

hp:f:Jalalabad Gas 2023

**Jalalabad Gas Transmission And Distribution System Limited
(A Company of Petrobangla)**

Gas Bhaban, Mendhibagh
Sylhet-3100

**Jalalabad Gas Transmission And Distribution System Limited
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS**

For the year ended 30 June 2023

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

Report on the audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Jalalabad Gas Transmission And Distribution System Limited** (hereinafter referred to as JGTDSL or the company), which comprise the statement of financial position as at 30 June 2023 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 2023 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. 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 And 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 assess 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 the achieves fair presentation.

We also provide that 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: 30 October 2023



Hedayet Ullah FCA

Senior Partner (Enrolment No: 0281)

K. M. HASAN & CO.

Chartered Accountants

DVC: 2310310281AS118454





Jalalabad Gas Transmission And Distribution System Limited
Statement of Financial Position
As at 30 June 2023

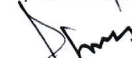
ASSETS	Notes	2022-2023 BDT	2021-2022 BDT
Non-Current assets			
Property, Plant and Equipment	3	5,549,534,936	5,521,351,226
Capital work-in-progress	4	562,129,454	88,351,927
		6,111,664,390	5,609,703,153
Investment and other Assets			
Fixed deposit receipt (FDR)	5	6,127,451,231	5,703,120,514
Fixed deposit against depreciation fund	6	1,143,863,483	993,930,424
Loan to employees	7	832,816,558	806,453,908
Inter-company loan	8	75,881,493	90,252,099
Investment in shares	9	9,550,980	8,666,630
		8,189,563,745	7,602,423,575
Current Assets			
Inventories	10	462,136,796	347,643,789
Advance, deposit and prepayments	11	8,275,342,523	7,448,988,344
Trade receivable	12	28,322,717,644	7,044,307,428
Other receivable	13	587,768,088	1,021,235,630
Other current assets (accrued interest on FDR)	14	216,976,098	182,858,132
Cash and cash equivalents	15	3,480,728,802	1,668,759,520
		41,345,669,951	17,713,792,843
		55,646,898,086	30,925,919,571
TOTAL ASSETS			
Shareholders Equity & Liabilities			
Capital and reserves			
Share capital	16	1,327,471,800	1,327,471,800
Fair value adjustment reserve	17	(8,136,020)	(9,020,370)
Revenue reserve	18	9,698,093,665	8,472,204,014
		11,017,429,445	9,790,655,444
Non-current Liabilities			
Long term borrowings-unsecured			
Local loan	19	201,368,806	240,552,806
Foreign loan fluctuation difference	20	199,578,898	199,578,898
		400,947,704	440,131,704
Long term liabilities-others			
Security deposits-customers	21	2,206,905,736	1,901,401,441
Retirement benefit obligations (gratuity)	22	1,200,538	1,046,173
Provision for leave pay	23	798,660	752,580
Provision for project (depreciation fund)	24	1,428,700,000	1,428,700,000
Depreciation fund	25	2,365,440,033	2,133,600,086
Deferred Tax Liability	26	389,647,932	349,962,183
		6,392,692,900	5,815,462,463
Current Liabilities			
Liability for gas purchase	27	2,763,708,893	1,071,625,036
Liability for LNG charges	28	21,730,506,948	3,210,553,081
Gas development fund	29	387,209,434	97,945,801
Energy security fund	30	505,277,543	104,531,090
Gas transmission charges	31	276,223,554	161,160,768
VAT for gas development charges	32	-	10,249,903
Value added tax (VAT)	33	1,712,936,773	572,436,523
BERC Research Fund	34	51,145,567	10,873,687
Group current accounts	35	67,981,643	76,677,119
Creditors and accruals	36	1,903,928,070	1,838,023,606
Long term loan-current portion	37	39,184,000	39,182,000
Beneficiarys profit participation fund	38	120,912,915	43,467,463
Provision for doubtful debts	39	25,430,976	23,332,142
Provision for income tax	40	8,251,381,721	7,619,611,742
		37,835,828,037	14,879,669,960
		55,646,898,086	30,925,919,571
TOTAL SHAREHOLDER EQUITY AND LIABILITIES			

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/General Manager (Finance)


(Engr. Monzur Ahmad Chowdhury)
Managing Director


(Engr. Md. Shaheenur Islam)
Director

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

Place: Dhaka
Dated: 30 October 2023



Hedayet Ullah FCA
Senior Partner (Enrolment No: 0281)
K. M. HASAN & CO.
Chartered Accountants
DVC: 2310310281AS118454




Jalalabad Gas Transmission And Distribution System Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

	<u>Notes</u>	2022-2023 BDT	2021-2022 BDT
Revenue			
Gas sales	41	49,746,839,505	29,875,090,727
Other operational income	42	1,960,121,554	1,327,069,715
		51,706,961,059	31,202,160,442
Cost of sales			
Gas purchases	43	5,475,409,788	4,642,397,002
LNG Charges	44	33,989,179,695	16,385,772,056
Gas development fund	45	1,130,459,685	1,128,379,991
Energy security fund contribution	46	1,201,386,888	1,243,619,258
Gas transmission charges	47	853,096,435	947,098,792
VAT for Gas development fund	48	-	143,727,202
Value added tax (VAT)	49	5,951,834,735	3,487,564,205
BERC Research Fund	50	119,865,044	10,873,687
		48,721,232,270	27,989,432,193
		2,985,728,789	3,212,728,249
Gross profit			
Operating and other expenses			
Operating expenses	51	992,334,992	928,221,482
Bad debt	52	2,098,834	1,155,868
Depreciation	53	172,230,045	172,442,692
		1,166,663,871	1,101,820,042
		1,819,064,918	2,110,908,208
Non-operational income	54	158,236,840	93,372,769
		1,977,301,758	2,204,280,977
Total Income			
Financial income/(cost)			
Finance income	55	449,984,536	535,044,059
Finance expense	56	(9,028,000)	(10,704,000)
		440,956,536	524,340,059
		2,418,258,294	2,728,621,036
Profit before contribution to BPPF and tax			
Provision for contribution to BPPF	57	(120,912,915)	(136,431,052)
		2,297,345,379	2,592,189,984
Profit before tax			
Current tax expense	58	(631,769,979)	(712,852,246)
Deferred tax expense	59	(39,685,749)	(349,962,183)
		(671,455,728)	(1,062,814,428)
		1,625,889,651	1,529,375,556
Profit after tax			
Other Comprehensive Income (OCI)			
Gain / (Loss) on investment in shares(unrealized)		884,350	1,414,960
		1,626,774,001	1,530,790,516
Total Comprehensive Income			
Contribution to national exchequer		(400,000,000)	(850,000,000)
		1,226,774,001	680,790,516
Net Income Transferred to Statement of Changes in Equity			


