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Green Bhutan Corporation Limited

Annual Report

2021



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Green Bhutan Corporation Limited

Annual Report 2021

“Green is a Way of Life”
www.gbcl.bt



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Our Vision

The nation's premier company in developing clean and green landscapes with climate smart interventions contributing to healthier natural environment and socio-economic development.

Our Mission

Take a lead role in afforestation and watershed development programs in the country by developing new approaches independently, through joint ventures or through any other arrangements with domestic and international partners.

Be a leading company in developing and improving urban and other areas with healthier natural environment, greener landscapes attracting more tourists and improving the health of the people.

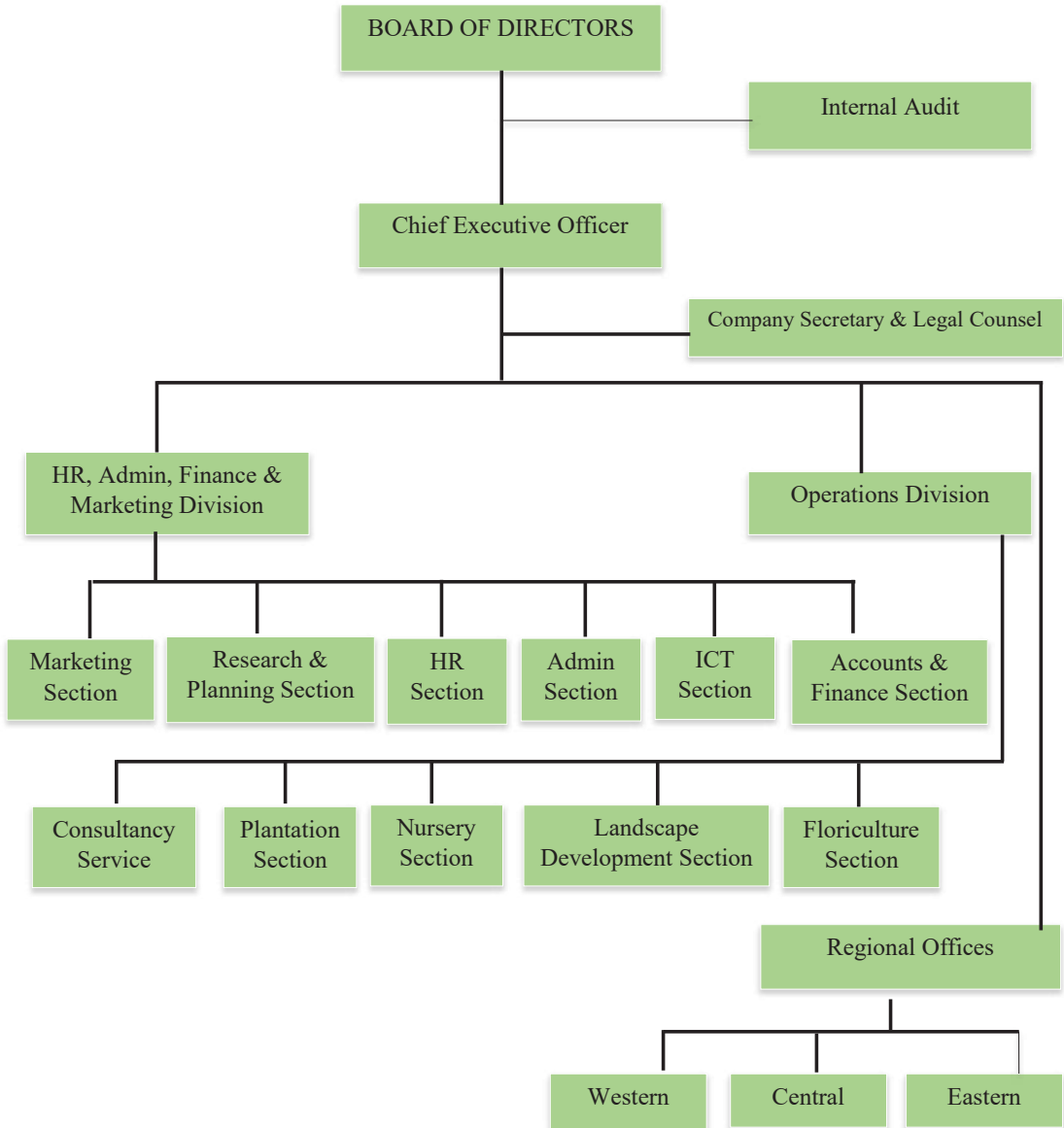
Be a responsible, proactive, progressive and self-sustaining company with a highly motivated and dedicated team of professionals.

Core Mandates

- ❖ Execute afforestation and reforestation plantations in the country, including areas such as degraded watersheds, dried and degraded drinking water sources and degraded wildlife habitats contributing to the national climate change mitigation efforts.
- ❖ Develop and manage recreational and botanical parks in the country to promote ecotourism and conservation efforts
- ❖ Establish mega and specialized nurseries to produce adequate quality seedlings of tree species, ornamental plants, signature plants, flowers, medicinal plants, fruit trees etc.
- ❖ Carry out landscape development and greening works including reclamation of degraded environment.
- ❖ Provide consultancy services on green and environmental sectors.
- ❖ Collaborate with private sector/FDI in executing landscape development and commercial plantations.



