

Annual Report
of
Secretary General, BIPPA for the year -2019

Bismillahir Rahmanir Rahim

Honourable President,
Members of the Board of Directors,
General Members,
Distinguished guests,
Chairman & Members of Election Board
and
Chairman & Members of Appeal Board

-Assalamu Alaikum.

It is my pleasure to extend my warm welcome in this cheerful evening to attend the 4th Annual General Meeting of Bangladesh Independent Power Producers' Association (BIPPA).

The journey of Bangladesh Independent Power Producers' Association (BIPPA) is started on 29-06-2014 satisfying all the requirements as per Law of the Government under the dynamic leadership and proper guidance of the First Convener and founder president, late Mr. Annisul Huq, Honourable Mayor of DNCC to protect, promote, represent and safeguard the occupation, trade and the business of Independent Power Producers who are engaged in commercial power production in Bangladesh. By this time BIPPA has completed its journey of Five and half years under the dynamic leadership of Mr. Mohammad Latif Khan, President (BIPPA).

I am glad to remind you again that the 11 (eleven) members of the present Board of Directors of BIPPA were elected on 20.11.2017 for the term of 02 (two) years, 2017-2019. Then in the Board Meeting held on 22.11.2017, 11(eleven) Directors unanimously elected 01(one) President and 03(three) Vice-Presidents.

Cont. Page-2

The present committee was constituted as follows:

Sl.	Name	Name Of Member Company with Designation	Position In BIPPA
1	MR. MOHAMMAD LATIF KHAN	Summit Power Limited (Vice Chairman)	PRESIDENT
2	MR. IMRAN KARIM	Confidence Power Rangpur Limited (Vice Chairman)	VICE-PRESIDENT (FINANCE)
3	MR. GULAM RABBANI CHOWDHURY	Baraka Power Limited (Managing Director)	VICE-PRESIDENT
4	MR. LT. GEN. (RETD.) ABDUL WADUD	Summit Narayanganj Power Unit II Limited (Managing Director)	VICE-PRESIDENT
5	MR. K. M. REZAUL HASANAT	Midland Power Co. Ltd. (Chairman)	DIRECTOR
6	MR. MD. MAMUN HAIDER	Sinha Power Generation Company Ltd. (Executive Director)	DIRECTOR
7	MR. ANIMESH KUNDU	Quantum Power Systems Limited (Managing Director)	DIRECTOR
8	MR. MOAZZAM HOSSAIN	Energyprima Limited (Managing Director)	DIRECTOR
9	MR. NAVIDUL HUQ	Desh Energy Chandpur Power Company Ltd. (Managing Director)	DIRECTOR
10	MR. MOHAMMED FAISAL KARIM KHAN	Summit Barisal Power Limited (Director)	DIRECTOR
11	MR. HUMAYUN RASHID	Energyvac Power Venture Ltd. (Chairman)	DIRECTOR

Achievements of Bangladesh Independent Power Producers' Association:

Honourable members, I want to draw your kind attention to some of our achievements under the dynamic leadership of Mr. Mohammad Latif Khan, President (BIPPA)

- (i) Permanent exemption of Advance Income Tax (AIT) on importation of Plants, Equipments and Machineries for the construction of Power Plants.
- (ii) Relief of resident Private Power Producer companies from multi-tier taxation on dividend income.

I want to take the opportunity to appreciate the President BIPPA, for his course of action taken on behalf of the Association to relief the resident companies from multi-tier taxation on dividend income, subject to maintenance of separate account which has been reflected in the Budget of the Financial year 2018-2019.

Cont. Page-3

- (iii) The numbers of the members of Bangladesh Independent Power Producers' Association by this time increased to 53 (Fifty Three) which is also an achievement of BIPPA. (The list of the member companies is given in the folder for your kind perusal).
- (iv) Issuance of Circular by the Ministry of Commerce regarding the Independent Power Producer companies compulsory be the member of BIPPA.
- (v) We have successfully participated and installed a stall in the National Power & Energy Week-2018 at Bashundhara International Convention Centre (BICC).
- (vi) Website of BIPPA is already constructed. Our Website address is **www.bippabd.org**.
- (vii) As per request vide our letter dated 22/08/2019 NBR has constituted a committee to give the opinion regarding Exemption of AIT, VAT & Tax on importation of spare parts machineries, consumables and services necessary to produce electricity.
Here, I am to let you know that Mr. Imran Karim, Vice-President (Finance) has been included as a member of the committee of NBR for constituting a new SRO combining the previous SRO-73 & SRO-100 for solving the problems therein. In the 8th Board Meeting held on 16/10/2019 the Board of Directors welcomed Mr. Imran Karim Vice-President (Finance) and unanimously agreed to the decision of NBR and requested Mr. Imran Karim to go ahead on behalf of BIPPA.

