Independent Auditor's Report
and
Consolidated and Separate Financial Statements
of
Energypac Power Generation Limited

As at and for the year ended 30 June 2021

Independent Auditor's Report to the Shareholders of Energypac Power Generation Limited
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Energypac Power Generation Limited and its subsidiaries (the "Group") as well as separate financial statements of Energypac Power Generation Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at 30 June 2021, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give true and fair view of the consolidated financial position of the Group and separate financial position of the Company as at 30 June 2021, and of its consolidated financial performance of the Group and separate financial performance of the Company and its consolidated cash flows of the Group and separate cash flows for the Company for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 3.

Basis for Opinion

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

Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
Revenue recognition and valuation of receivables	
The Company has diversified revenue streams e.g. direct sales to customer, hire purchase sales, operation of CNG refueling station, execution of EPC contracts and other projects, liquefied petroleum gas (LPG) sales. Revenues from the Company's EPC and other Project based contracts are recognized upon completion of performance obligation. Vehicles and other sales on hire purchase represents a portion of collection in the form of finance income.	We have tested the design and operating effectiveness of key controls focusing on the following: • Understanding of various revenue streams and related operational matters; • Assessment of the five step model for revenue recognition adopted by the Company in line with IFRS 15: Revenue, including cut-off point to satisfy performance obligation.

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The subsidiaries of the Group produce electricity and sale it to Government entities (BPDB and REB) through Power Purchase Agreement (PPA). The PPA allows multiple types of payment against supply of electricity e.g. capacity, variable operations and maintenance, energy etc. Due to complex calculations involved at times there could be variation in electricity supplied by the Group and accepted by the Client which may delay collection and require negotiation. Due to inherent risk associated with determination of revenues and recovery of accounts receivable balance as well as difficulties in forecasting future loss in case of default by debtors this area require significant estimate and judgment. In particular, due to subsequent waves of COVID 19 related impact overall business and economic activities both globally and in Bangladesh continued to be adversely impacted, which also affected the Group as well, especially in relation to revenue recognition and increased overdue receivables. Therefore, we have considered this area as a key audit matter.	• Credit approval process and assigning credit limit to a customer including collection of security related documents to mitigate/minimize loss in customer default; • Periodic balance confirmation from debtors; • Monitoring process for overdue receivables; and • Group's policy of creating provision against overdue receivables and periodic write off in line with IFRS 9. Our substantive procedures in relation to the assessing valuation of receivables comprises the following: • Reconciliation of debtors ageing to general ledger; • Checking of revenues recognized from electricity supply to BPDB/REB and inquire about any overdue receivables; • Conducting cut-off testing at the year-end; • Reviewing subsequent receipt of receivables balance; • Comparing current year rebate accruals to the prior year and issuance of credit notes post year-end; and • Recalculation of provision for trade receivables as required by IFRS 9 and compared against actual write off/loss on repossession in prior periods.
See note number 9 and 24 for details	

Valuation of inventories	
The Group had substantial amount of inventories as at 30 June 2021 which were maintained at multiple locations including factory and dealers' premises creating risk of existence and completeness. Inventories are carried at the lower of cost and net realizable value (NRV). As a result, management has applied judgement in determining the appropriate values for inventories which may be slow-moving or obsolete and need to apply impairment provision creating valuation risk. While excess holding of inventories could impact efficient use of working capital similarly lower	We evaluated the design and implementation of key inventory controls operating across the product lines and multiple locations within the Group. We observed physical inventory counts and reviewed the reconciliation process of the count results to the inventory records maintained in the system. We compared the net realizable value through a detailed review of subsequent period sales and the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete.

level of inventories can result in stock outs or irregular supply to the market. Moreover, due to COVID 19 related impacts as described above, there is likelihood of excess inventories due to slowdown in business. If there is significant drop in selling price during subsequent period this can create lower NRV and hence potential impairment. Therefore, this area we have considered as a key audit matter.	We reviewed the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year. We discussed with management about their sales forecasting procedures and ordering of stocks, and inquired about remedial action taken in case of access or shortage of inventories due to difference in forecast and actual results. We have assessed COVID 19 related impacts during the last quarter of 2020-2021 as well as subsequent period covering the First quarter of 2021-2022.
See note number 11 for details	

Valuation of property, plant and equipment (PP&E) including revaluation of land and impairment assessment of other items of PP&E	
Consistent with the accounting policy adopted by the Group, land portfolio is stated at revalued amount. During the year the Group has engaged an independent firm of professional valuer to update its previous revaluation. As a result of this revaluation exercise, an additional net amount of BDT 293,951,657 (after deduction of DTL) has been added to the revaluation surplus taking the balance to BDT 2,534,863,177 (PY: 2,240,911,519) for the Group and BDT 2,263,843,182 (PY: BDT 1,969,891,525) for the Company. Determination of fair value in absence of any quoted price and active market require significant judgment and hence considered to be a key audit matter. As per the prevailing industry practice, significant portion of the Company owned LPG cylinders are at the hands of distributors and customers creating inherent risk. The Company has implemented internal control process for regular monitoring of sales activities of its distributors and utilization of cylinders. Furthermore, due to subsequent waves of COVID 19 related country-wide lock down, business activities of the Group has impacted resulting lower capacity utilization of PP&E and hence we also considered any potential impairment under IAS 36.	We assessed the process of revaluation taken by the Group. We reviewed revaluation report of the independent valuer along with relevant documents and applied our judgment to see whether the fair value reflects the macro-economic condition as well as value of the land in those localities. We checked related accounting treatments of fair value gain and associated deferred tax as recognized by the Group. We have evaluated control mechanism of the Company to monitor use of cylinders by its distributors and customers, including accounting of subsequent charging of depreciation on these cylinders. We reviewed management's assessment of useful life and residual value for depreciation calculation and note that these are done on the basis of recommendation from in-house technical team. For capex program we checked capitalization of costs including borrowing costs and its timely transfer to PP&E including start of charging depreciation. Finally, we discussed actual capacity utilization during the period and future forecast including expected recovery time from COVID 19 impact to assess whether any impairment is required.
See impairment policy, note 4 and note 17 for details	

Legal, regulatory and other compliance matters	
Upon receiving consent from Bangladesh Securities and Exchange Commission (BSEC), during the year the Company has received BDT 1,500,000,000 as Initial public offering (IPO) proceeds, out of which BDT 402,935,660 as share capital and BDT 1,097,064,340 as share premium. As per IPO document the Company has committed BDT 500,000,000 for repayment of loan, BDT 40,131,508 for IPO expenses and remaining BDT 959,868,492 for business expansion. Moreover, the Company is also considered to be a 'Public Interest Entity' as per the criteria issued by Bangladesh Financial Reporting Council (FRC) vide notification dated 11 March 2020. In addition, the Company and the Group has also taken substantial amount of loans and borrowings from various banks and financial institutions and subject to compliance with related covenants. Accordingly, the Company and the Group operate in a heightened legal and regulatory environment, and going forward it would require to comply with additional regulations in particular BSEC and FRC directives. As a result we focus on compliance with legal, regulatory and other matters as key audit area. In particular we looked at the following matters to assess the Company and the Group's current level of compliance and its preparedness for the future: • Utilization of IPO fund shall be made for the intended purposes within the stipulated time as prescribed in the consent/approval letter of BSEC. • As per Bangladesh Securities and Exchange Commission notification No. SEC/CMMRRCD/2006-159/Admin/02-10 dated 2 September 2006, no issuer company listed with the stock exchanges shall make any loan or give any guarantee or provide any security in connection with a loan made by a third party to certain types of entities. However, nothing in this order shall apply to the making of a loan or giving	We have conducted the following procedures to assess compliance of various regulatory and other matters applicable for the Company and the Group: **Utilization of IPO proceed** We have reviewed the prospectus and related IPO approval documents. We assessed controls around administration of IPO funds including deposits in bank and withdrawals made thereon. We have checked the expenses incurred and related documents including certification from another auditor on the utilization of IPO proceeds. As at 30 June 2021 an aggregate amount of Tk 38,852,956 has been adjusted from share premium account as IPO expenses out of which Tk 5,189,061 was incurred prior to the IPO subscription. **Related party transaction** Consistent with the previous arrangements, there are various types of related party transactions between the entities forming part of the Group as well as other related entities outside the Group. The Company has also undertaken various related party transactions. All such transactions are disclosed in note 39 to the financial statements. Most of these related party transactions were originated prior to the listing of the Company. In accordance with Bangladesh Securities and Exchange Commission notification No. SEC/CMMRRCD/2006-159/Admin/02-10 dated 2 September 2006 Management is taking various compliance steps on this matter, including sanction of these transactions by the Board of Directors and if applicable, approval at the general meeting. **Share money deposit** Some of the subsidiaries of the Group has received share money deposit from its shareholders. To comply with FRC directive on conversion to share capital those entities started required formalities but the process could not be completed on timely basis due to COVID 19. **Income tax matters** The Company and all entities of the Group are submitting their income tax returns on timely basis.

of any guarantee or providing any security by the said company if such company as a holding company makes the loan or gives the guarantee or provide the security to its subsidiary, but in no case the total amount of the loan shall exceed 50% of the paid up value of the shares held by such director in his own name. • As per Financial Reporting Council notification no 146/FRC/SS/2020/251 dated 11 February 2020 any amount of share money deposit shall be converted to capital within a maximum period of six months. • As per Income Tax Ordinance 1984, the Company and all its subsidiaries including those enjoying tax exemption shall submit income tax return. • As per Bangladesh Labour (Amendment) Act, 2013, if an entity fulfils certain condition, Workers' Profit Participation Fund (WPPF) shall be applicable. Other employee benefit schemes (i.e. provident fund, gratuity fund etc.) of an entity shall also be in compliance with the regulation.	Provision for the current year income tax for the Company has been made at the reduced rate applicable for a company transferring at least 20% of its paid-up capital through IPO. However, there are some disputes with income tax authorities on certain tax matters of the Company for which appeals have been filed and pending at various stages as disclosed in note 22.02 to the financial statements. Subsidiaries of the Group are involved in production and supply of electricity and hence entitled to tax exemption on business income. **The Labour Act** The Company has made required provision for the WPPF and set up the Trust and other formalities for disbursement of the WPPF. The subsidiaries of the Group operating as IPP has received legal opinion and concluded that WPPF is not applicable for these entities. As per the existing provident fund rules of the Group an employee is eligible for the employer's contribution upon completion of 5 years of service and management is working towards alignment of this to the Labour Rules.

Loans and borrowings	
As at reporting date, the Group and the Company had total loans and borrowings of BDT 24,096,831,633 and BDT 11,414,845,279 respectively, representing 85% and 75% of the Group's and the Company's total liabilities. Accordingly, both the Group and the Company are highly dependent on continuation and availability of these loans and borrowings. Furthermore, significant portion of the Group's capital work in progress (capex) arte financed through loans and as the capex program is ongoing these loans are mostly disclosed as current liability whereas the capex amounts are shown as non-current assets, resulting in a mismatch between current assets and current liabilities.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the loans. Amongst other we have obtained understanding on the nature or types of loans, the repayment schedules, loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans. Substantial portion of the Group's borrowings are mainly to fund construction of two IPP Projects, one of which is under construction and expected to start commercial operation in December 2021. Consistent with the operation model of these IPP Projects, lenders initially finance these projects as short-term loan to facilitate importation of machineries. At subsequent stage, when the Project become fully operational these short-term loans are converted into long-term loan to match with the revenue inflow. As a result there will be mismatch in current assets and liabilities during initial phase of IPP Projects since borrowings for funding non-current assets

Therefore, proper disclosure of loans and borrowings as well as checking compliance with loan covenants are considered as key audit matter.	are shown under current liabilities. Similarly, substantial portion of the Group's loans and borrowings are shown under current liabilities which will be later on converted in the form of long-term loan.

Carrying value of investments in subsidiaries by the Company	
The Company has directly invested in two subsidiaries, namely Energypac Power Venture Limited and EPV Chittagong Limited. As at 30 June 2021 the carrying value of this investment is BDT 2,192,321,587. In addition, there is an indirect investment in EPV Thakurgaon Limited by the Company. All these entities are operating as Independent Power Producer (IPP) and executed Power Purchase Agreement (PPA) to supply electricity to Government entities like BPDB and REB. At the time of conducting our audit of the separate financial statements of the Company we have considered recoverable value of the Company's investments in all the above subsidiaries stated at cost. Management has conducted impairment assessment and calculated recoverable value of its individual subsidiaries in accordance with IAS 36.	We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36. In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation. We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.

Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' 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 and separate 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 and separate 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 and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and separate financial statements of the Company in accordance with IFRSs as explained in note 3, the Companies Act 1994, Securities and Exchange Rules 1987 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 and separate 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 and separate 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 Group's and 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 Group's and 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 and separate 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 Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the consolidated and separate financial information of the entities or business activities within the Group and Company to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 1987, we also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) in our opinion, proper books of account as required by law have been kept by the Group so far as it appeared from our examination of those books;

(iii) the consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account; and

(iv) the expenditures incurred were for the purpose of the Group's business.

Sabbir Ahmed, FCA, Partner
Enrolment no 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 26 October 2021
DVC No: 2110260770AS360844

HODA VASI CHOWDHURY & CO
DHAKA

Energypac Power Generation Limited and its Subsidiaries
Consolidated Statement of Financial Position
As at 30 June 2021

	Notes	30 June 2021	30 June 2020
		Amount in BDT	
Assets			
Property, plant and equipment	4A.00	18,408,899,001	17,466,862,964
Goodwill	5.00	130,028,294	130,028,294
Intangible assets	6A.00	36,716,502	9,802,358
Capital work in progress	7A.00	6,816,028,673	5,786,286,982
Investment in non-listed companies	8A.00	22,500,000	67,000,000
Non-current assets		**25,414,172,470**	**23,459,980,598**
Trade receivables	9A.00	3,129,687,941	4,853,915,846
Other receivables	10A.00	751,490,882	492,965,878
Inventories	11A.00	2,560,681,422	2,199,053,744
Advances, deposits and prepayments	12A.00	4,639,762,569	3,076,708,315
Investments in shares	13A.00	1,365,801	1,041,595
Assets classified as held for sale		124,376,892	-
Cash and cash equivalents	14A.00	2,525,793,802	1,772,520,837
Current assets		**13,733,159,309**	**12,396,206,214**
Total assets		**39,147,331,779**	**35,856,186,813**
Shareholders' equity and liabilities			
Share capital	15A.00	1,901,632,160	1,498,696,500
Share premium	16A.00	1,989,811,384	931,600,000
Revaluation surplus	17A.00	2,534,863,177	2,240,911,519
Retained earnings	SOCE	3,427,832,087	2,553,704,845
Shareholders' equity of the parent		**9,854,138,808**	**7,224,912,864**
Non controlling interest	SOCE	1,121,392,604	543,170,320
Total equity		**10,975,531,412**	**7,768,083,185**
Liabilities			
Term loan-non current portion	18A.01	7,950,049,361	5,126,326,166
Security deposits from customers and dealers	19A.00	1,194,895,245	1,228,861,337
Deferred tax liabilities	32.03A	252,235,613	210,400,372
Non-current liabilities		**9,397,180,219**	**6,565,587,875**
Bank overdraft	20A.00	1,629,389,310	1,768,181,127
Trade payables	21A.00	1,129,664,563	2,029,469,408
Other payables	22A.00	1,498,173,312	2,330,503,371
Short term bank loan	23A.00	10,530,629,671	13,031,904,041
Term loan-current portion	18A.02	3,986,763,291	2,362,457,805
Current liabilities		**18,774,620,148**	**21,522,515,753**
Total liabilities		**28,171,800,368**	**28,088,103,628**
Total shareholders' equity and liabilities		**39,147,331,779**	**35,856,186,813**
NAVPS		57.72	51.83
NAVPS without revaluation		44.39	36.88

The annexed note form an integral part of the financial statements

Chairman **Managing Director** **Director**

Company Secretary **Chief Financial Officer**

See the annexed report of even date

Sabbir Ahmed, FCA, Partner
Enrolment no 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 26 October 2021
DVC No: 2110260770AS360844

Energypac Power Generation Limited and its Subsidiaries
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

	Notes	2020-2021	2019-2020
		Amount in BDT	
Revenues	24A.00	10,733,927,371	10,973,965,236
Cost of revenues	25A.00	(7,685,330,055)	(7,760,155,179)
Gross profit		**3,048,597,316**	**3,213,810,057**
Administrative expenses	26A.00	(712,313,147)	(735,519,810)
Distribution expenses	27A.00	(522,388,779)	(508,907,257)
Profit from operating activities		**1,813,895,389**	**1,969,382,990**
Finance income	28A.00	15,376,419	21,837,782
Finance costs	29A.00	(1,432,737,850)	(1,346,610,104)
Non-operating income	30A.00	94,907,563	24,895,682
Provision for WPPF	31A.00	(18,694,824)	(25,923,120)
Profit before tax		**472,746,698**	**643,583,231**
Income tax	32A.00	(84,884,121)	(61,738,838)
Net profit for the year		**387,862,576**	**581,844,392**
Profit attributable to:			
Equity holders of parent		385,456,631	574,041,488
Non controlling interest of EPVL		818,736	3,488,471
Non controlling interest of EPVCL		11,475,420	11,603,234
Non controlling interest of EPVTL		(9,888,211)	(7,288,800)
		387,862,576	581,844,392
Other comprehensive income			
Other comprehensive income for the year	33A	293,951,657	(7,891,945)
Other comprehensive income attributable to:			
Equity holders of parent		293,951,657	(7,181,670)
Non controlling interest of ECPVL		-	(710,275)
Non controlling interest of ECPVCL		-	-
Non controlling interest of EPVTL		-	-
Total comprehensive income for the year		**681,814,234**	**573,952,447**
Earnings per share			
Basic earnings per share (per value Tk 10)		2.30	3.83

The annexed note form an integral part of the financial statements.

Chairman **Managing Director** **Director**

Company Secretary **Chief Financial Officer**

See the annexed report of even date

Dhaka, 26 October 2021
DVC No: 2110260770AS360844

Sabbir Ahmed, FCA, Partner
Enrolment no 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

HODA VASI CHOWDHURY & CO DHAKA

Energypac Power Generation Limited and its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Attributable to the equity holders of parent						Non Controlling Interest	Total
	Share Capital	Share Money Deposit	Share Premium	Revaluation Surplus	Retained Earnings	Total		
Balance at 01 July 2020	1,498,696,500	-	931,600,000	2,240,911,519	2,553,704,844	7,224,912,864	543,170,320	7,768,083,185
Profit for the year	-	-	-	-	385,456,631	385,456,631	2,405,945	387,862,576
Non-controlling interest recognized during the year					488,670,612	488,670,612	575,816,339	1,064,486,951
Other comprehensive income	-	-	-	293,951,657	-	293,951,657		293,951,657
Transaction with shareholders	-	-	-	-	-	-	-	-
Issue of ordinary shares	402,935,660	-	1,058,211,384	-	-	1,461,147,044	-	1,461,147,044
Balance at 30 June 2021	**1,901,632,160**	**-**	**1,989,811,384**	**2,534,863,177**	**3,427,832,087**	**9,854,138,808**	**1,121,392,604**	**10,975,531,413**
Balance at 01 July 2019	1,498,696,500	-	931,600,000	2,240,911,519	2,096,003,177	6,767,211,196	122,022,937	6,889,234,133
Profit for the year	-	-	-	-	574,041,488	574,041,488	7,802,905	581,844,392
Non-controlling interest recognized during the year	-		-	-	(34,223,324)	(34,223,324)	414,054,753	379,831,429
Other comprehensive income	-	-	-	-	(7,181,670)	(7,181,670)	(710,275)	(7,891,945)
Dividend for the year	-	-	-	-	(74,934,825)	(74,934,825)	-	(74,934,825)
Balance at 30 June 2020	**1,498,696,500**	**-**	**931,600,000**	**2,240,911,519**	**2,553,704,845**	**7,224,912,865**	**543,170,320**	**7,768,083,185**

The annexed note form an integral part of the financial statements

Chairman | Managing Director | Director | Company Secretary | Chief Financial Officer

Hoda Vasi Chowdhury & Co

Energypac Power Generation Limited and its Subsidiaries
Consolidated Statement of Cash Flows
For the year ended 30 June 2021

	Notes	Amount in BDT 2020-2021	2019-2020
Cash receipts from customers		12,311,575,647	11,241,258,788
Cash payments to and on behalf of employees		(535,814,009)	(376,919,614)
Payment to suppliers, contractors and others		(9,681,537,440)	(9,403,189,138)
Cash generated from/(used in) operating activities		**2,094,224,199**	**1,461,150,036**
Income tax paid		(342,020,229)	(39,303,609)
Net cash from/(used in) operating activities		**1,752,203,970**	**1,421,846,427**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,561,675,852)	(501,251,373)
Acquisition of intangible assets		(26,914,144)	-
Capital work in progress		(2,191,346,660)	(4,299,442,850)
Investment in/(divestment from) subsidiary, associate and others		44,500,000	148,182,420
Intercompany current account		(237,814,396)	(156,923,128)
Proceed from/(paid for) short term investment		58,655,680	-
Interest received		20,355,887	24,799,171
Net cash from/(used in) investing activities		**(3,894,239,486)**	**(4,784,635,760)**
Cash flows from financing activities			
Non-controlling interest arisen from increase of share capital/ share money deposit		1,064,486,951	371,939,484
New share issues through IPO (net off IPO expenses)		1,461,147,044	-
Interest paid		(1,432,737,850)	(1,346,610,104)
Received from/(payment of) short term bank loan		(2,501,274,370)	9,773,729,446
Received from/(payment of) term loan		4,448,028,682	(5,776,514,355)
Net cash from/(used in) financing activities		**3,039,650,457**	**3,022,544,472**
Effects of exchange rate changes on cash and cash equivalents		(5,550,157)	2,938,161
Net increase/(decrease) in cash and cash equivalents		**897,614,940**	**(340,244,862)**
Cash and cash equivalents at 01 July 2020		4,339,710	341,646,411
Cash and cash equivalents at 30 June 2021	14.02	**896,404,492**	**4,339,710**
NOCFPS		**9.21**	**9.49**

The annexed note form an integral part of the financial statements

Chairman **Managing Director** **Director**

Company Secretary **Chief Financial Officer**

Energypac Power Generation Limited
Statement of Financial Position
As at 30 June 2021

	Notes	30 June 2021	30 June 2020
		Amount in BDT	
Assets			
Property, plant and equipment	4.00	10,360,810,289	9,120,295,006
Intangible assets	6.00	36,494,858	9,802,358
Capital work in progress	7.00	853,922,789	1,111,960,772
Investment in non-listed companies	8.00	2,192,321,587	2,236,821,587
Non-current assets		**13,443,549,523**	**12,478,879,723**
Trade receivables	9.00	2,381,460,903	3,943,244,441
Other receivables	10.00	967,525,826	583,732,120
Inventories	11.00	1,687,732,993	1,649,509,984
Advances, deposits and prepayments	12.00	3,137,152,617	2,544,923,824
Investment in listed companies	13.00	424,301	444,415
Cash and cash equivalents	14.00	1,954,279,077	1,515,514,625
Current assets		**10,128,575,717**	**10,237,369,409**
Total assets		**23,572,125,241**	**22,716,249,131**
shareholders' equity and liabilities			
shareholders' equity			
Share capital	15.00	1,901,632,160	1,498,696,500
Share premium	16.00	1,989,811,384	931,600,000
Revaluation surplus	17.00	2,263,843,182	1,969,891,525
Retained earnings	SOCE	2,133,006,621	1,862,558,419
Total equity		**8,288,293,347**	**6,262,746,444**
Liabilities			
Term loan-non current portion	18.01	3,215,808,929	3,702,119,990
Security deposits from customers and dealers	19.00	1,194,895,245	1,228,861,337
Deferred tax liabilities	32.03	252,235,613	210,400,372
Non-current liabilities		**4,662,939,787**	**5,141,381,699**
Bank overdraft	20.00	1,629,389,310	1,768,181,127
Trade payables	21.00	696,646,304	1,833,872,016
Other payables	22.00	1,725,209,452	2,245,875,256
Short term bank loan	23.00	4,936,287,298	3,971,210,805
Term loan-current portion	18.02	1,633,359,742	1,492,981,782
Current liabilities		**10,620,892,106**	**11,312,120,987**
Total liabilities		**15,283,831,893**	**16,453,502,686**
Total shareholders' equity and liabilities		**23,572,125,241**	**22,716,249,131**
NAVPS		43.59	41.79
NAVPS without revaluation		31.68	28.64

The annexed note form an integral part of the financial statements.