Organization Structure





Chairman's Foreword

I on behalf of the Board of Directors of Green Bhutan Corporation Limited, take pleasure to present the 5th Annual Performance Report on the achievements of the Company along with the audited financial statement for the year ended 31st December 2021. Every year GBCL annual report is published in order to document and record the progress and services of the company.

With the ongoing pandemic, the unprecedented nationwide lockdowns had excessive effect on the Company. The inconsistent development activities and maintenance works in the nursery have led to several seedling casualties. Plantation and landscape development works were delayed and could not be executed on time.

For this reason, on behalf of the entire GBCL Board I would like to express my sincere gratitude to our customers and stakeholders for continuing to place their trust in us and enabling our successful collaborations. At the same time, I would also like to thank our employees for their exceptional and unwavering commitment, and the tremendous flexibility they have shown. Together, we have ensured that GBCL can look back on surviving the fiscal year 2020 - 21 and emerge from this global crisis stronger than ever.

GBCL has generated revenue of Nu. 7.163 million, from plantation maintenance and other activities funded by the Government and Bhutan for Life. GBCL also took up numerous landscape development works and successfully implemented with satisfactory results. Since we have fallen short of our initial expectations due to the pandemic, the Company will be demonstrating its resilience in combating the economic impact as best it can, and leveraging the market opportunities that arise from the current changes.

I would like to acknowledge the collective effort of all the field colleagues for continuously striving to fulfill the important goals and mandates of the Company and implementing plans and programs successfully. I also congratulate all the GBCL team for their tireless effort in making this publication possible.

(Dorji Dhradhul)

CHAIRMAN



Brief Profile of the New Board Directors



Mr. Dorji Dhradhul is the Chairman of Green Bhutan Corporation Limited. He is currently the Director General of the Tourism Council of Bhutan. He served as Dzongda (Governor) of Gasa district for almost four years and has worked in various capacities in the fields of agriculture research, policy, and development.



Dr. Lam Dorji is the Director of Green Bhutan Corporation Limited. He has over twenty years of experience in the field of environmental conservation, organizational management and consultancy. He has a doctoral degree from the Asian Institute of Technology, Thailand.



Mr. Kinley Tshering is the Director of Green Bhutan Corporation Limited. He is currently serving as the Chief Forestry Officer at Forest Protection and Enforcement Division, DoFPS. Mr. Kinley has the Master's Degree in Climate and Society from Columbia University (USA), Masters in Resources Conservation from University of Montana (USA) and Masters in Forestry from IGNFA (India).



Mr. Rikesh Gurung is the Director of Green Bhutan Corporation Limited. He is the President of the Bhutan Association of Entrepreneurs since August 2019. He is an experienced founder with a demonstrated history of working in the environmental services industry.



Mr. Damber Singh Rai is the Chief Executive Officer of GBCL. He has begun his career in 1987 and has Masters Degree in Environment Management and Restoration from Charles Sturt University, NSW, Australia. He has gracefully resigned from civil service in 2016 after rendering more than 30 years of dedicated services in civil service holding various positions in DoFPS/MoAF.



Board Meetings

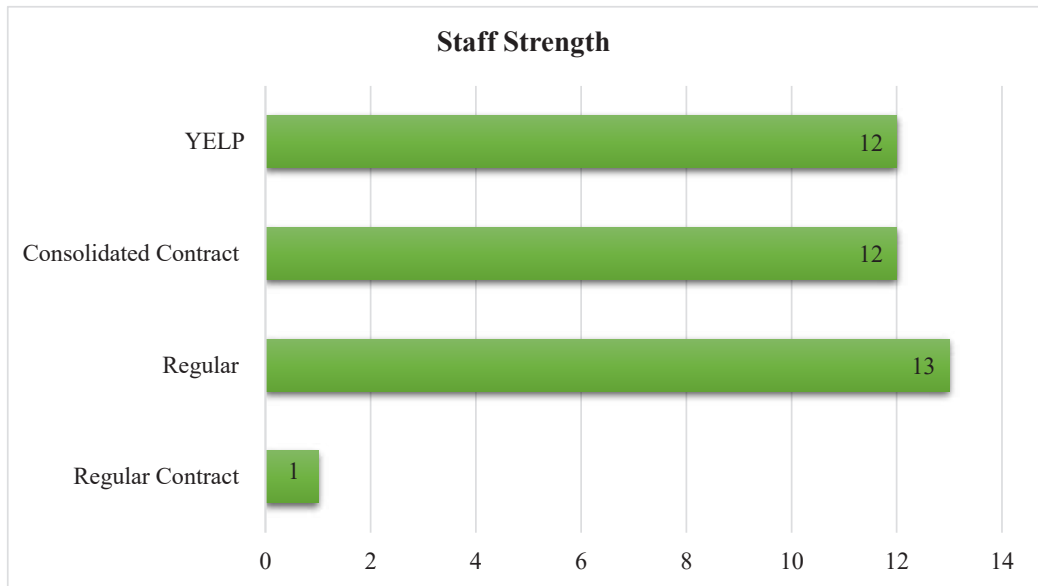
Four Board meetings were conducted in 2021. The details of the Board attendance are as follows:

