

hp:f:Jalalabad Gas 2022

Jalalabad Gas Transmission & Distribution System Limited
(A Company of Petrobangla)
Gas Bhaban, Mendhibagh
Sylhet-3100

Jalalabad Gas Transmission & Distribution System Limited
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2022

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K.M. HASAN & CO.
Chartered Accountants
Home Town Apartment (8th & 9th Floor)
87, New Eskaton, Dhaka-1000
Phone: 9351457, 9351564
Fax: 88-02-9354792
E-mail: info@kmhasan.com.bd
Web: www.kmhasan.com.bd

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF
Jalalabad Gas Transmission & Distribution System Limited**

Report on the audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Jalalabad Gas Transmission & Distribution System Limited (hereinafter referred to as JGTDSL or the company), which comprise the statement of financial position as at 30 June 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the basis for qualified opinion section and note no. 2.23 of our report, the accompanying financial statements present fairly, in all material respects, the statement of financial position as at 30 June 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

1. With reference to note: 24 and 25; depreciation fund TK. 3,562,300,086 was created by netting off accumulated depreciation of the company. In note no. 06, Fixed deposit against depreciation fund Tk. 993,930,424 was created from cash and Cash equivalents. But the Depreciation Fund Should have been made from transfer of retained profit (revenue reserve) of the company. more specification any type of fund should have been created from profit/retained earning (revenue reserve) of the company. This has resulted overstatement of depreciation fund, and property, plant and equipment of the company by TK 3,562,300,086. In addition to this we draw attention to note-3 of the financial statements: In accordance with the Para-30 of IAS-16, an item of property plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses. But the company has recorded Property, Plant and Equipment in the statement of financial position at cost value instead of carrying value of property plant and equipment which is non compliance of above mentioned standard and overstated total assets by property plant and equipment. And we also draw attention to Para 73 (d) of IAS-16 , the Gross carrying amount and the accumulated depreciation (Aggregated with accumulated impairment losses) at the beginning and end of the period should be disclosed in the financial statements. But the company did not disclose accumulated depreciation of property plant and equipment in the financial statements which is a non compliance with above mentioned standard and overstated total assets by accumulated depreciation.

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



Responsibilities of Management and those Charged with Governance for the Financial Statements

Management of **Jalalabad Gas Transmission & Distribution System Limited** is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRSs), The Companies Act, 1994 and other application Laws and Regulation and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the audit of the financial statements

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

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

- Identify and access the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed 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 procedure that as appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.



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

We 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.

Report on Other Legal and Regulatory Requirements

In accordance with The Companies Act, 1994 and other applicable laws and regulations, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Place: Dhaka

Dated: 12 October 2022


Md. Shahidul Islam FCA
Engagement Partner
Enrolment No: 1758
K. M. HASAN & CO.
Chartered Accountants
Registration No: 4/413/ICAB-83
DVC: 2210121758AS752623




Jalalabad Gas Transmission and Distribution System Limited
Statement of Financial Position
As at 30 June 2022

ASSETS	Notes	2021-2022 BDT	2020-2021 BDT
Non-Current assets			
Property, Plant and Equipment	3	5,521,351,226	5,498,951,721
Capital work-in-progress	4	88,351,927	33,997,713
		5,609,703,153	5,532,949,434
Investment and other Assets			
Fixed deposit receipt (FDR)	5	5,703,120,514	6,529,075,962
Fixed deposit against depreciation fund	6	993,930,424	869,337,027
Loan to employees	7	806,453,908	735,676,105
Inter-company loan	8	90,252,099	108,302,519
Investment in shares	9	8,666,630	7,251,670
		7,602,423,575	8,249,643,283
Current Assets			
Inventories	10	347,643,789	293,216,886
Advance, deposit and prepayments	11	7,448,988,344	6,788,691,093
Trade receivable	12	7,044,307,428	5,903,039,649
Other receivable	13	1,021,235,630	1,533,217,180
Other current assets (accrued interest on FDR)	14	182,858,132	210,189,146
Cash and cash equivalents	15	1,668,759,520	1,122,772,263
		17,713,792,843	15,851,126,217
TOTAL ASSETS		30,925,919,571	29,633,718,934
Shareholders Equity & Liabilities			
Capital and reserves			
Share capital	16	1,327,471,800	1,327,471,800
Fair value adjustment reserve	17	(9,020,370)	(10,435,330)
Revenue reserve	18	8,472,204,014	10,270,262,183
		9,790,655,444	11,587,298,653
Non-current Liabilities			
Long term borrowings-unsecured			
Local loan	19	240,552,806	279,734,806
Foreign loan fluctuation difference	20	199,578,898	199,578,898
		440,131,704	479,313,704
Long term liabilities-others			
Security deposits-customers	21	1,901,401,441	1,563,519,108
Retirement benefit obligations (gratuity)	22	1,046,173	846,671
Provision for leave pay	23	752,580	706,500
Provision for project (depreciation fund)	24	1,428,700,000	1,428,700,000
Depreciation fund	25	2,133,600,086	1,905,381,559
Deferred Tax Liability	26	349,962,183	-
		5,815,462,463	4,899,153,838
Current Liabilities			
Liability for gas purchase	27	1,071,625,036	949,365,437
Liability for LNG charges	28	3,210,553,081	1,650,901,698
Gas development fund	29	97,945,801	98,604,645
Energy security fund	30	104,531,090	109,002,012
Gas transmission charges	31	161,160,768	200,295,467
VAT for gas development charges	32	10,249,903	20,780,250
Value added tax (VAT)	33	572,436,523	453,873,108
BERC Research Fund	34	10,873,687	-
Group current accounts	35	76,677,119	59,691,093
Creditors and accruals	36	1,838,023,606	2,072,637,546
Long term loan-current portion	37	39,182,000	43,484,000
Beneficiaries profit participation fund	38	43,467,463	80,381,712
Provision for doubtful debts	39	23,332,142	22,176,274
Provision for income tax	40	7,619,611,742	6,906,759,496
		14,879,669,960	12,667,952,739
TOTAL SHAREHOLDER EQUITY AND LIABILITIES		30,925,919,571	29,633,718,934

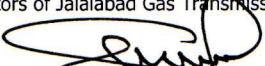
The attached notes form an integral part of these accounts and should be read in conjunction therewith.
For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited




(Md. Shahidul Islam)
Company Secretary



(Azizur Rahman)
General Manager (Finance)



(Engr. Shoab Ahmed Matin)
Managing Director



(Engr. Md. Shaheenuur Islam)
Director

Signed in term of our separate report of even date annexed.

Place: Dhaka
Dated: 12 October 2022




Md. Shahidul Islam FCA
Enqagement Partner
Enrolment No: 1758
K. M. HASAN & CO.
Chartered Accountants
Registration No: 4/413/ICAB-83
DVC: 2210121758AS752623


Jalalabad Gas Transmission and Distribution System Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

	<u>Notes</u>	2021-2022 BDT	2020-2021 BDT
Revenue			
Gas sales	41	29,875,090,727	28,285,968,007
Other operational income	42	1,327,069,715	1,306,052,423
		31,202,160,442	29,592,020,430
Cost of sales			
Gas purchases	43	4,642,397,002	4,391,203,085
LNG Charges	44	16,385,772,056	15,354,031,168
Gas development fund	45	1,128,379,991	1,087,112,614
Energy security fund contribution	46	1,243,619,258	1,201,743,461
Gas transmission charges	47	947,098,792	924,128,374
VAT for Gas development fund	48	143,727,202	152,081,512
Value added tax (VAT)	49	3,487,564,205	3,321,772,859
BERC Research Fund	50	10,873,687	-
		27,989,432,193	26,432,073,073
Gross profit		3,212,728,249	3,159,947,357
Operating and other expenses			
Operating expenses	51	928,221,482	796,544,390
Bad debt	52	1,155,868	-
Depreciation	53	172,442,692	177,841,762
		1,101,820,042	974,386,152
Operating profit		2,110,908,208	2,185,561,205
Non-operational income	54	93,372,769	85,362,997
Total Income		2,204,280,977	2,270,924,202
Financial income/(cost)			
Finance income	55	535,044,059	520,061,827
Finance expense	56	(10,704,000)	(12,580,000)
		524,340,059	507,481,827
Profit before contribution to BPPF and tax		2,728,621,036	2,778,406,029
Provision for contribution to BPPF	57	(136,431,052)	(138,920,301)
Profit before tax		2,592,189,984	2,639,485,728
Current tax expense	58	(712,852,246)	(791,845,718)
Deferred tax expense	26.1	(349,962,183)	-
Profit after tax		1,529,375,556	1,847,640,010
Other Comprehensive Income (OCI)			
Gain / (Loss) on investment in shares(unrealized)		1,414,960	(10,435,330)
		1,530,790,516	1,837,204,680
Contribution to national exchequer		(850,000,000)	(707,500,000)
Net Income Transferred to Statement of Changes in Equity		680,790,516	1,129,704,680

The attached notes form an integral part of these accounts and should be read in conjunction therewith.
For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited.


