir@united.com.bd no later than 72 hours before the commencement of the AGM.
4. The link for joining the AGM through the given link and detailed login process will be notified to the respective Member through email.
5. Members will be able to submit their questions/comments and vote electronically 24 hours before the commencement of the AGM and during the AGM. For logging into the system, the Member needs to put their 16-digit Beneficial Owner (BO) ID number and other credentials as proof of their identity, by visiting the link **<https://agmbd.live/unitedpower2023>**
6. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June 2018, a copy of the Annual Report will be sent to the e-mail address of the Member mentioned in their respective Beneficial Owner (BO) account maintained with the Depository based on the Record Date information.
7. We encourage Members to log in to the system fifteen (15) minutes before the meeting.

16th AGM QR





About This Report

United Power Generation and Distribution Company Limited (UPGDCL) acknowledges that transparent reporting of our performance, strategy, and difficulties is an integral component of our obligation to all of our stakeholders. We think that comprehensive and open reporting increases our performance. By utilizing the finest worldwide standards, UPGDCL aims to establish a strong corporate standard. Through this Report, we present a comprehensive summary of the Company's integrated approach to economic growth. The Report also explains how the company creates value through its vision, governance, performance, and possibilities.

Our approach to reporting

Our First Integrated Reports are aimed at transparently communicating our value creation story to all our stakeholders. The reports disclose objective and comparable information on materially important financial and non-financial matters, together with the strategy, roadmap for decarbonization and overall approach to sustainable development.

Scope and Boundary

(GRI 102-5,46)

The information presented in the Report is material to our stakeholders and presents an overview of our businesses and associated activities that help in creating value in the short, medium, and long term. We have also presented information on our subsidiary companies.

Frameworks, guidelines, and standards

(GRI 102-49,54)

The Integrated Report FY23 has been prepared with reference to the GRI Standards 2021, and further complies with/reports on/references to the following:

- ✓ The Companies Act, 1994
- ✓ Securities and Exchange Ordinance, 1969
- ✓ BSEC's Laws, Orders, Notifications, Directives, Guidelines etc.
- ✓ **Financial Reporting:** International Financial Reporting Standards, International Accounting Standards, Corporate Governance Code issued by BSEC in 2018, Financial Reporting Act, 2015.
- ✓ Bangladesh secretarial standard

Reporting Period

(GRI 102-50,52)

The United Power Generation and Distribution Company Limited (UPGDCL) produces and publishes an annual report every year. This Report offers information for the financial year starting on 1st July 2022 and ending on 30th June 2023.

Board Responsibility Statement

The contents of this Report have been read and reviewed by the Company's Senior Management, under the guidance of the Board. This ensured the integrity, accuracy and completeness of the information disclosed in the Report.

Assurance

M/s. Hoda Vasi Chowdhury & Co, Chartered Accountants, audited the standalone and consolidated annual financial statements, and Podder & Associates audited the corporate governance compliance. While credit ratings are certified by Emerging Credit Rating Ltd.

Feedback

Your insightful input is essential to the road of continual reporting development. Please address any feedback to www.unitedpowerbd.com

Forward-looking statements

This report contains forward-looking statements. These are often recognized by terms like "believes," "expects," "may," "will," "could," "should," "intends," "estimates," "plans," "assumes," and "anticipates," or negative versions. The Company's judgments and assumptions about future events may affect these forward-looking statements. This report may understate the Company's performance. The Company and its subsidiaries may have dramatically different outcomes due to a wide variety of risks and opportunities.

Financial Performance

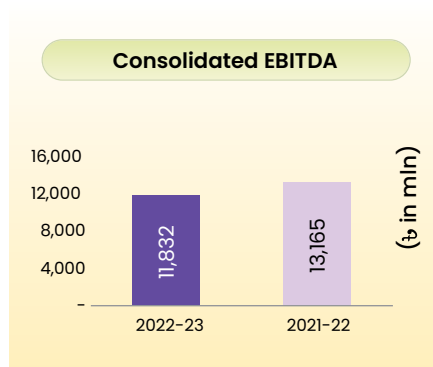
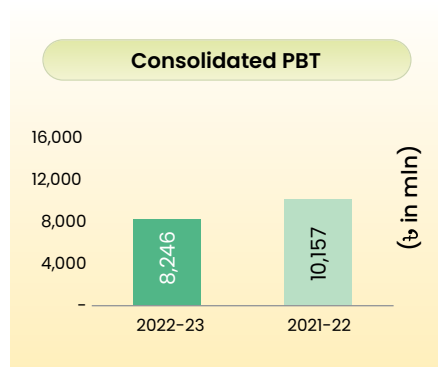
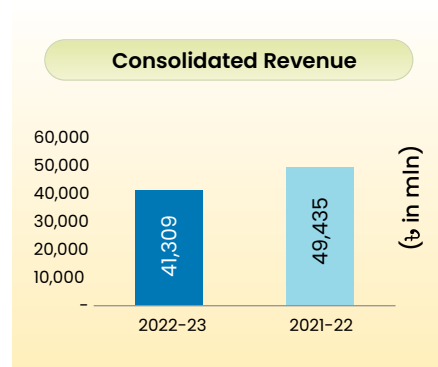
Financial Highlights

Year-wise Financial Review

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
OPERATING DATA					
Revenue	41,309.11	49,435.16	30,580.52	10,094.03	11,253.34
Operating Expenses	(30,656.19)	(37,079.39)	(18,767.74)	(4,242.26)	(4,132.32)
Gross Profit	10,652.92	12,355.77	11,812.78	5,851.78	7,121.02
General and Administrative Expense	(443.82)	(98.73)	(107.85)	(69.45)	(99.35)
Dividend from subsidiary company	-	-	-	-	-
Operating Profit	10,363.80	12,352.17	11,680.37	5,786.30	7,832.65
Foreign exchange gain/(loss)	(1,468.39)	(2,511.09)			
Finance expense	(1,204.42)	(510.73)	(973.10)	338.52	(495.42)
Total Comprehensive Income	8,242.31	10,155.30	11,114.18	6,078.79	7,855.03
BALANCE SHEET DATA (BDT MILLION)					
Paid-up Capital	5,796.95	5,796.95	5,796.95	5,269.96	4,790.87
Shareholders' Equity	31,352.83	33,197.68	33,091.00	29,851.21	30,087.74
Total Debt	11,460.31	14,359.52	8,795.60	4,081.87	7,061.77
Current Assets	42,636.01	45,668.68	25,028.25	15,140.23	21,590.58
Current Liabilities	45,576.32	47,004.14	29,807.21	2,119.34	4,881.79
Total Assets	81,187.56	86,210.35	67,673.35	36,077.57	42,032.01
Total Liabilities	49,834.73	53,012.67	34,582.35	6,226.36	11,944.27
FINANCIAL RATIOS					
Current Ratio (Times)	0.94	0.97	0.84	7.14	4.42
Debt to Equity Ratio (Times)	0.37	0.43	0.27	0.14	0.23
Debt to Asset Ratio (Times)	0.14	0.17	0.13	0.11	0.17
Return on Asset (%)	9.85%	13.20%	21.42%	15.56%	26.87%
Return on Equity (%)	26.29%	30.59%	33.59%	20.36%	26.11%
Gross Margin Ratio (%)	25.79%	24.99%	38.63%	57.97%	63.28%
Net Income Ratio (%)	19.95%	20.54%	36.34%	60.22%	69.80%
OTHER DATA					
Earnings Per Share (Taka)	13.83	17.21	18.80	11.16	16.08
Stock Dividend (%)		-	-	10%	10%
Cash Dividend (%)	80%	170%	170%	145%	130%
Total no. of shares outstanding	579,695,270	579,695,270	579,695,270	526,995,700	479,087,000

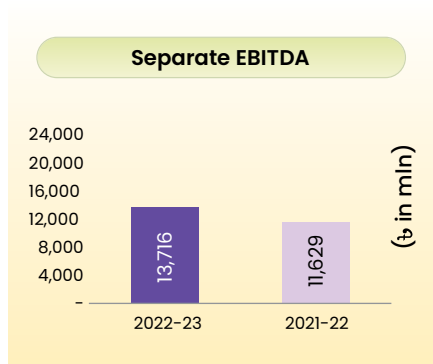
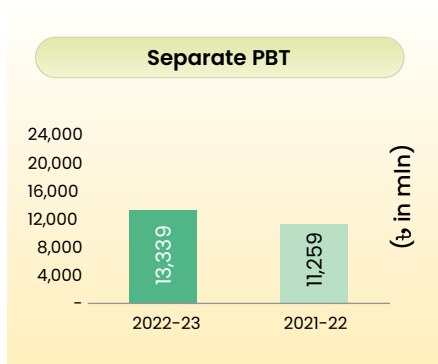
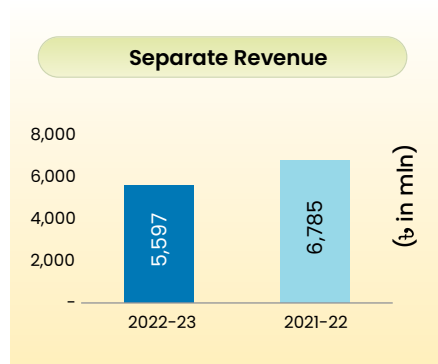
Consolidated Results

		2022-23	2021-22	Change Over 21-22
Revenue	Taka in mln	41,309.11	49,435.16	-16.44%
PBT	Taka in mln	8,246.41	10,157.32	-18.81%
EBITDA	Taka in mln	11,831.51	13,164.90	-10.13%
Profit after Tax	Taka in mln	8,242.31	10,155.30	-18.84%
Earnings per share	Taka	13.83	17.21	-19.60%



Separate Results

		2022-23	2021-22	Change Over 21-22
Revenue	Taka in mln	5,596.55	6,785.00	-17.52%
PBT	Taka in mln	13,338.99	11,259.34	18.47%
EBITDA	Taka in mln	13,715.90	11,629.26	17.94%
Profit after Tax	Taka in mln	13,338.99	11,259.34	18.47%
Earnings per share	Taka	23.01	19.42	18.47%



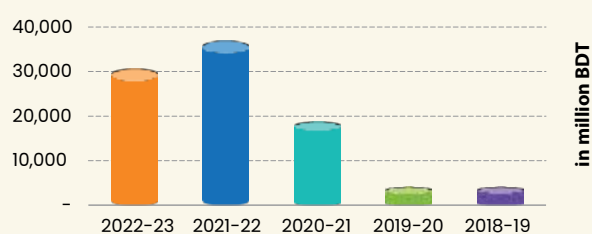
Financial Performance

Financial Highlights

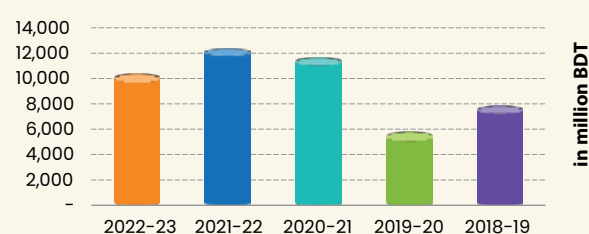
Year-wise Financial Review

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Revenue	41,309.11	49,435.16	30,580.52	10,094.03	11,253.34
Operating Expenses	30,656.19	37,079.39	18,767.74	4,242.26	4,132.32
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Total Comprehensive Income	8,242.31	10,155.30	11,114.18	6,078.79	7,855.03
Shareholders' Equity	31,352.83	33,197.68	33,091.00	29,851.21	30,087.74
TOTAL DEBT	11,460.31	14,359.52	8,795.60	4,081.87	7,061.77
Total Assets	81,187.56	86,210.35	67,673.35	36,077.57	42,032.01
Total Liabilities	49,834.73	53,012.67	34,582.35	6,226.36	11,944.27
Return on Asset (%)	10.15%	11.78%	21.42%	15.56%	26.87%
Return on Equity (%)	26.29%	30.59%	33.59%	20.36%	26.11%
Earnings Per Share (BDT)	13.83	17.21	18.80	11.16	16.08

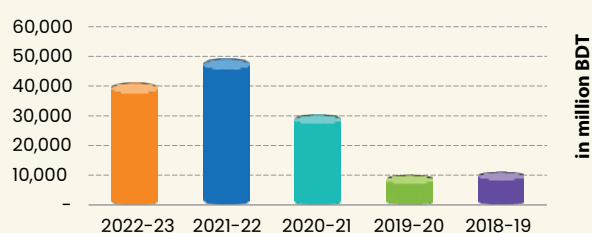
Operating Expenses



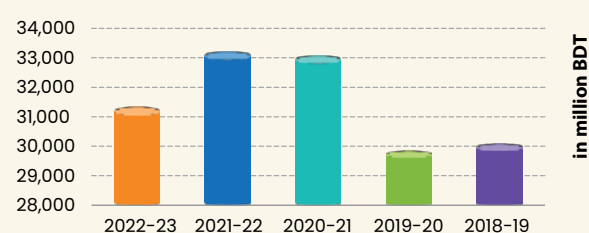
Operating Profit



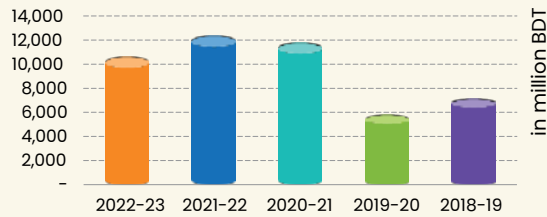
Revenue



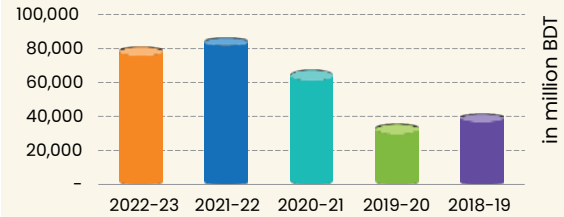
Shareholders' Equity



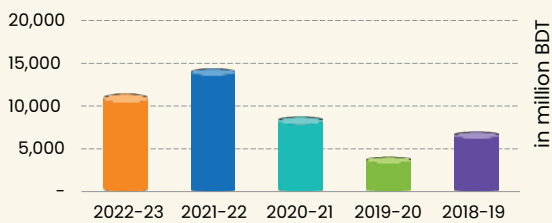
Gross Profit



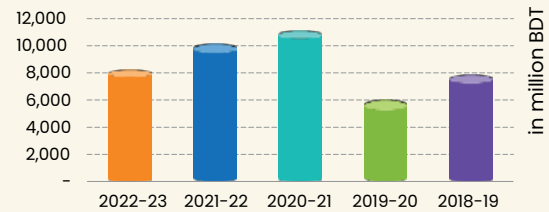
Total Assets



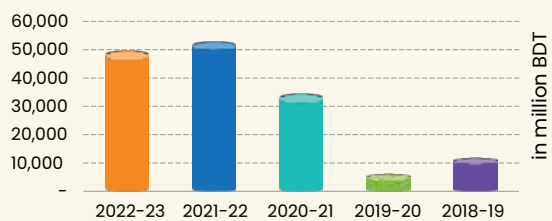
Total Debt



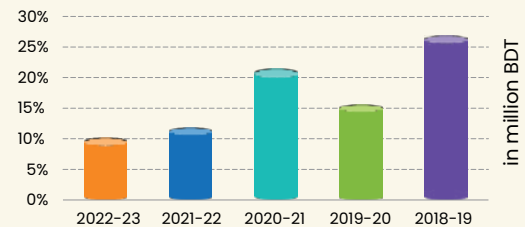
Total Comprehensive Income



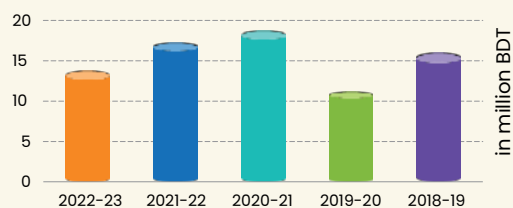
Total Liabilities



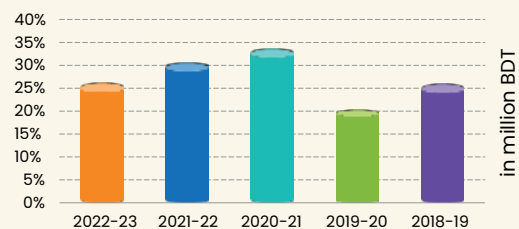
Return on Asset (%)



Earnings Per Share (BDT)



Return on Equity (%)



UPGDCL in the Bangladesh Power Sector

UNITED POWER GENERATION & DISTRIBUTION COMPANY LTD (UPGDCL) – in the Bangladesh Power Sector

United Power Generation & Distribution Company Limited (hereinafter referred to as “The Company”, “UPGDCL”) formerly known as Malancha Holdings Limited (MHL) was incorporated as a private limited company on January 15, 2007. The Company changed its name from Malancha Holdings Limited to United Power Generation & Distribution Company Limited on October 01, 2009. Subsequently, UPGDCL was converted into a Public Limited Company on December 22, 2010.

The Company started its commercial operation on December 26, 2008 with its first power plant located at Dhaka Export Processing Zone (DEPZ). Subsequently, it enhanced production capacity by installing second power plant and started commercial operation on August 12, 2009 located at Chittagong Export Processing Zone (CEPZ). The Company has already implemented

two expansion projects, one at DEPZ to increase its production capacity from 41 MW to 86 MW and another at CEPZ to increase its production capacity from 44 MW to 72 MW. By doing so, UPGDCL has increased its production capacity from 85 MW to 158 MW beginning in December 2013.

Besides power generation, UPGDCL also produces steam commercially for neighboring industries within DEPZ and CEPZ, by using Exhaust Gas Boilers (EGB), further improving power plant efficiency and directly contribute towards transition of DEPZ and CEPZ into green energy zones. Currently, UPGD's DEPZ has a steam production capacity of 8 TPH and UPGD's CEPZ has a steam production capacity of 20 TPH respectively.

UPGDCL holdings comprise the following: –

Company	Name of the Plant	Present Installed Capacity (MW)	Ownership of UPGDCL	Commercial Operation Date (COD)	Contract Expiry
GAS BASED: 480 MW					
United Power Generation & Distribution Co. Ltd.	DEPZ Plant	82		26 th Dec 2008	Year 2038
	CEPZ Plant	72		12 th Aug 2009	Year 2039
United Energy Ltd.	Ashuganj Plant	53	99% owned	22 nd Jun 2011	22 June 2019 (Extension under negotiation)
	Sylhet Plant	28		21 st Oct 2013	Year 2043
United Ashuganj Energy Ltd.	Ashuganj Plant	195	92.41% owned by UEL	8 th May 2015	Year 2030
Leviathan Global BD Ltd.	KEPZ Plant	50	75% owned	Expected soon	Year 2048
HFO BASED: 415 MW					
United Jamalpur Power Ltd.	Jamalpur Plant	115	99% owned	22 nd Jun 2019	Year 2034
United Anwara Power Ltd.	Anwara Plant	300	99% owned	21 st Feb 2019	Year 2034

Today, UPGDCL owns and operates 08 (eight) power plants spread around the country having a total installed capacity of 895 MW which is around 3.45% of the total installed capacity of the country and also 8.27% of the total private power generation of the country.



ORGANIZATIONAL
OVERVIEW

LEADERSHIP
REVIEW

STEWARDSHIP

STATUTORY AND
OTHERS REPORT

(ESG) REPORT

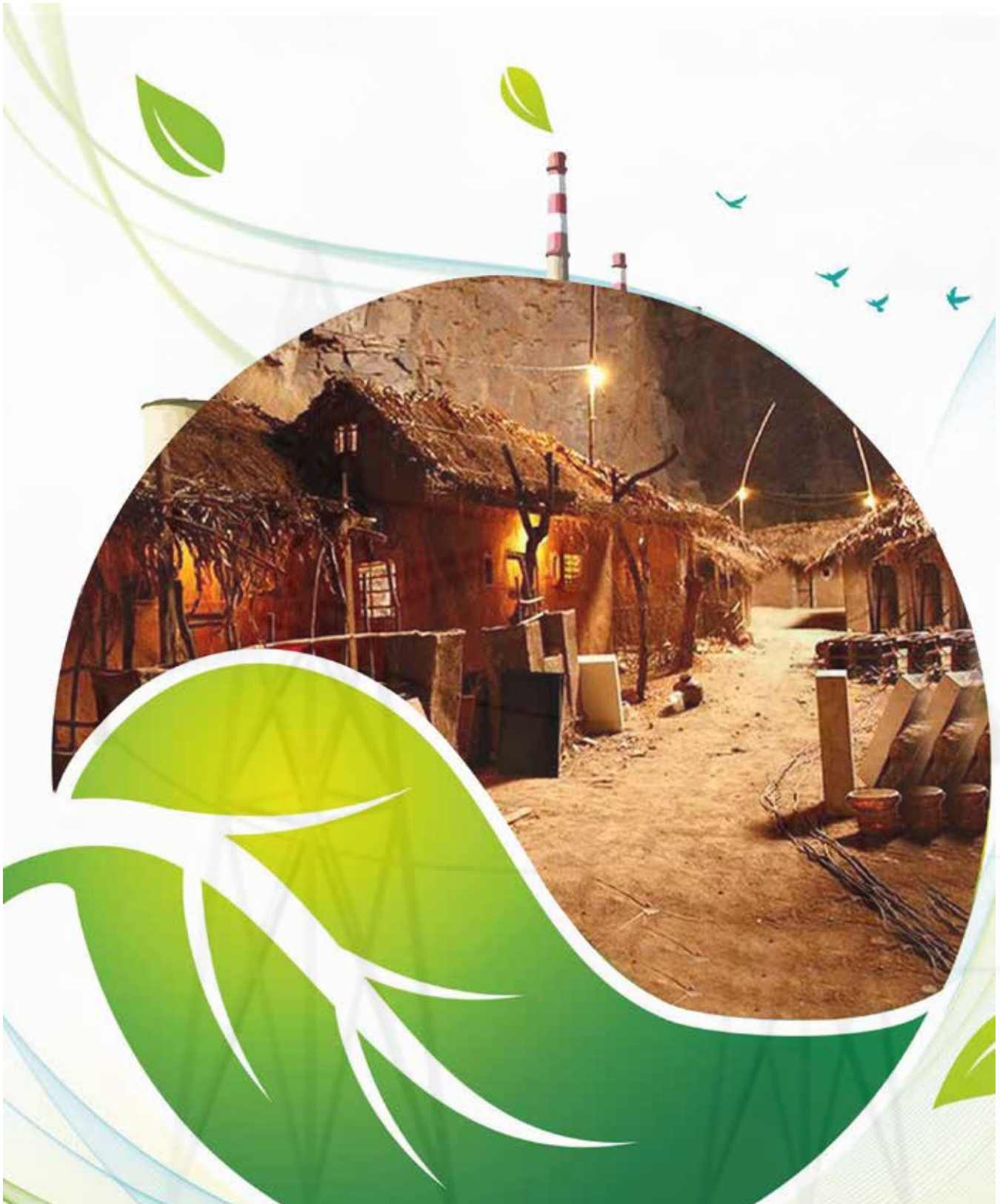
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SUBSIDIARIES AUDITED
FINANCIAL STATEMENTS

Subsidiaries of UPGDCL



Subsidiaries of UPGDCL



United Ashuganj Energy Ltd.



Leviathan Global BD Ltd.

UPGDCL Amalgamation: Effective date 1st July 2023

Following companies are merged with UPGDCL:



United Energy Ltd.



United Anwara Power Ltd.



United Jamalpur Power Ltd.

Corporate Ethos

Vision

Be the most efficient and environment friendly power generation company of Bangladesh

Mission

Energy is life

- Sustainable growth by ensuring quality, availability and efficiency in power generation
- Achieve excellence in project execution, quality, reliability, safety and operational efficiency in the power sector
- Become the most reputed and state-of-the-art power generation company of Bangladesh
- To promote a work culture that fosters learning, individual growth, team spirit and creativity to overcome challenges and attain goals



Core Values

- **To our Customer:** Provide uninterrupted, quality power
- **To our Employees:** Promote well-being, world-class working environment and encourage innovation and talent
- **To our Shareholders:** Ensure fair return on their investment through generating stable profit
- **To our Community:** Assume the responsibility of a socially corporate entity and improve the well-being of the local community

Strategic Objectives

- Increase the power generation capacity in the country and help fulfill GoB's Vision 2041 in a safe, economical and rapid manner and keeping with the growth of electricity demand in the country
- Establish a culture of safe operation that maintains zero casualty at all times
- Enhance electricity generation capacity in the near future
- Earn the confidence and trust of all stakeholders by performing well above their expectations
- Utilize capital, machinery, material and human resource efficiently



Corporate Milestones

15 January 2007

Incorporated as Private Limited Company

6 May 2007 UPGDCL DEPZ entered into a Power Supply Agreement with BEPZA for supply to DEPZ

6 May 2007 UPGDCL DEPZ entered into a Land Lease Agreement with BEPZA for constructing DEPZ plant

16 May 2007 UPGDCL CEPZ entered into a Power Supply Agreement with BEPZA for supply to CEPZ

16 May 2007 UPGDCL CEPZ entered into a Land Lease Agreement with BEPZA for constructing CEPZ plant

23 October 2008 UPGDCL became a licensed Commercially Independent Power Producer (CIPP)

16 November 2008 UPGDCL DEPZ entered into a Gas Supply Agreement with TGTDC (A second GSA was signed on 27 February 2014 effective from 1 August 2009)

26 December 2008 UPGDCL DEPZ achieved Commercial Operations

2 April 2009 UPGDCL DEPZ entered into a Power Supply Agreement with its first private customer, Oli Knitting & Fabrics Ltd.

9 May 2009 UPGDCL DEPZ entered into a Power Supply Agreement with REB

9 July 2009 UPGDCL CEPZ entered into a Gas Supply Agreement with BGDCL

12 August 2009 UPGDCL CEPZ achieved Commercial Operations

23 September 2009 UPGDCL CEPZ entered into a Power Purchase Agreement with BPDB

22 December 2010 Converted from Private Limited Company to Public Limited Company

2007

2008

2009-10



Corporate Directory

BOARD OF DIRECTORS

Chairman	General Md. Abdul Mubeen, SBP, ndc, psc (Retd.)
Managing Director	Mr. Moinuddin Hasan Rashid
Directors	Mr. Hasan Mahmood Raja
	Mr. Ahmed Ismail Hossain
	Mr. Khandaker Moinul Ahsan
	Mr. Akhter Mahmud
	Mr. Malik Talha Ismail Bari
	Mr. Nasiruddin Akhter Rashid (1983-2023)
	Mr. Nizamuddin Hasan Rashid
	Mr. Khondaker Zayed Ahsan
	Mr. Kutubuddin Akhter Rashid
	Mr. Sharfuddin Akhter Rashid
	Mr. Md. Abul Hossain (Nominated Director, ICB)
Independent Directors	Lt. Gen. Sina Ibn Jamali, awc, psc (Retd.) Prof. Mohammad Musa, PhD Dr. Muhammad Fouzul Kabir Khan
Company Secretary	Mr. Mostak Ahmmed, FCA

AUDIT COMMITTEE

Chairman	Lt. Gen. Sina Ibn Jamali, awc, psc (Retd.)
Members	Prof. Mohammad Musa, PhD Mr. Khondaker Zayed Ahsan

NR COMMITTEE

Chairman	Dr. Muhammad Fouzul Kabir Khan
Members	Mr. Malik Talha Ismail Bari Mr. Kutubuddin Akhter Rashid

MANAGEMENT TEAM

Managing Director	Mr. Moinuddin Hasan Rashid
Chief Executive Officer (CEO)	Mr. Md. Moinul Islam Khan
Company Secretary (CS)	Mr. Mostak Ahmmed, FCA
Chief Financial Officer (CFO)	Mr. Mostak Ahmmed, FCA
Chief Human Resources Officer	Mr. Md. Nawshad Pervez
Head of Internal Control & Compliance	Mr. Khaled Mohammad Munirul Muktadir, FCA
Head of Supply Chain	Mr. Mohiuddin Ahmed

FACTORY MANAGEMENT TEAM

Dhaka Export Processing Zone (DEPZ)	Mr. Momtaz Hasan
Chittagong Export Processing Zone (CEPZ)	Mr. Md. Monir Hossain Mizi
United Energy Ltd.	Mr. Md. Abdullah Al-Faruk
United Ashuganj Energy Ltd.	Mr. Quazi Raihanur Rahman
Leviathan Global BD Ltd.	Mr. Abu Naser
United Jamalpur Power Ltd.	Mr. Mohammad Rezaul Alam
United Anwara Power Ltd.	Mr. Engr. Md. Rezaul Ahsan

BUSINESS PARTNERS

Operations & Maintenance Team

United Engineering & Power Services Ltd.

“United House”, United City, Madani Avenue, Dhaka- 1212

Auditors

Hoda Vasi Chowdhury & Co.

Chartered Accountants

Address: BTMC Bhaban, (6th & 7th Floor)

7-9 Kawran Bazar Road

Dhaka- 1215, Bangladesh

Compliance Auditors

Podder & Associates

Cost & Management Accountants

Address- 8/1 (Old 333/1)

Segun Bagicha (3rd Floor)

Dhaka- 1000

Legal Advisor

Tanjib Ul-Alam & Associates

Advocates & Legal Consultants,

BSEC Bhaban (Level 11)

102 Kazi Nazrul Islam Avenue,

Karwan Bazar, Dhaka 1215

Bankers

Dhaka Bank Ltd.,

Foreign Exchange Branch, Motijhel C/A, Dhaka-1000.

Dutch Bangla Bank Ltd.

Banani Branch, Banani, Dhaka-1213.

HSBC Bank Ltd.

Dhaka Main Office, Anchor Tower (5th floor),

108 Bir Uttam C R Dutta Road, Dhaka 1205.

Standard Chartered Bank

67 Gulshan Avenue Gulshan, Dhaka 1212

Eastern Bank Ltd.

100 Gulshan Avenue Dhaka-1212, Bangladesh

Mutual Trust Bank Limited

MTB Centre (Ground Floor),

26 Gulshan Avenue, Gulshan 1, Dhaka 1212

Trust Bank Ltd.

Shadhinata Tower, Bir Srestha Shaheed Jahangir

Gate Dhaka Cantonment, Dhaka-1206

Credit Rating Agency

Emerging Credit Rating Ltd.

104, Shams Rangs, Level - A1, A2, & A5,

Park Rd, Dhaka 1212

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Corporate Directory

OTHER INFORMATION	
Incorporation Date	January 15, 2007
Stock Exchanges Listing	
Chittagong Stock Exchange (CSE)	March 08, 2015
Dhaka Stock Exchange (DSE)	March 19, 2015
Corporate Head Office	“UNITED HOUSE” United City, Madani Avenue Dhaka- 1212, Bangladesh. PABX: +880 9666 700 900 Email: info@unitedpowerbd.com Web: www.unitedpowerbd.com
Registered Office	Gulshan Centre Point Plot 23-26, Road 90, Gulshan- 2 Dhaka- 1212, Bangladesh PABX: +880 9666 700 900 Fax: +88 02 5505 1826, +88 02 5505 1827 Email: info@unitedpowerbd.com Web: www.unitedpowerbd.com
Power Plants	
UPGDCL (DEPZ 82 MW) Dhaka Export Processing Zone (Extension Area), Ganakbari, Savar, Dhaka, Bangladesh. Tel: +88 02 7788 460, Fax: +88 02 7788 461, Cell no.+880 1914 001 300 Email: depz@united.com.bd	UPGDCL (CEPZ 72 MW) Chittagong Export Processing Zone, Plot No. 6 & 7, Sector 2/A, South Haliashahar, Chittagong Tel: +88 031 740 449, Fax: +88 031 740 450 Cell no. +880 1914 001 500 Email: cepz@united.com.bd
UPGDCL (UEL 28 MW) Akhalia, Kumargaon, Sylhet-3100, Bangladesh UPGDCL (UEL 53 MW) Ashuganj, Brahmanbaria-3402, Bangladesh PABX: +88 02 5505 2000, +880 9666 700 900 Email: info@unitedpowerbd.com	UAEL (195 MW) Ashuganj, Brahmanbaria-3402, Bangladesh PABX: +88 02 5505 2000 +880 9666 700 900 Email: info@unitedpowerbd.com
LGBDL (50 MW) Plot- 101 & 102, Sector-3, Karnaphuli Export Processing Zone, North Patenga, Chattogram- 4204, Bangladesh PABX: +88 02 5505 2000, +880 9666 700 900 Email: info@unitedpowerbd.com	UPGDCL (UJPL 115 MW) Jamalpur Sadar, Jamalpur, Bangladesh PABX: +88 02 5505 2000, +880 9666 700 900 Email: info@unitedpowerbd.com
UPGDCL (UAnPL 300 MW) Rangadia, Anwara, Chattogram-4376, Bangladesh PABX: +88 02 5505 2000, +880 9666 700 900 Email: info@unitedpowerbd.com	

Regulators & Facilitators

REGULATORY AUTHORITIES		BUSINESS FACILITATORS	
	Bangladesh Bank (BB)		Bangladesh Export Processing Zones Authority (BEPZA)
	Bangladesh Securities and Exchange Commission (BSEC)		Bangladesh Power Development Board (BPDB)
	Dhaka Stock Exchange Ltd (DSE)		Dhaka Chamber of Commerce & Industries (DCCI)
	Chittagong Stock Exchange Ltd (CSE)		The Chittagong Chamber of Commerce and Industry (CCC&I)
	Office of The Registrar of Joint Stock Companies and Firms (RJSC)		Dhaka North City Corporation (DNCC)
	Bangladesh Investment Development Authority (BIDA)		Dhaka South City Corporation (DSCC)
	Bangladesh Energy Regulatory Commission (BERC)		Bangladesh Land Port Authority (BLPA)
	Financial Reporting Council, Bangladesh (FRC)		Chittagong Port Authority (CPA)
	National Board of Revenue (NBR)		Mongla Port Authority (MPA)
	Department of Environment (DoE)		Customs Bond Commissionerate (CBC)
	Fire Service & Civil Defense Authority (FSCDA)		Bangladesh Inland Water Transport Authority (BIWTA)
	Office of Chief Controller of Imports & Exports (CCI&E)		Bangladesh Petroleum Corporation (BPC)
	Department of Inspection for Factories and Establishments (DIFE)		Karnaphuli Gas Distribution Company Limited
	Department of Explosives		Titas Gas Transmission and Distribution Company Limited
	Bangladesh Telecommunication Regulatory Commission (BTRC)		Bakhrabad Gas Distribution Company Limited

Board of Directors Profile



GENERAL MD. ABDUL MUBEEN, SBP, ndc, psc (Retd.)
Chairman

Committee Membership: None

General Muhammad Abdul Mubeen, SBP, ndc, psc (Retd.) is a retired four-star General of the Bangladesh Army. He was a student of Adamjee Cantonment Public School and Adamjee Cantonment College and graduated from the Bangladesh Military Academy in 1976. General Mubeen is a graduate of the Defense Services Command and Staff College and also the National Defense College, Bangladesh. He has successfully completed the Senior Command Course from the War College in India. In his long service career, he has attended various professional courses both at home and abroad. He completed the NATO Weapon Conversion Course, Officers Weapons Course and Junior Tactics Course from School of Infantry and Tactics, where he returned later to teach tactics. He went to Military School in Guangzhou, China to undergo Infantry Heavy Weapons Course.

General Mubeen has a commendable record of ethical leadership and retired from the Bangladesh Army in 2012 after a long distinguished military career spanning over three decades of honorable active service. He started his career as a commissioned officer in an Infantry battalion. During his service career he has served in various challenging command, staff and instructional appointments. He has commanded two infantry battalions, one infantry brigade and two infantry divisions including the largest field formation in Bangladesh Army in Chittagong and Chittagong Hill Tracts involved in post counter insurgency operations. He has been the Director, Military Training of Bangladesh Army and senior tactics instructor in Bangladesh Military Academy. He served as the Chief

of Staff in United Nations Operations in Mozambique (ONUMOZ). He has been at the helm of affairs of two prestigious institutions namely Defense Services Command and Staff College and Bangladesh Institute of International and Strategic Studies. His last assignment in service was holding the highest office of the Chief of Army Staff, Bangladesh Army.

General Mubeen has attended, chaired and been a panelist in numerous international conferences, seminars and exercises both at home and abroad. Some of his significant ex-officio assignments, those he held include, but not limited to, being Chairman of The Trust Bank Limited, Chairman Sena Hotel Development Limited, Chairman Board of Trustees, Sena Kallyan Sangstha, President Bangladesh Olympic Association and President of Bangladesh Golf Federation.

The General is currently the President of the oldest and the most popular football club of Bangladesh-Mohammedan Sporting Club Limited.

For his commendable service the Government of Bangladesh has awarded him the highest military award “Sena Bahini Padak”. Besides, General Mubeen’s award and decorations include 16 operational, service and UN honors, medals and decorations for his distinguished service.



HASAN MAHMOOD RAJA

Director

Committee Membership: None

Mr. Hasan Mahmood Raja is one of the most renowned business person in the country. Born in 1957, he completed his graduation in commerce and got passionately involved in the business. He is one of the Founding Directors of the country's leading business houses - 'United Group'.

Mr. Raja had a keen interest and an innate aptitude for doing business and rendering service to the nation for promoting the economic development of Bangladesh. With a humble beginning in 1978, Mr. Raja displayed his excellence in business entrepreneurship by building his business domain. The biggest milestone of his success is the courage to embark into new business ventures based on sound foresight, ingenuity, and skillful execution. Within a span of 46 years of his business career, he successfully managed to establish many diversified business enterprises under the umbrella of United Group. Commitment, integrity and sincerity are the key values of his various business achievements.

Dominant position of United Group in the Country's Power and Real Estate sectors and creating unique establishments like Khulna Power Company Ltd., United Power Generation & Distribution Co. Ltd., United Hospital Ltd., United Nursing College, United International University and United Maritime Academy are few of his landmark entrepreneurship. United Group has always marked its steady growth under Mr. Raja's leadership. His charming personality, focus in flawless implementation of every single business on time, constantly stressing on brainstorming for new ideas, efficiency in business management etc are

only a few of his traits that eventually transformed into the core values of his business undertaking and implementation.

At present, Mr. Raja is the Chief Advisor of United Group as well the Chairman, Director and Managing Director of more than 20 Concerns of the Group, notably Khulna Power Company Limited, Ariport Hotels Ltd, United Land Port Teknaf Ltd. United City Twin Towers Developers Ltd, United Hospital, United Maritime Academy Ltd etc. He is also the Chairman, Board of Trustees of United International University.

Mr. Raja takes a profound interest in community services and contributes generously for the welfare of the community, particularly to the underprivileged ones. He has established multiple school and madrasa in his village and surrounding areas. He continues to employ his best efforts to provide education, healthcare and infrastructure facilities for overall development of the people of Jamalpur District.

Board of Directors Profile



AHMED ISMAIL HOSSAIN

Director

Committee Membership: None

Mr. Ahmed Ismail Hossain is one of the Founding Directors of the United Group which marked its debut in business in 1978. He was born in June 1956 and hailed from Kishoreganj district. After schooling from Faujderhat Cadet College, he completed his Honours and Master's degrees in International Relations from Dhaka University. He is one of the architects of the company we know as United Group today.

He undertook the responsibility as the Managing Director of United Enterprises & Co. Ltd., the parent Company of United Group for many years, demonstrated his entrepreneurial skills, and used his experience to establish many corporate bodies of the Group notably in textile and pharmaceutical sectors. He is the Vice-Chairman of United Hospital Ltd and Managing Director of Comilla Spinning Mills Ltd., performing diverse responsibilities of the Group as and when required. He is also one of the Directors on the Board of Khulna Power Company Ltd. He is also a member of the Board of Trustees of United International University.

Being one of the Trustees of the United Trust, the CSR wing of the Group, he enthusiastically undertakes social works in his village in Kishoregonj district. Mr. Ismail is a widely traveled man and has visited many parts of the world for the purpose of business.



KHANDAKER MOINUL AHSAN

Director

Committee Membership: None

Mr. Khandaker Moinul Ahsan is one of the Founding Directors of United Group. After completion of his Bachelor of Commerce, he joined the business together with a few like-minded friends. With his diligence and exceptional entrepreneurial skills, he played important roles in establishing firm footing and quick expansion of business of the Group. At one time he also undertook the responsibility of United Group in the capacity of the Managing Director, displaying his entrepreneurial skill and business experience, in order to sustain the growth of the business of United Group.

At present, he is one of the Advisors of United Group and Director of United Power Generation and Distribution Company Ltd., United Hospital Limited, Khulna Power Company Ltd., etc. He oversees the overall financial management of the Group on behalf of the Board of Directors. Besides this, he is also a member, Board of Trustees of United International University.

He plays key role in the social development sector of his home district. Being one of the active Trustees of the United Trust, a CSR organization of the Group, he generously patronizes the education sector in his home village and surrounding areas.



AKHTER MAHMUD

Director

Committee Membership: None

Mr. Akhter Mahmud is one of the first-generation Directors of United Group. Born in 1960, he joined United Group upon completion of his formal education.

Mr. Mahmud's entrepreneurial initiatives and commitment have added significantly to United Group's current growth and streamlined human resources of the Group. In the early years of the Group's journey, Mr. Mahmud played an instrumental role in the implementation and commissioning of sub-station of Radio Bangladesh, a milestone the Group achieved through his pivotal part.

His contribution in developing the textile sector in the Group is noteworthy. Of his many outstanding works, the revival of Comilla Spinning Mills Ltd as a profitable venture from a bankrupt one and the establishment of United Rotospin Ltd. stands as his most daring endeavor. United Elevator World is yet another one of his successful business projects. This company, formed under his bold leadership, is now supplying world-class quality elevators to industrial and residential complexes in the country.

He is one of the Advisors of all the corporate entities under United Group, notably United Enterprises & Co. Ltd., United Power Generation & Distribution Co. Ltd., United Hospital Ltd., Khulna Power Company Ltd. etc. In addition to this, he is also a member of the Board of Trustees of United International University. Being one of the active Trustees of United Trust, a CSR organization of the Group, he generously patronizes education, healthcare and various charitable activities in and around his village home, Malancha, Jamalpur.

Board of Directors Profile



MOINUDDIN HASAN RASHID

Managing Director

Committee Membership: None

Upon completion of his B.Sc. in Electrical and Electronics Engineering from University College London (UCL), U.K., Mr. Moinuddin Hasan Rashid joined United Group in 2005 as an Intern under the direct supervision of the then Chairman of United Group, Mr. Hasan Mahmood Raja. He started his career in Sales and Marketing of United City, a premium township project in Dhaka.

As a young and energetic executive, he later spent his time to learn and understand the power generation business as it serves as one of the major enterprises of United Group. At a very early stage, he was given the responsibility of power plant development. Mr. Rashid successfully developed and implemented more than 1 Gigawatt of power

generation capacity to add to United Group's portfolio, making it one of the biggest contributors to the national grid for supply of electricity.

On July 2011, he was appointed as Managing Director of United Enterprises & Company Limited and was subsequently appointed as the Chairman in 2020, as part of United Group's succession plan.

Mr. Rashid has keen interest in the real estate, healthcare and retail sectors of Bangladesh. With the guidance of the founders of United Group, he intends to invest in these sectors as part of his diversification strategy to create a more financially stable, structured and sustainable company.

He believes that creating more employment in the economy, establishing a strong brand identity driven by a socially responsible corporate structure and sustaining the goodwill that had been handed over by the founding directors of the Group, are crucial for success in these sectors.

He firmly believes that United Group must maintain its status as the leading company in the Power Sector of

Bangladesh. In parallel, Mr. Rashid also wants United Group to be based on strong and transparent core values that will uphold the company's vision, carry out its mission and shape its culture. The group's external stakeholders, including valued clients and partners, must have the belief that every single business decision that United Group takes is aligned with its core values.

He states that, the Group aspires to continue being known as a business house who establishes successful, pioneering business models and provide collective benefit to the community, adding sustainable social value to the quality of people's lives. The business-to-consumer ventures of the group like Unimart, Chef's Table, Sir John Wilson School, United Hospital and United International University are key examples of successful implementation of such aspiration.

Mr. Rashid envisions United Group's work environment to be such that it will attract and retain the most remarkable human capital for the Group. He also wishes for the company to have a happy environment because happiness builds positivity and multiplies success. Consequently, internal stakeholders are motivated to work together for the common well-being of the organization they are serving. He is also conscious that long term policy implementation, in line with the industry practices, will further pave the way for ensuring a sustainable organization.

In order to uphold the legacy of the founders, Mr. Rashid wants to honor the Group's commitments to all stakeholders including its partners, clients, colleagues, students, patients, vendors, social beneficiaries, community, etc. Rather than aiming to establish the largest business conglomerate in the country, his mission for United Group is to continue to grow in a sustainable manner.



MALIK TALHA ISMAIL BARI

Director

Committee Membership:
Member of NR Committee

Mr. Bari completed his Bachelors in Business Management from King's College London, UK in 2005 and Masters in Finance from the University of New South Wales, Australia in 2007. He joined UG in 2008 and was subsequently appointed as the Director of UG in 2011. He is one of the second-generation directors of the Group. He is the

Managing Director of Unimart Ltd. He is involved in the retail division and in the construction of the Airport Hotel and Retail project. He is also working with the team that is overseeing UG's first 600 MW combined cycle power project.

Bangladesh has one of the fastest middle-income segment growths in the world and UG aspires to form an integral part of the consumer and business retail scenario of the country. The Group wants to be at the forefront of all consumer and retail development of Bangladesh. Mr. Bari has played a founding role in the establishment of Unimart Ltd., the biggest hyper market chain in the country and also 'Chef's Table', the premier food court establishment of Bangladesh. Furthermore, UG is launching 'Avenue', the ultimate lifestyle retail solution for the consumers in our cities.

Mr. Bari aims to uphold the existing legacy by working with uncompromising ethics, adhering to commitments and by continuing to build the most profitable and reliable business ventures in the country through nation building activities. He envisions exponential growth of the number of people whose lives UG touches on a daily basis through United Power, Sir John Wilson School, Unimart, United Hospital, United International University and other future ventures.



NASIRUDDIN AKHTER RASHID (1983-2023)

Director (up to 25th Nov 2023)

Committee Membership: None

Mr. Rashid studied Commerce at Monash International, Melbourne, Australia and began his professional career back in 2006. His first placement was at United Hospital Limited, in the role of an Executive. He then joined United Enterprises & Company Limited in 2008 as an Executive, at a time when the Group was focusing on expanding its businesses through diversification and was thereafter appointed as Associate Director in 2009. As a young entrepreneur, he was deeply involved with business affairs of the Group and his keen sense of professionalism led to his appointment as the Director of United Enterprises & Company Limited in 2013. He is one of the second-generation directors of the Group.

Mr. Rashid was the Chairman of Gunze United Limited, Managing Director of United Tank Terminal Limited, United Shipping & Logistic Services Limited, United Land Port Teknaf Limited, Neptune Land Development Limited and United Refinery & Bulk Storage Limited. He also holds the position of Director in all of United Group's active subsidiaries including United Energy Trading Pte Limited, and United Aygaz LPG Limited.

Mr. Rashid was spearheading the joint venture establishment with Aygaz (the leading Turkish liquefied petroleum gas company) for establishing LPG supply, storage and distribution business in Bangladesh. He headed the energy trading business in Bangladesh and Singapore. He established and oversees the shipping, logistics and terminal operation businesses, with multiple facilities in Ashuganj, Chattogram, Mongla and Jamalpur. He developed the most efficient liquid fuel handling terminal in Bangladesh and the first private jetty on Karnaphuli River. In addition, he established a joint venture in the Dhaka Export Processing Zone with Gunze (Japan). In addition to the above, he was the Director of Administration at UG.

Mr. Rashid that an impactful business philosophy will engender remarkable feats, which would be a continuation of United Group's motto i.e. "Uniting dreams for a brighter tomorrow"

Board of Directors Profile



NIZAMUDDIN HASAN RASHID

Director

Committee Membership: None

Mr. Rashid is one of the directors of the Group. He holds a BSc in Engineering with a Major in Power and Electronics from United International University (UIU). He joined UG in 2016 as assistant to the Chairman who is the current Chief Advisor of the Group. Subsequently, he was appointed as the Managing Director of Moulvi Tea Estate.

Mr. Rashid feels pride in the fact that, in a span of three years, the Moulvi Tea Estate doubled its production. The Moulvi Tea Estate was upgraded from a C class rated garden to an A class rated garden in terms of both quality and quantity. He has plans to explore tea blending and make more investments in the tea sector.

Besides overseeing Moulvi Tea Estate, he is actively working in the real estate division and other companies related to real estate. Mr. Rashid hopes to play a significant role in whatever sector UG excels in future, be it Fast-Moving Consumer Goods (FMCG) or real estate. He believes that UG must grow sustainably and also uphold its brand value.

Additionally, he is the Managing Director of United Healthcare Services Ltd.



KHONDAKER ZAYED AHSAN

Director

Committee Membership: Audit Committee

Mr. Ahsan was educated at Stony Brook University, New York with a Major in Economics. He is a member of the board of directors of “Footsteps”, a next-generation organization. Prior to joining UG, he worked for tax evaluation in a wealth management firm and was engaged as a staff accountant for a year in New York.

Mr. Ahsan joined as a management trainee at UG on the 1st of January 2019. Working with different departments of the company for the first few months gave him an opportunity to learn about different divisions of the business. He was subsequently involved in the 50 MW power plant at KEPZ. With the completion of this project, he was appointed as

an associate director of the company. He also oversaw the implementation of a few projects of United Power, United Trust, United Lube Oil Ltd. and UPSL.

After 2020, Mr. Ahsan focused on Orange IT Ltd. and Orange Solutions Ltd. which is the ICT division of UG that aims to cover the complete business automation solution. He envisions Orange Solutions Ltd. to burgeon and foster

technological development in the country. Instead of going for vertical integration in operations, he wants to see the company as a service-oriented industry. He believes that upholding integrity and the core company values is important to leave a legacy for generations to come.



KUTUBUDDIN AKHTER RASHID

Director

Committee Membership: NR Committee

Mr. Kutubuddin Akhter Rashid began his professional career at United Group in 2018 as a Management Associate in UECL – Power Division. He was posted on site at Mymensingh to be involved as a core project team member for United Jamalpur Power Ltd. and United Mymensingh Power Ltd. Upon successful completion of the projects in Mymensingh, he was transferred to Chattogram to supervise the implementation of United Anwara Power Ltd., which led to commissioning in June 2019.

As a young entrepreneur, Mr. Kutubuddin Akhter Rashid's involvement in business has imbued well with the core values of the Group. His keen sense of professionalism and ability to lead projects in strict timeframes led to his appointment as the Associate Director of United Enterprises & Co. Ltd. in 2020. He took charge of the United Payra Power Ltd. project, and amid the Covid pandemic outbreak, his careful planning and prudent decisions during project execution led to on-time commissioning of the project.

Mr. Kutubuddin Akhter Rashid is currently in charge of the Power Division of United Group with an objective to optimize operational efficiency in ongoing projects. He also leads the planning and design phase of new/upcoming projects that the Group is interested to invest in. Additionally, he is the Managing Director of Leviathan Global (BD) Ltd. and Bangladesh Petroleum & Refueling Co. Ltd.

On November 09, 2023, Mr. Kutubuddin Akhter Rashid was appointed as Director of United Enterprises & Company Ltd.

He also serves as Director on the board of United Payra Power Ltd, United Ashuganj Energy Ltd, United Hospital, United Healthcare Services Ltd. and Padma Oil Company Ltd.

Mr. Kutubuddin Akhter Rashid completed his bachelor's degree in Public Relations & Marketing from Taylor's University, Malaysia.



SHARFUDDIN AKHTER RASHID

Director

Committee Membership: None

Mr. Sharfuddin Akhter Rashid currently holds the position of Director at United Group. His professional journey commenced in 2017 within the retail division of the Group. In his initial days, Mr. Rashid's engagement across various departments honed his cross-departmental proficiency, enhancing his understanding of intricate mechanisms that drive the organizational operations of United Group.

Mr. Rashid considers himself fortunate to have joined the organization at a pivotal moment, coinciding with its strategic entry into the mainstream Food and Beverage (F&B) services sector. At that time, the management had set its sights on expanding the retail division of the group. Upon joining, Mr. Rashid actively participated in the Chef's Table Courtside project, a cutting-edge food court initiative and, Elevate, a premium Health & Fitness Facility. Following this, he continued his involvement as a key member of the core team responsible for the comprehensive planning and management of the retail division.

Mr. Rashid's expertise in navigating the redevelopment of UIU Campus, Dhanmondi into Unimart and Chef's Table presented a chance to spearhead an unconventional business expansion. Drawing on this experience, he actively oversaw the expansion of Unimart and Chef's Table at Gulshan-1, an exclusive destination offering a curated customer experience across multiple floors. Furthermore, Mr. Rashid played a pivotal role in advancing the Group's F&B brands: Indulge and Crisp.

In addition to advancing the retail sector with F&B services, Mr. Rashid anticipates venturing into new avenues such as Private Label Brands (PLB) and Fast-Moving Consumer Goods (FMCG) manufacturing. Expressing an interest in the potential of clean and renewable energy, he sees this as an opportune time to invest, recognizing its significance for the future. Mr. Rashid emphasizes the importance of unwavering dedication and tenacious effort in upholding the business legacy of the Group.

Board of Directors Profile



MD. ABUL HOSSAIN

Director
ICB Representative

Committee Membership: None

Md. Abul Hossain has been serving as the Managing Director of Investment Corporation of Bangladesh since 21 August 2019, the core public sector investment bank of the country. Mr. Hossain has more than 31 years of diversified experience in investment banking, specialized and commercial banking, Islamic banking, Asset management and

ICT works. He started his career as a System Analyst/Senior Principal Officer of ICB in 1998 and served in different positions in the same organization. Prior to his joining in ICB, he acted as the Managing Director of Karmasangsthan Bank. He also served as the Managing Director (Additional Charge) and Deputy Managing Director of Bangladesh Krishi Bank.

Currently, he is contributing his professional expertise as a Board member of British American Tobacco Bangladesh Co. Ltd. (BATBC), Unilever Consumer Care Limited (UNILEVERCL), Standard Bank Limited, National Tea Company Limited (NTC), Apex Tannery Limited, United Power Generation & Distribution Company Limited (UPGDCL), Apex Footwear Limited, Heidelberg Cement Bangladesh Limited and Padma Bank Limited. In addition to perform his professional duties, Mr. Hossain is actively involved in different philanthropic activities of various national, social, cultural, religious and volunteer organizations.



LT. GEN.SINA IBN JAMALI, awc, psc (Retd.)

Independent Director

Committee Membership: Chairman of Audit Committee

Lt Gen Sina Ibn Jamali, AWC, psc (Retd) studied at Mirzapur Cadet College and was commissioned in Bangladesh Army (Infantry) in May 1977. Besides other coveted appointments, he commanded two Infantry Battalions and an Infantry Brigade involved in counter insurgency operations in Chittagong Hill-Tracts. He held the appointments of Director Military Operations, Adjutant General, Bangladesh Army, General Officer Commanding of 24 Infantry Division, Chittagong and the Chief of General Staff in Army Headquarters.

