

Power Grid Company of Bangladesh Ltd.
PGCB Bhaban, Avenue-3, Jahurul Islam City
Aftabnagar, Badda
Dhaka- 1212, Bangladesh

Power Grid Company of Bangladesh Ltd.

Independent auditors' report and financial statements
for the year ended 30 June 2019

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06 November 2019

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Independent Auditors' Report to the Shareholders of Power Grid Company of Bangladesh Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Power Grid Company of Bangladesh Limited (the Company), which comprise the statement of financial position as at June 30, 2019, 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 of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

1. In note # 2.1 to the financial statements, the Company has reported an amount of BDT 489,606,950 as addition to property, plant and equipment (PPE) resulting from increase in Bangladesh currency equivalent to the foreign currency loan liabilities, relating to acquisition of such PPE, due to change in exchange rates during the year ended on 30 June 2019. Again, the Company capitalized BDT 1,968,449,324 as an addition to capital work in progress for the ongoing projects resulting from the increase in Bangladesh currency equivalent to the foreign currency loan liabilities, relating to the acquisition of such capital work in progress, due to change in exchange rates during the year ended on 30 June 2019. As per Para 28 of IAS 21: Effects of Changes in Foreign Exchange Rate, the said amount should be recognized as a loss in the Statement of Profit or Loss and Other Comprehensive Income. The Company describes the reason for such capitalization in note # 2.1.
2. As disclosed in Note # 4 to the financial statements, the carrying amount of PPE was reported at BDT 144,494,665,501. No fixed assets register with the required information was available. Some items of PPE have been received by the Company from Bangladesh Power Development Board (BPDB, previously PDB) and Dhaka Power Development Company (DPDC, previously DESA) without conducting physical verification and valuation thereof. It is also noted that no physical verification of PPE was conducted either at the year-end or any time during the year under audit. As such we are unable to confirm the authenticity of the physical existence of PPE as of 30 June 2019. Out of the total assets of the Company, PPE is 58.76% which remained unverified as to its quantity. Moreover, the Company has never performed impairment test of its PPE which is also a non-compliance with IAS 36: Impairment of Assets.

3. Note # 5 to the financial statements includes inter-alia inventory in transit (under capital work in progress) amounting to BDT 2,063,539,050 out of which we have checked, on a sample basis, inventory in transit amounting to BDT 362,696,086 (18% of the total inventory in transit) and found that 3 lots having carrying value of BDT 234,620,563 in total were delivered to respective GMDs during the prior years. One lot for BDT 83,937,832 was delivered during the year 2013-2016, one lot for BDT 86,618,334 was delivered during the year 2015-2016 and one lot for BDT 64,064,397 was delivered during the year 2017-2018. But the Company has not yet transferred such inventory in transit to inventory. The management could not provide us any documents related to inventory in transit amounting to BDT 118,580,523. As a result, we could not confirm the same. The remaining amount of BDT 9,495,000 was found to be in inventory in transit.
4. In note # 7 to the financial statements, the Company disclosed BDT 1,137,052,392 as inventories. Movement of inventories was not properly recorded, and mismatches were found between store ledger and accounts ledger balances at the cost centers we visited. During our visit to 5 GMDs, we observed that the physical store statement showed the inventory of BDT 365,739,960 as against BDT 350,555,591 as per the accounts ledger, the difference being BDT 15,184,369. As a result, the physical existence and value of the inventory could not be confirmed. We had no other practical alternative auditing procedure that we could apply to confirm the physical existence as well as the value thereof as on 30 June 2019.
5. As disclosed in note # 8 to the financial statements, the Company reported an amount of BDT 5,542,285,929 as receivables from transmission/wheeling and optical fiber charges. It includes receivables from DPDC, DESCO, BPDB, RPC, PBS, WZPDCL, M/S Abul Khair Steel Product and BWDB GK Project (Bheramara, Kushtia) amounting to BDT 1,112,318,607, BDT 319,992,566, BDT 1,910,533,381, BDT 5,439,000, BDT 1,819,975,742, BDT 194,670,991, BDT 6,433,733 and BDT 1,560,621 respectively. The amount of BDT 5,439,000, receivable from RPC is being carried forward since FY 2004-05, though 100% provision had been made against the same. Other amounts as stated above are increasing year by year till to date. It includes disputed amounts with DPDC, DESCO, BPDB, RPC, PBS, WZPDCL, M/S Abul Khair Steel Product and BWDB GK Project (Bheramara, Kushtia) amounting to BDT 611,824,767, BDT 3,106,231, BDT 1,192,078,169, BDT 5,439,000, BDT 107,357,277, BDT 65,797, BDT 6,433,733 and BDT 1,560,621 respectively. In our opinion, the Company is very unlikely to recover the amounts in full. If adequate provisions were made for the above, the earnings per share (EPS) and net asset value (NAV) for the year 2018-19 would have been adversely affected to that extent.
6. The Company has accumulated a balance of provision against gratuity amounting to BDT 3,114,689,871 of which BDT 322,980,496 is for the current year. The Company carries an unfunded gratuity scheme for its employees and provision is made as per the Company's gratuity policy for which no actuarial valuation was done though required under IAS 19: Employee Benefits.



We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 for 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 ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition	
Risk	Our response to the risk
<p>The revenue during the year represents revenue mainly arising from transmission/wheeling charge and optical fiber charges. We have identified the head 'revenue' as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations. There is also a risk that revenue may be overstated through misstatement of the measurement units. Further, there is a risk that the provisions of IFRS 15: Revenue from Contracts with Customers (New revenue accounting standard) may not be properly complied with. The application of the new revenue accounting standard involves certain key judgments relating to the identification of distinct performance obligations, determination of transaction price of the identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period.</p>	<p>Our audit procedures to address the risks of material misstatement relating to revenue, which was considered to be significant audit risk, included-</p> <ul style="list-style-type: none"> • Assessment of the design and testing of the operating effectiveness of management's control over revenue systems across the Company. • Checking of the process that revenue has been recognized at the correct time by testing a sample of transactions against which the revenue has been recognized. • Ascertaining the revenue recognition process and testing the same through recalculation of revenue, and evaluation of recognition, measurement, presentation and disclosures in the financial statements in accordance with the related IFRS 15: Revenue from Contracts with Customers. <p>Revenues are included in Note # 23 to the financial statements.</p>