(Md. Shahidul Islam)
Company Secretary



(Azizur Rahman)
General Manager (Finance)


(Engr. Shoaib Ahmed Matin)
Managing Director


(Engr. Md. Shaheenur Islam)
Director

Signed in term of our separate report of even date annexed.

Place: Dhaka
Dated: 12 October 2022


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Jalalabad Gas Transmission and Distribution System Limited
Statement of Changes in Equity
For the year ended 30 June 2022

Particulars	Share capital	Fair value adjustment reserve	Revenue reserve	Total
	BDT	BDT	BDT	BDT
Balance at 01 July 2021	1,327,471,800	(10,435,330)	10,270,262,183	11,587,298,653
Net profit after tax for the year	-	-	1,529,375,556	1,529,375,556
Gain/(Loss) Investment in Shares (Unrealized)	-	1,414,960	-	1,414,960
Contribution to national exchequer retained earnings	-	-	(2,477,433,725)	(2,477,433,725)
Contribution to national exchequer during the year	-	-	(850,000,000)	(850,000,000)
Balance at 30 June 2022	1,327,471,800	(9,020,370)	8,472,204,014	9,790,655,444
Balance at 01 July 2020	1,327,471,800	-	9,130,122,173	10,457,593,973
Net profit for the year	-	-	1,847,640,010	1,847,640,010
Gain/(Loss) Investment in Shares (Unrealized)	-	(10,435,330)	-	(10,435,330)
Contribution to National Exchequer	-	-	(707,500,000)	(707,500,000)
Balance at 30 June 2021	1,327,471,800	(10,435,330)	10,270,262,183	11,587,298,653

The attached notes form an integral part of these accounts and should be read in conjunction therewith.
For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited.



(Md. Shahidul Islam)
Company Secretary



(Azizur Rahman)
General Manager (Finance)




(Engr. Shoaib Ahmed Matin)
Managing Director



(Engr. Md. Shaheenur Islam)
Director

Signed in term of our separate report of even date annexed.

Place: Dhaka
Dated: 12 October 2022



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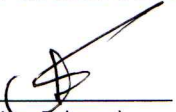

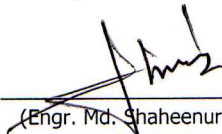


Jalalabad Gas Transmission and Distribution System Limited

Statement of Cash Flows
For the year ended 30 June 2022

	2021-2022 BDT	2020-2021 BDT
A. Cash flows from operating activities		
Net profit before tax	2,592,189,984	2,639,485,728
Adjustment for non-cash items:		
Depreciation	172,442,692	177,841,762
	2,764,632,676	2,817,327,490
Changes in working capital components:		
Inventories	(54,426,903)	66,148,621
Advance, deposit and prepayments	171,136,396	(15,732,392)
Corporation income tax	(831,433,647)	(789,627,033)
Trade receivable	(1,141,267,779)	(242,345,295)
Other receivable	511,981,550	(460,015,554)
Creditors for gas purchase	122,259,599	(161,759,092)
Creditors for gas transmission charges	(39,134,699)	(42,971,672)
Gas development fund	(658,844)	(113,861,474)
LNG Charges	1,559,651,383	(805,347,789)
BERC research fund	10,873,687	-
VAT for Gas development fund charges	(10,530,347)	1,698,728
VAT	118,563,415	36,988,763
Energy security fund	(4,470,922)	(125,868,593)
Depreciation fund	228,218,527	228,038,894
Adjustment accumulated depreciation fund	(172,442,692)	(177,841,762)
Group current accounts	16,986,026	(1,500,300)
Creditors and accruals	(234,613,941)	855,981,504
Contribution to BPPF	(36,914,249)	(14,419,676)
Leave pay	46,080	391,420
Provision for bad debts	1,155,868	(8,279,274)
Payable for retirement benefit obligations (gratuity)	199,502	138,000
Contribution to national exchequer	(850,000,000)	(707,500,000)
Contribution to national exchequer	(2,477,433,725)	-
Net cash provided/(used) by operating activities	(3,112,255,715)	(2,477,683,476)
	(347,623,039)	339,644,014
B. Cash flows from investing activities		
Fixed deposits receipts (FDR)	825,955,448	(9,716,634)
Fixed deposits against depreciation fund	(124,593,397)	(120,770,605)
Acquisition of property, plant and equipment	(22,399,505)	(20,161,213)
Other current assets	27,331,017	96,163,361
Payments for capital works-in-progress	(54,354,214)	(10,880,435)
Net cash provided/(used) by investing activities	651,939,349	(65,365,526)
C. Cash flows from financing activities		
Inter-company loan	18,050,420	18,050,420
Increase in employee loans	(70,777,803)	34,924,394
Repayment of long term loans	(43,484,000)	(43,483,476)
Customers and contractors security deposit	337,882,333	231,590,506
Long term loan current portion	-	(5,364,000)
Net cash provided/(used) by financing activities	241,670,950	235,517,844
Net Cash inflow during the year (A+B+C)	545,987,257	509,796,333
Opening Balance of Cash and Cash Equivalents	1,122,772,263	612,975,930
Closing Balance of cash and Cash Equivalents	1,668,759,520	1,122,772,263

For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited.

			
(Md. Shahidul Islam) Company Secretary	(Azizur Rahman) General Manager (Finance)	(Engr. Shoaib Ahmed Matin) Managing Director	(Engr. Md. Shaheenur Islam) Director

Place: Dhaka
Dated: 12 October 2022



Jalalabad Gas Transmission and Distribution System Limited
Notes to the Financial Statements
For the year ended 30 June 2022

1. Background and nature of business of the company

Jalalabad Gas Transmission and Distribution System Limited (hereinafter referred to JGTDSL or the company), a public limited company, owned by Petrobangla was registered as a company with the Registrar of Joint Stock Companies and Firms (RJSC) on 01 December 1986 under the Companies Act, 1913 (Now the Companies Act, 1994). As per decision of Government of Bangladesh, JGTDSL was formed with the principal objective of establishing a balanced and reliable natural gas transmission network and ensuring effective operational control of the same for transportation of available gas in order to meet the increasing gas demand in the country. JGTDSL commenced its formal operation through holding the first meeting of the Board of Directors on 25 February 1987 and subsequently embarked on commercial business upon receipt of certificate of commencement of business from the Registrar of Joint Stock Companies and Firms on 24 April 1988.

The other objectives for which the Company was established are to construct, operate and maintain high pressure gas/condensate pipelines to transmit natural gas/condensate from different gas fields and delivering the gas/condensate to the marketing companies operating in Bangladesh.

2. Significant accounting policies

2.1 Basis of preparation of the financial statements

These financial statements have been prepared on accrual basis following going concern concept under historical cost convention.

2.2 Statement of compliance

These financial statements have been prepared in compliance with the applicable requirements of International Financial Reporting Standard (IFRSs) which also cover International Accounting Standards (IASs) and the format of Management System Improvement Programmed MSIP). The related provision of Companies Act, 1994 have also been duly complied with. Wherever appropriate, such principles are explained in succeeding notes.

2.3 Foreign currencies

Transactions in foreign currencies are recorded in local currency applying the exchange rates prevailing on the dates of transactions or where covered by a forward exchange contract, at the forward cover rates. Monetary assets and liabilities denominated in foreign currencies are translated into local currency at the closing rate.