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/General Manager (Finance)




(Engr. Monzur Ahmad Chowdhury)
Managing Director



(Engr. Md. Shaheenur Islam)
Director

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

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Jalalabad Gas Transmission And Distribution System Limited
Statement of Changes in Equity
For the year ended 30 June 2023

Particulars	Share capital	Fair value adjustment reserve	Revenue reserve	Total
	BDT	BDT	BDT	BDT
Balance at 01 July 2022	1,327,471,800	(9,020,370)	8,472,204,014	9,790,655,444
Net profit after tax for the year	-	-	1,625,889,651	1,625,889,651
Gain/(Loss) Investment in Shares (Unrealized)	-	884,350	-	884,350
Contribution to national exchequer during the year	-	-	(400,000,000)	(400,000,000)
Balance at 30 June 2023	1,327,471,800	(8,136,020)	9,698,093,665	11,017,429,445
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

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/General Manager (Finance)



(Engr. Monzur Ahmad Chowdhury)
Managing Director

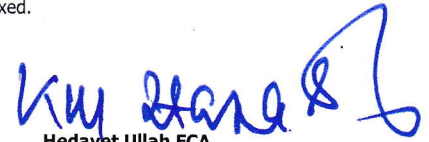


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Director

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Place: Dhaka

Dated: 30 October 2023




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Senior Partner (Enrolment No: 0281)
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Jalalabad Gas Transmission And Distribution System Limited
Statement of Cash Flows
For the year ended 30 June 2023

	2022-2023 BDT	2021-2022 BDT
A. Cash flows from operating activities		
Net profit before tax	2,297,345,379	2,592,189,984
Adjustment for non-cash items:		
Depreciation	172,230,045	172,442,692
	2,469,575,424	2,764,632,676
Changes in working capital components:		
Inventories	(114,493,007)	(54,426,903)
Advance, deposit and prepayments	(21,635,915)	171,136,396
Corporation income tax	(804,718,263)	(831,433,647)
Trade receivable	(21,278,410,216)	(1,141,267,779)
Other receivable	433,467,542	511,981,550
Creditors for gas purchase	1,692,083,857	122,259,599
Creditors for gas transmission charges	115,062,786	(39,134,699)
Gas development fund	289,263,633	(658,844)
LNG Charges	18,519,953,867	1,559,651,383
BERC research fund	40,271,880	10,873,687
VAT for Gas development fund charges	(10,249,903)	(10,530,347)
VAT	1,140,500,250	118,563,415
Energy security fund	400,746,453	(4,470,922)
Depreciation fund	231,839,947	228,218,527
Adjustment accumulated depreciation fund	(172,230,045)	(172,442,692)
Group current accounts	(8,695,476)	16,986,026
Creditors and accruals	65,904,465	(234,613,941)
Contribution to BPPF	77,445,452	(36,914,249)
Leave pay	46,080	46,080
Provision for bad debts	2,098,834	1,155,868
Payable for retirement benefit obligations (gratuity)	154,365	199,502
Contribution to national exchequer	(400,000,000)	(850,000,000)
Contribution to national exchequer	-	(2,477,433,725)
	198,406,586	(3,112,255,715)
Net cash provided/(used) by operating activities	2,667,982,010	(347,623,039)
B. Cash flows from investing activities		
Fixed deposits receipts (FDR)	(424,330,717)	825,955,448
Fixed deposits against depreciation fund	(149,933,059)	(124,593,397)
Acquisition of property, plant and equipment	(28,183,710)	(22,399,505)
Other current assets	(34,117,963)	27,331,017
Payments for capital works-in-progress	(473,777,527)	(54,354,214)
Net cash provided/(used) by investing activities	(1,110,342,977)	651,939,349
C. Cash flows from financing activities		
Inter-company loan	14,370,607	18,050,420
Employee loans	(26,362,650)	(70,777,803)
Repayment of long term loans	(39,182,000)	(43,484,000)
Customers and contractors security deposit	305,504,295	337,882,333
Net cash provided/(used) by financing activities	254,330,252	241,670,950
Net Cash inflow during the year (A+B+C)	1,811,969,282	545,987,257
Opening Balance of Cash and Cash Equivalents	1,668,759,520	1,122,772,263
Closing Balance of cash and Cash Equivalents	3,480,728,802	1,668,759,520

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


(Md. Shahidul Islam)
Company Secretary/ General Manager (Finance)


(Engr. Monzur Ahmad Chowdhury)
Managing Director


(Engr. Md. Shaheenur Islam)
Director

Place: Dhaka
Dated: 30 October 2023



Jalalabad Gas Transmission And Distribution System Limited
Notes to the Financial Statements
For the year ended 30 June 2023