Debt (Interest Bearing Borrowings)	
Risk	Our response to the risk
<p>The Company maintains interest-bearing loans and grants which are recorded at the amount of proceeds received, net of transaction costs. Borrowing costs are charged to the statement of profit or loss and other comprehensive income as an expense in the period in which they are incurred. The company is entitled to repay the principal balance as well as any accrued interests</p>	<p>We obtained the debt schedule to prove mathematical accuracy, determine that significant reconciling items are proper by examining source documents and determined if classification of debt between current and non-current is appropriate. We examined documentation such as directors'/finance committee's minutes and correspondence for evidence of new borrowing and obtained debt agreements to review for key or significant items such as principal, interest, maturity date, collateral, and scheduled payment dates.</p> <p>We also analytically reviewed interest expense to develop an expectation of interest expense based on the average principal amounts outstanding during the period and contractual or average interest rates, compare expected amounts to recorded amounts and determine whether results identify areas where additional procedures are required.</p> <p>We also determined whether violations of provisions of debt agreements exist by performing the entity's calculations and compliance certificate submitted to lender.</p> <p>See note 14 to the financial statements.</p>
Deferred Tax Liability	
Risk	Our response to the risk
<p>Company reported net deferred tax liability totaling BDT 6,524 million as at 30 June 2019.</p> <p>Significant judgment is required in relation to deferred tax liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liability and the assumptions used in estimating the Company's future taxable expense. We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense. We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities.</p> <p>We also assessed the appropriateness of presentation of disclosures against IAS 12: Income Tax.</p> <p>See note 17 to the financial statements.</p>

Legal and regulatory matters	
Risk	Our response to the risk
<p>The company has several legal proceedings, claims and government investigations and inquiries pending that expose it to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the company's best estimate for existing legal matters that have a probable and estimable impact on the company's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the company's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the company's provisions and contingent liabilities disclosure.</p>
IT Systems and Controls	
Risk	Our Response to the Risk
<p>Our audit procedures have a focus on information technology systems and controls due to the pervasive nature and complexity of the IT environment, the volume of transactions proceeded in numerous locations daily and the reliance on automated and IT department manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT department and application based controls are operating effectively.</p>	<p>We tested the design implementation, and operating effectiveness of the Company's access controls over the information systems that are critical to financial reporting. We tested IT general controls (Logical access, Changes management & aspects of IT operational controls). These included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition we understood where relevant changes were made to the IT landscape during the audit period and tested those changes that had significant impact on financial reporting.</p>

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard at this stage, since no components (except for the financial statements and our audit report thereon) of the Annual Report of the Company have yet been prepared by the Management. However, when we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Other Matters

1. The financial statements of the Company as at and for the year ended 30 June 2018 were audited by other auditors who expressed a modified opinion on those statements on 01 November 2018.
2. The Company has not disclosed net asset value per share, net operating cash flow per share and reconciliation of net income or net profit with cash flow from operating activities making an adjustment for non-cash items, for non-operating items and the net changes in operating accruals. It is a non-compliance of para-5 of notification no. BSEC/CMRRCD/2006/-158/208/Admin/81 dated 20 June 2018.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained in note no. 2, 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. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.



In preparing 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 auditors' 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform 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 procedures that are appropriate in the circumstances.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.



ACNABIN
Chartered accountants



Howladar Yunus & Co.
Chartered accountants

Dated, Dhaka
06 November 2019

Power Grid Company of Bangladesh Ltd.
Statement of Financial Position
As at 30 June 2019


	Notes	30.06.2019 BDT	30.06.2018 BDT
Assets			
Non-current assets			
Property, plant and equipment	4	144,494,665,501	115,120,606,842
Capital works-in-progress	5	68,590,309,163	63,269,033,237
Total non-current assets		213,084,974,664	178,389,640,079
Current assets			
Investment in FDR	6	10,000,000	110,000,000
Inventories	7	1,137,052,392	1,011,360,681
Accounts and other receivables	8	5,542,285,929	3,240,307,900
Advances, deposits and prepayments	9	14,188,602,127	9,901,480,568
Cash and cash equivalents	10	11,938,407,665	7,481,236,802
Total current assets		32,816,348,113	21,744,385,951
Total assets		245,901,322,777	200,134,026,030
Equity and liabilities			
Equity			
Share capital	11	4,609,129,910	4,609,129,910
Deposit for shares	12	50,710,701,193	37,348,943,886
Retained earnings	13	10,940,901,160	7,875,722,492
Total equity		66,260,732,263	49,833,796,288
Non-current liabilities			
Term loan-interest bearing	14	156,740,746,757	129,395,518,629
Grant from SIDA & KFW	15	1,397,138,163	1,048,053,605
Deferred liability-gratuity	16	3,000,998,610	2,791,709,375
Deferred tax liabilities	17	6,524,327,821	6,240,241,542
Total non-current liabilities		167,663,211,351	139,475,523,151
Current liabilities			
Term loan-interest bearing	18	777,574,800	840,005,104
Interest payable	19	331,989,607	410,713,009
Liabilities for expenses	20	1,053,892,851	2,030,713,925
Liabilities for other finance	21	9,337,938,750	7,178,242,571
Provision for taxation	22	475,983,155	365,031,982
Total current liabilities		11,977,379,163	10,824,706,591
Total liabilities		179,640,590,514	150,300,229,742
Total equity and liabilities		245,901,322,777	200,134,026,030

The accounting policies and explanatory notes (1 to 37) form an integral part of these Financial Statements.

For and on behalf of Board of Directors of Power Grid Company of Bangladesh Ltd.



Company Secretary



Managing Director

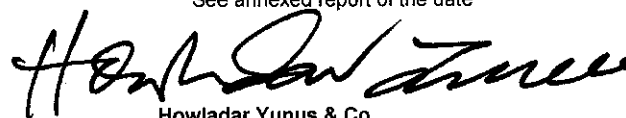


Director

See annexed report of the date



ACNABIN
Chartered Accountants



Howladar Yunus & Co.
Chartered Accountants

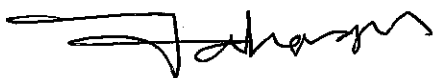
Dhaka, Bangladesh
Dated 06 November 2019

Power Grid Company of Bangladesh Ltd.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

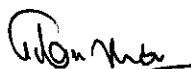
	Notes	2018-19 BDT	2017-18 BDT
Revenue	23	17,782,781,714	15,590,059,498
Transmission expenses	24	(10,041,743,816)	(9,173,357,578)
Gross profit		7,741,037,898	6,416,701,920
Administrative expenses	25	(753,879,913)	(709,360,702)
Profit from operating activities		6,987,157,985	5,707,341,218
Finance income	26	332,112,266	174,157,620
Other income	27	376,968,178	197,432,549
Finance expenses	28	(3,249,457,807)	(3,282,789,446)
Profit before contribution to WPPF		4,446,780,622	2,796,141,941
Contribution to WPPF		(211,751,458)	(133,149,616)
Profit before income tax		4,235,029,164	2,662,992,325
Income tax expense	29	(395,037,452)	(482,728,030)
Current tax		(110,951,173)	(95,769,898)
Deferred tax		(284,086,279)	(386,958,132)
Profit after tax		3,839,991,712	2,180,264,295
Other comprehensive income		-	-
Total comprehensive income		3,839,991,712	2,180,264,295
Earnings per share (EPS)- basic	30	8.33	4.73

The accounting policies and explanatory notes (1 to 37) form an integral part of these Financial Statements.