2.4 Use of estimates and judgments

The preparation of financial statements require management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of its assets, liabilities, income and expenses and disclosure of the contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates.

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



2.5 Events after the reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

- i. Adjusting events: those that provide evidence of conditions that existed at the end of the reporting period.
- ii. Non-adjusting events: those that are indicative of conditions that arose after the reporting period.

2.6 Revenue recognition

Revenue is recognized when sales of gas are billed. Sales price for gas is set as per government order. Interest income is considered on accrual basis. Other income is accounted for when they are received in cash.

2.7 Property, plant and equipment

Recognition

The cost of an item of property, plant and equipment recognized as an asset if, and only if:

- a) it is probable that future economic benefits will flow to the entity; and
- b) the cost of the item can be measured reliably.

Measurement at recognition

An item of property, plant and equipment qualifying for recognition is initially measured at its cost. Cost comprises expenditure that is directly attributable to the acquisition of the assets. The cost of self-constructed asset includes the following: the cost of materials and direct labour; any other costs directly attributable to bringing the assets to a working condition for their intended use; and when the company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

Subsequent costs

- a) Repairs and maintenance expenditure is recognized as expenditure as incurred.
- b) Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

Disposal

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceed from disposal and the carrying amount of the item) is recognized in statement of profit or loss and other comprehensive income.

Depreciation

Depreciation on all items of property, plant and equipment (fixed assets) has been charged using straight-line method at rates varying from 2.5% to 25% depending on the estimated useful life of assets. Depreciation on addition to fixed assets has been charged from the first day of the acquisition date as per IAS - 16.



2.8 Impairment of assets

The carrying value of the company's assets other than inventories, are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profit or loss and comprehensive income.

2.9 Inventories

Inventories represent stores and spares held for sale in the ordinary course of business within the company's normal operating cycle which is more than a calendar year along with goods in transit, both foreign and local.

Inventories of store and other materials have been valued as follows:

- i.** Stores and spares are valued at average cost
- ii.** Stocks in transit are valued at cost
- iii.** Materials previously issued for project work when return to store are recorded at zero value.

2.10 Treatment of grants and contribution from customer

2.10.1 Grants

Grants received from Government and Donor agencies for development and extension of Gas supply infrastructure are credited to capital reserve.

2.10.2 Contribution from consumers

Contribution received from customer towards the cost of connection are deducted from the relevant connection cost surplus or deficit is taken into income statement.

2.11 Contribution to Beneficiarys Profit Participation Fund

This is made in terms of section 234(1)(b) of Bangladesh Labour Act, 2006 (as amended in 2013), 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the Fund, the proportion of the payment to the Participation Fund and the Welfare Fund being 80:10. The remaining 10% of the amount of 5% of net profit shall be paid by the Company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-third (2/3) has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third (1/3) has to be invested in accordance with the manner as stated in section 242 of that Act.

2.12 Employee benefits

The company maintains a defined contribution plan (provident fund) and a retirement benefit obligations (gratuity fund) for its eligible permanent employees.

Defined contribution plan (provident fund)

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognized employees' provident fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution. This fund is recognized by the National Board of Revenue (NBR).



Defined retirement benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan (gratuity fund) other than a defined contribution plan. The company operates a funded gratuity scheme which is recognized by the National Board of Revenue (NBR). Provision in respect of which is made annually covering all its permanent eligible employees.

The company also maintain a pension fund which has been approved by the Ministry of finance and Ministry of power energy and mineral resources of Bangladesh. Expense related to the said fund is being charged on a monthly basis.

Leave pay

This relates to leave encashment and is measured on an undiscounted basis and expensed as the related services is provided. Provision is made for the amount of leave encashment based on the latest basic salary. This benefit is applicable for employees as per service rules.

2.13 Treatment of expense

Expenses are recognized in the period they are incurred. Interest on loan is charged directly to the specific capital projects funded by the loan. The charging ceases when the project is completed and thereafter the interest cost is charged to the profit and loss statement on cash basis.

All expenses in relation to transmission and distribution of gas are treated as transmission and distribution cost and separately shown in the financial statements.

2.14 Development and line construction cost

Development and line construction costs are shown under capital works-in-progress till the project and line construction work are completed. On successful completion, the costs are capitalized as proved assets. If the development project is unsuccessful, the costs are shown as intangible assets and written off as impairment cost over a period time.

2.15 Long term loan

Local and foreign loans payable within next one year are shown as current portion under current liabilities. The amount payable after one year is shown as long term liability.

2.16 Trade receivables

Trade receivables are shown at realizable value, being the face value of the debts less provision for bad and doubtful debts (if any). Provision for bad and doubtful debts is made @ 3% on non-bulk customer as per board decision.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and other short term highly liquid investments with original maturities of three months or less and bank overdrafts which were held and available for use by the company without any restriction, and there was insignificant risk of changes in value of these current assets.



2.18 Short term loan to employee

Short term loan to employee is stated at face value plus accrued interest thereon. Where such loans are not expected to be realized within one year, then these are not shown as current asset.

2.19 Energy security fund

This fund was created as per Bangladesh Energy Regulatory Commission (BERC) order 2015/11 para 9(2), dated 27 August 2015, with effect from 01 September 2015.

2.20 Revenue reserve

Revenue reserve includes only amounts, which are potentially distributable to the shareholders.

2.21 Customer security deposits

Security deposits received from customers against gas supply are treated as long term liabilities since these are not repayable while gas supply to consumers continues.

2.22 Provision for income tax

Provision for tax is made at currently applicable rate on accounting profit before paying dividend. This is treated as income tax liability which will be subsequently adjusted after completion of income tax assessment.

Advance income tax paid against future anticipated tax burden is recognized as current asset. Deferred tax (asset/liability) is created to compensate for the timing difference and computation difference between accounting and taxable income

2.23 Depreciation Fund Management

Depreciation Fund Management Implement the company Vide Petrobangla letter no. 28.02.0000.026.42.001.17/95, Date: 23-10-2017 & company board order no. 418th, Dated: 12-08-2018.

2.24 BERC Research Fund

This fund was created as per Bangladesh Energy Regulatory Commission (BERC) order no 2022/11 para 8.4 date 04 june 2022 with effect from 01 june 2022.

2.25 General

- i. Previous year's figures have been rearranged where necessary to conform to current year's presentation.
- ii. Figures have been rounded to the nearest BDT



	2021-2022 BDT	2020-2021 BDT
3 Property, plant and equipment Cost:		
Opening balance	5,498,951,721	5,478,790,508
Add: Addition during the year	22,399,505	20,161,213
	<u>5,521,351,226</u>	<u>5,498,951,721</u>
Depreciation:		
Opening Balance	-	-
Add: charged during the year	172,442,692	177,841,762
	<u>172,442,692</u>	<u>177,841,762</u>
Less: Transfer to Depreciation fund during the year	172,442,692	177,841,762
Written down value	<u>5,521,351,226</u>	<u>5,498,951,721</u>
	Annexure- A	
4 Capital works-in-progress		
Pipeline and Civil construction	75,110,644	32,741,952
50,000 prepaid Gas metter project	13,241,283	1,255,761
	<u>88,351,927</u>	<u>33,997,713</u>
5 Fixed deposit receipt (FDR)		
State-owned banks	4,060,717,363	4,353,299,166
Private commercial banks	1,642,403,151	2,175,776,796
	<u>5,703,120,514</u>	<u>6,529,075,962</u>
	Annexure-D	
6 Fixed deposit against depreciation fund		
Opening balance	869,337,027	748,566,422
Add: Addition during the year	74,350,000	205,857,600
Add: Net interest	50,243,397	45,120,603
	<u>993,930,424</u>	<u>999,544,625</u>
Less: Encashment during the year	-	130,207,598
	<u>993,930,424</u>	<u>869,337,027</u>
7 Loan to employees		
Opening balance	735,676,105	770,600,499
Add: Addition during the year	157,560,000	66,460,000
Add: Adjustment	1,223,822	-
	<u>894,459,927</u>	<u>837,060,499</u>
Less: Recovery during the year	88,006,019	101,384,394
	<u>806,453,908</u>	<u>735,676,105</u>
Category wise breakup of loan		
Land purchase and Housebuilding loan	804,070,374	732,448,571
Motor cycle loan	1,838,534	2,611,534
Computer loan	545,000	616,000
	<u>806,453,908</u>	<u>735,676,105</u>
8 Inter- company loan		
Opening balance	108,302,519	126,352,939
Add: Addition during the year	-	-
	<u>108,302,519</u>	<u>126,352,939</u>
Less: Adjustment during the year	18,050,420	18,050,420
	<u>90,252,099</u>	<u>108,302,519</u>
Name of Company:		
1. Gas Transmision Company	<u>90,252,099</u>	<u>108,302,519</u>