He holds the Masters of Defense Studies (MDS) and is a graduate of Defense Services Command and Staff College, Mirpur, 'Staff College' Quetta, Pakistan and 'Army War College' of USA. He held the honor of being the Colonel Commandant of 'Corps of Military Police' of Bangladesh Army and the Commandant of National Defense College. He served as an 'Observer' in the United Nation's Iraq-Iran Military Observer Group (UNIIMOG) in 1988, the first Bangladeshi UN Deployment. His other experiences include serving as the President, Bangladesh Cricket Board, Chairman, Sena Kallyan Sangstha, Sena Hotel Development Ltd, Governing Body of Cadet Colleges, Army Welfare Trust and Central Coordination Committee of Cantonment Public Schools & Colleges. He also rendered his services as the Vice Chairman, Trust Bank Limited and Senior Vice President, Bhatiyari Golf and Country Club,

Chittagong. Currently, he is serving as the Corporate Adviser at Radiant Pharmaceuticals Ltd, MD & CEO of Radiant Nutraceuticals Ltd, Radiant Distribution Ltd and Pharmacil Ltd.



DR. MUHAMMAD FOUZUL KABIR KHAN
Independent Director

Committee Membership: Chairman of NR Committee

Dr. Khan is a distinguished Economist with over 35 years of experience in civil service, tax and regulatory matters, infrastructure financing, energy policy, renewable energy and various advisory services. He has worked in Bangladesh, United States, Singapore, Indonesia, Papua New Guinea and most recently South Sudan.

Dr. Khan is the founder CEO and a former Director of Infrastructure Development Company Ltd. (IDCOL), the largest infrastructure finance company of Bangladesh. He is also a former professor of Economics and Finance at the School of Business, North South University.

He served as the Secretary of the Power Division, Ministry of Power, Energy and Mineral Resources of the Government of Bangladesh from 2007-2008. During his tenure as Secretary, he is credited for the turnaround of the power sector in Bangladesh through generation capacity addition, expansion of transmission and distribution networks and implementing institutional and policy reforms. He was a Policy Expert to the World Bank to assess the

Capacity Building Needs in Energy Sector as well as develop an Electricity Sector Strategy Note for South Sudan and conducted Bangladesh Off-grid Energy Sector study for International Finance Corporation (IFC).

Dr. Muhammad Fouzul Kabir Khan received his PhD in Economics in 1989 from Boston University, USA. He has also taught as part and full-time faculty at University of Massachusetts at Boston, National University of Singapore, North South University, BRAC University in Bangladesh.

Earlier, he served at the National Board of Revenue and was involved in design and implementation of tax and tariff reform in the early nineties.



PROFESSOR MOHAMMAD MUSA, PhD
Independent Director

Committee Membership: Member of Audit Committee

Professor Mohammad Musa teaches finance courses in the School of Business at United International University (UIU). He teaches portfolio management & security analysis and corporate finance. His research interest is in market micro-structure, investments and capital markets. He has published a good number of articles on capital market efficiency and market micro-structure in professional academic journals in home and abroad.

He earned his MBA from Institute of Business Administration (IBA), University of Dhaka and from University of Wisconsin, Madison, USA before completing his Ph. D. (Major: Finance, Minor: Business Statistics) from the University of Wisconsin, Milwaukee in 1995. He started his teaching career as a Lecturer at the IBA, Dhaka University in 1985. He worked as Research Director at Center for Research in Business, Economics and Technology at East West University and as Director, Institute of Business and Economic Research at UIU. Under his watch, the MBA curriculum of North South University and the Executive MBA curriculum of East West University were prepared.

Dr. Musa's involvement with the Capital Markets of Bangladesh goes back to 1998 when he started working as Research Advisor to Swadesh Investment Management Limited (SIML), a local merchant bank. He was founder Convener of Bangladesh Merchant Bankers Association (BMBA) and led the organization for about 3 years. He is keen to see Bangladesh Capital Markets to grow big and run efficiently.

Professor Musa acted as the Chairman of the Board of Directors (BOD) of SIML for about 2 years. He was in the Board of Central Depository Bangladesh Limited (CDBL) for two years. He acted as an Independent Director of in the Board of Dhaka Power Development Company (DPDC) for about one year.

Management Team



MOINUDDIN HASAN RASHID
Managing Director



MOSTAK AHMMED, FCA
Group Chief Financial Officer



MD. MOINUL ISLAM KHAN
Chief Executive Officer



SYED MOHAMMAD ALI
Managing Director, United
Engineering & Power Services Ltd.



**KHALED MOHAMMAD
MUNIRUL MUKTADIR, FCA**
Head of Internal Control and
Compliance (HIAC)



SHEIKH ASHRAF HOSSAIN
Chief Operating Officer



MD. NAWSHAD PERVEZ
Chief Human Resources Officer



MOHIUDDIN AHMED
Head of Supply Chain

Managers of The Company



RAHAT BIN KAMAL

Head of New Business &
General Manager Power Division



MD. HARUN BHUYAAN

General Manager, O&M, UEPSL.



AMEEN AHMAD

General Manager, O&M, UEPSL.



MD. MOJIBUL ISLAM PATOARY

Assistant General Manager (F&A)



MD. SHAMIM MIA

Head of Regulatory Affairs and
Business Development



ELIAS HOWLADAR, ACS

Deputy Company Secretary



MOMTAZ HASAN

Plant Manager, UPGDCL DEPZ



MONIR HOSSAIN MIZI

Plant Manager, CEPZ-Plant



MOHAMMAD REZAUL ALAM

Plant Manager, UMPL
& United Jamalpur Power Ltd.



ENGR. MD. REZAUL AHSAN

General Manager & Plant In-Charge
United Anwara Power Limited



MD. ABDULLAH AL-FARUK

Plant Manager
United Energy Ltd. (UEL)



QUAZI RAIHANUR RAHMAN

Plant Manager
United Ashuganj Energy Ltd. (UAEL)



ABU NASER

Plant In-charge
Leviathan Global BD Ltd. (LGBDL)

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Message from Chairman



Respected Shareholders

Assalamu Alaikum

It's an immense pleasure to welcome you to the 16th Annual General Meeting of United Power Generation & Distribution Company Limited (UPGDCL). We are living through a time of historic challenges and opportunities. As I write this, the world faces ongoing economic, social, and geopolitical volatility.

The financial year 2022-23, had its fair share of challenges, including strong headwinds resulting from high inflation, the crisis involving foreign currency transactions, higher borrowing costs and global supply chain disruptions caused by geopolitical conflicts. The best part is that we were still able to generate a solid operational and financial performance. During the fiscal year, the actual electricity generation was 2,740,356 MWH with a capacity utilization rate of 43%. Revenue from electricity sales fell 16% year on year, while steam sales climbed 140% due to higher consumer demand and new customer additions. UPGDCL's consolidated revenue was BDT 41,309.11 million, net profit after tax was BDT 8,242.30 million. Overall EBITDA was BDT 11,831.51 million. Consolidated EPS was Taka 13.83 per share, a 20 percent decline from the previous year. Further, Due to the volatile foreign exchange situation caused by the sharp devaluation of the taka against the dollar, consolidated earnings per share (EPS) experienced a decline as subsidiary companies incurred a substantial exchange loss in foreign currency transactions. Moreover, as a consequence of persistently high inflation, financial institutions have increased interest rates.

The company's market capitalization as on 30 June 2023 stood at USD 1.20484 billion representing 1.75% of the DSE's total Equity Market Capitalization. During the year, UPGDCL contributed Taka 4,523 million to the National Exchequer in the form of taxes, VAT, import duty, etc. which is around 11 percent of the yearly Revenue.

DIVIDEND PROPOSAL

The company's Board of Directors has recommended a cash dividend of 80 percent, or Taka 8.00 per share, for each Taka 10/- share of distributable net profit for the fiscal year 2022-23.

AMALGAMATION OF UPGDCL

The High Court Division of the Supreme Court of Bangladesh by its Judgement and Order dated 05.06.2023 approved the amalgamation Scheme of (i) United Jamalpur Power Ltd., (ii) United Anwara Power Ltd., and (iii) United Energy Ltd. with UPGDCL. By a subsequent Order dated 01.08.2023, the Honourable High Court determined 1 July 2023 as the "Appointment Date" under the scheme.

HONORABLE SHAREHOLDERS,

As the company grows and expands in age and capacity, it is becoming more aware of the effects that its operations have on the environment. The management has been proactive in implementing technology-based programs to reduce their negative effects on the environment. Taking into account all regulatory compliance, UPGDCL remained fully compliant. The Board has previously received disclosure of the Dividend Policy, PSI Policy, Risk Management Policy, and the Code of Conduct. Furthermore, we have complied with the BSEC's mandate by depositing unclaimed dividends to the Capital Market Stabilization Fund.

In the context of the challenging socio-economic situation, our ability to create value is driven by our focused strategy and rigorous attention to operational efficiency that goes a long way towards ensuring sustainability, profitability and success for all stakeholders.

As always, we are appreciative of the Board of Directors' insight and direction during this unprecedented period of our operations. I would also want to praise the Managing Director, his staff, and the operation team who worked boldly, diligently and resolutely round the clock to keep the company running smoothly and efficiently.

May Allah Subhanahu Wa Ta'ala grace our journey ahead with Rahmah and Barakah.

Yours sincerely



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

Message from the Managing Director



We Believe in Growth and Diversification

Assalamu Alaikum

By the Grace of Allah SWT, United Power Generation & Distribution Company Ltd (UPGDCL), or the Company, has seen another successful and effective year of operations. The Financial year 2022-23 was another challenging year for the global economy because of high inflation, dollar crisis, and foreign reserve crisis resulting from multiple geo-political crises including the war between Russia and Ukraine. Despite facing such challenges, we, as a utility service provider, have been able to successfully operate our business by taking responsive and effective decisions on time.

SUCCESSFUL EXECUTION OF STRATEGY

Due to taking the significant strategic decision of onboarding two HFO-based power-generating companies, namely United Jamalpur Power Ltd. (UJPL) and United Anwara Power Ltd. (UANPL) in the previous year, UPGDCL has generated 2740,356 MWh power in this fiscal year. Aside from direct power sales, Steam sales for the company experienced healthy growth of 140.39% during this financial year. Further, the High Court Division of the Supreme Court of Bangladesh by its Judgement and Order dated 05.06.2023 approved the amalgamation Scheme of (i) United Jamalpur Power Ltd., (ii) United Anwara Power Ltd., and (iii) United Energy Ltd. with UPGDCL.

OVERALL FINANCIAL ASPECTS

In the fiscal year 2022-23, UPGDCL's revenue was BDT 41,309.11 million, 16% lower than the previous fiscal year. Consolidated revenue declined as a result of the decrease in power generation and HFO price. Despite, unfavorable circumstances including increased financing expenses, disruptions in the supply chain, increasing inflationary pressure, scarcities in energy supplies, a deficit in the balance of payments, and volatility in foreign exchange rates, UPGDCL achieved a Net Profit after Tax of BDT 8,242.30 million. Shareholder's Equity at the end of the year reached BDT 31352.82 million. Overall Earnings Per Share of the company for the year was BDT 13.83.

COMMITMENT TO HONORABLE SHAREHOLDERS

UPGDCL is always grateful to its honorable shareholders for their trust and continuous support. UPGDCL's strategic actions reflect not only its long-term vision to be the most efficient and environment-friendly power generation company of Bangladesh but also the Company's commitment to maximizing total shareholder returns. Keeping this in mind, the Company has declared 80% cash dividend in this fiscal year.

GROWTH AND DIVERSIFICATION

United Group believes in growth and diversification. The Group continues to grow through various strategic decisions, projects and initiatives. Through developing the 590 MW Gas/R-LNG based Combined Cycle Power Plant (CCPP) at Anwara in Chattogram, we will be the country's largest power plant venture in terms of capacity, utilizing a single Gas Turbine power train.

We are on the eve of launching our most luxurious and ambitious projects, Meghbon (an upscale high-rise condominium-based residential project) and Centrepont (a mega shopping arcade & business district) in the most prime locations in Dhaka. Through the establishment of ventures such as United Healthcare Services Ltd., United Sulpho Chemicals Ltd., United Lube Oil Ltd. and United Ayzaz LPG Ltd., we have stepped into new horizons.

RESPONSIBILITY TO THE COMMUNITY

We recognize our responsibility to the community, country and humanity. As a socially responsible corporate entity, we are working on socio-economic development through several projects under the banner of United Trust such as M.A Rashid Hospital, United Public School & College, etc. and other socially responsible projects such as United Hospital, United International University, United Medical College, United Nursing College and so on.

We all are committed to continuously creating substantial value for our shareholders, and I look forward to sharing and reporting on our progress.

Thank you for your continued support.

Sincerely,



Moinuddin Hasan Rashid
Managing Director

Directors' Report

For the Year Ended 30 June 2023

This report has been prepared in compliance with Section 184 of the Companies Act 1994 and Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC) and BSEC notification.

To the Members,

The Board of Directors of United Power Generation & Distribution Company Limited (the “Board”) has the pleasure of presenting the Sixteenth Annual Report along with the Auditor’s Report and audited financial statements for the year ended 30th June 2023.

Global Economy

The global economic growth in 2023 remains highly uncertain due to the impact of the COVID-19 pandemic over the past three years and the growing adverse effects of the ongoing Russia’s war in Ukraine and the Israel-Hamas war. According to the IMF’s World Economic Outlook (WEO) published in October 2023, global growth would slow down from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections for 2024 are 0.1 percentage points lower than the average for the period 2000–19, which was 3.8 percent. This decline has been observed since the World Economic Outlook Update in July 2023. Advanced economic growth is projected to decline from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, owing to stronger-than-anticipated momentum in the United States and weaker-than-anticipated growth in the euro area. It is anticipated that the property sector crisis in China will reduce the growth of emerging markets and developing economies by 0.1 percentage points in 2024, from 4.1 percent in 2022 to 4.0 percent in 2023 and 2024. Predictions for medium-term global development are at their lowest level in decades, at 3.1%, and it is unlikely that nations will be able to catch up in terms of improved living standards. Forecasted global inflation rates for 2022, 2023, and 2024 are 8.7 percent, 6.9 percent, and 5.8 percent, respectively. However, forecasts for 2023 and 2024 have been raised by 0.1 and 0.6 percentage points, respectively, and inflation is not expected to return to target until 2025 in most cases.

Bangladesh Economic Outlook

After the COVID-19 epidemic, Bangladesh recovered to 7.1 percent real GDP growth in FY22. The epidemic was contained, foreign and domestic demand increased, and government policies supported the recovery. In FY23, real GDP growth is projected to slow down to 5.2%. This is because of higher inflation, a lack of income, energy deficits, and slower growth around the world. As a result of the devaluation of the taka and the increase in the prices of commodities, in the first eight months of fiscal year 23, inflation increased to 8.7%, which was 6.1% in the fiscal year 22. Monetary policy was made less flexible at the end of FY22 and the beginning of FY23. Refinancing plans helped private sector credit grow in FY22 and the beginning of FY23. The Bangladesh Bank (BB) sold dollars, and negative real deposit rates caused deposits to grow less quickly. In FY22 and FY23, external sector pressure caused a large balance of payments (BoP) deficit in the current and finance accounts. The current account deficit increased to 4% of GDP in FY22 because imports went up by 35.5% and government remittances went down by 15.1%. In the first half of FY23, the trade deficit was lessened by limits on imports, small drops in prices, and strong growth in exports. But trade credit shrank sharply, and short-, medium-, and long-term loans also went down. This led to a loss in the financial account and the balance of payments. BB’s actions on the foreign exchange market to support the taka also led to a drop in foreign exchange holdings. Inflation, tighter financial conditions, trade limits that cause problems, and volatility in the world economy would slow real GDP growth to 5.2% in FY23. As foreign conditions get better, price pressure eases, and reforms are put into action more quickly, growth should pick up in FY24 and hit 6.5 percent in the middle run. To speed up growth in the long run, fundamental changes need to be made. To become an upper middle-income country by 2031, Bangladesh needs to create jobs by making it easier for businesses to compete, expanding its exports, improving its human capital, building better infrastructure, expanding its financial sector, and making policies that encourage private investment.

Source: *Bangladesh Development Update: The World Bank, April 2023*

INDUSTRY SCENARIO AND FUTURE OUTLOOK OF POWER SECTOR IN BANGLADESH

The most fundamental contribution that electricity makes to economic development is the creation of a sustainable framework that, in the long run, aids in the eradication of poverty. The availability of power at a reasonable price and in accordance with environmental standards is essential for long-term sustainable economic growth.

To ensure the power sector's sustainable expansion and the general development of the national economy, the Government of Bangladesh has developed a comprehensive power-generating strategy. During FY 2022-23 (up to January 2023), the total installed electricity generation capacity stood at 26,700 MW including captive and renewable energy. In March 2022, the government declared that all citizens had access to electricity.

Presently, Power generation has increased to 609 kWh per capita. Electricity distribution lines and the consumers of electricity have reached 6.29 lakh km and 4.45 crore respectively. As the years progressed, system loss for transmission and distribution decreased to 9.30 percent till December of FY 2022-23 which was 14.73 percent in FY 2010-11. Following Vision 2041, the government aims to establish a power generation capacity of 40,000 MW by 2030 and 60,000 MW by 2041 (PSMP).

POWER GENERATION AND FUEL MIX

Grid-based installed capacity is 23,482 MW including 10,246 MW in the Public Sector, 1,861 MW in JV, 10,215 MW in the Private Sector, and 1,160 MW of power imported from India as of January 2023.

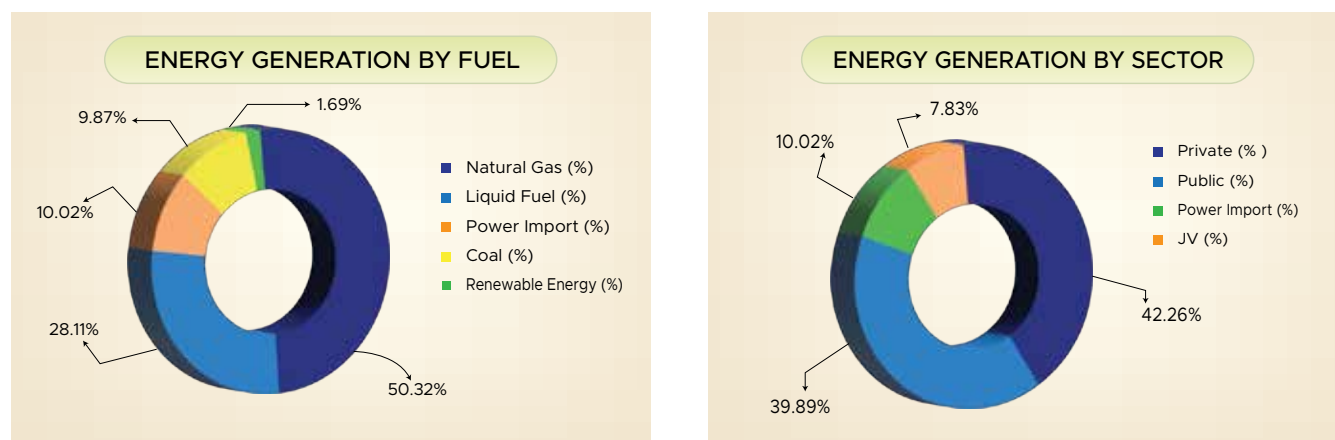
The grid-based generation for FY 22-23 50.32 percent was gas-based, 9.87 percent was coal-based, 28.11 percent was liquid fuel-based, 10.02 percent was imported electricity and 1.69 percent was renewable. Fuel-wise and sector-wise net energy generation in FY 2022-23 (up to December 2022) is provided below.

Table: Energy Generation by Fuel and Sector

Energy Generation (National) by Fuel		Energy Generation (National) by Sector	
Natural Gas	50.32%	Private	42.26%
Liquid Fuel	28.11%	Public	39.89%
Power Import	10.02%	Power Import	10.02%
Coal	9.87%	JV	7.83%
Renewable Energy	1.69%		
Total Net Generation: 44,633 million kWh		Total Net Generation: 44,633 million kWh	

Source: Bangladesh Economic Review 2023

Figure: Energy Generation by Fuel and Sector



Source: Bangladesh Economic Review 2023

The fuel mix of Bangladesh's power plants are primarily based on Natural Gas and HFO. Bangladesh is currently experiencing an increase in the cost of imported primary fuel because of the global energy crisis. In this respect, the Government decided to use more indigenous natural gas to deal with the situation. Overall power generation-mix is still dominated by Coal, Gas and HFO-based plants. Although the number of plants has reduced in case of Coal and Gas-based generation the mix remains predominant.

Directors' Report

For the Year Ended 30 June 2023

RENEWABLE ENERGY

Renewable Energy (RE) power generation is on the rise. Solar-based generation capacity currently stands at 459 MW, compared to nearly none in 2009. An 'Energy Efficiency and Conservation Master Plan up to 2030' was established by SREDA that works according to the plan to achieve the goal. The Master Plan has set a target of improving 20 percent energy intensity by 2030 with respect to FY 2013-14. Bangladesh Rural Electrification Board has installed 5,717 solar home systems in off-grid areas, the number of rooftop solar home systems installed at the customer end in grid areas is 96,389; with a peak capacity of about 18.57 MWp, 40 solar irrigation pumps (0.237 MWp) and 14 solar charging stations (0.303 MWp) have been installed. Multiple other funded projects aided in providing agricultural irrigation through solar-powered pumps. Through these projects, 2,000 solar irrigation pumps will be installed within the project period (2024). As of January 2023, 190 solar irrigation pumps have been installed out of 2,000 solar irrigation pumps, with a maximum peak capacity of 1.67 MWp. Wind energy has seen significant development, as reported by the Financial Express, when the country's first large-scale centralized wind power project with 60 MW capacity at Cox's Bazar attained commercial operation in October 2023.

TRANSMISSION AND DISTRIBUTION

According to a UNB article, the finance minister stated that the government is also emphasizing the expansion of transmission networks to maintain a steady supply of electricity. In the past year (February 2022-January 2023), a total of 1,334 ckt. km transmission lines and 7 nos. of grid substations of 2,769 MVA capacity have been newly added to the national grid at different voltage levels.

The 400 KV double circuit transmission lines between Gopalganj and Aminbazar have aided two of the largest coal-based power plants to distribute electricity into Dhaka's load center along with nearby areas that are dense with factories. Bogura and Rohanpur 400/230 KV double circuit transmission line and grid substation has reduced operations of fuel-based power plants around Rajshahi and Rangpur as a result the cost of electricity reduces nationwide. In addition to significant fall in system loss, most low-voltage issues in the nearby areas have been resolved. For the electrical evacuation of the Rooppur nuclear power station, six 400 KV and 230 KV transmission lines are being built.

The aim is to increase the Transmission Line from 14,456 Ckt. km to 27,300 Ckt. km by 2030 and 34,850 Ckt. km by 2041. Similarly, the target to increase Grid Substation Capacity is 120,000 MVA by 2030 and 261,000 MVA by 2041 from current capacity of 58,076 MVA.



ENERGY SECTOR (OIL, GAS AND MINERAL RESOURCES)

Natural gas contributes to a significant portion of the demand. 20 of the 28 gas fields those have been found are now in use. In addition, the national grid is receiving daily additions of 600-753 million cubic feet of imported LNG, to help satisfy the rising demand for gas.

Alternatively, the ERL Unit-2 project, which will increase Eastern Refinery Limited's refining capacity by 3.0 million tons, has been started in order to fulfill the nation's rising fuel demand. After the project is completed, Eastern Refinery Limited's annual refining capacity will grow to 4.5 million tons. Besides, under the Government initiative of "MY Village My Town" encouragement and support are being provided to set-up bio-gas plants and solar panels on group basis.

The gas demand in the Power sector is increasing with the steady industrialization in the country. According to Gas Sector Master Plan Bangladesh 2017 (Scenario C), total Gas demand is expected to rise up to 4,787 mmcf in FY 2022-23, 4,931 mmcf in FY 2023-24, 5,079 mmcf in FY 2024-25 and 5,257 mmcf in FY 2025-26. Gas demand in the industrial sector is considered to become 1,169 mmcf in FY 2022-23 and 1,575 mmcf in FY 2025-26. Moreover, demand for gas in the Commercial and Tea sectors is considered to become 38 mmcf in FY 2022-23 and is expected to remain the same up to FY 2025-26.

To mitigate the demand-supply gap and ensure fuel supply security, the government has taken a plan for importing liquefied natural gas (LNG). Two Floating Storage and Regasification Units (FSRU) are installed in the deep sea near Moheshkhali, Cox's Bazar having a storage capacity of 1,38,000 m3 LNG and regasification capacity of 500 MMSCFD each. The FSRU(s) were commissioned in August 2018 and April 2019 respectively. To import LNG on a long-term basis, Petrobangla signed two separate LNG Sale and Purchase Agreement (SPA) with Ras Laffan Liquefied Natural Gas Company Limited of Qatar and Oman Trading International of Oman respectively in 2017 and 2018.

Electricity generation from gas/R-LNG, Liquid fuel, coal, nuclear, hydro, renewable energy and import from neighboring countries has also been included in the 'Power System Master Plan 2016 (PSMP). As per this plan, coal, nuclear, and gas/LNG-based combined cycle power plants will be used as base load power plants. On the other hand, liquid fuel and LNG/gas will be used for peak-load power plants. The following table shows power sector development and the future plan of the government up to 2041.

Table: Power Sector Generation Future plan

SL	Description	Year 2023 (Feb'23)	Year 2030	Year 2041
1	Installed Capacity (MW)	26,700*	40,000	60,000
2	Electricity Demand (MW)	15,500	33,000	52,000
3	Transmission Line (Ckt. KM)	14,546	27,300	34,850
4	Grid Substation Capacity (MVA)	58,076	120,000	261,000
5	Distribution Line (KM)	629,000	660,000	783,000
6	Per Capita Power Generation (kwh)	609	815	1,475
7	Access to Electricity (%)	100%	100%	100%

Source: Power Division (*including Captive and RE)

Bangladesh has already advanced from the low-income nation category into the lower-middle income category. The only way to guarantee the transition from lower-middle income to upper-middle income by 2031 and high income by 2041 as envisioned in the Perspective Plan 2021-2041 is to make available the ever-increasing need for power and energy to carry out critical socio-economic activities.

Capital Market Scenario

In DSE total number of listed securities has increased from 625 in June 2022 to 653 in June 2023. Total Market Capitalization of all listed securities increased from Tk. 5,16,4707 million in June 2022, to Tk. 7,720,780.40 million in June 2023. DSE Broad Index has decreased from 6,376.94 points in June 2022 to 6,344.09 points in June 2023. The

Directors' Report

For the Year Ended 30 June 2023

ratio of market capitalization to GDP (at the current market price) stood at 19.28 percent at the end of June 2023. Average Turnover for the year 2023 as a whole was Taka 8,155.60 million.

During the year, the highest value of UPGDCL share price was Taka 255 and the lowest price was Taka 228.70. **The company's market capitalization as of 30 June, 2023 stood at BDT 135474.785 million representing 1.75% of the DSE's total Equity Market Capitalization.**

FINANCIAL PERFORMANCE YEAR 2022-23

Consolidated financial performance: reflection of new acquisitions

The consolidated revenue for the year was BDT 41,309.11 million, 16% lower than the consolidated revenue of the previous year. Consolidated revenue declined as a result of the decrease in both power generation and the price of HFO. Government policies pertaining to the supply of gas additionally had a direct impact on the company's production.

The annual consolidated gross profit experienced a decrease of BDT 1,702.85 million. Furthermore, upon deducting financing costs, the net profit after tax amounted to BDT 8,242.30, reflecting a reduction of Tk 1,912.99 million compared to the previous year.

A summary of the “consolidated” financial performance of the company is presented below –

Figure: *mIn BDT*

	30 June 2023	30 June 2022
Revenue	41,309.11	49,435.16
Cost of sales	(30,656.19)	(37,079.39)
Gross profit	10,652.92	12,355.77
General and administrative expenses	(443.81)	(98.73)
Other income/(Expenses)	154.69	95.13
Operating profit	10,363.80	12,352.17
Finance income	555.41	826.96
Foreign exchange gain/(loss)	(1,468.39)	(2,511.09)
Finance expense	(1,204.42)	(510.73)
Profit before tax	8,246.40	10,157.32
Income tax (expense)/income	(4.09)	(2.02)
Profit for the period	8,242.30	10,155.30
Other comprehensive income	-	
Total comprehensive income	8,242.30	10,155.30

Total assets at the consolidated level for UPGDCL was BDT 81,187.55 million. Shareholders' equity was BDT 31,352.82 million, a reduction of 1,844.85 million over last year. Moreover, long-term Liabilities went down by Taka 1,750.12 million as a result of decreasing the amount of preference shares and long-term loans. During the year Cash received from customers increased by BDT 17,470.70 million. As a result, Consolidated cash flows at the operating activities stood at Taka 11,247.81 million which was 10,154.72 million higher than the last year. In addition, Consolidated EPS decreased incurring a significant amount of exchange loss in foreign currency transactions incurred by subsidiary companies for the volatile foreign exchange situation, brought about by the sharp devaluation of the taka against the dollar. Banks have also raised the interest rate on the back of stubbornly high inflation compared to the same period last year.

Consolidated Financial highlights for the year 2022-23 are presented below –

Financial result	July 22 - June 23	July 21 - June 22
Earnings per share (EPS)	13.83	17.21
Net Operating cash flow per share (NOCFS)	19.40	1.89
Net asset value per share	53.22	56.38
GP Ratio	25.8%	24.9%
NP Ratio	20%	20.5%

Financial Performance: core entity

Operating Revenue for the year was BDT 5,596.54 million. It represented a straight reduction of 17.52 percent compared to the last year. As a result of the Government gas allocation policy, the production (power generation) of the company decreased by 18.66%. On the other hand, Steam sales for the company experienced healthy growth of 140.39% during this financial year.

Operating expenses increased by 66% in volume. Fuel & energy cost was BDT 2,668.92 million, 92% percent higher than last year. In addition, O&M expenses also increased by 30 percent as a result of major Maintenance works.

As a consequence of the above facts, Gross profit reached 1,744.28 million which was 61% lower than the last year.

Other operating income increased by BDT 5,380.01 million, representing a significant improvement of 89% compared to the previous year. Which is mainly because of dividends received from subsidiary companies amounting to BDT 11,261.25 million. As a consequence, there was an 18.47 percent increase in the yearly net profit.

A summary of the financial performance of the company's "core" entity is presented below –

Figure: mIn BDT

	July 22 - June 23	July 21 - June 22
Revenue	5,596.54	6,784.99
Cost of sales	(3,852.27)	(2,318.90)
Gross profit	1,744.28	4,466.09
Other operating income	11,415.50	6,035.49
General and administrative expenses	(359.96)	(62.41)
Operating profit	12,799.82	10,439.17
Finance income	540.85	821.93
Finance charge	(1.69)	(1.76)
Profit before tax	13,338.98	11,259.348
Income tax expenses	-	-
Profit after tax	13,338.98	11,259.35

Directors' Report

For the Year Ended 30 June 2023

Financial highlights for the year 2022-23 are presented below – **core entity**

	2022-23	2021-22
Earnings per share (EPS) from core business	3.58	9.18
Earnings per share (EPS) after dividend income from subsidiaries	23.01	19.42
Net Asset Value (NAV) per share	58.47	52.46
Net Operating cash flow per share (NOCFS)	3.65	7.93
Gross Profit (GP) Ratio	31%	66%
Net Profit (NP) Ratio from core business income	37%	78%

BUSINESS ACTIVITIES & OPERATING PERFORMANCE

UPGDCL, the front-runner in the private sector power operators in Bangladesh, remained “single-mindedly” focused on its roles, responsibilities, and tasks on hand with the “positive instinct” which is very much phenomenal for the Group as a whole. We extended the positivity perimeter that embraced all our activities amid the challenging time of global socio-economic uncertainty and volatility.

The current overall generating capacity of UPGDCL is 6,336,000 megawatts (MWh). Actual production for the reporting year was 2,740,356 megawatt-hours (MWh), 1,050,341 megawatt-hours (MWh) less than the previous year. In addition, capacity utilization for 2023 was 43% compared to 60% for the previous year.

Generation capacity of UPGDCL

Plant Name	Install capacity
	(MWH)
DEPZ	656,000
CEPZ	576,000
UEL	224,000
UAEL	1,560,000
UAnPL	2,400,000
UJPL	920,000

Actual Production (MWH)		
	July 22 - June 23	July 21 - June 22
DEPZ	303,725	473,878
CEPZ	417,449	517,737
UEL	95,509	177,474
UAEL	368,711	268,543
UAnPL	1,040,743	1,715,204
UJPL	514,218	637,860

Capacity Utilization of UPGDCL

Plant Name	July 22 - June 23	July 21 - June 22
DEPZ	46%	72%
CEPZ	72%	90%
UEL	43%	79%
UAEL	24%	17%
UAnPL	43%	71%
UJPL	56%	69%
	43%	60%

Segment-wise or product-wise performance: Consolidated

Consolidated Revenue for the year was Taka 41,309.11 million generated out of the electricity sale, mostly, from the plants including the subsidiaries. In the sales mix, electricity sales of all power plants declined except UAEL. However, Steam sales for the company experienced healthy growth during this financial year as a result of adding new customers.

Product-wise performance:

	July 22 - June 23	July 21 - June 22	Growth
Electricity sales	41,192.20	49,386.53	-17%
Steam sales	116.90	48.63	140%
Total	41,309.11	49,435.16	

Plant-wise performance:

	UPGDCL	UEL	UAEL	UJPL	UAnPL
Revenue mIn TK	5,596.54	437.66	4,608.66	10,217.77	20,448.47
Proportion to Total Revenue	13.55%	1.06%	11.16%	24.73%	49.50%
Electricity generated MWH	721,174	95,509	368,711	514,218	1,040,743
Proportion to Total Generation	26%	3%	13%	19%	38%

Customer-wise performance:

Customers- Electricity	2022-23 (kWh)	2021-22 (kWh)	+/- growth
BEPZA	3,882	4,536	-14%
BPDB	36,057	43,096	-16%
BREB	214	575	-63%
Pvt customers	1,040	1,179	-12%

In this respect, relevant disclosures have been provided in the notes to the consolidated Financial Statements.

Review of Operating Expenses, Profit Margin and Net Profit Margin – covered under the Overall Financial Performance Review.

Directors' Report

For the Year Ended 30 June 2023

Segment-wise or product-wise performance of the core business

UPGDCL provides essentially similar products and services to its contractual customers. Total Revenue for the year was Taka 5,596.54 million from the “core” business operations. Of which, electricity supply revenue accounted for 98% of total revenue, while steam supply generated only 02%. During the year Steam supply experienced growth of 140 percent as the consumption demands from the customer end increased.

The Company has two segregated business operation areas under its own purview which are Dhaka EPZ and Chittagong EPZ, respectively. Revenue composition by operational set-up is presented below

Plants under UPGDCL	Electricity generated MWH	%	Steam sales in Taka million	%	Revenue in Taka million	%
DEPZ plant	303,725	42%	41.41	35%	2,564.49	47%
CEPZ plant	417,449	58%	75.49	65%	2,915.14	53%
TOTAL	721,174		116.90		5,479.63	

Product-wise or product-wise performance of the core business

Customers- Electricity	2022-23	2021-22	+/- growth
	Taka million	Taka million	
BEPZA-DEPZ	1,491	1,862	-19.94%
REB	122	398	-69.46%
BEPZA-CEPZ	2,391	2,674	-6.58%
BPDB	460	644	-28.50%
KEPZ	497	646	-23.09%
Private customer	1,016	1,159	-12.33%
Total	5,977	7,383	

Customers- Steam	2022-23	2021-22	+/- growth
	Taka million	Taka million	
Gunze United Ltd	28	34	-17.69%
Global Labels (Bangladesh) Ltd	5	5	8.22%
Croydon-Kowloon Designs Ltd	4	6	-30.85%
Talisman Ltd	4	2	146.44%
Sewtech Fashions Limited	7	2	226.21%
Universal Jeans Limited	65	-	100.00%
Pacific Jeans Ltd.	4	-	100.00%

Business Risk Management: Business Risk Management is separately reported on page No - 111 of this Annual Report.

Environment, Social and Governance: Environment, Social and Governance is separately reported on page No - 85 of this Annual Report.

Extra-ordinary gain or loss

As per IAS: 1 - Presentation of Financial Statements, no items of income or expenses are to be presented as “extraordinary” gain or loss in the financial statements. Accordingly, no “extraordinary” gain or loss has been presented in the Financial Statements for the year under-reporting.

Related Party Transactions

All transactions with related parties have been made in the normal course of business. Details of related parties and related party transactions have been disclosed following the compliance requirements under IAS 24: “Related party disclosures” in the relevant notes to the Financial Statements. Moreover, in compliance with requirements of the BSEC Notification, no BSEC/CMRRCD/2009-193/10/Admin/118 dated March 22, 2021, specific approval from the Shareholders at the AGM has also been proposed as regards related party transactions.

Utilization of proceeds from IPO, Rights Issues and/or any other instruments

UPGDCL acquired the consent/approval for Initial Public Offer (IPO) in the year 2014 (09th December 2014) and the proceeds thereof were utilized for the business and reported accordingly to the regulators. No further issue of any instrument was made during the financial year.

Significant variance between Quarterly and Annual Financial Statements

Net profit has decreased in the 4th quarter from the 3rd quarter due to a reduction in production and a significant amount of exchange loss in foreign currency transactions incurred by subsidiary companies for the volatile foreign exchange situation, brought about by the sharp devaluation of the taka against the dollar. Banks have also raised the interest rate on the back of stubbornly high inflation compared to the same period last year.

The variance between Quarterly Financial Statements

Fig in *mln BDT*

Quarter	Consolidated Net Profit
1 st	2,963.52
2 nd	2,895.86
3 rd	2,548.01
4 th	(165.09)

Quarter	% of Quarterly Profit on Total Profit
1 st	35.96%
2 nd	35.13%
3 rd	30.91%
4 th	-2.00%

Directors' Report

For the Year Ended 30 June 2023

Fig in mln BDT

	July - September (Q1)			October - December (Q2)			January - March (Q3)			April - June (Q4)		
	2022	2021	%	2022	2021	%	2023	2022	%	2023	2022	%
Revenue	12,063.72	8,594.08	40.37%	10,411.13	12,197.89	-14.65%	8,606.87	12,440.98	-30.82%	10,227.37	16,202.19	-36.88%
Cost of Sales	(9,147.11)	(5,731.69)	59.59%	(7,130.79)	(8,418.54)	-15.30%	(5,346.29)	(9,185.39)	-41.80%	(9,031.98)	(15,933.65)	-43.32%
Gross Profit	2,916.60	2,862.39	1.89%	3,280.34	3,779.34	-13.20%	3,260.58	3,255.58	0.15%	1,195.39	268.53	345.15%
Net Profit	2,963.52	2,961.51	0.07%	2,895.86	4,029.33	-28.13%	2,548.01	3,238.05	-21.31%	(165.09)	(73.61)	124.28%
EPS-basic	5.00	5.00	0.09%	4.84	6.84	-29.22%	4.28	5.50	-22.11%	(0.30)	(0.13)	128.27%
NOCFPS	0.89	(0.87)	-201.92%	8.70	(8.35)	(2.04)	3.48	17.88	-80.52%	6.33	(6.77)	-193.49%
NAV per share	53.22	61.17	-13.00%	49.23	51.02	(0.04)	53.51	56.52	-5.32%	53.22	56.38	-5.61%

Variance between Annual Financial Statements

Fig in mln BDT

	2023	2022	(%)
Revenue	41,309.11	49,435.16	16.44
Cost of Sales	(30,656.18)	(37,079.38)	17.32
Gross Profit	10,652.92	12,355.77	13.78
Net Profit	8,242.30	10,155.29	18.84

Directors Remuneration

Other than the Managing Director, all of UPGDCL's directors do not participate in the day-to-day operations of the company. As a result, the Directors of the Board have not received any compensation other than attendance fees in connection with the meetings of the Board and its several committees. The Managing Directors' salary was included in the overall Directors' remuneration for the year, which came to a total of BDT 26,005,500.

Directors' Responsibilities and Reporting Framework

The Board of Directors is responsible for an accurate and fair view of the company's financial performance and position as part of overall business enterprise governance. In line therewith and also in compliance with the BSEC's Notification dated 20th June 2018, the Directors are pleased to make the following declarations in this report –

- I. The financial statements prepared by the Management of the company fairly presents the state of affairs, the result of its operations, cash flows, and changes in equity;
- II. Proper books of accounts of the company have been maintained;
- III. Appropriate accounting policies have been consistently applied in preparation of the financial and that the accounting estimates are based on reasonable and prudent judgement;
- IV. International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;

- V. The system of internal control is sound in design and has been effectively implemented and monitored;
- VI. Minority shareholders have been protected from abusive actions in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;
- VII. There is no significant doubt upon the company's ability to continue as a going concern;
- VIII. Significant deviations from the last year's operating results have been highlighted along with reasons thereof;
- IX. Key operating and financial data of the last 5 (five) years have been presented separately in the Annual Report;
- X. The company has recommended final dividend for the year 2022-23 and no interim dividend was declared prior to that;
- XI. The company has not declared any stock dividend or bonus share as interim or final dividend in the year 2022-23;
- XII. The company's financial results have continued to improve since the IPO in the year 2015 as reflected in the yearly financial statements thereafter;
- XIII. During the year 2022-23, a total of 5 (five) Board of Directors meetings were held, which met the regulatory requirements in this respect. The attendance records along with other related disclosures have been made in this Annual Report separately;
- XIV. The shareholding pattern of the company as on 30th June, 2023 is shown separately in this Annual Report;
- XV. Brief profile (resume), nature of expertise in the specific functional areas and presence as director or shareholder (member) in other companies have been presented in different sections of the Annual Report

Declaration of the CEO and CFO on the Financial Statements

As per the requirements of the BSEC's Corporate Governance Code, the declaration by the Chief Executive Officer (CEO)/ Managing Director (MD) and the Chief Financial Officer (CFO) on Financial Statements 2022-23 to the Board is annexed to this Annual Report.

Status of Compliance

In compliance with the BSEC Notification dated 03rd June 2018 the "Status of Compliance with Corporate Governance Code" and the Certificate on Compliance on the Corporate Governance" from M/S Poddar & Associates, Cost & Management Accountants are presented in the Annual Report.

Minority Interest

Minority Shareholders comprise 10 percent of the Paid-up capital which in turn is a mix of institutional and individual shareholders. UPGDCL Board of Directors adheres to all the rules and regulations of the BSEC and the Stock Exchanges to ensure the highest standards of governance entailing integrity, transparency, and accountability designed to protect the interest of all stakeholders including the rights of the minority shareholders.

Management's Discussion and Analysis

Management's Discussion and Analysis presenting a detailed analysis of the company's performance and operations along with a brief discussion of changes in the financial statements and other requirements of the Corporate Governance code is disclosed in this Annual Report.

Directors' Report

For the Year Ended 30 June 2023

PROFIT APPROPRIATION

The Board of Directors of UPGDCL take pleasure in reporting the financial results of the company for the year ended 30th June 2023 and recommended the appropriation of available profits as below:

	Taka in million
Profit available for distribution	26,051.18
Appropriations	
Proposed final cash dividend	4,637.56
Transferred to Retained earnings	21,413.62

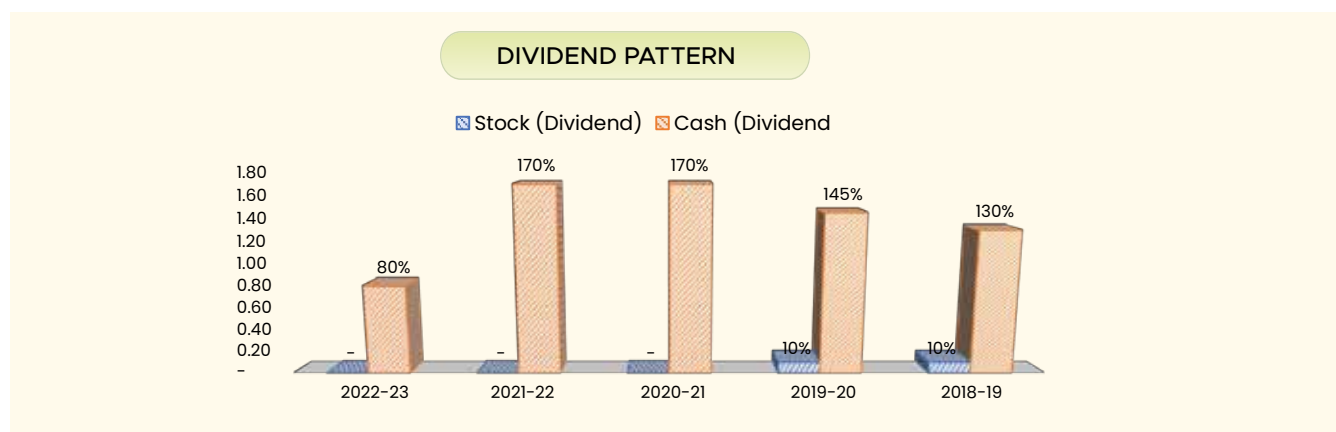
DIVIDEND

The Board of Directors of the company in its 107th meeting held on October 26, 2023 recommended **Cash Dividend @ 80% per share** of Taka 10/- each being the final dividend for the year ended 30th June, 2023. Total involvement for the proposed Dividend shall be Taka 4,637,562,160 duly appropriated out of the available profit for distribution for the year. Moreover, no interim dividend was declared during the year.

Shareholders' whose name will be appearing in the Shareholders' Registry as on the Record Date i.e. 16th November 2023, shall be eligible to receive the recommended Dividend subject to approval by the Shareholders' in the 16th Annual General Meeting scheduled on 14th December 2023.

DIVIDEND PATTERN

DIVIDEND PATTERN					
	2022-23	2021-22	2020-21	2019-20	2018-19
Stock (Dividend)		-	-	10%	10%
Cash (Dividend)	80%	170%	170%	145%	130%



Declaration of Status of Un-claimed Dividend

As of 30 June 2023, the unclaimed dividends stood at BDT 1,29,43,407.80. In compliance with BSEC directive no. BSEC/CMRRCD/2021-386/03, dated 14 January 2021 and BSEC CMSF rule 2021, on June 25, 2023, the Company had deposited BDT 36,702,36.52 to the Capital Market Stabilization Fund (CMSF).

Further, in total BDT 1,47,38,290.52 had been deposited to the CMSF, in which unclaimed dividends were BDT 92,24,335.52 and Share application money BDT 55,13,955. The detail of the present unclaimed dividend is as follows:

Year	Un-Claimed Amount (BDT)
2019-20	39,14,680
2020-21	54,06,305
2021-22	36,23,136
Total Un-claimed Dividend	1,29,44,121

Details of “Share Application Money” & “Un-claimed Dividend” have been provided/up-loaded on the Company website.

Board of Directors – Election and Re-appointment

As per Article 23(a) of the Articles of Association of the company, the following Directors are to retire in the 16th AGM of the company and being eligible have been recommended to be elected /re-elected:

1	General Md. Abdul Mubeen
2	Malik Talha Ismail Bari
3	Nizamuddin Hasan Rashid
4	Kutubuddin Akhter Rashid
5	Sharfuddin Akhter Rashid

Brief profiles of the Directors being recommended for election/re-election are given in the Board of Directors profile part of this Annual Report.

Appointment of Auditors and Corporate Governance Compliance Auditor

In compliance with the BSEC Corporate Governance Code-2018, the Board of Directors of UPGDCL has recommended M/S Hoda Vasi Chowdhury & Co., Chartered Accountants to be appointed as auditors for the year ended 30th June 24, which is going to be placed at the 16th AGM on December 14, 2023 for approval.

In compliance with the BSEC Corporate Governance Code, the Board appointed M/S Podder & Associates, a professional accounting firm as Corporate Governance Compliance Auditor of the company for the year 2023-24, and the said re-appointment will be approved at the 16th AGM.

Human Resource Management

Efficient manpower is the prerequisite for an organization’s development. Thus the Board always emphasised on the employment of qualified and skilled manpower for the right post in the company. 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 conditions 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. Aspects of TNA 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, 56 training sessions and drills have been conducted in the reporting year. 24 training sessions were held at the DEPZ plant and 32 training sessions and drills were held at the CEPZ plant. These training equipped the plant personnel with technical and organizational skills.

Directors' Report

For the Year Ended 30 June 2023

Similar training sessions were also conducted at other UPGDCL-owned power companies. A total of 154 training sessions and drills were conducted, including 26 at the UAEL plant, 33 at the UEL plant, 55 at the UJPL plant, and 40 at the UAnPL plant.

We have enriched Employee Service Rules with proper job descriptions and responsibilities. Detailed succession planning is considered every year to ensure a 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.

Events after the reporting period

The board approved (102nd meeting held on 24 August 2022) the amalgamation scheme of UPGDCL with UAnPL a 300 MW HFO-based power plant at Anwara, UJPL a 115 MW HFO-based power plant at Jamalpur and UEL 28 MW gas based Power Plant at Sylhet and 53 MW gas-based power plant at Ashuganj. Following this the Company made an application to the High Court division of the Honourable Supreme Court regarding the approval of the scheme of amalgamation. The Court admitted the application and passed an order on 1 September 2022 for further compliance. The Company submitted the compliance on 15 January 2023 to the Honourable Court. The Honourable High Court by its Judgement and Order dated 05.06.2023 approved the amalgamation Scheme. By a subsequent Order dated 01.08.2023, the Honourable High Court determined 1 July 2023 as the "Appointment Date" under the scheme.

Corporate Governance in UPGDCL

The Board of Directors of the Company drives this particular area. Corporate Governance is perceived as a system involving and aligning stakeholders' interest in overseeing the business overall. It underscores transparency, accountability, and a culture of compliance among all the participants. Philosophy of the governance remains a firm commitment from the Board being at the helm that the obligations to the stakeholders at large and alike are given the attention and focus it deserves.

Corporate Governance has been detailed in a separate Chapter of this Report. **It also embodies a summarization of the conduct and activities of the Board and its Committees including attendance.**

UPGDCL: a going concern entity

The Group has adequate resources to continue in operation for the foreseeable future. For this reason, the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Group provide sufficient funds to meet the present requirements of its existing business.

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, 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 for anybody who is financially capable in 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.

ACKNOWLEDGMENT:

The Board would extend its foremost regard 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, the Prime Minister's Office, the 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 the 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 teamwork has led your company to 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 at 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



Audit Committee Report

For the Year Ended 30 June 2023

The Committee plays a key role in the governance of the company's financial reporting, risk management, framing of financial policy, internal control, and assurance processes.

Honorable Shareholders,

This Report provides an overview of the committee's activities and its role in ensuring the integrity of the company's published financial information and the effectiveness of its risk management, controls, and related processes.

Composition of the Committee

The Audit Committee is comprised of three (3) members, in which two (2) Independent Directors and one (1) Director. All the Members of the committee are Non-Executive Directors. The Chair of the Committee is an Independent Director, as required under the BSEC Corporate Governance Code 2018.

The Audit Committee of UPGDCL comprises of the following Members:

1. Lt. Gen. Sina Ibn Jamali, *SBP awc, psc (Retd)* - Chairman
2. Prof. Mohammad Musa, PhD - Member
3. Mr. Khondaker Zayed Ahsan - Member

Company Secretary acts as the Member Secretary to the Committee. The Chief Financial Officer (CFO) and the Head of Internal Audit & Compliance (HIAC) were the permanent invitees to the meetings. Besides, relevant Business Heads and other Members of the Management also attended the meetings on occasion, as required.

Meeting of the Committee

The Audit Committee met four (4) times during the FY 30th June 2023 and attendance of the Committee members in the meetings was as follows:

Name of the Member	Position in the Committee	Audit Committee meeting number				Number of Meeting attended	% of attendance
		29	30	31	32		
Lt. Gen. Sina Ibn Jamali, <i>awc, psc (Retd)</i>	Chairman					3	75
Prof. Mohammad Musa PhD	Member					4	100
Mr. Khondaker Zayed Ahsan (From April 30, 2023)	Member	—	—			2	100
Mr. Abul Kalam Azad (Till Feb 05, 2023)	Member			—	—	1	50

Responsibilities and Duties of the Audit Committee

Financial Reporting

- To review the quarterly, half-yearly and annual financial statements of the Company along with management representatives, focusing particularly on any significant changes to accounting policies and practices before submission to the Board for approval, reviewing company's performance year-on-year and quarter-on-quarter, announcements relating to the Company's financial performance and compliance with applicable financial reporting standards and other legal and regulatory requirements;

Related Party Transactions

- To review all related party transactions and conflict of interest situations that may arise within the Company including those under the Company's Code of Conduct.

Audit Reports

- To prepare the audit committee report and submit to the Board, which includes summary of its activities and review the Board's statements on compliance with the BSEC Codes of Corporate Governance for inclusion in the Annual Report
- To review the Charter of the Committee and make necessary revisions for the year. The Committee affirms that all responsibilities outlined in the charter have been carried out. In addition, the charter is reviewed, and proposed updates presented to the Board for approval. As adherence to best practices, evaluation of Committee activities is carried out, which is a key tool in achieving and maintaining a high degree of effectiveness.

ORGANIZATIONAL
OVERVIEW

LEADERSHIP
REVIEW

STEWARDSHIP

STATUTORY AND
OTHERS REPORT

(ESG) REPORT

FINANCIAL
ANALYSIS

OTHERS
DISCLOSURES

FINANCIAL
STATEMENTS

SUBSIDIARIES AUDITED
FINANCIAL STATEMENTS

Audit Committee Report

For the Year Ended 30 June 2023

Internal Control

- To evaluate the Company's internal financial controls and risk management framework commensurate with the size, scale and complexity of its operations. The Committee reviews whether Management is adhering to the appropriate compliance culture by communicating the importance of internal controls and risk management to ensure that all members have a clear understanding of their respective roles and responsibilities
- To consider whether internal control strategies recommended by internal and external auditors have been implemented in a timely manner by the management thereby ensuring that the system of internal control is soundly embedded, effectively administered and regularly monitored.
- To recommend to the Board steps to improve the system of internal control derived by the Committee from the findings of the internal and external auditors.
- To review the extent of unit compliance including with internal policies, standards and procedures and the Company's Code of Conduct.
- To review the arrangements made by the Management for developing and maintaining a suitable and robust Management Information Systems (MIS).
- To review adequacy of systems and processes for monitoring legal and regulatory compliance to safeguard against legal and reputational risk

Internal Audit

- To monitor and review the effectiveness of the Company's internal audit function and to be satisfied that Internal Auditors has the competency and qualifications to complete its mandates and approve audit plans.
- To monitor and evaluate whether the audit functions are conducted independently from the Management.
- To ensure that Internal Auditors have open access to all activities, records, property and personnel, necessary to perform its duties.
- To review and assess the annual internal audit plan and evaluate its consistency with the Risk Management Framework of the Company.
- To review the findings and recommendations made by the Internal Auditors and ensure that the appropriate action is being taken to implement the same and to further ensure that the appropriate tracking is maintained on the agreed audit action points.
- To recommend to the Board any broader reviews deemed necessary as a consequence of the issues

or concerns identified and raise/ensure special audit, whenever necessary.

External Audit

- To recommend to the Board, for it to place before the Shareholders for their approval, the appointment of the external auditor of the Company and to approve their remuneration and terms of engagement.
- To appraise the external auditor's audit plan, nature and scope of the audit plan, audit report and evaluation of internal controls.
- To oversee the relationship with the external auditors including:
- Assessing their independence and objectivity taking into account relevant professional and regulatory requirements and assisting them in preserving their independence;
- Develop and implement policy on their engagement to provide non-audit services.
- To review their statement on Risk Management and Internal Control of the Company for inclusion in the Annual Report.
- To review their findings and recommendations arising from the audits, to ensure that appropriate action is being taken.