Meeting Number	Date	Members Present	Leave of absence
21 st	09/2/2021	Mr. Phento Tshering Dr. Tashi Yangzome Dorji Mrs. Kezang Deki Mr. Damber S. Rai	Mr. Sonam Tenzin
22 nd	30/4/2021	Mr. Phento Tshering Dr. Tashi Yangzome Dorji Mrs. Kezang Deki Mr. Sonam Tenzin Mr. Damber S. Rai	None
23 rd	07/5/2021	Mr. Dorji Dhradhul Dr. Lam Dorji Mr. Kinley Tshering Mr. Damber S. Rai	None
24 th	05/10/2021	Mr. Dorji Dhradhul Dr. Lam Dorji Mr. Kinley Tshering Mr. Rikesh Gurung Mr. Damber S. Rai	None



Staffing profile of Green Bhutan Corporation Limited for the year 2021

Total staff in GBCL as of 31st December 2021 is 38 numbers. The staffs are recruited under four different types of appointment. 1 regular contract, 13 are regular, 12 are on consolidated contract and 12 are under the YELP program under the Ministry of Labor and Human Resources.



Through the Youth Engagement and Livelihood Program (YELP) GBCL has been able to recruit 12 employees at various nursery sites. The employees under this scheme will be able to gain on-the-job skills and work experience within the employment period of one year. This staffing pattern benefits the Company as plantation and nursery works are seasonal and it also helps in maintaining a small, compact and efficient group of hard working people. Through another similar employment scheme by the MoLHR GBCL is looking forward to recruit more youths.

62% of our total staffs are working at various plantation and nursery sites while 38% of employees work in the head office in Thimphu. Of the total employees 25 % are female and 75 % are male.



Scopes of the Report

The annual report presents different activities implemented from 1st January 2021 to 31st December 2021 as mentioned below.

- Details on source of revenue for year 2021
- Signing of Annual Performance Compact 2021
- Evaluation of Individual Compact 2020
- Plantation Maintenance carried out in 2021
- Seedling production from three Central Nurseries, including site nurseries
- Landscape Development Activities carried out in 2021, and
- Other Important development activities.

Source of Revenue

Green Bhutan Corporation Limited is mandated to carry out any kind of afforestation plantation across the country and for this the Government and other relevant sectors sanction budgets annually, which comes as the main source of our revenue. At the same time the plantation maintenance budget also comes as another source of income. Apart from these GBCL has been carrying out landscape development works at various places and has been a successful implementer so far. The sale of seedlings and hiring of machines also contribute to the revenue of the Company. As mandated GBCL is looking to collaborate with national or international parties in carrying out afforestation, landscape development works and even environmental consultations.

The source of revenue for the Company has been reflected in the table below:

Source Revenue for year 2020	
Activity	Nu
Plantation	240,000.00
Plantation maintenance for 2021	6,923,256.27
Landscape Development Projects	15,086,113.86
Sale of Seedlings	138,202.00
Other Income	3,124,367.87
Total Revenue	25,511,940.00

Nu. 9,009,455.87 was reflected as Deferred Income.



Annual Performance Compact 2021

All SoEs under the Ministry of Finance are required to sign an Annual Performance Compact (APC) among the Company Chairman, CEO, DMEA/MoF and Minister of Portfolio Ministry. The key objectives of the Annual Performance Compact are to provide Companies with a framework for annual target setting, reviewing and evaluation. The Financial and Non-Financial compacts contain specific KPIs and targets that are relevant and strategically important to a Company. The APC will also be used as base for rating Performance Based Variable Incentive.



The Annual Performance Compact 2021 was formalized on 7th June 2021 among Agriculture and Forest Minister, Director General DMEA, MoF and GBCL CEO.

Once an Annual Performance Compact is finalized and signed, it is cascaded down to the various functional units (departments, divisions, sections, units) and eventually to individual employees in a Company. The process of cascading continues until every employee in all the functional units has a performance compact to fulfill.

GBCL has two main Divisions; Administration, Finance and Marketing Division and Operations Division. The General Manager from each Division signs an APC with the CEO and respective Managers sign their individual APC with their immediate supervisors.



Signing of Board Charge Note

GBCL was appointed with 5 Board members including the Chairman and Member Secretary in 2016. The Board Directors directed and guided GBCL to grow as a Company for the past 5 years. In 2021 The Royal Government issued an order of new Board Directors for GBCL. The Official order was received on 20th April 2021.

The Board Charge Note was formally signed between the outgoing and incoming Chairman of GBCL on 24th May 2021. During the signing GBCL family expressed our gratitude to all the outgoing Board Directors for their valuable direction and guidance till now.



Formal Signing of Charge Note between the outgoing and incoming Chairman.





Annual Performance Compact 2021 Signing and APC 2020 Evaluation

Once GBCL APC 2021 is finalized and signed, it is cascaded down to the various functional units (divisions, sections, units) and eventually to individual employees. The process of cascading continues until every employee in all the functional units has a performance compact to fulfill. The compact was formally signed on 17th May 2021.