The above amount was given to GTCL as loan as per petrobangla letter reference no 12.04.237/ytcl/724 dated 23 december 2012



	2021-2022	2020-2021
	BDT	BDT
9 Investment in shares	8,666,630	17,687,000

Sl.no.	Particular	Cost Price	Fair Value	Unrealized Gain / (Loss)
1	ICB Islamic Bank Limited	17,687,000	8,666,630	(9,020,370)
	Total	17,687,000	8,666,630	(9,020,370)

Oriental Bank Ltd. banking operation was suspended by Bangladesh Bank and also subsequently was taken over by ICB Islamic Bank Ltd. Bangladesh Bank Issued circular letter no. BRPD/(R-1)651/9(10)2007-446 dated 02-08-07 for reorganization of Oriental Bank Ltd. Accordingly deposit holders were allowed a portion of their deposit into buying the shares of ICB Islamic Bank Ltd. In the process the company became owner of 1,768,700 shares of BDT 10 each amounting to BDT 17,687,000. As on 30th June 2022 The share price was Tk 4.90 each which was Tk 4.10 as on 30 June 2021.

10 Inventories

A) Stores & Spares (Local)

Opening balance	249,447,060	280,318,891
Add: Addition during the year	91,372,357	28,025,609
	340,819,417	308,344,500
Less: Issued during the year	63,312,822	58,897,039
Total A	277,506,595	249,447,060

Details break up given bellow

Pipeline Materials	190,540,864	166,816,391
Various Meter	42,469,644	44,384,299
Various Size Black & white Tapes	32,380,054	33,090,155
General Hardware	5,597,996	1,666,968
Electrical & Electronic	2,967,095	1,936,458
Fire fighting Equipment spairs	408,382	301,547
Furniture & fixture	287,688	543,384
Others	2,854,872	707,858
	277,506,595	249,447,060

B) Goods -in -transit (Foreign)

Opening balance	43,769,826	79,046,616
Add: Addition during the year	70,504,409	364,465,519
	114,274,235	443,512,135
Less: Transfer to store during the year	44,137,041	399,742,710
	70,137,194	43,769,826

B) Goods-in-transit (foreign)	70,137,194	43,769,826
	70,137,194	43,769,826
Total(A+B)	347,643,789	293,216,886



	2021-2022 BDT	2020-2021 BDT
11 Advance, deposit and prepayments		
Corporate income tax	7,443,958,878	6,612,525,231
Advances (note 11.1)	2,113,657	173,548,808
Deposits with PDB (note 11.2)	427,545	427,545
Deposits with Telephone and Telegraph Board (note 11.3)	39,238	39,238
Office rent	177,667	177,667
Prepaid insurance premium	2,204,184	1,905,429
Deposit to Linde Bangladesh Ltd.	32,000	32,000
Deposit to RPGCL	35,175	35,175
	<u>7,448,988,344</u>	<u>6,788,691,093</u>
11.1 Advances		
Advance against procurement and others	2,113,657	106,782
Advance against incentive bonus & others	-	173,442,026
	<u>2,113,657</u>	<u>173,548,808</u>
11.2 Deposits with PDB		
Financial year - 1990-1991	5,500	5,500
Financial year - 1995-1996	120,000	120,000
Financial year - 1998-1999	3,000	3,000
Financial year - 1999-2000	20,700	20,700
Financial year - 2000-2001	197,720	197,720
Financial year - 2002-2003	48,953	48,953
Financial year - 2003-2004	5,100	5,100
Financial year - 2005-2006	5,500	5,500
Financial year - 2007-2008	8,822	8,822
Financial year - 2008-2009	5,500	5,500
Financial year - 2010-2011	6,750	6,750
	<u>427,545</u>	<u>427,545</u>
11.3 Deposits with Telephone and Telegraph Board		
Financial year - 1981-1982	250	250
Financial year - 1982-1983	775	775
Financial year - 1983-1984	1,000	1,000
Financial year - 1986-1987	213	213
Financial year - 1995-1996	24,000	24,000
Financial year - 1997-1998	2,000	2,000
Financial year - 1998-1999	6,000	6,000
Financial year - 2001-2002	5,000	5,000
	<u>39,238</u>	<u>39,238</u>
12 Trade receivable		
Power (PDB) Govt.	2,377,222,236	2,217,636,336
Power (PDB) non-govt.	1,573,348,295	1,114,129,629
Captive Power	349,415,489	453,660,539
Fertilizer	821,850,314	329,233,269
Industrial	631,402,749	546,397,657
Tea estate	44,290,100	38,858,308
CNG	469,040,172	463,914,798
Hotel & Resturent	36,446,395	45,073,712
Small & Cottage Industries	257,998,986	143,843,755
Domestic	483,292,692	550,291,646
	<u>7,044,307,428</u>	<u>5,903,039,649</u>



	2021-2022 BDT	2020-2021 BDT
13 Others receivable		
Lafarge Surma Cement against TPQ, Higher	1,017,170,439	1,372,332,271
Lime factory against Gas tariff	-	158,434,566
Dearness allowance	49,222	74,164
Others	4,015,969	2,376,179
	<u>1,021,235,630</u>	<u>1,533,217,180</u>

The overtime was paid against D.A during 1987,1989 and 1990 over expected in D.A by 10% on all those years but the increase was not actually allowed by the government. The advance is reported to be realized from concerned employees final settlement bill upon their retirement / release from the service.

14 Other current assets (accrued interest on FDR)

Opening balance	210,189,146	306,352,507
Add : Addition during the year	183,840,466	210,189,146
	<u>394,029,612</u>	<u>516,541,653</u>
Less : Adjustment during the year	211,171,480	306,352,507
	<u>182,858,132</u>	<u>210,189,146</u>

15 Cash and cash equivalents

Cash in hand	-	-
Cash at bank (STD and C/A)	1,668,759,520	1,122,772,263
	<u>1,668,759,520</u>	<u>1,122,772,263</u>

16 Share Capital

a) Authorized

15,000,000 ordinary shares of BDT 100 each

b) Issued subscribed and paid-up

13,274,718 ordinary shares of BDT 100 each

<u>1,500,000,000</u>	<u>1,500,000,000</u>
<u>1,327,471,800</u>	<u>1,327,471,800</u>

Projects

Initial Paid Up Capital	500,700	500,700
Hobiganj Tea Valley Project	15,850,000	15,850,000
Sylhet Town Gas Supply Project	16,000,000	16,000,000
Sunamganj Town Gas Supply	23,000,000	23,000,000
Sylhet Tea Estate Gas Supply Project (phase -1)	43,408,000	43,408,000
Sylhet Tea Estate Gas Supply Project (phase -2)	98,581,000	98,581,000
Gas distribution to Jalalabad Franchise Area	24,146,100	24,146,100
Third Natural Gas Development Project	77,345,000	77,345,000
Grameen Gas Distribution Project	71,438,534	71,438,534
Gas supply to Sylhet Combined Cycle Power Plant	78,924,744	78,924,744
The Netherland grants	19,393,586	19,393,586
Belgium grant	55,112,880	55,112,880
United Kingdom grants	58,248,066	58,248,066
Hydro Carbon Development Fund	122,867,568	122,867,568
Nobiganj Gas Supply and Distribution Project	282,862,400	282,862,400
Sylhet Gas Transmission Network Upgradation Project	339,793,200	339,793,200
Adjustment	22	22
	<u>1,327,471,800</u>	<u>1,327,471,800</u>



	2021-2022 BDT	2020-2021 BDT
17 Fair value adjustment reserve	<u>9,020,370</u>	<u>10,435,330</u>

Oriental Bank Ltd. banking operation was suspended by Bangladesh Bank and also subsequently was taken over by ICB Islamic Bank Ltd. Bangladesh Bank Issued circular BRPD/(R-1)651/9(10)2007-446 dated 02-08-07 for reorganization of Oriental Bank Ltd. Accordingly deposit holders were allowed a portion of their deposit into buying the shares of ICB Islamic Bank Ltd. In the process the company became owner of 1,768,700 shares of BDT 10 each amounting to BDT 17,768,000.