For and on behalf of Board of Directors of Power Grid Company of Bangladesh Ltd.



Company Secretary



Managing Director



Director

See annexed report of the date



ACNABIN

Chartered Accountants



Howladar Yunus & Co.

Chartered Accountants

Dhaka, Bangladesh
Dated 06 November 2019

Power Grid Company of Bangladesh Ltd.
Statement of Changes in Equity
For the year ended 30 June 2019

Particulars	Share capital	Deposit for shares	Retained earnings	Total
	BDT	BDT	BDT	BDT
Year ended 30 June 2018				
Balance at 01 July 2017	4,609,129,910	30,394,658,990	6,380,288,420	41,384,077,320
Prior years' adjustment for:				
Understated expenses	-	-	-	-
Overstated expenses	-	-	6,541,294	6,541,294
Overstated income	-	-	(2,030)	(2,030)
Re-stated balance at 01 July 2017	4,609,129,910	30,394,658,990	6,386,827,684	41,390,616,585
Net investment received during the year	-	6,954,284,896	-	6,954,284,896
Total comprehensive income for the year	-	-	2,180,264,295	2,180,264,295
Final dividend of 2016-17 (15% cash)	-	-	(691,369,487)	(691,369,487)
Balance as on 30 June 2018	4,609,129,910	37,348,943,886	7,875,722,492	49,833,796,288
Year ended 30 June 2019				
Balance as on 1 July 2018	4,609,129,910	37,348,943,886	7,875,722,492	49,833,796,288
Prior years' adjustment for:				
Overstated expenses	-	-	10,465,809	10,465,809
Understated expenses	-	-	(1,726,769)	(1,726,769)
Re-stated balance at 01 July 2018	4,609,129,910	37,348,943,886	7,884,461,532	49,842,535,328
Net investment received during the year	-	13,361,757,308	-	13,361,757,308
Total comprehensive income for the year	-	-	3,839,991,712	3,839,991,712
Final dividend of 2017-18 (17% cash)	-	-	(783,552,085)	(783,552,085)
Balance as on 30 June 2019	4,609,129,910	50,710,701,194	10,940,901,160	66,260,732,264

For and on behalf of Board of Directors of Power Grid Company of Bangladesh Ltd.


Company Secretary


Managing Director


Director

Dhaka, Bangladesh
Dated 06 November 2019



Power Grid Company of Bangladesh Ltd.
Statement of Cash Flows
For the year ended 30 June 2019

	2018-19 BDT	2017-18 BDT
A. Cash flows from operating activities		
Cash receipts from customers	15,470,836,462	15,068,404,130
Cash paid to suppliers, contractors and employees' etc.	(7,849,754,280)	(1,775,858,080)
Cash generated from operating activities	7,621,082,182	13,292,546,050
Interest paid	(893,060,954)	(612,652,322)
Net cash from operating activities (note 31.1)	6,728,021,228	12,679,893,728
B. Cash flows from investing activities		
Interest received	332,378,933	202,920,106
Cash receipts from sale of transmission line and scraps	386,668,733	207,432,549
Addition to property, plant and equipment and capital works-in-progress	(38,985,495,652)	(43,465,058,067)
Investment in fixed deposit	100,000,000	1,210,000,000
Net cash used in investing activities	(38,166,447,986)	(41,844,705,412)
C. Cash flows from financing activities		
Share capital and deposit for shares (Rearranged)	13,361,757,307	6,960,824,160
Grant from SIDA (Rearranged)	349,084,558	871,739,943
Long term loan	22,968,307,841	24,070,199,251
Dividend paid	(783,552,085)	(691,369,487)
Net cash from financing activities	35,895,597,621	31,211,393,867
D. Net increase in cash and cash equivalents (A+B+C)	4,457,170,863	2,046,582,182
E. Opening cash and cash equivalents	7,481,236,802	5,434,654,620
F. Closing cash and cash equivalents (D+E)	11,938,407,665	7,481,236,802

Cash and cash equivalents comprise:

Cash in hand	789,532	711,389
Balances with banks:		
Current deposit accounts	1,844,200,295	933,017,262
Short term deposit accounts	10,093,417,838	6,547,508,151
	11,937,618,133	7,480,525,413
	11,938,407,665	7,481,236,802

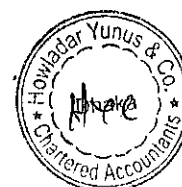
For and on behalf of Board of Directors of Power Grid Company of Bangladesh Ltd.


Company Secretary


Managing Director


Director

Dhaka, Bangladesh
Dated 06 November 2019



1. Reporting entity

1.1 Company profile

Power Grid Company of Bangladesh Ltd. (hereinafter referred to as "PGCB"/ "the Company") is a listed public limited company in Bangladesh. The Company was incorporated on 21 November 1996 having registration no. C-31820 (941)/96 under the Companies Act, 1994 as a fully Bangladesh Power Development Board (BPDB) owned private company limited by shares with an authorized capital of BDT 10 billion under the Power Sector Reform Program of the Government of Bangladesh and it was subsequently converted to a public limited company on 05 March 2000. PGCB is a subsidiary company of Bangladesh Power Development Board (BPDB). The Company was listed in October 2006 at the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE). Offloading of shares started in October 2006. The Shares of the company have been trading in both Stock Exchanges since then.

1.2 Nature and scope of business

The Company's principal activities are planning, promoting, developing, operating and maintaining an integrated and efficient power transmission system/network throughout Bangladesh. As the sole power transmission Company in Bangladesh, the Company is responsible for all aspects, regarding transmission lines, sub-stations, load dispatch centers, communication facilities, etc. The scope of work of the Company also includes co-ordination of integrated operations of regional, national and international grid systems. It also provides consultancy services in power systems and execution turnkey jobs for other organizations. The company is the sole electric power transmission organization in Bangladesh. It is a government-owned company that solely operates the power grid & transmission of electricity in Bangladesh.

1.3 Registered office

The registered office of the Company is located at Red Crescent Concord Tower, 17 Mohakhali C/A, 6th Floor, Dhaka 1212, Bangladesh.

1.4 Corporate head office

Corporate head office of the Company is located at PGCB Bhaban, Avenue - 3, Jahurul Islam City, Aftabnagar, Badda, Dhaka-1212, Bangladesh.

2. Basis of preparation of financial statements

2.1 Statement of compliance

Except as detailed below, the financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act, 1994, Bangladesh Security Exchange Commission (BSEC) Acts & Rules and other applicable laws and regulations.

Foreign currency exchange difference of BDT 489,606,950 arising from foreign currency denominated loans and borrowings taken by the Company for acquisition of property, plant and equipment has been added with the carrying amount of capital works-in-progress and property, plant and equipment as required under the provision of Section 185, read with, Part-1, Schedule XI of the Companies Act, 1994 since the loans were used in the projects that were accounted for in capital works in progress. While IAS 21: The Effects of Changes in Foreign Exchange Rates does not allow capitalization of foreign exchange difference, the company recognized the foreign exchange loss/(gain) as part of its property, plant, and equipment as allowed under the Companies Act, 1994.