Role of the Committee

The Audit Committee's authorities, duties and responsibilities flow from the Board's oversight function. The major responsibilities of the Committee, among others, include:

- Reviewing the quarterly, half-yearly and annual financial statements and other financial results of the company and, upon its satisfaction with the review, recommending them to the board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the Company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure the objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system, and monitor the implementation of audit action.
- Recommending to the Board the appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

Activities of the Committee on Company's affairs for the period under Report

The Committee during the period under reporting met every Quarter and its activities include:

- Reviewing the audited financial statements of the Company and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with the required laws and regulations, also confirmed by the external auditor in their independent report, thereafter recommending to the Board for adoption.
- Reviewing the quarterly financial statements of the Company and recommending the same to the Board for adoption and circulation as per the requirement of Bangladesh Securities & Exchange Commission (BSEC).
- Reviewing the external auditors' findings arising from audit, particularly comments and responses given by the management.
- Reviewing the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).
- Review of Internal audit report on periodical basis

- Review of the financial statements of the subsidiary company
- Cleared the draft of the Dividend Policy and recommended to the Board.

The Committee is of the opinion that reasonable controls and procedures are in place to provide assurance that the Company's assets are safeguarded and the financial position of the Company is adequately managed.

For and on behalf of the Committee of United Power Generation and Distribution Company Ltd.



Lt. Gen. Sina Ibn Jamali, awc, psc (Retd.)
Chairman
Audit Committee



Nomination & Remuneration Committee (NRC) Report

For the Year Ended 30 June 2023

The Nomination and Remuneration Committee (NRC) is a vital sub-Committee of the Board for the purpose of assisting in formulation of policy with regard to Directors and Top-Level-Executives.

Honorable Shareholders,

This Report provides an overview of the Committee's activities and its role in ensuring sound, fair, and transparent nomination and remuneration processes.

Composition of the Committee




The Nomination and Remuneration Committee (NRC) of United Power Generation and Distribution Company Ltd. (UPGDCL) comprises the following Members:

1. Dr. Muhammad Fouzul Kabir Khan - Chairman
2. Mr. Malik Talha Ismail Bari - Member
3. Mr. Kutubuddin Akhter Rashid - Member

Company Secretary acts as the Member Secretary to the Committee. Besides, the Head of Human Resources was the permanent invitee to the meeting.

Meeting of the Committee

The NRC met once (1) during the year 2023 and the attendance of the Committee members in the meeting was as follows:

NRC Meeting Attendance of Members from July 2022 to June 2023				
Name of the Member	Position in the Committee	Position in the Board	5 th NRC Meeting	% of attendance
Dr. Muhammad Fouzul Kabir Khan	Chairman	Independent Director		100%
Mr. Malik Talha Ismail Bari	Member	Non-Executive Director		100%
Mr. Kutubuddin Akhter Rashid	Member	Non-Executive Director		100%

Duties, Responsibilities and Activities of the NRC

In performing its duties and responsibilities, the Nomination and Remuneration Committee followed the procedures of the Company's Nomination and Remuneration Committee Charter and conducted several activities including:

I. Nomination Function

1. Advised and provided recommendations to the Board of Directors on:
 - composition of the Boards of Directors;
 - policies and criteria on the nomination of members for the Boards of Directors;
 - performance evaluation policies for members of the Board of Directors;
2. Assisted the Board of Directors in assessing the performance of the respective members of the Board of Directors based on established evaluation benchmarks;
3. Proposed recommendation to the Board of Directors regarding development programs for the Board of Directors;

II. Remuneration Function

1. Advised and provided recommendations to the Board of Directors on:
 - review the remuneration structures;
 - remuneration on policies; and
 - amount of the remuneration;
2. Assisted the Board of Directors in assessing the merits of the remuneration scheme provided to each member of the Board of Directors.

Role of the NRC

- a. NRC shall be independent and responsible or accountable to the Board and to the shareholders.
- b. NRC shall oversee, among others, the following matters and make a report with recommendations to the Board:
 - (i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending a policy to the Board, relating to the remuneration of the Directors, Top-Level Executive, considering the following:
 - (a) the level and composition of

- remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
- (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to Directors, Top-Level Executive involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the company and its goals;
 - (ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
 - (iii) identifying persons who are qualified to become Directors and who may be appointed in Top-Level Executive positions in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - (iv) formulating the criteria for evaluation of the performance of Independent Directors and the Board;
 - (v) identifying the company's needs for employees at different levels and determining their selection, transfer or replacement and promotion criteria; and
 - (vi) developing, recommending and reviewing annually the company's Human Resources and training policies;

Nomination, Election and Selection of Directors:

The NRC is responsible for ensuring that the process for choosing new Directors is open, impartial, and fair. The Board lays a strong focus on establishing more diversity in its membership based on age, gender, experience, ethnicity, educational background, and country, as well as personal traits, in order to give comprehensive viewpoints and insights for effective decision-making. The purpose of the recruiting and selection procedure is to guarantee that the individuals with the most appropriate abilities, expertise, experiences, and personal values are chosen.

Evaluation of the Board

The NRC is accountable for guaranteeing the Board's efficacy. The Board is obligated to conduct an annual review of its overall performance with respect to monitoring of internal controls, financial reporting,

compilation of external financial statements, and asset protection. The process of review is directed by the Chair of the Board with assistance from the Company Secretary. Each Director is obliged to fill out a predetermined and private questionnaire. The assessment involves a study of the Board's management and committees.

Top-Level Executive Selection and Remuneration Policy

The competence of the company's Directors and Top-Level Executives determines how well the company performs. The Company makes an effort to recruit, inspire, and retain highly qualified Directors and Executives as per company policy.

Remuneration for Board of Directors

Directors shall receive reasonable remuneration from the Company for every meeting attended, plus traveling expenses from and to usual place of residence and an allowance per day for the number of days spent attending, traveling to, and returning from Board meetings. The rate of such remuneration is determined by the Shareholders at the General Meeting.

Activity Report:

- Reviewed and recommended the Director's remuneration for attending Board and Sub-Committee meetings of the Company.
- Approved 2022 yearly report to the shareholders from the NRC Committee.
- Reviewed and recommended annual salary increment proposal for 2023.
- Recommended the appointment of a new Nominated Non-Executive Director to the Board.
- Reviewed the background, qualification and independence of Independent Director and recommended extension of tenure of the Independent Director.
- Reviewed and recommended the revision in the "Code of Conduct of UPGDCL".

For and on behalf of the NR Committee of United Power Generation and Distribution Company Ltd.



Dr. Muhammad Fouzul Kabir Khan

Chairman

Nomination and Remuneration Committee

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Compliance with Accounting Standards

As effected through its notification no. 146/FRC/notification/2020/67 dated 2 November 2020, the Financial Reporting Council (FRC) of Bangladesh has adopted International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) under IFRS Foundation as financial reporting standards applicable for the preparation and presentation of financial statements by public interest entities (PIEs i.e. listed entities) incorporated in Bangladesh.

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	Jan-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	N/A
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	Applied
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 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 Contracts with Customers	Applied
IFRS 16	1st January 2019	Leases	Applied
IFRS 17	1st January 2023	Insurance Contracts	N/A



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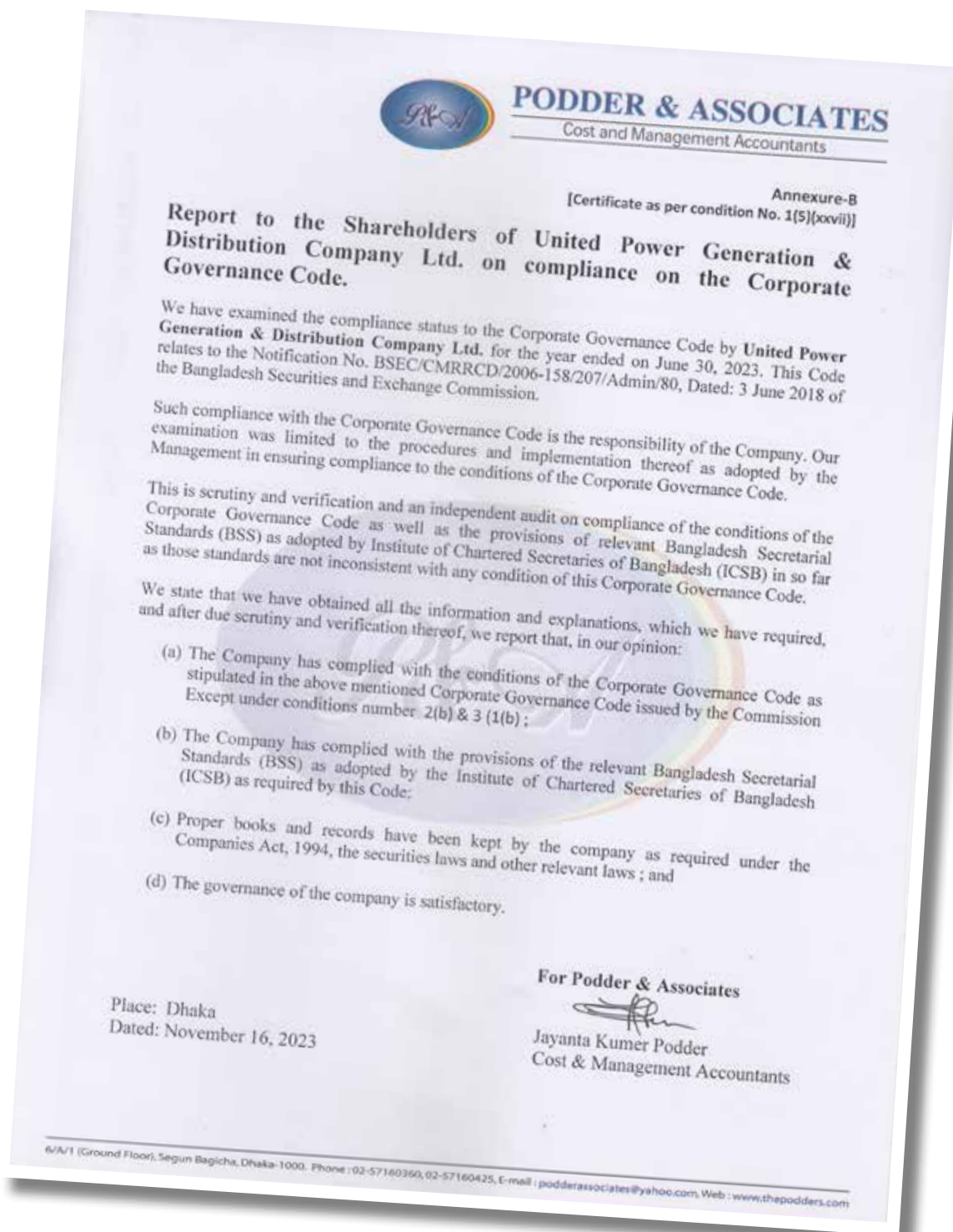
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Certificate on Corporate Governance



Status of Compliance with the Corporate Governance Code (CGC)

CORPORATE GOVERNANCE COMPLIANCE STATUS

[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/ Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors.-			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	✓	—	The Board of Directors is comprised of 15 Directors including 03 Independent Director
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓	—	There are (03) Three Independent Directors in the UPGDCL Board.
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓	—	Do not hold any share of the company.
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓	—	
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2(two) financial years;	✓	—	
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓	—	
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	✓	—	
1(2)(b)(vi)	Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓	—	

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		Complied	Not Complied	
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓	–	
1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	✓	–	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	✓	–	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓	–	
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	–	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	✓	–	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	✓	–	
1(3)	Qualification of Independent Director.-			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	✓	–	
1(3)(b)	Independent Director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid -up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	–	–	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	✓	–	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓	–	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓	–	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	–	–	N/A
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	✓	–	
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	–	–	No such deviation occurred
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.–			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓	–	
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	–	
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓	–	
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	✓	–	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	–	–	No such event arose during the year
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓	–	
1(5)(ii)	The Segment-wise or product-wise performance;	✓	–	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	–	
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	–	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications(gain or loss);	–	–	No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓	–	

Status of Compliance with the Corporate Governance Code (CGC)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	✓	–	
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc.;	✓	–	
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	–	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	–	No remuneration paid to any Directors except Managing Director
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	–	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	–	
1(5)(xiii)	A statement that 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;	✓	–	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	–	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	–	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	–	
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓	–	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	–	
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	–	

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	–	–	The Board of Directors has recommended 80% cash dividend for the year ended on June 30, 2023
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	–	–	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	–	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√	–	
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name-wise details);	√	–	
1(5)(xxiii)(c)	Executives; and	√	–	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	√	–	
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	√	–	
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	√	–	
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	√	–	
1(5)(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√	–	
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√	–	
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	–	
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	–	

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		Complied	Not Complied	
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓	–	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	–	
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	–	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	–	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓	–	
1(6)	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	–	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), at condition No.6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	–	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓	–	
2	Governance of Board of Directors of Subsidiary Company:-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓	–	
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	–	✓	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓	–	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓	–	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓	–	
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-			
3(i)	Appointment			
3(i)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	–	
3(i)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	–	✓	
3(i)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	–	
3(i)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	–	
3(i)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	–	
3(2)	Requirement to attend Board of Director's Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	–	
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓	–	
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓	–	
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	–	

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		Complied	Not Complied	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its member;	✓	—	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	—	
4.	Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓	—	
4(ii)	Nomination and Remuneration Committee	✓	—	
5.	Audit Committee.-			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	—	
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓	—	
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	—	
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	—	
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	—	
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓	—	
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓	—	
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	—	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	–	
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓	–	
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓	–	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓	–	
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	–	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	–	
5(5)	Role of Audit Committee :-			
	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	✓	–	
5(5)(b)	monitor choice of accounting policies and principles;	✓	–	
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓	–	
5(5)(d)	oversee hiring and performance of external auditors.	✓	–	
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	–	
5(5)(f)	review along with the management, the annual financial statements before submission to the board for approval;	✓	–	

Status of Compliance with the Corporate Governance Code (CGC)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5.5(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓	–	
5.5(h)	review the adequacy of internal audit function;	✓	–	
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	–	
5(5)(j)	review statement of all related party transactions submitted by the management;	✓	–	
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓	–	
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓	–	
5(5)(m)	oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	✓	–	
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	–	
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-	–	–	
5(6)(a)(ii)(a)	report on conflicts of interests;	–	–	No such reportable incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	–	–	No such reportable incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	–	–	No such reportable incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	–	–	No such reportable incidence arose
5(6)(b)	Reporting to the Authorities:-			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	–	–	No such reportable incidence arose

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a) (ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	–	–	No such reportable incidence arose
6.	Nomination and remuneration Committee(NRC).-			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	–	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	–	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	–	
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	–	
6(2)(b)	All member of the Committee shall be non-executive directors;	✓	–	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	–	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	–	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	–	–	No such Incidence arose
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion form such external expert and/ or member(s) of staff shall be required or valuable for the Committee;	–	–	No such occurrence happen during the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	–	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	–	

Status of Compliance with the Corporate Governance Code (CGC)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	–	
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	–	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	–	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓	–	
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	–	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	–	–	No such case arose after formation of NRC
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	–	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	–	
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	–	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	–	
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	–	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	–	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	–	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	–	
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	–	
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	–	
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓	–	
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓	–	
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓	–	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	–	
7.	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely :--			
7(1) (i)	appraisal or valuation services or fairness opinions;	✓	–	
7 (1) (ii)	financial information system design and implementation;	✓	–	
7 (1) (iii)	book-keeping or other services related to the accounting records or financial statements;	✓	–	
7 (1) (iv)	broker –dealer services;	✓	–	
7 (1) (v)	actuarial services;	✓	–	
7 (1) (vi)	internal audit services or special audit services;	✓	–	
7 (1) (vii)	any services that the Audit Committee determines.	✓	–	
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	✓	–	
7 (1) (ix)	any other service that creates conflict of interest	✓	–	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	✓	–	

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Status of Compliance with the Corporate Governance Code (CGC)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	–	
8.	Maintaining a website by the Company.-			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓	–	
8(2)	The company shall keep the website functional from the date of listing.	✓	–	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	✓	–	
9.	Reporting and Compliance of Corporate Governance.-			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	–	Required certification has been obtained from "Podder & Associates" Professional Accountant & Business Advisor for the year ended 30th June 2023.
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	✓	–	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	–	

Shareholding Information

30 JUNE, 2023

Name of the Shareholders		Shares held	(%) of Shareholding
Parent/Subsidiary/Associated Companies and Other Related Parties			
United Mymensingh Power Ltd	Corporate Director	521,716,902	90.00%
Investment Corporation of Bangladesh (ICB)	Corporate Director	16,356,447	2.82%
General Investors	Others	41,621,921	7.18%
Directors			
General Md. Abdul Mubeen, SBP, ndc, psc (Retd.)	Nominated Director	-	-
Mr. Hasan Mahmood Raja	Nominated Director	-	-
Mr. Moinuddin Hasan Rashid	Managing Director	-	-
Mr. Ahmed Ismail Hossain	Nominated Director	-	-
Mr. Khandaker Moinul Ahsan	Nominated Director	-	-
Mr. Akhter Mahmud	Nominated Director	-	-
Mr. Malik Talha Ismail Bari	Nominated Director	-	-
Mr. Nasiruddin Akhter Rashid (up to 25 Nov 2023)	Nominated Director	-	-
Mr. Nizamuddin Hasan Rashid	Nominated Director	-	-
Mr. Khondaker Zayed Ahsan	Nominated Director	-	-
Mr. Kutubuddin Akhter Rashid	Nominated Director	-	-
Mr. Sharfuddin Akhter Rashid	Nominated Director	-	-
Mr. Md. Abul Hossain	Nominated Director, ICB	-	-
Independent Directors			
Dr. M. Fouzul Kabir Khan	Independent Director	-	-
Lt. Gen. Sina Ibn Jamali, awc, psc (Retd)	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. Md. Moinul Islam Khan	Chief Executive Officer	-	-
Mr. Mostak Ahmmed	Chief Financial Officer	-	-
	Company Secretary	-	-
Mr. Khaled Mohammad Munirul Muktedir	Head of Internal Audit & Compliance (HIAC)	-	-
Executives	Not Applicable		
Shareholders Holding 10% or more voting interest in the Company			
United Mymensingh Power Ltd	Corporate Director	521,716,902	90.00%

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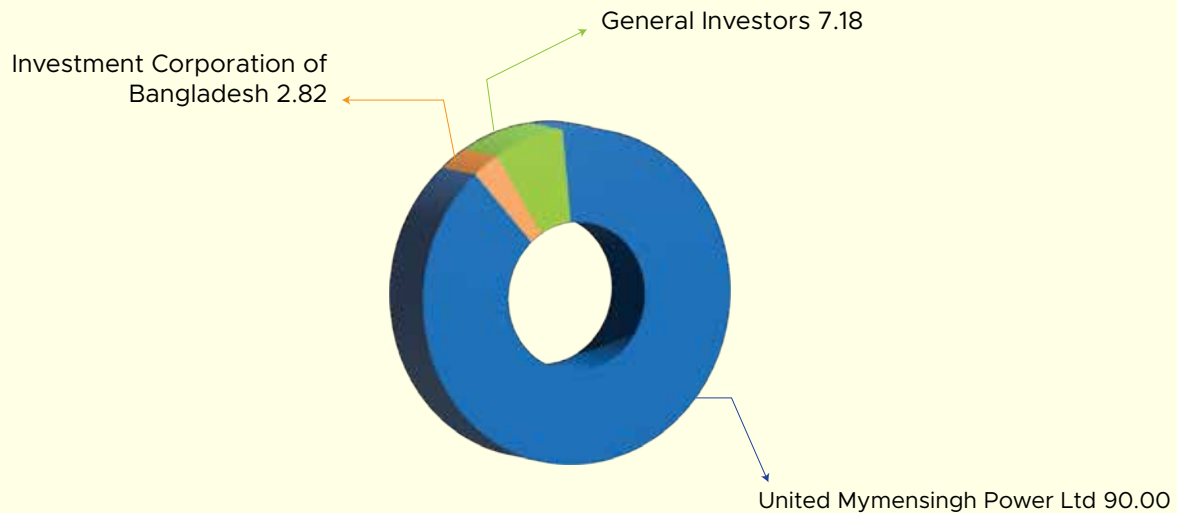
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Shareholding Information

30 JUNE, 2023

Percentage of shareholding as on 30 June, 2023



Our Directors in other Board

NAME OF THE COMPANIES		GENERAL MD. ABDUL MUBEEN (RETD.)	HASAN MAHMOOD RAJA	AHMED ISMAIL HOSSAIN	KHANDAKER MOINUL AHSAN	AKHTER MAHMUD	MOINUDDIN HASAN RASHID	MALIK TALHA ISMAIL BARI	NASIRUDDIN AKHTER RASHID	NIZAMUDDIN HASAN RASHID	KHONDAKER ZAYED AHSAN	KUTUBUDDIN AKHTER RASHID	SHARFUDDIN AKHTER RASHID	MD. ABUL HOSSAIN	LT. GEN. SINA IBN JAMALI (RETD.)	PROF. DR. MOHAMMAD MUSA, Ph.D.	DR. MUHAMMAD FOUZUL KABIR KHAN
1	United Ashuganj Energy Ltd.	-	-	-	-	-	✓	-	✓	-	-	✓	-	-	-	-	-
2	Khulna Power Company Ltd.	-	✓	✓	✓	✓	✓	✓	-	-	✓	-	-	-	✓	✓	-
3	United Mymensingh Power Ltd.	-	✓	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
4	Leviathan Global BD Ltd.	-	-	-	-	-	✓	✓	✓	-	-	✓	-	-	-	-	-
5	United Chattogram Power Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	✓	-	-	-	-	-
6	United Payra Power Ltd.	-	-	-	-	-	✓	✓	✓	-	✓	✓	-	-	-	-	-
7	United City Twin Tower Developers Ltd.	-	-	-	✓	✓	✓	✓	-	-	-	-	-	-	-	-	-
8	Neptune Commercial Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
9	Neptune Land Development Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
10	United Purbachal Land Ltd.	-	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-	-	-
11	United Property Solutions Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
12	United Enterprises & Co. Ltd.	-	-	-	-	-	✓	✓	✓	✓	✓	✓	✓	-	-	-	-
13	United Engineering & Power Services Ltd.	✓	-	-	-	-	✓	-	-	-	-	-	-	-	-	-	-
14	United Hospital Limited	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	-	-	-	-
15	United Chattogram Hospital Ltd.	-	✓	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
16	United International University	-	✓	✓	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
17	Unimart Limited	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
18	United Elevator World Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
19	United Land Port Teknaf Ltd.	-	✓	✓	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
20	United Lube Oil Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
21	United Makkah Madina Travel and Assistance Co. Ltd.	-	✓	-	✓	✓	✓	✓	-	-	-	-	✓	-	-	-	-
22	United Shipping and Logistic Services Ltd.	-	-	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
23	United Securities Ltd.	-	✓	✓	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
24	UG Security Services Ltd.	-	-	-	-	-	-	-	✓	-	✓	-	-	-	-	-	-
25	United Pharma & Healthcare Ltd.	-	-	-	-	-	-	-	-	✓	✓	-	-	-	-	-	-
26	Gunze United Limited	-	-	-	-	-	✓	✓	✓	-	-	-	-	-	-	-	-
27	Comilla Spinning Mills Ltd.	-	✓	✓	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
28	United Tank Terminal Ltd.	-	-	-	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-
29	Radiant Nutraceuticals Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	✓	-	-
30	Radiant Distribution Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	✓	-	-
31	Pharmacil Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	✓	-	-
32	Radiant Pharmaceuticals Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	✓	-	-
33	Moulvi Tea Company (Private) Ltd.	-	✓	-	✓	-	✓	✓	-	✓	-	-	-	-	-	-	-
34	Airport Hotels Ltd.	-	✓	-	✓	-	✓	✓	✓	-	-	-	-	-	-	-	-
35	United Aygaz LPG Ltd.	-	-	-	-	-	✓	-	✓	-	✓	-	-	-	-	-	-
36	United Sulpho-Chemicals Ltd.	-	-	-	-	-	✓	-	✓	-	✓	-	-	-	-	-	-
37	United Professional Services Ltd.	-	-	-	✓	-	✓	✓	-	✓	-	-	-	-	-	-	-
38	United Healthcare Services Ltd.	-	-	-	-	-	✓	✓	✓	✓	✓	✓	-	-	-	-	-
39	Orange Solutions Ltd.	-	-	-	-	-	✓	✓	✓	-	-	-	-	-	-	-	-
40	United Trust	-	✓	✓	✓	✓	✓	✓	✓	-	-	-	-	-	-	-	-

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Certificate Credit Rating



CREDIT RATING

UPGDCL has been rated AAA in the Long-term and ST-1 in the Short-term ST-1 by the rating agency Emerging Credit Rating Ltd (ECRL). The company received the similar ratings for the last five years consecutively. This underscore the highest credit quality for the company besides indicating capability to repay and settle the business obligations.

Year	Rating date	Valid	Rating		Out look	Rating agency Name
			LTL	STL		
2023	07 December 2023	06 December 2024	AAA	ST-1	Stable	Emerging
2022	12 December 2022	11 December 2023	AAA	ST-1	Stable	Emerging
2021	18 December 2021	17 December 2022	AAA	ST-1	Stable	Emerging
2020	18 December 2020	17 December 2021	AAA	ST-1	Stable	Emerging
2019	18 December 2019	17 December 2020	AAA	ST-1	Stable	Emerging

Integrated Reporting

UPGDCL's annual report is a structured and concise communication platform with stakeholders about the company's business strategy, focus and overall performances which are the driving forces towards creation of value. The company has ensured that the financial reporting is aligned with the Companies Act 1994, BSEC rules including the Corporate Governance Code, 2018, Stock Exchanges etc and all other regulations applicable. Further, in documenting the report, clear linkages between the business performance and other factors – internal and external – like market trends, stakeholders' expectations, organizational priorities, regulatory requirements and best market practices have been given due consideration.

Throughout this report, efforts have been made to keep stakeholders informed about major developments, intended business strategies, programs and initiatives, overall business challenges and operational ecology including elaboration of business achievements with a view to promote understanding and connectivity.

Integrated approach of reporting

Organizational Overview: company's vision, mission, ethics, value proposition, ownership, principal activities business landscape, value chain direction and purpose etc are well articulated and have been presented in appropriate manner in the Annual Report under section "**Corporate Overview**".

External environment: UPGDCL operates its business within the set regulatory regime under which power generation license have been issued. Country's socio-political and regulatory developments have always been

the perspective concerning business and operational activities of the company. Besides, the technological preparedness linked to the 24/7 readiness for uninterrupted power supply has remained the most important base line of plant operations. Operation conforming to environmental norms/standards is a pre-requisite to all of the company's plants and are integral to the overall management system.

Governance: governance structure of the company is designed to create an appropriate oversight structure to run the activities in the short, medium- and long-term horizon. Details in this respect have been provided under the section "**Corporate Governance Structure**".

Risks and opportunities: Risk management is a continuous process and an integrated part of business throughout the organization. All Heads of Department are required to assume responsibility for risk management within their areas of responsibility and ensure that risk management is embedded in day-to-day business processes. Details have been discussed in the section "**Business Risk Management**".

Outlook: Challenges and uncertainties the company is likely to encounter along with potential implications on the overall business performance have been discussed in the **Directors' Report and the Management Discussions & Analysis** section.

Value creation process of the company integrates the following into framing the overall business strategies, objectives and development of appropriate models of operations.



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Integrated Reporting

Inputs components	Outcome effects on capitals
Financial capital <ul style="list-style-type: none"> • Owners' equity Taka 31,352 mln • Long-term debt Taka 3,020 mln • Retained earnings Taka 22,951 mln 	<ul style="list-style-type: none"> - EPS: Taka 13.83 - NAVPS: Taka 53.22 - NOCFPS: Taka 19.40 <p>Detail disclosures under Financial Highlights section</p>
Manufacturing facilities/capital <ul style="list-style-type: none"> • 08 power plants under the company • Property, plant and equipment • Infrastructural facilities • Fuel storage and supply network • Integrated operational system 	<ul style="list-style-type: none"> - Optimising generation - Making power available on demand - Uninterrupted supply of electricity
Intellectual capital <ul style="list-style-type: none"> • Licenses for plant operations • Organizational systems – process, knowledge of operations • Electricity supply contracts • Fuel supply contracts • ERP system • Spare parts supply and O&M agreements 	<ul style="list-style-type: none"> - Meeting the contractual and regulatory obligations - Higher level of satisfaction for customers - Assurance and confidence generation for stakeholders - Situational response capability
Human capital <ul style="list-style-type: none"> • Skilled manpower • Education, training, intelligence, skills, health, and other things employers' value such as loyalty and punctuality • Employee training • Employee benefit and evaluation process 	<ul style="list-style-type: none"> - Productivity improvement - Redress of employee grievances - Improved work environment and safety, security assurance - Disaster response (COVID 19) initiatives
Social capital <ul style="list-style-type: none"> • Sharing information with the stakeholders • Platform for information dissemination • CSR and environmental initiatives • Intangibles associated with the brand and reputation of the company 	<ul style="list-style-type: none"> - Regulatory compliances as identified with the listed entity - Brand value enhancements - Interactive business management - Community service <p>Details under CSR write up and Sustainability Report</p>
Natural capital <ul style="list-style-type: none"> • Air, water, land etc • Bio-diversity and eco-system • ETP and WTP • Management of carbon emission • Waste management • Energy efficient working process 	<ul style="list-style-type: none"> - Reduction of carbon footprint - Usage of waste reduction and efficient plants/processes - Development of control and monitoring framework <p>Details under the Sustainability Report</p>

Environment and Sustainability Report

Background

This section presents the key considerations and actions taken by United Power Generation and Distribution Co. Ltd. (UPGDCL) relating to sustainability, focusing on achieving water conservation, emission reduction, pollution control, biodiversity conservation, and local regulations (ECR-2023, ECA-1995, BWA-2013, Biodiversity Act-2017, etc.). This report gives an overview of the sustainability issues facing the built environment and their relevance to UPDGCL. The next section of the report highlights the SGD goal and UPGDCLs initiatives taken to comply. To ensure health and environmental safety, the results of the waste generation, GHG emission with controlling measures and monitoring are presented.

Sustainable Development Goal:

The Sustainable Development Goals (SDGs) of the United Nations (UN) are 17 interconnected international goals that serve as a “blueprint to build a better and more sustainable future for all” by ensuring that nations coordinate their efforts to combat poverty, inequality, and climate change. The UN SDGs came into force in 2016 and are adopted and recognized by all 193 UN member countries (including Bangladesh) worldwide.



IMS policies:

This Integrated Management System (IMS) policy has been established in line with the vision, mission, core values, and strategies of UPGDCL.

Commitment

The management and the employees of UPGDCL are conscientious about providing quality products and services that meet or exceed the expectations of customers and interested parties. We are committed to preventing injuries and ill-health by eliminating hazards and reducing OH&S risks and consultation and participation of workers, improving environmental performance through pollution prevention, and conforming to the legal and other requirements within the defined scope of the Integrated Management System.

Environment and Sustainability Report

Structure and implementations

This IMS is based on the fundamental principles of planning, implementing, and measuring for continual improvement in quality, environment, occupational health, and safety performance. This will be achieved by determining the objectives and targets and supporting all the KPIs. We follow IMS (ISO-9001:2015, ISO-14001: 2015, and ISO-45001:2018) policy for structured, proper maintenance, and operational activities, which is efficient. Continual improvement is our main target ensuring proper uninterrupted power supply, Environmental consideration, and safety in the industry.

Assurance and Continual improvement

UEPSL shall manage, conserve and persistently improve the overall Quality, Environment, Health, and Safety (OEHS) performance through implementing standards, legal compliances, SOPs, and instructions. The training plan will prepare our employees to carry out quality tasks and enhance customer satisfaction—the organization endeavors to acquire skilled human resources and improve personnel capabilities.

Assurance and Continual improvement involved continuous monitoring and research and development work. Quality, Environment, Health, and Safety departments are responsible for improvement regarding Environment, Health, and Safety issues.

Communication

The IMS policy shall be public and communicated among all stakeholders. This policy shall be reviewed annually or as appropriate by the top management for its suitability, adequacy, and effectiveness in continually improving the IMS performance

UPGDCL uses its voice on climate-related issues and supports new public policy initiatives to accelerate carbon, water, waste, and ecosystem opportunities. UPGDCL also uses voice for Environmental Conservation, Occupational Health, and Social development issues.

Defining Focus Area:

We concentrate on areas (Water, waste, health, and ecosystems) where we can scale by reducing the harmful effects of our operations and enhancing the beneficial effects of our energy production. While our plan begins with our operations, it extends beyond our four walls by ensuring that these improvements benefit the communities we operate and flow into our manufacturing strategy. Through technology adoption by customers and partners, we can positively influence the nation. Our investments, participation in policy, and dedication to environmentally sustainable energy generation and delivery will be expedited.

Putting IMS into practice:

We support each of our four focus areas with five strategic pillars. They are:

a. Operations:

We will take responsibility for our water, waste, health, and land footprints across the way electricity generation and facilities are sourced, operated, and managed at end-of-life, including our supply chain.

b. Products and services

We use Wärtsilä and Rolls Royce Engine and their technology for power generation considering environmental sustainability. Our operation has an ecological footprint, but to minimize this footprint, we fixed a target of zero:

- Discharge: Discharge zero means before discharge into the environment, zero number of materials will go without treatment.
- Waste: Total waste going under treatment and proper management; our main focus is to ensure zero waste will

go without treatment or mismanagement.

- Injury: Zero injury means the number of injuries in working place will be zero for a fixed selected time frame.

c. Customers and partners

We will help our customers and partners around the country fulfill their requirements considering health safety and the environment and maintaining ISO-9001, ISO-14001, and ISO-45001 standards.

d. Policy

Commitment: Commitment to ensure and cope with

- Bangladesh Labor Rules 2015,
- Bangladesh Labor Law 2006,
- Local Compliance (BEPZA),
- National and International Environmental policy and agreement,
- Petroleum Act 2016 and Petroleum Rules 2018,
- Environmental Conservation Rules 1997 of the Government of Bangladesh
- Environmental Conservation Act 1995 (ECA)



Environment and Sustainability Report

SDG graphical abstract:
























UPGDCLs outcomes	Core SDG	Additional SDG
<ul style="list-style-type: none"> Emission estimation, Emission reduction using EGB boiler, Daylight use maximization, Solar energy use. 		  
<ul style="list-style-type: none"> Biodiversity conservation, Emission reduction using EGB boiler, Water conservation. 		  
<ul style="list-style-type: none"> Zero discharge plan and water pollution control, Surface water use maximization, Water treatment. 		  
<ul style="list-style-type: none"> Clean energy, like solar energy use, Responsible consumption and following emission reduction strategies. 		  
<ul style="list-style-type: none"> Water treatment to control water pollution, Waste management to control soil pollution, Health and safety assurance maintaining ISO 45001: 2018 standard. 		     



Figure 1: Operation and Maintenance of UPGDCLs power plants including site activities are IMS certified by Bureau Veritas.

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Environmental Sustainability

Our long-term goal is to make UPGDCL more efficient, reliable, and environmentally friendly.

We have a responsibility to minimize our environmental impact. To promote sustainability in our operations, we are taking active steps to reduce our ecological footprint by analyzing emissions, waste generation, and water consumption data. We have committed to the SBTi. This is helping us manage our major environmental risks, maximize energy use, reduce carbon emissions and waste reduction, and explore different sessional emission scenarios by application of the statistical model on emission forecasting and waste generation. We have committed to reducing CO₂ emissions and have also taken initiatives like tree plantation, solar energy² use, maximizing the use of daylight, and HVAC system.

In line with our commitment to reducing greenhouse gas emissions across our offices and infrastructure, we have made significant investments in our own Renewable Energy Sources (RES) power generation assets across UPGDCL power plants:



Environmental Monitoring

Environmental monitoring involves the careful assessment of ecological conditions and trends, which can inform policy development and implementation and provide information for national policymakers, international forums, and the public. Through environmental monitoring, it is possible to gain insight into the current state of the environment and to detect changes that may be taking place, allowing for informed decision-making that can help protect and preserve the environment. Monitoring can involve various activities, such as collecting data through observations, measurements, and surveys, analyzing this data to identify trends and patterns, and using this information to inform policy and management decisions [1]. UPGDCL believes that it is possible to ensure that the earth is being taken care of in the most significant way by keeping an eye on the environment in this way and maintaining ISO 14001:2015 standards for the environmental management system. UPGDCL prioritizes the environment and believes in conserving biological diversity and pollution control. As a result, to control pollution, UPGDCL quantifies the waste and segregates it for proper disposal to control land pollution. Water used in UPGDCL goes under CETP, managed and operated by BEPZA. Our Zero Harm policy is reflected across all business operations and activities – including our project development, operation and our focus on biodiversity and habitat ensures a long-term positive impact on the environment.

Life on land

Preserving diverse forms of life on land requires targeted efforts to protect, restore and promote the conservation and sustainable use of terrestrial and other ecosystems [2]. Goal 15 focuses specifically on managing forests sustainably, halting and reversing land and natural habitat degradation, successfully combating desertification, and stopping biodiversity loss. All these efforts combined aim to ensure that the benefits of land-based ecosystems, including sustainable livelihoods, will be enjoyed for generations to come. Biodiversity and nature conservation are crucial for virtually all aspects of human existence. Healthy natural ecosystems provide clean air to breathe and water to drink, nutritious food, vital medicines, and spaces for us to live, develop, and work. Across all over Bangladesh due to rapid urbanization and industrial activity expansion are major causes for habitat loss, degradation and fragmentation, unsustainable agriculture, and climate change and also the leading causes of biodiversity and nature loss. These factors are also heavily intensified by human activities and the expansion of our societies, as confirmed in the Convention on Biological Diversity. To conserve biodiversity and natural environment conservation UPGDCL focus on pollution control. UPGDCL take responsivity for their ecological footprint impact and maintain DoE guideline. UPGDCL has taken some initiatives to make life on land in an environmentally friendly manner and cope with the SDG goal “Life on the land,” such as:



Waste Management

Waste management is an important part of preserving biodiversity. When waste is not managed properly, it can enter ecosystems, disrupt habitats, and damage species. In order to protect biodiversity, it is important to dispose of waste in a way that does not harm the environment [3]. This includes reducing, recycling, and reusing materials whenever possible. Disposing of hazardous waste properly and managing invasive species is also important. Proper waste handling helps to control soil degradation, surface water pollution by runoff, and groundwater pollution by infiltration and also helps to conserve plant biodiversity; by taking steps to manage waste properly, we can help to maintain and protect our planet’s biodiversity. However, industrial waste is a significant problem in developing nations like Bangladesh [4]. UPGDCL took waste reduction, characterization, and quantification initiatives to build a suitable waste management plan. UPGDCL’s waste management involves estimating the amount of (hazardous, non-hazardous, oily, and chemical) waste created, evaluating procedures such as segregation, storage, packaging treatment, and ultimate disposal, and determining employees’ waste management expertise. UPGDCL ensures safe waste handling and PPE during waste segregation or disposal and also aims to reduce waste generation by properly using materials, considering the life cycle of products, and building awareness. Adequate management at UPGDCL involved minimization, reuse, disposal, and recycling. Disposal practice in UPGD started with waste segregation and collection in the plant. Due to UPGDs waste management’s emphasis on worker health, every worker must maintain Personal Protective Equipment (PPE) throughout garbage collection, segregation, and transportation to the disposal site. The responsible officer for health, safety, and the environment establish and execute these safety measures.

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Waste Generation scenario from July-2022 to Jun-2023

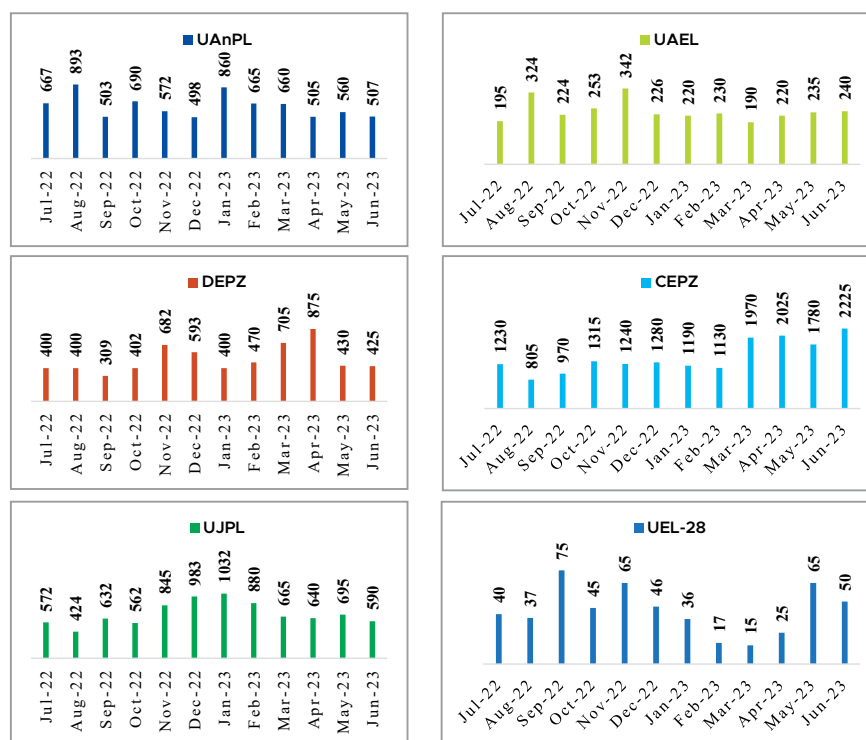


Figure 2: Plant-wise waste generation (kg) from July 2022 to June 2023.

Tree plantation:

Tree plantation is a vital way to help with SDG 15 (Life on Land) to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss. Planting trees helps to protect the environment and combat climate change by sequestering carbon dioxide, reducing air pollution, and providing habitats for life. Trees also help conserve water, reduce soil erosion, and provide food and other resources. Therefore, tree plantation is a vital part of meeting SDG 15. The UPGDCL has a strategy to boost plantation daily and has already planted 25000 trees as part of a campaign to raise awareness of tree planting in the various power plants.

Climate Action

Climate action is an important part of achieving the United Nations Sustainable Development Goal 13: Climate Action, which calls for urgent action to combat climate change and its impacts [5]. Climate change is a global challenge that requires global solutions and a collective effort from all countries. Goal 13 seeks to strengthen countries' resilience to climate-related hazards, reduce greenhouse gas emissions, and build adaptive capacity to climate change. UPGDCL strives to reduce its emissions of greenhouse gases and other pollutants by implementing a comprehensive climate action plan. This plan should include strategies to reduce energy consumption by increasing efficiency and believe that the use of renewable energy sources, such as wind and solar, helps to reduce emissions. Additionally, UPGDCL also strives to reduce its water consumption and use its wastewater treatment processes.



Air pollution and health:

Burning fossil fuels at power plants creates GHG emissions and particulate matter intrusion into the air [6]. GHGs and fine PM can lead to respiratory and cardiovascular problems and exposure to immune system damage [7]. To control health hazards associated with air pollution, UPGDCL has taken initiatives which are:

- ✓ Ensured that all workers had adequate personal protective equipment (PPE) such as respirators/masks, protective clothing, and gloves.
- ✓ Ensured monitoring, such as oxygen levels in confined space work areas, to ensure that air quality was maintained within safe levels during work.
- ✓ Implement a ventilation system in the engine hall and workstations to reduce inhalation of pollutants.
- ✓ Encourage workers to take regular breaks and limit their exposure to polluted air.
- ✓ Educate workers on the importance of proper hygiene practices to reduce exposure to pollutants.
- ✓ Provide regular medical check-ups for workers to monitor their health.
- ✓ Establish a system for reporting and addressing any health concerns that workers may have.
- ✓ Installed HVAC systems in the work area to reduce the amount of pollutants in the air.
- ✓ Provided workers with resources and support to help them cope with any health issues they may experience due to air pollution.
- ✓ Monitor sessional pattern and limit the access to plant side to exposure to air pollutants.

GHGs emission scenario of power generating plant under UPGDCL:



Figure 3: Plant-wise fuel-burning-based CO2 emissions (tons) without considering reduction strategies.

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UPGDCL believe climate change is real, and emission should control for a clean environment and a better world. To reduce emissions and maximize energy generation, UPGDCL uses EGB to recover heat from exhaust and control Particulate Matter and other GHG emissions.

Clean Water and Sanitation

UPGDCL has adequate water supply and sanitation measures to ensure the facility's safe operation. This includes providing clean water for cooling and other processes and proper sewage and wastewater systems for waste disposal. Additionally, the UPGDCL has a comprehensive water management system to monitor and control the use and discharge of water. This includes monitoring and controlling the quality of water used, as well as the release of wastewater and other pollutants. They have a regular maintenance program to ensure that all systems are working correctly and all safety regulations are followed. The RO system always treats water used for drinking at UPGDCL and regularly checks water quality parameters to ensure potable water.



Life below Water

Water conservation

UPGDCL aimed to achieve Zero liquid discharge (ZLD) from their electricity generation activity. ZLD is a strategic wastewater management system that ensures that there will be no discharge of industrial wastewater into the environment. It is achieved by treating wastewater through recycling and then recovery and reuse for operation and maintenance purposes. ZLD will be recognized and certified based on two broad parameters: water consumption versus wastewater reused or recycled (permeate) and corresponding solids recovered (percent total dissolved/suspended solids in effluents). UPGDCL ensured all used water would go under proper treatment and no discharge into the environment without treatment.

Investing in our people:

We focus on building a safe, fair, and inclusive working environment for our employees. It has a top priority for UPGDCL. We believe that our employees are our greatest asset and that investing in them is critical for our continued success. We offer a range of benefits and development opportunities to support our employees, including training and development, competitive salaries and bonus schemes, flexible working arrangements, and additional benefits such as discounts on products and services. We also recognize the importance of health and well-being and provide access to various resources and programs to support our employees. We are committed to creating an environment where our people feel valued, inspired, and empowered to make a difference.

Human resource development

Aim

Develop human resources based on the belief that “UPGDCLs growth and development depends on human resource development”. Develop human resources with the ability to continuously think and act for the benefit of others and win supporters.

Focus on allowing UPGDCLs most important asset, “its employees,” to work in a style that suits them so they can take on new challenges. UPGDCL aims to become a company where anyone can take on new challenges at any time, as often as possible, without fear of mistakes. These efforts will facilitate our transformation into a mobility company and fulfill our corporate mission of “Happiness for All”.

Initiative

Develop companywide human resources with compassion and expertise that positively impact others and are capable

of winning trust and confidence along with the “ability to act” to move things forward. Implementing initiatives based upon three main pillars designed to transform the company into a place where anyone can take on new challenges at any time, as often as possible, without fear of mistakes. UPGDCL arrange technical training for all employee to develop their knowledge and skill. The following is an overview of the training hour already offered to UPGDCL’s employees between 2022 and 2023 to improve their knowledge and skills.

Table 1: Plant-wise training hour.

Month	DEPZ (hour)	CEPZ (hour)	UAPL (hour)	UEL (hour)	UAEI (hour)	UJPL (hour)	UAnPL (hour)	UPPL (hour)
Jul-22	0	1	Off	3	6	2.5	4	2.5
Aug-22	4	1.5		2.5	8	2	3.5	2
Sep-22	2	2		3	2	2.5	4	4.5
Oct-22	2	1.5		3	2	2	4	4.5
Nov-22	2	2		3	2	2.5	1	3
Dec-22	2	1.5		1.5	8	3	4	5
Jan-23	2	1.5		2	3.5	3.5	7	3.5
Feb-23	2	1		2	5	3	6	5.5
Mar-23	2	1		1.5	6	3	5.5	3
Apr-23	0	1		0	5.5	2.5	2	2
May-23	2	1		1.5	3	3	6	3
Jun-23	2	1		2	2	3.5	5	6.5
Total	22	16		25	53	33	52	45

From July 2022 to June 2023, total training hours: 246 hours.

Health and Safety

- **Employee well-being:** Health and safety in the workplace are vital for ensuring employees’ physical and mental well-being. UPGDCL prioritizes health and safety and creates a positive work environment where employees feel valued, cared for, and motivated to perform their best. This results in increased job satisfaction, productivity, and employee retention, ultimately contributing to the company’s overall success.
- **Operational risk management:** UPGDCL maintains high health and safety standards (ISO 45001:2015) is crucial for minimizing operational risks. Accidents or incidents resulting from inadequate health and safety measures can lead to disruptions in operations, increased costs, and potential legal liabilities. UPGDCL proactively identifies and addresses potential risks by prioritizing health and safety, preventing costly incidents, and ensuring smooth business operations. Hazard identification and risk assessment (HIRA) work is performed by the QEHS team every year twice (15th June and 15th December). QEHS team also ensures the aspect and impact register, incident reporting, mock drill, rules and responsibilities during an emergency, and compliance evaluation.
- **Reputation protection:** A company’s reputation is a valuable intangible asset that can impact its bottom line. Incidents related to health and safety can quickly tarnish a company’s reputation and erode trust among stakeholders, including customers, investors, and the wider community. UPGDCL safeguards its reputation, maintains stakeholder trust, and protects its brand value by prioritizing health and safety and implementing robust

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policies and procedures.

- **Compliance with regulations and standards:** Health and safety regulations and standards are in place to protect employees, customers, and the environment. UPGDCL prioritizes health and safety and demonstrate a commitment to compliance with these regulations, which can help to avoid legal penalties, fines, and reputational damage. Compliance with health and safety standards also positions a responsible corporate citizen, contributing to its corporate social responsibility performance and overall sustainability efforts.
- **Social responsibility:** Health and safety are integral to UPGDCLs social responsibility efforts. Ensuring the well-being and safety of employees and stakeholders is a fundamental ethical obligation for UPGDCL. By prioritizing health and safety, UPGDCL demonstrates its commitment to social responsibility, which is increasingly important to consumers, investors, and other stakeholders who seek to support businesses that operate socially responsibly.



Communication with Stakeholders

Aligning with the “CORE VALUE” UPGDCL Management developed the communication structure to the free flow of information to the stakeholders. The company has in place an effective system of communication directed toward to aware its Shareholders and other stakeholder in compliance with the disclosure requirements.

Mode of communication



All information that is disclosed to the Regulators like the Bangladesh Securities and Exchange Commission (BSEC) and the Stock Exchanges are simultaneously made available to the Shareholders of the Company in the Investor's Relations section of the Company's website <http://www.unitedpowerbd.com>

General Meeting

The Company recognizes the rights of the Shareholders and accordingly ensures that their right to voice their opinion is guaranteed at all the Shareholders' meet such as Annual and Extraordinary General Meetings (AGM & EGM). All members of the Board of Directors and the senior management team attend the General Meeting (AGM) so that the queries of the Shareholders regarding the financial and non-financial matters of the Company are appropriately explained/answered. In principle, general meetings are an effective platform for facilitating communication between the Shareholders and the Company.

Direct Communications

Quarterly, Half Yearly, and Annual Reports of the company predicably upload to the website of the company. Moreover, these reports are also kept readily available at the Head Office of the Company for any stakeholders to use whenever required. The reports are also regularly uploaded to the Company website <http://www.unitedpowerbd.com> for information of the Shareholders and any prospective investors. These detailed reporting structures provide them the opportunity to make critical analyses about the Company and investment in it.

Communication with Stakeholders

Media

In compliance with the regulatory compliance, Price Sensitive Information, Notice, and Financial Statements are published in the National Dailies and online News portals in Bangla and English as and when the occasion arises.



Company Website

All financial results, key performance indicators, compliance reports, other important financial and non-financial data, shareholding information, etc. are posted on the Company's website <http://www.unitedpowerbd.com> Important events and announcements of the Company are also regularly posted on the website for the Shareholders' kind information. Furthermore, information such as the record date, notice of the Annual General Meeting, etc. are regularly reported to the stock exchanges, so the updated information is available.

Regulators Website

Regulatory Notice and declarations are duly reported to DSE and CSE, in order to inform the related parties through the Regulator's website.

Shareholders' Communication & Management of Corporate Affairs

In case of any queries related to the Shareholding of the Company, Shareholders may e-mail info@unitedpowerbd.com or contact the following dedicated Officer.

Md. Sazzad Kabir

Executive, Board Division
Cell: +880 1951 155 189
E-mail: sazzad.kabir@united.com.bd
PBX No. +88 02-55052000, Ext- 3034

Company Address

United House, Madani Avenue
United City, Dhaka- 1212, Bangladesh.

Materiality Assessment and Stakeholder Engagement

Material issues impacting Value Creation

(GRI 102-47)

Materiality evaluation helps us to identify and priorities major Environmental, Social, and Governance (ESG) concerns that are integral to our business plans, investments, and operations and have the potential to produce long-term value for our stakeholders. It functions as a strategic business instrument with consequences that extend beyond corporate responsibility and sustainability reporting.

Adopting a comprehensive materiality evaluation process provides both tangible and intangible advantages to the organization. Therefore, crucial social and environmental concerns are taken into account while developing company strategy. Our corporate operations and methods are firmly rooted in meeting sustainability norms.

In the current reporting period, an extensive materiality assessment exercise has been conducted to identify key material issues that may potentially impact value creation for all stakeholders. We have adopted an inclusive approach in identifying material issues by seeking inputs from all our relevant stakeholders and business segments.

1. Identification of Material Topics

UPGDCL conducted a data-driven exercise and peer analysis to identify the material topics that have an impact on the business, stakeholders, and the external environment.

i. Qualitative Analysis

A preliminary desk review was carried out to identify existing and emerging industry-specific trends and business risks. Through peer and sector analysis, we have identified certain issues that has the potential to impact our commercial viability, our social performance, and our relationship with the stakeholders. These include Health and Safety, Climate Change and Data Security, among others.

ii. Quantitative Analysis

Material topics of leading power sector companies of Bangladesh were analyzed and it was observed that peer companies reported an average of eighteen material topics of Bangladesh cutting across the three sustainability parameters.

iii. International Standards

We have also factored in requirements of voluntary reporting frameworks such as GRI standards and the identified material topics were grouped under the three ESG pillars.

2. Stakeholder Identification & Consultation

Internal and external stakeholders were identified and mapped based on their potential to influence UPGDCL business strategy or be impacted by it. Consultations led to valuable feedback for updating, validating, and prioritizing identified material topics. A combination of one-to-one interviews and online questionnaires were used to capture their opinions.

3. Prioritization of Material topics

Based on stakeholder engagement and the desktop review, material topics were analyzed, shortlisted and prioritized. Our Company's performance against these prioritized material topics was then mapped under the Environment, Social and Governance pillars, reflecting the Company's concerted effort to create value over the short, medium, and long-term.

Building Long-term Relationships with our Stakeholders

(GRI 102-40,42,43,44; BRSR Principle 4)

Isolated growth is not sustainable for any business. However, when they take along all their stakeholders in this growth journey, the complete eco-system flourishes. Stakeholder engagement is necessary to understand the needs and perspectives of various stakeholder groups and to identify key areas of focus to drive business sustainably. An inclusive approach through constant engagement with stakeholders, unfolds value by tapping new opportunities and helps in devising ways to balance expectations with business strategy.

We continuously engage with our stakeholders - including investors, employees, suppliers, regulators, communities, and customers, among others. The open communication channels with stakeholders lead to identification of the prevalent and emerging material issues and helps in highlighting key improvement areas to mitigate evolving risks and challenges. This strong partnership is pivotal in tapping into new opportunities and building effective business strategies for sustainable growth.