18 Revenue reserve

This represents the accumulated profit arising out of business operation of JGTDSL .

Description	General reserve	Appropriation account	Total	Total
Opening balance	89,857,532	10,180,404,651	10,270,262,183	9,130,122,173
Add: Net profit after tax for the year	-	-	-	-
Transfer from Income statement	-	1,529,375,556	1,529,375,556	1,847,640,010
	89,857,532	11,709,780,207	11,799,637,739	10,977,762,183
Less: Contribution to national exchequer From retained earnings	-	(2,477,433,725)	(2,477,433,725)	-
Less: Contribution to national exchequer	-	(850,000,000)	(850,000,000)	(707,500,000)
	<u>89,857,532</u>	<u>8,382,346,482</u>	<u>8,472,204,014</u>	<u>10,270,262,183</u>

19 Long term borrowings - local

Opening balance	279,734,806	323,218,282
Add: Addition during the year	-	-
	279,734,806	323,218,282
Less: Transferred to current portion Adjustment	39,182,000	43,484,000
	-	524
	<u>240,552,806</u>	<u>279,734,806</u>

Project:

Sylhet Gas transmission Network Upgradation Project	240,552,806	279,734,806
	<u>240,552,806</u>	<u>279,734,806</u>

20 Long term borrowings - foreign

Opening balance	199,578,898	199,578,898
Add: Foreign exchange Increase/Gain	-	-
	199,578,898	199,578,898
Less: Foreign exchange decrease/loss	-	-
	<u>199,578,898</u>	<u>199,578,898</u>

Project

Third Natural Gas Development Project	199,578,898	199,578,898
	<u>199,578,898</u>	<u>199,578,898</u>



	2021-2022 BDT	2020-2021 BDT
21 Security deposits - customers		
a) Cash security deposited by customers:		
Industry	747,607,072	536,242,711
Captive Power	476,368,344	399,254,014
CNG	28,822,581	15,159,816
Tea- Estates	60,288,226	57,754,843
Hotel & Resturent	111,737,188	100,930,261
Small & cottage Industry	77,863,100	81,272,921
Domestic	398,714,930	372,905,242
	<u>1,901,401,441</u>	<u>1,563,519,108</u>

22 Retirement benefit obligations (gratuity)

Opening balance	846,671	708,671
Add: Provision during the year	<u>199,502</u>	<u>138,000</u>
	1,046,173	846,671
Less: Payment/adjustment during the year	<u>-</u>	<u>-</u>
	<u>1,046,173</u>	<u>846,671</u>

Provision for gratuity has been made on the basis of last two months basic pay multiplied by total length of service of individual officers and staff of the company.

23 Provision for leave pay

Opening balance	706,500	315,080
Add: Provision during the year	<u>46,080</u>	<u>391,420</u>
	752,580	706,500
Less: Payment during the year	<u>-</u>	<u>-</u>
	<u>752,580</u>	<u>706,500</u>

Provision for leave pay has been made at one month of basic pay of each year of service, subject to maximum of eighteen months basic pay.

24 Provision for project(Depreciation fund)

Name of the project are given below:

50,000 prepaid meter Established DPP	1,185,500,000	1,185,500,000
JGTDSL center store building DPP	<u>243,200,000</u>	<u>243,200,000</u>
	<u>1,428,700,000</u>	<u>1,428,700,000</u>

25 Depreciation Fund

Opening balance	1,905,381,559	1,677,342,665
Add: Addition during the year	172,442,692	177,841,772
Add: Net Interest during the year	<u>55,775,835</u>	<u>50,197,122</u>
	2,133,600,086	1,905,381,559
Less: Adjustment Accrued Interest	<u>-</u>	<u>-</u>
	<u>2,133,600,086</u>	<u>1,905,381,559</u>

Depreciation Fund Management created as per company Board decision. No 418 date 12-08-2018

26 Deferred Tax Liability

Opening Balance

Add: Addition during the year	-	-
	<u>(349,962,183)</u>	<u>-</u>

Less: Adjustment during the year	-	-
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Closing Balance	<u>(349,962,183)</u>	<u>-</u>
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26.1 Deferred tax Expense Recognized in Profit and Loss Account

As on 30 June 2022

Accounting base	Tax base	Taxable temporary difference
1,898,504,570	625,914,814	<u>(1,272,589,756)</u>
		(1,272,589,756)
		27.5%
		<u>(349,962,183)</u>
		-
		<u>(349,962,183)</u>

Current tax rate

Deferred tax liability at closing

Deferred tax liability at beginning

Deferred tax Expense Recognized during the year



	2021-2022 BDT	2020-2021 BDT
27 Liability for Gas purchase		
Opening balance	949,365,437	1,111,124,529
Add: Addition during the year	5,457,431,031	5,424,268,109
	6,406,796,468	6,535,392,638
Less: Paid during the year	5,335,171,432	5,586,027,201
	1,071,625,036	949,365,437
Company wise break-up is as follows:		
Sylhet Gas Fields Ltd.	96,203,184	90,098,858
Bangladesh Gas Fields Co. Ltd.	133,475,075	145,032,233
IOC	841,946,777	714,234,346
	1,071,625,036	949,365,437
This represents amount payable to gas producing companies against their shares of margin		
28 Liability for LNG Charges		
Opening balance	1,650,901,698	2,456,248,987
Add: Addition during the year	16,385,772,056	15,354,031,168
	18,036,673,754	17,810,280,155
Less: Paid during the year	14,826,120,673	16,159,378,457
	3,210,553,081	1,650,901,698
29 Gas development Fund		
Opening balance	98,604,645	212,466,119
Add: Payable for the year	1,128,379,991	1,087,112,614
	1,226,984,636	1,299,578,733
Less: Paid during the year	1,129,038,835	1,200,974,088
	97,945,801	98,604,645
30 Energy security fund		
Opening balance	109,002,012	234,870,605
Add: Payable for the year	1,243,619,258	1,201,743,461
	1,352,621,270	1,436,614,066
Less: Paid during the year	1,248,090,180	1,327,612,054
	104,531,090	109,002,012
31 Gas transmission charges		
Opening balance	200,295,467	243,267,139
Add: Payable for the year	947,098,792	924,128,374
	1,147,394,259	1,167,395,513
Less: Paid during the year	986,233,491	967,100,046
	161,160,768	200,295,467
Company wise break-up is as follows:		
Gas transmission company(GTCL)	119,078,713	156,840,479
Petrobangla	41,101,677	42,492,329
Titas Gas T & D Company Ltd	980,378	962,659
	161,160,768	200,295,467
32 VAT for gas development fund		
Opening balance	20,780,250	19,081,522
Add: Payable for the year	143,727,202	106,849,526
	164,507,452	125,931,048
Less: Paid during the year	154,257,549	105,150,798
	10,249,903	20,780,250