Chairman | **Managing Director** | **Director**

Company Secretary | **Chief Financial Officer**

See the annexed report of even date

Sabbir Ahmed, FCA, Partner
Enrolment no 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 26 October 2021
DVC No: 2110260770AS360844

Energypac Power Generation Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

		Amount in BDT	
	Notes	**2020-2021**	**2019-2020**
Revenues	24.00	7,838,176,465	8,125,285,874
Cost of sales	25.00	(5,655,461,928)	(5,823,648,199)
Gross profit		**2,182,714,536**	**2,301,637,675**
Administrative expenses	26.00	(649,939,472)	(678,259,813)
Distribution expenses	27.00	(522,388,779)	(508,907,257)
Profit from operating activities		**1,010,386,286**	**1,114,470,605**
Finance income	28.00	14,949,298	19,661,623
Finance costs	29.00	(747,439,823)	(658,087,580)
Non-operating income	30.00	96,000,717	42,417,747
Provision for WPPF	31.00	(18,694,824)	(25,923,120)
Profit before tax		**355,201,654**	**492,539,274**
Income tax		(84,753,453)	(61,031,586)
Current tax	32.01	55,166,198	79,681,066
Deferred tax expense/(income)	32.02	29,587,255	(18,649,480)
Profit for the period		**270,448,202**	**431,507,688**
Other comprehensive income			
Other comprehensive income	33.00	293,951,657	-
Total comprehensive income for the year		**564,399,859**	**431,507,688**
Earnings per share			
Basic earnings per share (per value Tk 10)		1.61	2.88

The annexed note form an integral part of the financial statements

Chairman **Managing Director** **Director**

Company Secretary **Chief Financial Officer**

See the annexed report of even date

Sabbir Ahmed, FCA, Partner
Enrolment no 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 26 October 2021
DVC No: 2110260770AS360844

HODA VASI CHOWDHURY & CO. DHAKA

Energypac Power Generation Limited
Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total
Balance at 01 July 2020	1,498,696,500	931,600,000	1,969,891,525	1,862,558,421	6,262,746,446
Profit for the year	-	-	-	270,448,202	270,448,202
Revaluation for the year	-	-	293,951,657	-	293,951,657
Issue of ordinary shares	402,935,660	1,058,211,384	-	-	1,461,147,044
Balance at 30 June 2021	**1,901,632,160**	**1,989,811,384**	**2,263,843,182**	**2,133,006,621**	**8,288,293,348**
Balance at 01 July 2019	1,498,696,500	931,600,000	1,969,891,525	1,505,985,557	5,906,173,582
Profit for the year	-	-	-	431,507,688	431,507,688
Dividend for the year	-	-	-	(74,934,825)	(74,934,825)
Balance at 30 June 2020	**1,498,696,500**	**931,600,000**	**1,969,891,525**	**1,862,558,421**	**6,262,746,446**

The annexed note form an integral part of the financial statements

Chairman **Managing Director** **Director** **Company Secretary** **Chief Financial Officer**

Hoda Vasi Chowdhury & Co

Energypac Power Generation Limited
Statement of Cash Flows
For the year ended 30 June 2021

	Notes	Amount in BDT 2020-2021	2019-2020
Cash receipts from customers		9,225,877,187	7,617,175,463
Cash payments to and on behalf of employees		(450,969,982)	(291,884,870)
Payment to suppliers, contractors and others		(7,489,483,314)	(6,837,904,829)
Cash generated from/(used in) operating activities		**1,285,423,890**	**487,385,765**
Income tax paid		(341,889,560)	(38,596,357)
Net cash from/(used in) operating activities	**37.00**	**943,534,330**	**448,789,408**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,409,967,344)	(832,385,038)
Acquisition of intangible assets		(26,692,500)	-
Capital work in progress		(44,969,303)	(836,710,151)
Investment in/(divestment from) subsidiary, associate and others		44,500,000	(49,000,000)
Intercompany current account		(335,078,135)	(156,923,128)
Proceed from/(paid for) short term investment		59,000,000	-
Interest received		19,928,766	22,623,012
Net cash from/(used in) investing activities		**(1,693,278,518)**	**(1,852,395,305)**
Cash flows from financing activities			
Share money deposits/new share issues		1,461,147,044	-
Interest paid		(747,439,823)	(658,087,580)
Received from/(payment of) short term bank loan		965,076,493	713,036,210
Received from/(payment of) term loan		(345,933,101)	1,161,555,511
Net cash from/(used in) financing activities		**1,332,850,613**	**1,216,504,140**
Effects of exchange rate changes on cash and cash equivalents		(5,550,157)	2,938,161
Net increase/(decrease) in cash and cash equivalents		**583,106,425**	**(187,101,756)**
Cash and cash equivalents at 01 July 2020		(252,666,502)	(68,502,908)
Cash and cash equivalents at 30 June 2021	14.02	**324,889,766**	**(252,666,502)**
NOCFPS		**4.96**	**2.99**

The annexed note form an integral part of the financial statements

Chairman **Managing Director** **Director**

Company Secretary **Chief Financial Officer**

Energypac Power Generation Limited and its Subsidiaries
Notes to the Consolidated and Separate Financial Statements
As at and for the year ended 30 June 2021

1.00 Reporting entity

1.10 Company profile

Energypac Power Generation Limited (hereinafter referred to as "EPGL"/"the Company") is a public limited company incorporated in Bangladesh on July 15, 1995 under the Companies Act 1994. The address of the Company's registered office is 79, Shahid Tajuddin Ahmed Sharani, Tejgaon I/A, Dhaka-1208, Bangladesh. EPGL was initially registered as a private limited company and subsequently converted into a public limited company on December 27, 2011.

BSEC permitted EPGL for conducting bidding on their 734th Commission Meeting held on 6th August, 2020. Bidding conducted on 21st September 2020 to 24th September 2020 round the clock. Cut off price fixed at Tk. 35 and after 10 % discount at Tk. 31 for general investor. BSEC gave final consent on IPO in their 745th Commission Meeting held on 21st October 2020. Public Subscription (General Investors) began from 7th December, 2020 to 13th December, 2020. IPO lottery held on 3rd January 2021. The Company got listed in DSE & CSE on 19th January 2021 and trading started on the same day.

1.20 Nature of business

The Company is engaged as major supplier of base load and standby gas and diesel generators and provides rent, solar panel, accessories and turnkey solutions, independent power plant, operation and maintenance of power plant, transmission and distribution, CNG refueling station and conversion kits, importing and marketing JAC automobiles, machinery and materials, spare parts, installation and service, cylinder manufacturing plant and LPG refueling station across Bangladesh.

1.30 Description of subsidiary

Consolidated financial statements of the Group as at and for the year ended 30 June 2021 comprise the financial statements of the Company and those of its subsidiaries (together referred to as the Group).

Energypac Power Venture Ltd.

Energypac Power Venture Limited (EPVL) was incorporated in Bangladesh on 08 September 2007 as a Private Limited Company. The Company has set up a power plant at Hobigonj of 11 MW production capacity and has commenced operation and generation of electricity with effect from 10 January 2009. The principal activities of the Company throughout the year continued to be generating of electricity and delivers the entire output of electricity to Rural Electrification Board (REB).

Energypac Power Venture Chittagong Ltd.

EPV Chittagong Limited (EPVCL) was incorporated in Bangladesh on 21 August 2011 as a Private Limited Company. The address of the registered office of the Company is Energy Point (2nd Floor), 430/2, Tejgaon, Dhaka-1208. The Company has a power plant at Chittagong of 108 MW production capacity as an IPP (Independent Power Producer). The Company delivers the entire output of electricity to Bangladesh Power Development Board (BPDB) as per a power purchase agreement (PPA) dated 25 August 2011.

Energypac Power Venture Thakurgaon Ltd.

EPV Thakurgaon Ltd. (EPVTL) was incorporated in Bangladesh on 17 August 2017 as a Private Limited Company. The address of the registered office of the Company is Energy Point (2nd Floor), 430/2, Tejgaon, Dhaka-1208. The Company is constructing a power plant at Thakurgaon with 115MW production capacity as an IPP (Independent Power Producer). The Company is to deliver the entire output of electricity to Bangladesh Power Development Board (BPDB) as per a power purchase agreement (PPA) with COD date of 15 November 2019. However, due to issues beyond the control of EPVTL completion has been delayed and as per the Project PTS it is expected that start of operation will commence from the middle of December 2021.

2.00 Basis of preparation

2.01 Statement of compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this Council is yet to be issued for public interest entities such as listed entities.

As the FRS is yet to be issued by FRC, as per provisions of the FRA (section - 69), these consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 1994. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such difference are not material and in the view of management , IFRS format gives a better presentation to the users of financial statements.

International Financial Reporting Standards (IFRS) comprise:

a) International Financial Reporting Standards;

b) International Accounting Standards; and

c) IFRIC and SIC Interpretations

The Company also complies with amongst others, the following laws and regulations:

The Income Tax Ordinance 1984
The Income Tax Rules 1984
The Value Added Tax and Supplementary duty Act 2012
The Value Added Tax and Supplementary duty Rules 2016

2.02

S.L. No.	IAS/ IFRS No.	Name of the standards
1	IAS-1	Presentation of Financial Statements
2	IAS-2	Inventories
3	IAS-7	Statements of cash flows
4	IAS-8	Accounting policies, changes in accounting estimates and errors
5	IAS-10	Events after the reporting periods
6	IAS-12	Income Taxes
7	IAS-16	Property, plant and equipment
8	IAS-19	Employee benefits
9	IAS-20	Government Grants
10	IAS-21	The effects of changes in foreign exchange rates.
11	IAS-23	Borrowing costs
12	IAS-24	Related party disclosures
13	IAS-27	Separate financial statements
14	IAS-28	Investments in associates and joint ventures
15	IAS-32	Financial instruments: presentation
16	IAS-33	Earnings per share
17	IAS-34	Interim financial reporting
18	IAS-36	Impairment of assets
19	IAS-37	Provision, contingent liabilities and contingent assets.
20	IAS-38	Intangible assets
21	IFRS-3	Business combination
22	IFRS-5	Asset held for sale
23	IFRS -7	Financial instruments: Disclosures
24	IFRS-8	Operating segments
25	IFRS-9	Financial instruments
26	IFRS-10	Consolidated financial statements
27	IFRS-13	Fair Value measurement
28	IFRS-15	Revenue from contracts with customers
29	IFRS-16	Leases

2.03 Basis of measurement

These consolidated financial statements have been prepared on historical cost basis except for the following items in the statement of financial position:

(a) Land is measured at fair value under revaluation model.

(b) Inventories are measured at lower of cost and net realizable value.

(c) Investment in shares of listed companies is measured at fair value under the asset designated at fair value through profit or loss.

2.04 Functional and presentation currency

These consolidated financial statements are presented in Bangladesh Taka (BDT or Tk) which is the Group's functional currency. All financial information presented in BDT or Tk has been rounded off to the nearest BDT or Tk except when otherwise indicated.

2.05 Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements are stated in the following notes:

Note 4: Depreciation of property, plant and equipment
Note 5: Impairment assessment of goodwill
Note 9: Impairment assessment of trade receivables
Note 17: Revaluation of Property, plant and equipment
Note 24: EPC contract revenue
Note 22.03: Provision for gratuity
Note 32: Provision for income tax
Note 32.03: Deferred tax liabilities
Note 43: Contingent liability and commitment

2.06 Reporting period

The reporting period of the Group and the Company covers twelve months from 1 July 2020 to 30 June 2021 and is followed consistently.

2.07 Comparatives and reclassification

Comparative information has been disclosed for the year 2019-2020 for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements. Figures for the year 2019-2020 have been rearranged wherever considered necessary to ensure comparability with the current year.

2.08 Going concern

The Group and the Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no materials uncertainties related to events or conditions which may cast significant doubt upon the Group or the Company's ability to continue as a going concern.

The Group has set-up three power plants as Independent Power Producer (IPP) to supply electricity to government entities (i.e. BPDB, REB) under Power Purchase Agreement (PPA). Under these PPAs, the Government is committed to purchase significant portion of power produced by the IPP. Through this mechanism which involves capacity payment, risk of project failure due to lack of buyers for electricity produced by an IPP is largely eliminated. Once an IPP project is timely completed and agreed capacity is achieved at the COD, the Project essentially become risk-free with significant future revenue guaranteed by the Government. Due to this unique feature of IPP Projects, majority portion of the Project costs are financed by the borrowings from banks which are initially provided in the form of short-term financing and at later stages converted to long-term loan. As a result, during initial years of an IPP Project there could be mismatch in current assets and liabilities since borrowings are shown as current liability and the corresponding property, plant and machineries are shown as non-current assets. As the Project pass through initial years and revenues are crystalized the net current assets position also improve. Consistent with this feature, as at 30 June 2020 the net current liabilities of the Group exceeded its net current assets by Tk 5,041,450,839 (PY: Tk 9,126,309,539) which will gradually improve as IPP projects would complete initial years. As at 30 June 2020, the Company's net liabilities exceeded its net current assets by Tk 492,316,389 (PY: Tk 1,074,751,578) showing significant improvement and expect to further improve once the IPO process generating Tk 150 crore is completed.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated and separate financial statements.

3.01 Basis of consolidation

These consolidated financial statements comprise the consolidated financial position and the consolidated results of operation of the Company and its subsidiaries (collectively referred as 'Group') on a line by line basis and the interest of non-controlling shareholders is shown separately as a line item of the statement of financial position and statement of profit or loss and other comprehensive income.

Subsidiaries:
Subsidiaries are 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 subsidiaries are included in the consolidated financial statements on a line by-line basis and the interest of non-controlling shareholders, if any, in the results and net assets of subsidiaries are stated separately. The financial statements of subsidiaries are included in consolidated financial statement of the Group from the date of control achieved until the date of control ceased. Any gain or loss, increase/decrease in non-controlling interest in subsidiaries without a change in control, is recognized as a component of equity. Consolidated Financial statements have been prepared for the year ended 30 June 2020. EPGL gained control on EPVL with aggregate ownership interest of 90% effective from 21 June 2017, on EPVCL with aggregate ownership interest of 91% (10% directly and 81% indirectly) effective from 21 June 2017 and on EPVTL with aggregate ownership interest of 45.9% effective from 20 June 2019. EPGL considers EPVTL as subsidiary as per IFRS 10 complying the definition of indirect holding.

Loss of control:
Upon the loss of control, the Group derecognizes the assets and liabilities of subsidiaries, any non-controlling interest and other component of equity related to the subsidiaries. Any surplus or deficit arising from loss of control is recognized in profit and loss. If the Group retains any interest in the previous subsidiaries, then such interest measured in fair value at the date of control is lost. Subsequently it is accounted for investment in associates or as financial assets referred in IFRS 9 depending on the level of influence retained.

Transactions eliminated on consolidation:
Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized loss are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Non-controlling interest
Non-controlling interest (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transaction.

3.02 Measurement of fair values
The Group has an established control framework with respect to the measurement of fair values. Management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized 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 asset or liability, 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 (unobservable inputs).
If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Property, plant and equipment
The fair value of items of property, plant and equipment has been determined based on the depreciated replacement cost method and net realizable value method as applicable. For revalued portion of assets a third party independent valuer has been assigned to determine fair value based on market information.

Equity and debt securities
Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorized under "Level 1' of the fair value hierarchy.

3.03 Property, plant and equipment

3.03.01 Recognition and measurement

The cost of an item of property, plant and equipment comprises its purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates) and any cost directly attributable to the acquisition of the assets. The cost of self-constructed / installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognized under other income/expenses in profit or loss.

3.03.02 Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the 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 recognized in profit or loss.

3.03.03 Depreciation

Depreciation is charged on all items of property, plant and equipment (PPE) (excluding land) on straight line method. Depreciation charge begins when the asset is available for use and ceases at the earlier of the date that the asset is classified as held for sale or the date the asset is derecognized. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Based on assessment made by the technical staff residual value of PPE are calculated. The rates of depreciation vary according to the estimated useful lives of the class of property, plant and equipment, as follows:

Particulars	Percentages (Annual)	Useful Life (Years)
Office Building	4%-6.67%	15-25
Factory Building	4%-10%	10-25
Furniture & Fixtures	12.5%-20%	5-8
Renovations	10%-20%	5-10
Equipment	10%-20%	5-10
Loose Tools	20%	5
Server & Network	20%-25%	4-5
Motor Vehicles	10%-20%	5-10
Heavy Equipment	5%-10%	10-20
Rental Fleet	10%	10
Cylinders	5%-10%	10-20
Intangible Assets	10%-25%	4-10
Motor Vehicles-Sales	10%-20%	5-10
Civil Work Investment	4%-10%	10-25
Factory - Motor Vehicle	10%-20%	5-10
Factory - Server Network	20%-25%	4-5
Factory - Equipment	10%-20%	5-10
Factory - Furniture & Fixtures	12.5%-20%	5-8

Depreciation methods, useful lives and residual values are reassessed at each the reporting date and adjusted if appropriate.

3.03.04 Retirements and disposals

An asset is derecognized 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 recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income.

3.03.05 Capital work in progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use till reporting date which is measured at cost.

3.03.06 Revaluation of property, plant and equipment

The Group applies revaluation model to entire class of freehold land. A revaluation is carried out when there is a substantial difference between the fair value and the carrying amount of the property and is undertaken by professionally qualified valuers. The Group reviews its assets when deemed appropriate considering reasonable interval of years/time. Increases in the carrying amount on revaluation is recognized in other comprehensive income and accumulated in equity in the revaluation reserve unless it reverses a previous revaluation decrease relating to the same asset, which was previously recognized as an expense. In these circumstances the increase is recognized as income to the extent of the previous write-down. Decrease in the carrying amount on revaluation that offset previous increases of the same individual assets are charged against revaluation reserve directly in equity. All other decreases are recognized in statement of profit or loss and other comprehensive income.

The difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from revaluation surplus to retained earnings as shown Statement of Changes in Equity as per IAS-16: Property, Plant and Equipment.

3.04 Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using effective interest method. Bank charges are also considered as part of borrowing costs due to the fact that substantial part of these charges originates from borrowing activities of the Group.

3.05 Intangible assets

3.05.01 Recognition and measurement

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38: Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the profit or loss as incurred.

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

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(b) its intention to complete the intangible asset and use or sell it;

(c) its ability to use or sell the intangible asset;

(d) how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

(e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

(f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

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

3.05.02 Subsequent costs

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

3.05.03 Amortization

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

The Group uses straight line method to amortize intangible asset. The estimated depreciation rate for the current and comparative years is 25% per annum.

3.06 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.

3.06.01 Financial assets

The Group initially recognizes receivables on the date that they are originated. All other financial assets are recognized initially on the date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

The classification and measurement of financial assets is based on the basis of both:

a. the entity's business model for managing the financial assets; and

b. the contractual cash flow characteristics of the financial assets.