Inclusive Stakeholder Engagement Approach

Stakeholder Analysis	Stakeholder Mapping	Stakeholder Engagement	Engagement Follow-up
Based on sectoral and peer analysis, stakeholders relevant to UPGDCL were identified as per their influence on operations as well as their interests	Visual representation showing the stakeholder's ability to influence the value creation and their interest level	Engage with internal and external stakeholders through workshops, surveys, visits, etc.	Identified opportunities from the stakeholder's response and determined an action plan
	Stakeholder mapping is informed by our Company's strategy, business context, emerging risks and efficacy of operations	Informal interactions with communities to understand the impact of our operations on their lives	Revisited the stakeholders to assess the actions taken and identifying new concerns
		Guided by principles of Inclusivity, Materiality, Responsiveness and Impact	

Stakeholders' Focus Areas and Engagement Framework

Stakeholders	Purpose of Engagement	Consultation Mechanism	Frequency	Focus Areas
United Mymensingh Power Ltd.	United Mymensingh Power Ltd. holds 90 percent stake in UPGDCL	Board meetings	Periodically	Strategy & policy guidance
		Committee meetings		Business planning
		Business review meetings		Performance & monitoring review
				Innovation & new business models
Lenders	Lenders provide debt capital and strengthen the Company’s financial stability during project expansion	Annual report	Annually	Periodic due diligence, compliance reports and certificates
		Press releases	Periodically	Project/business performance
		Investor presentations	Quarterly	Banking and treasury needs
		Corporate websites	Periodically	
		Quarterly and annual results	Quarterly	
Customers	Customers are recipients of services	Top management interactions	Periodically	Understanding customer requirements
	Purchasing decisions of Customers determine our sustenance in the utility sector	Techno-commercial interactions		Generation and dispatch planning
		Plant visits		Resolving technical and commercial issues

Materiality Assessment and Stakeholder Engagement

Government and regulatory bodies	These bodies lay down regulations for conducting business and resolving disputes	Official communication channels	Periodically	Policy and regulatory matters
		Regulatory audits and inspections		Compliance and clearances
		Environmental compliance		Transparency in disclosure
		Policy intervention		
Industry associations	Associations mobilize voice of market players which helps in negotiating issues of common interest	Dialogue with organizations	Periodically	Thought leadership
	They also enable us to participate in cutting-edge research, adopt and share best practices, and participate in advocacy			Sharing of best practices & Sector specific matters
Community	Develop meaningful initiatives in partnership with the communities and address their most critical needs	Need assessment studies		
		Community investment programmes	Periodically	Integrated village development with focus on youth and women empowerment
Employees	To create an organization that is fit for purpose, with a high performing and highly engaged workforce, that will help build the organization of the future	One-on-one interactions	Periodically	Creating a shared understanding and communication of Organization's Purpose Vision Mission Values
		Town halls (Open house)		Communication of the What and the How of organizational goals
		Internal Communication channels (e-mail updates, Company Intranet)		Employee involvement in Organizational initiatives like Business Excellence, Sustainability
		Performance feedback		Providing a unique and supervisor employee value proposition
		Focus Group Discussions		Employee engagement

Suppliers/Value chain partners	Aim to create sustainable value chain	Supplier and Vendor meetings	Periodically	Fuel supply
	Limit financial, business, and reputational risk	Technical and commercial discussions		Competency development of local suppliers
	Enable to control cost, drive service excellence, and mitigate risk			Contract management
				Operations and maintenance reviews
				Product and service discussions
				Grievance redressal mechanism

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Code of Conduct and Ethics

United Power Generation & Distribution Company Limited (UPGDCL) and its subsidiaries and associates are governed by the Code of Conduct and Ethics. This code of conduct and ethics follows the company's vision, purpose, goals, strategy, and governance. These codes greatly impact sustainable Integrated Management System (IMS) development, implementation, and practice. UPGDCL directors' code of conduct shows their commitment to ethically operate the organization. This Code of Conduct was created to assist directors and employees run the Company ethically, identify ethical risks, and promote honesty and responsibility. This Code of Conduct is intended to guide the Company, its Board of Directors, and employees in their interactions with many stakeholders, including workers, customers, suppliers, government and regulatory agencies, media, and others.

ETHICAL STANDARDS

Conflicts of Interest

When private interests collide with UPGDCL's, a conflict of interest occurs. Conflicts might develop when one acts or has interests that make it hard to operate objectively and effectively for UPGDCL. When an affiliate or family member earns inappropriate personal advantages due to their position in the Group, it may create a conflict of interest. An official should never work for a rival, customer, supplier, or other entity against their best interests. If someone has a conflict of interest, they should talk with their supervisor, manager, or UPGDCL's CFO or chief legal counsel. Any officer who notices a conflict or prospective conflict should notify a supervisor, manager, or other relevant staff or review Section E of this Code. The Group's Directors, Executive Officers, Chief Executive Officers, Managing Directors, and Chief Financial Officers must notify the Chairman of any major transaction or connection that potentially causes a conflict.

Fair Dealing

Officers must act ethically and honestly at all times. They must treat rivals, suppliers, customers, and colleagues ethically, behave in good faith, and compete fairly. No official should manipulate, hide, misuse privileged information, falsify material facts, or take undue advantage of anybody. Business entertainment and gifts are meant to build goodwill and trust, not take advantage of clients. No gift or entertainment should be given or received unless it follows standard business standards, does not break laws, and is not a bribe or kickback. Officers should address questionable presents or proposals with their superiors, managers, or other relevant persons.

Insider Trading

In accordance with BSEC norms, officers who have access to sensitive information may not use or disclose

it for stock trading or any other purpose other than UPGDCL's business. All non-public information pertaining to the UPGDCL is considered confidential.

Confidentiality

Officers must maintain the confidentiality of confidential information entrusted to them. Confidential information includes all non-public information whose disclosure might be used by competitors or harmful to UPGDCL or its customers. It also includes information that suppliers and customers have entrusted to the UPGDCL. The obligation to preserve confidential information continues even after employment ends.

Health and Safety of Officers

Officer must report accidents, injuries, harmful circumstances, procedures, or behaviors to ensure a safe and healthy workplace. Officers cannot be violent or threatening. Officers cannot work while intoxicated.

Compliance with Laws, Rules and Regulations

Obedying the law, both in letter and in spirit, is the foundation on which UPGDCL's ethical standards are built. In conducting the business of UPGDCL, the officers shall comply with applicable governmental laws, rules and regulations set by the Government of Bangladesh.

Timely and Truthful Public Disclosure

The officer involved in the preparation of UPGDCL's reports and documents filed with or submitted to the Securities and Exchange Commission, stock exchanges, and other regulators, as well as other public communications, shall make full, fair, accurate, timely, and understood disclosures.

Significant Accounting Deficiencies

The CEO or MD and each senior Financial Officer shall promptly bring to the attention of the Board any information he or she may have concerning (a) significant deficiencies in the design or operation of internal control over financial reporting which could adversely affect UPGDCL's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in UPGDCL's financial reporting, disclosures or internal control over financial reporting.

Amendment

The provisions of this Code can be amended/ modified by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), from time to time.

Corporate Governance Structure

The Board of Directors (the Board) at UPGDCL recognizes the importance of good corporate governance and is committed to ensure the sustainability of the Company's businesses and operations by integrating good governance ethics and business integrity into the strategies and operations of the entity as a whole. Board believes these practices are key to continue delivering long-term shareholders' value, safeguard stakeholders' interest and maintain investors' trust and confidence.

Corporate Governance Framework

United Power Generation and Distribution Company Ltd. (UPGDCL) is a concern of United Group. Being a corporate leader UPGDCL emphasizes on the four pillars of Corporate Governance- Transparency, Fairness & Equity, Accountability, and Responsibility. Standards of corporate governance of the company are the main contrivance of continued growth and success. The Company has always strived to maintain the highest standards of corporate governance.

Good Governance practices help UPGDCL to always act in the best interests of the business. More specifically, it improves business performance, ensures stability and productivity, and unlocks new opportunities. At the same time, it creates and maintains sustainable shareholders' value, safeguards stakeholders' interests, and maintains investors' trust and confidence.

In addition, UPGDCL expects compliance with the Code of Conduct from its Board of Directors and employees.

Corporate Governance Practices

UPGDCL is committed to comply with all the laws of the country and all internal regulations, policies and procedures to recognize it as fair, transparent Company. Being listed with both the Stock Exchanges, the Board ensured that during the year ended 30th June 2023, the Company has complied with all the applicable conditions set out in the Corporate Governance Code (CGC) 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC), besides other regulation issued from time to time. Compliance was all across the regulators. The Board continuously monitors and reviews the Company's Corporate Governance practices and makes necessary changes at an appropriate time. The disclosures in this report set out our corporate governance framework, practices and policies with reference to the Code.

Board Affairs:

Role of the Board

The Directors of the Board are accountable to the Shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Board also ensures that UPGDCL Policies & Procedures and Codes of Conduct are understood, implemented and maintained at all levels and the Company.

Key Features of Our Board

- All Board Members are Non-Executive Directors

- except Managing Director;
- Chair of the Board is Non-Executive Director;
- Separation of the roles of the Chair of the Board and the CEO;
- Chair of the Audit Committee and the NR Committee are Independent Directors;

Board Composition:

The UPGDCL's Board is comprised of fifteen (15) Directors among them three (3) are Independent Directors and all the Board Members are Non-Executive Directors except Managing Director. All of them are knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make a meaningful contribution to the business. Directors contribute diversified qualifications and experience to the Company by expressing their views in an independent, constructive and informed manner, and actively participating in Board and Committee meetings.

Board Diversity

The Board recognizes the importance of diversity in deliberations and decision-making and has established its efforts to establish a diverse Board. Board Members possess optimum knowledge, composure and technical understanding about the Company's business, which, combined with its diversity of culture and background, stands as the perfect platform to perform and deliver. A list of Directors and their respective short profiles are set out in a separate section in this Annual Report.

Appointment of Directors and Top-Level Executives

The Board is responsible for the appointment of Directors and Top-Level Executives. The Board delegates the screening and selection process to the Nomination and Remuneration Committee (NRC).

Board Meetings

As per the SECRETARIAL STANDARD, BSS-1, **2. (i)** (Secretarial Standard on Meetings of the Board of Directors, BSS-1) issued by the Institute of Chartered Secretaries of Bangladesh (ICSB). The Company requires the Board to meet at least four (4) times in a year or when duly called in writing by any Board member. Accordingly, the Board of Directors met four (04) times in Board Meetings during the FY 30th June 2022-23. The Board of Directors also met one (1) time in General Meeting. Board meetings for the upcoming financial year are scheduled in advance before the end of the current financial year to enable Directors to plan ahead and attend the meetings according to the respective meeting schedules. The Notice of each Board meeting is served in writing well ahead of the meeting. The notice contains the detailed statement of business to be transacted at each meeting. UPGDCL's AoA allows Board meetings to be held via audio and video conferencing to facilitate the decision-making process. The Board met Four (04) times during the Financial Year ended 30th June 2022-23 and the attendance of the Board members in the meetings was as follows: -

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Corporate Governance Structure

Board Meeting and General Meeting attendance of Directors from July 2022 to June 2023

Name of the Directors	General Meeting		Board Meeting					Number of Meetings attended	% Of Attendance
	EGM	15 th AGM	102	103	104	105	106		
GENERAL MD. ABDUL MUBEEN, SBP, ndc, psc (Retd.)								5	80%
Mr. Hasan Mahmood Raja								6	100%
Mr. Ahmed Ismail Hossain								7	100%
Mr. Khandaker Moinul Ahsan								7	80%
Mr. Akhter Mahmud								6	60%
Mr. Abul Kalam Azad (01.07.2022 to 31.12.2022)						—	—	3	100%
Mr. Faridur Rahman Khan (01.07.2022 to 31.12.2022)						—	—	2	50%
Mr. Moinuddin Hasan Rashid								6	100%
Mr. Md. Abul Hossain								7	100%
Lt. Gen. Sina Ibn Jamali								6	100%
Prof. Mohammad Musa PhD								6	100%
Dr. Muhammad Fouzul Kabir Khan								7	60%
Mr. Malik Talha Ismail Bari								7	100%
Mr. Nasiruddin Akhter Rashid (1983-2023)								5	60%
Mr. Fahad Khan (01.07.2022 to 31.12.2022)						—	—	3	50%
Mr. Wasekul Azad (01.07.2022 to 31.12.2022)						—	—	3	50%
Mr. Nizamuddin Hasan Rashid								3	80%
Mr. Khondaker Zayed Ahsan								5	100%
Mr. Kutubuddin Akhter Rashid (From 05.02.2023 to present)	—	—	—	—	—			2	100%



Attended in person



Attended through video conference



Leave of absence

Board Activities During FY 30th June 2023

- Review UPGDCL's Quarterly and Annual Performance.
- Approved Unaudited Quarterly Financial Statements and Audited Financial Statements for FY 30th June 2023.
- Approved UPGDCL's Final Dividend.
- Approved UPGDCL's Annual Budget, Business Strategy and Target.
- Approved UPGDCL's capital investment.
- Approved Internal Audit plan and Compliance plan.
- Review Internal Audit Reports.
- Approved Related Party Transactions.
- Reviewed the adequacy and integrity of the information provided by the Management and Internal Control systems.
- Review the affair of the Subsidiary Companies.
- Reviewed the update from Board Sub-Committees.
- Approved Dividend policy and Code of Conduct.
- Approved transfer of "Un-claimed Cash Dividend" to "Capital Market Stabilization Fund (CMSF)" as per the Bangladesh Securities and Exchange Commission (BSEC) (Capital Market Stabilization Fund) Rules, 2022.

The Chair and the Chief Executive Officer (CEO)/MD

Chairman of the Board is a Non-Executive Director. The Chair and the CEO/MD of UPGDCL are separate persons. The roles of the Chair and Chief Executive Officer/MD are clearly established, set out in writing and agreed by the Board to ensure transparency and better governance. Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the CEO/MD is the authoritative head for day-to-day management in the Company.

Empowerment:

To ensure the governance of UPGDCL, the Board of Directors approved the Company's delegation of authority framework and which is reviewed and updated from time to time in order to ensure relevance and applicability. In addition, any amendments to these documents are also reviewed and approved by the Board.

Code of Conduct

In compliance with the requirement of the Corporate Governance Code (CGC) 2018 of the Bangladesh Securities and Exchange Commission (BSEC), the Company has framed and adopted the Code of Conduct for the Chair of the Board, other Board members and the Chief Executive Officer (CEO) of UPGDCL. The Code is available on the Company's website at <https://www.unitedpowerbd.com/code-of-conduct/>

[unitedpowerbd.com/code-of-conduct/](https://www.unitedpowerbd.com/code-of-conduct/)

Board and Top-Level-Executive Remuneration Policy

Nomination and Remuneration Committee (NRC) framed a policy with regard to determining qualifications, positive attributes, experiences, and remuneration mainly for Directors and Top-Level-Executives. The objective of the remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders. In addition, Director shall receive the Board fees from the Company for every meeting attended.

Dividend Policy

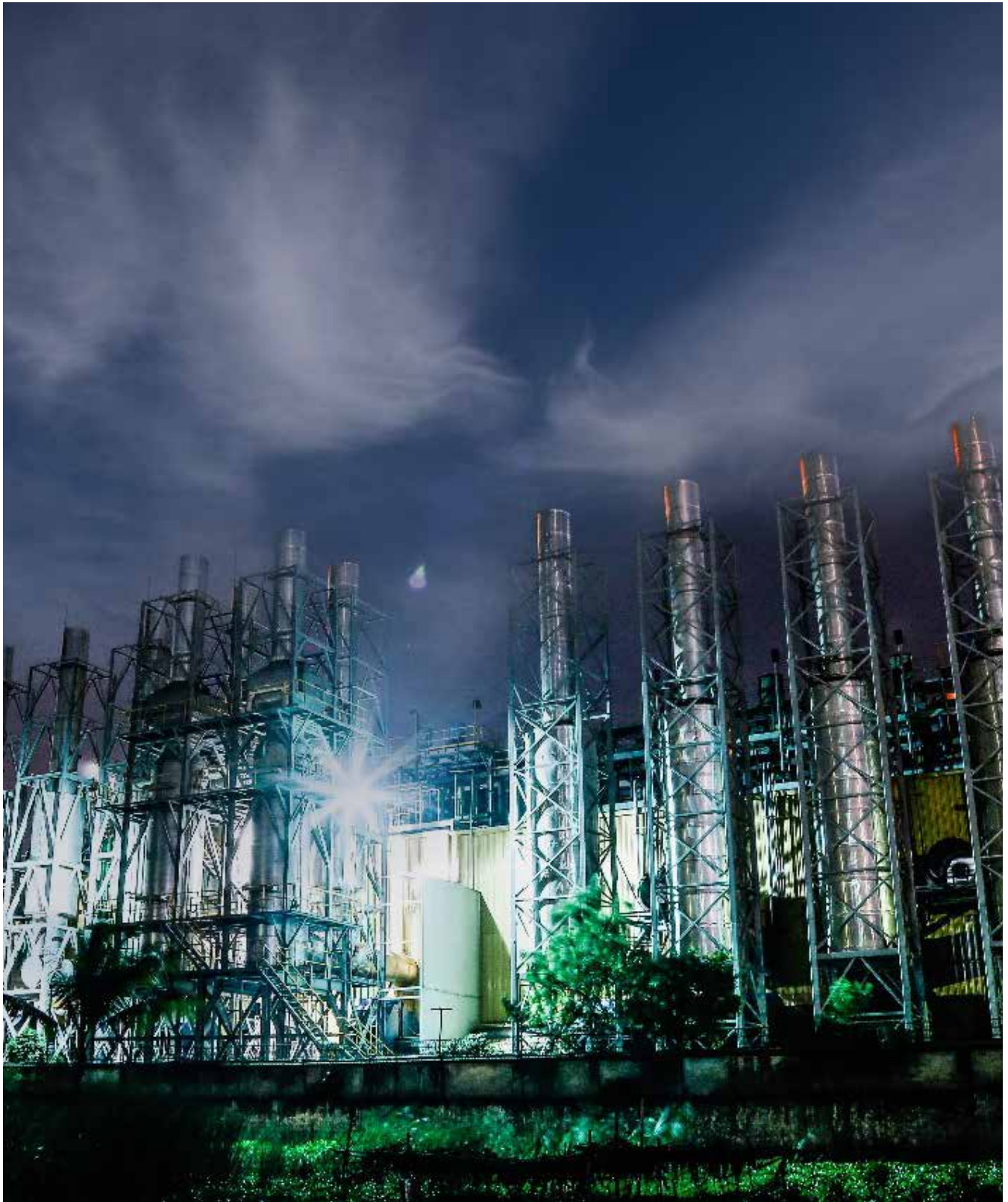
In compliance with the requirement of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC), the Company has framed and adopted the Dividend Policy. The Dividend Policy is available in the Company's website at <https://www.unitedpowerbd.com/dividend-policy/>

Independent Scrutinizer

As per Bangladesh Securities and Exchange Commission (BSEC) Directive dated 10 March 2021, the appointment of an Independent Scrutinizer to overview "the due process of election and detailed information of voting results" and report the same shall be submitted before the commission within 48 hours of conclusion of General Meeting. Board of Directors on its 107th Meeting held on 26th October 2023 reappoint M/S **Haruner Rashid & Associates**, Chartered Secretaries & Management Consultants as Independent Scrutinizer for the 16th AGM of the Company.

Board Committees

Board has constituted two (2) sub-committees, viz: the Audit Committee, and the Nomination and Remuneration Committee (NRC). The role of the Board Committees is to review and appraise the Board in respective areas and make recommendations to the Board. Each Committee operates in accordance with the Charter/Terms of Reference (ToR) approved by the Board. The Board reviews the ToR of the Committees from time to time. Board also appoints the Members and the Chair of each Committee. 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 (3) Non-Executive Members and the Company Secretary acts as the Member Secretary in both committees. A brief description of each Committee is presented below: -



Various Systems, Policies Manuals and Charters

The philosophy of corporate governance of the Company is aimed at conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole to any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. Various Systems, Policies, Manuals and Charters are set and practiced to achieve objective of good Corporate Governance.

Environmental Policies

United Power Generation & Distribution Company Limited (UPGDCL) is acutely conscious of its social responsibilities and sensitive to worldwide initiatives to conserve the environment, and views its purpose as contributing to the nation's sustainable development. This policy will be implemented based on the principles of continuous improvement, waste reduction, pollution avoidance, and staff dedication.

Social Policies

United Power Generation & Distribution Company Limited (UPGDCL), conscious of their social duty and attentive to the socio-economic welfare of society, feels it their mission to contribute to the country's sustainable development. This policy will be implemented based on the principles of continuous improvement, a grievance process, stakeholder participation, and staff dedication.

ANTI BRIBERY AND CORRUPTION AND WHISTLE BLOWER POLICIES

United Power Generation & Distribution Company Limited (UPGDCL) and its subsidiaries' longstanding anti-bribery and corruption policy. Two Principles and many Practical Procedures comprise the policy. The Policy clarifies the Company's zero-tolerance bribery and corruption policy. UPGDCL and its subsidiaries will never pay or accept bribes. An employee's violation of the principle constitutes serious misconduct. UPGDCL and its subsidiaries shall post their Principles and Practical Procedures and implementation strategy on their websites and inform their personnel. If they suspect a bribe, employees must report it.

ACCOUNTING AND FINANCE MANUAL

United Power Generation & Distribution Company Limited (UPGDCL) depends on its ability to safeguard and manage effectively and efficiently all funds entrusted to it. Central to this goal is a sound structure of financial management and control to maintain both

integrity and confidence. The Accounting and Finance Manual describes the financial procedures for ensuring accountability on effective and efficient use of funds. The procedures are aimed to give Management (including the Board of Directors) accurate, complete and timely financial information. The implementation of this Manual is essential for the successful delivery of UPGDCL's services as we conduct our activities morally, ethically, and in the spirit of public accountability and transparency, and in conformity with applicable laws and regulations and practices common with responsible organizations. As circumstances and requirements change, this Manual shall be updated as necessary. It provides a working document to guide all finance and accounting staff on the procedures to be followed so that there is consistency throughout the group.

DIVIDEND DISTRIBUTION POLICY

This Dividend Distribution Policy aims to strike the correct balance between dividends paid and earnings maintained to fulfil future demands, working capital needs, and debt reduction. This Policy will also handle unclaimed dividends and distribute dividends in accordance with the law for the benefit of shareholders and the company. Only the Board follows the Policy. The Board's dividend recommendation for any period is final and cannot be challenged under the Policy. This Policy has been prepared pursuant to the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC).

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy has been articulated to comply with the Corporate Governance Code dated 3 June 2018 distributed by Bangladesh Securities and Exchange Commission (BSEC) in conjunction with the Companies Act 1994, UPGDCL Nomination and Remuneration Committee Charter, Code of Conduct Chairperson, Board of Directors and Chief Executive Officer dated 1st July 2021 of the Company and other regulatory requirements.

TERMS OF REFERENCE OF THE NRC

The objective of the Terms of Reference of the Nomination and Remuneration Committee (NRC) is to set the scope of work and direct the activities of the NRC in accordance with the Corporate Governance Code.

AUDIT COMMITTEE CHARTER

The Audit Committee, a subcommittee of the Board

Various Systems, Policies Manuals and Charters

of Directors, aims to improve operations and enhance value. The Audit Committee is appointed by the Board of Directors (Board) to assist the Board in fulfilling its oversight responsibilities by reviewing: (a) the financial reporting process to ensure transparency and integrity of financial information; (b) the correctness, accuracy, and sufficiency of any announcement relating to the company's financial performance; and (c) the Company's internal financial control and risk management system, internal controls, and internal audit.

ANTI-DISCRIMINATION POLICY

UPGDCL is an equal opportunity employer. All personnel are treated equally, regardless of race, age, gender, marital status, or other non-job-related factors. Staff are appreciated according to their performance, aptitude, and passion to maintain our standards of service. This group prohibits prejudice. We think all employees should work in a harassment-free workplace. Discrimination may lower morale, absenteeism, and resignations. Thus, managers and supervisors must guarantee that all workers, including third-party employees, are treated fairly and not discriminated against. They must protect complainants and witnesses.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance at UPGDCL entails aligning stakeholder interests. Governance is the process through which the Board of Directors, management, shareholders, creditors, auditors, regulators, and other stakeholders oversee the activities, policies, and decisions of organizations' in the context of social, environmental, regulatory, and commercial factors. The Company's corporate governance model requires senior management to make decisions that benefit the community, nation, and stakeholders. Transparency, accountability, and integrity guide satisfying stakeholder commitments. It advises the company on how to develop, practice, and attain policies, goals, and manuals, monitor and analysis risk, and optimize performance without compromising long-term sustainability. It also concerns rule of law consistency and explicitly defines supervisory, regulatory, and implementation authority roles.



Statement on Risk Management Mitigation & Internal Control

As a key player in the power generation sector, UPGDCL is committed to delivering reliable and sustainable energy solutions to meet the demands of the customers and earn competitive returns. UPGDCL and its subsidiaries maintain a robust risk management process to protect against the key risks and uncertainties that may affect the Company's operations, financial performance, and strategic objectives. UPGDCL's risk management process is based on a comprehensive framework that includes standard procedures, policies, guidelines and mechanisms for identifying, assessing and responding to risks effectively and efficiently.

UPGDCL strongly believes that risk management is a continuous process and an integrated part of business operations. Based on this belief, the Company conducts regular and thorough risk assessments to identify potential risks that could affect the achievement of our business objectives. To be proactive in managing risks, every functional area within the organization bears the responsibility of being accountable for risk management within its designated scope.

As an integral component of our corporate governance structure, the Audit Committee plays a pivotal role in fortifying our risk management framework. With a focus on transparency, accountability, and integrity, the committee collaborates with management, internal auditors, and external auditors to ensure a robust risk management process. The Corporate Risk Management (CRM) function is a recent addition to our company's organizational structure, strategically focused on the identification and treatment of risks associated with both financial and operational processes in our day-to-day business operations. This dedicated function serves as a critical component in strengthening our risk management framework, ensuring a proactive and comprehensive approach to risk mitigation.

UPGDCL has identified several key risk areas based on the challenges and uncertainties present in the current business climate.



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Financial Risk

a. Credit Risk

Risk Description: UPGDCL sales electricity and steam to various customers and counterparties including 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 organizations under the conditions of the long-term Power Sales Agreement (PSA)/Power Purchase Agreement (PPA). If these customers fail to fulfil their contractual obligations and are unable to pay their dues, the Company is exposed to credit risk.

Response to Risk: The Company follows internal control rules and procedures to effectively manage credit risks. To secure all sales transactions with specific entities, the Company ensures that Letters of Credit are issued by local scheduled banks. Regular monitoring of due dates, balances of trade notes, accounts receivable, and loans receivable from major counterparties is conducted to identify and address potential issues early, minimizing the risk of doubtful receivables.

Risk Management Statement

b. Liquidity Risk

Risk Description: UPGDCL functions within a business environment that demands substantial funds. Liquidity risk refers to the potential difficulty in meeting short-term financial obligations due to an imbalance between cash inflows and outflows. If the Company undergoes a liquidity crisis, it will experience significant disruptions to its operations and will damage its reputation.

Response to Risk: The Company actively manages its liquidity risks by consistently preparing and updating a cash schedule in a timely manner. To address sudden changes in the economic environment, the Company maintains a certain and sufficient level of liquidity readily available. Systems and procedures are in place to enable flexible responses to liquidity risks through the effective management of funds across the Company and intercompany loans. Furthermore, the Company secures additional liquidity by entering into commitment line agreements with scheduled commercial banks.

c. Interest Rate Risk

Risk Description: To meet diverse business requirements, such as initiating high-value Letters of Credit (LC) and covering operational expenses, UPGDCL obtains funds through both short-term and long-term loans from commercial banks. However, in the event of financial market turmoil, tax reforms, or changes in government and financial institution policies, an increase in interest rates could increase the cost of debt and create challenges in securing the necessary loans. Consequently, the Company's profitability and business performance may be adversely affected.

Response to Risk: The Company constantly monitors market trends, economic indicators, and regulatory changes that may impact interest rates, financial instruments and debt obligations. This forward-looking perspective enables the Company to make well-informed decisions concerning its financial structure and debt portfolio, contributing to effective risk management. Furthermore, UPGDCL maintains sufficient reserves to clear up the challenging and costly debts.

d. Currency Risk

Risk Description: UPGDCL and its subsidiaries face exposure to foreign currency risk due to the import of machinery, equipment, and HFO, involving payments in various international currencies, particularly the US Dollar (USD) and Euro (EUR). The Company recognizes that unfavorable volatility or fluctuations in exchange rates could lead to increased import costs, thereby impacting the overall profitability of the Company.

Response to Risk: In response to the foreign currency risk, UPGDCL adopts a proactive risk management strategy. This involves employing financial instruments such as currency derivatives like forward foreign exchange contracts. By strategically using these instruments, the Company aims to mitigate the impact of currency fluctuations on import costs, ensuring a more predictable cost structure and safeguarding profitability. Furthermore, the Company actively tracks global economic conditions, currency market trends, and geopolitical factors to remain well-informed about potential currency risks, particularly concerning bulk procurement.

Regulatory Risk

Risk Description: The operations of UPGDCL and its subsidiaries are dependent on government policy and strategy. Changes in government policy, and shifting government priorities may affect the Company's operational framework, project approvals, license extension and financial strength.

Furthermore, UPGDCL's operations are subject to a range of statutory regulations, including those related to labor, taxation, environmental standards, stock exchanges, BEPZA, RJSC and others. Non-compliance with any of these regulations not only poses the risk of financial penalties but also has the potential to impact the Company's reputation adversely.

Response to Risk: The Company is highly committed to following all the policies and decisions made by the regulatory organizations of the country. Being a producer of essential product, UPGDCL is working to improve the operational efficiency in order to meet the demand of its stakeholders. The Company is enhancing its engagement with the stakeholders to stay update of emerging policies and maintains a robust internal compliance framework to ensure adherence to existing regulations.

In order to comply with laws and regulations, the Company has taken preventive measures regarding regulation violations by educating its employees on laws and regulations related to their work and implementing activities for raising compliance awareness. In addition, in the event of a compliance-related incident being detected, UPGDCL has a rapid response system in place to prevent any impact on the Company's social credibility and reputation.

Operational Risk

Risk Description: Due to the complex and dynamic nature of electricity production, the Company carries the vulnerability of operational disruption. Factors contributing to operational risk include equipment failures, supply chain vulnerabilities, natural disasters, cyber-attacks and technical malfunctions, any of which may lead to interruptions in power generation, compromising the Company's ability to fulfill client requirements efficiently. Failure to provide uninterrupted electricity not only impact UPGDCL's business but also the operations within the DEPZ and CEPZ, a vital industrial zone for the country.

Response to Risk: Routine and thorough maintenance of our distribution networks by both O&M operators and BEPZA significantly minimizes the risk of major disruptions. While we diligently manage and maintain our systems, it's crucial to acknowledge the unpredictability of severe natural calamities, which have the potential to impact UPGDCL's normal operations. In response to this, management believes in implementing prudent rehabilitation schemes and maintaining high-quality standards to mitigate the damages caused by such unforeseen events. Importantly, all the mentioned risks are covered under our insurance agreement, providing compensation for potential damages in these challenging situations.

Supply Chain Risk

Risk Description: The uninterrupted supply of essential materials (Natural Gas, HFO) spare parts, and equipment is vital for the seamless operation of electricity generation. The Company depends on a network of both domestic and international suppliers to procure the necessary materials and components. Any instability in the international or domestic business environment, as well as geopolitical or natural environmental events (natural disasters or pandemics), can pose challenges in obtaining the required materials, impacting both the financial and reputational aspects of the Company.

Response to Risk: To mitigate these risks, UPGDCL employs strategic measures and contingency plans to ensure a resilient and reliable supply chain, even in the face of unforeseen disruptions. The supply of natural gas, a critical raw material for gas based plant, is guaranteed through Gas Supply Agreements with Karnaphuli Gas Distribution Company Ltd, Titas Gas Transmission & Distribution Company Ltd, and others, aligned with the term of the Power Supply Agreement. This strategic arrangement eliminates any potential threat of gas supply interruptions, ensuring uninterrupted electricity generation.

For Heavy Fuel Oil (HFO) and spare parts, the Company has established reliable sourcing options from regional markets. Additionally, an integrated in-house bulk storage network guarantees an ample and timely supply. The Company maintains very reliable supply and logistics network to procure and transfer goods timely and securely to various plants. These proactive measures underscore the Company's commitment to a secure and robust supply chain, contributing to the sustained and reliable operation of its power generation facilities.

Declaration by CEO and CFO

[As per condition No. 1(5) (xxvi)]

Date: 26th October 2023

The Board of Directors
United Power Generation & Distribution Company Ltd.
Gulshan Centre Point,
H 23-26, R 90, Gulshan- 2
Dhaka- 1212, Bangladesh

Subject: Declaration on Financial Statements for the year ended on 30th June, 2023

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. *BSEC/CMRRCD/2006-158/207/Admin/80* Dated 03 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of United Power Generation & Distribution Company Limited for the year ended on 30th June, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the Financial Statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the Financial Statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30th June, 2023 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Md. Moinul Islam Khan
Chief Executive Officer (CEO)



Mostak Ahmed, FCA
Chief Financial Officer (CFO)

Management Discussion and Analysis

Dear Shareholders

As per condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by the Bangladesh Securities and Exchange Commission, the Management Discussion and Analysis are as follows:

(a) Accounting policies and estimation:

We have applied accounting policies consistently to all periods presented while preparing the financial statements. We have applied International Financial Reporting Standards (IFRSs)/International Accounting Standards (IAS) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimations are well elaborated in Note 60 to the financial statements. In the absence of applicable IFRSs/IASs to any particular transactions, other events or conditions, we have used our best judgment in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable. The accounting policies and estimation are consistently applied to all subsidiaries along with the Company as disclosed in Note 60 with a specific mention in 60(A).

(b) Changes in accounting policies and estimation:

We usually change an accounting policy only when the change is required by an IFRS/IAS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. The accounting policies applied are, however, consistent with those applied in the previous financial year.

High inflation, the foreign exchange crisis, higher interest rates on borrowing, and difficulties with the global supply chain caused by global conflicts made the financial year 2022-23 extremely challenging for businesses. In comparison with the previous year, the price of HFO rose, which led to an increase in revenue. During the fiscal year, the actual electricity generation was 2,740,356 MWH with a capacity utilization rate of 43%. Revenue from electricity sales fell 16% year on year, while steam sales climbed 140%

Overall performance is given below –

Revenue

- Consolidated revenue of the company for the year was Taka 41,309.11 million representing a decrease of 16.44 percent. Revenue composition has been predominantly skewed toward HFO Power Plants which contributed nearly 75 percent

at Taka 30,666.24 million.

- Capacity utilization of the power plants – The current overall generating capacity of UPGDCL is 6,336,000 megawatts (MWh). Actual production for the reporting year was 2,740,356 megawatt-hours (MWh), 1,050,341 megawatt-hours (MWh) less than the previous year. In addition, capacity utilization for 2023 was 43% compared to 60% for the previous year.

Cost of Sales

- Consolidated Cost of Sales of the reporting year decreased by 17.32% over last year.
- During the reporting year, fuel and energy costs dropped by 25% as a consequence of lower production. In addition, depreciation expenses were also decreased by 5%. On the other hand, due to major maintenance of the engine (UPGDCL's 11 nos. and UAnPL's 7 nos.) O&M expenses increased by 26%. Overall operating expenses of the company decreased by BDT 8,307.03 million compared to the last year.

Gross Profit Margin

- Gross Profit in terms of value decreased by Taka 1,702.85 million.
- GP margin was 25.8 percent as against 24.9 percent last year. This is mainly due to the mix-impact of HFO and Gas based plant operation.

Net Profit Margin

- Consolidated Net profit for the year stood at Taka 8,242.31 million, a decline of nearly 19 percent in value over last year.

Total Assets

- Total assets of the company Taka 81,187.56 million which was a decrease of 5.83 percent over last year.
- Trade and other receivables decreased by Taka 6,567.10 million (26.81%).

Total Liabilities

- Total liabilities decreased by Taka 3,177.94 million at the end of the year. Non-current liabilities and Current liabilities were reduced by 1,750.12 million and 1,427.81 million respectively.

Equity attributable to the Owners of the Company

- Shareholder's equity decreased by 1835.71 million over last year due to the impact of consolidated net profit

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Management Discussion and Analysis

Other Performance parameters of the company were as follows:

	Consolidated Performance	
	Year 2023	Year 2022
Earnings per Share (EPS)	Taka 13.83	Taka 17.21
Net Asset Value (NAV)	Taka 53.22	Taka 56.38
Net Operating Cash flow per Share (NOCFS)	19.40	Taka 1.89
Gross Profit ratio	25.8%	24.9%
Net Profit ratio	20%	20.5%

(d) Comparative analysis of financial performance and financial position as well as cash flows with peer and industry scenario:

As presented in the financial highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameters are described as follows:

Listed Company	UPGDCL		KPCL		Baraka		Doreen		SPCL		Industry Average	
Year	FY 23	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23	FY 22	FY 23	FY 22
EPS (BDT)	13.83	17.21	(1.67)	0.03	0.56	7.4	3.56	10.99	1.52	11.91	3.56	10.276
P/E (times)	13.58	14.44	888.67	906.67	10	9.68	5.92	8.4	15.23	15.29	186.68	11.422
NAV (BDT)	53.22	56.38	19.19	21.73	21.99	22.89	50.47	51.08	36.71	39.59	36.316	41.132
Dividend %	Cash	80	170	10	10	5	10	11	13	11	28	23.4
	Stock	-	-	-	-	-	-	-	12	-	4	-
NOCFPS (BDT)	19.40	1.89	(4.40)	2.01	(0.11)	7.4	17.98	6.05	3.23	5.31	7.22	5.312
No of Shares MN	579	579	397	397	235	235	181	161	186	179	315.6	11,922
Net Profit MN	8019	9,974	(664)	13	131	501	643	1667	283	772	1682.4	7,051.5
Market Cap Mn BDT	135474	1,44,112	10571	10809	5015	5,250	11048	11319	12224	15,540	34866	42,487

(e) Financial and economic scenario of the country and the world:

The financial and economic scenario of the country and the world are as discussed in the 'Message from the Chairman' and 'Directors' Report' sections of the annual report.

(f) Risks and concerns related to the financial statements:

The risks and concerns related to the financial statements are discussed in the 'Directors' Report'.

(g) Future plan of the Company's operations, performance, and finances:

The future plan for the Company's operation, performance, and financial position are as discussed in the 'Message from the Chairman' and 'Directors' Report' sections of the annual report.



Moinuddin Hasan Rashid
Managing Director

Financial Highlights

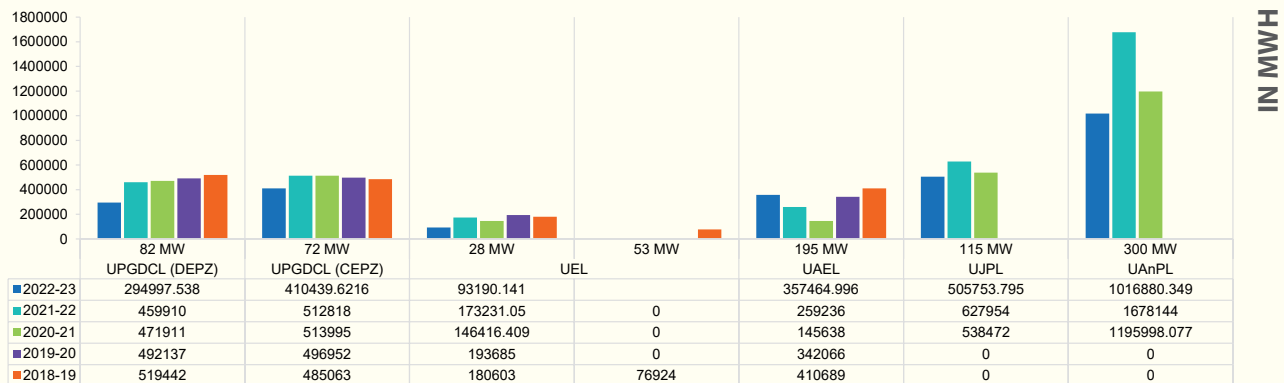
Quarterly Business Highlights-Consolidated

	July - September (Q1)			October - December (Q2)			January - March (Q3)			April - June (Q4)		
Fig in Taka	2022	2021	%	2022	2021	%	2023	2022	%	2023	2022	%
Revenue	12,063,722,953	8,594,089,363	40.37%	10,411,135,810	12,197,892,226	-14.65%	8,606,878,235	12,440,984,513	-30.82%	10,227,375,153	16,202,197,195	-36.88%
Cost of Sales	(9,147,117,082)	(5,731,697,585)	59.59%	(7,130,792,675)	(8,418,549,409)	-15.30%	(5,346,297,518)	(9,185,395,434)	-41.80%	(9,031,981,370)	(15,933,657,488)	-43.32%
Gross Profit	2,916,605,871	2,862,391,778	1.89%	3,280,343,135	3,779,342,817	-13.20%	3,260,580,717	3,255,589,079	0.15%	1,195,393,783	268,539,707	345.15%
Net Profit	2,963,528,376	2,961,518,026	0.07%	2,895,862,380	4,029,333,358	-28.13%	2,548,014,450	3,238,057,539	-21.31%	(165,099,415)	(73,612,526)	124.28%
EPS-basic	5.00	5.00	0.09%	4.84	6.84	-29.22%	4.28	5.50	-22.11%	(0.30)	(0.13)	128.27%
NOCFPS	0.89	(0.87)	-201.92%	8.70	(8.35)	(2.04)	3.48	17.88	-80.52%	6.33	(6.77)	-193.49%
NAV per share	53.22	61.17	-13.00%	49.23	51.02	(0.04)	53.51	56.52	-5.32%	53.22	56.38	-5.61%

OPERATIONAL HIGHLIGHTS

Sales		2022-23	2021-22	2020-21	2019-20	2018-19
(Amount in MWh)						
UPGDCL (DEPZ)	82 MW	294,998	459,910	471,911	492,137	519,442
UPGDCL (CEPZ)	72 MW	410,440	512,818	513,995	496,952	485,063
UEL	28 MW	93,190	173,231	146,416	193,685	180,603
	53 MW		-	-	-	76,924
UAEL	195 MW	357,465	259,236	145,638	342,066	410,689
UJPL	115 MW	505,754	627,954	538,472	-	-
UAnPL	300 MW	1,016,880	1,678,144	1,195,998	-	-

OPERATIONAL PERFORMANCE



Financial Highlights

			2022-23	2021-22	2020-21	2019-20	2018-19
PRODUCTION	UPGD(DEPZ)	82 MW	303,725 MWh	473878 MWh	482,577 MWh	502,742 MWh	531,230 MWh
	UPGD(CEPZ)	72 MW	417,449 MWh	517737 MWh	522,016 MWh	504,804 MWh	492,726 MWh
	UEL	28 MW	95,509 MWh	177474 MWh	150,581 MWh	199175 MWh	185331 MWh
		53 MW	-	-	-	-	80,057 MWh
	UAEL	195 MW	368,711 MWh	268543 MWh	153,457 MWh	353,284 MWh	424,309 MWh
	UJPL	115 MW	514,218 MWh	637860 MWh	547,319 MWh		
	UAnPL	300 MW	1,040,743 MWh	1715204 MWh	1,220,825 MWh		
SALES	DEPZ	82 MW	294,998 MWh	459910 MWh	471,911 MWh	492,137 MWh	519,442 MWh
	CEPZ	72 MW	410,440 MWh	512818 MWh	513,995 MWh	496,952 MWh	485,063 MWh
	UEL	28 MW	93,190 MWh	173231 MWh	146,416 MWh	193,685 MWh	180,603 MWh
		53 MW	-	-	-	-	76,924 MWh
	UAEL	195 MW	357,465 MWh	259236 MWh	145,638 MWh	342,066 MWh	410,689 MWh
	UJPL	115 MW	505,754 MWh	627954 MWh	538,472 MWh		
	UAnPL	300 MW	1,016,880 MWh	1678144 MWh	1,195,998 MWh		
AUXILIARY CON-SUMPTION	DEPZ	82 MW	2.87%	2.95%	2.21%	2.11%	2.22%
	CEPZ	72 MW	1.68%	0.95%	1.54%	1.56%	1.56%
	UEL	28 MW	2.43%	2.39%	2.77%	2.76%	2.40%
		53 MW		-	-	-	3.80%
	UAEL	195 MW	3.05%	3.47%	5.09%	3.17%	3.21%
	UJPL	115 MW	1.65%	1.58%	1.62%		
	UAnPL	300 MW	2.29%	2.21%	2.03%		
GAS CONSUMPTION	DEPZ	82 MW	0.278 m3/kWh	0.279 m3/kWh	0.281 m3/kWh	0.280 m3/kWh	0.242 m3/kWh
	CEPZ	72 MW	0.254 m3/kWh	0.274 m3/kWh	0.255 m3/kWh	0.236 m3/kWh	0.247 m3/kWh
	UEL	28 MW	0.2435 m3/kWh	0.2405 m3/kWh	0.2339 m3/kWh	0.23 m3/kWh	0.245 m3/kWh
		53 MW	-	-	-	-	0.33 m3/kWh
	UAEL	195 MW	0.248 m3/kWh	0.250 m3/kWh	0.257 m3/kWh	0.253 m3/kWh	0.251 m3/kWh
HFO CONSUMPTION							
	UJPL	115 MW	105,477 MT	129,935 MT	110,629 MT		
	UAnPL	300 MW	207,601 MT	337,954 MT	235,874 MT		
LUBE OIL CONSUMPTION	DEPZ	82 MW	89,691 Litres	100,324 Litres	137,327 Litres	92,788 Litres	107,236 Litres
	CEPZ	72 MW	97,802 Litres	104,360 Litres	122,283 Litres	125,008 Litres	129,371 Litres
	UEL	28 MW	17,830 Litres	28,361 Litres	30,639 Litres	35,564.5 Litres	35,321 Litres
		53 MW	-	-	43 Litres	822 Litres	15,729 Litres
	UAEL	195 MW	78,140 Litres	29,181 Litres	29,987 Litres	50,821 Litres	71,693 Litres
	UJPL	115 MW	339,606 Litres	531,715 Litres	30,9453 Litres		
	UAnPL	300 MW	629,187 Litres	941,785 Litres	882,656 Litres		

Horizontal and Vertical Analysis

Horizontal Analysis of financial position

In Taka	2023	2022	2021	2020	2019
Assets					
Property, plant and equipment	180%	190%	202%	106%	100%
Capital Work In Progress (CWIP)	124%	112%	101%	100%	0%
Right of use assets	66%	75%	83%	100%	0%
Prepaid lease rent	0%	0%	0%		100%
Investment in subsidiaries	0%	0%	0%		
Non-current assets	189%	198%	209%	98%	100%
Inventories	315%	389%	376%	82%	100%
Trade and other receivables	647%	885%	194%	102%	100%
Receivable from related parties	133%	109%	98%	135%	100%
Advances, deposits and prepayments	403%	78%	66%	159%	100%
Investment in marketable securities	109%	117%	120%	137%	100%
Advance income tax	55%	40%	24%	108%	100%
Cash and cash equivalents	46%	37%	45%	791%	100%
Current assets	197%	212%	116%	143%	100%
Total assets	193%	205%	161%	117%	100%
Equity					
Share capital	121%	121%	121%	91%	100%
Share premium	100%	100%	100%	100%	100%
Revaluation reserve	95%	97%	98%	101%	100%
Retained earnings	101%	109%	109%	104%	100%
Equity attributable to the owners of the Company	104%	110%	110%	101%	100%
Non-controlling interests	103%	105%	108%	90%	100%
Total equity	104%	110%	110%	101%	100%
Liabilities					
Preference Share Capital	80%	140%	100%		
Long term loan	43%	55%	53%	173%	100%
Security money received	2243%	100%	100%	100%	100%
Land lease Liability	92%	101%	104%	100%	
Non-current liabilities	60%	85%	75%	172%	100%
Deferred revenue	64%	78%	160%	113%	100%
Trade and other payables	3267%	5573%	2253%	100%	
Unclaimed dividend	134%	138%	136%	100%	
Accrued expenses	233%	178%	77%	277%	100%
Long term loan - Current portion	125%	118%	192%	137%	100%
Short term loan	221%	250%	100%		
Preference Share Capital	44%	100%			
Land lease Liability	235%	219%	106%	100%	
Payable to related parties	905%	731%	564%	434%	100%
Current Tax liability	3%	1%	2%	627%	100%
Current liabilities	934%	963%	600%	230%	100%
Total liabilities	417%	444%	290%	192%	100%
Total equity and liabilities	193%	205%	161%	117%	100%

Horizontal and Vertical Analysis

Horizontal Analysis of statement of profit or loss and other comprehensive income

In Taka	2023	2022	2021	2020	2019
Revenue	367%	439%	271.75%	90%	100%
Cost of sales	742%	897%	454.17%	103%	100%
Gross profit	150%	174%	165.89%	82%	100%
General and administrative expenses	445%	99%	108.15%	70%	100%
Other income/(Expenses)	19%	12%	-3.03%	0%	100%
Operating profit	132%	158%	149.13%	74%	100%
Finance income	88%	132%	63.35%	84%	100%
Foreign exchange gain/(loss)	1748%	2988%	0.09%	48%	100%
Finance expense	243%	103%	196.57%	68%	100%
Profit before tax	105%	129%	140.91%	75%	100%
Income tax (expense)/income	16%	8%	-35.41%	-564%	100%
Profit for the period	105%	129%	141.49%	77%	100%
Other comprehensive income					
Total comprehensive income	105%	129%	141.49%	77%	100%
Total comprehensive income attributable to:					
Owners of the Company	104%	129%	141.48%	77%	100%
Non-controlling interests	148%	120%	141.82%	96%	100%
Total comprehensive income	105%	129%	141.49%	77%	100%

Vertical Analysis of statement of profit or loss and other comprehensive income

In Taka	2023	2022	2021	2020	2019
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of sales	-74.21%	-75.01%	-61.37%	-42.02%	-36.72%
Gross profit	25.79%	24.99%	38.63%	57.98%	63.28%
General and administrative expenses	-1.07%	-0.20%	-0.35%	-0.69%	-0.89%
Other income/(Expenses)	0.37%	0.19%	-0.08%	0.04%	7.21%
Operating profit	25.09%	24.99%	38.20%	57.32%	69.60%
Finance income	1.34%	1.67%	1.30%	5.20%	5.58%
Foreign exchange gain/(loss)	-3.55%	-5.08%	0.00%	-0.40%	-0.75%
Finance expense	-2.92%	-1.03%	-3.18%	-3.35%	-4.40%
Profit before tax	19.96%	20.55%	36.31%	58.77%	70.03%
Income tax (expense)/income	-0.01%	0.00%	0.03%	1.45%	-0.23%
Profit for the period	19.95%	20.54%	36.34%	60.22%	69.80%
Other comprehensive income	0.00%	0.00%	0.00%	0.00%	0.00%
Total comprehensive income	19.95%	20.54%	36.34%	60.22%	69.80%

Vertical Analysis of financial position

Vertical Analysis- FS

In Taka	2023	2022	2021	2020	2019
Assets					
Property, plant and equipment	44.82%	44.72%	60.30%	52.93%	48.16%
Capital Work In Progress (CWIP)	2.47%	2.09%	2.42%	4.48%	0.00%
Right of use assets	0.20%	0.21%	0.30%	0.68%	0.00%
Prepaid lease rent	0.00%	0.00%	0.00%	0.00%	0.47%
Investment in subsidiaries					
Non-current assets	47.48%	47.03%	63.02%	58.03%	48.63%
	0.00%	0.00%	0.00%	0.00%	0.00%
Inventories	4.25%	4.95%	6.09%	3.69%	2.61%
Trade and other receivables	22.09%	28.42%	7.93%	7.56%	6.59%
Receivable from related parties	23.05%	17.80%	20.33%	28.88%	33.45%
Advances, deposits and prepayments	1.10%	0.20%	0.21%	0.39%	0.53%
Investment in marketable securities	0.17%	0.17%	0.22%	0.26%	0.30%
Advance income tax	0.01%	0.01%	0.01%	0.04%	0.04%
Cash and cash equivalents	1.85%	1.43%	2.19%	1.16%	7.85%
Current assets	52.52%	52.97%	36.98%	41.97%	51.37%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
Equity					
Share capital	7.14%	6.72%	8.57%	14.61%	11.40%
Share premium	2.52%	2.37%	3.02%	5.67%	4.87%
Revaluation reserve	0.07%	0.07%	0.08%	0.16%	0.14%
Retained earnings	28.27%	28.75%	36.45%	60.79%	54.02%
Equity attributable to the owners of the Company	38.00%	37.91%	48.12%	81.23%	70.42%
Non-controlling interests	0.62%	0.59%	0.78%	1.51%	1.16%
Total equity	38.62%	38.51%	48.90%	82.74%	71.58%
Liabilities					
Preference Share Capital	1.48%	2.44%	2.22%	0.00%	0.00%
Long term loan	3.72%	4.50%	5.54%	11.31%	16.80%
Security money received	0.02%	0.00%	0.00%	0.00%	0.00%
Land lease Liability	0.03%	0.03%	0.03%	0.07%	0.00%
Non-current liabilities	5.25%	6.97%	7.79%	11.38%	16.80%
Deferred revenue	0.23%	0.27%	0.71%	0.73%	0.71%
Trade and other payables	10.41%	16.72%	8.61%	0.72%	0.00%
Unclaimed dividend	0.02%	0.02%	0.02%	0.03%	0.00%
Accrued expenses	0.19%	0.14%	0.08%	0.07%	0.16%
Long term loan - Current portion	1.66%	1.47%	3.04%	2.17%	2.55%
Short term loan	6.77%	7.20%	3.67%	0.00%	0.00%
Preference Share Capital	0.49%	1.04%	0.00%	0.00%	0.00%
Land lease Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Payable to related parties	36.36%	27.66%	27.17%	2.08%	7.76%
Current Tax liability	0.01%	0.00%	0.00%	0.08%	0.44%
Current liabilities	56.14%	54.52%	43.31%	5.87%	11.61%
Total liabilities	61.38%	61.49%	51.10%	17.26%	28.42%
Total equity and liabilities	100.00%	100.00%	100.00%	100.00%	100.00%

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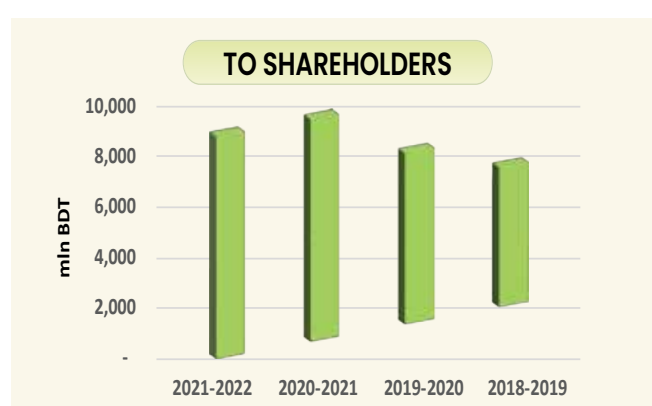
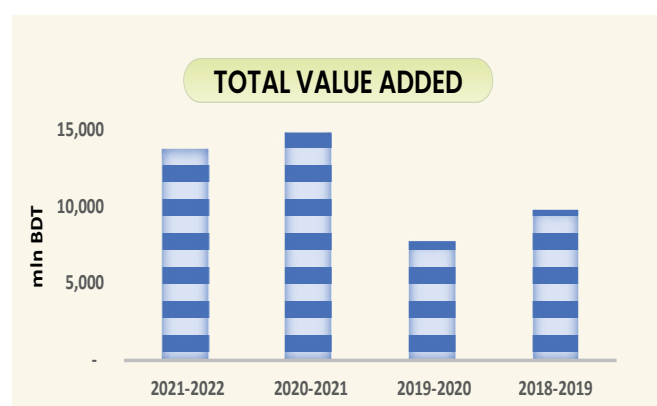
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Value Added By UPGDCL