	2021-2022 BDT	2020-2021 BDT
33 Value added tax		
Opening balance	453,873,108	416,884,345
Add: Payable for the year	3,487,564,205	2,333,939,821
	<u>3,941,437,313</u>	<u>2,750,824,166</u>
Less: Paid during the year	3,369,000,790	2,296,951,058
	<u>572,436,523</u>	<u>453,873,108</u>
34 BERC Research Fund		
Opening balance	-	-
Add: Payable for the year	10,873,687	-
	<u>10,873,687</u>	<u>-</u>
Less: Paid during the year	-	-
	<u>10,873,687</u>	<u>-</u>
35 Group current accounts		
Petrobangla current account	57,522,482	57,522,462
Titas Gas Transmission and Distribution Co. Ltd	4,630,239	3,991,409
BAPEX current account	102,194	102,194
Madhapara Hard Rock and Mining Project	(23,657)	(23,657)
Bakhrabad Gas Systems Ltd	(9,783,274)	(15,877,107)
Gas Transmission Co. Ltd (GTCL)	(1,371,513)	(1,371,513)
RPGCL current account	665,225	665,225
SGFL current account	697,016	697,016
PGCL current account	(1,567,309)	(1,687,297)
Barapukuria Coal Mining	71,820	71,820
Sondarban Distribution Company Ltd	25,658,085	18,673,885
Joypurhat Line Stone	9,547	9,547
Karnaphuli Gas Distribution Co. Ltd	66,264	(3,082,911)
	<u>76,677,119</u>	<u>59,691,093</u>
36 Creditors & accruals		
Creditors for expenses	64,021,252	252,742,118
Creditors for other finance	1,661,650,036	1,731,745,548
Security deposit (Cash)	112,352,318	88,149,880
	<u>1,838,023,606</u>	<u>2,072,637,546</u>
37 Long term loan-current portion		
Opening balance	43,484,000	49,048,000
Add: Transfer from loan account	39,182,000	43,484,000
	<u>82,666,000</u>	<u>92,532,000</u>
Less: Paid during the year	43,484,000	49,048,000
	<u>39,182,000</u>	<u>43,484,000</u>
Projects:		
Gas Supply to Sylhet Combine Cycle Shahajal Factory	-	4,300,000
Gas Transmission Net work Upgradation Project	39,182,000	39,184,000
	<u>39,182,000</u>	<u>43,484,000</u>
38 Beneficiaries: profit participation fund		
Opening balance	80,381,712	94,801,388
Add: Payable for the year	136,431,052	138,920,301
	<u>216,812,764</u>	<u>233,721,689</u>
Less: Paid during the year	173,345,301	153,339,977
	<u>43,467,463</u>	<u>80,381,712</u>



	2021-2022 BDT	2020-2021 BDT
39 Provision for doubtful debts		
Opening balance	22,176,274	30,455,548
Add: Addition during the year	1,155,868	-
	<u>23,332,142</u>	<u>30,455,548</u>
Less: Adjustment during the year	-	8,279,274
	<u>23,332,142</u>	<u>22,176,274</u>

Provision for doubtful debts has been made @ 3% on non-bulk customers as per Board resolution.

40 Provision for income tax

Opening balance	6,906,759,496	6,114,913,778
Add: Provision during the year	712,852,246	791,845,718
	<u>7,619,611,742</u>	<u>6,906,759,496</u>
Less: Payment/adjustment during the year	-	-
	<u>7,619,611,742</u>	<u>6,906,759,496</u>

41 Gas sales

	2021-2022		2020-2021	
	Volume (CM)	BDT	Volume (CM)	BDT
Power (PDB)-Govt.	1,874,211,069	8,431,084,600	2,023,507,782	9,004,609,630
Power Non-Govt.	1,014,119,382	4,565,617,633	773,561,865	3,442,350,299
Captive power- Industries generat	257,665,354	3,619,456,004	242,375,343	3,356,898,497
Fertilizer	379,373,855	1,989,196,652	384,337,829	1,710,303,340
Industrial	303,966,180	3,288,005,719	288,754,617	3,089,674,401
Tea estate	30,544,908	331,031,378	27,278,593	291,880,946
Hotel & Resturant	9,556,253	222,816,293	9,307,301	214,067,932
Small & Cottage Industry	8,313,877	137,726,093	11,432,923	194,817,003
Domestic	201,674,413	2,614,491,784	205,148,407	2,584,869,673
CNG	133,590,416	4,675,664,571	125,614,180	4,396,496,286
	<u>4,213,015,708</u>	<u>29,875,090,727</u>	<u>4,091,318,840</u>	<u>28,285,968,007</u>

42 Other operational income

Surcharge for late payment	100,379,645	74,394,573
Meter rent	9,978,324	10,326,807
Service /consultancy Fees	-	11,550,000
Connection charge	6,757,862	5,520,172
Heating charge	699,811,521	693,712,816
Demand charges	510,142,363	510,547,955
	<u>1,327,069,715</u>	<u>1,306,052,423</u>

43 Gas purchases/Production charges

Name of the Companies

	Wellhead Margin		
Sylhet Gas Fields Ltd	83,872,459	83,872,459	110,581,112
Bangladesh Gas Fields Company	301,772,846	301,772,846	399,554,364
Petrobanqla (IOC)	4,256,751,697	4,256,751,697	3,881,067,609
	<u>4,642,397,002</u>	<u>4,642,397,002</u>	<u>4,391,203,085</u>

Total Gas purchase for the year 4,247.978 MMCM

44 LNG Charges

This represents contribution to Purchase LNG Gas with effect from 18 september 2018

Type of user:	Volume		
	CM		
Power (PDB)	2,905,416,599	6,343,588,988	6,045,357,555
Fertilizer	383,825,246	1,091,077,927	836,342,706
Industrial	307,212,799	1,909,864,463	1,791,000,353
Tea estate	30,891,480	192,511,149	166,997,614
Hotel & Restaurant	9,667,287	137,409,697	131,205,003
Small & cottage industry	8,408,589	80,955,935	116,573,000
Domestic	203,947,223	1,559,362,137	1,521,299,669
CNG	135,082,805	2,913,369,288	2,759,052,928
Captive power - Industries generator	260,297,755	2,157,632,472	1,986,202,340
	<u>4,244,749,783</u>	<u>16,385,772,056</u>	<u>15,354,031,168</u>



45 Gas development fund	Volume CM	2021-2022 BDT	2020-2021 BDT
Type of user			
Power (PDB)	2,905,416,599	491,587,774	475,994,726
Fertilizer	383,825,246	138,563,309	65,851,311
Industrial	307,212,799	64,973,725	119,224,607
Tea estate	30,891,480	181,844,644	11,116,818
Hotel & Restaurant	9,667,287	126,163,550	8,248,839
Small & Cottage Industry	8,408,589	12,705,792	7,518,410
Domestic	203,947,223	8,559,433	99,573,715
CNG	135,082,805	5,502,695	170,595,410
Captive power - Industries generator	260,297,755	98,479,070	128,988,778
	4,244,749,783	1,128,379,991	1,087,112,614

46 Energy security fund contribution

Type of user			
Power (PDB)	2,905,416,599	544,511,073	526,232,377
Fertilizer	383,825,246	151,883,740	72,801,419
Industrial	307,212,799	71,967,234	131,708,400
Tea estate	30,891,480	138,399,366	12,280,840
Hotel & Restaurant	9,667,287	13,916,612	9,119,366
Small & cottage Industry	8,408,589	9,367,601	8,316,467
Domestic	203,947,223	6,200,033	110,049,700
CNG	135,082,805	199,179,597	188,633,619
Captive power	260,297,755	108,194,002	142,601,273
	4,244,749,783	1,243,619,258	1,201,743,611

47 Gas transmission charges

This represents payable to Gas Transmission Company Limited for use of their transmission lines.

Name of the Company		
Gas Transmission Company Limited (GTCL)	709,656,163	706,840,479
Petrobangla against IOC transmission charges	233,244,916	214,109,196
Titans Gas Transmission and Distribution Company Ltd.	4,197,713	3,178,699
	947,098,792	924,128,374

48 VAT for gas development fund

Sylhet Gas fields Ltd (SGFL)	18,078,517	23,317,279
Bangladesh gas fields co ltd.	17,612,194	21,914,707
Petrobangla (IOC) gas fields	108,036,491	106,849,526
	143,727,202	152,081,512

49 Value added tax (VAT)

Sylhet Gas fields Ltd (SGFL)	394,851,679	509,360,815
Bangladesh gas fields co ltd. (BGFCL)	384,491,639	478,472,223
Petrobangla (IOC) gas fields	2,708,220,887	2,333,939,821
	3,487,564,205	3,321,772,859

50 BERC research fund

	10,873,687	-
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51 Operating expense

Direct costs:		
Employee cost (note 51.1)	564,310,930	537,112,596
Repair and maintenance (note 51.2)	52,315,913	40,812,759
Security expense	68,145,963	64,212,669
Other direct cost (note 51.3)	237,981,210	148,837,254
	922,754,016	790,975,278
Administrative costs (note 51.4)	5,467,466	5,569,112
	928,221,482	796,544,390