The Company carries an unfunded gratuity scheme for its employees and provision is made as per the Company's gratuity policy for which no actuarial valuation has been done though required under IAS 19: Employee Benefits.



2.1.1 Other regulatory compliances

The Company is also required to comply with the following major laws and regulations in addition to the Companies Act, 1994:

The Securities & Exchange Ordinance, 1969

The Securities & Exchange Rules, 1987

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 1991

The Value Added Tax Rules, 1991

The Customs Act, 1969

The Labor Act, 2006

2.2 Presentation of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements.

- a. Statement of Financial Position;
- b. Statement of Profit or Loss & Other Comprehensive Income;
- c. Statement of Changes in Equity;
- d. Statement of Cash Flows; and
- e. Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements.

2.3 Basis of measurement

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the company is historical cost except for the inventories which are stated at the lower of cost and net realizable value. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the number of proceeds received in exchange for the obligation, or some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT) which is both functional and presentational currency.

2.5 Level of precision

The figures of financial statements presented in BDT which have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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



To be precise, information about significant areas of estimation uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

	<u>Note Ref.</u>
Depreciation and amortisation	4
Deferred liability for gratuity	16
Deferred tax liabilities	17
Foreign currency denominated loans and borrowings	14-15 and 18-19

2.7 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason, the directors continue to adopt a going concern basis in preparing the financial statements. The current resources of the Company provide sufficient funds to meet the present requirements of the existing business.

2.8 Accrual basis of accounting

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income, and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

2.9 Materiality and aggregation

The Company presents separately each material class of similar items and items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

2.10 Offsetting

The Company does not offset assets and liabilities or income and expenses unless required or permitted by an IFRS.

2.11 Applicable accounting standards

The following IASs and IFRSs are applicable for the financial statements for the year under review:

- IAS - 1 Presentation of Financial Statements
- IAS - 2 Inventories
- IAS - 7 Statements of Cash Flows
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- IAS - 10 Events after the Reporting Period
- IAS - 12 Income Taxes
- IAS - 16 Property, Plant and Equipment
- IAS - 19 Employee Benefits
- IAS - 20 Accounting for Government Grants and Disclosure of Government Assistance
- IAS - 21 The Effects of Changes in Foreign Exchange Rates
- IAS - 23 Borrowing Costs
- IAS - 24 Related Party Disclosures
- IAS - 32 Financial Instruments: Presentation
- IAS - 33 Earnings per Share
- IAS - 34 Interim Financial Reporting
- IAS - 36 Impairment of Assets
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets
- IAS - 39 Financial Instruments: Recognition and Measurement
- IFRS - 7 Financial Instruments Disclosures
- IFRS - 13 Fair Value Measurement
- IFRS - 15 Revenue from Contracts with Customers



2.12 Reporting period

The financial statements of the Company cover one year from 01 July 2018 to 30 June 2019 and followed consistently.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Foreign currency transactions

IAS 21: The Effect of Changes in Foreign Exchange Rates requires balances resulting from transactions denominated in a foreign currency to be converted into BDT at the rate prevailing on the date of transaction. All monetary assets and liabilities at balance sheet date, denominated in foreign currencies, are to be retranslated at the exchange rates prevailing on the balance sheet date. While recognizing foreign exchange gain/loss, on foreign currency-denominated loans for acquisition of property, plant, and equipment the Company consistently follows the Companies Act 1994. Details are given in note 2.1.

3.2 Property, plant and equipment

3.2.1 Recognition and measurement

Items of property, plant, and equipment excluding land are measured at cost less accumulated depreciation in compliance with the requirement of IAS 16: Property, Plant and Equipment. The cost of an item of property, plant, and equipment comprises its purchase price, import duties, and nonrefundable taxes, after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in an intended manner. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

3.2.2 Subsequent costs

The cost of replacing part of an item of property, plant, and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant, and equipment are recognized in profit or loss and other comprehensive income as incurred.

3.2.3 Depreciation

No depreciation is charged on land and capital work in progress

Depreciation on other items of property, plant, and equipment is provided on a straight-line basis over the estimated useful lives of each item. In addition to property, plant, and equipment, depreciation is charged from the month of capitalization up to the month immediately preceding the month of disposal.

Considering the estimated useful life of the assets, the rates of depreciation stand as follows:

<u>Category of asset</u>	<u>Rate of depreciation (%)</u>
Building	5
Plant and machinery (substations and transmission lines)	3.5
Motor vehicle	20
Office equipment	10
Computer and accessories	10
Signboard	25
Furniture and fixtures	10

3.2.4 Capital works-in-progress

Capital works-in-progress consists of all costs related to projects including civil construction, land development, consultancy, interest, exchange loss/(gain), line-in progress, import duties, and nonrefundable taxes and VAT. Property, plant, and equipment that is being under construction/acquisition is also accounted for as capital works-in-progress until construction/acquisition is completed and measured at cost. And the cost does not include the retention money kept by the donors by the instruction of the Company.



3.2.5 Retirement and disposal

An item of property, plant, and equipment is derecognized on disposal or when no further economic benefits are expected from its use, whichever comes earlier. Gains or losses arising from the retirement or disposal of property, plant, and equipment are determined by comparing the proceeds from disposal with the carrying amount of the same and are recognized the net with 'other income' in the statement of profit or loss and other comprehensive income.

3.2.6 Impairment

The carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. An impairment loss is recorded on a judgmental basis, for which provision may differ in the future years based on the actual experience. An impairment loss is recognized whenever the carrying amount of the asset exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of profit and loss and other comprehensive income.

3.3 Inventories

Inventories consisting of spare parts at Grid Maintenance Divisions (GMD) offices are valued at cost. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Cost of inventories is determined by using the weighted average cost formula. Net realisable value is based on estimated selling price less estimated cost to sale.

3.4 Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets carried in the statement of financial position include cash and cash equivalents, other receivables, inter company receivables and advance, deposits and prepayments.

Nonderivative financial instruments comprise of cash and cash equivalents, accounts and other receivables, loans and borrowings and other payable.

3.4.1 Financial assets

All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and cash at bank including fixed deposits having maturity of three months to one year which are available for use by the Company without any restriction.

Advances, deposits and prepayments

Advances are recognized and stated at original invoiced amounts and carried at anticipated realizable values.

Accounts and other receivables

Accounts and other receivables are initially recognised at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to collectability of any amount so recognised.

3.4.2 Financial liabilities

Financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include interest bearing borrowing mostly from government , non refundable grants, trade payables and other current liabilities.



Interest-bearing borrowings

Interest bearing borrowings are created against the capital assets which are brought in the name of projects of the company and paid for by the lenders. The company creates an interest bearing borrowing amount in the name of the lender when a capital asset is booked under a project's name for which the lender paid to the procurer. In the cases of foreign borrowings, the company goes into a Subsidiary Loan Agreement (SLA) with the GoB.