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



	2022-2023 BDT	2021-2022 BDT
3 Property, plant and equipment Cost:		
Opening balance	5,521,351,226	5,498,951,721
Add: Addition during the year	28,183,710	22,399,505
	<u>5,549,534,936</u>	<u>5,521,351,226</u>
Depreciation:		
Opening Balance	-	-
Add: charged during the year	172,230,045	172,442,692
	<u>172,230,045</u>	<u>172,442,692</u>
Less: Transfer to Depreciation fund during the year	172,230,045	172,442,692
Written down value Annexure- A	<u>5,549,534,936</u>	<u>5,521,351,226</u>
4 Capital works-in-progress		
Pipeline and Civil Construction	95,151,450	75,110,644
50,000 prepaid Gas metter project	464,030,168	13,241,283
Central Store Building Project	2,947,836	-
	<u>562,129,454</u>	<u>88,351,927</u>
5 Fixed deposit receipt (FDR)		
Government Bank	5,061,725,420	4,060,717,363
Non-Government Bank Annexure-D	1,065,725,812	1,642,403,151
	<u>6,127,451,231</u>	<u>5,703,120,514</u>
6 Fixed deposit against depreciation fund		
Opening balance	993,930,424	869,337,027
Add: Addition during the year	156,084,700	74,350,000
Add: Net interest	49,933,061	50,243,397
	<u>1,199,948,185</u>	<u>993,930,424</u>
Less: Encashment during the year	56,084,702	-
	<u>1,143,863,483</u>	<u>993,930,424</u>
7 Loan to employees		
Opening balance	806,453,908	735,676,105
Add: Addition during the year	128,810,000	157,560,000
Add: Adjustment	6,029,346	1,223,822
	<u>941,293,254</u>	<u>894,459,927</u>
Less: Recovery during the year	108,476,696	88,006,019
	<u>832,816,558</u>	<u>806,453,908</u>
Category wise breakup of loan		
Land purchase and Housebuilding loan	830,839,762	804,070,374
Motor cycle loan	1,221,796	1,838,534
Computer loan	755,000	545,000
	<u>832,816,558</u>	<u>806,453,908</u>
8 Inter- company loan		
Opening balance	90,252,099	108,302,519
Add: Addition during the year	-	-
	<u>90,252,099</u>	<u>108,302,519</u>
Less: Adjustment during the year	14,370,606	18,050,420
	<u>75,881,493</u>	<u>90,252,099</u>
Name of Company:		
1. Gas Transmission Company	<u>75,881,493</u>	<u>90,252,099</u>

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



		2022-2023	2021-2022
		BDT	BDT
9	Investment in shares	9,550,980	8,666,630

Sl.no.	Particular	Cost Price	Fair Value	Unrealized Gain / (Loss)
1	ICB Islamic Bank Limited	17,687,000	9,550,980	(8,136,020)
	Total	17,687,000	9,550,980	(8,136,020)

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 17,768,000. As on 30th June 2023 The share price was Tk 5.40 each which was Tk 4.90 as on 30 June 2022.

10 Inventories

A) Stores & Spares (Local)

Opening balance	277,506,595	249,447,060
Add: Addition during the year	61,780,448	91,372,357
	<u>339,287,043</u>	<u>340,819,417</u>
Less: Issued during the year	85,506,173	63,312,822
Total A	253,780,871	277,506,595

Details break up given bellow

Pipeline Materials	151,575,809	190,540,864
Various Meter	63,128,349	42,469,644
Various Size Black & white Tapes	28,505,686	32,380,054
General Hardware	4,606,618	5,597,996
Electrical & Electronic	3,268,697	2,967,095
Fire fighting Equipment spairs	694,317	408,382
Furniture & fixture	318,070	287,688
Others	1,683,323	2,854,872
	<u>253,780,871</u>	<u>277,506,595</u>

B) Goods -in -transit (Foreign)

Opening balance	70,137,194	43,769,826
Add: Addition during the year	233,529,724	70,504,409
	<u>303,666,918</u>	<u>114,274,235</u>
Less: Transfer to store during the year	95,310,993	44,137,041
	<u>208,355,925</u>	<u>70,137,194</u>

B) Goods-in-transit (foreign)	208,355,925	70,137,194
Total(A+B)	462,136,796	347,643,789

Inventories were count and valuation by the management of the Company



	2022-2023	2021-2022
	BDT	BDT
11 Advance, deposit and prepayments		
Corporate income tax	8,248,677,141	7,443,958,878
Advances (note 11.1)	20,923,606	2,113,657
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	2,175,900	2,204,184
Deposit to Linde Bangladesh Ltd.	32,000	32,000
Employee income tax	2,854,251	-
Deposit to RPGCL	35,175	35,175
	<u>8,275,342,523</u>	<u>7,448,988,344</u>
11.1 Advances		
Advance against procurement and others	5,272,032	2,113,657
Advance against incentive bonus & others	15,651,574	-
	<u>20,923,606</u>	<u>2,113,657</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.	13,508,271,274	2,377,222,236
Power (PDB) non-govt.	6,267,674,657	1,573,348,295
Captive Power	831,737,602	349,415,489
Fertilizer	4,719,210,320	821,850,314
Industrial	1,575,488,555	631,402,749
Tea estate	46,494,504	44,290,100
CNG	526,141,548	469,040,172
Commercial (Hotel, Resturent & Others)	375,970,995	36,446,395
Small & Cottage Industries	-	257,998,986
Domestic	471,728,189	483,292,692
	<u>28,322,717,644</u>	<u>7,044,307,428</u>



	2022-2023 BDT	2021-2022 BDT
13 Others receivable		
Lafarge Surma Cement against TPQ, Higher	586,739,257	1,017,170,439
Dearness allowance	28,962	49,222
Others	999,869	4,015,969
	<u>587,768,088</u>	<u>1,021,235,630</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	182,858,132	210,189,146
Add : Addition during the year	<u>216,976,098</u>	<u>183,840,466</u>
	399,834,230	394,029,612
Less : Adjustment during the year	<u>182,858,132</u>	<u>211,171,480</u>
	<u>216,976,098</u>	<u>182,858,132</u>

15 Cash and cash equivalents

Cash in hand	-	-
Cash at bank (STD and C/A)	<u>3,480,728,802</u>	<u>1,668,759,520</u>
	<u>3,480,728,802</u>	<u>1,668,759,520</u>

16 Share Capital

a) Authorized	<u>5,000,000,000</u>	<u>1,500,000,000</u>
500,000,000 ordinary shares of BDT 10 each		
b) Issued subscribed and paid-up	<u>1,327,471,800</u>	<u>1,327,471,800</u>
13,274,7180 ordinary shares of BDT 10 each		

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>



	2022-2023 BDT	2021-2022 BDT
17 Fair value adjustment reserve	<u>8,136,020</u>	<u>9,020,370</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 17,687,000.