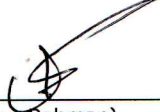


	2021-2022 BDT	2020-2021 BDT
51.1 Employee cost		
Officers' salary	166,922,289	149,946,253
Staff salary	58,566,881	62,272,898
Educational allowance	2,921,376	3,101,900
Overtime	28,552,713	26,986,083
House rent allowance	73,288,742	73,387,887
Gratuity	199,502	138,000
Leave pay	17,079,584	18,078,581
Festival bonus	37,724,757	15,882,037
Incentive bonus	35,920,766	34,167,906
Bangla noboborsho Bonus	3,856,749	3,127,559
Liveries and uniform	11,094,624	15,315,644
Recreation allowance	14,898,970	15,265,400
Company's contribution to provident fund	28,710	29,820
Gas subsidy	5,210,139	5,274,499
Medical allowance	10,495,413	8,101,447
Lunch subsidy-staff	2,915,503	3,285,982
Lunch subsidy-officers	3,519,580	3,967,187
Medical expenses	2,059,779	1,761,613
Welfare expenses	4,862,597	3,948,828
Group insurance	4,912,611	4,784,748
Washing allowance	770,909	778,406
Conveyance allowance	792,578	1,171,092
Pension fund	62,405,418	67,769,179
Honorarium	5,706,970	3,231,564
Recruitment Expenses/others	9,006,523	15,288,479
Others	597,247	49,604
	564,310,930	537,112,596
51.2 Repair and maintenance		
Vehicles	5,458,108	4,587,546
Plant and Pipeline machinery	38,268,548	28,976,580
Building	8,006,599	6,747,174
Furniture, fixtures and office equipment	582,658	501,459
	52,315,913	40,812,759
51.3 Other direct costs		
Travelling and conveyance	7,953,928	5,990,608
Telephone and telex	5,221,616	5,037,055
Fuel, oil and lubricants	8,097,548	7,637,123
Electricity	7,513,584	6,871,731
Transport hire	22,488,530	21,782,301
Office rent	3,984,037	4,385,772
Municipal tax and transmission licence fees	22,212,072	15,748,989
Insurance	457,253	2,214,836
Training expenses	23,790,952	2,199,336
Wages of workers (casual labour)	41,440,244	39,587,765
Entertainment expenses	2,536,252	3,612,945
Electric accessories	1,126,225	1,654,527
Bank charges	9,482,046	8,652,031
Legal Expenses & Consultancy Fees	71,328,848	12,319,607
Entertainment allowance	1,980	68,238
Donation and subscription	1,486,673	1,151,819
Directors' honorarium	1,680,000	2,355,681
Audit fees	165,750	192,500
Crockeries and cutleries	194,659	57,296
Domestic use of gas	20,950	46,443
Residential furnishing	46,164	29,500
CSR	6,050,000	7,240,851
Others	701,899	
	237,981,210	148,837,254
51.4 Administrative costs		
Office, stationery and printing	2,141,308	2,934,061
Advertisement	2,657,056	2,192,475
Newspaper and periodicals	669,102	442,576
	5,467,466	5,569,112



	2021-2022 BDT	2020-2021 BDT
52 Bad debts Bad debts calculation @3% on debtors (Domestic Customers , Small Industries , Hotel & resturent)	<u>1,155,868</u>	<u>-</u>
53 Depreciation Depreciation Calculation shwon Annexure A	<u>172,442,692</u>	<u>177,841,762</u>
54 Non-operational income		
Sale of tender schedule	258,000	940,400
Suppliers` registration fees	86,000	725,100
Sale of pipeline materials (customer finance)	73,526,258	56,690,210
Sale of gas bill books	35,774	27,037
Other rental income	3,942,854	9,323,082
Penalty	2,129,562	1,655,128
Miscellaneous income	13,394,321	16,002,040
	<u>93,372,769</u>	<u>85,362,997</u>
55 Finance income		
Interest on FDR accounts	432,585,676	435,402,279
Interest on STD accounts	81,059,949	63,019,399
Interest on employee loan	19,367,144	19,247,851
Interest on inter-company loan	2,031,290	2,392,298
	<u>535,044,059</u>	<u>520,061,827</u>
56 Finance expense This represents interest on local ADP loan which is made up as follows :		
Sylhet Combined Cycle Power Station and Shahjalal Fertilizer Factory	108,000	418,000
Sylhet Gas Transmission Network Upgradation Project	10,597,000	12,162,000
	<u>10,704,000</u>	<u>12,580,000</u>
57 Provision for contribution to BPPF (Details are given in note 2.11)	<u>136,431,052</u>	<u>138,920,301</u>
58 Income tax expense Provision for income tax @ 27.5% on accounting profit	<u>712,852,246</u>	<u>791,845,718</u>

For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited.

 _____ (Md. Shahidul Islam) Company Secretary	 _____ (Azizur Rahman) General Manager (Finance)	 _____ (Engr. Shoaib Ahmed Matin) Managing Director	 _____ (Engr. Md. Shaheenur Islam) Director
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Place: Dhaka
Dated: 12 October 2022



Jalalabad Gas Transmission and Distribution System Limited
Details of property, plant and equipment
For the year ended 30 June 2022

Annexure- A

Category of asset	Cost			Rate %	Depreciation			
	At 01 July 2021	Addition during the year	Adjustment during		Total at 30 June 2022	Charged during the year	Transfer to depreciation fund	Cost value at 30 June 2022
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Freehold land	203,213,654	-	-	203,213,654	-	-	-	203,213,654
Land infrastructure	13,216,983	-	-	13,216,983	5	205,290	205,290	13,216,983
Concrete and bricks	521,646,718	324,876	-	521,971,594	2.5	13,032,348	13,032,348	521,971,594
Sheds and temporary structure	15,186,085	1,663,706	-	16,849,791	10	402,615	402,615	16,849,791
Walls and store yards	49,474,928	-	-	49,474,928	5	1,723,750	1,723,750	49,474,928
Furniture and fixtures	46,593,958	1,604,777	-	48,198,735	10	1,610,205	1,610,205	48,198,735
Domestic appliance	4,804,603	-	-	4,804,603	15	90,750	90,750	4,804,603
Office equipment	53,918,894	1,867,771	-	55,786,665	15	1,865,708	1,865,708	55,786,665
Other equipment	107,910,696	38,400	-	107,949,096	15	101,864	101,864	107,949,096
Transmission lines	403,487,307	-	-	403,487,307	3.33	8,453,810	8,453,810	403,487,307
Distribution lines	3,360,382,928	6,258,785	-	3,366,641,713	5	119,870,019	119,870,019	3,366,641,713
Transmission and distribution plants	541,624,814	-	-	541,624,814	5	14,819,085	14,819,085	541,624,814
Tube wells and ponds	16,565,738	366,190	-	16,931,928	10	512,213	512,213	16,931,928
Water pipe lines and tanks	1,338,792	-	-	1,338,792	10	-	-	1,338,792
Light vehicle	158,976,253	10,275,000	-	169,251,253	20	9,755,035	9,755,035	169,251,253
Loose tools	609,370	-	-	609,370	25	-	-	609,370
Total as at 30 June 2022	5,498,951,721	22,399,505	-	5,521,351,226		172,442,692	172,442,692	5,521,351,226
Total as at 30 June 2021	5,478,790,508	20,161,213	-	5,498,951,721		177,841,762	177,841,762	5,498,951,721



Jalalabad Gas Transmission and Distribution System Limited
Key Performance Indicator
For the year ended 30 June 2022

Annexure- B
(BDT in lac)