In case of interest bearing borrowings from the GoB, the borrowings are detruncated into 40%-60% ratio as per the commemoratives of the borrowings distributed in the name of the company. 40% of the borrowing is recorded as interest bearing borrowing where the other 60% is recorded as Deposit for Share. The unused amount of GoB loans are refunded in the name of GoB through treasury challan.

Grants

Grants or non-repayable grants are disbursed or given by the grant makers to fund specific projects. Grants are usually conditional upon certain qualifications as to the use, maintenance of specified standards, or a proportional contribution by the grantee or other grantors. The company receives its grants from foreign grant makers through GoB Subsidiary Grant Agreements (SGAs). The grant makers disburse the amount of grant against procurements of the company under the terms of SGAs.

Trade payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

3.5 Share capital

Paid up capital represents the total amount contributed by the shareholders and bonus shares issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors are fully entitled to any residual proceeds of liquidation.

Deposit for shares

A share money deposit is a part of equity. These are considered equity shares and are long-term profit-invested deposits geared toward to stockholders of a company. The company gets Share money deposit from two key concerns, i.e., Bangladesh Power Development Board (BPDB) and the Govt. of Bangladesh.

BPDB represents the amount of investment received through the 5th & 6th Vendors Agreement with the company. GoB's amount represents the investment received from GoB against the development projects. GoB's borrowings are detruncated into a 40%-60% ratio as per the commemoratives of the borrowings distributed in the name of the company. 60% of the borrowings are deposited as a deposit for shares in the name of GoB.

3.6 Provision, contingent liabilities and contingent assets

Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of the past event, an outflow of economic benefits will probably be required to settle the obligation and a reliable estimate can be made of an amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

Contingent liabilities

A contingent liability arises where a past event may lead to an entity having a liability in the future but the financial impact of the event will only be confirmed by the outcome of some future event not wholly within the entity's control. A contingent liability should be disclosed in the financial statements unless the possible outflow of resources is thought to be remote.



Contingent asset

A contingent asset is a potential asset that arises from past events but whose existence can only be confirmed by the outcome of future events not wholly within an entity's control. A contingent asset should be disclosed in the financial statements only when the expected inflow of economic benefits is probable.

3.7 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity in accordance with the requirements of IAS 12: Income Taxes.

3.7.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The effective rate of tax is 25% as per Income Tax Ordinance 1984.

Minimum Tax is applicable for the Company as per section 82C(4) of Income Tax Ordinance 1984 on gross receipts from all sources @ 0.60%.

Provision for tax has been made on the basis of income tax laws.

3.7.2 Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on income tax, the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.8 Revenue recognition

IFRS 15: Revenue from Contracts with Customers supersedes IAS 11: Construction Contracts, IAS 18: Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Due to the transition methods chosen by the Company in applying this standard, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standard.

Revenue comprises transmission/wheeling charge and rental income which is recognized in the statement of profit or loss and other comprehensive income after meeting the recognition criteria in accordance with the requirements of IFRS 15: Revenue from Contracts with Customers. Revenues are measured at a fair value of the consideration received or receivable, net off sale-related taxes (VAT).



Transmission charge is recognized when monthly invoices are raised against Bangladesh Power Development Board (BPDB), Dhaka Power Distribution Company (DPDC), Palli Bidyut Samitees (PBSs), West Zone Power Distribution Co. Ltd (WZPDC), North Electric Supply Co. Ltd (NESCO) and Dhaka Electric Supply Company Ltd. (DESCO). The amount of invoices is determined by a survey of meter reading at the cut-off time.

Rental income from Optical Fibber Cable Network is recognized when monthly invoices are raised against Grameen Phone Ltd, Bangladesh Telecommunication Company Limited (BTCL), Banglalink, Fibber @ Home, UGC, Robi Axiata Ltd. & Summit Communications Ltd. Quantum of invoices is determined in accordance with the agreement.

3.9 Basis for allocation of transmission expense and administrative expense:

Particulars	Transmission	Admin.	Total
Salary and other employee benefits	89.00	11.0	100
Travelling and conveyance	96.20	3.80	100
Functions, games and entertainment	8.67	91.33	100
Rent, rates and taxes	44.90	55.10	100
Postage, telephone and fax	67.66	32.34	100
Recruitment and training	47.40	52.60	100
CPF contribution	92.11	7.89	100
Gratuity	83.00	17.00	100
Electricity and power	98.34	1.66	100
Office expenses	35.52	64.48	100
Fuel and lubricants	76.13	23.87	100
Security expense	98.66	1.34	100
Insurance	21.63	78.37	100
Bank charges and commission	98.00	2.00	100
Consultancy	17.88	82.12	100
Repair and maintenance	96.87	3.13	100
C & F, carrying and handling	96.01	3.99	100
Miscellaneous expenses	81.55	18.45	100
Depreciation (note 4)	99.62	0.38	100

Note: Based on the above ratios the cost is allocated between transmission and administrative expenses.

3.10 Finance income and expense

Finance income comprises interest income on funds invested. Interest income is recognised on accrual basis.

Finance expense comprises interest expense on loans and foreign exchange loss/(gain) on translation of foreign currency relating to finance expenses. All finance expenses are recognised in the statement of profit or loss and other comprehensive income

3.11 Earnings per share

The company presents basic and diluted (when dilution is applicable) earnings per share (EPS) data for its ordinary shares in accordance with the requirements of IAS 33: Earnings per Share.

Basic EPS is calculated by dividing the net profit for the year attributable to ordinary shareholders (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the year and splitted ordinary shares (IAS 33.10).

Diluted EPS is calculated by adjusting the earnings and number of shares for the effects of dilutive options and other dilutive potential ordinary shares (IAS 33.31).

3.12 Events after the reporting period

Events after the reporting period provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the reporting date are not adjusting events are disclosed in the notes when material.

3.13 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of IAS 7: Statement of Cash Flows. The cash generated from operating activities has been prepared using the direct method as prescribed by Securities and Exchange Rules 1987 and as the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.



3.14 Borrowing cost

Borrowing cost relating to projects already in commercial operations is charged as expenses for the year in accordance with requirements of IAS 23: Borrowing Costs. In respect of projects that have not yet commenced commercial operation, borrowing costs are adjusted with capital works-in-progress.

3.15 Employee benefits

The Company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees in accordance with the requirements of IAS 19: Employees Benefits. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

3.15.1 Defined contribution plan (provident fund)

Defined contribution plan is a post-employment benefit plan. The recognised Employees' Provident Fund is 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.

The Company recognises contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

3.15.2 Defined benefit plan (gratuity)

The Company also maintains an unfunded gratuity scheme for permanent employees, provision for which has been made in the statement of profit or loss and other comprehensive income. Employees are entitled to gratuity benefits after completion of minimum 3 years service with the Company but provision has been made for persons who have not completed 3 years. The gratuity is calculated on the last basic salary and is payable at the rate of 2.5 months' basic salary for every completed year of service.