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	8,382,346,482	8,472,204,014	10,270,262,183
Add: Net profit after tax for the year				
Transfer from Income statement	-	1,625,889,651	1,625,889,651	1,529,375,556
	<u>89,857,532</u>	<u>10,008,236,133</u>	<u>10,098,093,665</u>	<u>11,799,637,739</u>
Less: Contribution to national exchequer From retained earnings				(2,477,433,725)
Less: Contribution to national exchequer	-	(400,000,000)	(400,000,000)	(850,000,000)
	<u>89,857,532</u>	<u>9,608,236,133</u>	<u>9,698,093,665</u>	<u>8,472,204,014</u>

19 Long term borrowings - local

Opening balance	240,552,806	279,734,806
Add: Addition during the year	-	-
	<u>240,552,806</u>	<u>279,734,806</u>
Less: Transferred to current portion Adjustment	39,184,000	39,182,000
	<u>-</u>	<u>-</u>
	<u>201,368,806</u>	<u>240,552,806</u>

Project:

Sylhet Gas transmission Network Upgradation Project	201,368,806	240,552,806
	<u>201,368,806</u>	<u>240,552,806</u>

20 Long term borrowings - foreign

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



	2022-2023	2021-2022
	BDT	BDT
21 Security deposits - customers		
a) Cash security deposited by customers:		
Industry	678,204,404	747,607,072
Captive Power	609,946,355	476,368,344
CNG	27,544,178	28,822,581
Tea- Estates	67,384,250	60,288,226
Commercial (Hotel, Resturent & Others)	228,836,035	111,737,188
Small & cottage Industry	-	77,863,100
Domestic	594,990,515	398,714,930
	<u>2,206,905,736</u>	<u>1,901,401,441</u>
22 Retirement benefit obligations (gratuity)		
Opening balance	1,046,173	846,671
Add: Provision during the year	1,737,695	199,502
	<u>2,783,868</u>	<u>1,046,173</u>
Less: Payment/adjustment during the year	1,583,330	-
	<u>1,200,538</u>	<u>1,046,173</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	752,580	706,500
Add: Provision during the year	46,080	46,080
	<u>798,660</u>	<u>752,580</u>
Less: Payment during the year	-	-
	<u>798,660</u>	<u>752,580</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	243,200,000	243,200,000
	<u>1,428,700,000</u>	<u>1,428,700,000</u>
25 Depreciation Fund		
Opening balance	2,133,600,086	1,905,381,559
Add: Addition during the year	172,230,045	172,442,692
Add: Net Interest during the year	59,609,902	55,775,835
	<u>2,365,440,033</u>	<u>2,133,600,086</u>
Less: Adjustment Accrued Interest	-	-
	<u>2,365,440,033</u>	<u>2,133,600,086</u>
Depreciation Fund Management created as per company Board decision. No 418 date 12-08-2018		
26 Deferred Tax Liability		
Opening Balance	349,962,183	-
Add: Addition during the year	39,685,749	349,962,183
	<u>389,647,932</u>	<u>349,962,183</u>
Less: Adjustment during the year	-	-
Closing Balance	<u>389,647,932</u>	<u>349,962,183</u>



	2022-2023 BDT	2021-2022 BDT
27 Liability for Gas Purchase		
Opening balance	1,071,625,036	949,365,437
Add: Addition during the year	5,475,409,785	5,457,431,031
Add: VAT during the year	1,578,313,169	-
Add: Adjustment	541,664,225	-
	8,667,012,215	6,406,796,468
Less: Paid during the year	5,903,303,322	5,335,171,432
	2,763,708,893	1,071,625,036
Company wise break-up is as follows:		
Sylhet Gas Fields Ltd.	281,734,784	96,203,184
Bangladesh Gas Fields Co. Ltd.	299,156,237	133,475,075
IOC	2,182,817,872	841,946,777
	2,763,708,893	1,071,625,036
This represents amount payable to gas producing companies against their shares of margin		
28 Liability for LNG Charges		
Opening balance	3,210,553,081	1,650,901,698
Add: Addition during the year	33,989,179,695	16,385,772,056
	37,199,732,776	18,036,673,754
Less: Paid during the year	15,469,225,828	14,826,120,673
	21,730,506,948	3,210,553,081
29 Gas development Fund		
Opening balance	97,945,801	98,604,645
Add: Payable for the year	1,130,459,685	1,128,379,991
	1,228,405,486	1,226,984,636
Less: Paid during the year	841,196,052	1,129,038,835
	387,209,434	97,945,801
30 Energy security fund		
Opening balance	104,531,090	109,002,012
Add: Payable for the year	1,201,386,888	1,243,619,258
	1,305,917,978	1,352,621,270
Less: Paid during the year	800,640,435	1,248,090,180
	505,277,543	104,531,090
31 Gas transmission charges		
Opening balance	161,160,768	200,295,467
Add: Payable for the year	853,096,435	947,098,792
	1,014,257,203	1,147,394,259
Less: Paid during the year	738,033,649	986,233,491
	276,223,554	161,160,768
Company wise break-up is as follows:		
Gas transmission company(GTCL)	175,025,333	119,078,713
Petrobangla	99,437,577	41,101,677
Titas Gas T & D Company Ltd	1,760,644	980,378
	276,223,554	161,160,768
32 VAT for gas development fund		
Opening balance	10,249,903	20,780,250
Add: Payable for the year	-	143,727,202
	10,249,903	164,507,452
Less: Paid during the year	10,249,903	154,257,549
	-	10,249,903