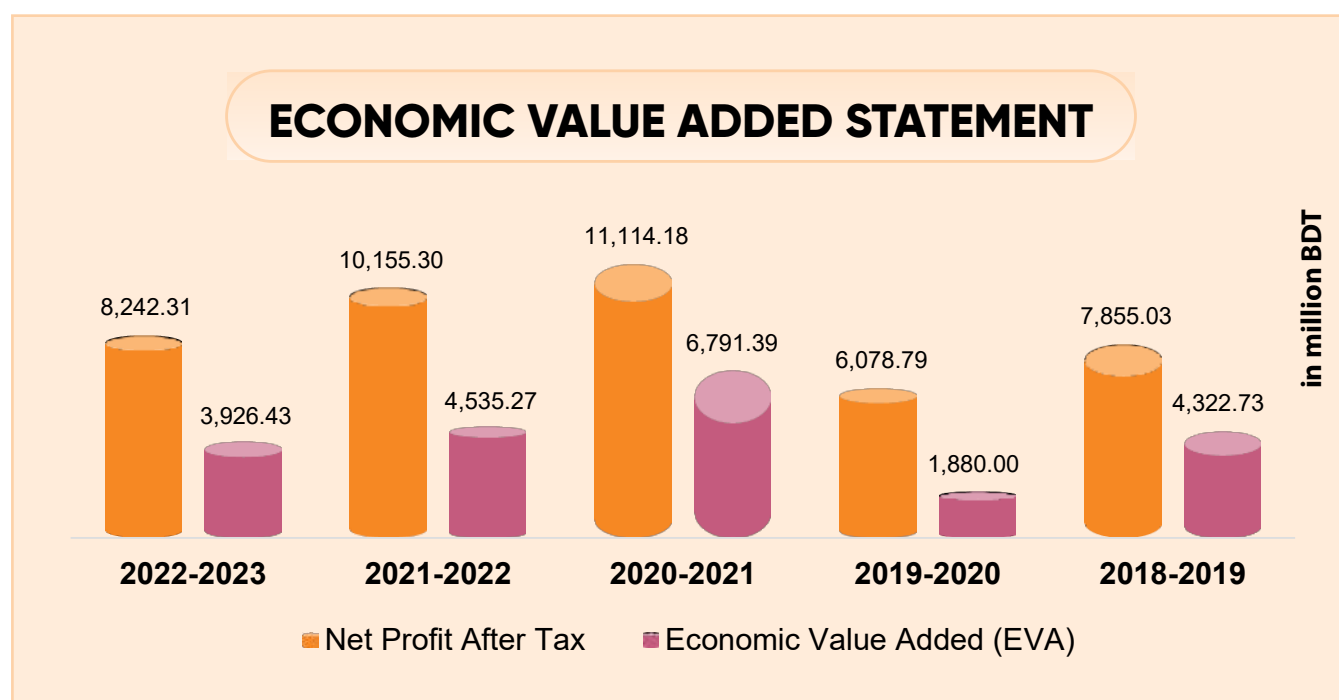
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Value added:					
Revenue	41,309	49,435	30,581	10,094	11,253
Other income including interest income	710	922	465	697	1,445
Cost of Sales, Excluding Depreciation and Amortization	(27,934)	(36,469)	(16,173)	(2,914)	(2,807)
Other operating expenses, excluding depreciation	(50)	(62)	(87)	(61)	(91)
Total Value Added	14,035	13,826	14,787	7,816	9,800
Distribution of added value:					
To Employees as salaries and allowances and others	361	325	308	212	263
To Directors as salaries and allowances	26	16	16	16	24
To Banks and other lenders	2,673	832	973	339	495
To Shareholders Dividend	4,638	9,855	9,855	7,641	6,228
	7,697	11,028	11,152	8,208	7,010
Retained for reinvestment & future growth:					
Depreciation and amortization	2,733	2,498	2,589	1,315	1,313
Retained Profit	3,605	300	1,046	(1,706)	1,476
	6,338	2,798	3,635	(392)	2,789
Total	14,035	13,826	14,787	7,816	9,800



Economic Value Added Statement

Economic Value added (EVA) = (Net Profit after tax- Value of Cost of Shareholders equity)

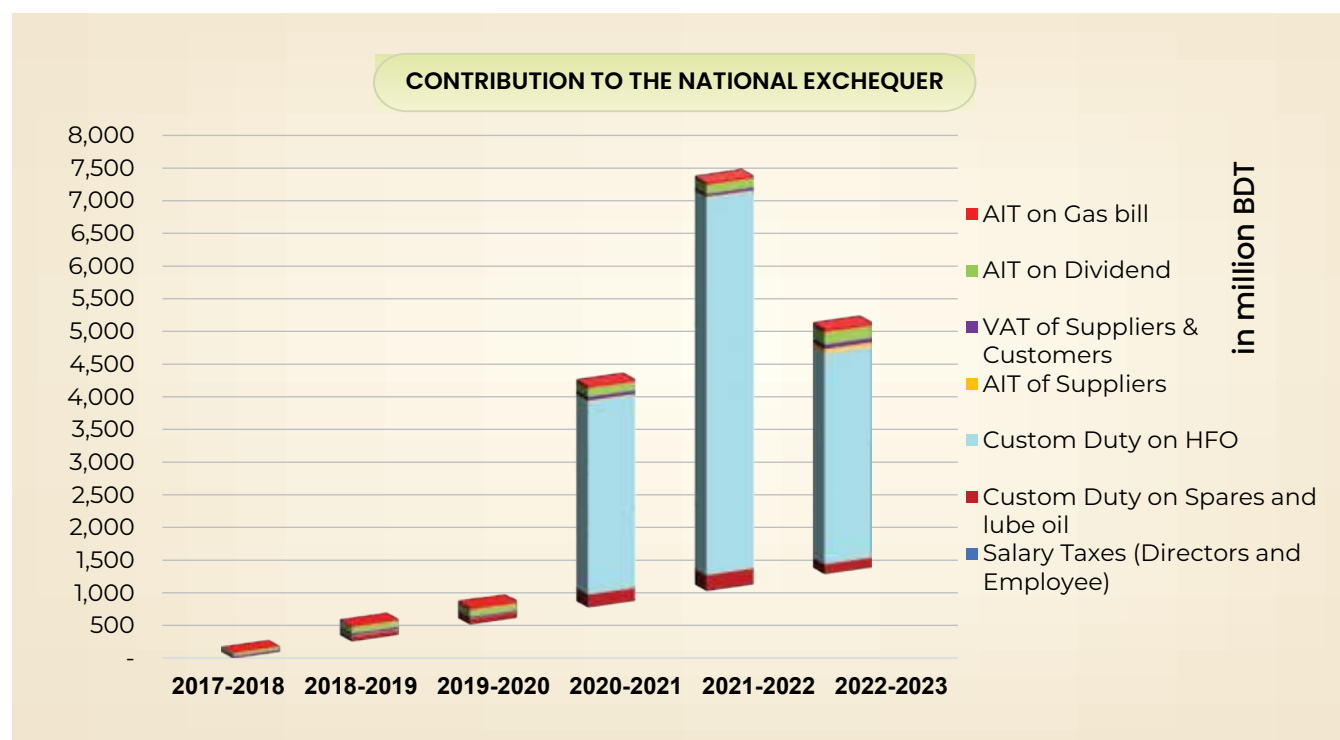
Value Addition	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Net Profit After Tax	8,242.31	10,155.30	11,114.18	6,078.79	7,855.03
Shareholders Equity	31,352.83	33,197.68	33,091.00	29,851.21	30,087.74
Cost of Capital	13.77%	16.93%	13.06%	14.07%	11.74%
Value of Cost of Shareholders Equity	4,315.88	5,620.03	4,322.79	4,198.78	3,532.30
Economic Value Added (EVA)	3,926.43	4,535.27	6,791.39	1,880.00	4,322.73



Contribution to the National Exchequer

From 01 July 2022 to 30 June 2023

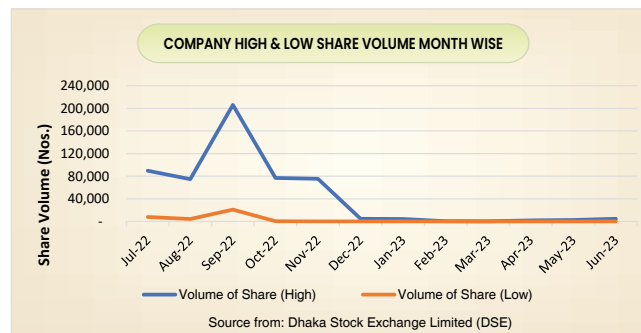
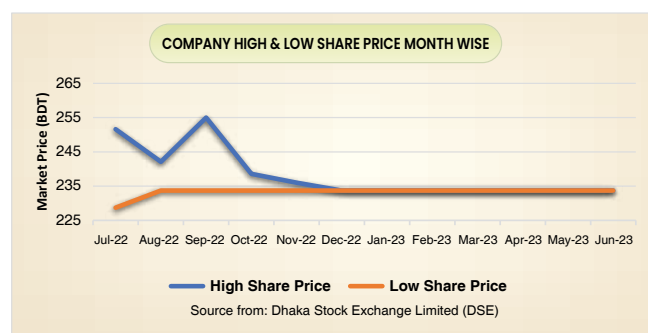
BDT million	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Salary Taxes (Directors and Employee)	4	5	5	6	8	8
Custom Duty on Spares and lube oil	4	85	98	244	291	179
Custom Duty on HFO	-	-	-	3,547	6,935	3,865
AIT of Suppliers	4	13	8	20	23	96
VAT of Suppliers & Customers	33	49	34	65	51	82
AIT on Dividend	49	111	125	158	163	219
AIT on Gas bill	12	32	56	49	52	75
Total	106	294	326	4,090	7,523	4,523



UPGDCL in Capital Market

For the year ended 30 June

		2023	2022
Number of shares with dividend entitlement for the financial year	No.	579,695,270	579,695,270
Year-end closing price	Tk.	233.7	248.60
Year high	Tk.	233.7	313.60
Year low	Tk.	233.7	242.00
Price (Average) yearly	Tk.	233.7	265.82
Volume (Average) yearly	No.	14,276	112,068
Total dividend for the financial year (Cash)	Tk (mn)	4637.56	9,854.82
Market capitalization	Tk (mn)	135,474.79	144,112
Information per share- Separate			
Cash dividend	Tk.	8.00	17.00
Stock dividend	%	Nil	Nil
Dividend yield	%	3.42	6.84
Operating cash flow per share	Tk.	19.40	1.89
EPS	Tk.	13.83	17.21



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GRI Content Index

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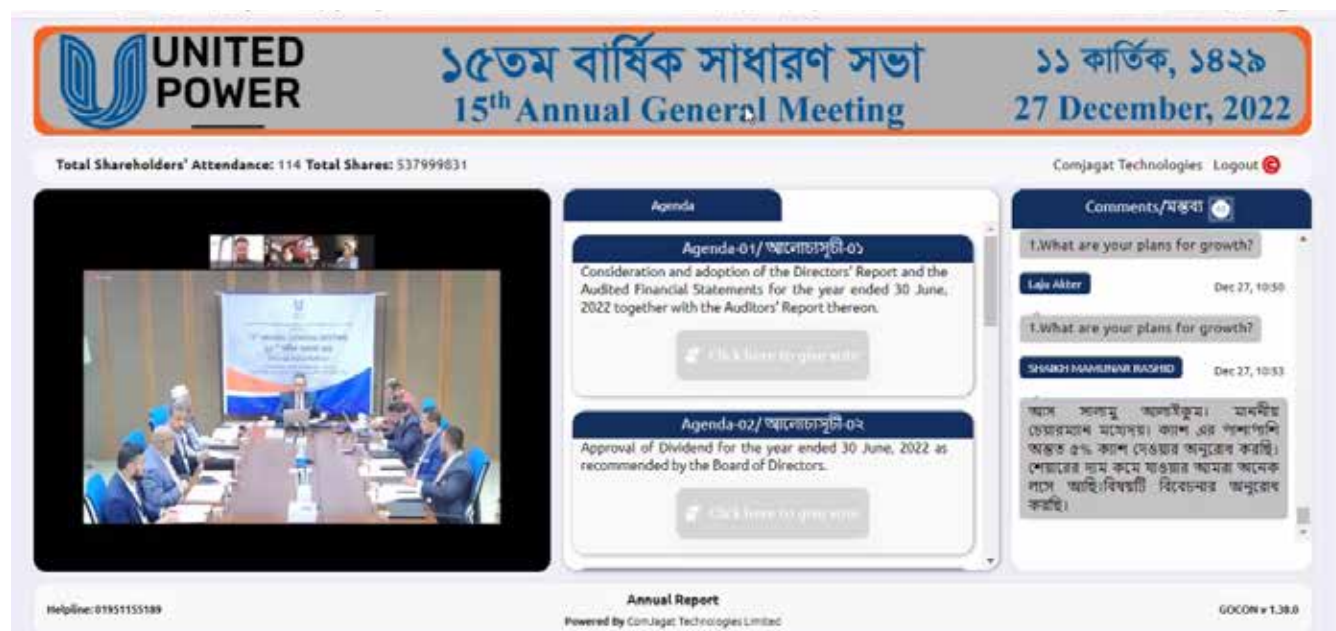
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GRI 303	Water And Effluents	303-1	Interactions with water as a shared resource	Environment and Sustainability Report	85
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GRI 103	Management Approach	103-3	Evaluation of the management approach		

Glimpses of the 15th Annual General Meeting



15th Annual General Meeting (AGM) of UNITED POWER GENERATION & DISTRIBUTION COMPANY LTD (UPGDCL) was held on Tuesday, 27th December 2022 at 11:00 a.m. through the digital platform, link: <https://agmbd.live/unitedpower2022> as per the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/91 dated 31st March 2021. Total attendance was 122 Shareholders (representing 53,83,77,325 shares in aggregate), Shareholders were present at the AGM.

Representative from the Auditor M/S A.Quasem & Co, Chartered Accountant also joined the meeting through the given link. Chairman Nomination and Remuneration Committee (NRC), Chairman Audit Committee and Head of Internal Audit & Compliance respectively were also connected through the given link.

Chairman greeted the honorable Shareholders, Members of the Board of Directors, the Managing Director and others for their presence and participation in the 15th AGM.

The meeting was presided over by the Chairman of the Company. It started with recitation from the Holy Quran and Dua for the wellbeing of the company, directors, employees and the Honorable Shareholders by Hafez Moulana Mufti Md. Kalim Ahmed.

In his opening remarks, Chairman in brief mentioned few salient performance highlights of the company during the year and proceeded with the days Agenda as contained in the Notice. The Notice of the Meeting was taken as "read" since it was published well ahead.

He then invited the Managing Director to provide responses to the various queries raised by the Honorable Shareholders based on the audited financial statements and the Directors' Report circulated beforehand.

The Managing Director started his deliberations by thanking the honorable shareholders for their participation in the AGM and expressions of interest in the affairs of the company. He then proceeded to respond to certain specific queries raised by the shareholders.

Answering a query on consolidated EPS, the Managing Director informed the connected audience (shareholders) that the EPS of the company decreased due to exchange loss and an increase in the price of HFO fuel in the international market.

On the further query on the dividend policy of the company, he assured that UPGDCL would be able to maintain a consistent approach towards dividend distribution in the future as well.

He also highlighted the benefit of the amalgamation of United Energy Ltd., United Jamalpur Power Ltd., and United Anwara Power Ltd. with UPGDCL. Furthermore, he also explained the reason for not declaring stock dividend.

The Managing Director concluded his deliberations by giving thanks to the shareholders concerned.

Power Division: United Group

Pioneers

“Pioneer” is the word that best describes the presence of “United Group’s Power Division” in the Power Sector of Bangladesh, having introduced numerous solutions over the years and serving the nation by providing quality and uninterrupted electricity.

The Group is known as the most reliable and committed developer in the power sector, partnering the Government of Bangladesh for over 25 years, developing more than 2.1 Gigawatts. This is a result of successfully executing multiple projects in the most challenging locations within Bangladesh that have utmost need for electricity.

Portfolio

The development portfolio of the Group stands at 2,137 Megawatts across 17 power plants, with every project commissioned before the required date. Currently, it is contributing 1,301 Megawatts to the national grid through 10 operational power generation facilities, which is more than 5% of Bangladesh’s generation capacity.

The Group’s latest IPP project is a 590 MW Gas/R-LNG based CCPP at Anwara, Chattogram. The investment size is US\$501 million, and the construction is progressing swiftly. This project is expected to be the country’s largest combined cycle power plant, in terms of net capacity, utilizing a single Gas Turbine configuration.

History

The Group’s journey in the Power Sector of Bangladesh started in 1997, with development of Khulna Power Company Limited, the first Independent Power Producer (IPP), paving the way for the private sector’s participation in the sector. The Group also established the first Public-Private Partnership Joint Venture IPP project via United Ashuganj Energy Limited.

United Group’s Power Division continued its practice of introducing value-adding concepts such as Commercial Independent Power Plants as well as Combined Cycle Modular Power Plants in Bangladesh, alongside its identity as the only entity till date to commercially supply electricity & steam to industrial users.

Expanded Value Chain

The Group is present in the entire power generation value chain including (a) Engineering, Procurement & Construction (EPC) (b) Operation & Maintenance (O&M) (c) Fuel Sourcing & Supply (d) Fuel Shipping & Logistics, and (e) Fuel Storage & Terminal Operations. All these assets are strategically important / KPI’s for the Country and

are overseen by more than 1,500 engineers & specialists, who work around the clock to serve the nation.

The Group’s Engineering, Procurement & Construction (EPC) arm is called Neptune Commercial Limited. This subsidiary is the largest Bangladeshi power plant EPC solution provider, with 1,547 Megawatts across 16 projects completed and another 590 MW under construction. It has records of completing award winning utility-scale projects within only 4 months (Ashuganj 53 Megawatts), only 6 months (Mymensingh 200 Megawatts), and a project which brought home the Gold Award at Asian Power Awards 2015 to Bangladesh (Ashuganj 195 Megawatts).

Operation & Maintenance is another key strength of the Group, with its subsidiary named United Engineering & Power Services Limited (UEPSL) excelling in Operation & Maintenance. It’s currently operating 556 major equipment with generation capacity of 1,249 Megawatts in 10 power plants with more than 1,200 engineers in its ranks. This makes UEPSL the largest local power plant O&M Contractor in Bangladesh.

Awards

The Government of Bangladesh has recognized United Group’s efforts numerous times through prestigious awards such as The Best Large Independent Power Producer (IPP) of 2016 and as The Best Power Producer of 2018.

The Group also brought in international recognition for Bangladesh at the Asian Power Awards 2015, where it won the Gold Award (highest) for Combined Cycle Plant of the Year in the Asia Pacific Region. The same project was also awarded Silver Award for Fast-Track Power Plant of the Year and Bronze Award for Gas Power Project of the Year.

Partners

Globally prominent OEMs and financiers have been long-standing partners of United Group. For example: associations with Wartsila and IFC go back to 1997. The World Bank Group, Deutsche Investitions- und Entwicklungsgesellschaft (DEG), Finnvera, Standard Chartered, HSBC, DBS are all trusted financial partners. On the other hand, global OEMs like Siemens, Rolls-Royce, ABB, Alfa-Laval, etc. continue to closely partner United Group to introduce proven & state-of-the-art technology solutions for the benefit of Bangladesh.

Declaration of Status of Un-claimed Dividend

As on 30 June 2023, the amount of unclaimed dividend stood at BDT 1,29,43,407.8 as detailed below. As per BSEC directive no. BSEC/CMRRCD/2021-386/03, dated 14 January 2021 and BSEC CMSF rule 2021, the Company had deposited to the Capital Market Stabilization Fund (CMSF) in total BDT 1,47,38,290.52 relating to the financial year 2013 to 2019 BDT 92,24,335.52 and transfer Share application money BDT 55,13,955.

Year	Un-Claimed Amount (BDT)
2019-20	3,914,680
2020-21	5,406,305
2021-22	3,623,136
Total Un-claimed Dividend	12,944,121

Details of “Share Application Money” & “Un-claimed Dividend” has been provided/up-loaded in the Company website.

Financials



United Power Generation & Distribution Company Ltd.

Consolidated financial statements
as at and for the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Power Generation & Distribution Company Ltd. and its Subsidiaries

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 2023, and the consolidated statements 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 present fairly, in all material respects, of the consolidated financial position of the Company as at 30 June 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note 60.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The consolidated financial statements of United Power Generation & Distribution Company Ltd. and its subsidiaries for the year ended 30 June 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 27 October 2022.

Emphasis of matter

We draw attention to Note 50.2 to the consolidated financial statements, wherein the management has explained the status of additional claim by the Company's gas suppliers. After several stages of legal proceedings, where the judgements did not go in favour of the Group, the Group has filed two Civil Review Petitions which are still pending for hearing before the Honourable Appellate Division of the Supreme Court of Bangladesh as of the date of this report. Meanwhile, the Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources to consider the gas tariff as IPP category. Pending final outcome of the Court proceedings, management has concluded that a significant uncertainty exists in order to enable any reliable estimation of a potential obligation, if any, and no provision for these claims has been made in the accompanying consolidated financial statements. Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

Revenue recognition	
Description of key audit matters	How the matters were addressed in our audit
Revenue recognition and provision for customer receivables are key areas of judgement for the Group, particularly in relation to: energy revenue is made based on the survey of the meter reading. The customer (or government authority) verifies the electrical energy output through physical inspection of meter and/or review of relevant reports generated from the meter. Upon agreement by both parties, the electrical energy delivered for the month is evidenced by the approval of the professional engineers representing the Company and the customer. The meter is calibrated and certified by independent professional engineers on a regular basis. those portions of revenue requiring true-up adjustments (e.g. inflation, FX, transportation, others) as well as any disputed overdue receivables. Identification of conflicting issues relating to billing and assessing the prospect of recoverability for revenue that has been billed is hence regarded as a key audit matter.	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> assessing whether revenue recognition policies are applied through comparison with relevant accounting standards and industry practice; Review of Power Supply/Purchase Agreement terms and recalculate invoice amount as per PSA/PPA; testing the Company's controls over revenue recognition; assessing the assumptions used to calculate the metered accrued income by ensuring that inputs used to the calculation have been derived appropriately; checking of subsequent collection of revenue. Discussions with management regarding their communications with customers (e.g. BPDB, BREB) regarding settlement of remaining invoices. Review of management's assessment as to recoverability, including the need for any impairment provision.

See note 60 (F) and 32 to the consolidated financial statements

Additional charges claimed by the gas suppliers to the Company	
Description of key audit matters	How the matters were addressed in our audit
Based on a decision of the Ministry of Power, Energy and Mineral Resources with regard to gas rates applicable for gas-based power plants, the gas suppliers of the Company, namely Titas Gas Transmission & Distribution Company Limited and Karnaphuli Gas Distribution Company Limited have claimed additional amounts of BDT to BDT 3,844,873,992 (for the period January 2018 to January 2023) and BDT 2,476,564,935 (for the period May 2018 to January 2023 for Dhaka Export Processing Zone (DEPZ) and Chittagong Export Processing Zone (CEPZ) plants, respectively.	<p>Our substantive procedures in this area included:</p> <ul style="list-style-type: none"> discussion of material legal cases with the Company's Legal Department; review of legal documents pertaining to the case; inquiry with management and review and analysis of managements detailed assessment of the probability of outcome of the case; directly obtaining assessment and legal opinion from the Company's external legal counsel with regard to the outcome of the case; assessment of disclosures in the consolidated financial statements of material contingencies, nature and their measurement.

The Company had filed two separate writ petitions, dated 23 May 2019 and 1 July 2019, with the Honorable High Court Division of the Supreme Court of Bangladesh against the above decision. Judgement was given against the Company and the Company then appealed to the Honorable Supreme Court which was also discharged by the Court. The Company has now filed two review petitions which are still pending for hearing before the Honorable Appellate Division of the Supreme Court of Bangladesh as of the date of this report.

Pending final outcome of the Court proceedings, management has concluded that a significant uncertainty exists in order to enable any reliable estimation of a potential obligation, and no provision for these claims has been made in the accompanying consolidated financial statements. As the amount is considered material for the consolidated financial statements of the Group we considered this as a key audit matter.

See note 60 (H) and 50.2 to the consolidated financial statements

Accuracy and completeness of disclosure of related party transactions

Description of key audit matters	How the matters were addressed in our audit
<p>The Company and the Group has undertaken various related party transactions as part of its operational activities. We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the consolidated financial statements as a key audit matter. Furthermore, the Company being a listed entity such related party transactions are subject to certain regulatory directives. Accordingly we consider this as a key audit matters.</p>	<p>Our procedures in relation to the accuracy and completeness of disclosure of related parties' transactions included:</p> <ul style="list-style-type: none"> • obtained an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been accurately disclosed in the consolidated financial statements; • agreed the amounts disclosed to underlying documentation and reviewing relevant agreements, on a sample basis, as part of our evaluation of the disclosure; and • evaluated the disclosures through review of statutory information, books and records and other documents obtained during the course of our audit. • Checked the compliance with regulatory directives regarding related party transactions.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as explained in note 43, the Companies Act 1994, Securities and Exchange Rules 2020, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- 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 accounts as required by law have been kept by the Group so far as it appeared from our examination of these books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Group's Business.

Dhaka, 26 October 2023



Sabbir Ahmed FCA, Partner
ICAB Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In Taka	Notes	As at	
		30 June 2023	30 June 2022
Assets			
Property, plant and equipment	5	36,387,094,719	38,553,574,856
Capital Work In Progress (CWIP)	6	2,003,363,856	1,804,307,076
Right of use assets	7	161,088,918	183,790,779
Investment in subsidiaries	8	-	-
Non-current assets		38,551,547,494	40,541,672,711
Inventories	9	3,449,474,931	4,265,343,282
Trade and other receivables	10	17,933,527,471	24,501,517,713
Receivable from related parties	11	18,712,224,278	15,343,171,161
Advances, deposits and prepayments	12	891,960,800	173,724,377
Investment in marketable securities	13	137,876,106	148,085,596
Advance income tax	14	9,147,670	6,664,589
Cash and cash equivalents	15	1,501,799,518	1,230,174,686
Current assets		42,636,010,774	45,668,681,403
Total assets		81,187,558,268	86,210,354,114
Equity			
Share capital	16	5,796,952,700	5,796,952,700
Share premium	17	2,046,000,000	2,046,000,000
Share Money Deposit			
Revaluation reserve	18	55,443,307	56,115,299
Retained earnings	19	22,951,409,252	24,786,447,118
Equity attributable to the owners of the Company		30,849,805,259	32,685,515,117
Non-controlling interests	20	503,021,021	512,166,162
Total equity		31,352,826,280	33,197,681,279
Liabilities			
Preference Share Capital	21	1,200,000,000	2,100,000,000
Long term loan	22	3,020,168,488	3,883,160,052
Security money received	24	15,700,000	700,000
Land lease Liability	25	22,545,443	24,677,455
Non-current liabilities		4,258,413,931	6,008,537,507
Deferred revenue	26	190,480,383	234,267,429
Trade and other payables	27	8,448,367,534	14,411,833,578
Unclaimed dividend	28	12,944,121	13,322,090
Accrued expenses	29	155,924,417	119,105,149
Long term loan - Current portion	22	1,343,970,681	1,266,361,806
Short term loan	23	5,496,172,222	6,210,000,000
Preference Share Capital	21	400,000,000	900,000,000
Land lease Liability	25	2,132,012	1,980,622
Payable to related parties	30	29,520,486,041	23,845,523,399
Current Tax liability	31	5,840,645	1,741,255
Current liabilities		45,576,318,057	47,004,135,328
Total liabilities		49,834,731,988	53,012,672,835
Total equity and liabilities		81,187,558,268	86,210,354,114
Net asset value per share	41	53.22	56.38

The accompanying notes form an integral part of these financial statements.
See the annexed report of even date

Hoda Vasi Chowdhury & Co
Chartered Accountants



Sabbir Ahmed FCA, Partner
Enrolment Number: 0770
Dhaka, 26 October 2023



Managing Director


Director

Mostafiz Ahmed
Company Secretary

United Power Generation & Distribution Company Ltd.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Taka	Notes	For the year ended	
		30 June 2023	30 June 2022
Revenue	32	41,309,112,151	49,435,163,297
Cost of sales	33	(30,656,188,645)	(37,079,389,766)
Gross profit		10,652,923,506	12,355,773,531
General and administrative expenses	34	(443,815,489)	(98,733,440)
Other income/(Expenses)	35	154,692,723	95,132,864
Operating profit		10,363,800,740	12,352,172,955
Finance income	36	555,417,608	826,961,563
Foreign exchange gain/(loss)	37	(1,468,391,168)	(2,511,086,094)
Finance expense	38	(1,204,422,000)	(510,727,599)
Profit before tax		8,246,405,181	10,157,320,826
Income tax (expense)/income	39	(4,099,390)	(2,024,428)
Profit for the period		8,242,305,791	10,155,296,398
Other comprehensive income		-	-
Total comprehensive income		8,242,305,791	10,155,296,398
Total comprehensive income attributable to:			
Owners of the Company		8,019,109,732	9,974,411,005
Non-controlling interests	20	223,196,059	180,885,393
Total comprehensive income		8,242,305,791	10,155,296,398
Earnings per share	40.1	13.83	17.21

The accompanying notes form an integral part of these financial statements.
See the annexed report of even date

Hoda Vasi Chowdhury & Co
Chartered Accountants



Sabbir Ahmed FCA, Partner
Enrolment Number: 0770
Dhaka, 26 October 2023



Managing Director



Director

Mostak Ahmed
Company Secretary



United Power Generation & Distribution Company Ltd.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In Taka	For the year ended 30 June 2023					
	Attributable to the owners of the Company					
	Share capital	Share premium	Retained earnings	Revaluation reserve	Non-controlling interests	Total
Balance at 1 July 2022	5,796,952,700	2,046,000,000	24,786,447,118	56,115,299	512,166,162	33,197,681,279
Profit for the year	-	-	8,019,109,732	-	223,196,059	8,242,305,791
Dividend			(9,854,819,590)		(232,341,200)	(10,087,160,790)
Depreciation on revalued assets	-	-	671,992	(671,992)	-	-
Other comprehensive income						
Balance at 30 June 2023	5,796,952,700	2,046,000,000	22,951,409,253	55,443,307	503,021,021	31,352,826,280
Note	16	17	19	18	20	

In Taka	For the year ended 30 June 2022					
	Attributable to the owners of the Company					
	Share capital	Share premium	Retained earnings	Revaluation reserve	Non-controlling interests	Total
Balance at 1 July 2021	5,796,952,700	2,046,000,000	24,666,183,710	56,787,291	525,075,969	33,090,999,670
Profit for the year	-	-	9,974,411,005	-	180,885,393	10,155,296,399
Dividend			(9,854,819,590)		(193,795,200)	(10,048,614,790)
Depreciation on revalued assets	-	-	671,992	(671,992)	-	-
Balance at 30 June 2022	5,796,952,700	2,046,000,000	24,786,447,118	56,115,299	512,166,162	33,197,681,279
Note	16	17	19	18	20	

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



United Power Generation & Distribution Company Ltd.

CONSOLIDATED STATEMENT OF CASH FLOWS

In Taka	Note	For the year ended	
		30 June 2023	30 June 2022
Cash flows from operating activities			
Cash received from customers		47,527,707,277	30,057,000,670
Cash received from other sources		99,050,073	98,103,059
Cash paid to suppliers and others		(34,228,706,427)	(28,548,577,683)
Tax paid		(1,057,153)	(2,715,565)
Financial charges paid	38	(1,204,421,999)	(510,727,598)
Foreign exchange loss		(944,762,106)	-
Net cash generated from operating activities		11,247,809,666	1,093,082,883
Cash flows from investing activities			
Acquisition of property, plant and equipment		(384,148,812)	(99,793,875)
Cash paid for liabilities against capital machinery		-	(288,110,196)
Cash received/(paid) for related party loan		(2,652,922,424)	(848,449,466)
Dividend from subsidiary company		12,704,409,514	7,568,179,964
Net cash generated from/(used in) investing activities		9,667,338,277	6,331,826,426
Cash flows from financing activities			
Dividend paid		(22,791,948,274)	(17,616,627,814)
Preference Share Capital	21	(1,400,000,000)	1,500,000,000
Insurance claim received		89,332,181	
Lease payment	25	(1,980,622)	(1,840,434)
Inter company loan received/(paid)		5,468,447,801	5,376,982,142
Security Money Received		15,000,000	
Short term loan received/(paid)		(713,827,778)	3,723,678,897
Long term loan received/(paid)		(1,308,546,419)	(659,760,349)
Net cash generated from/(used in) financing activities		(20,643,523,111)	(7,677,567,558)
Net increase in cash and cash equivalents		271,624,832	(252,658,249)
Opening cash and cash equivalents	15	1,230,174,686	1,482,743,529
Effect of movements in exchange rates on cash held		-	89,405
Cash and cash equivalents as at 30 June		1,501,799,518	1,230,174,686
Net operating cash flow per share	42	19.40	1.89

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1 REPORTING ENTITY

1.1 Company profile

United Power Generation & Distribution Company Ltd. (UPGDCL) (hereinafter referred to as “the Company”), a public limited company, was incorporated in Bangladesh on 15 January 2007 under the Companies Act (#18) 1994 under registration no. C-65291(2783)/07 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212. The Company was initially registered as a private limited company, formerly known as Malancha Holdings Ltd. (MHL) and subsequently converted into a public limited company on 22 December 2010.

The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chattogram Stock Exchange Limited (CSE).

1.2 Investment in subsidiaries

Consolidated financial statements of the Group as at and for the year ended 30 June 2023 comprise the financial statements of the Company and those of its subsidiaries (together referred to as “the Group”).

Subsidiaries

Subsidiaries are the entities controlled by the Company. The Company controls an entity when it has power over the entity and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary companies are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The following are the subsidiaries controlled by the Company:

1.2.1 United Energy Ltd.

United Energy Ltd. (UEL) the former name of Shajahanullah Power Generation Company Limited (SPGCL) (hereinafter referred to as “the Company”) a Public Limited Company in Bangladesh was incorporated vide registration no.-C-75168/09 on 04 March 2009 under the Companies Act (#18) 1994 having its present corporate office at United House, Madani Avenue, United City, Dhaka 1212. The company has developed a power plant of 28 MW capacity in Sylhet in order to produce and supply electricity through BPDB and BREB. The Sylhet power plant came into commercial operational on 21 October 2013.

UEL also acquired a power plant of 53 MW capacity through amalgamation with United Ashuganj Power Limited (UAPL) from 1 July 2016 in order to produce and supply electricity.

The authorized capital of the company is Tk. 100,000,000 divided into 10,000,000 ordinary shares of Tk. 10 each. The company has acquired in the year 2017-18 a power plant of 53 MW capacity through Amalgamation of United Ashuganj Power Limited (UAPL) in B. Baria Ashuganj in order to produce and supply electricity through BPDB.

“On 13 November 2018, the Board of Directors of the Company resolved to acquire 99% ordinary shares of United Energy Ltd (UEL) at face value. UEL is a power generation company established under the Private Sector Power Generation Policy of Bangladesh. It operates two power plants 28 MW plant at Sylhet and 53 MW plant at Ashuganj.

UEL also holds 92.41% ordinary shares of United Ashuganj Energy Ltd (UAEL), a power generation company established under Public Private Partnership (PPP). It operates a 195 MW plant located at Ashuganj, Brahmanbaria”

On 22 June 2019, the Contract for Supply of Electricity on Rental Basis between Bangladesh Power Development Board (BPDB) and United Energy Ltd relating to its 53 MW plant expired. Prior to the expiry, on 4 August 2018 the Company filed an application with BPDB for a 5 year extension of the contract. The plant further extended its contract for another five years vide contract No. 10640, executed on 31 March 2022.

1.2.2 United Ashuganj Energy Ltd. (UAEL) was incorporated in Bangladesh as a private company limited by shares under Companies Act (Act XVIII) 1994 on 30 January 2013. The authorised share capital of the Company is BDT 7,000,000,000 only divided into 500,000,000 ordinary shares of BDT 10 each and 200,000,000 redeemable preference shares of BDT 10 each.

The principal activity of UAEL is power generation and sale of such power to Bangladesh Power Development Board (BPDB). UAEL is a gas fired power plant with a capacity of 195 MW (net) located at Ashuganj, Brahmanbaria which started its commercial operation on 8 May 2015.



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1.2.3 Leviathan Global BD Ltd.

Leviathan Global BD Ltd. (LGBDL) (hereinafter referred to as “the Company”), a private limited company, was incorporated in Bangladesh on 23 May 2018 under the Companies Act (#18) 1994 under registration no. C-145026/2018 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212, Bangladesh.

Leviathan Global BD Ltd. is a 40/50 MW IPP gas-fired power plant having a contract period of 30 years (extendable for further 30 years), built under joint venture with Leviathan Global Corporation, USA and United Power Generation & Distribution Company Ltd (UPGDCL) respectively.

On 22 June 2019, the Board of Directors of the Company resolved to acquire 75% shares (300,000 shares at face value of Tk. 10 each) of Leviathan Global BD Ltd. (LGBDL) from United Enterprises & Co. Ltd. (UECL). A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2019. LGBDL is a 40/50 MW IPP gas fired power plant built under joint venture between Leviathan Global Corporation, USA and UECL. The plant is located at KEPZ in Chattogram and will be operated under an agreement with BEPZA with a contract period of 30 years (extendable for a further 30 years) which is under construction.

1.2.4 United Anwara power Limited

United Anwara Power Limited incorporated in Bangladesh as private limited company under the companies Act (#18) 1994 vide registration no.-C-130232/2016 on 12 April 2016 having its corporate office at United House, Madani Avenue, United City, Dhaka-1212. The company has developed a power plant of capacity of 300 MW at Anwara, Chittagong in order to produce and supply electricity under an agreement with Bangladesh Power Development Board (BPDB). The authorised share capital of the Company is Tk. 10,000,000,000 (Taka One thousand crore) only divided into 1,000,000,000 (One hundred crore) only ordinary shares of Tk. 10 (Ten) each.

The power plant consist of Wartsila engine generators, Exhaust Gas Boilers from Al-borg and steam Turbines from GE Triveni with 15 years minimum useful life, which form the major equipment for power generation. The power plant came into commercial operation on 22 June 2019 with capacity of 300 MW (net). This HFO based generating set has its own auxiliaries, exhaust Gas silencers and electrical, mechanical & civil construction and erection. The power plant has Fourteen (14) integrated systems named fuel, lubrication oil, compressed air, cooling, charge air, exhaust, water treatment, fire protection, emission control, automation, electrical, station service, DC and high voltage systems. There are seventeen (17) engine generator sets with capacity of 17.06 MW each i.e. total 300 MW capacity (net) including the capacity of Turbines.

On 15 September 2020, the Board of Directors of the Company, resolved to acquire 99% shares (9,900,000 shares) of United Anwara Power Limited (UAnPL) from Sponsor Shareholders at Net Asset Value based on audited Financial Statements as at 30 June 2020. A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2020. UAnPL is a 300 MW IPP HFO fired power plant, located at Anwara, Chattogram for a period of 15 years which came into Commercial Operation on 22 June 2019. The principal activity of the company is to generate electricity to sell such generated electricity to Bangladesh Power Development board (BPDB) under a Power Purchase Agreement (PPA).

1.2.5 United Jamalpur power Limited

United Jamalpur Power Ltd. (UJPL) (hereinafter referred to as “the Company”), a private limited company, was incorporated in Bangladesh on 02 August 2017 under the Companies Act (#18) 1994 under registration no. C-139126/2017 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212, Bangladesh. The authorized share capital of the Company is Tk. 2,500,000,000 (Two Hundred Fifty crore) only divided into 250,000,000 (Twenty Five Crore) ordinary shares of Tk. 10 (Tk. ten) each.

The power plant consists of Wartsila engine generators with 20 years expected useful life, which form the major part of the power generation. The power plant came into commercial operation on 21 February 2019 with capacity of 115 MW. This HFO based generating sets consist of auxiliaries, exhaust silencer and electrical, mechanical & civil construction and erection. The power plant has Fourteen (14) integrated systems named fuel, lubrication oil, compressed air, cooling, charge air, exhaust, water treatment, fire protection, emission control, automation, electrical, station service, DC and high voltage systems. The company installed 12 Nos Wartsila engine @ 9.78MW each, 12 Nos Heat Recovery Steam Generators and 1 Steam Turbine of Capacity 6.5 MW.

On 15 September 2020, the Board of Directors of the Company also resolved to acquire 99% shares (9,900,000 shares) of United Jamalpur Power Limited (UJPL) from Sponsor Shareholders at Net Asset Value based on audited Financial Statements as at 30 June 2020. A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2020. UJPL is a 115 MW IPP HFO fired power plant, located at Jamalpur for a period of 15 years which came into commercial operation on 21 February 2019. The principal activity of the company is to generate electricity to sell such generated electricity to Bangladesh Power Development board (BPDB) under a Power Purchase Agreement (PPA).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Details of holding structure in subsidiaries are described in Note 60A and note 8.

1.3 Nature of the business

The principal activity of the Company is to generate electricity by gas fired power plants, at Dhaka Export Processing Zone (DEPZ) with 82 MW capacity and Chattogram Export Processing Zone (CEPZ) with 72 MW capacity and to sell electricity to the export processing industries located inside DEPZ and CEPZ with the provision of selling surplus power outside the Export Processing Zones (EPZs) after fulfilling their requirement. The Company is also supplying electricity to Dhaka PBS-1 of Bangladesh Rural Electrification Board (BREB), Bangladesh Power Development Board (BPDB), Karnaphuli Export Processing Zone (KEPZ) and other private sector companies.

1.4 Power plant

The natural gas fired power plants of Dhaka EPZ and Chattogram EPZ consist of Wartsila and Rolls Royce engine generators with 30 years expected useful life, which forms the major part of the power generation companies.

DEPZ power plant came into commercial operation on 26 December 2008 with a capacity of 41 MW at DEPZ premises. In 2013, the Company increased its capacity from 41 MW to 86 MW and installed 2 heat recovery boilers to produce 8 ton/h of steam for sale to other customers. At DEPZ, there are four gas fired engines with a capacity of 8.73 MW each, five gas fired engines with a capacity of 9.34 MW each and two gas fired engines with a capacity of 2 MW each for generation of electricity. In 2021, the company disposed two gas fired MTU engines with a capacity of 2 MW. At present total install capacity of DEPZ power plant is 82 MW.

CEPZ power plant came into commercial operation on 12 August 2009 with a capacity of 44 MW at CEPZ premises. In 2013, the Company increased its capacity from 44 MW to 72 MW and installed 3 heat recovery boilers to produce 12 ton/h of steam for sale to other customers. At CEPZ, there are five gas fired engines with a capacity of 8.73 MW each and three gas fired engines with a capacity of 9.34 MW each.

The principal activity of the Group is to generate and supply electricity. Operational details of the Group are as follows:

Name of entity	Location	Plant capacity (MW)	Fuel Component	Commercial Operation Date (COD)	End of Contract year
United Power Generation & Distribution Company Ltd.	DEPZ	82	Gas	26 December 2008	2038
	CEPZ	72	Gas	12 August 2009	2039
United Energy Ltd	Ashuganj	53	Gas	22 June 2011	2027
	Sylhet	28	Gas	21 October 2013	2043
United Ashuganj Energy Ltd	Ashuganj	195	Gas	8 May 2015	2030
Leviathan Global BD Ltd.	KEPZ	40/50	Gas	-	2048
United Anwara Power Limited	Anwara	300	HFO	22-Jun-19	2034
United Jamalpur Power Limited	Jamalpur	115	HFO	21-Feb-19	2034

2 BASIS OF ACCOUNTING

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Details of the Group's accounting policies are included in Note 60.

2.2 Date of authorisation

The consolidated financial statements were authorised for issue by the Board of Directors on 26 October 2023.

2.3 Reporting period

The current financial period of the Group covers twelve months from 1 July 2022 to 30 June 2023.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3 FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements have been presented in Bangladeshi Taka (Taka/Tk/BDT), which is both the functional and presentation currency of the Group. All financial information presented in Taka have been rounded off to the nearest integer, unless otherwise indicated.

4 USE OF ESTIMATES AND JUDGMENTS

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4.1 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 June 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 5 and 60B	Property, plant and equipment
Note 9 and 60C	Inventories
Note 10 and 60D	Trade and other receivables
Note 31 and 60J	Current Tax liability
Note 48, 50, and 60H	Contingent assets and Contingent liabilities

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liabilities that are not based on observable market data

The Group, on regular basis, reviews the inputs and valuation judgements used in measurement of fair value and recognises transfers between level of the fair value hierarchy at the end of the reporting period during which the changes have occurred.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5 PROPERTY, PLANT AND EQUIPMENT

See accounting policy in Note 60B

Reconciliation of carrying amount

In Taka	Plant and machinery	Gas line	Building and civil construction	Land and development	Office equipment	Furniture and fixture	Motor vehicle	Total
Cost								
Balance at 1 July 2022	50,554,485,445	484,468,180	2,708,580,809	321,929,079	29,466,632	16,455,464	204,135,898	54,319,521,507
Additions	135,465,661	47,334,685	3,918,590	-	4,316,029	355,691	114,000	191,504,656
Disposals/transfers	-	-	-	-	-	-	-	-
Balance at 30 June 2023	50,689,951,106	531,802,865	2,712,499,400	321,929,079	33,782,661	16,811,155	204,249,898	54,511,026,163
Balance at 1 July 2021	50,360,525,262	483,716,045	2,697,067,990	321,929,079	27,534,786	16,417,214	187,675,898	54,094,866,273
Additions	193,960,183	752,135	11,512,819	-	1,931,847	38,250	16,460,000	224,655,234
Disposals/transfers	-	-	-	-	-	-	-	-
Balance at 30 June 2022	50,554,485,445	484,468,180	2,708,580,809	321,929,079	29,466,632	16,455,464	204,135,898	54,319,521,507
Accumulated depreciation								
Balance at 1 July 2022	14,712,586,382	159,054,973	635,382,222	145,790,312	19,049,203	10,412,791	83,670,768	15,765,946,650
Depreciation for the year	2,186,172,642	9,599,134	129,518,446	9,387,678	1,988,847	1,424,239	19,893,806	2,357,984,794
Adjustment for disposal/transfers	-	-	-	-	-	-	-	-
Balance at 30 June 2023	16,898,759,024	168,654,107	764,900,668	155,177,990	21,038,050	11,837,030	103,564,575	18,123,931,444
Balance at 1 July 2021	12,407,487,664	149,956,125	506,099,783	136,402,634	17,187,861	9,000,253	64,650,862	13,290,785,182
Depreciation for the year	2,305,098,718	9,098,848	129,282,438	9,387,678	1,861,342	1,412,537	19,019,906	2,475,161,468
Adjustment for disposal/transfers	-	-	-	-	-	-	-	-
Balance at 30 June 2022	14,712,586,382	159,054,973	635,382,222	145,790,312	19,049,203	10,412,791	83,670,768	15,765,946,650
Carrying amounts								
Balance at 30 June 2023	33,791,192,082	363,148,759	1,947,598,732	166,751,088	12,744,611	4,974,124	100,685,323	36,387,094,719
Balance at 30 June 2022	35,841,899,063	325,413,207	2,073,198,588	176,138,767	10,417,430	6,042,673	120,465,130	38,553,574,856

Allocation of depreciation

In Taka	Note	30 June 2023	30 June 2022
Cost of sales	33	2,339,612,291	2,455,389,348
General and administrative expenses	34	18,372,503	19,772,122
		2,357,984,794	2,475,161,470



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6 CAPITAL WORK IN PROGRESS (CWIP)

<i>In Taka</i>	30 June 2023	30 June 2022
Capital Machinery	1,395,108,058	1,332,487,527
Building and civil Construction	84,941,211	79,653,910
Office Furniture	1,324,462	157,607
Office and Electrical equipment	567,411	314,606
Gas Line	5,000,000	5,000,000
Interest during construction period	516,422,713	386,693,426
	2,003,363,856	1,804,307,076

7 RIGHT OF USE ASSETS

See accounting policy in Note 60S

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Land lease rent	7.1	159,064,609	180,754,316
Office rent	7.2	2,024,309	3,036,463
Balance at		161,088,918	183,790,779

7.1 Land lease rent

<i>In Taka</i>	30 June 2023	30 June 2022
Cost		
Balance as at 01 July 2022	245,823,435	245,823,435
Addition	-	-
Disposals	-	-
Balance at 30 June 2023	245,823,435	245,823,435
Accumulated depreciation		
Balance as at 01 July 2022	65,069,119	43,379,412
Amortisation for the year	21,689,707	21,689,707
Adjustment for disposal/transfers	-	-
	86,758,826	65,069,119
Carrying amount		
Balance at 30 June	159,064,609	180,754,316

7.2 Office rent

<i>In Taka</i>	30 June 2023	30 June 2022
Cost		
Balance as at 01 July 2022	4,048,617	-
Addition	-	4,048,617
Disposals	-	-
	4,048,617	4,048,617
Accumulated depreciation		
Balance as at 01 July 2022	1,012,154	-
Amortisation for the year	1,012,154	1,012,154
Adjustment for disposal/transfers	-	-
	2,024,308	1,012,154
Carrying amount		
Balance at 30 June	2,024,309	3,036,463

Amortisation on right of use asset (land) has been charged to cost of sales and amortisation on right of use asset (office rent) has been charged to general and administrative expenses.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8 INVESTMENT IN SUBSIDIARIES

See Note 1.2

In Taka	30 June 2023	30 June 2022
United Energy Ltd	-	-
Leviathon Global BD Ltd.	-	-
United Anwara power Limited	-	-
United Jamalpur power Limited	-	-

9 INVENTORIES

See accounting policy in Note 60C

In Taka	Note	30 June 2023	30 June 2022
Spare parts	9.1	2,115,873,065	1,856,457,857
Lube oil and chemicals	9.2	120,101,359	73,240,160
Heavy fuel oil	9.3	1,002,830,393	2,055,813,661
Light fuel oil	9.4	5,959,568	6,656,092
Materials in transit		204,710,546	273,175,512
		3,449,474,931	4,265,343,282

9.1 Spare parts

In Taka	30 June 2023	30 June 2022
Opening balance	1,856,457,857	1,610,163,572
Purchase during the year	1,039,253,045	1,039,461,693
Transfer during the year	(15,218,772)	(70,587,083)
Consumption during the year	(764,619,065)	(722,580,325)
	2,115,873,065	1,856,457,857

9.2 Lube oil and chemicals

In Taka	30 June 2023	30 June 2022
Opening balance	73,240,159	107,433,366
Purchase during the year	511,707,608	517,247,962
Transfer during the year	(12,483,237)	(19,037,225)
Consumption during the year	(452,363,171)	(532,403,944)
	120,101,359	73,240,159

9.3 Heavy fuel oil

In Taka	30 June 2023	30 June 2022
Opening balance	2,055,813,660	2,296,494,562
Purchase during the year	21,421,384,488	32,736,518,627
Consumption during the year	(22,474,367,756)	(32,977,199,529)
	1,002,830,393	2,055,813,661

9.4 Light fuel oil

In Taka	Note	30 June 2023	30 June 2022
Opening balance		6,656,091	8,827,451
Purchase during the year		-	1,125,180
Consumption during the year		(696,524)	(3,296,540)
		5,959,568	6,656,092



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10 TRADE AND OTHER RECEIVABLES

See accounting policy in Note 60D

<i>In Taka</i>	<i>Note</i>	30 June 2023	30 June 2022
Trade receivables	10.1	18,229,305,119	24,491,687,290
Other receivables	10.2	10,294,420	9,830,423
Provision for impaired receivables		(306,072,068)	-
		17,933,527,471	24,501,517,713

10.1 Trade receivables

<i>In Taka</i>	30 June 2023	30 June 2022
BREB	254,776,648	230,862,774
BPDB	17,227,587,887	23,583,589,589
BEPZA	385,683,340	401,305,424
Private customers	361,257,244	275,929,503
	18,229,305,119	24,491,687,290

10.2 Other receivables

<i>In Taka</i>	30 June 2023	30 June 2022
Wartsila Bangladesh Ltd	7,861,216	5,832,334
Bergen Engine BD (Pvt.) Ltd	1,053,791	2,535,813
Precision Energy Ltd.	-	47,818
ABB Ltd.	936,609	936,609
Weber Power Solution Ltd.	109,641	109,641
EVP Chittagong Ltd.	333,162	368,209
	10,294,420	9,830,423

10.3 Out of the total receivable from BREB, an amount of BDT 177,171,835 for the year from 2009 to 2012 was under arbitration in Bangladesh Energy Regulatory Commission (BERC) for determination. In May 2018, the arbitration panel awarded in favor of BREB. The Company has filed a writ petition with the BERC against the arbitration award. Judgment has been given against UPGDCL on 3 July 2022. Management has created provision for impaired receivables on the disputed amount due from BREB.

10.4 Out of the total receivable from BPDB, an amount of BDT 128,900,233 is disputed by BPDB dating back to the year 2009 to 2012. Being these two matters are the same and the verdict goes against UPGDCL, management has created a provision for impaired receivables on disputed amount due from BPDB.