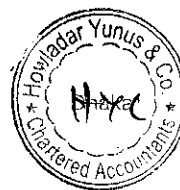
3.15.3 Group insurance

The Company has also a group insurance scheme for its permanent employees, premium for which is being charged to profit or loss and other comprehensive income annually as per the insurance policy.

3.16 Workers Profit Participation Fund (WPPF)

This is required to be made in terms of section 234(1)(b) of Bangladesh Labour Act 2006 (as amended in 2013). As per that Act, 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% 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 has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.

The company makes provision @ 5% of its net profit before tax as a contribution to workers' profit participation fund before tax and charging such expense in accordance with The Bangladesh Labour Act 2006 (as amended in 2013). However, the fund is not separately allocated in the above stated manner.



3.17 Proposed dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend per share in accordance with the requirements of the para 125 of IAS 1: Presentation of Financial Statements. Also, the proposed dividend has not been considered as "liability" in accordance with the requirements of the paras 12 & 13 of IAS 10: Events After The Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

The Board of Directors of the Company recommended 20% (BDT 2.00 per share) cash dividend amounting to BDT 921,825,982.00 for 30 June 2019 at the board meeting held on 06 November 2019. The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company. The financial statements for the year ended 30 June 2019 do not include the effect of the cash dividend which will be accounted for in the period when shareholders' right to receive payment is established.

3.18 Comparative information

Relevant comparative information has been presented in the financial statements. Previous year's figures have been rearranged/reclassified and restated wherever possible and considered necessary to conform to current year's presentation.



Power Grid Company of Bangladesh Ltd.
Notes to the financial statements
For the year ended 30 June 2019

4. Property, plant and equipment

Property, plant and equipment												Figures in BDT	
Particulars	Cost				Depreciation					Total to 30 June 2019	Carrying amount/written down value at 30 June 2019		
	At 01 July 2018	Addition during the year	(Disposal) / adjustment for the year	Total at 30 June 2019	Rate %	Upto 01 July 2018	Prior year's adjustment	Restated balance as at July 01, 2018	(Disposal) / adjustment during the year			Charge for the year	
Land and land development	5,852,906,878	1,368,415,673	-	7,221,322,551	-	-	-	-	-	-	-	7,221,322,551	
Building	609,832,954	116,889,907	-	726,722,861	5	92,446,426	-	92,446,426	-	33,857,422	126,303,848	600,419,013	
Plant and machinery	175,545,061,424	33,834,022,322	-	209,379,083,746	3.5	67,511,150,625	(5,110,649)	67,506,039,976	-	5,942,598,357	73,448,638,333	135,930,445,413	
Motor vehicle	1,143,726,911	106,138,146	-	1,249,865,057	20	741,459,481	-	741,459,481	-	146,425,116	887,884,597	361,980,459	
Office equipment	393,706,322	99,193,480	-	492,899,803	10	157,714,266	-	157,714,266	-	38,493,715	196,207,981	296,691,822	
Computer and accessories	65,328,826	10,289,696	-	75,618,522	10	29,336,973	-	29,336,973	-	6,485,712	35,822,684	39,795,838	
Signboard	56,411,853	-	-	56,411,853	25	56,411,853	-	56,411,853	-	-	56,411,853	-	
Furniture and fixtures	85,240,362	8,640,232	-	93,880,594	10	43,089,064	-	43,089,064	-	6,781,125	49,870,189	44,010,405	
Total 2018-19	183,752,215,530	36,543,589,456	-	219,295,804,986	-	68,631,608,688	(5,110,649)	68,626,498,039	-	6,174,641,446	74,801,139,485	144,494,665,501	
Total 2017-18	177,186,892,072	6,812,823,457	(247,500,000)	183,752,215,530	-	63,788,656,067	-	63,788,656,068	(247,500,000)	5,090,452,620	68,631,608,588	115,120,606,842	

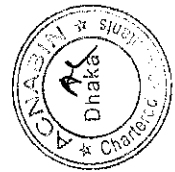
Depreciation charged for the year

2018-19

2017-18

Transmission expenses (note 24)	6,151,177,808	5,071,108,900
Administrative expenses (note 25)	23,463,637	19,343,720
	6,174,641,446	5,090,452,620

Plant and machinery include substations and transmission lines (included in note 7) amounting to BDT 47,370,760,000 that has been transferred from POB through several vendors agreements of which the 1st agreement was made on 14-10-99 and the last agreement (6th agreement) till date was made on 10-04-2012. The final vendors' agreement, however, is expected to be signed in the next accounting year.



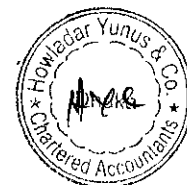
Power Grid Company of Bangladesh Ltd.
Notes to the financial statements
For the year ended 30 June 2019