	2022-2023 BDT	2021-2022 BDT
33 Value added tax		
Opening balance	572,436,523	453,873,108
Add: Payable for the year	4,373,521,565	3,487,564,205
	4,945,958,088	3,941,437,313
Less: Paid during the year	3,233,021,315	3,369,000,790
	1,712,936,773	572,436,523
34 BERC Research Fund		
Opening balance	10,873,687	
Add: Payable for the year	119,865,044	10,873,687
	130,738,731	10,873,687
Less: Paid during the year	79,593,164	
	51,145,567	10,873,687
35 Group current accounts		
Petrobanqia current account	59,443,683	57,522,482
Titas Gas Transmission and Distribution Co. Ltd	(550,880)	4,630,239
BAPEX current account	102,194	102,194
Madhapara Hard Rock and Mining Project	(23,657)	(23,657)
Bakhrabad Gas Systems Ltd	216,725	(9,783,274)
Gas Transmission Co. Ltd (GTCL)	(1,371,512)	(1,371,513)
RPGCL current account	665,225	665,225
SGFL current account	660,993	697,016
PGCL current account	(1,678,453)	(1,567,309)
Barapukuria Coal Mining	71,820	71,820
Sondarban Distribution Company Ltd	10,369,694	25,658,085
Joypurhat Line Stone	9,547	9,547
Karnaphuli Gas Distribution Co. Ltd	66,264	66,264
	67,981,643	76,677,119
36 Creditors & accruals		
Creditors for expenses	96,135,688	64,021,252
Creditors for other finance	1,699,611,009	1,661,650,036
Security deposit (Cash)	108,181,373	112,352,318
	1,903,928,070	1,838,023,606
37 Long term loan-current portion		
Opening balance	39,182,000	43,484,000
Add: Transfer from loan account	39,184,000	39,182,000
Add: Adjustment	2,000	-
	78,368,000	82,666,000
Less: Paid during the year	39,184,000	43,484,000
	39,184,000	39,182,000
Projects:		
Gas Supply to Sylhet Combine Cycle Shahajal Factory	-	-
Gas Transmission Net work Upgradation Project	39,184,000	39,182,000
	39,184,000	39,182,000
38 Beneficiaries' profit participation fund		
Opening balance	43,467,463	80,381,712
Add: Payable for the year	120,912,915	136,431,052
	164,380,378	216,812,764
Less: Paid during the year	43,467,463	173,345,301
	120,912,915	43,467,463
39 Provision for doubtful debts		
Opening balance	23,332,142	22,176,274
Add: Addition during the year	2,098,834	1,155,868
	25,430,976	23,332,142
Less: Adjustment during the year	-	-
	25,430,976	23,332,142

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



	2022-2023 BDT	2021-2022 BDT
40 Provision for income tax		
Opening balance	7,619,611,742	6,906,759,496
Add: Provision during the year	631,769,979	712,852,246
	8,251,381,721	7,619,611,742
Less: Payment/adjustment during the year	-	-
	8,251,381,721	7,619,611,742

	2022-2023		2021-2022	
	Volume (CM)	BDT	Volume (CM)	BDT
41 Gas sales				
Power (PDB)-Govt.	1,365,326,909	16,547,289,618	1,874,211,069	8,431,084,600
Power Non-Govt.	1,311,784,679	7,543,157,134	1,014,119,382	4,565,617,633
Captive power- Industries generator	277,163,050	5,800,179,601	257,665,354	3,619,456,004
Fertilizer	337,724,943	5,306,465,429	379,373,855	1,989,196,652
Industrial	312,314,824	5,928,586,479	303,966,180	3,288,005,719
Tea estate	29,301,984	352,750,857	30,544,908	331,031,378
Commercial (Hotel, Resturant & Others)				
	20,994,290	544,946,892	9,556,253	222,816,293
Small & Cottage Industry	-	-	8,313,877	137,726,093
Domestic	163,594,668	2,914,954,342	201,674,413	2,614,491,784
CNG	138,620,236	4,808,509,153	133,590,416	4,675,664,571
	3,956,825,583	49,746,839,505	4,213,015,708	29,875,090,727

42 Other operational income		
Surcharge for late payment	48,806,346	100,379,645
Meter rent	9,572,976	9,978,324
Connection charge	5,775,887	6,757,862
Heating charge	1,421,318,947	699,811,521
Demand charges	474,647,398	510,142,363
	1,960,121,554	1,327,069,715

43 Gas purchases/Production charges

Name of the Companies

	Wellhead Margin		
Sylhet Gas Fields Ltd	97,750,180	97,750,180	83,872,459
Bangladesh Gas Fields Company Ltd	325,282,619	325,282,619	301,772,846
Petrobanqla (IOC)	5,052,376,989	5,052,376,989	4,256,751,697
	5,475,409,788	5,475,409,788	4,642,397,002

Total Gas purchase for the year 3995.517 MMCM

44 LNG Charges

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

Type of user:	Volume CM		
Power (PDB)	2,703,457,903	15,997,057,297	6,343,588,988
Fertilizer	340,939,443	4,097,531,993	1,091,077,927
Industrial	315,341,864	4,275,106,531	1,909,864,463
Tea estate	29,523,555	207,842,723	192,511,149
Commercial (Hotel, Restaurant & Others)	21,188,330	275,643,625	137,409,697
Small & cottage industry	-	-	80,955,935
Domestic	165,248,941	1,958,815,039	1,559,362,137
CNG	140,012,908	2,997,620,877	2,913,369,288
Captive power - Industries generator	279,804,083	4,179,561,610	2,157,632,472
	3,995,517,027	33,989,179,695	16,385,772,056