Future Plan of Bangladesh Independent Power Producers' Association:

1. More private power producer companies to be included as the member of BIPPA.
2. Research and Development cell be created.
3. Panel lawyer to be appointed for the solution of legal matters.
4. Professional accounts person to be appointed to develop the software of Accounts and to do accounts works smoothly.

It is for your kind information that Mr. Navidul Huq, Director, BIPPA was agreed in a previous meeting to arrange the training for Accounts Personnel and develop the software of Accounts for the smooth accounts works of BIPPA.

5. Vision to purchase a permanent office space for BIPPA.
6. Create fund to promote and encourage and finance to the technical development in respect of power sector of Bangladesh.

Cont. Page-4

Audit Report and Accounts:

The Audit Report and Accounts for the year ended 30th June 2019 as audited by auditor RAHMAN MUSTAFIZ HAQ & CO. is circulated for your kind perusal and approval. It is noted that the total received amount (including opening balance in Bank) of BIPPA for the financial year 2018-2019 is **TK. 3,62,85,385/- (Three Crore Sixty Two Lac Eighty Five Thousand Three Hundred and Eighty Five) only**, total expenditure amount (including FDR in Bank) is **TK. 2,74,14,755/- (Two Crore Seventy Four Lac Fourteen Thousand Seven Hundred and Fifty Five) only**, and Cash in Bank on 30th June 2019 is **TK. 88,70,630/- (Eighty Eight Lac Seventy Thousand Six Hundred and Thirty) only**. A "Receipt & Payment Summary" for the year ended 30th June, 2019 is also circulated for ready reference.

Budget of Bangladesh Independent Power Producers' Association:

The Budget of BIPPA for the calendar year 2020 is also circulated for you kind perusal and approval. The Budget of the calendar year 2020 is of total **TK. 1,46,03,377/- (One Crore Forty Six Lac Three Thousand Three Hundred and Seventy Seven) only**. Noted that, the last year's Budget was **TK. 1,53,30,360/- (One Crore Fifty Three Lac Thirty Thousand Three Hundred and Sixty) only**, which was **TK. 7,26,984/- (Seven Lac Twenty Six Thousand Nine Hundred and Eighty Four) only** more than the present Budget. Details of Budget, Comparative Analysis and Evaluation of the previous Budget are also enclosed for your kind perusal.

Permission to import of HFO of Sulphur content 2% instead of 3.5%:

In the previous Board Meeting Board Members were agreed to pursue the matter with the related ministries for the permission to import of HFO of Sulphur content 2% instead of 3.5%. For this course of action Mr. Lt. Gen. (Retd.) Abdul Wadud, Vice-President and Abdul Halim, Secretary General of BIPPA were requested to take necessary steps in BSTI so that such is included in the specification permitted. Now we can hope that the upcoming Board of Directors will do the same task.

Stall installation in National Power & Energy Week-2018:

As decided by the Board of Directors in the 3rd Board Meeting a stall in National Power and Energy Week- 2018 was installed successfully.

On behalf of the Association I would like to express my thanks and gratitude once again to Mr. Mohammad Latif Khan for reallocating the pavilion of Summit Power Limited in favour of BIPPA for National Power and Energy Week- 2018.

Cont. Page-5

Revise/ Re-fix the Rental rate of HSFO Storage Tank:

As per request of BIPPA the Energy Division wrote a letter to BIPPA with the request to solve the problem with the Power Division. Accordingly BIPPA wrote a letter to Senior Secretary, Power Division with the request to take further action to solve the problem of Rental rate of HSFO Storage tank.