	30.06.2019 BDT	30.06.2018 BDT
5. Capital work-in-progress		
Balance as at 01 July	63,269,033,237	25,353,438,671
Add: Cost incurred during the year	(27,203,376,107)	37,915,594,565.44
Less: Adjustment/transfer to assets	32,524,652,033	-
Balance as at 30 June	68,590,309,163	63,269,033,237
Project-wise break-up:		
400/230/132 Kv Chocoria Matharbari TLP	234,562	234,562
Ashuganj Bhulta 400 KV Transmission Line Project	-	5,717,948,413
Aminbazar Mawa Mongla 400 KV TLP & Aminbazar S/S Project	981,161,557	119,388,896
132 KV Amnura Substation & Associated TLP	638,603,706	566,059,942
Bakerganj-Barguna 132kv and Barguna S/s construction Project	491,383,917	18,637,616
B.Barua-Nabinagar-Narshingdi 132 KV Transmission Line Project	-	200,000
Bay Extension at Tongi and Rampura SS Construction Project	12,393,953	-
Baharampur-BD-Baharampur-India 2nd 400kv TLP	588,373,874	2,568,048
Bangladesh power system reliability and efficiency improvement Project	45,231,692	4,270,636
Bhaluka Sreepur 132kv TLP	1,265	-
Enhancement of capacity of Grid S/S & TL for Rural Electrification Project	8,748,331,074	6,556,104,709
ESPNER Eastern Region Project	102,925,429	-
Power Grid Network Strengthening Project (G to G)	151,184,452	85,745,025
Ghorasal 230kv UG cable project	135,583,998	112,589,974
400/230/132 KV Grid Network Development Project	8,065,449,524	4,474,910,145
Grid Development Project in Eastern Region	-	8,649,497,151
Head Office Building *	1,708,156,217	1,439,286,501
HVDC 400kv back to back substation project	89,355,821	297,361
HVDC 2nd Block	-	14,299,198,099
Ruppur Paromanobik Biddut Nirman Prokolpo	1,371,059	-
Kodda 132/33 KV S/S Project	190,102,337	24,818,094.64
Kodda-Rajendrapur 132kv double circuit TLP	511,504,278	1,900.00
Matarbari-Anowara-Madunaghat 400 KV TL Project	685,794,023	23,799,291
DTIMEZRPS Mirsharail project	410,263,973	2,222,799
Dhaka-Chittagong MPGS Project (MMM)	592,945,310	396,356,036
Mongla Khulna (South) 230 KV TLP	951,339,689	824,985,928
Management Training Centre Building, Agargaon	203,013,902	140,703,739
Mymensingh Tangail Bhaluka and Jamalpur Sherpur	198,502	198,502
National Power Transmission Network Development	16,769,507,335	11,088,649,969
Sylhet Shajibazar Brahmanbaria 400 Kv TL	36,340,322	36,340,322
Shajibazar Ashuganj 132 Kv Transmission Line	158,988,750	158,988,750
Replacement of Aminbazar 132kv double circuit TLP	110,527,750	108,000
Meghnaghat – Aminbazar 400 Kv RPP, Associated T/L extension Transmission	-	487,681,960
Patuakhali (Payra) Gopalganj 400 KV TLP & Gopalganj 400 KV S/S	12,063,552,348	3,302,321,790
Patuakhali-Payra 230kv TL Project	2,281,945,775	91,585,248
Rajendrapur 132kv GIS S/S project	531,032,368	5,570,306
RE Component of MUSCCFP	608,834,560	487,581,378
Reconductoring of 132kv TLP	1,602,648,545	1,121,845,732
Rural Trans. Network Development and Renovation Project (Energy Efficiency in Grid Based Power Supply Project).	214,534,489	66,086,654
Western Grid Network Development Project	4,627,602,598	935,782,571
Sahajibazar XLPE Cable Replacement Project	103,103,817	-
South Western Transmission Expansion Project	2,924,794	-
33 Kv Switching Station at Agrabad & Rampur, Ctg.	11,003,848	-
GMD-Dhaka (North) WIP	130,869,377	-
Exchange Rate Fluctuation loss/(Gain)	1,968,449,324	1,370,949,566
Inventory in Transit	2,063,539,050	655,517,623
Balance as at 30 June	68,590,309,163	63,269,033,237

*Head Office Building is partially now being in use.

6. Investment in FDR	10,000,000	110,000,000
This represents investment in fixed deposit with BRAC Bank Ltd.(Banasree Branch)		
7. Inventories	1,137,052,392	1,011,360,681

These represent the closing inventory of electrical goods as at 30 June 2019. The electrical goods include spare parts which were received from Bangladesh Power Development Board (BPDB) along with the substations and transmission lines mentioned in note 4.



8. Accounts and other receivables		
Receivable from transmission/wheeling and optical fiber charge (note 8.1)	5,542,246,347	3,230,301,095
Other receivables (note 8.2)	39,582	10,006,804
	5,542,285,929	3,240,307,900
8.1 Accounts receivables		
Receivable from transmission/wheeling and optical fiber charge	5,547,685,347	3,235,740,095
Provision for bad debt (RPCL)	(5,439,000)	(5,439,000)
Net receivable from transmission/wheeling and optical fiber charge	5,542,246,347	3,230,301,095
8.2 Other receivables		
T/L sales (Tangail PBS)	-	9,700,555
Interest receivable	39,582	306,249
	39,582	10,006,804

The age-wise analysis of receivables against transmission/wheeling and optical fiber charge of BDT 5,542,246,347 is as under:

Particulars	> 6 Months	< 6 Months	Total
	BDT	BDT	BDT
BPDB	961,562,450	948,970,931	1,910,533,381
DPDC	592,290,262	520,028,345	1,112,318,607
DESCO	3,106,230	316,886,336	319,992,566
PBS	77,433,992	1,742,541,750	1,819,975,742
WZPDCL	65,796	194,605,195	194,670,991
NESCO (NWZPDCL)	-	99,184,399	99,184,399
M/S Abul Khair Steel Product	6,433,733	-	6,433,733
BWDB GK Project Bheramara, Kushtia	1,560,621	-	1,560,621
Grameenphone Ltd. for optical fiber	15,467,416	-	15,467,416
BTCL for optical fiber	2,096,251	50,220,000	52,316,251
Banglalink	-	1,497,151	1,497,151
Robi Axiata for optical fiber	273,816	-	273,816
Fibre @ Home for optical fiber	-	6,982,209	6,982,209
Summit Communication	(3)	-	(3)
UGC for optical fiber	-	1,039,466	1,039,466
	1,660,290,564	3,881,955,783	5,542,246,347

The Company has reported an amount of BDT 5,542,246,347 as receivable from transmission/wheeling and optical fiber charge. It includes receivables from PDB, DPDC, DESCO, WZPDCL and NESCO BDT 1,910,533,381, 1,112,318,607, 319,992,566, BDT 194,670,991 & BDT 99,184,399 respectively. Receivable from DPDC includes BDT 13,702,055 being carried forward from June 2008 to June 2019 due to fewer amounts not received against wheeling charge bills over the years. Receivable from DESCO includes BDT 3,106,230 being carried forward from 2012 and receivable from WZPDCL includes BDT 9,620 being carried forward from the year 2015.

The accounts receivable from BPDB has been partly adjusted against the debt service liability payable to BPDB by PGCB out of loan transferred with the assets. All the receivables have been considered as good.

9. Advances, deposits and prepayments

Advances (note 9.1)	14,186,622,803	9,900,228,999
Deposits (note 9.2)	1,979,324	1,251,569
	14,188,602,127	9,901,480,568

9.1 Advances

Advance against legal expense (Doza & Haroon)	407,815	407,815
Advance against TA/DA	99,000	99,000
Advance against contractors/suppliers	6,504,073	7,617,489
Advance of branch offices and GMDs	41,261,715	27,493,618
Advance tax (note 9.1.1)	8,040,668,844	6,276,658,745
Advance against expenses	10,138,315	10,013,085
Advance against office rent	1,554,650	1,554,650
Advances given by projects (note 9.3)	6,084,541,433	3,575,634,329
Suspense account (defalcation at CE-Project Monitoring)	31,138	31,138
Advance against training (employee)	1,415,820	719,130
	14,186,622,803	9,900,228,999

9.1.1 Advance tax represents income tax deducted at source on import of raw materials, interest on fixed deposits and short term accounts and advance payment of tax deducted by customer.