45 Gas development fund	Volume CM	2022-2023 BDT	2021-2022 BDT
Type of user			
Power (PDB)	2,703,457,903	446,069,597	491,587,774
Fertilizer	340,939,443	56,255,008	138,563,309
Industrial	315,341,864	138,433,656	64,973,725
Tea estate	29,523,555	12,960,644	181,844,644
Commercial (Hotel, Restaurant & Others)	21,188,330	18,528,439	126,163,550
Small & Cottage Industry	-	-	12,705,792
Domestic	165,248,941	86,259,617	8,559,433
CNG	140,012,908	210,508,511	5,502,695
Captive power - Industries generator	279,804,083	161,444,213	98,479,070
	3,995,517,027	1,130,459,685	1,128,379,991
46 Energy security fund contribution			
Type of user			
Power (PDB)	2,703,457,903	504,193,816	544,511,073
Fertilizer	340,939,443	63,926,146	151,883,740
Industrial	315,341,864	142,060,049	71,967,234
Tea estate	29,523,555	13,300,160	138,399,366
Commercial (Hotel, Restaurant & Others)	21,188,330	20,531,426	13,916,612
Small & cottage Indusry	-	-	9,367,601
Domestic	165,248,941	87,664,228	6,200,033
CNG	140,012,908	206,448,154	199,179,597
Captive power	279,804,083	163,262,908	108,194,002
	3,995,517,027	1,201,386,888	1,243,619,258
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)		593,309,183	709,656,163
Petrobangla against IOC transmission charges		255,162,162	233,244,916
Titas Gas Transmission and Distribution Company Ltd.		4,625,090	4,197,713
		853,096,435	947,098,792
48 VAT for gas development fund			
Sylhet Gas fields ltd (SGFL)		-	18,078,517
Bangladesh gas fields co ltd.		-	17,612,194
Petrobangla (IOC) gas fields		-	108,036,491
		-	143,727,202
49 Value added tax (VAT)			
Sylhet Gas fields ltd (SGFL)		850,524,484	394,851,679
Bangladesh gas fields co ltd. (BGFCL)		727,788,685	384,491,639
Petrobangla (IOC) gas fields		4,373,521,566	2,708,220,887
		5,951,834,735	3,487,564,205
50 BERC research fund		119,865,044	10,873,687
51 Operating expense			
Direct costs:			
Employee cost (note 51.1)		606,675,826	564,310,930
Repair and maintenance (note 51.2)		59,147,030	52,315,913
Security expense		72,408,180	68,145,963
Other direct cost (note 51.3)		248,371,035	237,981,210
		986,602,071	922,754,016
Administrative costs (note 51.4)		5,732,921	5,467,466
		992,334,992	928,221,482





	2022-2023	2021-2022
	BDT	BDT
51.1 Employee cost		
Officers' salary	174,766,116	166,922,289
Staff salary	61,166,010	58,566,881
Educational allowance	2,820,252	2,921,376
Overtime	26,697,535	28,552,713
House rent allowance	81,163,562	73,288,742
Gratuity	1,737,695	199,502
Leave pay	17,838,413	17,079,584
Festival bonus	47,027,250	37,724,757
Incentive bonus	33,700,988	35,920,766
Bangla noboborsho Bonus	3,468,887	3,856,749
Liveries and uniform	26,912,865	11,094,624
Recreation allowance	16,436,450	14,898,970
Company's contribution to provident fund	34,971	28,710
Gas subsidy	5,943,251	5,210,139
Medical allowance	8,521,414	10,495,413
Lunch subsidy-staff	2,580,475	2,915,503
Lunch subsidy-officers	3,341,140	3,519,580
Medical expenses	2,492,997	2,059,779
Welfare expenses	5,188,794	4,862,597
Group insurance	5,448,146	4,912,611
Washing allowance	806,527	770,909
Conveyance allowance	595,816	792,578
Pension fund	64,349,000	62,405,418
Honorarium	3,846,876	5,706,970
Recruitment Expenses/others	9,464,216	9,006,523
Others	326,180	597,247
	606,675,826	564,310,930
51.2 Repair and maintenance		
Vehicles	6,488,754	5,458,108
Plant and Pipeline machinery	38,787,253	38,268,548
Building	13,508,749	8,006,599
Furniture, fixtures and office equipment	362,274	582,658
	59,147,030	52,315,913
51.3 Other direct costs		
Travelling and conveyance	3,985,075	7,953,928
Telephone and telex	5,792,738	5,221,616
Fuel, oil and lubricants	6,480,953	8,097,548
Electricity	6,536,737	7,513,584
Transport hire	13,392,643	22,488,530
Office rent	4,440,507	3,984,037
Municipal tax and transmission licence fees	24,329,334	22,212,072
Insurance	1,844,696	457,253
Training expenses	2,328,148	23,790,952
Wages of workers (casual labour)	42,459,854	41,440,244
Entertainment expenses	2,192,157	2,536,252
Electric accessories	487,792	1,126,225
Bank charges	6,257,990	9,482,046
Legal Expenses & Consultancy Fees	116,101,307	71,328,848
Entertainment allowance	2,220	1,980
Donation and subscription	888,384	1,486,673
Directors' honorarium	2,250,288	1,680,000
Audit fees	205,000	165,750
Crockeries and cutleries	50,680	194,659
Domestic use of gas	46,205	20,950
Residential furnishing	125,513	46,164
CSR	5,950,000	6,050,000
Others	2,222,814	701,899
	248,371,035	237,981,210




	2022-2023 BDT	2021-2022 BDT
51.4 Administrative costs		
Office, stationery and printing	2,231,416	2,141,308
Advertisement	2,951,484	2,657,056
Newspaper and periodicals	550,021	669,102
	5,732,921	5,467,466
52 Bad debts		
Bad debts calculation @3% on debtors (Domestic Customers , Small Industries , Hotel & resturent)	2,098,834	1,155,868
53 Depreciation		
Depreciation Calculation shwon Annexure A	172,230,045	172,442,692
54 Non-operational income		
Sale of tender schedule	151,000	258,000
Suppliers` registration fees	665,732	86,000
Sale of pipeline materials (customer finance)	133,328,125	73,526,258
Sale of gas bill books	9,148	35,774
Sale of Condenset	3,168,207	-
Other rental income	4,618,139	3,942,854
Penalty	2,249,345	2,129,562
Miscellaneous income	14,047,144	13,394,321
	158,236,840	93,372,769
55 Finance income		
Interest on FDR accounts	334,614,093	432,585,676
Interest on STD accounts	93,044,806	81,059,949
Interest on employee loan	21,870,668	19,367,144
Interest on inter-company loan	454,969	2,031,290
	449,984,536	535,044,059
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
Sylhet Gas Transmission Network Upgradation Project	9,028,000	10,597,000
	9,028,000	10,704,000
57 Provision for contribution to BPPF (Details are given in note 2.11)	120,912,915	136,431,052
58 Income tax expense		
Provision for income tax @ 27.5% on accounting profit	631,769,979	712,852,246
59 Deferred tax Expenses Recognized in profit and Loss Account		
As on 30 June 2023	1,957,671,893	1,416,901,572
Current tax rate	540,770,321	27.5%
Deferred tax liability at closing		389,647,932
Deferred tax liability at beginning		349,962,183
		39,685,749