*Compact Signing between CEO and GM,
Operation Division*



Compact Signing between CEO and PA



Compact Signing Between CEO and AFD Section Heads (Finance, ADM & ARPO)



Compact Signing between GM and Dy. GM Operations Division





Compact Signing between GM, OPD and Engineers (ALM & AE)



Compact signing between OPD, GM and Filed Managers (Thimphu, Punakha, & Pemagatshel)





Compact signing with ADM and Supporting staffs (Senior OA, Drivers and Operators)





APC assessment of each employee

GBCL Performance Management process is a two way dialogue for improving performance by optimizing employee contribution, skills, knowledge and behavioral competencies. Each employee's contribution will lead to the success and growth of the Company.

The APC assessment of the previous year is done before the signing of the new APC. Constantly monitoring the capabilities and achievements of the employee, the APC assessment link towards the Performance Based Variable Incentive (PBVI), recognition, and development and carrier progression. The assessment of each employee was completed on the same day before signing the new APC for 2021.

GBCL APC 2020 Evaluation and Assessment Report

Performance assessment system is intended to motivate individual employees to deploy their full potential towards their individual goals and objectives that are coherent with the overall organizational goals. It also aims to provide both supervisors and employees a sense of focus and improve job effectiveness and efficiency through constructive feedback system. The Company's Performance Assessment Report is submitted to the MoF annually. After the verification, Performance Based Variable Insensitive is then paid based on the overall achievement.

2020 APC Evaluation

Period: January to December 2020

A. Financial Targets (50%)

Sl. No.	Key Performance Indicators	2019 Actual	2020 Target	2020 Baseline	2020 Actual	Wt. %	Management Score
1	Revenue (in Million Nu)	42.158	49.87	37.40	55.799	30%	35%
2	Revenue per employee	0.36	0.99	0.75	1.22	10%	19%
3	Containment of controllable expenses	7.304	7.085	5.314	5.639	10%	2%
					Total	50%	55.72%



B. Non-Financial Targets (50%)

a. Core Activities (35%)

Sl. No.	Performance Indicator	Target	Deadline	Wt	Management Score
1	Creation of new plantations	188 ha	Jun. 2020	7%	7%
2	Maintenance of existing old plantations	773 ha	Jun. 2020	7%	7%
3	Landscaping, greening, and beautification works.	3 Sites	Dec. 2020	4%	4%
4	Development of Issuna Recreational Park	6.16 acres	Dec. 2020	4%	2%
5	Development of Western Central Nursery	Nursery	Dec. 2020	2%	1%
6	Development of Southern Central Nursery	Nursery	Dec. 2020	2%	1%
7	Development of Eastern Central Nursery	Nursery	Dec. 2020	2%	1%
8	Production of seedlings	700,000 Nos.	Dec. 2020	4%	1%
9	Ornamental plants seedling production	40,000 Nos.	Dec. 2020	2%	2%
10	Hypericum plantation at Lampelri medicinal plantation area	3 acres	Jun. 2020	1%	1%
			Total	35%	27%

Sl. No.	Performance Indicator	Target	Deadline	Wt	Management Score
1	New Initiatives	Any new initiatives implemented	Dec. 2020	5%	5%
2	Resolve all audit observations up to 2019	All audit issues for audit conducted in 2018 and before resolved.	Dec. 2020	1%	1%
3	Annual Financial Statements	Provisional Accounts of 2019 submitted to MoF.	Mar. 2020	1%	1%
4	Quarterly Financial Statement 2020	Quarterly Financial Statements submitted to MoF	Within a month after quarter end	2%	2%
5	Audited Annual Financial Statements 2019	Audited accounts submitted to MoF	Apr. 2020	2%	2%
6	Annual Performance Report Submitted	Annual Performance Report of 2020 submitted to MoF	Mar. 2021	2%	2%



7	Annual Budgeting for the calendar year 2021	For Year 2021	Dec. 2020	1%	1%
8	Digital Transformation	Digital transformation implemented	Dec. 2020	1%	1%
Total				15%	15%

Summary of the Compact Rating

KPI	Wt (%)	Score
Financial Compact	50.00%	50%
Non-Financial Compact	50.00%	42%
Final Score		92%

In April 2021 GBCL staffs were paid 15% of Performance Based Variable Incentive (PBVI) with financial support from the Ministry of Finance. A total amount of Nu. 1,270,000 was paid to the employees.

Similarly, The APC 2021 will be reviewed in 2022 after the year closing and with the Audited Financial Report from the statutory Auditors. The PBVI will only be paid after the submission of APC 2021 assessment report to the MoF.



Seedling Production

The Eastern, Western and the Southern Central Nurseries are established at Nanglam (7.35 ac), Zekha (20.66 ac) and Shompangkha (10.6 ac) respectively. The nurseries produce various type of seedlings for all the plantation and landscape development works to be carried out by the Company. Each year GBCL carries out the maintenance of the plantation from previous year until fifth year of creation and also execute landscape development and beautification works.