11 RECEIVABLE FROM RELATED PARTIES

See accounting policy in Note 60D

<i>In Taka</i>	30 June 2023	30 June 2022
United Mymensingh Power Ltd	18,705,073,339	15,335,924,161
United Payra Power Ltd.	2,891,219	3,818,012
United Engineering and Power Services Ltd	3,051,595	3,051,595
United Lube Oil Ltd	377,392	377,392
United Hospital Ltd.	556,964	-
United Sulpho-Chemicals Limited	273,767	-
	18,712,224,278	15,343,171,161



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

12 ADVANCES, DEPOSITS AND PREPAYMENTS

See accounting policy in Note 60D

<i>In Taka</i>	<i>Note</i>	30 June 2023	30 June 2022
Advances	12.1	93,882,278	100,335,160
Deposits	12.2	55,556,467	53,949,707
Prepayments	12.3	742,522,055	19,439,510
		891,960,800	173,724,377

12.1 Advances

<i>In Taka</i>	30 June 2023	30 June 2022
Advance against LC charges	2,660,547	705,690
Advance against HFO	15,421,198	15,423,345
Advance against expenses	75,800,532	84,206,125
	93,882,278	100,335,160

12.2 Deposits

<i>In Taka</i>	30 June 2023	30 June 2022
Karnaphuli Gas Distribution Company Ltd.	44,293,183	44,293,183
Bank guarantee margin	5,850,000	5,850,000
BEPZA	2,794,286	1,112,518
Balance in BO account	-	75,007
Central Depository Bangladesh Ltd.	500,000	500,000
Chattagram Palli Biddut Shamity-1	1,913,998	1,913,998
BPDB	205,000	205,000
	55,556,467	53,949,707

12.3 Prepayments

<i>In Taka</i>	30 June 2023	30 June 2022
Insurance premium	8,367,382	14,495,662
BERC license fees	540,723	2,048,836
Prepayment against LC Margin	15,851,126	
Bank guarantee commission	717,762,822	2,895,012
	742,522,055	19,439,510

13 INVESTMENT IN MARKETABLE SECURITIES

See accounting policy in Note 60D

<i>In Taka</i>	30 June 2023	30 June 2022
Cash available for share purchase	31,346	31,796
Financial assets classified as fair value through profit and loss	137,844,760	148,053,800
	137,876,106	148,085,596



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

13.1 Financial assets classified as fair value through profit and loss

Name of the Company	No. of shares	Rate per share	Market value at 30 June 2023	Cost price	Changes in fair value	Market value at 30 June 2022
BEXIMCO	511,000	115.60	59,071,600	82,238,736	(23,167,136)	66,327,800
SHAHJABANK	865,200	18.30	15,833,160	18,117,047	(2,283,887)	16,716,000
Square Pharmaceuticals Ltd	300,000	209.80	62,940,000	71,664,681	(8,724,681)	65,010,000
			137,844,760	172,020,464	(34,175,704)	148,053,800

14 ADVANCE INCOME TAX

In Taka	30 June 2023	30 June 2022
Opening balance	6,664,589	6,086,350
Paid during the year	2,483,081	4,428,696
Adjustment for completion of assessment	-	(3,850,457)
	9,147,670	6,664,589

15 CASH AND CASH EQUIVALENTS

See accounting policy in Note 60D

In Taka	Note	30 June 2023	30 June 2022
Cash in hand	15.1	1,062,999	1,030,472
Fixed deposits	15.2	-	33,423,718
Cash at bank	15.3	1,500,736,519	1,195,720,496
		1,501,799,518	1,230,174,686

15.1 Cash in hand

In Taka	30 June 2023	30 June 2022
Cash in hand	1,062,999	1,030,472
	1,062,999	1,030,472

15.2 Fixed deposits

In Taka	30 June 2023	30 June 2022
AB Bank Limited	-	33,423,718
	-	33,423,718



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15.3 Cash at bank

In Taka	30 June 2023	30 June 2022
Dhaka Bank Limited	878,838,418	1,035,030,306
Dutch Bangla Bank Limited	69,883,522	30,917,222
Shahjalal Islami Bank Limited	8,200	8,200
Eastern Bank Limited	27,669,023	24,404,113
Jamuna Bank Limited	24,992,411	2,220,584
Brac Bank Limited	11,202,404	14,419,446
The City Bank Limited-Dividend distribution A/C 2016	14,838,147	24,059,296
The Hongkong and Shanghai Banking Corp. Ltd	326,167,958	22,471,423
Standard Chartered Bank	62,905,950	11,555,182
The City Bank Limited	25,417,393	8,582,628
Bank Asia Ltd.	24,234,742	3,050,681
Citibank N.A	14,348,488	9,235,210
United Commercial Bank Ltd.	4,964	6,044
Mutual Trust Bank Ltd.	655,733	4,276,534
Prime Bank Ltd.	17,120,947	4,500,273
One Bank Ltd.	6,899	7,925
Pubali Bank Limited	2,441,320	975,428
	1,500,736,519	1,195,720,496

16 SHARE CAPITAL

See accounting policy in Note 600

In Taka	30 June 2023	30 June 2022
Authorised		
800,000,000 ordinary shares of Tk. 10 each	8,000,000,000	8,000,000,000
200,000,000 redeemable preference shares of Tk. 10 each	2,000,000,000	2,000,000,000
	10,000,000,000	10,000,000,000
Ordinary shares issued, subscribed and paid up		
Opening balance	5,796,952,700	5,796,952,700
Bonus shares issued	-	-
Closing balance	5,796,952,700	5,796,952,700

16.1 Particulars of shareholding

In Taka	No. of shares	Value (Tk)	Value (Tk)
United Mymensingh Power Ltd	521,716,902	5,217,169,020	5,217,169,020
Investment Corporation of BD	16,356,447	163,564,470	161,780,790
General investors	41,621,921	416,219,210	418,002,890
	579,695,270	5,796,952,700	5,796,952,700

16.2 Percentage of shareholdings

Name of shareholders	30 June 2023	30 June 2022
United Mymensingh Power Ltd	90.00%	90.00%
Investment Corporation of Bangladesh	2.82%	2.79%
General investors	7.18%	7.21%
	100%	100%



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16.3 Classification of shareholders by holding

	30 June 2023	30 June 2022
<i>Range of holding in number of shares</i>	No. of shareholders	No. of shareholders
01 to 5000 shares	12,589	12,685
5,001 to 20,000 shares	385	391
20,001 to 50,000 shares	112	110
50,001 to 1,000,000 shares	90	94
1,000,001 to 10,000,000 shares	7	7
over 10,000,001 shares	1	1
	13,184	13,288

17 SHARE PREMIUM

<i>In Taka</i>	30 June 2023	30 June 2022
Share premium	2,046,000,000	2,046,000,000
	2,046,000,000	2,046,000,000

This represents premium of Tk. 62 per share of 33,000,000 ordinary shares of Tk. 10 each.

18 REVALUATION RESERVE

<i>In Taka</i>	30 June 2023	30 June 2022
Revaluation reserve	55,443,307	56,115,299
	55,443,307	56,115,299

19 RETAINED EARNINGS

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	24,786,447,118	24,666,183,710
Net profit during the period	8,019,109,732	9,974,411,006
	32,805,556,850	34,640,594,716
Cash dividend for the year 2020-21	-	(9,854,819,590)
Cash dividend for the year 2021-22	(9,854,819,590)	-
Depreciation on revalued assets	671,992	671,992
	22,951,409,252	24,786,447,118

20 NON-CONTROLLING INTERESTS

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	512,166,162	525,075,969
Addition during the period:	-	-
Dividend to minority shareholders	(232,341,200)	(193,795,200)
Profit during the period	223,196,059	180,885,393
Non-Controlling interest added on acquisition	-	-
	503,021,021	512,166,162

21 PREFERENCE SHARE CAPITAL

<i>In Taka</i>	30 June 2023	30 June 2022
Preference Share Capital (non-current portion)	1,200,000,000	2,100,000,000
Preference Share Capital (current portion)	400,000,000	900,000,000
	1,600,000,000	3,000,000,000



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

22 LONG TERM LOAN

See accounting policy in Note 60D

<i>In Taka</i>	30 June 2023	30 June 2022
Non-current portion	3,020,168,488	3,883,160,052
Current portion	1,343,970,680	1,266,361,805
	4,364,139,168	5,149,521,857
Non-current liabilities		
<i>In Taka</i>	30 June 2023	30 June 2022
Investment Promotion and Financing Facility (IPFF) loan	2,353,501,820	2,549,826,717
Preference share	-	-
Standard Chartered Bank Ltd.	333,333,333	666,666,667
Dutch Bangla Bank Ltd.	333,333,335	666,666,668
	3,020,168,488	3,883,160,052
Current liabilities		
<i>In Taka</i>	30 June 2023	30 June 2022
Investment Promotion and Financing Facility (IPFF) loan	677,304,015	599,695,140
Standard Chartered Bank Ltd.	666,666,665	333,333,333
Dutch Bangla Bank Ltd.	-	333,333,332
	1,343,970,681	1,266,361,806

22.1 United Ashuganj Energy Limited

Terms and repayment schedule

- a) The following loans were obtained under Investment Promotion and Financing Facility (IPFF) for procurement of capital machineries, civil construction and local procurement related to power plant assets.

Nature of loan	Lender	Limit	Interest	Tenure	Year of maturity	Repayment terms
IPFF loan	Dhaka Bank Limited	USD 21,940,000	6 month USD LIBOR + 0.3% (IPFF margin) + 1.75% (PFI's margin)	12 years	2027	40 equal quarterly instalments
IPFF loan	Trust Bank Limited	USD 21,940,000	6 month USD LIBOR + 0.3% (IPFF margin) + 1.75% (PFI's margin)	12 years	2027	40 equal quarterly instalments
IPFF loan	Mutual Trust Bank Limited	USD 14,620,000	6 month USD LIBOR + 0.3% (IPFF margin) + 1.75% (PFI's margin)	12 years	2027	40 equal quarterly instalments

The IPFF loan is secured by:

- Registered hypothecation (first charge) on machinery, plant, equipment, furniture, fixture and all other assets, both present and future, of the borrower along with notarised IGPA to sell the same
- Registered hypothecation (first charge) over all floating assets, both present and future, of the borrower along with notarised IGPA to sell the same.
- Sponsors' undertaking to inject necessary equity funds to finance any cost overrun of the project
- Personal guarantees by the personal guarantors nominated by United Enterprises & Co. Ltd.
- Corporate guarantees by the United Enterprises & Co. Ltd and Ashuganj Power Station & Co. Ltd.

b) Preference share

Nature of loan	Lender	Limit	Dividend rate	Tenure	Year of maturity	Repayment terms
Preference share	Dhaka Bank Limited	BDT 2,000 million	8%	3 years	Nov' 2024	"Yearly redemption. i) 1st year 20% ii) 2nd year 20%. iii) 3rd year 60%."



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Preference share is secured by:

- Three undated cheque covering the subject facility.
- Corporate guarantee of United Enterprises & Co.
- Put option and Share Retention Agreement between United Energy Limited and Preference Shares subscriber i. e investors (s) will always have the option to sell 100% outstanding of the Preference Shares to United Energy Limited.

22.2 United Jamalpur Power Limited**Preference share**

The following preference share and loan were obtained by United Jamalpur Power Ltd. (UJPL) to repay high-cost existing liability

Nature of loan	Lender	Limit	Dividend rate	Tenure	Year of maturity	Repayment terms
Preference share	Mutual trust bank Ltd.	BDT 1,500 million	5.5% p. a	3 years	Nov' 2024	"Yearly redemption. i) 1st year 20% ii) 2nd year 20%. iii) 3rd year 60%."

The Preference share is secured by:

- Three post dated cheque covering the subject facility.
- Corporate guarantee of United Enterprises & Co.
- Put option and Share Retention Agreement between United Energy Limited and Preference Shares subscriber i. e investors (s) will always have the option to sell 100% outstanding of the Preference Shares to United Energy Limited.

Long term loan (LTL) facility

The following term loan was obtained by United Jamalpur Power Ltd. (UJPL) for refinancing against already incurred expenses for settlement of accepted liabilities.

Nature of loan	Lender	Limit	Interest	Tenure	Year of maturity	Repayment terms
Term Loan	DBBL	BDT 100 Crore	6.75% p.a	3 years	2025	6 equal Half-Yearly instalments

The term loan is secured by:

- Usual charge documents.
- One post dated cheque covering the subject facility.
- Corporate Guarantee from United Enterprises & Co. Ltd. (UECL) supported by Board Resolution.
- Standard Term Loan Agreement.

Short term loan (STL) facility

Nature of loan	Lender	Limit	Interest	Tenure	Year of maturity	Repayment terms
STL	DBBL	BDT 200 million	7.50%	Six months	2023	29 Nov '23

The STL is secured by:

- Post dated cheque covering the subject facility.
- Usual charge documents.
- Corporate guarantee by the corporate guarantor.

22.3 United Anwara Power Limited**Long terms loan and repayment schedule**

The following term loan was obtained by United Anwara Power Ltd. (UANPL) for refinancing against already incurred expenses for settlement of accepted liabilities.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Nature of loan	Lender	Limit	Interest	Tenure	Year of maturity	Repayment terms
Term Loan	DBBL	BDT 100 Crore	6.75% p.a	3 years	2025	6 equal Half-Yearly instalments

The term loan is secured by:

- Usual charge documents.
- One post dated cheque covering the subject facility.
- Corporate Guarantee from United Enterprises & Co. Ltd. (UECL) supported by Board Resolution.
- Standard Term Loan Agreement.

Short term loan (STL) facility

Nature of loan	Lender	Limit	Interest	Tenure	Year of maturity	Maturity
STL	Standard Chartered Bank	200	8.25%	4 months	2023	8/31/2023
	HSBC	50	4.50%	12 months	2023	5/7/2023
	Bank Asia Ltd.	235	8.25%	6 months	2023	12/23/2023
	Prime Bank Ltd.	150	9.00%	6 months	2023	10/29/2023
	United Commercial Bank Ltd.	50	9.00%	9 months	N/A	N/A
	Brac Bank Ltd	5	7.00%	O/D	N/A	N/A

The STL is secured by:

- Post dated cheque covering the subject facility.
- Usual charge documents.
- Corporate guarantee by the corporate guarantor.

23 SHORT TERM LOAN

In Taka	30 June 2023	30 June 2022
Dutch Bangla Bank Ltd.	199,950,000	-
Public Bank Ltd.	-	1,500,000,000
The City Bank Ltd.	-	1,000,000,000
Prime Bank Ltd.	996,222,222	2,500,000,000
Standard Chartered Bank Ltd.	2,300,000,000	-
HSBC	-	710,000,000
Bank Asia	2,000,000,000	-
Dhaka Bank Ltd.	-	500,000,000
	5,496,172,222	6,210,000,000

24 SECURITY MONEY RECEIVED

See accounting policy in Note 60D

In Taka	30 June 2023	30 June 2022
Lilac Fashion Wear Ltd	700,000	700,000
Huaxin Textile industries Limited	15,000,000	-
	15,700,000	700,000

Security deposit received comprises of an amount equal to two months minimum charge received from Lilac Fashion Wear Ltd. and Huaxin Textile Industry Co. Ltd.

25 LEASE LIABILITY

See accounting policy in Note 60S

In Taka	30 June 2023	30 June 2022
Land lease rent	22,472,123	23,489,811
Office rent	2,205,332	3,168,266
Balance at	24,677,455	26,658,077



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

25.1 Land lease rent

<i>In Taka</i>	30 June 2023	30 June 2022
Balance as at 01 July	23,489,811	24,449,894
Add: Addition during the year	-	-
Add: Interest charged during the year	1,356,615	1,414,220
Less: Payment made during the year	(2,374,303)	(2,374,303)
Balance as at	22,472,123	23,489,811

25.2 Office rent

<i>In Taka</i>	30 June 2023	30 June 2022
Balance as at 01 July	3,168,266	-
Add: Addition during the year	-	4,048,617
Add: Interest charged during the year	237,066	319,649
Less: Payment made during the year	(1,200,000)	(1,200,000)
Balance as at	2,205,332	3,168,266

Segregation of Land lease liability:

<i>In Taka</i>	30 June 2023	30 June 2022
Non-current portion	22,545,443	24,677,455
Current portion	2,132,012	1,980,622
	24,677,455	26,658,077

26 DEFERRED REVENUE

<i>In Taka</i>	30 June 2023	30 June 2022
Deferred revenue	190,480,383	234,267,429
	190,480,383	234,267,429

This pertains to the difference between capacity payments received from the customer and capacity payments recognised in statement of profit or loss and other comprehensive income in relation to the Power Purchase Agreement (PPA) due straight-lining of capacity revenue over the remaining PPA term following the application of IFRS 16.

27 TRADE AND OTHER PAYABLES

See accounting policy in Note 60D

<i>In Taka</i>	<i>Note</i>	30 June 2023	30 June 2022
Trade payables	27.1	8,376,212,553	14,380,904,335
Other payables	27.2	72,154,981	30,929,243
		8,448,367,534	14,411,833,578

27.1 Trade payables

<i>In Taka</i>	30 June 2023	30 June 2022
Gas bill	774,102,760	229,012,792
Liabilities for HFO purchase	7,602,109,793	14,151,891,542
	8,376,212,553	14,380,904,335



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

27.2 Other payables

<i>In Taka</i>	30 June 2023	30 June 2022
Share application money	919,597	919,597
Service charge on gas bill	16,232,083	13,003,547
Other operating expenses	15,531,576	15,242,649
TDS payable	11,209	9,783
VAT Payable	1,331,224	-
Bergen Engines Bangladesh Pvt.Ltd.	810,000	810,000
Wartsila Bangladesh Ltd	565,844	943,202
Payable against C&F bill	105,431	464
LC Liability-HSBC	36,648,017	-
	72,154,981	30,929,243

Share application money BDT 5,513,955 has been transferred to Capital Market Stabilization Fund.

28 UNCLAIMED DIVIDEND

<i>In Taka</i>	30 June 2023	30 June 2022
Unclaimed cash dividend for the year 2018	-	1,072,116
Unclaimed cash dividend for the year 2019	-	2,747,534
Unclaimed cash dividend for the year 2020	3,914,680	3,950,608
Unclaimed cash dividend for the year 2021	5,406,305	5,551,834
Unclaimed cash dividend for the year 2022	3,623,136	-
	12,944,121	13,322,090

Unclaimed cash dividend for the year from 2018 to 2019 BDT 3,670,236 has been transferred to Capital Market Stabilization Fund.

29 ACCRUED EXPENSES

See accounting policy in Note 60D

<i>In Taka</i>	30 June 2023	30 June 2022
Interest expense payable	605,115	3,229,481
Provision for expenses	3,548,471	13,084,582
Service charge on gas bill	23,907,090	11,460,230
VAT payable	5,182,597	1,950,516
Other operating expenses	31,224,068	7,639,160
Directors' remuneration	1,000,000	1,000,000
Office Maintenance	-	10,890,000
Audit fees	3,317,750	2,970,000
Utility bill	691,153	691,153
Security expenses	588,558	463,683
Medical expenses	50,970	50,970
Welfare fund	16,985	16,985
Environmental expenses	16,200	16,200
Liabilities against LC in Dhaka Bank	1,926,627	-
O&M expense	8,736,234	-
Preference shares dividend accrued	75,046,575	65,057,860
TDS	66,025	584,329
	155,924,417	119,105,149



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

30 PAYABLE TO RELATED PARTIES

See accounting policy in Note 60D

<i>In Taka</i>	30 June 2023	30 June 2022
United Engineering & Power Services Ltd	23,437,351	17,748,622
United Enterprises & Co. Ltd	29,496,418,890	23,812,884,602
United Mymensingh Power Ltd	616,068	616,068
United Payra Power Ltd.	13,733	12,894,108
Neptune Land Development Ltd.	-	1,380,000
	29,520,486,041	23,845,523,399

31 CURRENT TAX LIABILITY

See accounting policy in Note 60J

<i>In Taka</i>	30 June 2023	30 June 2022
Opening balance	1,741,254	5,282,865
Provision during the year	4,099,391	1,741,255
Charged AY 2020-2021	-	11,375
Tax paid AY 2020-2021 as per demand	-	(238,875)
Tax paid AY 2021-2022 as per demand	-	(35,043)
Excess provision AY 2021-2022 as per audit repopr	-	(718,693)
Adjustment for completion of assessments	-	(3,661,211)
Paid during the period	-	(640,419)
	5,840,645	1,741,255

No provision is required for income tax on UPGDCL's profit as it has received exemption from all such taxes from the Government of Bangladesh for 15 years from commencement.

No provision is required for income tax on the business income of United Energy Ltd. (UEL), United Ashuganj Energy Ltd. (UAEL), United Anwara Power Ltd. (UANPL) and United Jamalpur Power Ltd (UJPL) as the companies have received exemption from income from power generation under the private sector power generation policy for a period of 15 years from the start of their commercial operation, vide SRO ref: 211-Ain/Aykor/2013-Income Tax ordinance (#36) 1984 dated 1 July 2013 for UEL, UAEL and SRO ref: 246-Ain/Aykor/2016-Income Tax ordinance (#36) 1984 dated 26 July 2016 for UANPL, UJPL. Such exemption of UEL (Sylhet power plant), UAEL (Ashuganj 195 MW power plant) UANPL (300 MW power plant) and UJPL (115 MW power plant) will expire on 2028, 2030, 2034, 2034 respectively. The Ashuganj 53 MW power plant being rental power plant is liable for TDS at 4% which is borne by the BPDB. However provision has been made on the non-business income of the subsidiaries companies..

32 REVENUE

See accounting policy in Note 60F

<i>In Taka</i>	Note	30 June 2023	30 June 2022
Electricity supply	32.1	41,192,203,249	49,386,530,557
Steam supply	32.2	116,908,902	48,632,740
		41,309,112,151	49,435,163,297

32.1 Electricity supply

<i>In Taka</i>	30 June 2023	30 June 2022
Bangladesh Power Devt. Board (BPDB)	36,056,549,257	43,095,888,176
Bangladesh Exp. Proce. Zone Auth.(BEPZA)	3,881,813,482	4,535,849,302
Bangladesh Rural Elect. Board (BREB)	214,298,793	575,445,478
Private customers	1,039,541,718	1,179,347,601
	41,192,203,249	49,386,530,557



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Break up of revenue from electricity supply

In Taka	30 June 2023	30 June 2022
Capacity payment	10,130,165,085	8,514,968,314
Energy payment	29,459,874,862	40,378,437,522
Supplemental Bill	823,404,111	458,007,022
True-up Bill	778,759,191	35,117,700
	41,192,203,249	49,386,530,557

The actual revenue billed by United Ashuganj Energy Ltd. is BDT 2,954,111,736, recognition of BDT 243,488,794 with this has been accrued due to the Company's implementation of IFRS 16 from the year 2020 from lessor's perspective, for which capacity payment element of revenue is straight-lined over the remaining period of the PPA.

32.2 Steam supply

In Taka	30 June 2023	30 June 2022
Gunze United Ltd	28,026,201	34,048,054
Global Labels (Bangladesh) Ltd	5,404,578	4,994,183
Croydon-Kowloon Designs Ltd	4,091,230	5,916,271
Talisman Ltd	3,891,680	1,579,130
Sewtech Fashions Limited	6,834,358	2,095,101
Universal Jeans Limited	65,011,733	-
Pacific Jeans Ltd.	3,649,121	-
	116,908,902	48,632,740

33 COST OF SALES

In Taka	30 June 2023	30 June 2022
Fuel and energy	26,260,399,044	32,742,814,725
Spare parts and lube oil	1,194,683,514	1,258,206,175
Depreciation	2,339,612,291	2,455,389,348
Minimum load charge	87,321,523	48,385,390
Direct overhead	360,692,835	323,404,042
VAT Expenses	57,042,621	-
Repair and maintenance	96,096,292	75,739,899
Entertainment	6,483,608	11,168,404
Utility bill	17,808,672	16,060,126
Rent, rates and taxes	427,270	-
Security expense	8,743,480	7,149,213
Carrying charge	2,051,392	2,110,639
Travelling and conveyance	768,396	1,336,691
Wages	2,678,560	2,812,108
Vehicle running and maintenance	7,115,697	6,941,438
Environmental expenses	743,434	1,020,787
Electricity Bill	3,393,059	-
Printing and stationery	1,015,701	1,066,641
Site office expense	2,819,026	3,798,175
Telephone, mobile and internet	729,892	824,197
Worker welfare fund	248,734	211,133
Postage and courier	458,752	222,425
Automation and IP expense	102,600	89,466
Insurance premium	45,678,481	79,745,268
Gardening and beautification	149,919	548,980
Amortisation of right of use assets	21,689,707	21,689,707
Safety material	3,056,254	1,997,837
Medical Fees	752,292	1,211,236
HFO storage rent	10,867,512	10,808,449
HFO cargo inspection cost	140,903	-
Survey fee	-	182,324
HFO Transportation Cost	106,730,706	-
BERC License and others	727,250	2,477,443
Consultation fees	6,496,389	982,500
Land rent	920,000	920,000
Gift donation and other	6,128,682	-
Royalty fee	1,400,000	-
Computer Maintenance	14,158	75,000
	30,656,188,645	37,079,389,766



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 33.1** The Group signed agreements for all its operation, maintenance and management (O&M) services with United Engineering and Power Service Ltd (UEPSL). It provides all technical support related to operation and management of the power plants. UEPSL raises invoice for actual cost and a service charge per month.

34 GENERAL AND ADMINISTRATIVE EXPENSES

<i>In Taka</i>	30 June 2023	30 June 2022
Directors' remuneration	26,005,500	15,621,375
Office maintenance	18,542	10,909,541
Advertisement	7,122,461	5,477,063
Depreciation	18,372,503	19,772,122
Bad debt expenses	306,072,068	-
AGM expenses	233,683	845,085
Vehicle running expenses	2,272,148	462,929
Bank charge and commission	6,023,516	4,838,110
Office rent	180,000	180,000
Office expenses	46,287	16,450
Board meeting fees	5,659,635	5,204,310
Consultancy fees	1,871,946	673,729
Auditor's fee	3,287,750	3,045,000
Entertainment	767,294	2,115,055
Traveling and conveyance	1,710,173	1,270,608
Postage, telephone and telex	51,991	65,980
Printing and stationery	1,246,115	27,620
License, fees and others	5,247,880	8,307,442
Capital raising fee	-	626,480
Overseas travelling	107,093	-
RJSC expenses	337,061	1,296,910
IRC expenses	87,000	-
CDBL and listing fee	1,412,000	5,044,678
Legal expense	6,889,889	1,969,910
Medical Fees	-	25,800
Brokerage commission	-	9,925,090
Royalty fees	900,000	-
Fine & penalties	100,000	-
EGM Expenses	344,750	-
Software expenses	224,700	-
Impairment loss on trade receivables	46,211,350	-
Amortisation of right of use assets- Office rent	1,012,154	1,012,154
	443,815,489	98,733,440

35 OTHER INCOME/(EXPENSES)

<i>In Taka</i>	30 June 2023	30 June 2022
Realised gain from marketable securities	23,966,214	30,093,542
Dividend income from marketable securities	3,626,400	3,545,443
Unrealised gain/(loss) from marketable securities	(34,175,704)	(23,966,665)
Sale of used lube oil and drums	25,658,898	49,068,204
Scrap sale	46,284,733	36,392,339
Insurance Claim received	89,332,181	-
Dividend from subsidiary company	-	-
	154,692,723	95,132,864

36 FINANCE INCOME

See accounting policy in Note 60M

<i>In Taka</i>	30 June 2023	30 June 2022
Interest on related party loan	528,816,863	817,076,832
Interest on short term deposits	23,539,109	4,438,994
Interest income on bank balance and fixed deposits	3,061,635	5,445,736
	555,417,608	826,961,563



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

37 FOREIGN EXCHANGE GAIN/(LOSS)

See accounting policy in Note 60I

<i>In Taka</i>	30 June 2023	30 June 2022
Foreign exchange loss - realised	(1,274,414,298)	(2,477,975,318)
Foreign exchange gain/(loss) - unrealised	(193,976,870)	(33,200,182)
Foreign ex. gain/(loss) on USD A/C- realised	-	89,405
	(1,468,391,168)	(2,511,086,094)

38 FINANCE EXPENSE

See accounting policy in Note 60M

<i>In Taka</i>	30 June 2023	30 June 2022
Interest on IPFF loan	209,229,209	79,240,516
Interest on short term & Long term loan	852,623,020	261,158,834
Preference share dividend paid	130,560,938	156,837,027
Bank charges and others	973,166	1,105,714
Bank guarantee and commission	7,516,043	7,516,043
Interest on leasehold land	1,690,338	1,766,364
Arrangement fee	-	1,150,000
Interest on UPAS LC	17,342	-
Syndication fee	1,811,944	1,953,101
	1,204,422,000	510,727,599

39 INCOME TAX EXPENSES

<i>In Taka</i>	30 June 2023	30 June 2022
Current year enpenses	4,099,390	2,731,746
Charge for AY 2020-2021	-	11,375
Reversal of excess provision for completion of assessment of 2021-22	-	(718,693)
	4,099,390	2,024,428

40 EARNINGS PER SHARE

See accounting policy in Note 60P

40.1 Earnings per share

<i>In Taka</i>	30 June 2023	30 June 2022
Profit attributable to the ordinary shareholders	8,019,109,732	9,974,411,005
Weighted average number of shares outstanding	579,695,270	579,695,270
Earnings per share	13.83	17.21

41 NET ASSET VALUE PER SHARE

<i>In Taka</i>	30 June 2023	30 June 2022
Net assets	30,849,805,259	32,685,515,117
Weighted average number of shares outstanding	579,695,270	579,695,270
Net asset value per share	53.22	56.38

42 NET OPERATING CASH FLOW PER SHARE

<i>In Taka</i>	30 June 2023	30 June 2022
Net cash generated from operating activities	11,247,809,666	1,093,082,883
Weighted average number of shares outstanding (Basic)	579,695,270	579,695,270
Net operating cashflow per share	19.40	1.89



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

43 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES

<i>In Taka</i>	30 June 2023	30 June 2022
Profit for the year	8,242,305,791	10,155,296,398
Adjustment for:		
Depreciation	2,357,984,794	2,475,161,470
Amortisation of lease rent	2,475,046	2,475,046
Depreciation of ROU	20,226,815	20,226,815
Brokerage commission	-	9,925,090
Realised gain from marketable securities	10,209,490	(30,093,542)
Unrealised (gain)/loss from marketable securities	34,175,704	23,966,665
Foreign exchange (gain)/loss - un-realised	523,163,729	(299,270)
Foreign exchange (gain)/loss - realised	-	-
Interest on related party loan	(528,816,863)	(817,076,832)
Insurance Claim received	(89,332,181)	-
Impairment loss on trade receivables	46,211,350	-
Bad debt expenses	306,072,068	-
Changes in:		
Inventories	822,707,558	(150,168,126)
Trade and other receivables	6,179,297,596	(19,135,554,819)
Advances, deposits and prepayments	(727,732,954)	(29,775,662)
Advance income tax	-	-
Trade and other payables	(5,962,355,958)	8,752,971,099
Accrued expenses	40,673,632	58,548,522
Provision for tax	3,382,356	(1,189,868)
Receivable to related party	-	3,739,913
Payable to related party	10,948,741	(1,581,222)
Deferred income	(43,787,046)	(243,488,794)
Net cash generated from operating activities	11,247,809,666	1,093,082,883

44 RELATED PARTY TRANSACTIONS

During the period, the Group carried out a number of transactions with related parties. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS 24: Related party disclosures.

A Transactions with key management personnel

i. Loans to directors

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

ii. Key management personnel compensation comprised the following:

The key management personnel includes the Group Managing directors.

a) Short-term employee benefit:

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

<i>In Taka</i>	30 June 2023	30 June 2022
Directors' remuneration	26,005,500	15,621,375
Board meeting fees	5,659,635	5,204,310
	31,665,135	20,825,685
b) Post employment benefit	-	-
c) Other long-term benefit	-	-
d) Termination benefit	-	-
e) Share-based payment	-	-
	31,665,135	20,825,685



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

B Other related party transactions

United Power Generation & Distribution Company Ltd.

	Transaction value during the period ended 30 June		Balance outstanding as at	
	2023	2022	30 June 2023	30 June 2022
Gunze United Limited				
Sale of goods and services	28,026,201.21	34,048,054	2,377,690	2,919,823
Brokerage commission				
United Securities Limited	-	(9,925,090)	-	-
Purchase of services				
United Engineering & Power Services Ltd.	(129,374,665.44)	(114,443,501)	-	(8,753,851)
United Mymensingh Power Ltd			18,641,838,057	15,270,771,194
Loan disbursed during the year	20,400,066,863	11,873,576,832	-	-
Loan repaid during the year	(17,029,000,000)	(10,350,700,000)	-	-
Transfer of inventory (spare parts)				
United Mymensingh Power Ltd	-	-	512,355	512,355
United Anwara Power Ltd	(71,071.32)	57,894	-	71,071
United Lube Oil Ltd	-	-	377,392	377,392
United Jamalpur Power Ltd	-	(158,396)	(90,282)	(90,282)
United Ashuganj Energy Ltd	(7,371,531.17)	(2,988,245)	(27,299,124)	(19,927,593)
United Energy Ltd	(1,551,520.18)	(412,734)	-	1,551,520
United Engineering & Power Services Ltd.	-	-	(2,340,800)	(2,340,800)
Leviathan Global Bangladesh Limited	-	253,068,818	(502)	(502)
Office rent				
Neptune Commercial Ltd.	-	(1,380,000)	-	(1,380,000)

United Energy Ltd.

	Transaction value during the period ended 30 June		Balance outstanding as at	
	2023	2022	30 June 2023	30 June 2022
Purchase of services				
United Engineering & Power Services Ltd.	(20,230,117)	(19,118,471)	(3,257,715)	(1,556,467)
Loans				
United Enterprises & Co. Ltd.	-	-	5,100,405,986	3,270,755,986
Loan disbursed	3,554,150,000	1,394,585,036	-	-
Loan repaid	(1,724,500,000)	(3,498,520,000)	-	-
Dividend				
United Ashuganj Energy Ltd.	1,443,159,514	1,628,179,964	-	-
Transfer of inventory				
United Power Generation & Distribution Company Ltd.	2,795,871	(412,734)	1,244,350	(1,551,521)
United Ashuganj Energy Ltd.	9,653,506	1,732,032	(1,434,790)	(11,088,296)
United Payra Power Ltd.	-	-	119,755	119,755



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

United Ashuganj Energy Ltd

Nature of transactions and name of the party In BDT	Transaction value during the period ended 30 June		Balance outstanding as at	
	2023	2022	2023	2022
Purchase of goods and services				
United Engineering and Power Services Ltd.	(75,713,813)	(77,164,396)	(21,249,297)	(6,653,971)
United Lube Oil Ltd.	(12,456,400)	-	-	-
Others				
United Enterprises & Co. Ltd.				
Interest-free loan received during the year	3,354,027,000	1,825,820,036	(27,000)	-
Interest-free loan repaid during the year	(3,354,000,000)	(1,825,820,036)	-	-
Ashuganj Power Station Co. Ltd.				
Dividend	(118,591,200)	(133,795,200)	-	-
Prepaid lease rent	(20,226,815)	(20,226,815)	138,706,073	158,932,888
United Energy Ltd.				
Dividend	(1,443,159,514)	(1,628,179,964)	-	-
Inventory loan	(9,653,506)	1,732,032	1,434,789	11,088,296
United Power Generation & Distribution Company Ltd. (inventory loan)	7,371,531	2,988,244	27,299,124	19,927,592
United Mymensingh Power Ltd. (inventory loan)	(2,057,301)	1,523,601	3,038,664	5,095,965
United Jamalpur Power Ltd. (inventory loan)	355,695	(214,110)	(125,745)	229,950
United Anowara Power Ltd. (inventory loan)	-	341,125	58,780	58,780
United Payra Power Ltd. (inventory loan)	(36,456)	(365,599)	171,515	207,971

Leviathan Global BD Ltd

	Transaction value during the period ended 30 June		Balance outstanding as at	
	2023	2022	2023	2022
Loan:				
United Enterprises & Co. Ltd.				
Loan disbursed	-		(2,077,621,274)	(1,845,332,920)
Loan repaid	232,288,354	80,269,777		
United Power Generation and Distribution Company Ltd.				
Loan disbursed	-	(253,068,818)	502	502
Loan repaid		-		-



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

United Anwara Power Ltd

	Transaction value during the period ended 30 June		Balance outstanding as at	
	2023	2022	2023	2022
United Engineering & Power Service Ltd			1,523,689	1,523,689
<i>Purchase of services</i>	-	-		
Loan:				
United Enterprises & Co. Ltd		-	(14,183,636,167)	(13,661,598,167)
Loan disbursed	(40,527,038,000)	(43,226,499,007)		
Loan repaid	40,005,000,000	34,685,300,500	-	-
Loan:				
United Jamalpur Power Ltd.			9,715,354	158,377
Loan disbursed	(16,388,389)	-	-	-
Loan repaid	25,945,367	-	-	-
Loan:				
United Payra Power Ltd.			2,599,949	3,490,285
Loan disbursed	(890,337)	-		
Loan repaid	-	-		
United power generation and Distribution company Ltd.			1,564,759	-
Loan disbursed	(681,974)	-		-
Loan repaid	2,246,732	-		-
Inventory loan				
United Power Generation & Distribution Company Ltd. (inventory loan)	71,071	(57,894)	-	(71,071)
United Jamalpur Power Ltd. (inventory loan)	8,042,668	23,369,779	-	(8,042,668)
United Payra Power Ltd. (inventory loan)	12,894,108	(12,894,108)	-	(12,894,108)
United Engineering & Power Services Ltd.	-	1,706,367	-	-
United Ashuganj Energy Ltd. (inventory loan)	-	341,125	(58,780)	(58,780)

United Jamalpur Power Ltd

	Transaction value during the period ended 30 June		Balance outstanding as at	
	2023	2022	2023	2022
United Enterprises & Co. Ltd			(8,176,087,530)	(5,035,197,530)
<i>Loan disbursed</i>	(13,726,890,000)	(8,369,452,333)	-	-
<i>Loan repaid</i>	10,586,000,000	9,451,700,000	-	-
United Mymensingh Power Ltd. (inventory loan)	139,616	59,544,647	59,684,264	59,544,647
United Mymensingh Power Ltd. (inventory loan)	-	-	(616,068)	(616,068)
United Anwara Power Ltd. (inventory loan)	(8,042,668)	31,279,653	-	8,042,668
United Anwara Power Ltd. (inventory loan)	(9,556,975)	(23,236,985)	(9,715,352)	(158,377)
United Power Generation & Distribution Company Ltd. (inventory loan)	-	158,396	90,282	90,282
United Ashuganj Energy Ltd.(inventory loan)	355,695	214,110	125,745	(229,950)
United Engineering & Power Services Ltd.-(Inventory loan)	-	20,520	1,527,907	1,527,907



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

45 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30 June 2023		Carrying amount						Fair value				
In Taka	Note	Fair value- hedging instruments	Mandatorily at FVTPL – others	FVOCI – debt instruments	FVOCI – equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value												
Investment in marketable securities	13	-	137,876,106	-	-	-	-	137,876,106	137,876,106	-	-	137,876,106
		-	137,876,106	-	-	-	-	137,876,106	137,876,106	-	-	137,876,106
Financial assets not measured at fair value												
Trade and other receivables	10	-	-	-	-	17,933,527,471	-	17,933,527,471	-	-	-	-
Receivable from related parties	11	-	-	-	-	18,712,224,278	-	18,712,224,278	-	-	-	-
Cash and cash equivalents	15	-	-	-	-	1,501,799,518	-	1,501,799,518	-	-	-	-
		-	-	-	-	38,147,551,267	-	38,147,551,267	-	-	-	-
Financial liabilities not measured at fair value												
Borrowings	22	-	-	-	-	-	4,364,139,169	4,364,139,169	-	-	-	-
Security money received	24	-	-	-	-	-	15,700,000	15,700,000	-	-	-	-
Trade and other payables	27	-	-	-	-	-	8,448,367,534	8,448,367,534	-	-	-	-
Accrued expenses	29	-	-	-	-	-	155,924,417	155,924,417	-	-	-	-
Payable to related parties	30	-	-	-	-	-	29,520,486,041	29,520,486,041	-	-	-	-
		-	-	-	-	-	42,504,617,161	42,504,617,161	-	-	-	-
30 June 2022												
In Taka	Note	Fair value- hedging instruments	Mandatorily at FVTPL – others	FVOCI – debt instruments	FVOCI – equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value												
Investment in marketable securities	13	-	148,085,596	-	-	-	-	148,085,596	148,085,596	-	-	148,085,596
		-	148,085,596	-	-	-	-	148,085,596	148,085,596	-	-	148,085,596
Financial assets not measured at fair value												
Trade and other receivables	10	-	-	-	-	24,501,517,713	-	24,501,517,713	-	-	-	-
Receivable from related parties	11	-	-	-	-	15,343,171,161	-	15,343,171,161	-	-	-	-
Cash and cash equivalents	15	-	-	-	-	1,230,174,686	-	1,230,174,686	-	-	-	-
		-	-	-	-	41,074,863,560	-	41,074,863,560	-	-	-	-
Financial liabilities not measured at fair value												
Borrowings	22	-	-	-	-	-	5,149,521,858	5,149,521,858	-	-	-	-
Security money received	24	-	-	-	-	-	700,000	700,000	-	-	-	-
Trade and other payables	27	-	-	-	-	-	14,411,833,578	14,411,833,578	-	-	-	-
Accrued expenses	29	-	-	-	-	-	119,105,149	119,105,149	-	-	-	-
Payable to related parties	30	-	-	-	-	-	23,845,523,399	23,845,523,399	-	-	-	-
		-	-	-	-	-	43,526,683,984	43,526,683,984	-	-	-	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

46 FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments.

- A Credit risk
- B Liquidity risk
- C Market risk

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Group. The Board is assisted in its oversight role by the Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

A Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Management monitors the exposure to credit risk on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of financial assets in the statement of financial position.

i) Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

<i>In Taka</i>	<i>Note</i>	30 June 2023	30 June 2022
Trade and other receivables	10	17,933,527,471	24,501,517,713
Receivable from related parties	11	18,712,224,278	15,343,171,161
Investment in marketable securities	13	137,876,106	148,085,596
Cash and cash equivalents (excluding cash in hand)	15	1,500,736,519	1,229,144,214
		38,284,364,374	41,221,918,684

ii) Ageing of trade and other receivables

<i>In Taka</i>	30 June 2023	30 June 2022
Not past due	3,154,339,892	4,726,537,972
Past due 0-30 days	3,113,614,771	5,362,886,920
Past due 31-60 days	3,201,760,578	5,695,030,290
Past due 61-90 days	2,585,180,205	5,269,550,780
Past due 91-120 days	2,564,165,111	2,908,067,348
Past due 121-365 days	3,123,139,691	82,339,304
Past due 365+ days	191,327,221	457,105,097
	17,933,527,471	24,501,517,713

B Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

Typically, the Group ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Exposure to liquidity rate risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

30 June 2023

		Contractual cash flows			
<i>In Taka</i>	<i>Note</i>	Carrying amount	Total	6 months or less	Over 6 months
Non-derivative financial liabilities					
Long term loan	22	4,364,139,169	4,364,139,169	777,279,015	3,586,860,154
Short term loan	23	6,840,142,903	6,840,142,903	5,396,197,222	1,443,945,681
Trade and other payables	27	8,448,367,534	8,448,367,534	8,448,367,534	-
Accrued expenses	29	155,924,417	155,924,417	155,924,417	-
Payable to related parties	30	29,520,486,041	29,520,486,041	29,520,486,041	-
		49,329,060,065	49,329,060,065	44,298,254,230	5,030,805,835
Derivative financial liabilities					
		-	-	-	-
		49,329,060,065	49,329,060,065	44,298,254,230	5,030,805,835

30 June 2022

			Contractual cash flows		
<i>In Taka</i>	<i>Note</i>	Carrying amount	Total	6 months or less	Over 6 months
Non-derivative financial liabilities					
Long term loan	22	5,149,521,858	5,149,521,858	1,538,824,482	3,610,697,376
Short term loan	23	7,476,361,806	7,476,361,806	3,248,821,103	4,227,540,703
Trade and other payables	27	14,411,833,578	14,411,833,578	14,411,833,578	-
Accrued expenses	29	119,105,149	119,105,149	119,105,149	-
Payable to related party	30	23,845,523,399	23,845,523,399	23,845,523,399	-
		51,002,345,790	51,002,345,790	43,164,107,711	7,838,238,079
Derivative financial liabilities		-	-	-	-
		51,002,345,790	51,002,345,790	43,164,107,711	7,838,238,079

C Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group is exposed to foreign currency risk relating to purchases and other transactions which are denominated in foreign currencies.

Exposure to currency risk

The Group's exposure to foreign currency risk arising from foreign currency denominated assets and liabilities at balance sheet date denominated in US dollar (USD) and British Pound (GBP) are as follows:

	30 June 2023		30 June 2022	
	USD	GBP	USD	GBP
Cash and cash equivalents	10,510	153	10,540	153
Share application money	(10,510)	(153)	(10,540)	(153)
Borrowings	(27,759,716)	-	(33,702,749)	-
Net exposure	(27,759,716)	-	(33,702,749)	-

The following significant exchange rates have been applied:

In Taka	Year-end spot rate	
	30 June 2023	30 June 2022
USD	109.18	93.45
GBP	141.79	115.72



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Sensitivity analysis

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies.

A 10% change in foreign currency exchange rates in 2023 and 2022 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Effect in Taka	Profit/(loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2023	(303,080,579)	303,080,579	(303,080,579)	303,080,579
USD (10% movement)				
30 June 2022	(314,952,186)	314,952,186	(314,952,186)	314,952,186
USD (10% movement)				

ii. Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings and deposits.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as at statement of financial position date is as follows:

In Taka	Note	Nominal Amount	
		30 June 2023	30 June 2022
Fixed rate instruments			
Financial assets			
Receivable from related parties	11	18,712,224,278	15,343,171,161
Fixed deposits	15.2	-	33,423,718
<i>Financial liabilities</i>			
Payable to related parties	30	(29,520,486,041)	(23,845,523,399)
Variable rate instruments			
<i>Financial liabilities</i>			
Long term loan	22	(4,364,139,169)	(5,149,521,858)
		(15,172,400,932)	(13,618,450,378)

47 OPERATIONAL RISK

Operational risk constitutes the ability of the Group's power projects to generate and distribute stipulated electricity to its off-takers. Technology used, fuel supply arrangement, operational and maintenance (O&M) arrangement, political or force majeure in the form of natural disaster like floods, cyclone, tsunami and earthquake may hamper normal performance of power generation. The timely and appropriate maintenance of the distribution networks of the plant reduces the chance of major disruptions. However, severe natural calamities which are unpredictable and unforeseen have the potential to disrupt normal operations of the Group. Management believes that prudent rehabilitation schemes and quality maintenance will lessen the damages caused by such natural disasters. Most importantly, all the above risks of the Group are covered under the separate insurance agreements between Pragati Insurance Company Limited to compensate for all the potential damages caused in such situations.

48 CONTINGENT ASSETS

The Company has raised a claim against BEPZA for losses suffered as a result of BEPZA failing to timely provide vacant possession of required land and gas connection and a consequent 234 day delay in the Company commencing commercial operation.

In March 2015 an Arbitration Tribunal (consisting of three arbitrators, one appointed by the Company, other appointed by BEPZA and the chairman of the Tribunal) has been appointed by the both arbitrator. The Tribunal ordered that BEPZA compensate the Company for the following amounts."



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

<i>In Taka</i>	30 June 2023	30 June 2022
Service charge deducted by BEPZA ordered to return to the Company	18,733,918	18,733,918
Loss of warranty	17,424,510	17,424,510
Total	36,158,428	36,158,428

In April 2015, BEPZA took the matter to the Court of District Judge, Dhaka. The final Judgment on 7 March 2022 goes in favor of UPGDCL.

49 COMMITMENTS

The Group had the following outstanding letters of credit (LC) as at 30 June 2023 against which it is committed to purchase spare parts.

		30 June 2023	30 June 2022
	Currency	Invoice value	Invoice value
UPGDCL	USD	1,098,690	14,22,046
	EUR	-	4,05,754
UEL	USD	50,029	333,910
	EUR	-	47,320
UAEL	USD	28,485	8,088
	EUR	33,197	18,041
LGDBL	USD	-	-
	EUR	-	-
UAnPL	USD	183,287	12,520,000
	EUR	197,929	-
UJPL	USD	2,356,173	-
	EUR	-	-

50 CONTINGENT LIABILITIES

50.1 Contingent liabilities relating to bank guarantees amounted to:

United Power Generation & Distribution Company Ltd

Beneficiary

<i>In Taka</i>	Expiry date	30 June 2023	30 June 2022
Titas Gas Transmission & Distribution Com. Ltd.	11 Nov. 2023	78,790,400	78,790,400
Titas Gas Transmission & Distribution Com. Ltd.	11 Dec. 2022	6,628,382	6,628,382
Karnaphuli Gas Distribution Company Limited	23 Jan. 2023	34,897,650	34,897,650
Karnaphuli Gas Distribution Company Limited	20 June 2023	8,647,617	8,647,617
Karnaphuli Gas Distribution Company Limited	2 March 2024	71,724,353	71,724,353
Customs House-Dhaka and Chattogram	Unconditional & Continuous	17,632,152	18,098,475
		218,320,554	218,786,877

United Energy Ltd

Beneficiary

<i>In Taka</i>	Expiry date	30 June 2023	30 June 2022
Jalalabad Gas Transmission and Distribution Systems Limited	12 October 2023	48,396,019	48,396,019
		48,396,019	48,396,019

United Ashuganj Energy Ltd

Beneficiary

<i>In Taka</i>	Expiry date	30 June 2023	30 June 2022
Bangladesh Power Development Board	7 June 2024	380,000,000	380,000,000
Bakhrabad Gas Distribution Company Limited	13 June 2026	287,472,356	287,472,356
		667,472,356	667,472,356



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Leviathan Global BD Ltd

Beneficiary

<i>In Taka</i>	<i>Expiry date</i>	30 June 2023	30 June 2022
Karnaphuli Gas Distribution Company Limited	10-Sep-23	53,688,716	53,688,716
Dhaka Customs House	Open Ended	-	31,795,876
		53,688,716	85,484,592

United Anwara Power Ltd

Beneficiary

<i>In Taka</i>	<i>Expiry date</i>	30 June 2023	30 June 2022
Dhaka Bank Ltd.	14 Jul 2023	463,150,000	463,150,000
		463,150,000	463,150,000

United Jamalpur Power Ltd

Beneficiary

<i>In Taka</i>	<i>Expiry date</i>	30 June 2023	30 June 2022
Dhaka Bank Ltd.	10 April 2022	280,000,000	280,000,000
		280,000,000	280,000,000

50.2 In line with the provisions of its gas supply agreements, the Company has historically been charged for gas consumption at the rate set for Independent Power Producers (IPPs). However, on 2 January 2018, the Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources resolved in a meeting that gas based power plants will be charged for gas consumption in the following manner:

- a) Gas consumed for generating power supplied to the national grid will be charged at the rate set for IPPs.
- b) Gas consumed for generating power supplied to other customers other than national grid will be charged at the rate set for captive power producers.

Accordingly, in May 2019, the Company's gas suppliers, Titas Gas Transmission & Distribution Company Limited and Karnaphuli Gas Distribution Company Limited, have claimed additional charges amounting to BDT 3,844,873,992 (for the period January 2018 to January 2023) and BDT 2,476,564,935 (for the period May 2018 to January 2023) respectively for payment at captive rate although all gas consumptions have been paid at IPP rate in due time as per agreement.

Having been aggrieved, the Company has filed two separate writ petitions, dated 22 May 2019 and 23 June 2019 respectively, with the Honorable High Court Division of the Supreme Court of Bangladesh against the above decision of Energy & Mineral Resources Division, and claim from the Gas Suppliers. As the Judgments from the High Court Division and subsequently from the Supreme Court Division were not in its favour UPGD filed a review petition in the Supreme Court which has been pending for hearing. Management strongly believe that, this time, the review petition will be considered by the Hon'ble court.

Afterwards, in 2023, Energy & Mineral Resources Division, acknowledging the rightful entitlement of UPGD for an IPP gas consumer, issued a letter dated 18 September 2023 to Bangladesh Energy Regulating Commission (BERC), with copies to gas suppliers, to issue IPP licences to UPGD giving effect from February 2023 for supplying gas to UPGD at IPP gas rate.

Accordingly, no provision for these additional claim have been made in the consolidated financial statements as management consider that at present there exist significant uncertainty regarding the ultimate outcome about this matters upon completion of all legal review process.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

51 BANK FACILITIES

The Group enjoys the following credit facilities from the following financial institutions:

30 June 2023

United Power Generation & Distribution Company Ltd

Name of the bank	Letter of credit - limit	Loan against Trust Receipt - limit	Short Term Loan	Overdraft limit	Bank guarantee facilities - limit
Dutch Bangla Bank Limited		-	-	-	-
Dhaka Bank Limited	350,000,000	300,000,000	-	150,000,000	50,000,000
Jamuna Bank Limited	1,000,000,000	250,000,000	-		300,000,000
HSBC, Bangladesh	425,000,000	-	-	51,000,000	-
Total	1,775,000,000	550,000,000	-	201,000,000	350,000,000

United Energy Ltd

Name of the bank	Letter of credit - limit	Loan against Trust Receipt - limit	Short Term Loan	Overdraft limit	Bank guarantee facilities - limit
Dhaka Bank Limited	400,000,000	-	-	-	48,396,019
Jamuna Bank Limited	1,000,000,000	-	-		
Total	1,400,000,000	-	-	-	48,396,019

United Ashuganj Energy Ltd

Name of the bank	Letter of credit - limit	Loan against Trust Receipt - limit	Short Term Loan	Overdraft limit	Bank guarantee facilities - limit
Dhaka Bank Limited	500,000,000	-	-	-	667,472,356
Total	500,000,000	-	-	-	667,472,356

Leviathan Global BD Ltd

Name of the bank	Letter of credit - limit	Loan against Trust Receipt - limit	Short Term Loan	Bank guarantee facilities - limit	Term Loan
Dhaka Bank Limited	670,000,000	-	-	-	-
Total	670,000,000	-	-	-	-



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

United Anwara Power Limited

Name of the bank	Letter of credit - limit	Loan against Trust Receipt - limit	Short Term Loan	Bank guarantee facilities - limit	Term Loan
Standard Chartered Bank	8,900,000,000	-	2,000,000,000	-	-
HSBC	3,094,000,000	-	500,000,000	-	-
Citi Bank NA	2,000,000,000	-	-	-	-
Dhaka Bank Ltd.	1,418,000,000	-	-	463,150,000	-
Pubali Bank Ltd.	2,100,000,000	500,000,000	-	1,000,000,000	-
City Bank Ltd.	6,000,000,000	-	-	-	-
Bank Asia Ltd.	2,125,000,000	-	2,350,000,000	-	-
Dutch Bangla Bank Ltd.	-	-	-	-	1,000,000,000
Mutual Trust Bank Ltd.	2,000,000,000	-	-	-	-
Prime Bank Ltd.	1,000,000,000	-	1,500,000,000	-	-
United Commercial Bank Ltd.	2,000,000,000	-	500,000,000	-	-
Brac Bank Ltd.	3,500,000,000	-	50,000,000	-	-
One Bank Ltd.	1,700,000,000	-	-	-	-
	35,837,000,000	500,000,000	6,900,000,000	1,463,150,000	1,000,000,000

United Jamalpur Power Limited

Name of the bank	Letter of credit - limit	Long term Loan	Bank guarantee facilities limit	Short term loan limit
HSBC	1,770,000,000	200,000,000	-	250,000,000.00
Dhaka Bank Ltd.	1,215,000,000	-	280000000	500,000,000
City Bank Ltd.	3,500,000,000	-	-	-
Bank Asia Ltd	2,125,000,000	-	-	-
Standard Chartered Bank	1,600,000,000	-	-	800,000,000
Eastern Bank Ltd.	2,100,000,000	-	-	2,200,000,000
Dutch Bangla Bank Ltd.	1,300,000,000	1,000,000,000	-	200,000,000
Citibank, N.A	1,600,000,000	-	-	-
Brac Bank	1,750,000,000	-	-	-
MTBL	-	-	-	-
	16,960,000,000	1,200,000,000	280,000,000	3,950,000,000

52 EXPENDITURE IN EQUIVALENT FOREIGN CURRENCY

In Taka	30 June 2023	30 June 2022
Foreign travel for business purpose	107,093	-
	107,093	-

53 CAPACITY AND PRODUCTION

United Power Generation & Distribution Company Ltd

	30 June 2023			30 June 2022	
Location of plant	Installed capacity (MWH)	Actual production (MWH)	Capacity utilisation (%)	Actual production (MWH)	Capacity utilisation (%)
Dhaka EPZ	656,000	303,725	46%	473,878	72%
Chattogram EPZ	576,000	417,449	72%	517,737	90%
Total	1,232,000	721,174		991,615	



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

United Energy Ltd

Location of plant	Installed capacity (MWH)	Actual production (MWH)	30 June 2023	Actual production (MWH)	30 June 2022
			Capacity utilisation (%)		Capacity utilisation (%)
Sylhet	224,000	95,509	43%	177,474	79%
Ashuganj	424,000	-	0%	-	0%
Total	648,000	95,509		177,474	

United Ashuganj Energy Ltd

Location of plant	Installed capacity (MWH)	Actual production (MWH)	30 June 2023	Actual production (MWH)	30 June 2022
			Capacity utilisation (%)		Capacity utilisation (%)
Ashuganj	1,560,000	368,711	24%	268,543	17%

United Anwara Power Ltd

Location of plant	Installed capacity (MWH)	Actual production (MWH)	30 June 2023	Actual production (MWH)	30 June 2022
			Capacity utilisation (%)		Capacity utilisation (%)
Anwara	2,400,000	1,040,743	43%	1,715,204	71%

United Jamalpur Power Ltd

Location of plant	Installed capacity (MWH)	Actual production (MWH)	30 June 2023	Actual production (MWH)	30 June 2022
			Capacity utilisation (%)		Capacity utilisation (%)
Jamalpur	920,000	514,218	56%	637,860	69%

54 NUMBER OF EMPLOYEES

The Group has no employees. Operation and maintenance activities are managed by 171 personnel for UPGDCL, 86 personnel for UAEL, 36 personnel for UEL, 71 personnel for UJPL and 125 personnel for UAnPL provided by United Engineering and Power Services Ltd under separate O&M contracts.