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


 (Md. Shahidul Islam)
 Company Secretary/General Manager (Finance)


 (Engr. Monzur Ahmad Chowdhury)
 Managing Director


 (Engr. Md. Shaheenur Islam)
 Director

Place: Dhaka
 Dated: 30 October 2023



Jalalabad Gas Transmission And Distribution System Limited
Details of property, plant and equipment
For the year ended 30 June 2023

Annexure- A

Category of asset	Cost			Rate %	Depreciation			Cost value as on 30 June 2023
	As on 01 July 2022	Addition during the year	Adjustment during the year		Total as on 30 June 2023	As on 01 July 2022	Charged during the year	
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Freehold land	203,213,654	-	-	203,213,654	-	-	-	203,213,654
Land infrastructure	13,216,983	13,850	-	13,230,833	5	-	147,084	13,230,833
Concrete and bricks	521,971,594	-	-	521,971,594	2.5	13,029,228	13,029,228	521,971,594
Sheds and temporary structure	16,849,791	2,752,799	-	19,602,590	10	533,989	533,989	19,602,590
Walls and store yards	49,474,928	6,967,418	-	56,442,346	5	2,020,980	2,020,980	56,442,346
Furniture and fixtures	48,198,735	2,342,195	-	50,540,930	10	1,780,162	1,780,162	50,540,930
Domestic appliance	4,804,603	-	-	4,804,603	15	56,624	56,624	4,804,603
Office equipment	55,786,665	4,383,266	-	60,169,931	15	2,187,172	2,187,172	60,169,931
Other equipment	107,949,096	72,400	-	108,021,496	15	78,213	78,213	108,021,496
Transmission lines	403,487,307	1,435,404	-	404,922,711	3.33	9,791,613	9,791,613	404,922,711
Distribution lines	3,366,641,713	9,442,425	-	3,376,084,138	5	118,890,183	118,890,183	3,376,084,138
Transmission and distribution plants	541,624,814	-	-	541,624,814	5	14,782,666	14,782,666	541,624,814
Tube wells and ponds	16,931,928	740,603	-	17,672,531	10	530,951	530,951	17,672,531
Water pipe lines and tanks	1,338,792	33,350	-	1,372,142	10	6,178	6,178	1,372,142
Light vehicle	169,251,253	-	-	169,251,253	20	8,395,002	8,395,002	169,251,253
Loose tools	609,370	-	-	609,370	25	-	-	609,370
Total as at 30 June 2023	5,521,351,226	28,183,710	-	5,549,534,936		172,230,045	172,230,045	5,549,534,936
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



Jalalabad Gas Transmission And Distribution System Limited
Key Performance Indicator
For the year ended 30 June 2023

Annexure- B
(BDT in lac)

Sl. No.	Particulars	2022-2023		2021-2022	Standard
		BDT	Ratio	Ratio	Ratio
1	Current ratio: <u>Current assets</u> Current liabilities	413,457 378,358	1.1:1	1.16:1	2:1
2	Quick ratio: <u>Quick assets</u> Current liabilities	318,034 378,358	0.84:1	0.56:1	1:1
3	Return on total sales revenue: <u>Net profit before tax X 100</u> Total sales revenue	22973X100 497,468	4.62%	8.68%	10%-20%
4	Rate of return on Capital employed capital employed: <u>Net profit before Tax X 100</u> Capital employed	22973x100 178,111	12.89%	8.38%	15%-20%
5	Debt-equity ratio: <u>Year end long term loans</u> Capital and reserves	4,009 110,174	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 fixed assets	(22973+90)x100 55,355	41.66%	47.24%	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	16259+90+1,722 90+392	37.49 Times	34.32 Times	Not less than 1-2 times
8	Sales per employee: <u>Total sales revenue</u> Average no. of employee	497,468 458	1086.17	677.44	-
9	Debtors in month <u>Debtors for gas sales</u> Average 3 - month gas sales	283,227 62,339	0.95:1	0.94:1	1:1
10	Net profit before tax per employee: <u>Net profit before Tax</u> Average no. of employee	22,973 458	50.16	58.78	-
11	Operating profit ratio: <u>Operating profit X 100</u> Sales	18,191X100 497,468	3.66%	7.06%	-



Jalalabad Gas Transmission And Distribution System Limited
Statement of Budget Variance Analysis
For the year ended 30 June 2023

Annexure- C
(BDT in lac)