Site nurseries like the ones in Lampelri (32.25 ac), Lumetsawa (2 ac) and Umtekha (2 ac) produce tree and ornamental species that are mostly used during beautification and landscape development works. Lampelri nursery mainly focus on the production of medicinal plants and few higher altitude plantation saplings. For 2021 GBCL produced a total of 86,202 numbers of seedlings. The seedling updates from each nursery is given below;

Sl.No	Nursery site	Ornamental	Horticulture	Tree	Total
1	Eastern Central Nursery, Tshobaley	4,599	1,516	5,858	11,973
2	Southern Central Nursery, Naharani	700	3835	18,337	22,872
3	Western Central Nursery, Zekha	2,180		6,534	8714
4	Lampelri Medicinal Nursery	10,379		15,515	25,894
5	Lumitsawa Ornamental Nursery	3,634		7,837	11,471
6	Umtekha Nursery	3,578		1700	5278
Total		25,070	5,315	55,781	86,202



Seedling Production works at various Nursery sites



Southern Central Nursery



Eastern Central Nursery



Western Central Nursery



Lampelri, Lumetsawa and Omtékha Nurseries





Plantation Maintenance Targets 2021

A total of 139.42 Ha of Plantation Maintenance was also carried out under 7 Dzongkhags; Trongsa (11 Ha), Mongar (41.3 Ha), Pemagatshel (17.1 Ha), Trashigang (20 Ha), S/Jongkhar (5 Ha), Haa (5 Ha) and Tsirang (40 Ha). All the maintenance activities were funded by Bhutan For Life (BFL). First weeding of 163.30 hectares of plantation maintenance was also completed at various sites.

Sl. No	Dzongkhag	Location	Area in Ha	Funding Agency
1	Trongsa	ThileeZur 1&2	5	BFL
		Rangthang	6	BFL
2	Mongar	Lungdama Wang	4	BFL
		Rongtoe	2.6	BFL
		Shingthangbrangsa	6.7	BFL
		Chashing Gonpa	4	BFL
		Babanang	6	BFL
		Murnur	3	BFL
		Zachu	15	BFL
3	Pemagatshel	Dolepchen	7.5	BFL
		Jashargonpa	4.6	BFL
		Denshingye	5	BFL
4	Trashigang	Demkhar	20	BFL
5	S/Jongkhar	Gerwa	5	BFL
6	Haa	Gakiling	2.5	BFL
		Sombekha	2.3	BFL
7	Tsirang	Gairigoan	20	BFL
		Dangragoan	20	BFL
Total		18 sites	139.42	



Mass Plantation Program at Lampelri

Hypericum Plantation in the Nursery area started since 2017, and it is an important core activity in the Annual Performance Target for the Company every year. This year 1 ha of Hypericum plantation was completed at Lampelri Nursery area. The young leaves and flowers of the plant can be brewed as tea flavor for various health benefits. GBCL has already started sample production of Hypericum tea.

Through field experience the plantation time was seen best towards end of August. Hence, the plantation was completed on 27th August by the Lampelri Nursery and Head Office staffs in one day. This program was organized so that staffs in the Head Office could have hands-on experience, and learn about the field situations. In future GBCL will conduct similar programs so that all the employees can experience outdoor activities.

Hypericum Plantation at Lampelri Nursery area



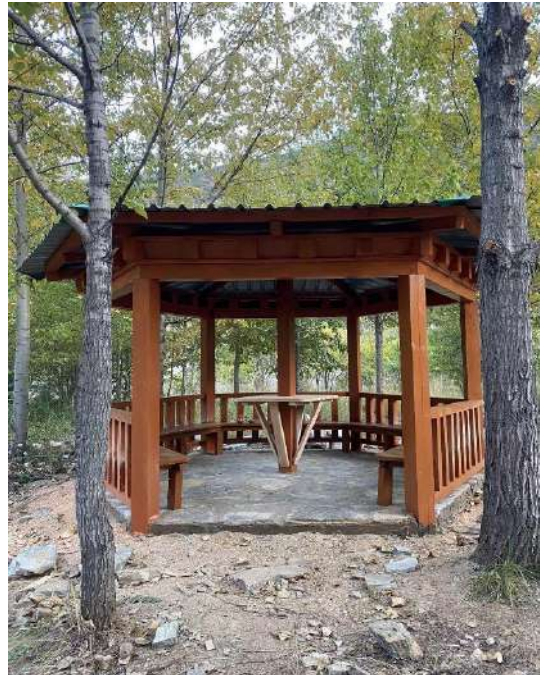


Issuna Recreational Park Development Activities

Issuna Recreational Park at Paro was formally handed over to GBCL in 2017. Looking at the trend of visitors over the past years, it provides scope for GBCL to levy nominal fees to the visitors. For this reason we have projected to develop Issuna into a fully functional Park. For 2021 GBCL completed the following construction works in the park;

1. Construction of In-Charge Quarter
2. Construction of Ticket counter
3. Construction of store
4. Development of Mini-Pond
5. Construction of 2 Numbers of wooden canopies
6. Maintenance of the old Toilet
7. Completion of beach volleyball and football ground, and
8. Ornamental plantations

Additional facilities such as camping area, new modern toilets, river deck, Go-Kart and Play area for children will be developed in the coming year. The Park will be operationalized latest by August 2022.







