

# **Annual Report** **of** **Secretary General, BIPPA for the year -2020**

## **Bismillahir Rahmanir Rahim**

Honourable President,  
Members of the Board of Directors,  
General Members,  
Distinguished guests,

**-Assalamu Alaikum.**

It is my pleasure to extend my warm welcome in this cheerful afternoon to join the 5th Annual General Meeting of Bangladesh Independent Power Producers' Association (BIPPA).

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 Six and half years under the dynamic leadership of Mr. Annisul Huq, Founder President, Mr. Mohammad Latif Khan, immediate past President and Mr. Imran Karim, present 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 20.11.2019 for the term of 02 (two) years, 2019-2021. Then in the Board Meeting held on 21.11.2019, 11(eleven) Directors unanimously elected Mr. Imran Karim as president and 01. Mr. Humayun Rashid 02. Mr. Engr. Md. Mozammel Hossain 03. Mr. Navidul Huq as Vice-Presidents of BIPPA.

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As per decision taken in the Board Meeting, under the leadership of President we met for courtesy call with the following Government dignitaries and officials to discussed some important points about private sector issues in power sector.

- (i) Advisor to Honourable Prime Minister for Power, Energy and Mineral Resources.
- (ii) Honorable State Minister, Ministry of Power, Energy and Mineral Resources.
- (iii) Principle Secretary to Honourable Prime Minister.
- (iv) Senior Secretaries and Secretaries, Ministry of Power, Energy and Mineral Resources.
- (v) Chairman, National Board of Revenue (NBR).
- (vi) Chairman, Bangladesh Power Development Board.
- (vii) Chief Engineer, Private Generation (IPP), Bangladesh Power Development Board.

### **Achievements of Bangladesh Independent Power Producers' Association:**

Honourable members, I want to draw your kind attention to some of our achievements as on today.

- (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 immediate past President Mr. Mohammad Latif Khan 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.
- (iii) The number of the members of Bangladesh Independent Power Producers' Association is now 51 (Fifty One) which is also an achievement of BIPPA. (The list of the member companies is given 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 stalls in the past National Power & Energy Weeks at Bashundhara International Convention Centre (BICC).

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- (vi) Website of BIPPA has been constructed.  
BIPPA Website address is [www. bippabd.org](http://www.bippabd.org).
- (vii) As per request vide our letter dated 22/08/2019 NBR 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 glad to let you know that Mr. Imran Karim, President, BIPPA 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. The expected SRO-70 was issued on 05 March 2020 regarding the list of items of spare parts machineries, consumables and services necessary to produce electricity to be imported are released from AIT, VAT & Tax.

**Donation and Sponsorship of BIPPA during the year-2020:**

- (i) Sponsorship for Fortnightly Newspaper “Energy Bangla” for the year 2020 (Total expenditure is TK-20 Lac.)
- (ii) Sponsorship for Supporting Front Line covid 19 fighters with PPE, Mask, Gloves, Savlon, Sanitizer to various organization. (Total expenditure is 45 Lac.)
- (iii) Sponsorship for Energy Night of Forum for Energy Reporters Bangladesh (FERB). (Total expenditure is 13 Lac.)
- (iv) Sponsorship for virtual seminar styled ‘ Bangabandhu: Energy Security and Today’s Bangladesh’ held on August 13, 2020 by Forum for Energy Reporters Bangladesh (FERB) in collaboration with Bangladesh Independent Power Producers’ Association (BIPPA). (Total expenditure is 2.5 Lac.)

This is for your kind information that as per decision taken in the 6<sup>th</sup> Board Meeting FERB will quote Tk. 4,00,000/- (Four Lac) only for such online meeting/event which BIPPA will accept. However, every subsequent online meeting will be at a budget of Tk. 2,50,000/- (Two Lac Fifty Thousand) only.

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### **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.

We can request Mr. Navidul Huq, Vice-President (Finance), BIPPA to help us for the training of 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.

### **Audit Report and Accounts:**

The Audit Report and Accounts for the year ended 30th June 2020 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 2019-2020 is **TK. 2,35,61,062/- (Two Crore Thirty Five Lac Sixty One Thousand and Sixty Two) only**, total expenditure amount (including FDR in Bank) is **TK. 2,10,47,033/- (Two Crore Ten Lac Forty Seven Thousand and Thirty Three) only**, and Cash in Bank on 30th June 2020 is **TK. 25,14,029/- (Twenty Five Lac Fourteen Thousand and Twenty Nine) only**. A "Receipt & Payment Summary" for the year ended 30th June, 2020 is also circulated for ready reference.

### **Budget of Bangladesh Independent Power Producers' Association:**

The Budget of BIPPA for the calendar year 2021 is also circulated for you kind perusal and approval. The Budget of the calendar year 2021 is of total **TK. 1,54,68,922/- (One Crore Fifty Four Lac Sixty Eight Thousand Nine Hundred and Twenty Two) only**. Noted that, the last year's Budget was **TK. 1,46,03,377/- (One Crore Forty Six Lac Three Thousand Three Hundred and Seventy Seven) only** but the total expenditure of the year 2020 is **TK. 1,70,09,323/- (One Crore Seventy Lac Nine Thousand Three Hundred and Twenty Three) only**, which is **TK. 15,40,401/- (Fifteen Lac Forty Thousand Four Hundred and One) only** more than the present Budget. Details of Budget, Comparative Analysis and Evaluation of the previous Budget are also enclosed for your kind perusal.

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**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:**

The Board of Directors join in the 6th Board Meeting unanimously decided to defer this issue to be discussed in the next Board Meeting.

**Exemption of Stamp Duty and Registration Fee against the registration of Project Financing Document:**

The Board of Directors join in the 6th Board Meeting unanimously agreed to pursue the matter with NBR, IRD & Finance Ministry. It is learnt in the meeting that the matter of exemption of Stamp Duty and Registration Fee against the registration of Project Financing Document has been approved by the Honourable Prime Minister as well as by the Cabinet. A letter on this matter is sent by Power Division to IRD. By this time the copy of that letter is sent to your email which will be very much useful to pursue the matter with the Ministry and the other related Agencies.

**Minimum Load Requirement for HFO Based Power Plants.**

The Board of Directors join in the 6th Board Meeting unanimously agreed to arrange urgent meeting with Chairman, BPDB, as well as with Honourable State Minister to discuss the issue mentioned above. Accordingly by this time the meetings were held with the Chairman, BPDB and Honourable State Minister. As per decision taken in the meetings a letter addressed to Chairman, BPDB regarding minimum load requirement for HFO based power plants has been issued on 11 November, 2020.

**Prayer for rescue from corona virus COVID-19:**

The coronavirus COVID-19 pandemic is defining global health crisis of our time and the greatest challenge we have faced since last World War.

I want to take the privilege to request you to pray for eternal peace of those people who were lost their life in COVID-19 and also pray for the recovery of those who are still suffering from coronavirus COVID-19.

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**Conclusion:**

Bangladesh Independent Power Producers' Association (BIPPA) is presently an organization of 51 (Fifty One) member companies of Private Sector Power Generation running under the dynamic leadership of our President Mr. Imran Karim, Vice-Chairman of Confidence 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