Three measurement classifications for financial assets have been established: amortized cost, fair value through other comprehensive income and fair value through profit and loss. These measurement classifications align with three business models available under IFRS 9:

- Hold to Collect – Financial assets held with the objective to collect contractual cash flows
- Hold to Collect and Sell – Financial assets held with the objective to collect and sell contractual cash flows
- Other – Financial assets held for trading or assets that do not meet the criteria for either 'Hold to collect' or 'Hold to collect and sell'. Financial assets designated as trading are held with an objective to sell the assets in the short term.

For purposes of determining the measurement classification, financial assets under the 'Hold to Collect' and 'Hold to Collect and Sell' business model require an assessment to determine whether the cash flows are solely payments of principal and interest (SPPI). Basic lending arrangements with limited volatility in cash flows typically have contractual cash flows that are SPPI; however, other factors should be considered in making this determination, such as whether interest payments provide only a consideration for the passage of time associated with time value of money.

Financial assets under a Hold to Collect business model, with contractual cash flows that are SPPI, are classified and measured at amortized cost. Financial assets under a Hold to Collect and Sell business model, with contractual cash flows that are SPPI, are classified and measured at fair value through other comprehensive income (FVOCI).

Financial assets that have contractual cash flows that are not SPPI, are designated as trading or do not fit the business model criteria for hold to collect and old to collect and sell are measured at fair value through profit and loss (FVTPL). Equity instruments are always measured at FVTPL unless an irrevocable option is elected at initial recognition to present fair value changes in OCI. Fair value changes recorded in OCI for equity instruments are not recycled to profit and loss. The Group did not elect the option to present fair value changes through OCI for equity instruments.

Based on the above the basis of recognition and measurement are as follows:

I. Amortized cost

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

II. At fair value through profit or loss:

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

III. At fair value through other comprehensive income

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

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

a) Trade and other receivables

Trade, and other receivables represent the amounts due from customers for delivering goods or rendering services. Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at amortized cost less impairment losses due to uncollectibility of any amount so recognized.

b) Investment in listed securities and FDR

Investment in listed securities is measured at fair value on portfolio basis. Changes between closing market price at 30 June and the respective cost price on portfolio basis has been considered as impairment and accordingly charged to profit. The impairment provision on unrealized loss has been netted off against cost price. Investments in fixed deposits with banks and financial institutions have been recognized at amortized costs.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank including short notice deposits and fixed deposits having maturity of three months or less which are available for use by the Company without any restriction. Bank overdraft that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

d) Investment in subsidiaries

Investment in subsidiaries are recognized initially at cost plus any directly attributable transaction costs. Subsequent to initial recognition, investment in subsidiaries are measured at cost less impairment loss, if any.

3.06.02 Financial liabilities

The Group initially recognizes financial liabilities on the date that is originated. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities into the liabilities for expenses category. Such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

a) Trade and other payables

Trade and other payables represent the amounts due to suppliers for receiving goods or services. Trade and other payables are initially recognized at cost which is the fair value of the consideration received. After initial recognition these are carried at amortized cost.

b) Borrowings

Interest-bearing borrowings include both short-term and long-term bank loan. Interest bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, these are stated at amortized cost using the effective interest method.

3.07 Equity instruments

Ordinary shares are classified as equity. In line with IAS 32 requirement, incremental costs directly attributable to the issue of ordinary shares are recognized as reduction in equity through charging directly to retained earnings instead of profit or loss. Paid-up share capital represents total amount contributed by the shareholders and bonus shares issued by the Group.

3.08 Impairment

i) Financial assets

The Group recognize a loss allowance for expected credit losses on a financial asset that is measured at amortised cost or measured at fair value through other comprehensive income. These financial assets are assessed at each reporting date to determine impairment.

The Group measures impairment allowance for financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition impairment is assessed at an amount equal to 12 month expected credit losses.

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

Trade and other receivables

Expected credit losses for trade receivables (not having financing components) are estimated using the simplified approach of lifetime ECL based on a combination of write-off history, aging analysis and ability to make immediate repayment.
For other receivables, the Company measures ECL using the three-stage approach.

While cash and cash equivalents carried at amortised cost, are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss, if and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss. As at 30 June, 2021, the assessment of indicators of impairment revealed that impairment testing was not required for the Group.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.09 Inventories

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

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

3.10 Transactions with related parties

These represent balance amounts due to /from sister concerns which are derived from short term loan, sale/purchase of goods/services from time to time. Sales and purchase of goods/services are made on arm's length basis. These balances are unsecured but considered good and realizable. Transactions within the controlled entities of the Group are eliminated in full.

3.11 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 such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value without any adjustment for time value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss on accrual basis.

3.12 Share capital

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

3.13 Employee benefit schemes

The Company operates a recognized provident fund for all eligible permanent employees of the Company. The eligibility is determined according to the terms and conditions set forth in the respective deeds. This qualifies as defined contribution plan.

3.13.1 Defined contribution plan (provident fund)

Defined contribution plan is a post employment benefit plan under which the Company provides benefits to one or more employees. The recognized Employees Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10 percent of their basic salary to the provident fund and the Company also makes equal contribution to the fund. These are administered by the Board of Trustees.

Contribution to defined contribution plan is recognized as an expense when an employee has rendered services to the Company. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

3.13.2 Worker's profit participation fund

The Company has made a provision for worker's profit participation fund (WPPF) for the financial year. The Company provides 5% of its net profit before tax after charging such expenses as Worker's profit participation in accordance with Bangladesh Labor (Amendment) act 2013. All subsidiaries of the Group are operating as Independent Power Producer (IPP). Since all employees of these companies are consisting of managerial staff and hence no WPPF is recognized for these subsidiaries.

3.13.3 Defined benefit plan (gratuity fund)

The Company maintains an unrecognized gratuity for all its eligible permanent employees. As per Company policy, all employees are eligible for the gratuity after successfully completion of 5 years of services without any dispute. The employee will be eligible equivalent to one month of basic salary (last basic) for each year, if the employee completes at least 5 years of service persistently. This policy has been adopted on 1st January 2014. No Actuarial Valuation was made for the non funded benefit. The management of the Company estimates that the provision is sufficient enough to meet the current liability at any point of time.

3.14 Provisions

A provision is recognized in the financial statements if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.15 Warranty

Warranty given to the customers is same as warranty received from the principal. When claims against warranty in connection with any sale of products or operational activity in relation to any service rendered, are raised, the Company meets the warranty claims and subsequently raises invoices to the principal for the claims. A provision for warranty is recognized when claim against warranty is not justified by the principal.

3.16 Revenues

The Company has initially applied IFRS 15 Revenue from contract with customers from 1 January 2019. The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principal, IFRS 15 establishes a five-step model as follows:

- Identify the contracts with customer;
- Identify the performance obligation in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five step model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer contains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

Liquefied Petroleum Gas (LPG)

LPG filled cylinders are sold to enlisted distributors by the Company. A customer account is maintained in this regard for a particular distributor. At first, a distributor deposits money to a particular bank account of EPGL. After that he sends the scan/ image copy of deposit slip to a particular Viber group. Sales people of the respective area help him in this regard, if required. After getting the scan/ image copy of the deposit slip, respective accounts people of EPGL confirm the deposit of the amount by checking it in the statement of the particular bank. If the deposit is available, deposit entry is given in the system. The deposit is recorded as advance received from the distributor.

Trade sales

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, discount and VAT. Revenue is recognized at the time of raising of sales invoice, when significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable and the amount of revenue and associated cost can be measured reliably. Transfer of risk and rewards occurs for the sale of goods, when the product is delivered to the distributors and customers along with dispatch documents and invoices.

Hire purchase sales

Under hire purchase sales system, purchaser pays the price of the goods in monthly instalments. Under this system the goods are delivered to the purchaser at the time of agreement before the payment of instalments but the title on the goods is transferred after the payment of all instalments as per the hire purchase sales agreement. If there is a default in the payment of any of the instalments, the Company will take away the goods from the possession of the purchaser without refunding him any amount received earlier in the form of various instalments.

Revenue from hire purchase sales is recognized when goods are delivered to the customers and is measured at cash price under total asset value method.

Rental and services revenue

Revenue from rent of generator is recognized on time basis for which the generator is rented. Revenue generated from overhauling services of engines, regular maintenance services are recognized in the statement of comprehensive income when the services are completed.

Project sales

Project sales represents installation and commissioning of generator and CNG station and setting up of bus bar, professional lighting and renewable energy. Revenue from service project is recognized on the basis of completed contract method if the contract period is less than one year.

CNG station revenue

Revenue from CNG station is recognized on the basis of meter reading when CNG is filled in the cylinder of vehicles and measured at standard price set by the Government.

Operation and maintenance revenue

Fixed fees are recognized on time basis as per terms of operation and maintenance contract. Direct costs in connection with operation and maintenance contracts have been accounted for in line with IFRS 15.

Commission revenue

When the Company acts in the capacity of an agent, rather than as the principal in a transaction, commission revenue is recognized when goods are delivered to customers by the principal.

Engineering, Procurement and Construction (EPC) contract revenue

Revenue and costs from EPC contracts are recognized according to the stage of completion of the contract based on measurement of costs incurred to date as a proportion of total costs of contract when the outcome of the contract can be estimated reliably.

3.17 Finance income and expenses

Finance income comprises interest income on bank and NBFI accounts. Interest income is recognized on accrual basis. Finance expense comprises interest expense on short term loan, overdraft and long term loan.

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

3.18 Bad debts

Provision for bad debts

As stated earlier under financial instruments, impairment provision for doubtful debts is made for accounts receivables based on analyzing the recoverability of the amount from the concerned parties and expected credit losses. The Group has applied simplified approach as per IFRS 9 and measured provision based on lifetime expected credit losses.

Bad debts written off

The Company writes off bad debts when the debts are considered to be non-recoverable on consideration of the status of individual debtors.

3.19 Income tax

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

Current tax

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. The effective rate of income tax for the Company is considered as 22.5% as per Finance Act 2021 since the Company got listed during the year ended 30 June 2021.

Deferred tax

Deferred tax has been recognized in accordance with International Accounting Standard (IAS) 12. Deferred tax is provided for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purpose. Deferred tax is determined at the effective income tax rate prevailing at the reporting date.

3.20 Foreign currency

Transactions in foreign currencies are translated to Taka at the foreign exchange rates prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are retranslated to Taka at the rates of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in the statement of comprehensive income as per IAS 21: The Effects of Changes in Foreign Exchange Rates.

3.21 Earnings per share

The Company presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company with the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue and share split as per IAS 33. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these consolidated financial statements as there was no dilutive potential ordinary shares during the relevant periods.

3.22 Determination and presentation of operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with the Company's other components, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources allocated to the segments and assess its performance and for which discrete financial information is available.

The Company determines and presents operating segments based on business segments and internal reporting structure i.e. information provided internally to the Company's Board of Directors (BOD), which is the Company's Chief Operating Decision Maker. Information about operating segment has been presented in note 37.

3.23 Contingencies

3.23.01 Contingent liability

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

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

3.23.02 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 recognized. Only when the realization of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

3.24 Statement of cash flows

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Direct Method as per the requirement of Securities and Exchange Rules 1987. Bank overdrafts forming part of the day to day cash operation and management of the Company/Group are netted of with cash and cash equivalents for use in statement of cash flows.

3.25 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17.

As per IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset, for a period, in exchange for consideration. The distinction between operating and finance leases is eliminated for lessees under IFRS 16, and a new lease asset (representing the right to use the leased item for the lease term) and lease liability (representing the obligation to pay rentals) are recognized for all leases. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases. At the commencement date of a lease, a lessee is recognized a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessee is required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

As a lessee

The Company has lease agreements for warehouse, office, apartment and others, for a specified period of time in exchange of consideration. In 2019, the Company completed an assessment of all leases under IAS 17 and recognized ROU (right-of-use) assets and leases liabilities for all leases under the scope of IFRS 16 Leases.

(i) Leases classified as operating leases under IAS 17

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company incremental borrowing rate as at 1 January 2019. Right-of -use assets are measured at an amount equal to the lease liability, adjusted by the amount any prepaid or accrued lease payments.

(ii) Leases classified as Finance leases under IAS 17

The carrying amount of ROU asset and the lease liability at January 01, 2019 for the finance leases under IAS 17, is continued treating as the financial leases under new policy.

The Company has assessed the potential impact of IFRS 16 and concludes that there is no significant impact of the IFRS on the financial statements.

3.26 Revaluation surplus

These represents the difference between the book value and the revalued amount of land. Revaluation is done with sufficient regularity to ensure that the caring amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The fair value of land is determined from market-based evidence by appraisal that is under taken by professionally qualified valuers. In accordance with IAS 16 revaluation reserve relating to the land is transferred to retained earnings when it is disposed.

3.27 COVID 19

The adverse impact of COVID 19 which started in previous financial year continued to affect the business of the Group during the current financial period. To contain the spread of subsequent waves of COVID 19, Government has taken various measures including extended lock down, closure of business, restriction in people movement, social distancing etc. As a result of these measures as well as prevailing global situation, all business and economic activities are adversely affected which also impacted the Group. Impact from these COVID 19 related events that has occurred are already reflected in these financial statements. However, due to the inherent uncertainty associated with such matter it is not possible to reasonably assessed and quantify any potential impact of COVID 19 related matters on the Group's future operation and financial results.

3.28 Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

For substantial loss incurred by business during COVID 19 Period, the Government of Bangladesh has agreed to bear a portion of interest expenses on the loan taken by the Group from various Banks under Government stimulus package.

3.29 Off setting

The Group reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard. Cash receipts and payments on behalf of customers when the cash flows reflect the activities of the customer rather than those of the entity and cash receipts and payments for items in which the turnover is quick, the amounts are large, and the maturities are short, are presented net in the statement of cash flows.

3.30 Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the reporting date are reflected in the consolidated financial statements. Material events after the reporting period that are not adjusting events are disclosed by way of note.

3.31 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 July 2020 and earlier application is permitted. However, the Company has not early applied the following new standards in preparing these financial statements.

IFRS 17 Insurance contract

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. Based on preliminary assessment this standard is not expected to have significant impact on the Company and the Group's financial statements.

Hoda Vasi Chowdhury & Co

Energypac Power Generation Limited
Notes to the Consolidated and Separate Financial Statements
As at and for the year ended 30 June 2021

4.00 Property, plant and equipment

Particulars	Land	Office building	Factory Building	Machinery	Furniture and fixtures	Renovation/ Office Decoration	Equipment	Loose tools	Server & Network	Motor Vehicles	Motor Vehicles-Sales	Rental Fleet	Heavy Equipment	Cylinder	Total
Cost															
Balance at 01 July 2020	3,490,290,507	130,053,646	632,757,418	1,553,607,399	17,972,972	421,013,862	77,145,540	26,911,772	7,217,369	42,569,343	54,075,460	75,560,356	331,533,601	3,501,790,289	10,362,499,533
Additions during the period	272,124,568	1,331,650	2,571,655.00	178,192,199	605,396	-	2,047,233	244,999	153,250	5,569,584	11,658,407	-	11,270,338	156,262,348	642,031,628
Revaluation	306,199,643	-	-	-	-	-	-	-	-	-	-	-	-	-	306,199,643
Disposals	-	-	-	(30,277,004)	(129,000)	(1,090,095)	(14,189,320)	(28,000)	(232,788)	-	-	-	(2,450,000)	-	(48,396,207)
Adjustment	689,107,045	-	5,133,207	170,411,327	392,213	5,493,177	12,865,873	28,099	52,322	3,791,854	-	-	(3,444,912)	(126,720,766)	757,109,438
Balance at 30 June 2021	**4,757,721,763**	**131,385,296**	**640,462,280**	**1,871,933,921**	**18,841,580**	**425,416,944**	**77,869,325**	**27,156,870**	**7,190,153**	**51,930,781**	**65,733,867**	**75,560,356**	**336,909,027**	**3,531,331,871**	**12,019,444,035**
Balance at 01 July 2019	3,477,035,299	762,089,458	-	1,646,551,933	17,945,472	420,184,009	73,698,716	26,850,330	-	95,226,634		77,560,357	226,431,075	2,828,995,958	9,652,569,241
Additions during the period	4,647,375	-	721,606	12,157,982	29,000	829,854	3,731,824	61,442	115,788	1,418,170		-	-	302,541,691	326,254,732
Disposals/Retaiment	-	-		-	(1,500)	-	(285,000)	-				(2,000,000)	-	-	(2,286,500)
Adjustment[Internal Trf.	8,607,833	(632,035,812)	632,035,812	(105,102,526)	-	-	-	-	7,101,581	(54,075,460)	54,075,460	-	105,102,526	370,252,640	385,962,054
Balance at June 30, 2020	**3,490,290,507**	**130,053,646**	**632,757,418**	**1,553,607,388**	**17,972,972**	**421,013,863**	**77,145,540**	**26,911,772**	**7,217,369**	**42,569,344**	**54,075,460**	**75,560,357**	**331,533,601**	**3,501,790,289**	**10,362,499,527**
Balance at 01 July 2020	-	44,094,662	73,735,613	341,388,635	17,076,304	177,897,397	59,266,378	23,650,647	4,028,984	33,932,872	17,650,278	49,279,064	85,763,434	314,440,254	**1,242,204,522**
Depreciation for the period	-	7,162,000	30,386,131	110,312,491	52,587	52,189,767	5,946,818	1,075,723	1,381,234	3,852,010	11,852,123	5,996,109	30,575,731	197,912,724	458,695,450
Disposals	-	-	-	(28,820,221)	(125,231)	(1,089,111)	(9,026,015)	(27,997)	(156,674)	-	-	-	(2,450,000)	-	(41,695,250)
Adjustment[Internal Trf]		-	-	-	-	-	(570,976)	-	-	2,049,206	-	-	(2,049,206)	-	(570,976)
Balance at 30 June 2021	-	**51,256,662**	**104,121,744**	**422,880,905**	**17,003,659**	**228,998,053**	**55,616,204**	**24,698,373**	**5,253,545**	**39,834,089**	**29,502,401**	**55,275,174**	**111,839,959**	**512,352,978**	**1,658,633,746**
Accumulated depreciation															
Balance at 01 July 2019	-	79,944,481	-	238,074,830	12,756,338	125,163,887	52,366,560	21,878,064	-	37,934,081		44,815,188	49,390,398	153,317,198	815,641,024
Depreciation for the period	-	22,642,677	15,243,116	112,669,477	4,321,351	52,733,510	7,184,815	1,772,584	3,469,931	8,420,239	5,228,830	6,143,869	27,017,364	161,123,056	427,970,819
Disposals/Retaiment	-	-	-	-	1,385	-	284,997	-	-	-	-	1,679,992	-	-	1,966,374
Adjustment[Internal Trf]	-	(58,492,497)	58,492,497	(9,355,672)	-	-	-	-	559,053	(12,421,448)	12,421,448	-	9,355,672	-	559,053
Balance at 30 June 2020	-	**44,094,662**	**73,735,613**	**341,388,635**	**17,076,304**	**177,897,397**	**59,266,378**	**23,650,647**	**4,028,984**	**33,932,872**	**17,650,278**	**49,279,064**	**85,763,434**	**314,440,254**	**1,242,204,521**
Balance at 30 June 2021	**4,757,721,763**	**80,128,634**	**536,340,537**	**1,449,053,016**	**1,837,921**	**196,418,891**	**22,253,121**	**2,458,496**	**1,936,608**	**12,096,692**	**36,231,466**	**20,285,182**	**225,069,068**	**3,018,978,893**	**10,360,810,289**
Balance at June 30, 2020	**3,490,290,507**	**85,958,984**	**559,021,805**	**1,212,218,753**	**896,668**	**243,116,466**	**17,879,162**	**3,261,125**	**3,188,385**	**8,636,472**	**36,425,182**	**26,281,293**	**245,770,167**	**3,187,350,035**	**9,120,295,006**

Allocation of depreciation:	2020-2021	2019-2020
	BDT	BDT
Cost of sales	422,420,540	370,554,334
Administrative expenses	24,422,786	52,187,645
Distribution expenses	11,852,123	5,228,830
	458,695,449	427,970,809

Property, plant and equipment	2020-2021	2019-2020
	BDT	BDT
Energypac Power Generation Ltd.	10,360,810,289	9,120,295,005
Energypac Power Venture Ltd.	696,054,860	720,776,400
Energypac Power Venture Ctg. Ltd.	7,227,763,513	7,505,936,631
Eenergypac Power Venture Thakurgaon Ltd.	124,270,339	119,854,928
Consolidated property plant & equipment	**18,408,899,001**	**17,466,862,964**

The above assets of the Group are mortgaged with various lenders

Energypac Power Generation Limited
Notes to the Consolidated and Separate Financial Statements
As at and for the year ended 30 June 2021

	Amount in BDT	
	30 June 2021	**30 June 2020**
5.00 Calculation of goodwill		
Consideration for acquisition of ECPVL shares	337,502,067	337,502,067
Share of accumulated profit upto 20th June 2017	102,967,216	102,967,216
Total consideration paid	**440,469,283**	**440,469,283**
Less: net assets at the date of acquisition @ 90%	310,440,988	310,440,988
Value of goodwill	**130,028,294**	**130,028,294**

Energypac Power Generation Limited (EPGL) signed an agreement with Confidence Cement Limited on 9th March 2017 regarding purchase of 5,56,000 shares (40% shares) of Energypac Confidence Power Venture Limited. This transaction was executed on June 21, 2017. After this share transfer, EPGL now holds 12,51,000 shares of Energypac Confidence Power Venture Limited which is 90% of total shares and total investment stood at Tk. 440,469,283. As such, Energypac Confidence Power Venture Limited became the subsidiary company of Energypac Power Generation Limited on that date.