Development of Corporate Strategy Plan 2022-2026

On 20 April 2021, the Royal Government appointed a new set of GBCL Board of Directors including the Chairperson. At the time of taking over the management, the Company had 37 staff and a bank balance of Nu. 22.852 million, that is barely sufficient to sustain the Company for the fiscal year 2021. Based on current organizational set up, assets, and staff, the Company requires a minimum annual operational cost of Nu. 22 million, which needs to be sustained through RGOB subsidy as in the case of other SOEs. Under continued lack of work at hand coupled with no subsidy or additional capital investment, the Company may well be on the path financial unsustainable.

In compliance to the directives received from the Hon'ble Lyonpo-MoF and the Board, a tender was floated to hire a consultant to develop the business plan. However, no consultant participated in the tender. As the document is required urgently, permission was sought from the Board to form a small working group from the GBCL Board and the management to develop the document. Dr. Lam Dorji from the Board has agreed to support GBCL in developing the document. The work will be undertaken with support from 2 GBCL management officials. It is also agreed that honorarium payment will be paid to Dr. Lam Dorji for his time and professional inputs to the process.

With the first meeting of the working group it was agreed that GBCL needs an overall corporate strategy that is further supported by business strategy/ plan for each area of business identified in the overall strategy. GBCL identified 18 key stakeholders after a stakeholder mapping. The team from GBCL conducted consultation meetings with a set of guiding questioners and collected their honest views and feedbacks. With an internal consultation feedbacks were also collected from all GBCL staffs. Based on the opportunities and weakness the GBCL Corporate Strategy Plan (CSP) was developed to make the Company institutionally strong and financially stable.

The CSP was drafted and sent to the Board for feedbacks by the end of December 2021. The document is finalized and will be launched in 2022.



Consultation meetings with the Key Stakeholders







Landscape Development Works

1. Wangdicholing Place

The Site Development work for Restoration & Adaptive reuse of Wangdicholing Palace started in 2020. Development works in Polygon B was completed in 2020 and for this year the plans in Polygon, C and E were executed. Surface dressing, spreading of topsoil and leaf molds, live fencing, plantation of different trees and the development of two water ponds were completed.

Under the supervision of Dy.GM the following species were planted in the two polygons;

1. Eleagnus 520 numbers for live fencing
2. Cheery 2 numbers
3. Euonymus 1 number
4. Mixed fruit trees 23 numbers
5. Flowers 100 numbers
6. Ornamental trees 19 numbers and
7. Aquatic plants 200 numbers around the ponds





2. Jigmeling Industrial Park

A total area of 497 acres were identified as industrial area at Jigmeling. GBCL completed the site clearing and filling of depression of 330 acres in 2020 and the remaining 157 acres were completed in 2021. A total of 82,694.02 M³ of depression filling was completed and levelling and compacting was done wherever necessary.





Social Forestry Day Celebration at Issuna Recreational Park

To commemorate the Coronation Day of His Majesty the Fourth Druk Gyalpo and also to mark the Social Forestry Day, GBCL celebrated the day by planting symbolic trees at Issuna Recreational Park. The Head Office staffs led by CEO, planted ornamental trees such as Dogwood and Acer in the park area. As mandated, GBCL carries out all plantation works in the country and with this celebration GBCL commits to always work towards conservation.

Issuna Recreational Park will be opened to public once all the important facilities are developed in the park. Facilities such as playground areas, sporting areas, and camping site will be developed in the park.





GBCL staffs planted Ornamental Plants at Issuna Recreational Park on 2nd June 2021

Celebrating the 114th National Day

GBCL celebrated the 114th National Day by cleaning the Thimphu gate area as a small tribute to the nation. The area of three polygons were cleared and trimmed by GBCL staffs to improve the esthetic beauty. The area is often visited by people to circulate the Chorten and as a refreshing place for the nearby residents. With constant visitors the area is usually left littered and without proper maintenance. GBCL has been cleaning the area to celebrate the ZERO Waste hour on the 2nd day of every month.





Recruitment of new staffs through YELP supported by MoHLR

The Department of Employment and Human Resources (DEHR), Ministry of Labour and Human Resources (MoLHR) initiated the Youth Engagement and Livelihood Program (YELP) that provides jobseekers with avenues to gain on-the-job skills and work experience required to enhance their employability while also supporting their livelihood.

Through this youth engagement support GBCL recruited 12 staffs at various positions. 1 Accountant was recruited under the AFD to assist the Finance Manager in the Head Office. The 11 Field Technicians were stationed at different nurseries for development works. The recruitment process for most technicians were done virtually due to the travel restrictions.



Some of the staffs requited through YELP program.



Directors' Report 2021

Dear Shareholder,

On behalf of the Board of Directors, Green Bhutan Corporation Limited, I am pleased to report on the Company's performance for the year ended 31st December 2021 in this 5th Annual General Meeting of the Company held at Thimphu, today on 26th May 2022.

Background

Green Bhutan Corporation Limited was incorporated on 14th July 2016 and was formally launched on 3rd January 2017. GBCL was incorporated as 100% State Owned Enterprise (SoE) under the Companies Act of Kingdom of Bhutan 2016 with the government's equity of Nu.33.3 million and additional equity in kind worth of Nu. 8.173 million. An additional equity of Nu. 22.588 million was also injected in 2021 making total government equity of Nu. 64.061 million. The core mandates of the Company include, re-afforestation and afforestation, landscape development and greening including reclamation of degraded environment, planting medicinal plants and ornamental plants, collaborate with private sector/FDI in executing landscape development and commercial plantations, floriculture, providing awareness on environmental policies and programs.