55 COMPARATIVES AND REARRANGEMENT

Previous year's figures have been rearranged, wherever considered necessary to conform to the current year's presentation.

56 EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

The Board of Directors in its 107th meeting held on 26 October 2023 recommended cash dividend @80% per share equivalent to Taka 8.00 of Face Value Taka 10.00 per share aggregating Tk.4,637,562,160 for the year ended 30 June 2023. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company.

The Board of Directors in its 102nd meeting held on 24 August 2022 has approved the amalgamation scheme of UPGDCL with UAnPL a 300 MW HFO-based power plant at Anwara, UJPL a 115 MW HFO-based power plant at Jamalpur and UEL 28 MW gas based at Sylhet and 53 MW gas based power plant at Ashuganj. The company made an application to the High Court division of the Honourable Supreme Court regarding the approval of the scheme of amalgamation. The Court admitted the application and passed an order on 1 September 2022 for further compliance. The company submitted the compliance on 15



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

January 2023 to the Honourable Court. The Honourable High Court by its Judgement and Order dated 05.06.2023 approved the amalgamation Scheme. By a subsequent Order dated 01.08.2023, the Honourable High Court determined 1 July 2023 as the "Appointment Date" under the scheme.

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

57 GOING CONCERN

The Group has adequate resources to continue in operation for the foreseeable future. For this reason, the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Group provide sufficient fund to meet the present requirements of its existing business.

58 BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on historical cost basis except inventories which is measured at lower of cost and net realisable value on each reporting date.

59 MACRO-ECONOMIC CONDITIONS

The Russian-Ukrainian conflict has brought about global economic uncertainty and volatility, in particular giving rise to energy supply shortages and significant price volatility. In addition, the Bangladesh Taka has undergone rapid devaluation.

Bangladesh Government has for the time being reduced import of liquified natural gas and diesel and is thus focusing on procuring electricity from gas fired plants (by providing them locally sourced natural gas) like that of the Company and from HFO fired power plants. Management is closely monitoring these global and local factors and the impact it may have on electricity demand by the off-taker going forward.

60 SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

- A Basis of consolidated financial statements
- B Property, plant and equipment
- C Inventories
- D Financial instruments
- E Impairment
- F Revenue
- G Provisions
- H Contingencies
- I Foreign currency
- J Income tax
- K Employee benefits
- L Statement of cash flows
- M Finance income and finance expenses
- N Advances, deposits and prepayments
- O Share capital
- P Earnings per share
- Q Dividends
- R Materiality and aggregation
- S Leases

A Basis of consolidated financial statements

The consolidated financial statements comprise the consolidated financial position and the consolidated results of operation of United Power Generation and Distribution Company Ltd. (the "Company") and its subsidiaries United Energy Ltd., United Ashuganj Energy Ltd., Leviathan Global BD Ltd., United Anwara Power Limited, United Jamalpur Power Limited (collectively referred to as the 'Group').



United Power Generation & Distribution Company Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Subsidiary is an enterprise controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable are taken into account. The results of operations and total assets and liabilities of the subsidiary are included in the consolidated financial statements on a line by-line basis and the interest of non-controlling shareholders, if any, in results and net assets of the subsidiary are stated separately. The financial statements of the subsidiary are included in consolidated financial statement of the Group from the date of control achieved until the date of control ceased. The consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS)- 27 "Separate Financial Statements" and International Financial Reporting Standard (IFRS)- 10: "Consolidated Financial Statements".

<i>Name of subsidiaries</i>	<i>% of controlling interest</i>	<i>% of controlling interest</i>
United Energy Ltd	99.00	1.00
United Ashuganj Energy Ltd	91.49	8.51
Leviathan Global BD Ltd.	75.00	25.00
United Anwara Power Limited	99.00	1.00
United Jamalpur Power Limited	99.00	1.00

United Power Generation & Distribution Company Ltd. (UPGDCL) hold 99% Shares in each of United Energy Ltd. (UEL), United Anwara Power Ltd. (UANPL) United Jamalpur Power Ltd. (UJPL) and 75% Shares in Leviathan Global BD Ltd. (LGBD). Moreover UEL hold 92.41% Shares of United Ashuganj Energy Ltd. (UAEL) which is effectively owned by UPGDCL of 91.49% Shares in UAEL.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein UPGDCL has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2021, there are no such investments.

B Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

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 Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred.

Depreciation

i) Property, plant and equipment is stated at cost less accumulated depreciation. All property, plant and equipment have been depreciated on straight line method.

ii) In respect of addition to fixed assets, full depreciation is charged in the month of addition irrespective of date of purchase in that month and no depreciation is charged in the month of disposal/retirement. Residual value is estimated to be zero for all assets.

The rates of depreciation vary according to the estimated useful lives of the items of all property, plant and equipment.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Considering the estimated useful life of the assets, the rates of depreciation are as follows:

	%
Plant and machinery	3.33 - 8.33
Gas line	2 - 8.33
Building and civil construction	3.33 - 8.33
Office equipment	10 - 15
Furniture and fixture	10
Motor vehicle	10

Retirements and disposals

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset in the statement of profit or loss and other comprehensive income.

C Inventories

Inventories consisting mainly of spare parts, lube oil and chemicals are valued at lower of cost and net realisable value. Net realisable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale. Costs of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using weighted average cost method.

When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

D Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both the following conditions and is not designated at FVTPL:



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

"In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)."

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets include cash and cash equivalents, trade and other receivables and receivable from related parties.

(a) Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

iii. Financial liability

All financial liabilities are recognised initially on the transaction date at which the Group becomes a party to the contractual provisions of the liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include trade and other payables, related party payables, borrowings, accrued expenses etc.

(a) Trade and other payables

The Group recognises trade and related party payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(b) Loans and borrowings

Principal amounts of the loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from reporting date are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from reporting date, unpaid interest and other charges are classified as current liabilities.

(c) Accrued expenses

Accrued expenses represent various operating expenses that are due at the reporting date which are initially measured at fair value.

E Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Non financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Group assesses yearly whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognising an impairment loss, if and only the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognised immediately in the statement of comprehensive income.

F Revenue

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

G Provisions

A provision is recognised in the statement of financial position when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

H Contingencies

Contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

(i) Contingent liability

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

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

(ii) Contingent asset

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

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

I Foreign currency

Foreign currency transactions are translated into BDT/Taka at the exchange rates prevailing on the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the reporting date.

Foreign currency denominated non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates prevailing at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

J Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Power generation companies in the



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Group are given tax exemptions for certain years beginning with the month of Commercial Date of Operation (“COD”). The summary of tax exemptions for the power plants operated in the Group are as below:

Entity	Plant	Tax provision status	Period	Expiry
UPGDCL	82 MW plant at DEPZ	Tax exemption on all income	15 years	2023
	72 MW plant at CEPZ	Tax exemption on all income	15 years	2024
UEL	53 MW plant at Ashuganj	Tax exemption on business income	5 years	2027
	28 MW plant at Sylhet	Tax exemption on business income	15 years	2028
UAEL	195 MW plant at Ashuganj	Tax exemption on business income	15 years	2030
UAnPL	300 MW plant at Anwara	Tax exemption on business income	15 years	2034
UJPL	115 MW plant at Jamalpur	Tax exemption on business income	15 years	2034

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting data.

Deferred tax assets and liabilities are offset only if certain criteria are met.

As of 30 June 2023, the Company’s power plant operated under tax exemption regime. It has examined the precedent of tax assessment completed of a power generation company for the year when its tax exemption ended, which shows the accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment at that point in time. On this basis, in the preparation of these financial statements, the Company has not considered any deferred tax relating to property, plant and equipment as the Company is still under tax exemption as at the reporting date.

K Employee benefits

Workers profit participation fund (WPPF)

The government of Bangladesh has made an amendment to the Labour Law 2006 in July 2013. As per amended section-232 (chha) of the Act, any undertaking carrying on business to earn profit is liable to make provision for WPPF at 5% of the net profit and it also needs to be distributed within 9 months of the statement of financial position date. Operation and maintenance (O&M) activities of the Group are managed by employees of United Engineering and Power Services Limited under an O&M contract. Therefore, the provision of WPPF is not applicable for the Group.

L Statement of cash flows

Statement of cash flows has been prepared in accordance with the IAS 7: Statement of cash flows under the direct method.

M Finance income and finance expenses

Finance income comprises interest on financial deposits with banks and loans made to related parties. Finance income is recognised on an accrual basis and shown under statement of profit or loss and other comprehensive income. The Group’s finance cost includes interest expense which is recognised at amortised cost.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

N Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.

O Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with IAS 12.

P Earnings per share

The Company represents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.

Q Dividends

Final dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the annual general meeting, while interim dividend distributions are recognised in the period in which the dividends are declared and paid.

R Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

S Leases**i) The Company as a lessee**

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- i. fixed payments, including in-substance fixed payments;
- ii. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- iii. amounts expected to be payable under a residual value guarantee; and
- iv. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii) The Company as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of 'capacity revenue'.

61 NAME OF AUDITORS OF THE GROUP COMPANIES

Name of subsidiary	Status	Name of auditors
United Energy Ltd.	Subsidiary	Hoda Vasi Chowdhury & Co
United Ashuganj Energy Ltd.	Subsidiary	Rahman Rahman Huq
Leviathan Global BD Ltd.	Subsidiary	Hoda Vasi Chowdhury & Co
United Anwara Power Ltd.	Subsidiary	Hoda Vasi Chowdhury & Co
United Jamalpur Power Ltd.	Subsidiary	Hoda Vasi Chowdhury & Co





United Power Generation & Distribution Company Ltd.

Independent Auditor's Report and Financial Statements
As at and for the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Power Generation & Distribution Company Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Power Generation & Distribution Company Ltd. (the "Company"), which comprise the statement of financial position as at 30 June 2023, and the statements 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 present fairly, in all material respects, of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note 51.

Basis of Opinion

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

Other Matters

The financial statements of United Power Generation & Distribution Company Ltd. for the year ended 30 June 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 27 October 2022.

Emphasis of matter

We draw attention to Note 41.2 to the financial statements, wherein the management has explained the status of additional claim by the Company's gas suppliers. After several stages of legal proceedings, where the judgments did not go in favour of the Company, the Company has filed two Civil Review Petitions which are still pending for hearing before the Honourable Appellate Division of the Supreme Court of Bangladesh as of the date of this report. Meanwhile, the Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources to consider the gas tariff as IPP category. Pending final outcome of the Court proceedings, management has concluded that a significant uncertainty exists in order to enable any reliable estimation of a potential obligation, if any, and no provision for these claims has been made in the accompanying financial statements. Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

Revenue recognition	
Description of key audit matters	How the matters were addressed in our audit
<p>Revenue recognition and provision for customer receivables are key areas of judgment, particularly in relation to energy revenue which is recognised based on the survey of the meter reading. The customer (or government authority) verifies the electrical energy output through physical inspection of meter and/or review of relevant reports generated from the meter. Upon agreement by both parties, the electrical energy delivered for the month is evidenced by the approval of the professional engineers representing the Company and the customer. The meter is calibrated and certified by independent professional engineers on a regular basis. Identification of conflicting issues relating to billing and assessing the prospect of recoverability for revenue that has been billed is hence regarded as a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> assessing whether revenue recognition policies are applied through comparison with relevant accounting standards and industry practice; Review of Power Supply/Purchase Agreement terms and recalculate invoice amount as per PSA/PPA; testing the Company's controls over revenue recognition; assessing the assumptions used to calculate the metered accrued income by ensuring that inputs used to the calculation have been derived appropriately; checking of subsequent collection of revenue. Discussions with management regarding their communications with customers (e.g. BPDB, BREB) regarding settlement of remaining invoices. Review of management's assessment as to recoverability, including the need for any impairment provision.
See note 51 (E) and 24 to the financial statements	
Additional charges claimed by the gas suppliers to the Company	
Description of key audit matters	How the matters were addressed in our audit
<p>Based on a decision of the Ministry of Power, Energy and Mineral Resources with regard to gas rates applicable for gas-based power plants, the gas suppliers of the Company, namely Titas Gas Transmission & Distribution Company Limited and Karnaphuli Gas Distribution Company Limited have claimed additional amounts of BDT 3,844,873,992 and BDT 2,476,564,935 for Dhaka Export Processing Zone (DEPZ) and Chittagong Export Processing Zone (CEPZ) plants, respectively.</p> <p>The Company had filed two separate writ petitions, dated 23 May 2019 and 1 July 2019, with the Honorable High Court Division of the Supreme Court of Bangladesh against the above decision. Judgement was given against the Company and the Company then appealed to the Honorable Supreme Court which was also discharged by the Court. The Company has now filed two review petitions which are still pending for hearing before the Honorable Appellate Division of the Supreme Court of Bangladesh as of the date of this report.</p> <p>Pending final outcome of the Court proceedings, management has conclude that a significant uncertainty exists in order to enable any reliable estimation of a potential obligation, and no provision for these claims has been made in the accompanying financial statements. As the amount is considered material for the consolidated financial statements of the Group we considered this as a key audit matter.</p>	<p>Our substantive procedures in this area included:</p> <ul style="list-style-type: none"> discussion of material legal cases with the Company's Legal Department; review of legal documents pertaining to the case; inquiry with management and review and analysis of managements detailed assessment of the probability of outcome of the case; directly obtaining assessment and legal opinion from the Company's external legal counsel with regard to the outcome of the case; assessment of disclosures in the financial statements of material contingencies, nature and their measurement.
See note 51 (G) and 41.2 to the financial statements	

Accuracy and completeness of disclosure of related party transactions

Description of key audit matters	How the matters were addressed in our audit
<p>The Company and its subsidiaries have undertaken various related party transactions as part of its operational activities. We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the financial statements as a key audit matter. Furthermore, the Company being a listed entity such related party transactions are subject to certain regulatory directives. Accordingly, we consider this as a key audit matter.</p>	<p>Our procedures in relation to the accuracy and completeness of disclosure of related parties' transactions included:</p> <ul style="list-style-type: none"> • obtained an understanding of the Group's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been accurately disclosed in the financial statements; • agreed the amounts disclosed to underlying documentation and reviewing relevant agreements, on a sample basis, as part of our evaluation of the disclosure; and • evaluated the disclosures through review of statutory information, books and records and other documents obtained during the course of our audit. • Checked the compliance with regulatory directives regarding related party transactions.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs as explained in note 51, the Companies Act 1994, Securities and Exchange Rules 2020, 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.

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

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

Auditors' responsibilities for the Audit of the Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred was for the purposes of the Company's Business.

Dhaka, 26 October 2023
DVC: 2310310770AS723692



Sabbir Ahmed FCA, Partner
ICAB Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



United Power Generation & Distribution Company Ltd.
STATEMENT OF FINANCIAL POSITION

In Taka	Notes	As at	
		30 June 2023	30 June 2022
Assets			
Property, plant and equipment	5	7,394,485,991	7,590,793,770
Right of use assets	6	22,382,845	24,857,891
Investment in subsidiary	7	5,317,935,192	5,317,935,192
Non-current assets		12,734,804,028	12,933,586,853
Inventories	8	1,029,831,958	872,971,763
Trade and other receivables	9	1,008,167,609	1,299,832,388
Advances, deposits and prepayments	10	81,463,594	75,046,767
Investment in marketable securities	11	137,876,106	148,085,596
Receivable from related parties	12	18,643,558,535	15,273,283,533
Cash and cash equivalents	13	692,461,410	83,133,185
Current assets		21,593,359,212	17,752,353,232
Total assets		34,328,163,240	30,685,940,085
Equity			
Share capital	14	5,796,952,700	5,796,952,700
Share premium	15	2,046,000,000	2,046,000,000
Retained earnings	16	26,051,181,553	22,567,015,683
Total equity		33,894,134,253	30,409,968,383
Liabilities			
Security money received	17	15,700,000	700,000
Lease Liability- Non-current portion	18	22,545,443	24,677,455
Non-current liabilities		38,245,443	25,377,455
Trade and other payables	19	299,423,166	173,646,747
Accrued expenses	20	48,730,694	29,151,759
Unclaimed dividend	21	12,944,122	13,322,091
Payable to related parties	22	32,553,550	32,493,028
Lease Liability- Current portion	18	2,132,012	1,980,622
Provision for taxation	23	-	-
Current liabilities		395,783,544	250,594,247
Total liabilities		434,028,987	275,971,702
Total equity and liabilities		34,328,163,240	30,685,940,085
Net asset value per share	32	58.47	52.46

The accompanying notes form an integral part of these financial statements.
See the annexed report of even date.

Hoda Vasi Chowdhury & Co
Chartered Accountants

Sabbir Ahmed

Sabbir Ahmed FCA, Partner
Enrolment Number: 0770
Dhaka, 26 October 2023
DVC: 2310310770AS723692



[Signature]
Managing Director

[Signature]
Director

Moslatk Ahmed
Company Secretary

United Power Generation & Distribution Company Ltd.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Taka	Notes	For the year ended	
		30 June 2023	30 June 2022
Revenue	24	5,596,545,912	6,784,995,520
Cost of sales	25	(3,852,265,779)	(2,318,903,614)
Gross profit		1,744,280,133	4,466,091,906
Other operating income	26	11,415,506,942	6,035,493,965
General and administrative expenses	27	(359,961,682)	(62,415,291)
Operating profit		12,799,825,393	10,439,170,580
Finance income	28	540,850,405	821,937,512
Finance charge	29	(1,690,338)	(1,766,364)
Profit before tax		13,338,985,460	11,259,341,728
Income tax expenses	30	-	-
Profit after tax		13,338,985,460	11,259,341,728
Other comprehensive income		-	-
Total comprehensive income		13,338,985,460	11,259,341,728
Basic Earnings per share (EPS) Tk.	31	23.01	19.42

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

See the annexed report of even date.

Hoda Vasi Chowdhury & Co
Chartered Accountants



Sabbir Ahmed FCA, Partner
Enrolment Number: 0770
Dhaka, 26 October 2023
DVC: 2310310770AS723692


Managing Director


Director

Moslatk Ahmed
Company Secretary



United Power Generation & Distribution Company Ltd.
STATEMENT OF CHANGES IN EQUITY

In Taka	For the year ended 30 June 2023			
	Share capital	Share premium	Retained earnings	Total equity
Balance at 1 July 2022	5,796,952,700	2,046,000,000	22,567,015,683	30,409,968,383
Total comprehensive income				
Profit for the year	-	-	13,338,985,460	13,338,985,460
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	13,338,985,460	13,338,985,460
Transaction with owners of the Company				
Contributions and distributions				
Cash dividend	-	-	(9,854,819,590)	(9,854,819,590)
Total transactions with owners of the Company	-	-	(9,854,819,590)	(9,854,819,590)
Balance at 30 June 2023	5,796,952,700	2,046,000,000	26,051,181,553	33,894,134,253

In Taka	For the year ended 30 June 2022			
	Share capital	Share premium	Retained earnings	Total equity
Balance at 1 July 2021	5,796,952,700	2,046,000,000	21,162,493,545	29,005,446,245
Total comprehensive income				
Profit for the year	-	-	11,259,341,728	11,259,341,728
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	11,259,341,728	11,259,341,728
Transaction with owners of the Company				
Contributions and distributions				
Issue of bonus shares	-	-	-	-
Cash dividend	-	-	(9,854,819,590)	(9,854,819,590)
Total transactions with owners of the Company	-	-	(9,854,819,590)	(9,854,819,590)
Balance at 30 June 2022	5,796,952,700	2,046,000,000	22,567,015,683	30,409,968,383
Notes	14	15	16	

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



United Power Generation & Distribution Company Ltd.

STATEMENT OF CASH FLOWS

In Taka	Notes	For the year ended	
		30 June 2023	30 June 2022
Cash flows from operating activities			
Cash received from customers		5,584,836,145	6,634,715,536
Cash received from other income		84,470,271	93,047,510
Cash paid to suppliers and others		(3,548,853,306)	(2,129,832,750)
Finance charge paid		(1,690,338)	(1,766,364)
Income tax paid		-	(640,419)
Net cash generated from operating activities		2,118,762,772	4,595,523,513
Cash flows from investing activities			
Acquisition of property, plant and equipment		(176,440,930)	(191,082,195)
Investment in subsidiary company		-	-
Cash received from/(paid for) related party loan		(2,841,397,617)	(945,635,986)
Dividend from subsidiary company		11,261,250,000	5,940,000,000
Net cash flows from/(used in) investing activities		8,243,411,453	4,803,281,820
Cash flows from financing activities			
Dividend paid		(9,855,197,559)	(9,854,652,650)
Insurance Claim received		89,332,181	-
Security money received		15,000,000	-
Lease payment		(1,980,622)	(1,840,434)
Net cash used in financing activities		(9,752,846,000)	(9,856,493,084)
Net (decrease)/increase in cash and cash equivalents		609,328,225	(457,687,751)
Opening cash and cash equivalents		83,133,185	540,731,531
Effect of changes in exchange rates on cash held		-	89,405
Closing cash and cash equivalents		692,461,410	83,133,185
Net operating cash flow per share		3.65	7.93

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



NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY

1.1 Company profile

United Power Generation & Distribution Company Ltd. (UPGDCL) (hereinafter referred to as “the Company”), a public limited company, was incorporated in Bangladesh on 15 January 2007 under the Companies Act (#18) 1994 under registration no. C-65291(2783)/07 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212, Bangladesh. The Company was initially registered as a private limited company, formerly known as Malancha Holdings Ltd. (MHL) and subsequently converted into a public limited company on 22 December 2010.

The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chattogram Stock Exchange Limited (CSE).

1.2 Nature of the business

The principal activity of the Company is to generate electricity by gas fired power plants, at Dhaka Export Processing Zone (DEPZ) with 82 MW capacity and Chattogram Export Processing Zone (CEPZ) with 72 MW capacity and to sell electricity to the export processing industries located inside DEPZ and CEPZ with the provision of selling surplus power outside the Export Processing Zones (EPZs) after fulfilling their requirement. The Company is also supplying electricity to Dhaka PBS-1 of Bangladesh Rural Electrification Board (BREB), Bangladesh Power Development Board (BPDB), Karnaphuli Export Processing Zone (KEPZ) and other private sector companies.

1.3 Power plant

The natural gas fired power plants of Dhaka EPZ and Chattogram EPZ consist of Wartsila and Rolls Royce engine generators with 30 years expected useful life, which form the major part of the power generation companies.

DEPZ power plant came into commercial operation on 26 December 2008 with a capacity of 41 MW at DEPZ premises. In 2013, the Company increased its capacity from 41 MW to 86 MW and installed 2 heat recovery boilers to produce 8 ton/h of steam for sale to other customers. At DEPZ, there are four gas fired engines with a capacity of 8.73 MW each, five gas fired engines with a capacity of 9.34 MW each and two gas fired engines with a capacity of 2 MW each for generation of electricity. In 2021, the company dispose two gas fired MTU engines with a capacity of 2 MW each for generation of electricity. At present total install capacity of DEPZ power plant is 82 MW.

CEPZ power plant came into commercial operation on 12 August 2009 with a capacity of 44 MW at CEPZ premises. In 2013, the Company increased its capacity from 44 MW to 72 MW and installed 3 heat recovery boilers to produce 12 ton/h of steam for sale to other customers. At CEPZ, there are five gas fired engines with a capacity of 8.73 MW each and three gas fired engines with a capacity of 9.34 MW each.

Gas Line : Dhaka EPZ and Chattogram EPZ power plant

According to Power Supply Agreement, dated 6 May 2007 and 16 May 2007, Bangladesh Export Processing Zone Authority (BEPZA) at their own cost, was to provide necessary gas connection of required quantity and specification from the nearest District Regulatory Station (DRS) of Titas Gas Transmission and Distribution Company Limited and Karnaphuli Gas Distribution Company Limited (formerly known as Bakhrabad Gas System Limited). BEPZA was to maintain such gas connection until the expiry of a period of 50 years unless extended or terminated earlier. Although both parties agreed upon this arrangement, the Company established the gas line back on 17 November 2008 at its own cost due to lack of initiative by BEPZA in this regard.

For the DEPZ plant, the initial contract was for 6.91 (million cubic feet per day) MMCFD. Subsequently, additional allocation of 9 MMCFD gas was given by Titas Gas Transmission & Distribution Company Limited for further capacity enhancement. Thus total contract load is 15.91 MMCFD.

For the CEPZ plant, the initial contract was for 10.68 MMCFD. An additional allocation was given for another 4 MMCFD by Karnaphuli Gas Distribution Company Ltd for further capacity enhancement. Thus total contract load is 14.68 MMCFD.

Gas line cost includes Electric Resistance Welded (ERW) carbon steel pipe, tape for gas line, Regulating & Metering System (RMS), Town Border Station (TBS), line accessories, and construction and commissioning expenditures.



NOTES TO THE FINANCIAL STATEMENTS

1.4 Investment in subsidiaries

On 13 November 2018, the Board of Directors of the Company resolved to acquire 99% ordinary shares of United Energy Ltd (UEL) at face value. UEL is a power generation company established under the Private Sector Power Generation Policy of Bangladesh. It operates two power plants, a 28 MW plant at Sylhet and a 53 MW plant at Ashuganj respectively.

On 22 June 2019, the Contract for Supply of Electricity on Rental Basis between Bangladesh Power Development Board (BPDB) and United Energy Ltd relating to its 53 MW plant expired. Prior to the expiry, on 4 August 2018, the Company filed an application with BPDB for a 5 year extension of the contract. The plant further extended its contract to supply of electricity on rental basis with BPDB vide # 10640 for another five years execution on 31/03/2022.

UEL also holds 92.41% ordinary shares of United Ashuganj Energy Ltd (UAEL), a power generation company established under Public Private Partnership (PPP). It operates a 195 MW plant located at Ashuganj, Brahmanbaria.

On 22 June 2019, the Board of Directors of the Company resolved to acquire 75% shares (300,000 shares at face value of Tk. 10 each) of Leviathan Global BD Ltd. (LGBDL) from United Enterprises & Co. Ltd. (UECL). A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2019. LGBDL is a 50 MW IPP gas fired power plant built under joint venture between Leviathan Global Corporation, USA and UECL. The plant is located at KEPZ in Chattogram and will be operated under an agreement with BEPZA with a contract period of 30 years (extendable for a further 30 years) which is expected to be operational by December 2023.

On 15 September 2020, the Board of Directors of the Company, resolved to acquire 99% shares (9,900,000 shares) of United Anwara Power Limited (UAnPL) from Sponsor Shareholders at Net Asset Value based on audited Financial Statements as at 30 June 2020. A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2020. UAnPL is a 300 MW IPP HFO fired power plant, located at Anwara, Chattogram for a period of 15 years which came into Commercial Operation on 22 June 2019. The principal activity of the company is to generate electricity to sell such generated electricity to Bangladesh Power Development board (BPDB) under a Power Purchase Agreement (PPA).

On 15 September 2020, the Board of Directors of the Company also resolved to acquire 99% shares (9,900,000 shares) of United Jamalpur Power Limited (UJPL) from Sponsor Shareholders at Net Asset Value based on audited Financial Statements as at 30 June 2020. A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2020. UJPL is a 115 MW IPP HFO fired power plant, located at Jamalpur for a period of 15 years which came into commercial operation on 21 February 2019. The principal activity of the company is to generate electricity to sell such generated electricity to Bangladesh Power Development board (BPDB) under a Power Purchase Agreement (PPA).

Please see Note 7.

2 BASIS OF ACCOUNTING**2.1 Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Details of the Company's accounting policies are included in Note 51.

2.2 Date of authorisation

The financial statements were authorised for issue by the Board of Directors on 26 October 2023.

2.3 Reporting period

The reporting period of the Company covers from 1 July 2022 to 30 June 2023 and it is followed consistently.

3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements have been presented in Bangladeshi Taka (Taka/Tk/BDT), which is both the functional and presentation currency of the Company. All financial information presented in Taka has been rounded off to the nearest integer unless otherwise indicated.



NOTES TO THE FINANCIAL STATEMENTS

4 USE OF ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4.1 Assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statement is included in the following notes:

Note 5 and Note 51A	Property, plant and equipment
Note 8 and 51B	Inventories
Note 39 and 51G	Contingent assets
Note 41 and 51G	Contingent liabilities

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

The Company, on regular basis, reviews the inputs and valuation judgements used in measurement of fair value and recognises transfers between level of the fair value hierarchy at the end of the reporting period during which the changes have occurred.



NOTES TO THE FINANCIAL STATEMENTS

5 PROPERTY, PLANT AND EQUIPMENT

See accounting policy in Note 51A

Reconciliation of carrying amount

<i>In Taka</i>	Plant and machinery	Gas line	Office equipment	Furniture and fixture	Motor vehicle	Total
Cost						
Balance at 1 July 2022	10,674,032,634	355,038,770	13,202,701	3,164,148	70,687,690	11,116,125,943
Additions	127,593,998	47,334,685	1,495,047	17,200	-	176,440,930
Disposals/transfers						-
Balance at 30 June 2023	10,801,626,632	402,373,455	14,697,748	3,181,348	70,687,690	11,292,566,873
Balance at 1 July 2021	10,492,059,285	354,286,635	12,485,241	3,139,898	63,072,690	10,925,043,749
Additions	181,973,349	752,135	717,461	24,250	7,615,000	191,082,195
Disposals/transfers						-
Balance at 30 June 2022	10,674,032,634	355,038,770	13,202,701	3,164,149	70,687,690	11,116,125,943
Accumulated depreciation						
Balance at 1 July 2022	3,399,972,284	72,908,989	11,670,802	2,368,123	38,411,976	3,525,332,173
Depreciation for the year	357,837,577	7,588,526	535,384	249,637	6,537,585	372,748,709
Adjustment for disposals/transfers						-
Balance at 30 June 2023	3,757,809,860	80,497,515	12,206,185	2,617,761	44,949,561	3,898,080,882
Balance at 1 July 2021	3,048,221,169	65,820,749	11,314,271	2,103,715	32,192,557	3,159,652,460
Depreciation for the year	351,751,115	7,088,240	356,531	264,408	6,219,419	365,679,713
Adjustment for disposals/transfers						-
Balance at 30 June 2022	3,399,972,284	72,908,989	11,670,802	2,368,123	38,411,976	3,525,332,173
Carrying amounts						
At 30 June 2023	7,043,816,772	321,875,940	2,491,563	563,588	25,738,129	7,394,485,991
At 30 June 2022	7,274,060,350	282,129,781	1,531,899	796,025	32,275,714	7,590,793,770

a) Allocation of depreciation

<i>In Taka</i>	Notes	For the Year ended	
		2023	2022
Cost of sales	25.1	369,021,222	355,309,684
General and administrative expenses	27	3,727,487	3,588,987
		372,748,709	358,898,671

b) Basis of allocation

99% of total depreciation expenses charged to cost of sales. Remaining 1% of total depreciation expenses charged to the general and administrative expenses.



NOTES TO THE FINANCIAL STATEMENTS

6 RIGHT OF USE ASSETS

See accounting policy in Note 51Q

<i>In Taka</i>	30 June 2023	30 June 2022
Land lease rent	20,358,536	21,821,428
Office rent	2,024,309	3,036,463
Balance at	22,382,845	24,857,891

Reconciliation of carrying amount

<i>In BDT</i>	Land lease rent	Office rent
Cost		
Balance at 1 July 2022	26,210,102	4,048,617
Addition	-	-
Disposals	-	-
Balance at 30 June 2023	26,210,102	4,048,617
Balance at 1 July 2021	26,210,102	-
Addition during the year	-	4,048,617
Disposals	-	-
Balance at 30 June 2022	26,210,102	4,048,617
Accumulated amortisation		
Balance at 1 July 2022	4,388,674	1,012,154
Amortisation for the year	1,462,892	1,012,154
Disposals	-	-
Balance at 30 June 2023	5,851,566	2,024,308
Balance at 1 July 2021	2,925,782	-
Amortisation for the year	1,462,892	1,012,154
Disposals	-	-
Balance at 30 June 2022	4,388,674	1,012,154
Carrying amounts		
At 30 June 2023	20,358,536	2,024,309
At 30 June 2022	21,821,428	3,036,463

Amortisation on right of use asset (land) has been charged to cost of sales and amortisation on right of use asset (office rent) has been charged to general and administrative expenses.

7 INVESTMENT IN SUBSIDIARY

<i>In Taka</i>	30 June 2023	30 June 2022
United Energy Ltd.	297,000	297,000
Leviathan Global BD Ltd.	3,000,000	3,000,000
United Anwara Power Ltd.	3,334,877,715	3,334,877,715
United Jamalpur Power Ltd.	1,979,760,477	1,979,760,477
	5,317,935,192	5,317,935,192

8 INVENTORIES

See accounting policy in Note 51B

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
Spare parts	8.1	983,771,090	778,741,464
Lube oil and chemicals	8.1	12,340,269	12,018,214
Goods in transit		33,720,599	82,212,085
		1,029,831,958	872,971,763



NOTES TO THE FINANCIAL STATEMENTS

8.1 MOVEMENT IN INVENTORIES

<i>In Taka</i>	Spare parts	Lube oil and chemicals
Balance at 1 July 2022	778,741,464	12,018,214
Addition during the year	602,887,601	47,071,817
Loan/Transfer during the year	(13,879,410)	(59,258)
Consumption during the year	(383,978,566)	(46,690,505)
Balance at 30 June 2023	983,771,090	12,340,269
Balance at 1 July 2021	697,213,667	12,362,084
Addition during the year	410,373,527	26,492,040
Loan/Transfer during the year	(38,899,351)	4,475,651
Consumption during the year	(289,946,379)	(31,311,561)
Balance at 30 June 2022	778,741,464	12,018,214

9 TRADE AND OTHER RECEIVABLES

See accounting policy in Note 51C

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
Trade receivables	9.1	1,303,945,258	1,292,235,491
Other receivables	9.2	10,294,419	7,596,897
Provision for impaired receivables		(306,072,068)	-
		1,008,167,609	1,299,832,388

9.1 TRADE RECEIVABLES

<i>In Taka</i>	30 June 2023	30 June 2022
Bangladesh Rural Electrification Board (BREB)	199,979,872	215,673,539
Bangladesh Power Development Board (BPDB)	362,330,092	401,124,359
Bangladesh Export Processing Zone Authority (BEPZA)	385,683,340	401,305,424
Other private customers	355,951,955	274,132,169
	1,303,945,258	1,292,235,491

9.2 OTHER RECEIVABLES

<i>In Taka</i>	30 June 2023	30 June 2022
Wartsila Bangladesh Ltd	7,861,216	4,673,032
Bergen Engine BD (Pvt.) Ltd	1,053,791	1,509,407
ABB Ltd.	936,609	936,609
Weber Power Solution Ltd.	109,641	109,641
EPV Chittagong Ltd.	333,162	368,209
	10,294,419	7,596,897

9.3 Out of the total receivable from BREB, an amount of BDT 177,171,835 for the year from 2009 to 2012 was under arbitration in Bangladesh Energy Regulatory Commission (BERC) for determination. In May 2018, the arbitration panel awarded in favor of BREB. The Company has filed a writ petition with the BERC against the arbitration award. Judgment has been given against UPGDCL on 3 July 2022. Management has created provision for impaired receivables on the disputed amount due from BREB.

9.4 Out of the total receivable from BPDB, an amount of BDT 128,900,233 is disputed by BPDB dating back to the year 2009 to 2012. Being these two matters are the same and the verdict goes against UPGDCL, management has created a provision for impaired receivables on disputed amount due from BPDB.



NOTES TO THE FINANCIAL STATEMENTS

10 ADVANCES, DEPOSITS AND PREPAYMENTS

See accounting policy in Note 51M

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
Advance	10.1	34,132,865	40,023,702
Deposits	10.2	26,593,111	24,911,343
Prepayments	10.3	20,737,618	10,111,722
		81,463,594	75,046,767

10.1 ADVANCES

<i>In Taka</i>	30 June 2023	30 June 2022
Advance against expenses	32,940,526	40,023,702
Advance against LC charges	989,896	-
Advance Income Tax	202,444	-
	34,132,865	40,023,702

10.2 DEPOSITS

<i>In Taka</i>	30 June 2023	30 June 2022
Karnaphuli Gas Distribution Company Limited	17,448,825	17,448,825
Bank guarantee margin	5,850,000	5,850,000
Bangladesh Export Processing Zone Authority (BEPZA)	2,794,286	1,112,518
Central Depository Bangladesh Limited	500,000	500,000
	26,593,111	24,911,343

10.3 PREPAYMENTS

<i>In Taka</i>	30 June 2023	30 June 2022
Insurance premium	4,741,591	8,753,066
BERC license fees	144,900	1,358,656
Prepayment against LC Margin	15,851,126	-
	20,737,618	10,111,722

11 INVESTMENT IN MARKETABLE SECURITIES

See accounting policy in Note 51C

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
Cash available for share purchase		31,346	31,796
Financial assets classified as fair value through profit or loss	11.1	137,844,760	148,053,800
		137,876,106	148,085,596

11.1 FINANCIAL ASSETS CLASSIFIED AS FAIR VALUE THROUGH PROFIT AND LOSS

Name of the Company	No. of shares	Rate per share	Market value at 30 June 2023	Cost price	Changes in fair value	Market value at 30 June 2022
BEXIMCO	511,000	115.60	59,071,600	82,238,736	(23,167,136)	66,327,800
SHAHJABANK	865,200	18.30	15,833,160	18,117,047	(2,283,887)	16,716,000
Square Pharmaceuticals Ltd.	300,000	209.80	62,940,000	71,664,681	(8,724,681)	65,010,000
			137,844,760	172,020,464	(34,175,704)	148,053,800



United Power Generation & Distribution Company Ltd.

NOTES TO THE FINANCIAL STATEMENTS

12 RECEIVABLE FROM RELATED PARTIES

See accounting policy in Note 51C

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
United Mymensingh Power Ltd.		18,641,838,057	15,270,771,194
Inventory Receivable	12.1	1,720,478	2,512,339
		18,643,558,535	15,273,283,533

12.1 INVENTORY RECEIVABLE

<i>In Taka</i>	30 June 2023	30 June 2022
United Mymensingh Power Ltd.	512,355	512,355
United Anwara Power Ltd	-	71,071
United Lube Oil Ltd	377,392	377,392
United Energy Ltd		1,551,520
United Hospital Ltd.	556,964	-
United Sulpho-Chemicals Ltd.	273,767	-
	1,720,478	2,512,339

13 CASH AND CASH EQUIVALENTS

See accounting policy in Note 51C

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
Cash in hand		201,361	168,834
Cash at bank	13.1	692,260,049	82,964,351
		692,461,410	83,133,185

13.1 CASH AT BANK

<i>In Taka</i>	30 June 2023	30 June 2022
Dutch Bangla Bank Limited	34,461,863	12,700,798
Dhaka Bank Limited	400,232,327	45,689,173
HSBC	225,405,258	6,488,123
Brac Bank Limited	1,365,840	1,203,722
The City Bank Limited	14,835,766	14,886,126
Shahjalal Islami Bank Limited	8,200	8,200
Jamuna Bank Limited	15,915,426	1,952,152
Eastern Bank Limited	35,368	36,058
	692,260,049	82,964,351

14 SHARE CAPITAL

See accounting policy in Note 51N

<i>In Taka</i>	30 June 2023	30 June 2022
Authorised		
800,000,000 ordinary shares of Tk. 10 each	8,000,000,000	8,000,000,000
200,000,000 redeemable preference shares of Tk. 10 each	2,000,000,000	2,000,000,000
	10,000,000,000	10,000,000,000
Ordinary shares issued, subscribed and paid up		
Opening balance	5,796,952,700	5,796,952,700
Bonus shares issued	-	-
Closing balance (579,695,270 ordinary shares of Tk. 10 each)	5,796,952,700	5,796,952,700



NOTES TO THE FINANCIAL STATEMENTS

Particulars of shareholding

Name of shareholders	30 June 2023		30 June 2022	
	No. of shares	Value (Tk)	No. of shares	Value (Tk)
United Mymensingh Power Ltd.	521,716,902	5,217,169,020	521,716,902	5,217,169,020
Investment Corporation of Bangladesh	16,356,447	163,564,470	16,178,079	161,780,790
General investors	41,621,921	416,219,210	41,800,289	418,002,890
	579,695,270	5,796,952,700	579,695,270	5,796,952,700

14.1 PERCENTAGE OF SHAREHOLDINGS

Name of shareholders	30 June 2023	30 June 2022
United Mymensingh Power Ltd	90%	90%
Investment Corporation of Bangladesh	2.82%	2.79%
General investors	7.18%	7.21%
	100%	100%

14.2 CLASSIFICATION OF SHAREHOLDERS BY HOLDING

Range of holding in number of shares	30 June 2023		30 June 2022	
	No. of shareholders	No. of shares	No. of shareholders	No. of shares
01 to 5000 shares	12,589	5,900,477	12,685	5,818,770
5,001 to 20,000 shares	385	3,730,011	391	3,816,289
20,001 to 50,000 shares	112	3,651,645	110	3,515,898
50,001 to 1,000,000 shares	90	18,976,942	94	19,108,118
1,000,001 to 10,000,000 shares	7	25,719,293	7	25,719,293
over 10,000,000 shares	1	521,716,902	1	521,716,902
	13,184	579,695,270	13,288	579,695,270

15 SHARE PREMIUM

In Taka	30 June 2023	30 June 2022
Share premium	2,046,000,000	2,046,000,000
	2,046,000,000	2,046,000,000

This represents premium of Tk. 62 per share of 33,000,000 ordinary shares of Tk. 10 each.

16 RETAINED EARNINGS

In Taka	30 June 2023	30 June 2022
Opening balance	22,567,015,683	21,162,493,545
Net profit for the year	13,338,985,460	11,259,341,728
	35,906,001,143	32,421,835,273
Cash dividend for the year 2020-21	-	(9,854,819,590)
Cash dividend for the year 2021-22	(9,854,819,590)	-
	26,051,181,553	22,567,015,683

17 SECURITY MONEY RECEIVED

See accounting policy in Note 51C

In Taka	30 June 2023	30 June 2022
Lilac Fashion Wear Ltd	700,000	700,000
Huaxin Textile Industry Co. Ltd.	15,000,000	-
	15,700,000	700,000

Security deposit received comprises of an amount equal to two months minimum charge received from Lilac Fashion Wear Ltd. and Huaxin Textile Industry Co. Ltd.



NOTES TO THE FINANCIAL STATEMENTS

18 LEASE LIABILITY

See accounting policy in Note 51Q

<i>In Taka</i>	30 June 2023	30 June 2022
Land lease rent	22,472,123	23,489,811
Office rent	2,205,332	3,168,266
Balance at	24,677,455	26,658,077

<i>In Taka</i>	Land lease rent	Office rent
Balance as at 01 July 2022	23,489,811	3,168,266
Add: Addition during the year	-	-
Add: Interest charged during the year	1,356,615	237,066
Less: Payment made during the year	(2,374,303)	(1,200,000)
Balance as at 30 June 2023	22,472,123	2,205,332

Balance as at 01 July 2021	24,449,894	-
Add: Addition during the year	-	4,048,617
Add: Interest charged during the year	1,414,220	319,649
Less: Payment made during the year	(2,374,303)	-
Less: Transfer to intercompany payable during the year	-	(1,200,000)
Balance as at 30 June 2022	23,489,811	3,168,266

Segregation of Land lease liability:

<i>In Taka</i>	Land lease rent	Office rent	Total
Non-current portion	21,393,375	1,152,068	22,545,443
Current portion	1,078,748	1,053,264	2,132,012
Balance as at 30 June 2023	22,472,123	2,205,332	24,677,455

<i>In Taka</i>	Land lease rent	Office rent	Total
Non-current portion	22,472,123	2,205,332	24,677,455
Current portion	1,017,688	962,934	1,980,622
Balance as at 30 June 2022	23,489,811	3,168,266	26,658,077

19 TRADE AND OTHER PAYABLES

See accounting policy in Note 51C

<i>In Taka</i>	Notes	30 June 2023	30 June 2022
Trade payables	19.1	239,070,898	153,235,984
Other payables	19.2	60,352,268	20,410,763
		299,423,166	173,646,747

19.1 TRADE PAYABLES

<i>In Taka</i>	30 June 2023	30 June 2022
Gas bill	239,070,898	153,235,984
	239,070,898	153,235,984

19.2 OTHER PAYABLES

<i>In Taka</i>	30 June 2023	30 June 2022
Share application money payable	919,597	919,597
Service charge on gas bill	16,232,083	13,003,547
Bergen Engine BD (Pvt.) Ltd.	810,000	810,000
Other operating expenses	5,742,571	5,677,619
LC Liability-HSBC	36,648,017	-
	60,352,268	20,410,763



United Power Generation & Distribution Company Ltd.

NOTES TO THE FINANCIAL STATEMENTS

20 ACCRUED EXPENSES

See accounting policy in Note 51C

<i>In Taka</i>	30 June 2023	30 June 2022
VAT payable	4,968,549	1,565,086
Service charge on gas bill	23,907,090	11,460,230
Other operating expenses	16,767,140	2,148,527
Directors' remuneration	1,000,000	1,000,000
Office Maintenance	-	10,890,000
Audit fee	1,035,000	1,035,000
Utility bill	691,153	691,153
Security expenses	211,583	211,583
Medical expenses	50,970	50,970
Welfare fund	16,985	16,985
TDS Payable	66,025	66,025
Environmental expenses	16,200	16,200
	48,730,694	29,151,759

21 UNCLAIMED DIVIDEND

<i>In Taka</i>	30 June 2023	30 June 2022
Unclaimed cash dividend for the year 2018	-	1,072,116
Unclaimed cash dividend for the year 2019	-	2,747,534
Unclaimed cash dividend for the year 2020	3,914,680	3,950,608
Unclaimed cash dividend for the year 2021	5,406,305	5,551,834
Unclaimed cash dividend for the year 2022	3,623,136	-
	12,944,122	13,322,091

Unclaimed cash dividend for the year from 2018 to 2019 BDT 3,670,236 has been transferred to Capital Market Stabilization Fund.

22 PAYABLE TO RELATED PARTIES

See accounting policy in Note 51C

<i>In Taka</i>	30 June 2023	30 June 2022
United Engineering & Power Services Ltd.	2,340,800	11,094,651
United Ashuganj Energy Ltd.	27,299,124	19,927,593
United Jamalpur Power Ltd.	90,282	90,282
Neptune Land Development Ltd.	-	1,380,000
Leviathan Global Bangladesh Ltd.	502	502
United Anwara Power Ltd.	1,564,758	-
United Payra Power Ltd.	13,733	-
United Energy Ltd.	1,244,351	-
	32,553,550	32,493,028

23 PROVISION FOR TAXATION

See accounting policy in Note 51I

<i>In Taka</i>	30 June 2023	30 June 2022
Opening Balance	-	640,419
Charged during the year	-	-
Less: Paid during the year	-	(640,419)
	-	-

No provision is required for income tax on the Company's profits as it has received exemption from all such taxes from the Government of Bangladesh for 15 years from commencement.



NOTES TO THE FINANCIAL STATEMENTS

24 REVENUE

See accounting policy in Note 51E

In Taka	Notes	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Electricity supply	24.1	1,280,383,553	1,284,109,738	1,889,571,930	1,025,571,790	5,479,637,010	6,736,362,780
Steam supply	24.2	20,676,758	20,736,932	48,935,369	26,559,843	116,908,902	48,632,740
		1,301,060,311	1,304,846,670	1,938,507,299	1,052,131,633	5,596,545,912	6,784,995,520

24.1 ELECTRICITY SUPPLY

In Taka	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Bangladesh Export Processing Zone Authority (BEPZA)	744,248,789	746,414,709	1,549,923,545	841,226,438	3,881,813,482	4,535,849,302
Private customers	475,471,511	476,855,233	41,224,805	22,374,907	1,015,926,456	1,158,820,257
Bangladesh Power Development Board (BPDB)	-	-	298,423,579	161,970,444	460,394,023	643,903,934
Bangladesh Rural Electrification Board (BREB)	60,663,253	60,839,796	-	-	121,503,049	397,789,287
	1,280,383,553	1,284,109,738	1,889,571,930	1,025,571,790	5,479,637,010	6,736,362,780

24.2 STEAM SUPPLY

In Taka	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Gunze United Ltd	13,992,740	14,033,462	-	-	28,026,201	34,048,054
Global Labels (Bangladesh) Ltd	2,698,363	2,706,216	-	-	5,404,578	4,994,183
Croydon-Kowloon Designs Ltd	2,042,643	2,048,587	-	-	4,091,230	5,916,271
Talisman Ltd	1,943,013	1,948,667	-	-	3,891,680	1,579,130
Sewtech Fashions Limited	-	-	4,429,974	2,404,384	6,834,358	2,095,101
Universal Jeans Limited			42,140,065	22,871,668	65,011,733	
Pacific Jeans Ltd.			2,365,330	1,283,791	3,649,121	
	20,676,758	20,736,932	48,935,369	26,559,843	116,908,902	48,632,740

Basis of segregation of revenue and all expenses

During the year, the Company generated 721,174.43 MWH of electricity of which 303,725.31 MWH was from the DEPZ power plant and 417,449.12 MWH from the CEPZ power plant. Out of the total generated 303,725.31 MWH from DEPZ power plant, 152,083.31 MWH was generated from the plant's extended project which came into operation in 2013. Out of the total generated 417,449.12 MWH from CEPZ power plant, 146,862.07 MWH was generated from the plant's extended project which also came into operation in 2013. Revenue and all expenses has been segregated based on the plants existing and expansion production.

25 COST OF SALES

In Taka	Notes	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Gas bill		657,166,908	659,079,402	876,797,586	475,884,964	2,668,928,860	1,390,587,196
Spare parts		104,978,956	105,284,467	112,600,711	61,114,431	383,978,566	289,946,379
Lube oil and chemicals		12,182,006	12,217,459	14,448,867	7,842,173	46,690,505	31,311,561
Operation and maintenance expenses	25.1	214,731,190	215,356,103	209,094,035	113,486,521	752,667,849	607,058,478
		989,059,062	991,937,431	1,212,941,199	658,328,088	3,852,265,779	2,318,903,614



United Power Generation & Distribution Company Ltd.

NOTES TO THE FINANCIAL STATEMENTS

25.1 OPERATION AND MAINTENANCE EXPENSES

In Taka	Notes	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Depreciation	5	104,300,607	104,604,143	103,786,166	56,330,306	369,021,222	362,022,916
Direct overhead	25.2	34,386,343	34,486,414	39,216,834	21,285,074	129,374,665	114,443,501
Minimum load charge		28,095,803	28,177,568	20,125,154	10,922,998	87,321,523	48,385,390
Repair and maintenance		13,932,502	13,973,048	21,262,332	11,540,205	60,708,088	34,787,102
Insurance premium		4,179,322	4,191,485	4,191,640	2,275,027	14,837,475	16,023,668
Entertainment		572,192	573,858	577,224	313,291	2,036,565	6,482,899
Utility bill		1,530,443	1,534,896	8,332,430	4,522,456	15,920,225	10,592,222
Security expense		1,081,655	1,084,803	1,286,961	698,503	4,151,922	3,562,709
Vehicle running and maintenance		843,707	846,162	1,454,863	789,632	3,934,364	1,817,766
Travelling and conveyance		40,858	40,977	321,880	174,702	578,417	609,245
Carrying charge		287,991	288,829	592,719	321,701	1,491,240	1,158,230
Site office expense		332,473	333,440	723,826	392,859	1,782,598	2,243,860
Wages		85,714	85,964	468,724	254,401	894,803	576,323
BERC license and others		76,398	76,620	110,824	60,150	323,991	276,757
Stationeries		50,199	50,346	149,016	80,879	330,439	252,737
Environmental expenses		83,249	83,491	146,954	79,760	393,454	621,257
Telephone, mobile and internet		61,261	61,439	79,533	43,167	245,400	273,532
Medical Fees		186,101	186,643	242,072	131,386	746,202	1,116,023
VAT Expenses		24,126,445	24,196,659	5,424,610	2,944,226	56,691,940	-
Worker welfare fund		62,034	62,214	80,691	43,795	248,734	211,133
Automation and IP expense and others		16,701	16,749	44,822	24,328	102,600	89,466
Postage and courier		14,576	14,619	25,860	14,035	69,090	48,850
Amortisation of right of use assets		384,616	385,736	448,899	243,641	1,462,892	1,462,892
		214,731,190	215,356,103	209,094,035	113,486,521	752,667,849	607,058,478

25.2 The Company signed an agreement for all its operation, maintenance and management (O&M) services with United Engineering and Power Service Ltd (UEPSL). It provides all technical support related to operation and management of the power plants. UEPSL raises invoice for actual cost and a service charge per month.

26 OTHER OPERATING INCOME

In Taka	Notes	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Burn lube oil sale/used drum sale		6,821,339	6,841,191	7,775,946	4,220,422	25,658,898	49,068,204
Srape sale		12,301,305	12,337,104	14,022,800	7,610,924	46,272,133	36,360,839
Dividend Income from Mkt security		964,067	966,873	1,098,983	596,477	3,626,400	3,545,443
Foreign Exchange gain/(Loss)		(112,501)	(112,829)	(128,245)	(69,605)	(423,181)	93,332
Realized Profit/(loss) from		6,371,344	6,389,886	7,262,977	3,942,006	23,966,214	30,093,542
Marketable securities							
Unrealised gain/(loss)		-	-	-	-	-	209,865
from Trade receivable							
Unrealised gain /(loss) from cash and cash equivalent		-	-	-	-	-	89,405
Unrealized Profit/(Loss) from		(9,085,506)	(9,111,947)	(10,356,970)	(5,621,282)	(34,175,704)	(23,966,665)
Marketable securities							
Insurance Claim received		23,748,686	23,817,800	27,072,176	14,693,519	89,332,181	
Dividend from subsidiary company	26.1	2,367,913,228	2,374,804,352	4,225,258,537	2,293,273,884	11,261,250,000	5,940,000,000
		2,408,921,963	2,415,932,430	4,272,006,205	2,318,646,344	11,415,506,942	6,035,493,965



United Power Generation & Distribution Company Ltd.