Energypac Power Generation Limited (EPGL) also signed an agreement with Confidence Cement Limited on 9th March 2017 regarding purchase of 500,000 shares (5% shares) of Energypac Confidence Power Venture Chittagong Limited. This transaction was executed on June 21, 2017. After this share transfer, EPGL now holds 1,000,000 shares of Energypac Confidence Power Venture Chittagong Limited which is 10% of total shares and total investment stood at Tk. 123,204,997. As EPGL holds 90% shares of Energypac Confidence Power Venture Limited, Energypac Confidence Power Venture Chittagong Limited became subsidiary of EPGL by holding of 91% (10% directly and 81% indirectly).

Energypac Confidence Power Venture Limited signed an agreement with Rurelec Plc on 9th March 2017 regarding purchase of 2,000,000 shares (20% shares) of Energypac Confidence Power Venture Chittagong Limited. This transaction was executed on June 21, 2017. After this share transfer, Energypac Confidence Power Venture Limited now holds 9,000,000 shares of Energypac Confidence Power Venture Chittagong Limited which is 90% of total shares and total investment stood at Tk. 70,008,000.

At the date of step acquisition as on June 21, 2017, the portion of net assets (90%) of Energypac Confidence Power Venture Limited was Tk. 310,440,988 and the purchase consideration was Tk. 440,469,283 of which Investment Cost Tk. 337,502,067 and accumulated profit Tk. 102,967,216 (current year profit portion Tk. 14,068,148 and previous year's profit 88,899,068). As such, Goodwill of Tk. 130,028,294 was generated on that date of transaction.

At the date of step acquisition as on June 21, 2017, the portion of net assets (91%) of Energypac Confidence Power Venture Chittagong Limited was Tk. 161,745,428 and the purchase consideration was Tk. 123,204,997 of which Investment Cost Tk. 92,108,106 and accumulated profit Tk. 31,096,891 (current year profit portion Tk. 23,477,905 and previous year's profit 7,618,987). As such, Bargaining Purchase Gain of Tk. 38,540,430 was generated on that date of transaction.

The consolidated financial statements has prepared as if the associates has disposed-off and in the statement of profit or loss and other comprehensive income only ten days post acquisition data are consolidated as line items as at relevant balance sheet date.

As per reference IFRS 3 the bargain purchase gain arising from the acquisition of subsidiary treated as group profit and recorded in the group profit or loss and other comprehensive income.

Energypac Power Generation Limited (parent) has obtained control on its two subsidiaries Energypac Confidence Power Venture Limited and Energypac Confidence Power Venture Chittagong Limited on June 21, 2017. The company consolidates its subsidiaries' financial position as line item and its financial performance for 10 days only as at 30 June 2017 for preparing financial statements.

EPV Thakurgaon Limited (EPVTL) is a 51% owned subsidiary of Energypac Power Venture Limited (EPVL). EPVTL was incorporated in Bangladesh on 22 August, 2017 as a private Limited Company. The authorized share capital of EPVTL is Tk. 5,000,000,000 divided into 500,000,000 ordinary shares of Tk. 10 each. Last Year EPVL has subscribed to 98% ordinary shares of the total subscribed capital of the EPVTL of Tk. 100,000,000. Subsequently it was Sold its 49% Shares to EMA Power Investment at 20th June 2019. And subsequently 1% purchase shares from both Energypac Infrastructure & Development Ltd and Energypac Fashions Ltd. As EPGL holds 90% of EPVL and EPVL holds 51% of EPVTL at year end, so EPGL indirectly holds 45.9% of EPVTL. Thus EPGL considers EPVTL as subsidiary as per IFRS 10 complying the definition of indirect holding.

6.00 Intangible assets

Cost:		
Opening balance (system and software)	21,441,829	28,543,410
Addition during the year	31,400,768	-
Adjustment/ transfer	-	(7,101,581)
	52,842,597	**21,441,829**
Accumulated amortization:		
Opening balance (system and software)	11,639,471	9,528,861
Net charged during the year	4,708,268	2,669,662
Adjustment	-	(559,053)
	16,347,739	**11,639,471**
Carrying amounts	**36,494,858**	**9,802,358**

The rate of amortization is 25%.

6A.00 Intangible assets

Energypac Power Generation Ltd.	36,494,858	9,802,358
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	221,644	-
Net balance	**36,716,502**	**9,802,358**

7.00 Capital work in progress

Asset under construction	853,922,789	1,111,960,772
	853,922,789	**1,111,960,772**

7.01 Break up and movement of captal work in progress

	30 June 2021	Transfer to Asset	Addition	30 June 2020
Land & land development	464,285,971	(689,107,045)	363,886,672	789,506,344
Building and civilwork	229,715,415	(27,328,637)	107,060,075	149,983,977
Renovation	69,835	(6,466,209)	2,568,500	3,967,544
Machinery	56,695,544	(66,459,147)	72,050,400	51,104,291
Furniture and fixtures	4,033,922	(392,213)	4,323,615	102,520
Equipment	1,241,627	(1,003,899)	-	2,245,526
Heavy equipment	463,128	(346,942)	-	810,070
Tools and others	54,478	(28,099)	4,342	78,235
Motor vehicle	117,966	-	-	117,966
Cylinder	76,482,827	(9,552,911)	-	86,035,738
Server and network	-	(52,322)	-	52,322
Intangible asset	5,476,118	(8,784,844)	-	14,260,962
Others AUC	13,695,278	-	-	13,695,278
Stock of capital	1,590,680	-	1,590,680	-
	853,922,789	**(809,522,267)**	**551,484,284**	**1,111,960,772**

7A.00 Capital work in progress

Energypac Power Generation Ltd.	853,922,789	1,111,960,772
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	5,962,105,884	4,674,326,210
Net balance	**6,816,028,673**	**5,786,286,982**

EPV Thakurgaon Limited is constructing 115 MW power plant. The expected COD is 16 December, 2021.

8.00 Investment in non-listed companies

	Separate		Consolidated	
	June 2021	June-2020	June 2021	June-2020
Equity investment in EPVL (12,51,000 ordinary Shares of Tk. 100 each)	337,502,067	337,502,067	337,502,067	337,502,067
Advance against equity to EPV Ltd.	1,472,398,600	1,472,398,600	1,472,398,600	1,472,398,600
Equity investment in EPV Chittagong Ltd. (1,00,000 ordinary Shares of Tk. 10 each)	29,100,906	29,100,906	29,100,906	29,100,906
Advance against equity to EPV Chittagong Ltd.	330,820,014	330,820,014	330,820,014	330,820,014
Equity investment in CLICL (2,250,000 ordinary shares @ Tk. 10 each)	22,500,000	18,000,000	22,500,000	18,000,000
Equity investment in Zodiac	-	49,000,000	-	49,000,000
	2,192,321,587	**2,236,821,587**	**2,192,321,587**	**2,236,821,587**
Less: transaction between parent and subsidiary			**(2,169,821,587)**	**(2,169,821,587)**
			22,500,000	67,000,000

EPGL has disposed off its entire investment in Zodiac Power Chittagong Ltd. during this year.

8A.00 Investment in non-listed companies

Energypac Power Generation Ltd.	22,500,000	67,000,000
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Prportionate associate income	-	-
Net balance	22,500,000	67,000,000
Less: disposal	-	-
Less: balance between parent and subsidiaries	-	-
Net balance	22,500,000	67,000,000

9.00 Trade receivables

Receivables (unsecured) - considered good

Local accounts receivable	1,965,083,163	3,168,415,070
Receivable from EPC Project (note 9.01)	424,314,400	782,766,031
Less: Provision for impairment	(7,936,660)	(7,936,660)
Net accounts receivable	**2,381,460,903**	**3,943,244,441**

9.01 Receivable from EPC project

Essential Drugs Company Limited (EDCL)	78,027,011	241,140,498
Sylhet Gas Field- CFP	1,243,192	388,676,736
Sylhet Gas Field- CRU	3,357,029	152,948,797
BPDB-Faridpur 50 MW Peaking Power	155,004,106	-
BPDB-Gopalgonj 100MW Peaking Power	159,848,612	-
Amigo Bangladesh Ltd	12,862,761	-
Dhaka WASA	7,271,442	-
Rahim Energy Ltd (00343)	4,578,808	-
Teayoung Eng.& Const.Co.Ltd. (Ctg-Wa	2,121,439	-
	424,314,400	**782,766,031**

9A.00 Trade and other receivables

Energypac Power Generation Ltd.	2,381,460,903	3,943,244,441
Energypac Power Venture Ltd.	24,101,868	47,396,743
EPV Chittagong Ltd.	724,125,170	871,121,662
EPV Thakurgaon Ltd.	-	-
Total balance	3,129,687,941	4,861,762,846
Less: transaction between parent and subsidiary	-	(7,847,000)
Net balance	**3,129,687,941**	**4,853,915,846**

The management believes that the amounts are collectible in full, based on historic payment behavior and extensive analysis of customer credit risk including underlying customers' credit ratings if they are available. Hence no additional provision has been made for bad and doubtful receivables. Included above is receivable for additional power supply to BPDB and rebate claim from banks on account of interest charged during April and May 2020 which were to be reversed as per instruction of Bangladesh Bank. The above receivables are hypothecated with various banks against loans and borrowings.

10.00 Other receivables

Receivable for reimbursable (10.01)	58,632,801	58,632,801
Claim receivables (10.02)	8,835,955	8,835,955
Interest on FDR	773,183	5,752,651
Insurance commission receivable	5,295,813	5,295,813
Intercompany/related party recivable (10.03)	151,524,545	-
Intercompany/related party current account (10.04)	742,463,529	505,214,900
	967,525,826	**583,732,120**

10.01 Receivable for reimbursable

It is related to EPC work undertaken by the Company. The Company initially incurs payments for duty and other expenses as contractor on behalf of tenderer which have to be borne by tenderer and hence subsequently reimbursed to the Company.

10.02 Claim receivables

Customer can purchase a product directly from the Principal of EPGL, but when they claim warranty, EPGL provides free services on behalf of its Principal under that warranty. Thereafter EPGL claims the amount from its Principal and the Principal remits the claimable amount after a certain period of time.

10.03 This amount represents sale of generator and other equipments by the Company to its related parties on credit term similar to other customers.

10.04 Intercompany/ related party current account

Energypac Power Venture Limited	342,140,172	109,790,866
EPV Chittagong Ltd.	177,519,979	123,497,223
EPV Thakurgaon Ltd	1,239,745	5,000,000
Official Clothing Limited	28,094,000	28,094,000
Chartered Life Insurance Company Ltd.	8,214,285	10,545,767
Energypac Electronics Ltd	4,335,150	44,336,778
Energypac Fashion Ltd	7,236,748	119,499,256
Design Express Limited	4,274,111	4,302,221
Energypac Infrastructure Development Ltd	65,868,048	60,047,551
Energypac Batteries Limited	101,238	101,238
Energypac Engineering Ltd.	95,326,084	-
Energypac Agro Ltd.	8,113,969	-
	742,463,529	**505,214,900**

The Company has undertaken the above transactions with its subsidiaries as well as some other related parties as temporary arrangement prior to its listing with DSE/CSE. All these balances are interest free and payable on demand. In accordance with Bangladesh Securities and Exchange Commission (BSEC) notification No. SEC/CMMRRCD/2006-159/Admin/02-10 dated 02 September 2006 management has taken various compliance steps on this matter. Subsequent to the listing of the Company use of such related party current account is minimised.

10A.00 Other receivables

Energypac Power Generation Ltd.	967,525,826	583,732,120
Energypac Power Venture Ltd.	69,193,305	98,208,175
EPV Chittagong Ltd.	198,225,772	201,815,334
EPV Thakurgaon Ltd.	8,616,368	10,243,024
Total balance	**1,243,561,271**	**893,998,653**
Less: transaction between parent and subsidiaries	**(492,070,389)**	(401,032,775)
Net balance	**751,490,882**	**492,965,878**

11.00 Inventories

Raw material	495,463,033	488,611,476
Semi finished goods	16,196,363	18,331,235
Finished goods	459,690,464	704,487,622
Stock of spare parts	320,332,966	49,888,318
Stock in transit and contract assets	582,968,822	604,628,712
	1,874,651,648	**1,865,947,364**
Provision for inventory	**(186,918,655)**	**(216,437,380)**
	1,687,732,993	**1,649,509,984**

The above inventories are hypothecated with various banks against loans and borrowings.

i) Details breakup of raw materials and work-in-process could not be given as it is quite difficult to quantify each items in a separate and distinct category due to large variety of inventory. Information in summarized form may not be useful for the user. Details movement are provided in note 44.3.

11A.00 Inventories

Energypac Power Generation Ltd.	1,687,732,993	1,649,509,984
Energypac Power Venture Ltd.	45,883,683	39,806,836
EPV Chittagong Ltd.	319,794,224	509,736,924
EPV Thakurgaon Ltd.	507,270,522	-
Net Balance	**2,560,681,422**	**2,199,053,744**

12.00 Advances, deposits and prepayment

Advances		
Advance against projects	224,661,028	424,802,105
Advance against purchase	843,676,182	537,560,744
Advance to employees	7,661,464	29,312,076
Advance income tax (Note 12.01)	1,737,032,363	1,382,894,818
	2,813,031,037	**2,374,569,742**
Deposits		
Earnest money	19,726,708	20,793,828
LC margin	206,369,781	76,071,597
Security deposit	16,429,272	16,429,272
Security deposit for container of L/C	12,387,856	8,312,613
VAT paid in advance	37,792,509	39,584,469
	292,706,125	**161,191,779**
Prepayment		
Prepaid office rent	31,415,455	9,162,303
	31,415,455	**9,162,303**
	3,137,152,617	**2,544,923,824**

Advance against projects are various advances given to contractors which will be subsequently transfer to the respective heads upon completion of work.

Advance against purchase includes payment of customs duties and taxes during the course of importation on the basis of provisional assessment which are transferred to inventories when related goods are received.

12.01 Advance income tax

Balance at 1 July	1,382,894,818	998,658,236
Add: paid during the year	354,137,546	384,641,333
Less: adjustment during the year	-	(404,751)
Balance at 30 June	**1,737,032,363**	**1,382,894,818**

Advance income tax represents payment of taxes in relation to assessment years where final income tax assessments are pending at various stages of appeal. Upon completion of assessment and settlement of final demand the relevant amounts of advance tax and corresponding income tax provision are offset, with any differential amount charged/ credited to profit and loss account, during the year of settlement.

12A.00 Advances, deposits and prepayment

Energypac Power Generation Ltd.	3,137,152,617	2,544,923,824
Energypac Power Venture Ltd.	4,678,331	4,161,236
EPV Chittagong Ltd.	176,124,311	50,663,815
EPV Thakurgaon Ltd.	1,321,807,310	476,959,440
Total balance	**4,639,762,569**	**3,076,708,315**
Less: transaction between parent and subsidiaries	-	-
Net balance	**4,639,762,569**	**3,076,708,315**

13.00 Investment in shares of listed companies

Investment in shares of listed companies	424,301	444,415
	424,301	**444,415**

For details view, please see Annexure-A

13A.00 Investment in shares of listed companies

Energypac Power Generation Ltd.	424,301	444,415
Energypac Power Venture Ltd.	941,500	597,180
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Net balance	**1,365,801**	**1,041,595**

14.00 Cash and cash equivalents

Cash in hand	11,059,893	4,222,773
Fixed deposit receipt	23,166,977	210,585,608
Cash at bank	1,920,052,207	1,300,706,244
	1,954,279,077	**1,515,514,625**

14.01 Cash at bank

Islami Bank Bangladesh Ltd.	298,244,379	211,052,174
Sonali Bank Ltd.	352,821	28,693,357
Bank Asia Ltd.	582,408,268	673,687,101
BRAC Bank Ltd.	457,984,605	3,789,685
Dhaka Bank Ltd.	206,632,611	228,250,286
Dutch Bangla Bank Limited	6,155,235	-
Eastern Bank Ltd.	16,148,090	563
HSBC	232	1,476
Jamuna Bank Ltd.	500,000	22,784,747
Prime Bank Limited	12,517,295	-
Pubali Bank Ltd.	88,692,589	52,429,192
Trust Bank Ltd.	66,230,383	11,625,076
United Commercial Bank Ltd.	87,743,792	40,833,202
Woori Bank Ltd.	145,513	145,513
Al-Arafah Islami Bank Limited	100,000	-
Agrani Bank Ltd.	500,000	500,000
Meghna Bank Limited	597,822	-
NRBC Bank Ltd.	18,307,306	26,145,039
Shimanto Bank Ltd.	-	142,067
National Bank Ltd.	9,241	9,241
IFIC Bank Ltd.	31,912	31,912
National Credit and Commerce Bank Ltd.	18,183	18,183
City Bank Ltd.	7,555,691	567,431
Mercantile Bank Ltd.	69,176,238	-
	1,920,052,207	**1,300,706,244**

14.02

Cash and cash equivalents in the statement of financial position	Note 14	1,954,279,077	1,515,514,625
Bank overdrafts used for cash management purposes	Note 20	(1,629,389,310)	(1,768,181,127)
Cash and cash equivalents in the statement of cash flows		**324,889,766**	**(252,666,502)**

14A.00 **Cash and cash equivalents**

Energypac Power Generation Ltd.	1,954,279,077	1,515,514,625
Energypac Power Venture Ltd.	7,414,503	43,518,572
EPV Chittagong Ltd.	361,258,140	183,724,511
EPV Thakurgaon Ltd.	202,842,082	29,763,129
Total balance	**2,525,793,802**	**1,772,520,837**
Less: transaction between parent and subsidiary	-	-
Net balance	**2,525,793,802**	**1,772,520,837**

14A.01

Cash and cash equivalents in the consolidated statement of financial position	2,525,793,802	1,772,520,837
Bank overdrafts used for cash management purposes	(1,629,389,310)	(1,768,181,127)
Cash and cash equivalents in the consolidated statement of cash flows	**896,404,492**	**4,339,710**

15.00 **Share capital**

Authorized:		
500,000,000 ordinary shares of Tk 10 each	**5,000,000,000**	**5,000,000,000**
Issued, subscribed and paid up:		
200,000 ordinary shares of Tk 10 each issued for cash	2,000,000	2,000,000
9,500,000 ordinary shares of Tk 10 each issued as fully paid up bonus shares in 2011	95,000,000	95,000,000
46,560,000 ordinary shares of Tk 10 each issued as fully paid up bonus shares in 2012	465,600,000	465,600,000
59,073,000 ordinary shares of Tk 10 each issued as fully paid up bonus shares in 2012	590,730,000	590,730,000
27,400,000 ordinary shares of Tk 10 each issued as fully paid up shares in 2013	274,000,000	274,000,000
7,136,650 ordinary shares of Tk 10 each issued as fully paid up bonus shares in 2014	71,366,500	71,366,500
40,293,566 ordinary shares of Tk 10 each issued through IPO in 2020-2021	402,935,660	-
	1,901,632,160	**1,498,696,500**

During the year the parent entity of the Group issued shares through IPO process and became listed at Dhaka and Chittagong Stock Exchanges.

The Company was initially registered with ordinary shares of Tk 100 each. The denomination of face value of shares were subsequently converted from Tk 100 to Tk 10 shares through a 10:1 split at the EGM held on 27 December 2011.

15.01 **Shareholding position**

Name of the shareholders	% of Share	30 June 2021		30 June 2020	
		No. of shares	Value (Tk)	No. of shares	Value (Tk)
Sponsor/Directors:					
Energypac Engineering Ltd	38.21%	72,659,790	726,597,900	72,659,790	726,597,900
Mr. Md. Rabiul Alam	3.18%	6,054,983	60,549,825	6,054,983	60,549,825
Mr. Enamul Haque Chowdhury	3.18%	6,054,983	60,549,825	6,054,983	60,549,825
Mr. Humayun Rashid	3.18%	6,054,983	60,549,825	6,054,983	60,549,825
Mr. Md. Nurul Aktar	3.18%	6,054,983	60,549,825	6,054,983	60,549,825
Mr. Rezwanul Kabir	3.18%	6,054,983	60,549,825	6,054,983	60,549,825
	54.13%	102,934,705	1,029,347,025	102,934,705	1,029,347,025
Other than sponsor/directors:					
ICB	1.60%	3,045,000	30,450,000	3,045,000	30,450,000
Dr. Meerjady Sabrina Flora	3.18%	6,054,982	60,549,825	6,054,982	60,549,825
Mrs. Mahfuza Rahman Chowdhury	3.18%	6,054,981	60,549,825	6,054,981	60,549,825
Mrs. Rifat Farzana	3.18%	6,054,982	60,549,825	6,054,982	60,549,825
ICB Unit Fund	3.81%	7,245,000	72,450,000	7,245,000	72,450,000
Bangladesh Fund	1.49%	2,835,000	28,350,000	2,835,000	28,350,000
GSP Finance Company (BD) Ltd	0.63%	1,192,800	11,928,000	1,192,800	11,928,000
Mutual Trust Bank Limited	0.63%	1,192,800	11,928,000	1,192,800	11,928,000
ICB Capital Management Ltd.	0.63%	1,207,500	12,075,000	1,207,500	12,075,000
Bank Asia Limited	0.63%	1,192,800	11,928,000	1,192,800	11,928,000
Other shareholders	26.90%	51,152,666	511,526,660	10,859,100	108,591,000
	45.87%	87,228,511	872,285,135	46,934,945	469,349,475

15A.00 Share capital

Energypac Power Generation Ltd.	1,901,632,160	1,498,696,500
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Net balance	**1,901,632,160**	**1,498,696,500**

16.00 Share premium

Balance as at 1 July	931,600,000	931,600,000
Addition during the year	1,097,064,340	-
IPO expense charged	(38,852,956)	-
Closing balance	**1,989,811,384**	**931,600,000**

The Energypac Power Generation Ltd. had issued 27,400,000 ordinary share to the new shareholders @ Tk. 44 each including a premium of Tk. 34 per share in the year 2013-14. Subsequently as part of the IPO process total premium of TK. 1,097,064,340/- has been collected against issuance of 40,293,566 shares. Share issue related cost of TK. 38,852,956/- has been adjusted with share premium amount.