Sl. No.	Particulars	2021-2022		2020-2021	Standard
		BDT	Ratio	Ratio	Ratio
1	Current ratio: <u>Current assets</u> Current liabilities	<u>177,138</u> 152,295	1.16:1	1.24:1	2:1
2	Quick ratio: <u>Quick assets</u> Current liabilities	<u>87,131</u> 155,295	0.56:1	0.55:1	1:1
3	Return on total sales revenue: <u>Net profit before tax X 100</u> Total sales revenue	<u>25,922X100</u> 298,751	8.68%	9.33%	10%-20%
4	Rate of return on capital employed: <u>Net profit before Tax X 100</u> Capital employed	<u>25,922X100</u> 309,259	8.38%	8.90%	15%-20%
5	Debt-equity ratio: <u>Year end long term loans</u> Capital and reserves	<u>4,401</u> 97,907	4:96	4:96	70:30
6	Rate of return on average net fixed assets(ROR): <u>Net profit before tax+ interest cost X 100</u> Average net fixed assets	<u>25,922+107)x100</u> 55,101	47.24%	48.32%	Not less than 12%
7	Debt- service ratio: <u>Net profit after tax + interest cost + depreciation</u> Interest cost + Current portion of long term loan	<u>15,294+107+1,724</u> 107+392	34.32 Times	35.15 Times	Not less than 1-2 times
8	Sales per employee: <u>Total sales revenue</u> Average no. of employee	<u>298,751</u> 441	677.44	644.33	-
9	Debtors in month <u>Debtors for gas sales</u> Average 3 - month gas sales	<u>70,443</u> 74,688	0.94:1.00	0.83:1	1:1
10	Net profit before tax per employee: <u>Net profit before Tax</u> Average no. of employee	<u>25,922</u> 441	58.78	60.13	-
11	Operating profit ratio: <u>Operating profit X 100</u> Sales	<u>21,109X100</u> 298,751	7.06%	7.73%	-



Jalalabad Gas Transmission and Distribution System Limited
Statement of Budget Variance Analysis
For the year ended 30 June 2022

Annexure- C
(BDT in lac)

Sl. no.	Description	Actual	Budget	Actual	Variance
		2020-2021	2021-2022	2021-2022	
		BDT 1	BDT 2	BDT 3.00	BDT 4 = 2-3
	Cash expenses				
1	Pay of officer	1,499.46	1,708.43	1,669.22	39.21
2	Pay of staff	622.73	614.10	585.66	28.44
3	Education allowance	31.01	38.00	29.21	8.79
4	House rent allowance	733.88	849.77	732.88	116.89
5	Festival bonus	158.83	507.02	377.24	129.78
6	Incentive bonus	341.69	360.00	359.21	0.79
7	Medical allowance	81.01	105.00	104.95	0.05
8	Medical expenses	17.61	24.00	20.60	3.40
10	Conveyance allowance	11.72	14.00	7.92	6.08
11	Overtime allowance	269.87	270.00	285.52	(15.52)
12	Liveries and uniforms	153.16	150.00	110.95	39.05
13	Washing allowances	7.78	10.50	7.71	2.79
14	Welfare expenses	39.48	49.50	48.63	0.87
15	Leave pay	180.79	242.00	170.80	71.20
16	Gratuity	1.38	2.00	1.99	0.01
17	Contribution to pension fund	677.69	627.00	624.05	2.95
18	Recreation allowance (LFA)	152.65	200.00	148.99	51.01
19	Lunch subsidy (Staffs)	32.85	36.00	29.16	6.84
20	Lunch subsidy (Officer)	39.67	46.00	35.20	10.80
21	Group insurance	47.84	56.00	49.13	6.87
22	Contribution to providend fund	0.29	0.55	0.29	0.26
23	Gas allowance	52.74	58.00	52.10	5.90
24	Honorarium	32.31	58.00	57.07	0.93
25	Bangla nobabarsho bonus	31.27	40.00	38.57	1.43
26	Printing and stationery	29.35	43.00	21.41	21.59
27	Telephone, postage, fax and telex	50.37	55.00	52.22	2.78
28	Electricity expenses	68.73	88.00	75.14	12.86
29	Electric accessories	16.55	16.00	11.26	4.74
30	Travelling expenses	59.90	80.00	79.54	0.46
31	Office rent	43.86	50.00	39.84	10.16
32	Entertainment expenses	36.14	42.00	25.36	16.54
33	Training expenses	21.98	360.00	237.91	122.09
34	Legal fees & Consultancy Fees	123.19	900.00	713.32	186.68
36	Insurance expenses	22.13	40.00	4.57	35.43
	Sub total	5,689.91	7,739.87	6,807.61	932.26



Sl. No.	Description	Actual	Budget	Actual	Variance
		2020-2021	2021-2022	2021-2022	
37	Director Honorarium/fees	23.56	25.00	16.80	8.20
38	Audit fees	1.92	3.50	1.66	1.84
39	Bank charges	86.52	100.00	94.82	5.18
40	Books and periodicals	4.43	7.00	6.69	0.31
41	Rent rate and taxes	157.49	225.00	222.12	2.88
42	Petrol,oil and lubricant	76.37	82.00	80.98	1.02
43	Transport rent	217.82	240.00	224.89	15.11
44	Repair and maintenance of vehicles	45.88	55.00	54.58	0.42
45	Repair and maintenance of plant and machinery.	289.77	780.00	382.68	397.32
46	Repair and maintenance of building, etc.	67.47	200.00	80.07	119.93
47	Repair and maintenance of furniture and fixture	5.01	10.00	5.83	4.17
48	Donation and subscription	11.53	15.00	14.87	0.13
49	Advertisement	21.93	28.00	26.57	1.43
50	Crockeries and cutleries	0.57	2.00	1.95	0.05
51	Gas bill for resthouse & others - own use	0.46	1.20	0.21	0.99
52	Residential furnishing	0.29	1.50	0.46	1.04
53	Entertainment allowance	0.69	2.00	0.02	1.98
54	Wages of irregular / Outsourcing workers	395.89	415.00	414.40	0.60
55	Safety and security expenses	642.14	655.00	681.46	(26.46)
56	Recruitment Expenses	152.88	165.00	90.06	74.94
57	CSR(School and others)		65.00	60.50	4.50
58	Others	72.90	63.00	12.99	50.01
	Sub total	2,275.52	3,140.20	2,474.60	665.60
	Grand total	7,965.43	10,880.07	9,282.21	1,597.86
	Non cash expenses				
58	Depreciation	1,778.41	1,875.00	1,724.43	150.57
59	Bad and doubtful debts		95.00	11.56	95.00
	Sub total	1,778.41	1,970.00	1,735.99	245.57
	Grand total	9,743.84	12,850.07	11,018.20	1,843.43



Jalalabad Gas Transmission and Distribution System Limited
List of Investment in FDR
As at 30 June 2022

Annexure - D

A) Government Bank

SL. No.	Name of the Bank	Balance during year 2021-2022
1	Janata Bank Ltd	1,769,801,131
2	Bangladesh Krishi Bank	663,178,891
3	Agrani Bank Ltd.	637,438,325
4	Investment Corporation of Bangladesh (ICB)	656,637,439
5	Rupali Bank Ltd	261,171,577
6	BASIC Bank Ltd.	72,490,000
Total :		4,060,717,363

B) Non-Government Bank

SL. No.	Name of the Bank	Balance during year 2021-2022
1	AB Bank Ltd.	222,674,581
2	First Security Islami Bank Ltd.	111,012,943
3	Social Islami Bank Ltd.	210,655,954
4	Union Bank Ltd.	234,034,146
5	NRBC Bank Ltd.	50,537,000
6	EBL	50,000,000
7	South Bangla Agr. & Commerce Bank Ltd.	69,412,181
8	Megna Bank Ltd.	33,178,688
9	NRB Global Bank Ltd.	20,000,000
10	NRB Bank Ltd.	30,000,000
11	Pubali Bank Ltd.	31,080,000
12	South East Bank Ltd.	66,005,674
13	BRAC Bank Ltd	40,000,000
14	UCBL Bank Ltd.	50,680,000
15	Exim Bank Ltd.	96,796,524
16	The City Bank Ltd	20,200,000
17	IFIC Bank Ltd.	41,125,000
18	Midland Bank Ltd	20,000,000
19	National Bank Ltd.	56,965,000
20	NCC Bank Ltd.	30,630,000
21	One Bank Ltd.	97,415,460
22	Shimanto Bank Ltd.	10,000,000
23	BCBL	20,000,000
Total		1,612,403,151
Reconciliation of FDR cheq. Issue within 30-06-2022 But FDR opened in next month.		30,000,000
Grand Total (A+B) :		5,703,120,514