NOTES TO THE FINANCIAL STATEMENTS

26.1 DIVIDEND FROM SUBSIDIARY COMPANY

In Taka	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
United Jamalpur Power Ltd	541,237,309	542,812,423	965,773,380	524,176,888	2,574,000,000	-
United Energy Ltd	671,342,432	673,296,179	1,197,930,442	650,180,947	3,192,750,000	-
United Anwara Power Ltd	1,155,333,487	1,158,695,750	2,061,554,715	1,118,916,049	5,494,500,000	5,940,000,000
	2,367,913,228	2,374,804,352	4,225,258,537	2,293,273,884	11,261,250,000	5,940,000,000

27 GENERAL AND ADMINISTRATIVE EXPENSES

In Taka	Notes	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Directors' remuneration		6,913,482	6,933,602	7,880,984	4,277,432	26,005,500	15,621,375
Office maintenance		4,929	4,944	5,619	3,050	18,542	10,909,541
Advertisement		1,811,300	1,816,571	2,064,781	1,120,667	6,813,318	5,477,063
Depreciation	5	990,941	993,825	1,129,617	613,104	3,727,487	3,656,797
Bad debt expenses		177,171,835	-	128,900,233	-	306,072,068	-
Vehicle running and maintenance		604,044	605,801	688,576	373,727	2,272,148	462,929
Bank charge and commission		489,025	490,448	557,461	302,564	1,839,499	1,672,276
Board meeting fees		586,990	588,698	669,136	363,176	2,208,000	2,046,000
Office rent- VAT portion		47,852	47,992	54,549	29,607	180,000	180,000
Traveling and conveyance		257,461	258,210	293,491	159,293	968,455	417,493
Entertainment		173,971	174,477	198,317	107,637	654,403	1,974,936
Consultancy fees		412,173	413,372	469,854	255,015	1,550,414	530,354
Postage, telephone and telex		12,019	12,054	13,701	7,436	45,211	35,410
Stationeries		330,372	331,333	376,606	204,404	1,242,715	12,910
AGM Expense		62,124	62,305	70,818	38,437	233,683	845,085
License fees and others		399,974	401,138	455,949	247,468	1,504,529	24,400
RJSC expenses		19,942	20,000	22,733	12,338	75,013	53,199
Auditor's fee		275,152	275,952	313,657	170,239	1,035,000	1,035,000
Legal fee		110,326	110,648	125,766	68,260	415,000	1,452,800
Medical Fees		-	-	-	-	-	25,800
CDBL and Listing fees		375,376	376,468	427,908	232,248	1,412,000	5,044,678
Brokerage commission		-	-	-	-	-	9,925,090
Amortisation of ROU asset- Office rent		269,078	269,861	306,734	166,481	1,012,154	1,012,154
Overseas Travelling		28,470	28,553	32,455	17,615	107,093	-
EGM Expenses		91,651	91,917	104,477	56,705	344,750	-
Software Maintenance		59,736	59,910	68,095	36,959	224,700	-
		191,498,224	14,368,081	145,231,516	8,863,861	359,961,682	62,415,291

28 FINANCE INCOME

See accounting policy in Note 51L

In Taka	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Interest on related party loan	140,584,340	140,993,470	160,258,299	86,980,754	528,816,863	817,076,832
Interest on Short Term Deposits Account	3,199,080	3,208,390	3,646,773	1,979,299	12,033,542	4,860,680
	143,783,420	144,201,860	163,905,072	88,960,052	540,850,405	821,937,512

29 FINANCE CHARGE

In Taka	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Interest on lease liability	449,371	450,679	512,258	278,030	1,690,338	1,766,364
	449,371	450,679	512,258	278,030	1,690,338	1,766,364



NOTES TO THE FINANCIAL STATEMENTS

30 INCOME TAX EXPENSES

In Taka	DEPZ Existing	DEPZ Expansion	CEPZ Existing	CEPZ Expansion	30 June 2023	30 June 2022
Adjustment of advance tax on completion of assessment	-	-	-	-	-	-
Charged on assessment during the year	-	-	-	-	-	-
	-	-	-	-	-	-

31 EARNINGS PER SHARE

See accounting policy in Note 51O

The calculation of basic earnings per share is based on profit of the Company attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

In Taka	30 June 2023	30 June 2022
Profit attributable to the ordinary shareholders	13,338,985,460	11,259,341,728
Weighted average number of shares outstanding	579,695,270	579,695,270
Earnings per share (basic)	23.01	19.42

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the period.

31.1 WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING

	Notes	30 June 2023	30 June 2022
Ordinary shares outstanding at beginning of the year		579,695,270	579,695,270
Bonus shares issued	14	-	-
Total weighted average number of share outstanding		579,695,270	579,695,270

32 NET ASSET VALUE PER SHARE

	Notes	30 June 2023	30 June 2022
Net assets		33,894,134,253	30,409,968,383
Weighted average number of shares outstanding	14	579,695,270	579,695,270
Net asset value per share		58.47	52.46

33 NET OPERATING CASH FLOW PER SHARE

	Notes	30 June 2023	30 June 2022
Net cash generated from operating activities		2,118,762,772	4,595,523,513
Weighted average number of shares outstanding	14	579,695,270	579,695,270
Net operating cashflow per share		3.65	7.93



NOTES TO THE FINANCIAL STATEMENTS

34 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES

In Taka	30 June 2023	30 June 2022
Profit for the period	13,338,985,460	11,259,341,728
Adjustment for		
Depreciation	372,748,709	365,679,713
Amortisation of right of use assets	2,475,046	2,475,046
Brokerage commission	-	9,925,090
Realised (gain)/loss from marketable securities	10,209,490	(30,093,542)
Unrealised (gain)/loss from marketable securities	34,175,704	23,966,665
Unrealised gain/(loss) from Trade receivable	-	(209,865)
Unrealised gain/(loss) from cash and cash equivalent	-	(89,405)
Interest on related party loan	(528,816,863)	(817,076,832)
Insurance Claim received	(89,332,181)	
Bad debt expenses	306,072,068	
Dividend income	(11,261,250,000)	(5,940,000,000)
Changes in		
Inventories	(156,860,195)	(139,554,983)
Trade and other receivables	(48,582,993)	(151,160,973)
Advances, deposits and prepayments	(6,416,827)	(1,582,946)
Trade and other payables	125,776,419	9,680,151
Accrued expenses	19,578,935	4,223,665
Net cash generated from operating activities	2,118,762,772	4,595,523,513

35 RELATED PARTY TRANSACTIONS

During the year, the Company carried out a number of transactions with related parties. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS 24: Related party disclosures.

A Transactions with key management personnel

i. Loan to directors

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

ii. Key management personnel compensation comprised the following:

The Company's key management personnel includes the Company's Managing Directors.

a) Short-term employee benefit:

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

In Taka	30 June 2023	30 June 2022
Directors' remuneration	26,005,500	15,621,375
Board meeting fees	2,208,000	2,046,000
	28,213,500	17,667,375
b) Post employment benefit:	-	-
c) Other long-term benefit:	-	-
d) Termination benefit:	-	-
e) Share-based payment:	-	-
	28,213,500	17,667,375



NOTES TO THE FINANCIAL STATEMENTS

B Other related party transactions

In Taka	Transaction value during the year ended 30 June		Receivable/ (Payable) Balance as at	
	2023	2022	30 June 2023	30 June 2021
Sale of goods and services				
Gunze United Limited	28,026,201	34,048,054	2,377,690	2,919,823
Brokerage commission				
United Securities Ltd.	-	(9,925,090)	-	-
Purchase of services				
United Engineering & Power Ser. Ltd.	(129,374,665)	(114,443,501)	-	(8,753,851)
Loans				
United Mymensingh Power Ltd.			18,641,838,057	15,270,771,194
Loan disbursed during the year	20,400,066,863	11,873,576,832	-	-
Loan repaid during the year	(17,029,000,000)	(10,350,700,000)	-	-
Transfer of inventory (spare parts)				
United Mymensingh Power Ltd.	-	-	512,355	512,355
United Anwara Power Ltd.	(71,071)	57,894	-	71,071
United Lube Oil Ltd.	-	-	377,392	377,392
United Jamalpur Power Ltd.	-	158,396	(90,282)	(90,282)
United Ashuganj Energy Ltd.	(7,371,531)	(2,988,245)	(27,299,124)	(19,927,593)
United Energy Ltd.	(1,551,520)	(412,734)	-	1,551,520
United Engineering & Power Services Ltd.	-	-	(2,340,800)	(11,094,651)
Leviathan Global Bangladesh Ltd.	-	-	(502)	(502)
Office rent				
Neptune Commercial Ltd.	-	(1,380,000)	-	(1,380,000)



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36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30 June 2023		Carrying amount						Fair value					
In Taka	Notes	Fair value-hedging instruments	Mandatorily at FVTPL – others	FVOCI – debt instruments	FVOCI – equity maturity instruments	Financial assets receivables at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value													
Investment in marketable securities	11	-	137,876,106	-	-	-	-	137,876,106	137,876,106	-	-	137,876,106	
		-	137,876,106	-	-	-	-	137,876,106	137,876,106	-	-	137,876,106	
Financial assets not measured at fair value													
Trade and other receivables	9	-	-	-	-	1,008,167,609	-	1,008,167,609	-	-	-	-	
Receivable from related parties	12	-	-	-	-	18,643,558,535	-	18,643,558,535	-	-	-	-	
Cash and cash equivalents	13	-	-	-	-	692,461,410	-	692,461,410	-	-	-	-	
		-	-	-	-	20,344,187,554	-	20,344,187,554	-	-	-	-	
Financial liabilities not measured at fair value													
Security money received	17	-	-	-	-	-	15,700,000	15,700,000	-	-	-	-	
Lease Liability	18	-	-	-	-	-	24,677,455	24,677,455	-	-	-	-	
Trade and other payables	19	-	-	-	-	-	299,423,166	299,423,166	-	-	-	-	
Accrued expenses	20	-	-	-	-	-	48,730,694	48,730,694	-	-	-	-	
Payable to related parties	22	-	-	-	-	-	32,553,550	32,553,550	-	-	-	-	
		-	-	-	-	-	421,084,865	421,084,865	-	-	-	-	
30 June 2022													
In Taka	Notes	Held-for-trading	Designated at fair value	Fair value-hedging instruments	Held to maturity	Loans and receivables	Available for sale	"Other financial liabilities"	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value													
Investment in marketable securities	11	148,085,596	-	-	-	-	-	-	148,085,596	-	-	-	148,085,596
		148,085,596	-	-	-	-	-	-	148,085,596	148,085,596	-	-	148,085,596
Financial assets not measured at fair value													
Trade and other receivables	9	-	-	-	-	-	1,299,832,388	-	1,299,832,388	-	-	-	-
Receivable from related parties	12	-	-	-	-	-	15,273,283,533	-	15,273,283,533	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	-	83,133,185	-	83,133,185	-	-	-	-
		-	-	-	-	-	16,656,249,106	-	16,656,249,106	-	-	-	-
Financial liabilities not measured at fair value													
Security money received	17	-	-	-	-	-	-	700,000	700,000	-	-	-	-
Land lease Liability	18	-	-	-	-	-	-	26,658,077	26,658,077	-	-	-	-
Trade and other payables	19	-	-	-	-	-	-	173,646,747	173,646,747	-	-	-	-
Accrued expenses	20	-	-	-	-	-	-	29,151,759	29,151,759	-	-	-	-
Payable to related parties	22	-	-	-	-	-	-	32,493,028	32,493,028	-	-	-	-
		-	-	-	-	-	-	262,649,611	262,649,611	-	-	-	-

37 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments.

- A Credit risk
- B Liquidity risk
- C Market risk



NOTES TO THE FINANCIAL STATEMENTS

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Board is assisted in its oversight role by the Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

A Credit risk

Credit risk is the risk of a 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 receivables from buyers.

Management monitors the exposure to credit risk on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of financial assets in the statement of financial position.

i. Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

In Taka	Note	30 June 2023	30 June 2022
Trade and other receivables	9	1,008,167,609	1,299,832,388
Investment in marketable securities	11	137,876,106	148,085,596
Receivable from related parties	12	18,643,558,535	15,273,283,533
Cash and cash equivalents (excluding cash in hand)	13	692,260,049	82,964,351
		20,481,862,299	16,804,165,868

ii. Ageing of trade and other receivables

In Taka	30 June 2023	30 June 2022
Not past due	579,716,407	578,714,092
Past due 0-30 days	73,293,371	91,441,601
Past due 31-60 days	87,173,115	61,222,550
Past due 61-90 days	37,108,321	72,534,577
Past due 91-120 days	16,446,233	61,262,079
Past due 121-365 days	138,692,189	74,621,436
Past due 365+ days	75,737,974	360,036,054
	1,008,167,609	1,299,832,388

B 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.

Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.



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30 June 2023

In Taka	Note	Carrying amount	Contractual cash flows		
			Total	6 months or less	Over 6 months
Non-derivative financial liabilities					
Trade and other payables	19	299,423,166	299,423,166	299,423,166	-
Accrued expenses	20	48,730,694	48,730,694	48,730,694	-
Unclaimed dividend	21	12,944,122	12,944,122	12,944,122	-
Payable to related parties	22	32,553,550	32,553,550	32,553,550	-
		393,651,532	393,651,532	393,651,532	-
Derivative financial liabilities					
		-	-	-	-
		393,651,532	393,651,532	393,651,532	-

30 June 2022

30 June 2022

In Taka	Note	Carrying amount	Contractual cash flows		
			Total	6 months or less	Over 6 months
Non-derivative financial liabilities					
Trade and other payables	19	173,646,747	173,646,747	173,646,747	-
Accrued expenses	20	29,151,759	29,151,759	29,151,759	-
Unclaimed dividend	21	13,322,091	13,322,091	13,322,091	-
Payable to related parties	22	32,493,028	32,493,028	32,493,028	-
		248,613,625	248,613,625	248,613,625	-
Derivative financial liabilities					
		-	-	-	-
		248,613,625	248,613,625	248,613,625	-

C Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company is exposed to foreign currency risk relating to purchases and other transactions which are denominated in foreign currencies.

Exposure to currency risk

The Company's exposure to foreign currency risk arising from foreign currency denominated assets and liabilities at balance sheet date denominated in US dollar (USD) and Great British Pound (GBP) are as follows:

	Note	30 June 2023		30 June 2022	
		USD	GBP	USD	GBP
Cash and cash equivalents	13	10,510	153	10,540	153
Share application money payable	19.2	(10,510)	(153)	(10,540)	(153)
Net exposure		-	-	-	-

The following significant exchange rates have been applied:

In Taka	Period-end spot rate	
	30 June 2023	30 June 2022
USD	109.18	93.50
GBP	141.79	115.72

Sensitivity analysis

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies. As the Company's net exposure to foreign currency risk arising from such assets and liabilities as on the date of statement of financial position was nil, no sensitivity analysis is required.



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ii. Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on deposits and receivables.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as at the date of statement of financial position is as follows:

In Taka	Note	Nominal Amount	
		30 June 2023	30 June 2022
Fixed rate instruments			
Financial assets			
Receivable from related parties	12	18,643,558,535	15,273,283,533
Financial liabilities		-	-
		18,643,558,535	15,273,283,533
Variable rate instruments			
Financial assets		-	-
Financial liabilities		-	-

38 OPERATIONAL RISK

Operational risk constitutes the ability of the Company's power projects to generate and distribute stipulated electricity to its off-takers. Technology used, fuel supply arrangement, operational and maintenance (O&M) arrangement, political or force majeure in the form of natural disaster like floods, cyclone, tsunami and earthquake may hamper normal performance of power generation. The timely and appropriate maintenance of the distribution networks undertaken by BEPZA reduces the chance of major disruptions. However, severe natural calamities which are unpredictable and unforeseen have the potential to disrupt normal operations of the Company. Management 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 Company Limited and Geen Delta Insurance Company Ltd. to compensate for all the potential damages caused in such situations.

39 CONTINGENT ASSETS

The Company has raised a claim against BEPZA for losses suffered as a result of BEPZA failing to timely provide vacant possession of required land and gas connection and a consequent 234 day delay in the Company commencing commercial operation.

In March 2015 an arbitration panel (consisting of three arbitrators, appointed by the Company, BEPZA and the Government of Bangladesh, respectively) ordered that BEPZA compensate the Company for the following amounts.

In Taka	30 June 2023	30 June 2022
Service charge deducted by BEPZA ordered to return to the Company	18,733,918	18,733,918
Loss of warranty	17,424,510	17,424,510
	36,158,428	36,158,428

In April 2015, BEPZA took the matter to the Court of District Judge, Dhaka. The final Judgment on 7 March 2022 goes in favor of UPGDCL.

40 COMMITMENTS

The Company has outstanding letters of credit amounting to USD 1,098,690 against which it is committed to purchase spare parts.

41 CONTINGENT LIABILITIES



United Power Generation & Distribution Company Ltd.

NOTES TO THE FINANCIAL STATEMENTS

41.1 Contingent liabilities relating to bank guarantees amounted to:

Beneficiary	Expiry date	Currency	30 June 2023	30 June 2022
Titas Gas Transmission & Distribution Co. Ltd.	11 Nov. 2023	BDT	78,790,400	78,790,400
Titas Gas Transmission & Distribution Co. Ltd.	11 Dec. 2027	BDT	6,628,382	6,628,382
Karnaphuli Gas Distribution Company Ltd.	23 Jan. 2028	BDT	34,897,650	34,897,650
Karnaphuli Gas Distribution Company Ltd.	20 June 2028	BDT	8,647,617	8,647,617
Karnaphuli Gas Distribution Company Ltd.	2 March 2024	BDT	71,724,353	71,724,353
Customs House-Dhaka and Chattogram	Unconditional & Continuous	BDT	17,632,152	18,098,475
			218,320,554	218,786,877

41.2 In line with the provisions of its gas supply agreements, the Company has historically been charged for gas consumption at the rate set for Independent Power Producers (IPPs). However, on 2 January 2018, the Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources resolved in a meeting that gas based power plants will be charged for gas consumption in the following manner:

- a) Gas consumed for generating power supplied to the national grid will be charged at the rate set for IPPs.
- b) Gas consumed for generating power supplied to other customers other than national grid will be charged at the rate set for captive power producers.

Accordingly, in May 2019, the Company's gas suppliers, Titas Gas Transmission & Distribution Company Limited and Karnaphuli Gas Distribution Company Limited, have claimed additional charges amounting to BDT 3,844,873,992 (for the period January 2018 to January 2023) and BDT 2,476,564,935 (for the period May 2018 to January 2023) respectively for payment at captive rate although all gas consumptions have been paid at IPP rate in due time as per agreement.

Having been aggrieved, the Company has filed two separate writ petitions, dated 22 May 2019 and 23 June 2019 respectively, with the Honorable High Court Division of the Supreme Court of Bangladesh against the above decision of Energy & Mineral Resources Division, and claim from the Gas Suppliers. As the Judgments from the High Court Division and subsequently from the Supreme Court Division were not in its favour UPGD filed a review petition in the Supreme Court which has been pending for hearing. Management strongly believe that, this time, the review petition will be considered by the Hon'ble court.

Afterwards, in 2023, Energy & Mineral Resources Division, acknowledging the rightful entitlement of UPGD for an IPP gas consumer, issued a letter dated 18 September 2023 to Bangladesh Energy Regulating Commission (BERC), with copies to gas suppliers, to issue IPP licences to UPGD giving effect from February 2023 for supplying gas to UPGD at IPP gas rate.

Accordingly, no provision for these additional claim have been made in the financial statements as management consider that at present there exist significant uncertainty regarding the ultimate outcome about this matters upon completion of all legal review process.

42 BANK FACILITIES

The Company enjoys the following credit facilities from the following financial institutions:

Name of the bank	Letter of credit limit	Loan against trust receipt limit	Overdraft limit	Bank guarantee facilities limit
Dutch Bangla Bank Limited		-	-	-
Dhaka Bank Limited	350,000,000	300,000,000	150,000,000	50,000,000
Jamuna Bank Limited	1,000,000,000	250,000,000		300,000,000
HSBC	425,000,000	-	51,000,000	-
Total	1,775,000,000	550,000,000	201,000,000	350,000,000

43 EXPENDITURE IN EQUIVALENT FOREIGN CURRENCY

In Taka	30 June 2023	30 June 2022
Foreign travel for business purpose	107,093	-
	107,093	-



NOTES TO THE FINANCIAL STATEMENTS

44 CAPACITY AND PRODUCTION

Location of plant	Installed capacity (MWH)		Actual production (MWH)		Capacity utilisation (%)	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2023	30 June 2022
Dhaka EPZ	656,000	656,000	303,725	473,878	46%	72%
Chattogram EPZ	576,000	576,000	417,449	517,737	72%	90%
Total	1,232,000	1,232,000	721,174	991,615		

45 NUMBER OF EMPLOYEES

The Company has no employees. Operation and maintenance (O&M) activities of the Company is managed by 171 employees of United Engineering & Power Services Ltd. under an O&M contract.

46 COMPARATIVES AND REARRANGEMENT

Previous period's figures have been rearranged, wherever considered necessary to conform to the current period's presentation.

47 GOING CONCERN

The Company has adequate resources to continue in operation for the foreseeable future. For this reason, the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

48 BASIS OF MEASUREMENT

The financial statements have been prepared on historical cost basis except inventories which is measured at lower of cost and net realisable value on each reporting date.

49 EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

The Board of Directors in its 107th meeting held on 26 October 2023 recommended cash dividend @80% per share equivalent to Taka 8.00 of Face Value Taka 10.00 per share aggregating Tk.4,637,562,160 for the year ended 30 June 2023. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company.

The Board of Directors in its 102nd meeting held on 24 August 2022 has approved the amalgamation scheme of UPGDCL with UAnPL a 300 MW HFO-based power plant at Anwara, UJPL a 115 MW HFO-based power plant at Jamalpur and UEL 28 MW gas based at Sylhet and 53 MW gas based power plant at Ashuganj. The company made an application to the High Court division of the Honourable Supreme Court regarding the approval of the scheme of amalgamation. The Court admitted the application and passed an order on 1 September 2022 for further compliance. The company submitted the compliance on 15 January 2023 to the Honourable Court. The Honourable High Court by its Judgement and Order dated 05.06.2023 approved the amalgamation Scheme. By a subsequent Order dated 01.08.2023, the Honourable High Court determined 1 July 2023 as the "Appointment Date" under the scheme.

In accordance with IAS 10: Events after the Reporting Period, the proposed final dividend is not recognised in the statement of financial position.

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

50 MACRO-ECONOMIC CONDITIONS

The Russian-Ukrainian conflict has brought about global economic uncertainty and volatility, in particular giving rise to energy supply shortages and significant price volatility. In addition, the Bangladesh Taka has undergone rapid devaluation.

Bangladesh Government has for the time being reduced import of liquified natural gas and diesel and is thus focusing on procuring electricity from gas fired plants (by providing them locally sourced natural gas) like that of the Company and from HFO fired power plants. Management is closely monitoring these global and local factors and the impact it may have on electricity demand by the off-taker going forward.



NOTES TO THE FINANCIAL STATEMENTS

51 SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements. Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

- A Property, plant and equipment
- B Inventories
- C Financial instruments
- D Impairment
- E Revenue
- F Provisions
- G Contingencies
- H Foreign currency
- I Income tax
- J Employee benefits
- K Statement of cash flows
- L Finance income and finance costs
- M Advances, deposits and prepayments
- N Share capital
- O Earnings per share
- P Dividends
- Q Leases

A Property, plant and equipment**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises of its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

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 costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred.

Depreciation

- i) Property, plant and equipment is stated at cost less accumulated depreciation. All property, plant and equipment have been depreciated on straight line method.
- ii) In respect of addition to fixed assets, full depreciation is charged in the month of addition irrespective of date of purchase in that month and no depreciation is charged in the month of disposal/retirement. Residual value is estimated to be zero for all assets. The rates of depreciation vary according to the estimated useful life of the items of all property, plant and equipment.

Considering the estimated useful life of the assets, the rates of depreciation are as follows:

	%
Plant and machinery	3.33%
Gas line	2%
Office equipment	15%
Furniture and fixture	10%
Motor vehicle	10%

Retirements and disposals

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset in the statement of profit or loss and other comprehensive income.



NOTES TO THE FINANCIAL STATEMENTS

B Inventories

Inventories consisting mainly of spare parts, lube oil and chemicals are valued at lower of cost and net realisable value. Net realisable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale. Costs of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using weighted average cost method.

When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

C Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



NOTES TO THE FINANCIAL STATEMENTS

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)."

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost"	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets include cash and cash equivalents, trade and other receivables and receivable from related parties.



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(a) Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Trade and other receivables

Trade and other receivables and receivable from related parties are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

iii. Financial liability

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include trade and other payables, accrued expenses, payable to related parties etc.

(a) Trade and other payables

The Company recognises a trade and related party payable when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(b) Accrued expenses

Accrued expenses represent various operating expenses that are due at the reporting date which are initially measured at fair value.

D Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Non-financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Company assesses yearly whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognising an impairment loss, if and only the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognised immediately in the statement of comprehensive income.

E Revenue

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

F Provisions

A provision is recognised in the statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

G Contingencies

Contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has incurred and the amount can be reasonably estimated.



NOTES TO THE FINANCIAL STATEMENTS

(i) Contingent liability

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

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision has been met.

(ii) Contingent asset

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

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

H Foreign currency

Foreign currency transactions are translated into BDT/Taka at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the reporting date.

Foreign currency denominated non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates prevailing at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

I Income tax

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. No provision is required for income tax on the Company's profits as the Company has received exemption from all such taxes from the Government of Bangladesh under the private sector power generation policy for a period of 15 years from start of its commercial operation, vide SRO ref: 188-Law/Income Tax/2009-Income Tax Ordinance (#36) 1984 dated 01 July 2009. Such exemption for Dhaka EPZ power plant will expire in 2023 and for Chittagong EPZ power plant in 2024.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset only if certain criteria are met.

As of 30 June 2023, the Company's power plant operated under tax exemption regime. It has examined the precedent of tax assessment completed of a power generation company for the year when its tax exemption ended, which shows accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of at that point in time. On this basis, in the preparation of these financial statements, the Company has not considered any deferred tax as the Company is still under tax exemption as at the reporting date.



NOTES TO THE FINANCIAL STATEMENTS

J Employee benefits

Workers profit participation fund (WPPF)

The government of Bangladesh has made an amendment to the Labour Law 2006 in July 2013. As per amended section-232 (chha) of the Act, any undertaking carrying on business to earn profit is liable to make provision for WPPF at 5% of the net profit and it also needs to be distributed within 9 months of the statement of financial position date. Operation and maintenance (O&M) activities of the Company are managed by employees of United Engineering and Power Services Limited under an O&M contract. Therefore, the provision of WPPF is not applicable for the Company.

K Statement of cash flows

Statement of cash flows has been prepared in accordance with the IAS 7: Statement of cash flows under the direct method.

L Finance income and finance costs

Finance income comprises interest on financial deposits with banks and loans made to related parties. Finance income is recognised on an accrual basis and shown under statement of profit or loss and other comprehensive income.

M Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.

N Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with IAS 12.

O Earnings per share

The Company represents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

P Dividends

Final dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognised in the period in which the dividends are declared and paid.

Q Leases

The Company as a Lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:



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- i. fixed payments, including in-substance fixed payments;
- ii. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- iii. amounts expected to be payable under a residual value guarantee; and
- iv. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



Independent Auditor's Report &
Audited Financial Statements
of
United Energy Ltd.
For the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Energy Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Energy Ltd. (the "Company"), which comprise the statement of financial position as at 30 June 2023, and the statements 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 present fairly, in all material respects, of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note 3.

Basis of Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs as explained in note 3, 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.

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

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

Auditors' responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 19 October 2023
DVC: 231019077AS749870

Sabbir Ahmed

Sabbir Ahmed FCA, Partner
ICAB Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



United Energy Ltd.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

<i>In Taka</i>	Note(s)	30 June 2023	30 June 2022
Assets			
Non-current assets			
Property, plant and equipment	4	974,419,605	1,014,450,939
Investment in subsidiary	5	3,700,409,010	3,700,409,010
		4,674,828,615	4,714,859,949
Current assets			
Inventories	6	277,871,330	246,149,427
Trade and other receivables	7	308,224,708	182,124,120
Inter Company receivables	8	1,364,106	119,756
Advances, deposits and prepayments	9	10,925,652	9,903,244
Cash and cash equivalents	10	15,749,859	3,998,372
		614,135,655	442,294,919
Total Assets		5,288,964,270	5,157,154,868
Equity and liabilities			
Shareholders equity			
Share capital	11	300,000	300,000
Revaluation reserve	12	56,003,340	56,682,120
Retained earnings	13	42,927,041	1,781,630,014
		99,230,381	1,838,612,134
Current liabilities			
Account payables	14	82,063,393	31,834,956
Other payables	15	5,557,631	3,163,314
InterCompany payable	16	5,101,840,776	3,283,395,804
Income tax payable	17	272,089	148,660
Total liabilities		5,189,733,889	3,318,542,734
Total equity and liabilities		5,288,964,270	5,157,154,868

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

Mostak Ahmed
Company Secretary

Zultra
Director

Alf
Chairman

See the annexed report of even date

Dhaka, 19 October 2023
DVC No: 231019077AS749870

Sabbir Ahmed
Sabbir Ahmed FCA, Partner
Enrolment Number: 770
DVC: 231019077AS749870



United Energy Ltd.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

<i>In Taka</i>	Note(s)	30 June 2023	30 June 2022
Revenue	18	437,660,004	610,736,291
Cost of sales	19	(392,751,509)	(494,965,799)
Gross profit/(loss)		44,908,495	115,770,492
General and administrative expenses	20	(2,775,164)	(3,082,160)
Operating profit/(loss)		42,133,331	112,688,332
Income from subsidiary Company	21	1,443,159,514	1,628,179,964
Other income	22	448,831	495,532
Profit before tax		1,485,741,676	1,741,363,828
Income tax expenses	17.1	(123,429)	(1,139,151)
Net profit after tax		1,485,618,247	1,740,224,677
Other comprehensive income		-	-
Total comprehensive income		1,485,618,247	1,740,224,677

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

Mostak Ahmed
Company Secretary

[Signature]
Director

[Signature]
Chairman

See the annexed report of even date

Dhaka, 19 October 2023
DVC No: 231019077AS749870

[Signature]
Sabbir Ahmed FCA, Partner
Enrolment Number: 770
DVC: 231019077AS749870



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United Energy Ltd.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

Particulars	Amount in Taka			
	For the year ended 30 June 2023			Total
	Share Capital	Retained Earnings	Revaluation Reserve	
Balance as at 1 July 2021	300,000	40,726,557	57,360,900	98,387,457
Depreciation on revalued assets adjusted with retained earnings	-	678,780	(678,780)	-
Net profit for the year	-	1,740,224,677	-	1,740,224,677
Balance as at 30 June 2022	300,000	1,781,630,014	56,682,120	1,838,612,134
Balance as at 1 July 2022	300,000	1,781,630,014	56,682,120	1,838,612,134
Depreciation on revalued assets adjusted with retained earnings	-	678,780	(678,780)	-
Interim dividend paid	-	(3,225,000,000)	-	(3,225,000,000)
Net profit for the year	-	1,485,618,247	-	1,485,618,247
Balance as at 30 June 2023	300,000	42,927,041	56,003,340	99,230,381
Note(s)	11	13	12	

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

Mostak Ahmed
Company Secretary

Fahim
Director

Abdullah
Chairman



United Energy Ltd.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

In Taka		30 June 2023	30 June 2022
A	Cash flows from operating activities		
	Cash received from customers	311,559,416	507,499,738
	Cash received from other operating income	448,831	495,532
	Cash paid to suppliers and contractors	(279,822,298)	(272,450,045)
	Cash paid for other operating expenses	(49,923,694)	(56,763,168)
	Tax paid	123,429	(159,832)
	Net cash flows from/ (used) in operating activities	(17,614,316)	178,622,225
B	Cash flows from investing activities		
	Payment for acquisition of property, plant and equipment	(5,994,332)	(8,930,893)
	Dividend received from subsidiary companies	1,443,159,514	1,628,179,964
	Net cash flows from/(used) in investing activities	1,437,165,182	1,619,249,071
C	Cash flows from financing activities		
	Paid to inter-Company as loan	(1,244,350)	-
	Dividend paid	(3,225,000,000)	-
	Loan repaid to inter-Company	1,818,444,972	(2,102,615,665)
	Net cash flows from/ (used) in financing activities	(1,407,799,379)	(2,102,615,665)
	Net changes in cash and cash equivalents (A+B+C)	11,751,487	(304,744,369)
	Cash and cash equivalents at the beginning of the year	3,998,372	308,742,741
	Closing cash and cash equivalents	15,749,859	3,998,372

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

Mostak Ahmed
Company Secretary

Fulton
Director

R. J.
Chairman





United Ashuganj Energy Ltd.

Report and financial statements as at and
for the year ended 30 June 2023



Rahman Rahman Huq
Chartered Accountants
9 & 5 Mohakhali C/A
Dhaka 1212, Bangladesh

Telephone +880 2 2222 86450-2
Fax +880 2 2222 86449
Email dhaka@kpmg.com
Internet www.kpmg.com/bd

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Ashuganj Energy Ltd.

Report on the Audit of the Financial Statements

Opinion

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

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

Basis of Opinion

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

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

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

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

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

Auditors' responsibilities for the Audit of the Financial Statements

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



Rahman Rahman Huq, a partnership firm registered in Bangladesh and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Chattogram office address
78 Agrabad C/A (13th Floor)
Chattogram, Bangladesh

Tel +880 2 333310704
+880 2 333310996
E-mail chittagong@kpmg.com
Internet www.kpmg.com/bd



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

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

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

Report on Other Legal and Regulatory Requirements

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

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

Ashraf Zaman Ali, Partner, Enrolment Number:1518
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: CAF-001-080

Dhaka, 23 Oct 2023

DVC: 2310231518AS479757



United Ashuganj Energy Ltd.

STATEMENT OF FINANCIAL POSITION

<i>In BDT</i>	Note	30 June 2023	30 June 2022
Assets			
Property, plant and equipment	5	7,651,159,929	8,301,514,360
Right-of-use asset	6	138,706,073	158,932,888
Non-current assets		7,789,866,002	8,460,447,248
Inventories	7	370,844,402	376,305,308
Trade and other receivables	8	2,845,383,811	1,377,044,784
Advances, deposits and prepayments	9	2,999,074	4,893,073
Receivable from related parties	10	32,002,872	36,608,553
Cash and cash equivalents	11	436,722,098	952,344,263
Current assets		3,687,952,257	2,747,195,981
Total assets		11,477,818,259	11,207,643,229
Equity			
Share capital	12	4,004,489,010	4,004,489,010
Share money deposit	13	7	7
Retained earnings		2,098,310,617	1,702,158,719
Total equity		6,102,799,634	5,706,647,736
Liabilities			
Borrowings	14	3,553,501,820	4,149,826,717
Non-current liabilities		3,553,501,820	4,149,826,717
Borrowings	14	1,077,304,015	999,695,140
Deferred revenue	15	190,480,383	234,267,429
Trade payables	16	452,968,470	43,941,852
Accrued expenses & other payables	17	79,152,342	66,610,384
Payable to related party	18	21,249,297	6,653,971
Current tax liability	19	362,298	-
Current liabilities		1,821,516,805	1,351,168,776
Total liabilities		5,375,018,625	5,500,995,493
Total equity and liabilities		11,477,818,259	11,207,643,229

The notes on pages 7 to 37 are an integral part of these financial statements.


Managing Director


Director


Mas talq Ahmmad
Company Secretary

As per our report of same date.


Auditor

Dhaka, 23 October 2023
DVC No: 2310231518AS479757



Ashraf Zaman Ali, Partner,
Enrolment Number:1518
Rahman Rahman Huq
Chartered Accountants
Firm Registration Number: CAF-001-080

United Ashuganj Energy Ltd.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June

In BDT	Note	2023	2022
Revenue	20	4,608,661,469	3,197,600,530
Cost of revenue	21	(1,741,385,391)	(1,162,358,635)
Gross profit/(loss)		2,867,276,078	2,035,241,895
Other operating income	22	12,600	31,500
General and administrative expenses	23	(54,483,798)	(9,779,737)
Operating profit/(loss)		2,812,804,880	2,025,493,658
Finance income	24	3,585,175	1,493,271
Finance costs	25	(334,202,228)	(157,724,124)
Net finance costs		(330,617,053)	(156,230,853)
Foreign exchange gain/(loss)	26	(523,205,882)	(321,568,546)
Profit/(loss) before tax		1,958,981,945	1,547,694,259
Income tax expense	27	(1,079,333)	(682,021)
Net profit/(loss) for the year		1,957,902,612	1,547,012,238
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		1,957,902,612	1,547,012,238

The notes on pages 7 to 37 are an integral part of these financial statements.


Managing Director


Director


Mas talq Ahmmed
Company Secretary

As per our report of same date.


Auditor

Dhaka, 23 October 2023
DVC No: 2310231518AS479757



Ashraf Zaman Ali, Partner,
Enrolment Number:1518
Rahman Rahman Huq
Chartered Accountants
Firm Registration Number: CAF-001-080

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

In BDT	Attributable to owners of the Company			
	Share Capital	Share money deposit	Retained earnings	Total
Balance at 1 July 2021	4,004,489,010	7	1,917,121,645	5,921,610,662
Total comprehensive income/(loss) for the year	-	-	1,547,012,238	1,547,012,238
Cash dividend	-	-	(1,761,975,164)	(1,761,975,164)
Balance at 30 June 2022	4,004,489,010	7	1,702,158,719	5,706,647,736
Balance at 1 July 2022	4,004,489,010	7	1,702,158,719	5,706,647,736
Total comprehensive income/(loss) for the year	-	-	1,957,902,612	1,957,902,612
Cash dividend	-	-	(1,561,750,714)	(1,561,750,714)
Balance at 30 June 2023	4,004,489,010	7	2,098,310,617	6,102,799,634

The notes on pages 7 to 37 are an integral part of these financial statements.



United Ashuganj Energy Ltd.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

<i>In BDT</i>	2023	2022
Cash flows from operating activities		
Cash received from customers	3,096,535,395	2,336,929,325
Cash received from other income	12,600	31,500
Cash received from finance income	3,585,175	1,493,271
Cash paid to suppliers and others	(676,305,850)	(401,506,803)
Financial charges paid	(334,202,228)	(157,724,124)
Income tax paid	(717,035)	(682,021)
Net cash from operating activities	2,088,908,057	1,778,541,148
Cash flows from investing activities		
Purchase of property, plant and equipment	(899,756)	(422,183)
Net cash used in investing activities	(899,756)	(422,183)
Cash flows from financing activities		
Net proceeds from/(repayment of) long term loan	(641,879,752)	(566,745,563)
Net proceeds from/(repayment of) short term loan	-	(511,321,103)
Net proceeds from/(repayment of) Preference share	(400,000,000)	2,000,000,000
Dividend paid	(1,561,750,714)	(1,761,975,164)
Net cash used in financing activities	(2,603,630,466)	(840,041,830)
Net increase/(decrease) in cash and cash equivalents	(515,622,165)	938,077,135
Cash and cash equivalents at 1 July	952,344,263	14,267,128
Effect of movements in exchange rates on cash held	-	-
Cash and cash equivalents at 30 June	436,722,098	952,344,263

The notes on pages 7 to 37 are an integral part of these financial statements.



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United Anwara Power Ltd.

Independent auditor's report and financial statements
As at and for the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Anwara Power Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Anwara Power Ltd. (the "Company"), which comprise the statement of financial position as at 30 June 2023, and the statements 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 present fairly, in all material respects, of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note 43.

Basis of Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs as explained in note 43, 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.

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

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

Auditors' responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 19 October 2023
DVC: 2310190770AS822283

Sabbir Ahmed

Sabbir Ahmed FCA, Partner
ICAB Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



United Anwara Power Ltd.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

In Taka	Note	As at	
		30 June 2023	30 June 2022
Assets			
Property, plant and equipments	5	14,398,991,411	15,297,153,627
Non-current assets		14,398,991,411	15,297,153,627
Inventories	6	1,214,787,742	1,741,695,619
Trade and other receivables	7	9,002,921,203	16,304,100,857
Receivable from related parties	8	15,403,751	5,172,351
Advances, deposits and prepayments	9	13,321,686	12,641,052
Cash and cash equivalents	10	189,195,413	107,135,108
Current assets		10,435,629,796	18,170,744,987
Total assets		24,834,621,207	33,467,898,614
Equity			
Share capital	11	100,000,000	100,000,000
Retained earnings	12	38,359,875	2,745,297,879
Total equity		138,359,875	2,845,297,879
Liabilities			
Long term loan (non-current portion)	13	333,333,333	666,666,667
Non-current liabilities		333,333,333	666,666,667
Long term loan (current portion)	13	333,333,333	333,333,333
Short term loan	14	5,296,222,222	5,460,000,000
Trade and other payables	15	4,533,549,292	10,474,107,225
Accrued expenses	16	14,525,967	4,945,000
Income tax payable	17	1,602,238	883,717
Inter company/ related party payables	18	14,183,694,947	13,682,664,793
Current liabilities		24,362,927,999	29,955,934,069
Total liabilities		24,696,261,332	30,622,600,735
Total equity and liabilities		24,834,621,207	33,467,898,614

The accompanying notes from integral part of these financial statements.

Moshtak Ahmmed
Company Secretary

Nasirul Karim
Director

Managing Director

See the annexed report of even date

Dhaka, 19 October 2023
DVC No: 2310190770AS822283

Sabbir Ahmed FCA, Partner
Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



United Anwara Power Ltd.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

In Taka	Note	For the year ended	
		30 June 2023	30 June 2022
Revenue	19	20,448,471,879	28,068,917,900
Cost of Sales	20	(16,226,581,320)	(23,872,846,445)
Gross profit		4,221,890,559	4,196,071,455
Administrative expense	21	(15,175,052)	(17,707,389)
Operating profit		4,206,715,507	4,178,364,066
Financial income	22	2,612,805	2,945,723
Financial expenses	23	(658,939,597)	(218,111,183)
Foreign exchange loss	24	(706,608,198)	(1,602,254,874)
Profit before tax		2,843,780,517	2,360,943,732
Income tax expense	25	(718,521)	(176,399)
Net profit for the year		2,843,061,995	2,360,767,333
Other comprehensive income		-	-
Total comprehensive income		2,843,061,995	2,360,767,333

The accompanying notes from integral part of these financial statements.

Moshtak Ahmmed
Company Secretary

Nasirul Karim
Director

Rafiqul Kabir
Managing Director

See the annexed report of even date

Dhaka, 19 October 2023
DVC No: 2310190770AS822283

Sabbir Ahmed FCA, Partner
Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



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United Anwara Power Ltd.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

In Taka	For the year ended 30 June 2023		
	Share capital	Retained earnings	Total equity
Balance at 30 June 2022	100,000,000	2,745,297,879	2,845,297,879
Addition during the year	-	-	-
Transfer to inter company loan	-	-	-
Total comprehensive income	-	-	-
Profit for the year	-	2,843,061,995	2,843,061,995
Other comprehensive income	-	-	-
Dividend paid	-	(5,550,000,000)	(5,550,000,000)
Balance at 30 June 2023	100,000,000	38,359,875	138,359,875

Particulars	For the year ended 30 June 2022		
	Share capital	Retained earnings	Total equity
Balance at 30 June 2021	100,000,000	6,384,530,546	6,484,530,546
Addition during the year	-	-	-
Transfer to inter company loan	-	-	-
Total comprehensive income	-	-	-
Profit for the year	-	2,360,767,333	2,360,767,333
Other comprehensive income	-	-	-
Dividend paid	-	(6,000,000,000)	(6,000,000,000)
Balance at 30 June 2022	100,000,000	2,745,297,879	2,845,297,879

The accompanying notes from integral part of these financial statements.

Mas takr Ahmmard
Company Secretary

Namdebic
Director


Managing Director



United Anwara Power Ltd.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

In Taka	For the year ended	
	30 June 2023	30 June 2022
Cash flows from operating activities		
Cash received from customers	27,749,651,533	12,524,930,084
Cash received from other income	2,612,805	2,945,723
Cash paid to trade and other payables	(20,742,749,915)	(17,457,331,225)
Financial charge paid	(658,939,597)	(218,111,183)
Income tax paid	(463,547)	(574,875)
Foreign exchange loss	(706,608,198)	
Net cash generated from operating activities	5,643,503,080	(5,148,141,475)
Cash flows from investing activities		
Acquisition of property, plant & equipment	(5,130,417)	268,783,143
Cash paid of liabilities for capital machinery	-	(288,110,196)
Cash received from/(paid for) related party loan	(10,231,400)	(1,523,689)
Net cash used in investing activities	(15,361,817)	(20,850,742)
Cash flows from financing activities		
Short term loan received/(paid)	(163,777,778)	3,540,000,000
Long term loan received/(paid)	(333,333,333)	(1,414,583,333)
Inter company loan received/(paid)	501,030,153	8,562,148,218
Dividend paid	(5,550,000,000)	(6,000,000,000)
Net cash from financing activities	(5,546,080,958)	4,687,564,885
Net increase/(decrease) in cash and cash equivalents	82,060,305	(481,427,333)
Opening cash and cash equivalents	107,135,108	588,562,441
Closing cash and cash equivalents as on	189,195,413	107,135,108

Mas talz Ahmmed
Company Secretary

Namul Hrid
Director


Managing Director



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United Jamalpur Power Ltd.

Independent auditor's report and financial statements
As at and for the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Jamalpur Power Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Jamalpur Power Ltd. (the "Company"), which comprise the statement of financial position as at 30 June 2023, and the statements 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 present fairly, in all material respects, of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note 43.

Basis of Opinion

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

Other Matters

The financial statements of United Jamalpur Power Ltd. for the year ended 30 June 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 27 October 2022.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs as explained in note 43, 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.

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

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

Auditors' responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 19 October 2023
DVC: 2310190770AS132177

Sabbir Ahmed

Sabbir Ahmed FCA, Partner
ICAB Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



United Jamalpur Power Ltd.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

<i>In Taka</i>	<i>Notes</i>	30 June 2023	30 June 2022
Assets			
Property, plant and equipment	5	5,968,037,786	6,349,662,161
Non-current assets		5,968,037,786	6,349,662,161
Inventories	6	556,139,497	1,030,454,689
Trade receivables	7	4,768,830,138	5,336,182,038
Inter company receivables	8	61,428,198	69,205,504
Advances, deposits and prepayments	9	752,903,386	31,396,303
Cash and cash equivalents	10	166,281,833	81,777,844
Current assets		6,305,583,052	6,549,016,377
Total assets		12,273,620,838	12,898,678,538
Equity and liabilities			
Equity			
Share capital	11	100,000,000	100,000,000
Retained earnings	12	32,646,337	1,311,499,347
Total equity		132,646,337	1,411,499,347
Long term liabilities			
Long term loan (non-current portion)	13	333,333,335	666,666,668
Preference share capital (non-current portion)	14	-	500,000,000
Total long term liabilities		333,333,335	1,166,666,668
Current liabilities			
Long term loan (current portion)	13	333,333,332	333,333,332
Preference share capital (current portion)	14	-	500,000,000
Short term loan	15	199,950,000	750,000,000
Trade and other payables	16	3,079,691,938	3,693,880,201
Inter company payables	17	8,186,418,950	5,036,201,925
Accrued expenses	18	6,041,981	7,070,208
Provision for income tax	19	2,204,964	26,856
Total current liabilities		11,807,641,166	10,320,512,523
Total liabilities		12,140,974,501	11,487,179,191
Total equity and liabilities		12,273,620,838	12,898,678,538

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

Mostak Ahmed
Company Secretary

Nasirul Hossain
Director

Rafiqul Islam
Managing Director

See the annexed report of even date

Dhaka, 19 October 2023
DVC: 2310190770AS132177



Sabbir Ahmed
Sabbir Ahmed FCA, Partner
Enrolment Number: 770

United Jamalpur Power Ltd.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

Particulars	Notes	Amount In Taka	
		30 June 2023	30 June 2022
Revenue	20	10,217,772,888	10,772,913,057
Cost of sales	21	(8,442,863,165)	(9,230,315,272)
Gross profit		1,774,909,723	1,542,597,785
Other operating income	22	7,920,392	89,524
General and administrative expenses	23	(11,761,273)	(5,748,863)
Operating profit		1,771,068,841	1,536,938,447
Foreign exchange loss	24	(238,153,908)	(587,655,276)
Financial expenses	25	(209,589,836)	(133,125,927)
Profit before tax		1,323,325,098	816,157,244
Income tax expenses	19	(2,178,108)	(26,857)
Net profit for the year		1,321,146,990	816,130,387
Other comprehensive income		-	-
Total comprehensive income		1,321,146,990	816,130,387
Earnings per share	27	132.11	81.61

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

Mostak Ahmed
Company Secretary

Nasirul Karim
Director

[Signature]
Managing Director

See the annexed report of even date

Dhaka, 19 October 2023
DVC: 2310190770AS132177



Sabbir Ahmed
Sabbir Ahmed FCA, Partner
Enrolment Number: 770

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United Jamalpur Power Ltd.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

(Amount In Taka)

Particulars	For the year ended 30 June 2023		
	Share capital	Retained earnings	Total equity
Balance at 1 July 2022	100,000,000	1,311,499,347	1,411,499,347
Total comprehensive income			-
Net profit for the year	-	1,321,146,990	1,321,146,990
Interim dividend paid during the year		(2,600,000,000)	(2,600,000,000)
Balance at 30 June 2023	100,000,000	32,646,337	132,646,337

(Amount In Taka)

Particulars	For the year ended 30 June 2022		
	Share capital	Retained earnings	Total equity
Balance at 1 July 2021	100,000,000	495,368,960	595,368,960
Total comprehensive income			-
Net profit for the year	-	816,130,387	816,130,387
Interim dividend paid during the year		-	-
Balance at 30 June 2022	100,000,000	1,311,499,347	1,411,499,347

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

Mostak Ahmed
Company Secretary

Nasirul Karim
Director

R. H.
Managing Director



United Jamalpur Power Ltd.

STATEMENT OF CASH FLOWS

For the year ended on 30th June 2023

Particulars	Amount In Taka	
	30 June 2023	30 June 2022
Cash flows from operating activities		
Cash receipts from customers	10,785,124,788	8,055,159,515
Cash paid to suppliers and others	(8,931,051,363)	(7,911,358,673)
Other income	7,920,392	89,524
Income tax paid	-	(658,418)
Financial charges paid	(209,589,836)	(133,125,927)
Foreign exchange gain/(loss)	(238,153,908)	-
Net cash generated from/(used in) operating activities	1,414,250,073	10,106,021
Cash flows from investing activities		
Acquisition of property, plant and equipment	(4,357,082)	(1,640,391)
Cash received /(paid) on related party loan	7,777,306	(67,677,597)
Net cash generated from/(used in) investing activities	3,420,224	(69,317,988)
Cash flows from financing activities		
Preference share capital	(1,000,000,000)	(500,000,000)
Long term loan received/(paid)	(333,333,333)	1,000,000,000
Short term loan received/(paid)	(550,050,000)	695,000,000
Inter company loan received	3,150,217,026	(1,082,550,411)
Dividend payment	(2,600,000,000)	-
Net cash generated from/(used in) financing activities	(1,333,166,308)	112,449,589
Net increase/(decrease) in cash and cash equivalents	84,503,989	53,237,622
Opening cash and cash equivalents	81,777,844	28,540,222
Closing cash and cash equivalents	166,281,833	81,777,844

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

Mostak Ahmed
Company Secretary

Namurhid
Director

[Signature]
Managing Director



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Leviathan Global BD Ltd.

Independent auditors report and financial statements
As at and for the year ended 30 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Leviathan Global BD Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Leviathan Global BD Ltd. (the "Company"), which comprise the statement of financial position as at 30 June 2023, and 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 present fairly, in all material respects, of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note 3.

Basis of Opinion

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

Other matters

The Company has been set up with an objective to generate electricity as an Independent Power Producer (IPP) and operate under a special Government framework for similar type of entities, and as it is yet to commence commercial operation no profit or loss account has been prepared by management. However, subsequently the company would be regarded as "Captive Power Plant" as per decision of Ministry of Power and Energy as explained in note 3.11.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs as explained in note 3, 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.

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

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

Auditors' responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statement of financial position and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 19 October 2023
DVC: 2310190770AS329734

Sabbir Ahmed

Sabbir Ahmed FCA, Partner
ICAB Enrolment Number: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants



Leviathan Global BD Ltd.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

<i>In BDT</i>	Notes	30 June 2023	30 June 2022
Assets			
Capital work in progress (CWIP)	4	2,003,363,856	1,804,307,076
Non-current assets		2,003,363,856	1,804,307,076
Advances, deposits and prepayments	5	38,096,022	45,826,507
Inter company receivable	6	502	502
Cash and cash equivalents	7	1,388,906	1,785,914
Current assets		39,485,430	47,612,923
Total assets		2,042,849,286	1,851,919,999
Equity			
Paid up capital	8	4,000,000	4,000,000
Shareholders' equity		4,000,000	4,000,000
Liabilities			
Other payables	9	2,587,079	2,587,079
Inter company payables	10	2,036,262,207	1,845,332,920
Current liabilities		2,038,849,286	1,847,919,999
Total equity and liabilities		2,042,849,286	1,851,919,999

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

Mostak Ahmed
Company Secretary

Namul Hossain
Director

Al
Managing Director

See the annexed report of even date

Dhaka, 19 October 2023
DVC: 2310190770AS329734

Sabbir Ahmed
Sabbir Ahmed FCA, Partner
Enrolment Number: 770
DVC: 2310190770AS329734



Leviathan Global BD Ltd.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023



Particulars	(Amount In Taka)		
	For the year ended 30 June 2022		
	Paid up Capital	Retained earnings	Total
Balance as at 01 July 2021	4,000,000	-	4,000,000
Net profit for the year	-	-	-
Balance as at 30 June 2022	4,000,000	-	4,000,000

Particulars	(Amount In Taka)		
	For the year ended 30 June 2023		
	Paid up Capital	Retained earnings	Total
Balance as at 01 July 2022	4,000,000	-	4,000,000
Net profit for the year	-	-	-
Balance as at 30 June 2023	4,000,000	-	4,000,000

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

Mostak Ahmed
Company Secretary

Nasirul Hossain
Director

[Signature]
Managing Director



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Leviathan Global BD Ltd.

STATEMENT OF CASH FLOWS

For the year ended on 30th June 2023

Particulars	Amount in Taka	
	30 June 2023	30 June 2022
Cash flows from operating activities		
Cash receipts from customers	-	-
Cash payment to suppliers	-	-
Financial charges paid	-	-
Net cash generated from operating activities	-	-
Cash flows from investing activities		
Purchase of property, plant and equipment	(191,326,294)	(166,501,357)
Net cash used in investing activities	(191,326,294)	(166,501,357)
Cash flows from financing activities		
Short term loan term loan received/(paid)	-	-
Inter company loan received	190,929,287	166,387,805
Net cash from financing activities	190,929,287	166,387,805
Net increase/(decrease) in cash and cash equivalents	(397,007)	(113,552)
Opening cash and cash equivalents	1,785,914	1,899,466
Closing cash and cash equivalents	1,388,906	1,785,914

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

Mostak Ahmed
Company Secretary

Namul H
Director

Al
Managing Director



NOTES

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[illegible]

Asset map

- 1 United Mymensingh Power Ltd [200 MW]
- 2 United Jamalpur Power [115 MW]
- 3 United Power Gen. & Distr. Co. Ltd. [86 MW]
- 4 Khulna Power Co. Ltd. [40 MW]
- 5 Khulna Power Co. Ltd. Unit 2 [115 MW]
- 6 Khulna Power Co. Ltd. Unit 1 [110 MW]
- 7 United Payra Power Ltd. [150 MW]



- 8 United Energy Ltd., Sylhet [28 MW]
- 9 United Ashuganj Energy Ltd. [195 MW]
- 10 United Energy Ltd., Ashuganj [53 MW]
- 11 United Power Gen. & Distr. Co. Ltd. [72 MW]
- 12 United Chattogram Power Ltd.
- 13 United Anwara Power Ltd. [300 MW]
- 14 Leviathan Global BD Ltd. [Upto 50 MW]



**UNITED
POWER**



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more about the company*

CORPORATE HEAD OFFICE
UNITED POWER GENERATION & DISTRIBUTION COMPANY LTD.

UNITED HOUSE

United City, Madani Avenue, Dhaka-1212.

PABX: +88 09666 700900

email: info@unitedpowerbd.com

web: www.unitedpowerbd.com