Financial Achievements

The Company has generated a total revenue of Nu.34.521 million and the total expenditure incurred was Nu. 32.314 million comprising of expenditures for material consumed (direct cost), employee benefits, administrative and other expenses.

The unprecedented series of lockdowns and movement restrictions particularly in southern part of the country where the Company had ongoing projects excessively effected the Company. The inconsistent development and maintenance activities in the nursery have led to several seedling casualties. Plantation and landscape development works were delayed and could not be executed on time. Since plantation activities are season bound, budget redirection to other imperative activities affected the Company's revenue. As the work could not be completed within December 2021, a total revenue of Nu. 9.009 million was differed to 2022. Further the Company has a number of machines and utility vehicles, the annual depreciation itself has totaled to an amount of Nu. 3.074 million. The net profit/loss of the Company for the year is (-) 5.158 million with incorporation of depreciation and income tax.

The financial performance of the Company for the year 2021 has been lower or negative compared to the previous years. Due to series of nationwide lockdowns GBCL could not explore work opportunities beyond plantation maintenance.



Financial Position of the Company as of 31st December 2021

Green Bhutan Corporation Limited			
Statement of Financial Position as at 31 st December 2021			
			Amount in Nu.
Particulars	Note No.	As of 31.12.2021	As of 31.12.2020
ASSETS			
Non-Current Assets			
(1) Fixed Assets			
Property, Plant & Equipments	2	15,173,000.12	18,671,636.91
(2) Deferred Tax Assets	3	2,444,284.63	724,659.82
(3) Other Non-Current Assets	4	1,932,100.00	1,932,100.00
Total Non-Current Assets		19,549,384.75	21,328,396.72
Current Assets			
(a) Sundry Debtors	5	3,810,745.08	3,549,027.47
(b) Other Current Assets	6	10,913,653.86	2,854,043.10
(c) Cash & Cash Equivalents	7	46,928,568.31	28,544,539.49
Total Current Assets		61,652,967.25	34,947,610.06
TOTAL ASSETS			
		81,202,352.00	56,276,006.78
LIABILITIES			
Equity			
(a) Equity Share Capital	8	64,444,000.00	41,856,000.00
(b) Reserves & Retained Earnings	9	1,735,157.18	6,950,234.96
Total Equity		66,179,157.18	48,806,234.96
Non-Current Liabilities			
(a) Other Non-Current Liabilities	10	2,088,527.00	1,446,072.00
Current Liabilities & Provisions		2,088,527.00	1,446,072.00
(a) Sundry Creditors	11	1,936,380.20	465,600.00
(b) Current Liabilities	12	10,728,538.90	5,288,351.09
(c) Provisions	13	269,748.73	269,748.73
Total Current Liabilities & Provisions		12,934,667.83	6,023,699.82
TOTAL EQUITY & LIABILITIES			
		81,202,352.00	56,276,006.78

For Karma & Associate
Chartered Accountants
(Firm Reg. No. BH-04)


(Chimmi Dorji)
Partner



Place: Thimphu

Date: 18/12/22

For and on behalf of board of directors

Chairman

Chief Executive Officer



Non-Financial Achievements

GBCL completed 302.72 ha of plantation maintenance with approved technical sanction. The funding of plantation maintenance was from Bhutan For Life and RGOB. GBCL has been executing landscape development, greening and beautification works in the country with different agencies since 2017. For this year GBCL worked with Dzongkhag Administration of Bumthang, Phuentsholing Thromde and Jigmeling Industrial Park Development. From all the landscape, beautification, and greening works GBCL generated a total revenue of Nu. 15.86 million.

From the three central nurseries and other site nurseries a total of 86,202 tree species and ornamental species seedlings were produced. The seedlings were used for plantation and landscape development activities.

The development of Issuna Recreational Park started from 2019 and for this year construction of ticket counter, store, and caretaker quarter were completed. For recreational purposes, development of beach volleyball and football ground, children play station and wooden canopies were completed.

Corporate Governance and Monitoring System

The GBCL Board constitutes of five Board Directors including the Chief Executive Officer. The Board provides strategic direction, guidance and monitors the performance of the Company on a quarterly and as and when required. The Board meetings are held quarterly and depending on the urgency of the matter. GBCL Board Directors had four Board Meetings for the financial year. Cost and Benefit (CAB) exercise initiated at unit level to Division level has been successful in cost control and performance improvement.

Corporate Social Responsibilities

Although the company has more social mandates, GBCL has been contributing through our own small ways. For this year GBCL contributed Nu. 100,000 to the Druk Gyalpo's Relief Kidu. GBCL also celebrated the 114th National Day by cleaning the Thimphu gate area. GBCL also supported the New Multimedia Focus run by Youths with an amount of Nu. 30,000.

GBCL looks forward to contribute to the society through any form of services.