16A.00 Share premium

Energypac Power Generation Ltd.	1,989,811,384	931,600,000
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Net balance	**1,989,811,384**	**931,600,000**

17.00 Revaluation surplus

Balance as at 1 July	1,969,891,525	1,969,891,525
Transfer to retained earnings	-	-
Addition during the year	306,199,643	-
	2,276,091,168	**1,969,891,525**
Adjustment during the year for deferred tax	(12,247,986)	-
Net balance	**2,263,843,182**	**1,969,891,525**

This represents the difference between book value and revalued value of land as on 30 June 2021. All the freehold land of the Company were revalued by "Malek Siddiqui Wali", Chartered Accountants, 9 G Motijheel C/A, Dhaka-1000 on 17 July 2013, 30 June 2017 and 30 June 2021 respectively. The fair value of land is determined based on the location, commercial importance and facility available in the locality and past trend and deferred tax was charged against revaluation reserve. During the year new ravaluation is undertaken and the related surplus is taken to revaluation reserve.

17A.00 Revaluation surplus

Energypac Power Generation Ltd.	2,263,843,182	1,969,891,525
Energypac Power Venture Ltd.	6,170,046	6,170,046
EPV Chittagong Ltd.	264,849,948	264,849,948
EPV Thakurgaon Ltd.	-	-
Net balance	**2,534,863,177**	**2,240,911,519**

18.00 Term loan

Term loan-non-current portion	3,215,808,929	3,702,119,990
Term loan-current portion	1,633,359,742	1,492,981,782
	4,849,168,671	**5,195,101,772**

18.01 Term loan-non-current portion

Uttara Finance & Investments Ltd.	284,783,545	341,657,450
United Commercial Bank Ltd.	-	261,130,046
Eastern Bank Ltd.	438,507,066	463,176,539
Jamuna Bank Ltd.	469,672,839	458,665,140
United Finance Ltd.	139,438,399	178,110,085
Dhaka Bank Ltd.	319,302,332	336,550,526
Bank Asia Ltd.	1,519,129,834	1,662,830,203
NRBC Bank Ltd.	44,974,915	-
	3,215,808,929	**3,702,119,990**

18.02 Term loan-current portion

Uttara Finance & Investments Ltd.	71,517,380	62,224,627
Mercantile Bank Ltd.	336,333,395	452,147,908
United Commercial Bank Ltd.	324,579,519	121,175,958
Eastern Bank Ltd.	120,312,802	180,758,061
Jamuna Bank Ltd.	56,277,138	98,584,571
United Finance Ltd.	74,725,525	60,188,830
Dhaka Bank Ltd.	195,287,302	62,102,030
Bank Asia Ltd.	228,372,684	455,799,797
NRBC Bank	172,368,983	-
Trust Bank Limited	53,585,013	-
	1,633,359,742	**1,492,981,782**

Information relating to the facilities provided by individual bank containing limit of the loans, purpose of the loans , major covenants and lien & mortgage information is disclosed in **Annexure B**.

Current portion of term loan represents the principal amount of term loan payments falling due within 12 months from the end of the reporting period.

18A.01 Loans and borrowings (non current portion)

Energypac Power Generation Ltd.	3,215,808,929	3,702,119,990
Energypac Power Venture Ltd.	451,224,419	435,131,674
EPV Chittagong Ltd.	667,070,762	989,074,502
EPV Thakurgaon Ltd.	3,615,945,251	-
Net balance	**7,950,049,361**	**5,126,326,166**

18A.02 Loans and Borrowings (Current portion)

Energypac Power Generation Ltd.	1,633,359,742	1,492,981,782
Energypac Power Venture Ltd.	111,592,528	156,442,437
EPV Chittagong Ltd.	242,571,526	713,033,586
EPV Thakurgaon Ltd.	1,999,239,497	-
Total balance	**3,986,763,291**	**2,362,457,805**
Less: Transaction between Parent & Subsidiariees		
Net balance	**3,986,763,291**	**2,362,457,805**

19.00 Security deposits from customers & dealers

Security deposits from customers & dealers	1,194,895,245	1,228,861,337
	1,194,895,245	**1,228,861,337**

19A.00 Security deposits from customers & dealers

Energypac Power Generation Ltd.	1,194,895,245	1,228,861,337
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Total Balance	**1,194,895,245**	**1,228,861,337**
Less: Transaction between Parent & Subsidiary	-	-
Net balance	**1,194,895,245**	**1,228,861,337**

20.00 Bank overdraft

Trust Bank Ltd.	157,297,003	101,442,046
BRAC Bank Ltd.	21,479,630	79,464,714
HSBC	221,317,852	225,491,561
Bank Asia Ltd.	354,915,586	469,944,036
Dutch Bangla Bank Ltd.	-	4,443,240
Dhaka Bank Ltd.	154,998,311	179,107,785
Eastern Bank Ltd.	41,813,468	59,817,517
Jamuna Bank Ltd.	112,884,236	102,553,911
Meghna Bank Ltd.	-	209,178,219
Prime Bank Ltd.	14,084,723	87,818,804
Standard Chartered Bank Ltd.	30,149,803	17,118,554
Mercantile Bank Ltd.	164,210,900	181,411,039
NRBC Bank Ltd.	57,588,553	50,389,701
Shimanto Bank Limited	247,454,331	-
United Commercial Bank Limited	6,077,855	-
Islami Bank Bangladesh Ltd.	45,117,061	-
	1,629,389,310	**1,768,181,127**

Information relating to the facilities provided by individual bank containing limit of the loans, purpose of the loans , major covenants and lien & mortgage info is disclosed in **Annexure B**.

20A.00 Bank overdraft

Energypac Power Generation Ltd.	1,629,389,310	1,768,181,127
Energypac Power Venture Ltd.	-	-
EPV Chittagong Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Net Balance	**1,629,389,310**	**1,768,181,127**

21.00 Trade payables

Payable for local purchase	695,286,314	1,491,632,596
Bills payable	1,359,990	342,239,420
	696,646,304	**1,833,872,016**

Last year payable for local purchase and payable for EPC include an amount of Tk 513,478,799/ for Acceptance Liabilities regarding Usance Payable at Sight (UPAS LC) in respect of imported raw material and material for EPC. Current year there has been no such UPAS LC for the EPC projects.

21A.00 Trade payables

Energypac Power Generation Ltd.	696,646,304	1,833,872,016
Energypac Power Venture Ltd.	-	38,410,602
EPV Chittagong Ltd.	245,079,938	139,823,466
EPV Thakurgaon Ltd.	187,938,321	25,210,324
Total Balance	**1,129,664,563**	**2,037,316,408**
Less: Transaction between Parent & Subsidiariees	-	(7,847,000)
Net balance	**1,129,664,563**	**2,029,469,408**

22.00 Other payables

Sales commission	5,118,227	5,144,557
Accrued & provisional expenses	135,153,996	193,321,175
Payable for fixed assets	-	503,148,364
Tax at source payable	49,520,768	36,134,750
VAT payable	181,843,428	111,008,198
Warranty claimable exp	1,000,000	1,000,000
Provision for income tax (Note 22.02)	1,119,849,207	1,064,683,009
Intercompany payable (Note 22.01)	50,698,601	148,528,108
Provision for WPPF*	109,007,102	90,312,278
Provision for gratuity (Note 22.03)	70,053,584	58,467,112
Advance from customers	2,964,540	34,127,706
	1,725,209,452	**2,245,875,256**

Last year payable for fixed assets includes an amount of Tk. 503,148,364/- for accepance liabilities regarding Usance Payable at Sight (UPAS LC) in respect of Imported Capital Machineries.

* The Company formed a trust as required by the Bangladesh Labour Act 2006 (amended in 2013) for management and distriution of WPPF.

22.01 Intercompany payable

Energypac Engineering Ltd.	78,054,502	59,528,108
Energypac Power Venture Ltd.	(49,000,000)	49,000,000
Tech Advantage Ltd.	1,260,610	40,000,000
EPV Chittagong Ltd	20,170,493	-
Energypac Agro Ltd.	212,996	-
	50,698,601	**148,528,108**

The above balances are interest-free, temporary in nature and repayable on demand.

22.02 Provision for income tax

Balance at 1 July	1,064,683,009	985,001,943
Add: Provision during the year	55,166,197.59	79,681,066
Less: Adjustment during the year	-	-
Balance at 30 June	**1,119,849,207**	**1,064,683,009**

The above balance represents provision for income tax in relation to years for which final assessments are pending. Corresponding income tax payments against those pending assessment years are shown in note 12.01. Management regularly assess the status of pending tax matters and based on advice of its external tax consultant satisfy that the above provision is adequate to cover all pending tax demands once all the appeal process are completed and final demands are settled. Refer below for the status of various tax assessments.

Income Year	Assessment Year	Status
2005 - 2006	2006 - 2007	Assessment and appeal up to Tribunal has completed. The Company files a reference application to the Honourable High Court Division (HCD) of Bangladesh Supreme Court and order received from HCD to stay the demand from Tax authority till disposal of the Company's writ petition.
2006 - 2007	2007 - 2008	
2007 - 2008	2008 - 2009	
2008 - 2009	2009 - 2010	
2009 - 2010	2010 - 2011	Assessment has been completed but the DCT has made a mistake in calculation of tax liability for which the Company has applied for correction u/s 173 resulting a tax refund.
2010 - 2011	2011 - 2012	Assessment and appeal up to Tribunal has completed. The Company files a reference application to the Honourable High Court Division (HCD) of Bangladesh Supreme Court and order received from HCD to stay the demand from Tax authority till disposal of the Company's writ petition.
2011 - 2012	2012 - 2013	
2012-2013	2013-2014	
2013-2014	2014-2015	
2014-2015	2015-2016	
2015-2016	2016-2017	
2016-2017	2017-2018	Assessment and the Company's appeal to Tax Tribunal are completed. Next course of action is planned.
2017-2018	2018-2019	Assessment completed but the Company's Tax Tribunal is ongoing upon completion of which the next course of action will be planned.
2018-2019	2019-2020	Assessment and the Company's appeal to Tax Tribunal are completed. Next course of action is planned.
2020-2021	2021-2022	Income tax return has been filed and the assessment is under process

22.03 Provision for gratuity

Balance at 1 July	58,467,112	44,774,785
Add: Provision during the year	11,586,472	13,692,327
Less: Adjustment/settlement during the year	-	-
Balance at 30 June	**70,053,584**	**58,467,112**

The Company operate a gratuity scheme for its eligible employees which is a defined benefit plan. Although no acturial assessment has been done but the management consider that the existing provision reflects reasonable representation of actual liability.

22A.00 Other payables

Energypac Power Generation Ltd.	1,725,209,452	2,245,875,256
Energypac Power Venture Ltd.	43,284,096	311,865,449
EPV Chittagong Ltd.	220,750,153	168,795,442
EPV Thakurgaon Ltd.	1,000,000	5,071,363
Total Balance	**1,990,243,701**	**2,731,607,509**
Less: Transaction between Parent & Subsidiary	(492,070,389)	(401,104,138)
Net balance	**1,498,173,312**	**2,330,503,371**

23.00 Short term bank loan

Revolving Loan	1,146,447,113	1,315,425,987
Acceptance Liability	2,766,960,356	2,340,419,869
Loan against Trust Receipt (LTR)	1,022,879,829	315,364,949
	4,936,287,298	**3,971,210,805**

Information relating to the facilities provided by individual bank containing limit of the loans, purpose of the loans , major covenants and lien & mortgage info is disclosed in Annexure B.

23A.00 Short term bank loan

Energypac Power Generation Ltd.	4,936,287,298	3,971,210,805
Energypac Power Venture Ltd.	932,992,712	357,789,268
EPV Chittagong Ltd.	4,661,349,661	4,344,930,568
EPV Thakurgaon Ltd.	-	4,357,973,400
Net Balance	**10,530,629,671**	**13,031,904,041**

Energypac Power Generation Limited
Notes to the Consolidated and Separate Financial Statements
As at and for the year ended 30 June 2021

		Amount in BDT	
		30 June 2021	**30 June 2020**
24.00	**Revenues**		
	Local:		
	Revenue from Liquefied Petroleum Gas (LPG)	4,866,693,747	4,205,121,707
	Revenue from Building Material Division (BMD)	537,237,907	352,941,835
	Reveneu from Motor Vehicle Division (MVD)	1,406,977,978	1,106,040,973
	Revenue from Power & Energy Devision (PED)	897,972,782	628,713,313
	Reveneue from Engineering, Procurment & Construction (EPC)	129,294,051	1,832,468,046
		7,838,176,465	**8,125,285,874**
24A.00	**Revenues**		
	Energypac Power Generation Ltd.	7,838,176,465	8,125,285,874
	Energypac Power Venture Ltd.	271,304,697	281,075,380
	Energypac Power Venture Ctg. Ltd.	2,624,446,209	2,567,603,982
	EPV Thakurgaon Ltd.	-	-
	Consolidated revenue	**10,733,927,371**	**10,973,965,236**
25.00	**Cost of revenues**		
	Liquefied Petroleum Gas (LPG)	3,647,700,643	3,173,454,024
	Building Material Division (BMD)	391,410,401	267,456,013
	Motor Vehicle Division (MVD)	917,808,045	767,539,137
	Power & Energy Division (PED)	645,411,623	410,051,465
	Engineering, Procurement & Construction (EPC)	53,131,216	1,205,147,560
		5,655,461,928	**5,823,648,199**
25A.00	**Cost of revenues**		
	Energypac Power Generation Ltd.	5,655,461,928	5,823,648,199
	Energypac Power Venture Ltd.	153,132,914	156,836,470
	Energypac Power Venture Ctg. Ltd.	1,876,655,039	1,779,670,510
	EPV Thakurgaon Ltd.	80,174	-
	Consolidated cost of revenues	**7,685,330,055**	**7,760,155,179**
26.00	**Administrative expenses**		
	Personnel expenses	440,872,090	422,175,074
	Conveyance	7,506,557	7,627,280
	Entertainment	5,416,327	9,228,406
	Mobile expense	7,848,228	12,590,962
	Utilities expense	9,639,838	14,961,262
	Printing and stationery	1,576,994	1,472,657
	Repair and maintenance	25,846,898	17,129,248
	Office expense	22,880,229	48,690,455
	Rent expense	18,930,442	20,680,516
	Car expense	25,082,579	41,615,009
	Audit and professional fees	2,171,050	699,975
	Renewal and registration fees	6,779,991	3,327,243
	Insurance expense	2,099,774	161,691
	Tour and travel expense	9,314,573	12,240,768
	Fees and others	1,268,350	906,680
	Bad debt	7,885,178	-
	Consultancy and tech. fees	14,899,039	5,668,839
	IPO and Capital raising expense	-	226,374
	Legal fees	2,767,701	2,041,930
	Land development expense	2,566,233	-
	Depreciation expenses (Note 4.3)	24,422,786	52,187,645
	Amortization Expenses	4,708,268	2,669,662
	IT related services and research expenses	5,456,347	1,958,136
		649,939,472	**678,259,813**

26A.00 Administrative expenses

Energypac Power Generation Ltd.	649,939,472	678,259,813
Energypac Power Venture Ltd.	7,763,450	8,896,119
EPV Chittagong Ltd.	36,641,642	35,050,829
EPV Thakurgaon Ltd.	17,968,584	13,313,049
Consolidated Administrative Expenses	**712,313,147**	**735,519,810**

27.00 Distribution expenses

Sales commission	152,994,844	124,623,362
Advertisement expense	8,929,366	7,680,063
Promotional expense	30,654,022	54,043,547
Delivery expense	264,462,628	246,449,881
Documentation expenses	580,379	668,356
Warranty Expenses	1,205,586	33,355
Sales support expense	928,700	-
Stock Maintenance Expenses	11,994,481	17,634,055
Labor bill	38,786,650	52,442,836
Trade discount a/c	-	102,972
Depreciation (note 4)	11,852,123	5,228,830
	522,388,779	**508,907,257**

27A.00 Distribution expenses

Energypac Power Generation Ltd.	522,388,779	508,907,257
Energypac Power Venture Ltd.	-	-
Energypac Power Venture Ctg. Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Consolidated Distribution Expenses	**522,388,779**	**508,907,257**

28.00 Finance income

See accounting policies in notes 3.17

Interest on SND	446,212	385,525
Interest on FDR	14,503,086	19,276,098
	14,949,298	**19,661,623**

28A.00 Finance income

Energypac Power Generation Ltd.	14,949,298	19,661,623
Energypac Power Venture Ltd.	4,236	-
Energypac Power Venture Ctg. Ltd.	422,885	2,176,159
EPV Thakurgaon Ltd.	-	-
Consolidated Finance Income	**15,376,419**	**21,837,782**

29.00 Finance costs

See accounting policies in notes 3.17

Bank interest	747,439,823	658,087,580
	747,439,823	**658,087,580**

29A.00 Finance costs

Energypac Power Generation Ltd.	747,439,823	658,087,580
Energypac Power Venture Ltd.	102,565,728	80,249,580
Energypac Power Venture Ctg. Ltd.	582,503,403	608,113,164
EPV Thakurgaon Ltd.	228,897	159,780
Consolidated Finance Cost	**1,432,737,850**	**1,346,610,104**

30.00 Non-operating income

Rent Income	21,771,150	22,248,376
Wastage and scrap sales	-	27,626,211
DMV registration and insurance	8,077,220	2,779,296
Delay Interest Income	7,521,821	3,219,207
Seized Fine Income	436,850	248,933
Name transfer income	1,657,000	1,174,000
VTS income	3,106,946	4,948,900
Foreign exchange gain/(loss)	(5,550,157)	(20,239,322)
Gain/(loss) on investment in shares	58,979,886	(1,040,115)
Insurance commission and others	-	1,452,260
	96,000,717	**42,417,747**

30A.00 Non-operating income

Energypac Power Generation Ltd.	96,000,717	42,417,747
Energypac Power Venture Ltd.	344,320	(208,500)
Energypac Power Venture Ctg. Ltd.	(1,437,474)	(17,313,565)
EPV Thakurgaon Ltd.	-	-
Consolidated Other Income	**94,907,563**	**24,895,682**

31.00 Provision for WPPF

Profit after charging WPPF	373,896,478	518,462,394
Provision @5%	**18,694,824**	**25,923,120**

31A.00 Provision for WPPF

Energypac Power Generation Ltd.	18,694,824	25,923,120
Energypac Power Venture Ltd.	-	-
Energypac Power Venture Ctg. Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Consolidated Provision for WPPF	**18,694,824**	**25,923,120**

32.00 Income tax

See accounting policies in Note 3.19

Current tax (Note 32.01)	55,166,198	79,681,066
Deferred tax (income)/expense (Note 32.02)	29,587,255	(18,649,480)
Income tax	**84,753,453**	**61,031,586**

32.01 Calculation of income from business:

Calculation of income from business:

Profit before tax as per audited profit or loss statement	355,201,654	492,539,274
Less: Non-operating Income to be considered later on	37,000,716	42,417,746
Less: Capital Gain on Share sale (Tax Free Income)	59,000,000	-
Less: Finance income (Note # 39)	14,949,298	19,661,613
Income from Business (i)	**244,251,640**	**430,459,915**
Add: Item to be considered separately (ii)	**464,111,877**	**432,694,032**
Accounting Depriciation	458,695,450	426,563,745
Entertainment	5,416,427	6,130,287
Add: Inadmissible expenses (iii)	-	**16,790,446**
Donation and miscellaneous	-	3,098,119
Provision for Gratuity & WPPF	-	13,692,327
Less: Admissible Expenses (iv)	**515,130,431**	**587,885,690**
Tax depreciation as per third Schedule of ITO 1984	511,166,490	581,755,403
Entertainment as per rule 65	3,963,941	6,130,287
Total Income from Operation/ Business [A(i+ii+iii-iv)]	**193,233,086**	**292,058,703**

Add: Total income from other sources considered u/s 33 [B]	**51,950,014**	**62,079,369**
Finance income	14,949,298	19,661,622
Other non operative income excluding capital gain on sale of shares	37,000,716	42,417,747

Distribution of total income under section 82C and other than section 82C

Income attributable to section 82C	193,233,086	292,058,703
Income attributable to other than 82C	-	-
Total income from other sources	51,950,014	62,079,369
Total income chargeable to tax	**245,183,100**	**354,138,072**
Corporate Tax rate	**22.50%**	**22.50%**
Current tax chargeable to profit or loss	**55,166,198**	**79,681,066**

For the income year 2020-2021 (corresponding to the assessment year 2021-2022), the income tax rate applicable for a listed company is 22.5%.

As per the Finance Act 2020, for all such company which are not publicly traded, if they transfer at least 20% of its paid-up capital through IPO, then that company shall receive 10% rebate on the applicable tax rate for that particular year related to the transfer. Although the year is not defined but as the Finance Act is applicable for tax assessment year the same has been used to determine the year of transfer. Bangladesh Securities and Exchange Commission (BSEC) on 21 October 2020 has approved the Company's proposal to issue 40,293,566 shares (26.88% of the existing 149,869,650 shares) through IPO and the Company has completed all IPO related formalities during the current year.