Implications of the existing law regarding 5% provision on profit before tax, as Workers' Profit Participation Fund (WPPF) imposed by Bangladesh Labour Act 2006 and amendment made therein:

In the previous Board Meeting the Board of Directors present in the meeting unanimously agreed to take further initiative to request the related Ministry not to implement the existing Labour Law on Independent Power Producers to relieve the Power Producers in the Private Sector from the extra burden of 5% provision on profit before tax, as Workers' Profit Participation Fund (WPPF). But it was also agreed by the Board Members present in the meeting that like BGMEA a percentage of .03% on gross revenue may be imposed by adding a new clause to the existing labour laws. For this course of action Mr. Lt. Gen. (Retd.) Abdul Wadud, Vice- President, Mr. Gulam Rabbany Chowdhury, Vice-President and Abdul Halim, Secretary General of BIPPA were requested to take necessary steps with the Ministry of Labour. The upcoming Board of Directors may be requested to take necessary steps therein.

Appropriate outage calculation instead of present method of calculation of additional outage of power plants:

In the previous Board Meeting the Board of Directors present in the meeting unanimously agreed with the concrete proposal of the Special Participants presented in the Board Meeting held on 25 March, 2019 regarding the appropriate outage calculation instead of present method of calculation of additional outage of power plants. The proposal is-outage calculation should be based on "Hourly NLDC demand data VS Hourly plant export data" instead of present outage calculation of BPDB. This has been agreed by the Board to be pursued with BPDB. The coming Board of Directors are requested to take action accordingly.

Election of Board of Directors of the Association 2019:

As per decision taken in the 7th Board Meeting held on 21/08/2019 as well as in the Election Board Meeting held on 28 August 2019 and as per Schedule the date of the Election of the Board of Directors of the Association is fixed on Wednesday, 20 November 2019.

Cont. Page-6

Election Board and Appeal Board are constituted as per article no. 45 of the Articles of Association of Bangladesh Independent Power Producers' Association (BIPPA) under section 14 of T.O Rules, 1994 by the following members:

Election Board:

Sl. No.	Name	Designation
01	Mr. Tapan Chandra Banik, Additional Secretary (Retd.), MoPA	Chairman
02	Mr. Chowdhury Fariduzzaman, Ex. Director, BPDB	Member
03	Advocate Shah Kutub Uddin, The Attorney Ltd. and Legal Adviser, BIPPA	Member

Appeal Board:

Sl. No.	Name	Designation
01	Eng. Saiful Islam Khan, Ex. Chief Engineer, BPDB	Chairman
02	Mr. Indranil Barua, Ex. Director, BPDB	Member
03	Advocate Baki Md. Murtoza, Bangladesh Supreme Court	Member

Election Board is conducting the election procedure as per rules to elect the 11 (eleven) members of the Board of Directors of the Association.

Our second session will be followed by the Election of BIPPA.

Prayer for late Mr. Feroz Alam:

On the occurrence of sudden death of Mr. Feroz Alam on 05th October, 2019, the Board of Directors present in the 8th Board Meeting took part in a Fateha and Munajat led by Mr. Gulam Rabbani Chowdhury, Vice-President and prayed for the eternal peace of the soul of deceased.

I want to take the privilege to request you once again to pray for eternal peace of our beloved Founder Member and Former Vice-President (Finance) Mr. Feroz Alam.

Cont. Page-7

Conclusion:

Bangladesh Independent Power Producers' Association (BIPPA) is now an organization of 53 (Fifty Three) member companies of Private Sector Power Generation running under the dynamic leadership of our President Mr. Mohammad Latif Khan, Vice-Chairman of Summit Group.

Finally this is to mention that to reach the objects of BIPPA and to run the organization, financial ability is a must. As you know currently the only source of revenue of Bangladesh Independent Power Producers' Association (BIPPA) is Annual Subscription Fees of existing members to run the Association. So, you are cordially requested to pay the Annual Subscription fees in time. You are also requested with honour and gratitude to adopt the Annual Report and approve the Audit & Accounts and the Annual Budget of BIPPA, I would like to express my heartiest gratitude to all of you for a patient hearing.

Thank you all.

Allah Hafez

Abdul Halim
Secretary General, BIPPA