Sl. no.	Description	Actual	Budget	Actual	Variance
		2021-2022	2022-2023	2022-2023	
		BDT	BDT	BDT	BDT
	Cash expenses	1	2	3	4 = 2-3
1	Pay of officer	1,669.22	1,755.60	1,747.66	7.94
2	Pay of staff	585.66	634.32	611.66	22.66
3	Education allowance	29.21	36.00	28.20	7.80
4	House rent allowance	732.88	873.14	811.64	61.50
5	Festival bonus	377.24	590.00	470.27	119.73
6	Incentive bonus	359.21	380.00	337.01	42.99
7	Medical allowance	104.95	115.00	85.22	29.78
8	Medical expenses	20.60	25.00	24.93	0.07
10	Conveyance allowance	7.92	14.00	5.96	8.04
11	Overtime allowance	285.52	270.00	266.98	3.02
12	Liveries and uniforms	110.95	280.00	269.13	10.87
13	Washing allowances	7.71	9.50	8.07	1.43
14	Welfare expenses	48.63	52.00	51.89	0.11
15	Leave pay	170.80	185.00	178.38	6.62
16	Gratuity	1.99	21.15	17.38	3.77
17	Contribution to pension fund	624.05	644.50	643.49	1.01
18	Recreation allowance (LFA)	148.99	195.00	164.36	30.64
19	Lunch subsidy (Staffs)	29.16	34.50	25.81	8.69
20	Lunch subsidy (Officer)	35.20	39.00	33.41	5.59
21	Group insurance	49.13	69.73	54.48	15.25
22	Contribution to providend fund	0.29	0.38	0.35	0.03
23	Gas allowance	52.10	60.00	59.43	0.57
24	Honorarium	57.07	60.00	38.47	21.53
25	Bangla nobabarsho bonus	38.57	43.00	34.69	8.31
26	Printing and stationery	21.41	45.00	22.31	22.69
27	Telephone, postage, fax and telex	52.22	58.00	57.93	0.07
28	Electricity expenses	75.14	90.00	65.36	24.64
29	Electric accessories	11.26	18.00	4.88	13.12
30	Travelling expenses	79.54	80.00	39.85	40.15
31	Office rent	39.84	45.00	44.40	0.60
32	Entertainment expenses	25.36	42.00	21.92	20.08
33	Training expenses	237.91	295.00	23.28	271.72
34	Legal fees & Consultancy Fees	713.32	1,600.00	1,161.01	438.99
36	Insurance expenses	4.57	50.00	18.45	31.55
	Sub total	6,807.61	8,709.82	7,428.26	1,281.56



Sl. No.	Description	Actual	Budget	Actual	Variance
		2021-2022	2022-2023	2022-2023	
37	Director Honorarium/fees	16.80	23.00	22.50	0.50
38	Audit fees	1.66	3.00	2.05	0.95
39	Bank charges	94.82	105.00	62.58	42.42
40	Books and periodicals	6.69	7.00	5.50	1.50
41	Rent rate and taxes	222.12	240.00	243.29	(3.29)
42	Petrol,oil and lubricant	80.98	82.00	64.81	17.19
43	Transport rent	224.89	290.00	133.93	156.07
44	Repair and maintenance of vehicles	54.58	70.00	64.89	5.11
45	Repair and maintenance of plant and machinery.	382.68	580.00	387.87	192.13
46	Repair and maintenance of building, etc.	80.07	185.00	135.09	49.91
47	Repair and maintenance of furniture and fixture	5.83	10.00	3.62	6.38
48	Donation and subscription	14.87	10.00	8.87	1.13
49	Advertisement	26.57	30.00	29.52	0.48
50	Crockeries and cutleries	1.95	1.75	0.51	1.24
51	Gas bill for resthouse & others - own use	0.21	1.00	0.46	0.54
52	Residential furnishing	0.46	1.50	1.26	0.24
53	Entertainment allowance	0.02	1.00	0.02	0.98
54	Wages of irregular / Outsourcing workers	414.40	425.00	424.60	0.40
55	Safety and security expenses	681.46	725.00	724.08	0.92
56	Recruitment Expenses	90.06	95.00	94.64	0.36
57	CSR(School and others)	60.50	60.00	59.50	0.50
58	Others	12.99	67.00	25.49	41.51
	Sub total	2,474.60	3,012.25	2,495.08	517.17
	Grand total	9,282.21	11,722.07	9,923.34	1,798.73
	Non cash expenses				
58	Depreciation	1,724.43	1,825.00	1,722.30	102.70
59	Bad and doubtful debts	11.56	100.00	20.99	79.01
	Sub total	1,735.99	1,925.00	1,743.29	181.71
	Grand total	11,018.20	13,647.07	11,666.63	1,980.44



Jalalabad Gas Transmission And Distribution System Limited
List of Investment in FDR
As at 30 June 2023

Annexure - D

A) Government Bank

SL. No.	Name of the Bank	Balance during year 2022-2023
1	Sonali Bank Ltd	40,000,000
2	Janata Bank Ltd	2,032,068,000
3	Bangladesh Krishi Bank	854,362,480
4	Agrani Bank Ltd.	875,760,000
5	Investment Corporation of Bangladesh (ICB)	665,034,939
6	Rupali Bank Ltd	453,075,000
7	BASIC Bank Ltd.	141,425,000
Total :		5,061,725,419

B) Non-Government Bank

SL. No.	Name of the Bank	Balance (BDT)
1	AB Bank Ltd.	152,652,662
2	First Security Islami Bank Ltd.	84,826,643
3	Social Islami Bank Ltd.	166,141,703
4	Union Bank Ltd.	159,795,620
5	Modhumoti Bank Ltd	5,000,000
6	EBL	40,000,000
7	South Bangla Agr. & Commerce Bank Ltd.	17,609,908
8	Meghna Bank Ltd.	24,430,337
9	NRB Global Bank Ltd.	21,040,000
10	NRB Bank Ltd.	36,571,444
11	Pubali Bank Ltd.	10,000,000
12	South East Bank Ltd.	46,699,610
13	BRAC Bank Ltd	20,000,000
14	UCBL Bank Ltd.	63,468,960
15	Exim Bank Ltd.	20,994,000
16	The City Bank Ltd	20,000,000
17	IFIC Bank Ltd.	30,960,000
18	Midland Bank Ltd	10,000,000
19	National Bank Ltd.	20,585,000
20	NCC Bank Ltd.	5,000,000
21	One Bank Ltd.	58,850,922
22	Community Bank Ltd	15,000,000
23	BCBL	21,099,000
24	Trust Bank Ltd	10,000,000
25	Bank Al-Falah Ltd	5,000,000
Total		1,065,725,812
Reconciliation of FDR cheq. Issue within 30-06-2022 But FDR opened in next month.		-
Grand Total (A+B) :		6,127,451,231