32.02 **Deferred tax assets /(liabilities) as on 30 June, 2021**	**WDV as per Tax**	**WDV as per Accounts**	**Taxable/ (Deductible) temporary difference**
Carrying value of Property, Plant & Equipment (PPE) except revaluation	6,936,028,632	8,002,640,307	1,066,611,676
Taxable/(Deductable) Temporary difference except loss from Share	**6,936,028,632**	**8,002,640,307**	**1,066,611,676**
Capital loss on share sale	-	-	-
Total Temporary difference for the Year	**6,936,028,632**	**8,002,640,307**	**1,066,611,676**
Applicable Tax rate except Capital loss on Share			22.50%
Tax rate for Capital loss on Share			10.00%
Deferred tax assets/(Liability) for FY 2020-2021			**(239,987,627)**
Deferred tax assets/(liabilities) for FY 2019-2020 (Excluding Land-Revaluation as per Note # 32.03)			**(210,400,372)**
Deferred tax income/(expense)			**(29,587,255)**

Management has not considered provisions for gratuity,WPPF and warranty for deferred Tax as all of these expenses are accepted by DCT on regular basis.

Deferred tax assets /(liabilities) as on 30 June, 2020	**WDV as per Tax**	**WDV as per Accounts**	**Taxable/ (Deductible) temporary difference**
Carrying value of Property, Plant & Equipment (PPE)	5,059,686,463	5,630,004,498	570,318,035
Total temporary difference except loss from shares	5,059,686,463	5,630,004,498	570,318,035
Total temporary difference for the year	**5,059,686,463**	**5,630,004,498**	**570,318,035**
Applicable Tax Rate except for capital loss from shares			22.50%
Deferred tax asset/(liabilities)			**(128,321,558)**

32.03 Deferred tax liability

Deferred tax for regular course of business	157,908,813	128,321,558
Deferred tax for revaluation	94,326,800	82,078,814
	252,235,613	**210,400,372**

32.03A Deferred tax liability

Energypac Power Generation Ltd.	252,235,613	210,400,372
Energypac Power Venture Ltd.	-	-
Energypac Power Venture Ctg. Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Consolidated deferred tax liability	**252,235,613**	**210,400,372**

32.04 Deferred tax for regular course of business

Opening Deferred tax liability	128,321,558	146,971,038
Add/(Less): Deferred tax expense/(income) during the year	29,587,255	(18,649,480)
Closing balance of Deferred tax liability balance at 30 June	**157,908,813**	**128,321,558**

32.05 Deferred tax for revaluation

Opening deferred tax liability for land revaluation	82,078,814	82,078,814
Add/(Less): Deferred tax expense/(income) for land revaluation	12,247,986	-
Closing deferred tax liability for land revaluation at 30 June	**94,326,800**	**82,078,814**

32A.00 Income tax

Energypac Power Generation Ltd.	84,753,453	61,031,586
Energypac Power Venture Ltd.	3,803	-
Energypac Power Venture Ctg. Ltd.	126,866	707,252
EPV Thakurgaon Ltd.	-	-
Consolidated Income Tax expenses	**84,884,121**	**61,738,838**

32A.01 Deferred tax liability non-current portion

Energypac Power Generation Ltd.	252,235,613	210,400,372
Energypac Power Venture Ltd.	-	-
Energypac Power Venture Ctg. Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Consolidated Deferred Tax Liability	**252,235,613**	**210,400,372**

33.00 Other Comprehensive Income

Land revaluation	306,199,643	-
Less: Deferred tax land revaluation	(12,247,986)	-
	293,951,657	-

All the freehold land of the Company were revalued by "Malek Siddiqui Wali", Chartered Accountants, 9 G Motijheel C/A, Dhaka-1000 on 30 June 2021. The fair value of land is determined based on the location, commercial importance and facility available in the locality and past trend and deferred tax was charged against revaluation reserve.

33A Other Comprehensive Income

Energypac Power Generation Ltd.	293,951,657	-
Energypac Power Venture Ltd.	-	-
Energypac Power Venture Ctg. Ltd.	-	-
EPV Thakurgaon Ltd.	-	-
Consolidated Other Comprehensive Income	**293,951,657**	-

34.00 Earnings per share (EPS)

See accounting policies in notes 3.21

	Separate		Consolidated	
Basic earnings per share (EPS)	**2020-2021**	**2019-2020**	**2020-2021**	**2019-2020**
Earnings attributable to the ordinary shareholders (net profit after tax)	270,448,202	431,507,688	385,456,631	574,041,488
Weighted average number of ordinary shares outstanding during the year (Note 33.01)	167,863,763	149,869,650	167,863,763	149,869,650
	1.61	**2.88**	**2.30**	**3.83**

Adjusted basic earnings per share (EPS)	Separate 2020-2021	Separate 2019-2020	Consolidated 2020-2021	Consolidated 2019-2020
Earnings attributable to the ordinary shareholders (net profit after tax)	270,448,202	431,507,688	385,456,631	574,041,488
Adjusted weighted average number of ordinary shares outstanding during the year	167,863,763	149,869,650	167,863,763	149,869,650
	1.61	**2.88**	**2.30**	**3.83**

Current year's financial results i.e. Earnings Per Share (EPS) has been deteriorated by 40.05% over last year. Reasons of such deterioration in EPS were as follows:

i. No. of outstanding shares has been increased by 21.19% over last year due to IPO. No. of outstanding shares as on June 30, 2021 is 190,163,216 which was 149,869,650 on June 30, 2020.

ii. The nature of most of the products of the Company are related with industry and manufacturing. The Company could not continue its on-time delivery of its products to its customers due to world-wide long duration pandemic and shut-down. On the other hand, the Company could not receive its raw materials and other related products from its foreign suppliers on-time. So, considering the overall fact, the Company could not continue its business on an average 4 (Four) months in current financial year but the Company has to incur its operational overhead for those periods. As a result, significant amount directly hit to its operating profit for that cost.

iii. An overall negative impact has deteriorated the reasonable expected growth of business during the reporting period as there were numerous days of general holiday and country-wide lockdown.

34.01 Weighted average number of ordinary shares

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor.

Outstanding shares as at 1 July of the year	149,869,650	365 Days	149,869,650	149,869,650
Effect of issue ordinary shares on 19 January 2021	40,293,566	163 Days	17,994,113	-
Effect of Bonus Shares issued	-			-
	190,163,216		**167,863,763**	**149,869,650**

34.02 Diluted earning per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during these period.

35.00 Net asset value per share (NAV per share)

	Separate		Consolidated	
	July 20- June 21	**July 19- June 20**	**July 20- June 21**	**July 19- June 20**
Total equity (Net asset)	8,288,293,347	6,262,746,444	10,975,531,412	7,768,083,185
Share money deposit (SMD) from IPO	-	-	-	-
Total equity (Net asset) after deducting SMD	8,288,293,347	6,262,746,444	10,975,531,412	7,768,083,185
Total number of shares outstanding	190,163,216	149,869,650	190,163,216	149,869,650
Net asset value per share	**43.59**	**41.79**	**57.72**	**51.83**

35.01 Net asset value per share without revaluation (NAV per share without revaluation)

	Separate		Consolidated	
	July 20- June 21	**July 19- June 20**	**July 20- June 21**	**July 19- June 20**
Total equity (Net asset)	8,288,293,347	6,262,746,444	10,975,531,412	7,768,083,185
Share money deposit (SMD) from IPO	-	-	-	-
Revaluation surplus	2,263,843,182	1,969,891,525	2,534,863,177	2,240,911,519
Total equity (Net asset) after deducting SMD & revaluation surplus	6,024,450,165	4,292,854,919	8,440,668,235	5,527,171,665
Total number of shares outstanding	190,163,216	149,869,650	190,163,216	149,869,650
Net asset value per share	**31.68**	**28.64**	**44.39**	**36.88**

36.00 Net operating cash flows per share (NOCFPS)

	Separate		Consolidated	
	July 20- June 21	July 19- June 20	July 20- June 21	July 19- June 20
Net operating cash flows	943,534,330	448,789,408	1,752,203,970	1,421,846,427
Total number of shares outstanding	190,163,216	149,869,650	190,163,216	149,869,650
Net operating cash flows per share (NOCFPS)	**4.96**	**2.99**	**9.21**	**9.49**

37.00 Disclosure of cash flows under direct method

	Separate		Consolidated	
	July 20- June 21	July 19- June 20	July 19- June 20	July 19- June 20
Profit before tax	355,201,654	492,539,274	472,746,698	643,583,231
Add/(Less): Non Cash Item & Non-operating activities Item				
Depreciation & Amortisation	463,403,717	430,640,471	789,214,581	753,763,075
Loss on Investment	(58,979,886)	1,040,115	(58,979,886)	1,040,115
Finance cost	747,439,823	658,087,580	1,432,737,850	1,346,610,104
Unrealised foreign exchange (gain)/loss	5,550,157	(2,938,161)	5,550,157	(2,938,161)
Finance income	(14,949,298)	(19,661,623)	(15,376,419)	(21,837,782)
(Increase)/Decrease in current assets				
Accounts Receivable	1,561,783,538	(690,009,168)	1,724,227,905	(454,307,138)
Other receivable	(151,524,545)	(11,581,647)	(122,928,204)	545,642,350
Inventory	(38,223,009)	840,862,915	(361,627,678)	491,290,932
Advance, deposit & prepayments	(438,232,325)	(440,758,559)	(550,460,102)	(460,311,640)
Increase/(Decrease) in current liabilities				
Trade payable	(1,137,225,712)	(688,499,242)	(899,804,846)	(676,537,463)
Other payable	56,309,036	(235,296,896)	(255,946,598)	(857,808,290)
Advance from customers	(65,129,258)	152,960,703	(65,129,258)	152,960,703
Income tax paid	(341,889,560)	(38,596,357)	(342,020,229)	(39,303,609)
Net cash from/(used in) operating activities	**943,534,330**	**448,789,408**	**1,752,203,969**	**1,421,846,427**
Net cash from/(used in) operating activities under direct method	943,534,330	448,789,408	1,752,203,970	1,421,846,427
Unreconciled difference	**(0)**	**(0)**	**(0)**	**0**

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38.00 Operating segment report

Energypac Power Generation Ltd comprises the following main business segments:

Division of LPG

LPG bottling plant is the plant where LPG is filled into bottles (cylinders) for storage and distribution among various LPG distributors. Primary Operations in a Bottling plant are main line activities, directly associated with filling of LPG cylinders.

Division of Motor Vehicles (MVD)

Principal activities of Motor Vehicles Division (MVD) segment are importing and marketing JAC automobiles, construction machinery and materials, spare parts and service in Bangladesh.

Power & Energy (PED)

Principal activities of Power Generation Division (PGD) segment are to supply base load and standby gas, diesel generators and provide rent, turnkey solutions, operation and maintenance of power plant, spare parts, installation and service in Bangladesh and overseas.

Division of BMD

Principal activities of Building Material Division (BMD) segment are construct pre-engineered building & steelpac light building.

Engineering, Procurement and Construction (EPC)

Principal activities of Engineering, Procurement and Construction (EPC) segment are the design, execution, manufacture, erection, commissioning, testing, completion, trial run and warranty of an independent power plant including civil, mechanical, electrical and electronic work, providing training to the Board's personnel at the Site and providing Long Term Service in the power plant.

All Other

All other segment results are attributable to three operating segments of the Company which do not meet the quantitative thresholds. Those segments includes service revenue, CNG and generator sales. None of those segments has ever met any of the quantitative thresholds for determining reportable segments.

Amount in BDT

2020-2021	Business Segments						Entity total
	LPG	MVD	PED	BMD	EPC	All other	
Revenue - external customers	4,866,693,747	1,406,977,978	897,972,782	537,237,907	129,294,051	(0)	7,838,176,465
Revenue - inter segment	-	-	-	-	-	-	-
Total segment revenue	**4,866,693,747**	**1,406,977,978**	**897,972,782**	**537,237,907**	**129,294,051**	**(0)**	**7,838,176,465**
Cost of revenues- external customer	(3,647,700,643)	(917,808,045)	(645,411,623)	(391,410,401)	(53,131,214)	(2)	(5,655,461,928)
Cost of revenues- inter segment	-	-	-	-	-	-	-
Total segment cost of revenues	**(3,647,700,643)**	**(917,808,045)**	**(645,411,623)**	**(391,410,401)**	**(53,131,214)**	**(2)**	**(5,655,461,928)**
Gross profit	**1,218,993,104**	**489,169,933**	**252,561,159**	**145,827,506**	**76,162,837**	**(2)**	**2,182,714,536**

Distribution expenses	(414,403,213)	(64,559,139)	(24,749,685)	(11,174,482)	-	-	(514,886,518)
Administrative expenses	(102,554,327)	(109,273,488)	(122,885,781)	(41,745,478)	-	-	(376,459,074)
Unallocated:							
Administrative expenses	-	-	-	-	-	-	(273,480,398)
Distribution expenses	-	-	-	-	-	-	(7,502,261)
Finance income	-	-	-	-	-	-	14,949,298
Finance exp	-	-	-	-	-	-	(747,439,823)
Non-operating income	-	-	-	-	-	-	96,000,717
Provision for WPPF	-	-	-	-	-	-	(18,694,824)
Segment profit before tax	**702,035,564**	**315,337,306**	**104,925,693**	**92,907,546**	**76,162,837**	**(2)**	**355,201,654**
Income tax							(84,753,453)
Profit for the year							**270,448,202**

2019-2020	Business Segments						Entity total
	LPG	MVD	PED	BMD	EPC & CSD	All other	
Revenue - external customers	4,050,034,550	1,106,040,973	628,713,313	352,941,835	1,832,468,046	155,087,158	8,125,285,874
Revenue - inter segment	-	-			-	-	-
Total segment revenue	**4,050,034,550**	**1,106,040,973**	**628,713,313**	**352,941,835**	**1,832,468,046**	**155,087,158**	**8,125,285,874**
Cost of revenues- external customer	(3,039,424,607)	(767,539,137)	(410,051,465)	(267,456,013)	(1,205,147,560)	(134,029,417)	(5,823,648,199)
Cost of revenues- inter segment	-	-			-	-	-
Total segment cost of revenues	**(3,039,424,607)**	**(767,539,137)**	**(410,051,465)**	**(267,456,013)**	**(1,205,147,560)**	**(134,029,417)**	**(5,823,648,199)**
Gross profit	**1,010,609,943**	**338,501,837**	**218,661,848**	**85,485,821**	**627,320,485**	**21,057,740**	**2,301,637,675**
Distribution expenses	(398,563,281)	(88,853,483)	(3,796,452)	(16,092,077)	-	(1,601,963.83)	(508,907,257)
Administrative expenses	(235,000,578)	(71,068,127)	(39,252,277)	(56,305,612)	(39,252,277)	-	(440,878,871)
Unallocated:							
Administrative expenses	-	-	-	-	-	-	(237,380,942)
Finance income	-	-	-	-	-	-	19,661,623
Finance exp	-	-	-	-	-	-	(658,087,580)
Non-operating income	-	-	-	-	-	-	42,417,747
Provision for WPPF	-	-	-	-	-	-	(25,923,120)
Segment profit before tax	**377,046,084**	**178,580,227**	**175,613,119**	**13,088,132**	**588,068,208**	**19,455,777**	**492,539,274**
Income tax							(61,031,586)
Profit for the year							**431,507,688**

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39.00 Related party transactions

During the year, the Company carried out a number of transactions with related parties in the normal course of business. The name of these related parties and nature of these transactions have been set out below in accordance with the provisions of IAS 24: Related party disclosure.

For the year 2020-21						
Name of party	Nature of relationship	Nature of transactions	Amount in thousand (BDT)			
			Opening Balance	Addition	Adjustment	Closing Balance
Energypac Power Venture Limited	Subsidiary company	Investment	337,502	-	-	337,502
		Advance for share money	1,472,399	-	-	1,472,399
		Trade Payable	(49,000)	-	49,000	-
		Current account	4,968	-	(4,968)	-
		Current account	104,822	-	(96,337)	8,485
		Trade Receivable	1,177	389,963	-	391,140
Energypac Batteries Limited	Common directorship	Current account	101	-	-	101
		Trade Receivable	117	-	117	-
EPV Chittagong Ltd.	Subsidiary company	Trade Payable	(29,101)	-	29,101	-
		Current account	(123,497)	-	123,497	-
		Advance for share money	330,820	29,100	-	359,920
		Current account	6,670	150,679	-	157,349
EPV Thakurgaon Ltd	Subsidiary company	Current account	5,000	-	(4,000)	1,000
Energypac Electronics Ltd	Common directorship	Current account	7,519	-	(3,184)	4,335
		Trade Receivable	8,627	-	31,448	40,075
		Advance receive	(3,997)	-	3,997	-
		Trade Payable	(791)	-	791	-
Energypac Agro Ltd	Common directorship	Trade Payable	(213)	(1,017)	-	(1,230)
		Current account		(213)		(213)
		Current account	5	8,109	-	8,114
Energypac Fashion Ltd	Common directorship	Trade Payable	(119,499)	-	119,455	(44)
		Trade Receivable	-	13,345	-	13,345
		Current account	8,507	-	(1,271)	7,236
Energypac Infrastructure Development Ltd	Common directorship	Trade Payable	(1,071)	(2,892)	-	(3,963)
		Current account	(12,759)	-	12,759	-
		Trade Receivable	-	-	450	450
		Current account	60,047	5,821	-	65,868
Energypac Engineering Ltd	Parent company	Trade Payable	(59,528)	59,181	-	(347)
		Current account	(53,789)	(24,265)	-	(78,054)
		Trade Receivable	(490)	56,276	-	55,786
		Current account	(9,561)	104,887	-	95,326
		Share capital	(726,598)	-	(726,598)	(726,598)
Energypac Wires & Cables	Common directorship	Trade Receivable	-	39,207	-	39,207

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For the year 2020-21						
Name of party	Nature of relationship	Nature of transactions	Amount in thousand (BDT)			
			Opening Balance	Addition	Adjustment	Closing Balance
Tec Advantage Ltd	Common directorship	Trade Payable	(41,260)	-	(41,260)	-
		Current account	-	(1,260)	-	(1,260)
		Current account	40,000	-	(40,000)	-
		Trade Receivable	2,609	-	2,609	-
Official Clothing Limited	Common directorship	Current account	28,094	-	-	28,094
		Trade receivable	4	-	(4)	-
Design Express Limited	Common directorship	Current account	28	4,246	-	4,274
		Trade receivable	4,274	-	(4,274)	-
Chartered Life Insurance Company Ltd.	Common directorship	Investment	18,000	4,500	-	22,500
		Current account	10,546	-	(2,332)	8,214

In addition, Energypac Power Generation Limited has issued corporate guarantee of various banks and financial institutions on behalf of its subsidiaries as well as other related parties to facilitate borrowings by those entities. However as on 30 June 2021 all corporate guarantees are expired. Management has conducted detailed review of the financial position of those entities for which corporate guarantees were issued and satisfied that there is no possibility for the Company's corporate guarantee to be ever called upon. To comply with Bangladesh Securities and Exchange Commission notification No. SEC/CMMRRCD/2006-159/Admin/02-10 dated 02 September 2006 the Company will obtain necessary approval in the Board/AGM. Most of the aforesaid related perty transactions were originated prior to the Company's listing and going forward and wherever possible the Company will also minimize use of inter company/ related party transaction and guarantee arrangement.

For the year 2019-20						
Name of party	Nature of relationship	Nature of transactions	Amount in thousand (BDT)			
			Opening Balance	Addition	Adjustment	Closing Balance
Energypac Power Venture Limited	Subsidiary company	Investment	337,502	-	-	337,502
		Advance for share money	1,472,399	-	-	1,472,399
		Trade Payable	-	(49,000)	-	(49,000)
		Current account	-	4,968	-	4,968
		Current account	102,561	2,261	-	104,822
		Trade Receivable	2,018	-	(841)	1,177
Energypac Batteries Limited	Common directorship	Current account	101	-	-	101
		Trade Receivable	117	-	-	117
EPV Chittagong Ltd.	Subsidiary company	Investment	29,101	-	-	29,101
		Current account	89,620	33,877	-	123,497
		Advance for share money	330,820	-	-	330,820
		Current account	6,651	71	(52)	6,670
EPV Thakurgaon Ltd	Subsidiary company	Current account	5,000	-	-	5,000
Energypac Electronics Ltd	Common directorship	Current account	7,519	-	-	7,519
		Trade Receivable	4,291	-	-	4,291
		Advance receive	(3,997)	-	-	(3,997)
		Trade Payable	(791)	-	-	(791)
Energypac Agro Ltd	Common directorship	Trade Payable	(213)	-	-	(213)
		Current account	5	-	-	5

For the year 2019-20						
Name of party	Nature of relationship	Nature of transactions	Amount in thousand (BDT)			
			Opening Balance	Addition	Adjustment	Closing Balance
Energypac Fashion Ltd	Common directorship	Trade Payable	7,237	112,262	-	119,499
		Current account	8,507	-	-	8,507
Energypac Infrastructure Development Ltd	Common directorship	Trade Payable	1,071	-	-	1,071
		Current account	12,759	-	-	12,759
		Current account	37,224	22,823	-	60,047
Energypac Engineering Ltd	Parent company	Trade Payable	(40,228)	(19,300)	-	(59,528)
		Current account	53,789	-	-	53,789
		Trade Receivable	(490)	-	-	(490)
		Current account	(9,561)	-	-	(9,561)
		Share capital	(726,598)	-	-	(726,598)
Tec Advantage Ltd	Common directorship	Trade Payable	(1,260)	(40,000)	-	(41,260)
		Current account	-	40,000	-	40,000
		Trade Receivable	2,609	-	-	2,609
Official Clothing Limited	Common directorship	Current account	28,094	-	-	28,094
		Trade receivable	4	-	-	4
Design Express Limited	Common directorship	Current account	28	-	-	28
		Trade receivable	4,274	-	-	4,274
Chartered Life Insurance Company Ltd.	Common directorship	Investment	18,000	-	-	18,000
		Current account	10,546	-	-	10,546

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40.00 Financial risk management

The management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

40.01 Credit risk

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables and other receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition etc. Accounts receivable are mainly related to local account receivable, receivable from BPDB and commission receivables. The Company's exposure to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of local customers. The Company has established invoice and collection department to minimize credit risk involving collection of local receivables.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Amount in BDT	
	June - 2021	June - 2020
Trade receivables	2,381,460,903	3,943,244,441
Other receivables	967,525,826	583,732,120
Advance, Deposit and Pre-payment	3,137,152,617	2,544,923,824
Cash and cash equivalents	1,954,279,077	1,515,514,625
	8,440,418,423	**8,587,415,010**

b) Ageing of receivables

i. The ageing of local accounts receivables as at 30 June was:

Not past due	198,878,799	119,872,644
0-90 days past due	670,894,873	1,601,865,849
91-180 days past due	668,891,044	1,136,789,833
181-365 days past due	775,697,527	985,678,760
over 365 days past due	67,098,660	99,037,354
	2,381,460,903	**3,943,244,440**

Total Accounts Receivable includes Tk. BDT 67,098,660/- age of which is more than 365 days, out of which, Tk. 38,990,443/- is due for Hire Purchase (HP) sales of commercial vehicle sales which denotes overdue of more than 12 no. of installments of the relevant customers.

ii. Disclosure under the Companies Act 1994

Debts considered good & secured	2,389,397,563	3,951,181,101
Debts considered good without debtors personal security	-	-
Debts considered doubtful or bad	(7,936,660)	(7,936,660)
Debts due from companies under same management		
Maximum debt due by director or officers at any time	-	-
	2,381,460,903	**3,943,244,441**

c) **Impairment losses**

Impairment losses on the above receivables were recognized as per the Company policy mentioned in Note 3.11.