Key Challenges

Green Bhutan Corporation Limited as a young SoE has the following challenges;

1. Initial equity injection Nu. 33.3 million only,
2. No investment capital for long term business,
3. Gestation period of green and environmental projects are very long,
4. Inadequate Human Resource Expert capacity,
5. Less Government Funding priority on Plantation and other Afforestation programs,
6. No direct access to international donor for funding support,
7. No easy access to loan facility and interest rates are high, and

Way Forward

The economic impact of the Pandemic has hindered the performance of the Company. Despite the challenges, GBCL still managed to execute all the activities on time. With the Way Forward of working, GBCL will aim for an ever more profitable, customer-oriented, and safe working place for the employees based on the approved Corporate Strategy Plan (2021). GBCL will work closely with the key stakeholders in achieving the goals and objectives of the Company.

Acknowledgement

I, on behalf of the Board of Directors and the Management of GBCL, would like to express our deepest gratitude to the Ministry of Finance, Ministry of Agriculture and Forests, Department of Forest and Park Services, Department of Macroeconomic Affairs and all other valued agencies and stakeholders for rendering their continued and unwavering support to GBCL.

Conclusion

Finally, I, on behalf of the Board of Directors and the Management of GBCL, once again would like to ensure that the Company is governed and managed in professional and ethical manner in accordance with the trust and faith of the Royal Government and other relevant agencies have placed on us.

Tashi Delek!

For and on behalf of the Board

(Dorji Dhradhul)

CHAIRMAN



Auditor's Report 2021

Green Bhutan Corporation Limited			
Statement of Financial Position as at 31 st December 2021			
			Amount in Nu.
Particulars	Note No.	As of 31.12.2021	As of 31.12.2020
ASSETS			
Non-Current Assets			
(1) Fixed Assets			
Property, Plant & Equipments	2	15,173,000.12	18,671,636.91
(2) Deferred Tax Assets	3	2,444,284.63	724,659.82
(3) Other Non-Current Assets	4	1,932,100.00	1,932,100.00
Total Non-Current Assets		19,549,384.75	21,328,396.72
Current Assets			
(a) Sundry Debtors	5	3,810,745.08	3,549,027.47
(b) Other Current Assets	6	10,913,653.86	2,854,043.10
(c) Cash & Cash Equivalents	7	46,928,568.31	28,544,539.49
Total Current Assets		61,652,967.25	34,947,610.06
TOTAL ASSETS		81,202,352.09	56,276,006.78
LIABILITIES			
Equity			
(a) Equity Share Capital	8	64,444,000.00	41,856,000.00
(b) Retained Earnings	9a	1,008,672.44	6,167,546.90
(c) Reserves	9b	7,26,484.81	7,82,687.98
Total Equity		66,179,157.18	48,806,234.96
Non-Current Liabilities			
(a) Other Non-Current Liabilities	10	2,088,527.00	1,446,072.00
Current Liabilities & Provisions		2,088,527.00	1,446,072.00
(a) Sundry Creditors	11	1,936,380.20	465,600.00
(b) Current Liabilities	12	10,728,538.90	5,288,351.09
(c) Provisions	13	269,748.73	269,748.73
Total Current Liabilities & Provisions		12,934,667.83	6,023,699.82
TOTAL EQUITY & LIABILITIES		81,202,352.09	56,276,006.78

For Karma & Associate
Chartered Accountants
(Firm Reg. No. BH-04)

(Chimmi Dorji)
Partner



Place: Thimphu

Date: 6/6/2022



For and on behalf of board of directors

CHAIRMAN
Chairman
Green Bhutan Corporation Limited
Thimphu

Chief Executive Officer
Chief Executive Officer
Green Bhutan Corporation Limited



Green Bhutan Corporation Limited
Statement of Comprehensive Income for the year ended 31st December 2021

Amount in Nu.

Particulars	Note No.	31.12.2021	31.12.2020
I. INCOME			
Revenue from Operations	14	22,387,572.13	50,595,849.25
Other Revenue	15	3,124,367.87	5,203,879.06
Total Income		25,511,940.00	55,799,728.31
II. EXPENDITURE			
Consumption of Materials	16	11,828,563.55	34,299,631.29
Employees Benefits Expenses	17	13,684,035.00	12,409,829.50
Administration & General Expenses	18	3,726,992.61	7,000,755.39
Depreciation and Amortisation Expenses	2	3,074,350.86	3,161,590.39
Total Expenses		32,313,942.02	56,871,806.57
III. Profit/ (Loss) before Exceptional Items & Tax (I-II)		(6,802,002.02)	(1,072,078.26)
Less: Refund for Plantation		176,497.25	-
IV. Profit/(Loss) before Tax		(6,978,499.27)	(1,072,078.26)
Donation		100,000.00	-
V. Profit/(Loss) before Tax		(6,878,499.27)	(1,072,078.26)
Less: Provision for Taxation			
- Current Tax			
- Deferred Tax		(1,719,624.82)	(321,623.48)
V. Profit/(Loss) for the period from Continuing Operation		(5,158,874.45)	(750,454.78)

For Karma & Associate
Chartered Accountants
(Firm Reg. No. BH-04)


(Chimmi Dorji)
Partner



Place: Thimphu

Date: 6/6/2022



For and on behalf of board of directors



CHAIRMAN
Green Bhutan Corporation Limited
Thimphu


Chief Executive Officer

Chief Executive Officer
Green Bhutan Corporation Limited
Thimphu

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