40.02 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. 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 become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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 timeline of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks (Note 30) to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

The following are the contractual maturities of financial liabilities of the Company:

	As at 30 June 2021					
	Carrying amount	Maturity period	Nominal Interest rate	Contractual cash flows	Within 12 months or less	More than 12 months
	Taka	Taka	Taka	Taka	Taka	Taka
Bank overdraft	1,629,389,310	June 2022	9%-12%	1,629,389,310	1,629,389,310	-
Trade payables	696,646,304	June 2022	N/A	696,646,304	696,646,304	-
Other payables	1,725,209,452	June 2022	N/A	1,725,209,452	1,725,209,452	-
Short term bank loan	4,936,287,298	June 2022	9%-12%	4,936,287,298	4,936,287,298	-
Term Loan	4,849,168,671	June 23-June 25	9%-12%	4,849,168,671	1,633,359,742	3,215,808,929
	13,836,701,036			13,836,701,036	10,620,892,106	3,215,808,929

	As at 30 June 2020					
	Carrying amount	Maturity period	Nominal Interest rate	Contractual cash flows	Within 12 months or less	More than 12 months
	Taka	Taka	Taka	Taka	Taka	Taka
Bank overdraft	1,768,181,127	June 2021	9%-13%	1,768,181,127	1,768,181,127	-
Trade payables	1,833,872,017	June 2021	N/A	1,833,872,017	1,833,872,017	-
Other payables	2,245,875,256	June 2021	N/A	2,245,875,256	2,245,875,256	-
Short term bank loan	3,971,210,805	June 2021	9%-13%	3,971,210,805	3,971,210,805	-
Term Loan	5,195,101,772	May 2023	9%-13%	5,195,101,772	1,492,981,782	3,702,119,990
	15,014,240,977			15,014,240,977	11,312,120,987	3,702,119,990

40.03 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 holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) **Currency risk**

The Company is exposed to currency risk on certain revenues and purchases such as service revenue and purchase of generator and pick up van. Majority of the company's foreign currency transactions are denominated in USD and EURO. The Company maintains a USD and EURO bank account where all receipts are deposited and all corresponding payments are made.

i) **Exposure to currency risk**

The Company's exposure to foreign currency risk was as follows based on notional amounts (in Taka):

	As at 30 June 2021		As at 30 June 2020	
	USD	EUR	USD	EUR
Foreign currency denominated assets				
Bills receivable	301,856,559	-	299,416,832	-
Commission receivable	-	-	-	-
Cash at bank	62,285,663	144,648	300,792	109,191
	364,142,223	**144,648**	**299,717,624**	**109,191**

Foreign currency denominated liabilities				
Trade payables	1,359,990	-	855,718,219	-
Other payables	-	-	531,695,583	-
	1,359,990	-	1,387,413,802	-
Net exposure	**362,782,232**	**144,648**	**(1,087,696,178)**	**109,191**

The Company has foreign exchange loss of TK 5,521,761.80/- for the year of 2020-21 which was loss Tk 20,239,322/- in the year of 2019-20.

The following significant exchange rates have been applied:

	Exchange rate as at	
	June - 2021	June - 2020
	Taka	Taka
US Dollar	84.80-84.85	84.85-84.85
EURO (EUR)	100-101.16	95.37-95.40

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A change of 10 basis points in foreign currencies would have increased/ (decreased) equity and profit or loss of the Company by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss		Equity	
	10 bp increase	10 bp decrease	10 bp increase	10 bp decrease
	Taka	Taka	Taka	Taka
2020-21				
Expenditures denominated in USD	364,142	(364,142)	364,142	(364,142)
Expenditures denominated in EUR	145	(145)	145	(145)
	364,287	(364,287)	364,287	(364,287)
2019-20				
Expenditures denominated in USD	299,718	(299,718)	299,718	(299,718)
Expenditures denominated in EUR	109	(109)	109	(109)
	299,827	(299,827)	299,827	(299,827)

b) **Interest rate risk**

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The Company is not significantly exposed to fluctuation in interest rates as it has neither floating interest rate bearing financial liabilities nor entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Profile

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	Amount in BDT	
	June - 2021	June - 2020
Fixed rate instruments		
Financial assets		
Investment in FDR	23,166,977	210,585,608
Cash at banks	1,920,052,207	1,300,706,244
Financial liabilities		
Term loan	4,849,168,671	5,195,101,772
Bank overdraft	1,629,389,310	1,768,181,127
Short term bank loan	4,936,287,298	3,971,210,805

Fair value of financial assets and liabilities of the Company together with carrying amount shown in the statement of financial position are as follows:

	As at 30 June 2021		As at 30 June 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
	Taka	Taka	Taka	Taka
Financial assets				
Assets carried at fair value through profit or loss	-	-	-	-
Held to maturity assets				
Investment in FDR	23,166,977	23,166,977	210,585,608	210,585,608
Loans and receivables				
Investment in non-listed companies	2,192,321,587	2,192,321,587	2,236,821,587	2,236,821,587
Trade receivables	2,381,460,903	2,381,460,903	4,247,012,588	4,247,012,588
Other receivables	967,525,826	967,525,826	583,732,120	583,732,120
Cash and cash equivalents	1,954,279,077	1,954,279,077	1,557,386,703	1,557,386,703
Available for sale financial assets				
Investment in shares of listed companies	424,301	424,301	444,415	444,415

Financial liabilities				
Liabilities carried at fair value through profit or loss	-	-	-	-
Liabilities carried at amortized costs				
Term loan	4,849,168,671	4,849,168,671	5,195,101,772	5,195,101,772
Bank overdraft	1,629,389,310	1,629,389,310	1,768,181,127	1,768,181,127
Trade payables	696,646,304	696,646,304	1,833,872,016	1,833,872,016
Other payables	1,725,209,452	1,725,209,452	2,245,875,256	2,245,875,256
Short term bank loan	4,936,287,298	4,936,287,298	3,971,210,805	3,971,210,805

Interest rates used for determining amortized cost

The interest rates used to discount estimated cash flows, when applicable were as follows:

	June - 2021	June - 2020
Investment in FDR	N/A	N/A
Term loan	9%-12%	9%-13%
Bank overdraft	9%-12%	9%-13%
Short term bank loan	9%-12%	9%-13%

41.00 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity attributable to the equity holders of the Company. The Board of Directors monitors the level of capital as well as the level of dividend to the ordinary shareholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend, return capital to shareholders, issue new shares or obtain long-term debt.

The Company is not subject to any externally imposed capital requirement.

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		Amount in BDT	
		30 June 2021	**30 June 2020**
42.00	**Key management personnel compensation**		
	Managing Director's remuneration and benefits (Note 42.01)	9,380,034	8,827,543
	Directors' remuneration and benefits (Note 42.02)	10,350,000	29,929,968
	Other key management personnel's salaries and benefits (Note 42.03)	27,859,384	28,244,168
		47,589,418	**67,001,679**
42.01	**Managing Director's remuneration and benefits**		
	Basic salary	8,627,517	8,525,026
	Bonus	752,517	302,517
		9,380,034	**8,827,543**
42.02	**Directors' remuneration and benefits**		
	Basic salary	9,900,000	28,719,900
	Bonus	450,000	1,210,068
		10,350,000	**29,929,968**
42.03	**Other key management personnel's salaries and benefits**		
	Basic salary	12,393,516	15,446,184
	Allowance	12,673,516	10,646,184
	Provident Fund	828,352	1,064,618
	Bonus	1,964,000	1,087,182
		27,859,384	**28,244,168**

Key management personnel includes employees of the rank of head of strategic business unit (SBU) equivalent and above.

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43.00 Contingent liability and commitment

43.01 Contingent liability

Contingent liability existed for the Company of Tk 653,442,698/- as at 30 June 2021 in relation to issue of bank guarantee by different banks against performance of contracts and participating in various tenders:

Name of bank	Name of the party	Expiry date	Taka
Prime	Titas Gas (BG)	31-Aug-23	3,224,913
Prime	Titas Gas (BG)	31-Aug-23	4,097,235
Bank Asia	Sylhet Gas Fields Limited	30-Jun-22	441,208,722
UCBL	Titas Gas (BG)	31-Aug-23	9,948,469
HSBC	Linde Bangladesh Ltd	31-Dec-21	600,000
Prime	Titas Gas Transmission & Distribution Co. Ltd.	19-Dec-23	5,251,535
Jamuna	Bangladesh Computer Council (BCC)	13-Jun-22	3,864,881
Dhaka	Bangladesh Power Development Board (BPDB)	28-Jun-22	5,468,160
Dhaka	Standard Insurance Ltd.	4-Oct-21	3,000,000
Dhaka	BPDB	15-Jan-22	107,984,744
Dhaka	BPDB	15-Jan-22	397,500
Bank Asia	Sylhet Gas Fields Limited	31-Dec-21	5,353,234
Dhaka	Sylhet Gas Fields Limited	22-Mar-22	30,00,000
Dhaka	kArnafuli Gas Distribution Company Ltd.	12-Jan-21	75,000
Dhaka	Bangladesh National Insurance Co. Ltd	10-Dec-21	10,00,000
Dhaka	Director, Directorate of purchase, Bangladesh Power Development Board	12-Aug-22	225,000
Trust	Omera Tank Termial Limited(OTTL)	22-Jan-22	520,000
Dhaka	Anlima Energy Ltd	03-Mar-22	1,050,000
Dhaka	Anlima Energy Ltd	03-Mar-22	7,078,980
Dhaka	TAEYOUNG Engineering & Construction Co. Ltd	31-Aug-23	7,484,709
Dhaka	TAEYOUNG Engineering & Construction Co. Ltd	10-May-22	11,227,064
Dhaka		30-Apr-22	33,394,807
Jamuna	Bangladesh Police Kallayan Trust	28-Oct-21	450,000
Jamuna	Bangladesh Police Kallayan Trust	10-Dec-21	1,537,745
Mercantile	Shinbo BD Ltd.	03-Nov-21	1,88,25,600
Mercantile	UNHCR	12-Oct-21	15,00,000
	Total		**653,442,698**

43.02 Commitment

The following letter of credits were outstanding of Tk 1,503,239,079/- as at 30 June 2021 against which the Company is committed to purchase generator and spare parts from different companies.

Bank Name	L/C number	Amount in BDT
BRAC	308521010580	601,989
	308521021060	58,281,362
EBL	147521020686	66,126,142
HSBC	DPCDAK103751	57,936,289
	DPCDAK103429	3,022,295
	DC DAK103090	8,855,408
	DPCDAK103705	13,118,294
Mercantile Bank Limited	21010132	9,617,000
	21020020	3,170,000
	21020022	31,094,000
	21010220	1,190,000
	21020038	8,186,000
	21010375	900,000
	21020049	119,160,000
	21010391	2,264,000
	21010395	2,974,000
	21010396	1,916,000
	21020054	67,200,000
	21010458	323,000
	21010485	835,000

	21010656	334,000
	21020075	184,629,000
NRBC Bank	313721010561	3,782,000
	313721010586	18,335,000
	313721010595	438,000
	313721010643	66,127,000
	313721020019	67,573,000
Bank Asia Limited	208421020173	122,731,512
	208421020179	132,252,284
Trust Bank Limited	236921010094	32,165,468
	236921010117	3,629,405
	236921010144	39,364,555
	236921010152	18,334,928
	236931010153	3,781,209
	2369199900037	2,161,230
	2369209900014	10,990,948
	2369209900018	7,226,011
	2369209900020	211,856
	2369219900009	6,241
	2369219900011	128,283
	2369219900013	411,896
	2369219900014	3,374,870
	2369219900015	868452
	2369219900016	978,500
	2369219900017	940,010
Jamuna Bank Limited	303521020302	29,412,408
	303521020284	32,522,597
	303521020275	96,168,327
	30352101394	4,288,510
Dhaka Bank Limited	225LC02202950001	318,681
	225LC02203430001	179,268
	225LC02203520003	83,996
	225LC02203570001	326,328
	225LC02210870001	114,302
	225LC02211020002	70,436,038
	225LC01210630501	145,200
	225LC01210660002	239,990
	225LC01210660501	135,880
	225LC01210900501	14,134
	225LC01211150001	72,320
	225LC01211160502	82,905
	225LC01211800001	29,400
	225LC02211020502	957,874
	225LC02211030502	576,922
	225LC02211290001	14,825,160
	225LC02211440001	58,176,404
	225LC91202940001	415,401
	225LC91203150002	4,624,941
	225LC91210130001	6,070,505
	225LC91211010001	3,500,037
	225LC91211740001	1,975,115
Total		**1,503,239,079**

43.03 Contingencies

As per the Power Purchase Agreement (PPA) between BPDB and one of the subsidiaries of the Group EPV Thakurgaon Ltd, the Commercial Operation Date (COD) was defined as 15 November 2019. However, due to heavy flood, dengue fever during the second half of 2019 and severe impact of COVID 19 in subsequent period starting from early 2020 along with other factors has delayed the commercial production and now the expected date of COD is on April 2021. Management is in continuous discussion with BPDB and believes that the matter will be resolved amicably.

44.0 Pending litigation

There are no significant pending litigation of the company as at 30 June 2021 except the following tax related litigations.

i) **For assessment year 2020-2021 (income year 2019-2020)**
Return has been submitted and assessment is under process

ii) **For assessment year 2019-20 (income year 2018-19)**
Return submitted. Assessment completed, Appeal is under process

iii) **For assessment year 2018-19 (income year 2017-18)**
Return has been submitted and 1st Appeal completed. 2nd Appeal (Tribunal) is under process

iv) **For assessment year 2017-18 (income year 2016-17)**
Return submitted and Tribunal completed. Company appealed the case to the High Court

v) **For assessment year 2016-17 (income year 2015-16)**
The company referred the case to the High Court division of the Supreme Court.

vi) **For assessment year 2015-16 (income year 2014-15)**
The company referred the case to the High Court division of the Supreme Court.

vii) **For assessment year 2014-15 (income year 2013-14)**
The company referred the case to the High Court division of the Supreme Court.

viii) **For assessment year 2013-14 (income year 2012-13)**
The company referred the case to the High Court division of the Supreme Court.

ix) **For assessment year 2012-13 (income year 2011- 12)**
The company referred the case to the High Court division of the Supreme Court.

x) **For assessment year 2011-12 (income year 2010-11)**
The company referred the case to the High Court division of the Supreme Court.

xi) **For assessment year 2010-11 (income year 2009-10)**
Assessment has been completed. The DCT made a mistake in calculation of tax liability. The company has applied for correction u/s 173 which arise a refund of Tk 248,483 in place of tax liability of Tk 760,449.

xii) **For assessment year 2008-09 , 2007-08, 2006-07, (income year 2007-08 , 2006-07 and 2005-06 respectively)**
The company referred the case to the High Court division of the Supreme Court.

45.0 Other disclosures

45.1 Assembling & manufacturing capacity

Generator assembling capacity is 300 units per year and vehicle assembling capacity is 1200 units per year.
LPG Cylinder manufacturing capacity is 370,000 units per year and filling capacity is 5,241,000 units per year.
Capacity utilization for generator assembling during 2020-21 is 63% (188 unit) against 56% (167 unit) in 2019-2020.

Capacity utilization for pick-up van assembling during 2020-21 is 75% (904 unit) whereas it was 74% (888 unit) in 2019-20 as the assembly started in that period.

Capacity utilization for the production of LPG Cylinder 2020-21 is 32% (116,668 units) and for filling it was 76% (3,961,400 units).

45.2 CFR value & foreign earnings

	2020-2021	2019-20
CFR (Cost & Freight) value of import	5,496,938,991	4,243,258,534
Foreign earnings	-	-

45.3 Inventory movement

Major inventory in 2021	Opening	Purchase	Sales/Issue	Closing
Generator	26	635	600	61
Pick up van	92	942	(868)	1,902
Bus	4	-	2	2
Back hoe Loader & Fork Lift	75	-	-	75
Liqified petrolium gas (kg)	1,523,205	129,380,160	(130,302,689)	261,206,054
Building materials (raw material)	5,346,463	2,585,970	(5,376,329)	13,308,763
Building materials (finished goods)	638,494	8,607,092	(8,639,416)	17,885,002

Major inventory in 2020	Opening	Purchase	Sales/Issue	Closing
Generator	60	286	320	26
Pick up van	185	1,081	1,174	92
Bus	7	-	3	4
Back hoe Loader & Fork Lift	71	83	79	75
Liqified petrolium gas (kg)	1,427,050	126,131,607	126,035,452	1,523,205
Building materials (raw material)	6,009,246	6,866,145	7,528,928	5,346,463
Building materials (finished goods)	-	13,668,582	13,030,088	638,494

As per schedule XI, part-II of the Companies Act 1994, the quantities of major stock, purchase and sale should be in quantitative demonstration, however the quantity of spare parts, , CNG kits, Assembling materials could not be provided as the Company deals with a large number of products.

45.4 Number of employees

The number of employees engaged by the Company for the whole year or part thereof who received a total salary of Tk 36,000 or above was 857 (June 2020: 426).

45.5 Events after the reporting period

Bangladesh Securities and Exchange Commission (BSEC) on 21 October 2020 has approved the Company's proposal to raise Tk 150 crore by issuing 40,293,566 shares through IPO under book building method. Out of these shares 50% or 20,146,766 shares shall be issued to eligible investors at their respective bidding price where cut-off price was Tk 35 per share. Remaining 50% or 20,146,800 shares shall be issued to general investors at Tk 31 per shares (at 10% discount to the cut-off price of Tk 35).

The Board of Directors at the 86th Board Meeting held on 26 October 2021, has recommended to the shareholders 10% cash dividend (tk. 1.00 per share). This will be considered for approval by the shareholders at the 26th Annual General Meeting (AGM) to be held on 11 December 2021.

45.6 Attendance Status of Board Meeting of Directors

During the period from 01.07.2020 to 30.06.2021 there were 6 (Six) Board Meeting were held. The attendance status of all the meetings is as follows:

SL No	Name of Directors	Position	Meeting Held	Attended
1	Md. Rabiul Alam	Chairman	6	6
2	Humayun Rashid	Managing Director		6
3	Enamul Haque Chowdhury	Director		6
4	Md. Nurul Aktar	Director		5
5	Rezwanul Kabir	Director		6
6	Md. Golam Mohammad	Director (Representative of EEL)		2
7	Helal Uddin Ahammed**	Director (Representative of ICB)		1
8	Mohammed Nurul Amin	Independent Director		6
9	Mikail Shipar	Independent Director		5

** Nomination of Helal Uddin Ahammad as Representative Director withdrew by ICB on 16.07.2020

For Board Meeting, attendance fees were paid to the Directors of the Company @ BDT 15,000/- per meeting per director.

45.7 Disclosure as per requirements of Schedule XI, Part-II., Para-4 of the Companies Act. 1994

a. Expenses reimbursed to the managing agent- Nil.
b. Commission or other remuneration payable separately to a managing agent or his associates- Nil.
c. Commission received or receivable by the managing agent or his associates as selling of buying agent of other concerns in respect of contracts entered into such concerns with the company-Nil.
d. The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associates during the financial year- Nil.
e. Any other perquisites or benefit in cash or in kind stating- Nil.
f. Other allowances and commission including commission- Nil.
g. Pensions, etc.
   i. Pensions-Nil.
   ii. Gratuities- Nil
   iii. Payment from Provident Fund-Nil
   iv. Compensation for loss of office- Nil.
   v. Consideration in connection with retirement from office - Nil.

45.8 Disclosure as per requirements of Schedule XI, Part-II., Para-3 of the Companies Act. 1994

Requirements under condition No.	Compliance status
3(i)(a) The turnover	Complied
3(i)(b) Commission paid to selling agents	Not Applicable
3(i)(c) Brokerage and discount of sales, other than the usual trade discount	Not Applicable
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	Complied
3(i) (d)(ii) The opening and closing stocks of goods produced	Complied
3(i)(e)In the case of trading companies, the purchase made and the opening and closing stocks	Not Applicable
3(i)(f) In the case of Companies rendering or supplying services, the gross income derived from services rendered	Not Applicable
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable

3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting	Complied
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Complied
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Not Applicable
3(i)(l) Charge for income tax and other taxation on profits	Complied
3(i)(m) Reserved for repayment of share capital and repayment of loans	Not Applicable
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	Not Applicable
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Not Applicable
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Not Applicable
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.	Not Applicable
3(i)(p) Expenditure incurred on each of the following items, separately for each item:	Complied
3(i)(p) (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	

45.9 Disclosure as per requirement of schedule XI, Part - I (A. Horizontal Form) of Companies Act. 1994

<u>Accounts Receivable</u>

F. In regard to sundry debtors the following particulars' shall be given separately:-

I. Debt considered good for which the company hold no security other than the debtors personal security

Only the security cheques were received against debt considering goods.

II. Debt considered doubtful or bad

The Company made provision for doubtful debts according to approved policy.

III. Debt due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2021

IV. Debt due by Common Management

Disclosed under related party transaction (note - 38)

V. The maximum amount due by directors or other officers of the company

There are no such debt in this respect as on 30 June 2021

ENERGYPAC POWER GENERATION LIMITED
As at and for the year ended 30 June 2021
Investment in Shares of Listed Companies

The details are stated below: **ANNEXURE A**

Particulars	No. of Shares	Face Value Per Share	Average Cost	Cost of Holding	Quoted Rate per Shares as on June 30	Total Market Value of Shares as on June 30	Unrealized Gain/(Loss)
For 2021							
Malek Spinning Mills Ltd.	2,000		34.87	69,747	31.2	62,400	(7,347)
Rupali Life Insurance Company Limited	6,800		82.83	563,225	81.0	550,800	(12,425)
Total =				632,972.00		613,200.00	(19,772.00)
Add :Available Balance						(188,589.00)	
Fair Value of investment in shares						**424,611.00**	
For 2020							
Central Pharmaceuticals Ltd.	3,000.00	10.00	14.04	42,126.00	13.10	39,300.00	(2,826.00)
Sonali Aansh Industries Ltd.	450.00	10.00	444.73	200,128.59	354.10	159,345.00	(40,783.59)
Total =				42,126.00		198,645.00	(2,826.00)
Add :Available Balance						245,770.00	
Fair Value of investment in shares						**444,415.00**	

The above investment in marketable securities that are designated as fair value through profit or loss by the management. These are measured at fair value and presented as current asset and unrealized gain/(loss) from the above investment are recognized as profit or loss.

Hoda Vasi Chowdhury & Co

ENERGYPAC POWER GENERATION LIMITED
As at and for the year ended 30 June 2021
Disclosure on Bank wise Credit Facility

Annexure B

BRAC Bank Ltd.

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1.LATR (Inner of L/C)+PAC	400,000,000	14,049,336	To import all materials required for business related assembling unit, trading unit, construction unit, LPG bottling unit etc. including finished goods (vehicles,generatiors,parts,etc.) and semi finished goods for assembling.
2.Acceptance/PAD (Inner of L/C)		303,870,647	To retire import documents against sight L/C to be issued under facility no. 1 above.
3. LC		58,883,350	To retire import documents against Usance/UPAS/LC, issued under facility no.1
4. BG (Inner of L/C)		-	To issue guarantee to different authorities.
5.RL (Duty/Party)	200,000,000	171,616,640	For payment of Duty/VAT, payment order shall be issued in favor of concerned authority. For local purchase of raw materials.
6. Overdraft	20,000,000	18,354,117	To meet day to day operational expenses.
Total	**620,000,000**	**566,774,091**	

Security against credit facilities

1. Trust receipt to be executed for Tk. 400 million i.e. covering the LATR limit(s) in support of board resolution of the borrower
2. Counter Guarantee to be executed for Tk. 100.00 million i.e. covering the bank guarantee limit(s) in support of board resolution of the borrower
3. Other usual charges documents but not limited to Demand Promissory Note, Letter of Continuity, Letter of Arrangement, Letter of Disbursement, Letter of lien & Set-off, Letter of Trust Receipt, Letter of Revival, Letter of Undertaking, Letter of Undertaking, General Loan agreement, etc for BDT 620 Million supported by necessary Board Resolution.
4. Personal Guarantee of all the director of EPGL for BDT 620 million namely;
   a) Mr. Rabiul Alam (Director), S/O: Late A. K. Abdul Latif
   b) Mr. Enamul Haque Chowdhury (Director), S/O: Late Mozzamel Haque Chowdhury
   c) Mr. Humayun Rashid (Managing Director & CEO), S/O: Late Abdus Hannan
   d) Mr. Nurul Akter (Director), S/O: Late Nurul Huda
   e) Mr. Rezwanul Kabir (Director), S/O: Rezaul Haque
5. Corporate Guarantee from Energypac Engineering Ltd for BDT 620 million in conformity with relevant object clause or theit Memorandum of Association by duly adopted board resolution to be provided in favor of Energypac Power Generation Limited.
6. Insurance coverage on fire and RSD risks covering 110% on the funded facilities, securing stockinventory, machinery & building of the borrower company, from any insurance company acceptable to BBL, keeping BBL as beneficiary.
7. MICR cheque of Tk. 620 million along with irrevocable letter of authority to complete the cheque

Hoda Vasi Chowdhury & Co

HSBC

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1. Letter of Credit (LC)	800,000,000	82,932,287	To retire import documents
2. LATR (CIL)	800,000,000	188,330,406	To import all materials required for business related assembling unit, trading unit, construction unit, LPG bottling unit etc. including finished goods (vehicles,generatiors,parts,etc.) and semi finished goods for assembling.
3. LC Acceptance (UPAS)	300,000,000	368,433,162	To import commercial vehicle (JAC) & related accessories to execute supply order
4. RL (Party) (Loan Line- LNL)	200,000,000	198,515,204	To imports (generator/electrical equipment) on sight and/or deferred basis
3. RL (Duty) (Loan Line-LNL)	250,000,000	15,277,043	To retire sight import documents by creating clean import loan (CIL) to release deferred import documents
4.Bank Guarantee (BG)	50,000,000	754,202	To issue guarantee to different authorities.
5.Bill Discounting	50,000,000	-	To pay duty to customs authority.
6. Overdrft	50,000,000	51,264,408	To meet day to day operational expenses.
Total	**2,500,000,000**	**905,506,711**	

Security against credit facilities

1. First charge over the borrower stocks of raw materials, work in process and finished goods with the Office of the Registrar of Joint Stock Companies & Firms (RJSC) on a pari passu basis with other lenders.
2. First charge over the borrower's book debts and receivables with the RJSC on pari passu basis with other lenders.
3. Power of attorney for Hypothecated Goods.
4. Demand promissory note with letter of continuity and revival.
5. Letter of set off to set off between different accounts maintained with the bank.
6. Personal guarantee executed by Mr. Rabiul Alam, Mr. Sheikh Humayun Rashid, Mr. Enamul Haque Chowdhury and Mr. Rezwanul Kabir each with personal net worth/wealth statement.

7. Corporate guarantee executed by Energypac Electronics Ltd. & Energypac Engineering Ltd. for Tk 2,480,000,000 with supporting board resolution.
8. Blanket Counter Indemnity for Guarantee Facility.
9. Trade financing General Agreement for Trade Facility.

Prime Bank Limited

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1. LC	12,570,000	12,573,684	To import commercial vehicle (JAC) & related accessories to execute supply order
2. Acceptance (Inner of LC)			To retire deferred L/C
3. LTR (Inner of LC)			For retirment of LC related shipping documents
4. Time Loan(Inner of LTR)			To make payment of Import duty, VAT, TAX etc.
5 Forced Loan			
5. BG (Inner of LC)			To participate in tenders & execute the awarded works.
6. OD	50,000,000	368,241	To meet factory overhead expenses
Total	**62,570,000**	**12,941,925**	

Security against credit facilities

1. Board Resolution from Energypac Power Generation Ltd. to avail the credit facility from Prime Bank Limited
2. Demand Promissory Note and Letter of Continuity for BDT 436.06 million from Energypac Power Generation Ltd.
3. Existing 1st ranking PPSSA charge by way of hypthecationwith other lenders on all fixed and floating assets of the company with RJSC & firms
4. Notaraized IGPA favoring the bank authorizing to sell the hypothecated assets of the company without reference to the court in case of default.
5. Personal guarantee of the directors of the company
6. Letter of Agreement/Arrangement for BDT 436.06 million from Energypac Power Generation Limited
7. Letter of Disbursment for BDT 436.06 lac from Energypac Power Generation Limited
8. Letter of Revival for BDT 436.06 lac from Energypac Power Generation Limited
9. Letter of Authority from Energypac Power Generation Limited

Trust Bank Limited

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1. LATR (Inner of LC)	500,000,000	224,815,616	To import/local procurement of generator, JAC Automobiles, oil/lubricants, instrument/equipment and other related materials
2.RL (Time Loan Inner of LATR)		60,405,706	For retirement of documents against sight L/C
3. LC		124,573,864	To make payment of import duty, AIT & port charges
4. LC Acceptance (Inner of LC)		-	To participate in tenders or against execution of work orders awarded by different work order issueing authorities.
5. BG (Inner of LC)		2,967,645	To meet working capital requirement
6. Term Loan (inner of LC)	260,000,000	53,585,013	For recover the fund invested from short tem loan by long term loan
7. Overdrft+Stimulus	130,000,000	127,611,729	To meet working capital/operational expense purpose
	890,000,000	**593,959,572**	

Security against credit facilities

1. Hypothecation of stocks stored at our business premises/godown with notarized IGPA to sell the hypothecated items.
2. Assignment of bills receivables with notarized IGPA to collect the bills against awarded work order (Applicable for Work Order Finance, if any)
3. Registered Mortgage (RM) with IGPA to sell 188.50 decimal land at gazipur Purbapara, mouza: Gazipur, Post Office:Sree pur, Dist.: Gazipur.
4. Registered Mortgage (RM) with IGPA to sell 851.4375 decimal land at gazipur Purbapara, mouza: Gazipur, Post Office:Sree pur, Dist.: Gazipur.
4. Corporate guarantee of Energypac Engineering Ltd. In conformity with the relevant clause of its Memorandum & Articles of Association favoring of Energypac Power Generation Limited.
5. Personal Guarantee of all the directors of the Energypac Power Generation Ltd.
6. Standard set of charge of documents.
7. Post dated cheque covering total facility

Meghna Bank Limited

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1. Time Loan	36,100,000	37,409,879	To meet working capital requirement
Total	**36,100,000**	**37,409,879**	

Security against credit facilities - Express Loan Overdraft (Secured Over Draft-SOD):

1. Usual Charge Documents
2. Post Dated Cheque covering the facility limit
3. Personal Guarantee of the Directors

Bank Asia Limited

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1. Term Loan - 1 (Machinery)	1,743,000,000		To import capital machinery and equipments for establishment of LPG Plant
2. Term Loan - 2 (Civil Works)			
3. LC/ Acceptance (upas)	750,000,000		To retire import documents against LC
4. LC			To retire import documents against LC
5. Overdraft	20,000,000	18,240,000	To meet working capital/operational expense purpose
Total	**1,763,000,000**	**18,240,000**	

Security against credit facilities

1. Existing registered mortgage of project land of 18.145 acres & building at Chunkuri, Dakop, Khulna on pari-passu basis with Eastern Bank Ltd.
2. Existing registered mprtgage of 84 decimal land located Mouza: Vogra, Thana: Gazipur Sadar, District: Gazipur.
3. Lien on L/C valuing USD 5.18 million eqvt. To Tk. 414.40 million [covering foreign currency portion of EPGL in the WO] to be received from the employer (Sylhet Gas Field Ltd.) and transferred in favor of Energypac Power Generation Limited
4. Corporate Guarantee of "Energypac Engineering Limited."

Dhaka Bank Ltd.

Facilities as at 30 June 2021	Credit Limit	Facilities availed	Purpose
1. LC	750,000,000	197,620,693	To import various premissible items related with business of Energypac Power Generation Limtied
2. Acceptance (Inner of LC)		141,518,040	For retirement of documents against above L/C
3. LATR (Inner of LC)		206,405,497	
4. Rescheduling & restructuring of total 74 no. (Inner of LTR & Time loan)		-	To make duty paymment/port duties/ related all other expenses to port authorities for releasing of consignment of goods
5. STL (RL)-Duty (TMLN)	200,000,000	112,115,070	For local procurement and misc. purpose for the company
6. STL (RL)-Local Party	50,000,000	-	To participate in tenders or against execution of work/supply order
7. BG (Interchangable with LC)	150,000,000	243,858,793	To meet working capital requirement
8. OD (Operational Exp)	100,000,000	82,934,085	For execution of work orders awarded/to be awarded by different authorities & organizations.
9. OD (GOV Work & Autonomous Body)	50,000,000	-	
10. New Term Loan (Own Manufacturing Plant Civ	249,717,874		For the establishment of a new factory shed as extension of its existing manufacturing plant

11. New Term Loan (Own Manufacturing Plant Civ	156,128,111	227,527,942	To construct civil and other mechanical works for expansion of existing steel structure fabrication & manufacturing plant.
12. BRPD-5	277,320,000	287,061,692	For BMD project
Total	**1,983,165,986**	**1,499,041,812**	

Security against credit facilities:

1. Available RJSC charge with RJSC over fixed and floating assets of the company by way of hypothecation
2. Registered mrtgage with RIGPA of 206 decimal land out of 795.75 decimal land situated at Sreepur, Gazipur
3. Corporate guarantee of Energypac Engineering Limited.
4. Standard Charges Documents
5. Post dated cheques
6. Counter guarantee in case of Bank Guarantee
7. Letter of trust receipts

United Finance Ltd.

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
Term Loan (Exp Date - 2023)	100,000,000	129,459,397	For recover the fund invested from short tem loan by long term loan
Term Loan	200,000,000	84,704,527	
Total	**300,000,000**	**214,163,924**	

Security against credit facilities:

1. Charges: EPGL as security for the payment when due of all principal, interst and other amounts now or herefater payable by EPGL hereunder and under other documents contemplated hereby, will hypothecate to United Finance Limited by way of a Second Charge over company's fixed & floating ssets in favor of United Finance Limited
2. Cheques: Installment/rent to be paid through monthly cheque(s) which will presented to the bank on due date(s)of payment
3. Promissory Note along with letter of Continuty documents to be execued by EPGL in favor of United Finance Limited
4. Corporate guarantee of Energypac Engineering Limited.

Jamuna Bank Limited

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
1. Letter of Credit (Sight/DP/UPAS - Foreign/Local)	800,000,000	100,456,838	To import/procure raw materials/goods/spare parts
2. Acceptance (Inner of LC)		28,293,617	For retirement of shipping documents
3. LATR		-	To pay duty, tax, VAT & procure goods from local market
4. Term loan	568,428,000	525,949,977	For adjustment of overdue liabilities in the form of LTR, time loan, time loan, and demand loan (ABP)
5. Time Loan (STL) - Local Purchase/ Duty/RL	100,000,000	18,231,798	
6. Bank Guarantee	500,000,000	12,345,164	To issue guarantees favoring customs, government, semi-government, autonomus and reputed private organization for business purpose
7. Overdraft	100,000,000	99,324,616	To meet up emergency fund requirement
Total	**1,568,428,000**	**784,602,009**	

Security against credit facilities:

1. PG of all directors
2. Corporate Guarantee of Energypac Engineering Ltd.
3. Charge creation with RJSC on all fixed & floating assets of the company
4. RM on 283.86 decimal land at Daudpur Union, Rupgonj, Naraynganj
5. RM on 207.303 decimal land & ware house at Energy Cernter, 151, Vogra, P.S. Bason, Dist.- Gazipur.

Easten Bank Ltd.

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
1. Sight Letter of Credit	230,000,000	66,126,142	To procure raw materials (LPG, Steel Sheet & coil & other related materials) of LPG plant from foreign source
2. Import Loan LATR (Inner of LC)		-	To retire shipping documents under SLC line-1 above
3. UPAS-acceptance (Inner of LC)		228,290,329	To procure raw materials (LPG, Steel Sheet & coil & other related materials) of LPG plant from foreign source
4. Demand Loan (STL)		-	To finance ULCs
5. Overdraft	20,000,000	(3,316,010)	To meet working capital/operational expense purpose
6. Term Loan -I	870,000,000	558,819,868	To retire capital machinery LC opened
Sub-Total	**1,120,000,000**	**849,920,329**	

Security against credit facilities:

1. Registered Mortgage on the project land & building on Pari Passu basis with other lenders supported by RIGPA over 1827.78 decimal land, located at Chankuri, Dakop, Khulna.
2. Registered hypothecation over inventory, book debts and plant & machinery of LPG project (both pressent & future) of the company on Pari Passu basis with other lenders
3. Personal guarantee of the following directors of the copmany with personal net-worth statement as per bank's prescribed format:
   a). Mr. Rabiul Alam, b). Mr. Enamul Haque Chowdhury, c). Mr. Humayun Rashid, d). Mr. Nurul Akter & e). Mr. Rezwanul Kabir.
4. Corporate guarantee to be provided by Energypac Engineering Ltd. for entire facility supported by board resolution
5. Standard Charges Documents
6. An undated Cheque

United Commercial Bank Ltd.

Facilities as at 30 June 2019	Credit Limit	Facilities availed	Purpose
Letter of Credit (Local)- Work Order	70,100,000	164,424,982	To retire SLC/ULC/UPAS (Local) related documents
Term Loan	770,200,000	324,579,519	
Sub-total for Working Capital	**840,300,000**	**489,004,501**	

Security against credit facilities:

1. Lien of master LC for Tk. 81.62 Crore issued by Sonali Bank Limited, Forex. Corporate Branch, Dilkusha, Dhaka.
1. Corporate guarantee of Energypac Engineering Ltd. supported by MOA, AOA, Board Resolution of the company & Other Fomalaties.
2. Charge over fixed & floating assets (present & Future) of the company duly registered with RJSC
3. Hypothecation on bills receivable against the sale
5. Usual Charges Documents duly stampped and filled in.

Mercantile Bank Ltd.

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
1. LC (UPAS/DP/SIGHT)	1,350,000,000	655,348,000	To import /procure of electrical equipment, vehicles, lift, raw steel, materals of diesel & gas generators, air compressior, steelpac, construction & agro machineries, Gas Cylinder etc.
2. Acceptance (Inner of LC)		1,063,238,929	To procure materials/equipment related to the products of existing business from local sources.
3. LATR	750,000,000	242,413,601	To retire of LC documents
4. Bank Guarantee (Inner of LC)	150,000,000	4,600,000	To participate in tenders and execute work orders of different Govt. and Sami-Govt, Non-Govt. organizations.
5. Overdraft	100,000,000	101,102,410	To meet working capital requirement.
6. Term Loan	338,400,000	-	For adjustment of above overdue facilities
Total	**2,688,400,000**	**2,066,702,940**	

Security against credit facilities:
1. Hypothecation of imported items & stocks duly insured with bank mortgage
2. Personal Guarantee of all directors of the company (Independent, Nominee & Representative Directors Excluded)
3. Corporate guarantee of Energypac Engineering Ltd. duly backed by Board Resolution.
4. Postdated cheque(s) covering the debts seperately
5. Usual Standard Charges Documents

NRBC Bank Ltd.

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
1. Letter of Credit (Foreign)-Specific	450,000,000	-	To import/purchase goods/materials/from foreign/local sources/delivery expenses/Fixed Assets Civil construction contract related with the business.
2. Acceptance	450,000,000	67,614,100	To retire foreign L/C
3. LTR	450,000,000	127,481,369	To retire foreign L/C
4. BRPD-5 Expired 31.12.22	272,035,904	217,343,898	
5. Time Loan (Revolving)	150,000,000	36,712,294	To make payment of customs duty, tax, VAT & others for releasing goods from customs authority against L/C
6.Bank Gurantee (Inner of LC)	50,000,000	-	To participate in tender invited by different authorities
7. Over Draft	50,000,000	50,277,215	To meet up working capital requirement
Total	**650,000,000**	**499,428,876**	

Security against credit facilities:
1. Shipping documents
2. Hypothecation of importaed items
3. Corporate guarantee of Energypac Engineering Limited
4. Personal guarantee of all the directors of the company
5. General counter guarantee
6. Charge with RJSC
7. Cheques covering the debt.
8. 5% cash Margin for LC & BG

Shimanto Bank Ltd.

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
1. Over Draft	250,000,000	248,887,686	To meet additional working capital requirement and for local procurment of raw materials and to
Total	**250,000,000**	**248,887,686**	

Security against credit facilities:

1. Pari-Passu 1st charge on floating assets (present & future) of the company with RJSC & firms among the lenders
2. Personal Guarantee of all directors of the company
3. Corporate guarantee of Energypac Engineering Ltd.
4. Postdated cheque(s) covering limit
5. Standard Charges Documents

Uttara Finance & Investments Ltd.

Facilities as at 30 June 2020	Credit Limit	Facilities availed	Purpose
1. Sale & Lease Back Facility	400,000,000	372,481,592	To make payment against imported machinery and installation thereof
Total	**400,000,000**	**372,481,592**	

Security against credit facilities:

1. Registered mortgage pf Project land measuring 292.34 decimal along with factory building and other structures situated at Khoishar, Daudpur, Rupganj,Narayanganj with IGPA in favor of the Uttara Finance and Investments Ltd. to sell the mortgaged assets.
2. Creation of first ranking registered charge with RJSC, Dhaka over all mortgaged land alongwith factory building and otherstructures, present plant, machinery and all fixed assets of company with IGPA in favor of Uttara Finance & Investments Ltd. to sell the hypthecated assets.

3. 01 no. undated cheque for BDT 55.84 Crore only to cover principal amount and interest amount as security.
4. Personal guarantee of all the directors
5. Corporate Guarantee of Energypac Engineering Ltimited