9.2 Deposits

Grid maintenance divisions	1,102,845	375,090
CDBL	500,000	500,000
Others	376,479	376,479
	1,979,324	1,251,569



9.3 Advances given by projects

IBSB Project	306,748	306,748
33 KV GIS SS at Agrabad & Rampur Ctg.	2,478,266	-
132 KV Amnura S/S & Associated TLP	7,000	7,000
Bibiyana-kaliakore Project	-	-
Project 1 (Aminbazar old Airport)	-	12,500,290
Barishal Bhola Borhanuddin Project (BBB)	-	5,133,326
RRAGS Project	7,221,069	7,221,069
National Power Transmission Network Development (NPTND)	262,103,503	402,388,521
132KV GNDP in Eastern Region	10,520,226	7,874,960
400/230/132 KV GND Project	17,000	246,007
Ashuganj Bhulta 400 KV TLP	-	411,113,679
Mongla-Khulna-South	98,019,502	100,643,623
Kodda 132/33KV SS	498,906.00	4,198,528.00
HVDC 2nd Block	-	114,541,444
ECGSTLP	4,889,240	177,233,271
Ruppur Paromanobik Biddut Nirman Project	17,537,897	30,721,630
Dhaka-Chittagong MPGC Project	2,176,186,875	-
Aminbazar-Mawa-Mongla 400kv TL Project	1,477,637,927	83,657,855
RE Component of MUSCCFPP	4,038,454	12,476,579
Power Grid Network Strengthening Project-G to G	40,313,794	40,313,599
Patuakhali(Paira)-Gopalganj 400kv TLP	77,072,379	327,729,338
Patuakhali(Paira)-Gopalganj 230kv TLP	26,450	220,139,357
Re-conductoring of 132kv TL project	9,520,170	28,293,855
Rajendrapur 132/33kv GIS project	3,841,589	6,007,136
DTIMEZRPS Mirsharail project	176,179,040	83,935,170
Rajendrapur 132kv double circuit TLP	3,959,532	24,956,236
Bakerganj Barguna 132kv & Barguna SS construction project	43,163,929	85,325,507
Bharamara-Baharampur 2nd 400kv TL	48,400,877	77,584,951
Matarbari-Modunaghat 400kv TL project	179,659,248	241,156
WGNDP	825,300,531	1,285,023,735
Energy efficiency in grid base power supply	-	25,819,759
South Western Expansion Project	588,648,810	-
ESPNER Project, Eastern Region	125,405	-
Bay Extension at Rampura SS & Tongi Project	7,635,440	-
Bhaluka-Sherpur Project	19,231,626	-
	6,084,541,433	3,575,634,329

10. Cash and cash equivalents

Cash in hand	789,532	711,389
Balances with banks as:		
Current deposit accounts	1,844,200,295	933,017,262
Short term deposit accounts	10,093,417,838	6,547,508,151
	11,937,618,133	7,480,525,413
	11,938,407,665	7,481,236,802

11. Share capital

Authorised share capital		
10,000,000,000 ordinary shares of BDT 10 each	100,000,000,000	10,000,000,000
Paid up share capital		
460,912,991 ordinary shares of BDT 10 each	4,609,129,910	4,609,129,910
The break-up of the paid up share capital is as follows:		
116,536,000 shares of BDT 10 each fully called and paid up in cash	1,165,360,000	1,165,360,000
247,822,100 shares of BDT 10 each paid up other than cash	2,478,221,000	2,478,221,000
54,653,710 shares of BDT 10 each as 15% bonus shares	546,537,100	546,537,100
41,901,181 shares of BDT 10 each as 10% bonus shares	419,011,810	419,011,810
	4,609,129,910	4,609,129,910

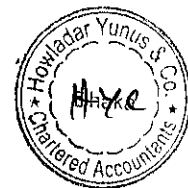


Percentage of shareholdings:

Particulars	30 June 2019		30 June 2018	
	No. of shares	%	No. of shares	%
Sponsors (BPDB)	351,446,348	76.25	351,446,348	76.25
Institutions (financial & others)	86,755,354	18.82	88,951,770	19.30
Individual	22,711,289	4.93	20,514,873	4.45
Total	460,912,991	100	460,912,991	100

Classification of shareholders by holding:

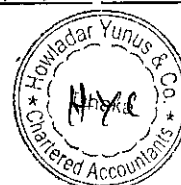
Shareholding range	Number of shareholders as at		% of shareholdings as at	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Less than 500 shares	1,913	1,648	35.53	29.94
500 to 5,000 shares	2,606	3,078	48.40	55.92
5,001 to 10,000 shares	365	354	6.78	6.43
10,001 to 20,000 shares	232	178	4.31	3.23
20,001 to 30,000 shares	77	58	1.43	1.05
30,001 to 40,000 shares	31	29	0.58	0.53
40,001 to 50,000 shares	31	18	0.58	0.33
50,001 to 100,000 shares	50	53	0.93	0.96
100,001 to 1,000,000 shares	67	76	1.24	1.38
Over 1,000,000 shares	12	12	0.22	0.22
Total	5,384	5,504	100	100



Power Grid Company of Bangladesh Ltd.
Notes to the financial statements

For the year ended 30 June 2019

	30.06.2019	30.06.2018
	BDT	BDT
12. Deposit for shares		
This represents the amount of investment received from the Government of Bangladesh (GoB) as part of GoB equity against the development projects & BPDB's investment received through the 5th & 6th Vendors Agreement.		
Balance as at 01 July	37,348,943,886	30,394,658,990
Add: Received during the year from the GoB as part of equity in respect of development projects (note 12.1)	13,478,835,000	7,035,011,571
	50,827,778,886	37,429,670,561
Less: Refunded to GoB the surplus fund released by GoB (note 12.2)	117,077,692	80,726,675
Balance as at 30 June	50,710,701,193	37,348,943,886
	2018-19	2017-18
Note: Investment of Govt.	48,192,561,193	34,830,803,886
Investment of BPDB	2,518,140,000	2,518,140,000
Total investment	50,710,701,193	37,348,943,886
The amount related to deposit for shares will be settled as per the statutory regulation and decision of the Govt.		
12.1 Equity in respect of development projects		
132kv GNDP-Eastern Region Project	-	27,000,000
Ashuganj-Bhulta TL Project	26,400,000	281,250,000
HVDC 2nd Block	374,400,000	1,872,000,000
Bibiyana-Kaliakore-Fenchugong- Bibiana TL Project	-	-
400/230/132KV GNDP	450,300,000	180,000,000
NPTND	1,950,000,000	780,000,000
ECGSTLP	120,000,000	480,000,000
Feasibility Study to connect Nuclear Power Plant with National Grid	-	-
Dhaka-Chittagong MPGS Project(MMM)	-	-
Aminbazar-Mawa-Mongla 400kv TLP	410,250,000	112,500,000
Patukhali(Paira)-Gopalgonj 400kv TLP	6,324,000,000	2,400,000,000
Energy Efficiency in Grid Based Power Supply Project	228,000,000	300,000,000
Meghnaghat-Aminbazar 400kv	-	19,971,600
Haripur 360MW combined cycle	-	48,399,240
Transmission Efficiency Improvement Project(TEI)	-	22,375,731
Patukhali-Paira 230kv TLP	1,415,985,000	149,715,000
Power Grid Network strengthening project-G to G	240,000,000	24,000,000
Bakerganj-Barguna 132kv and Barguna 132/33kv S/S construction project	342,000,000	60,000,000
Bharamara-Baharampur 2nd 400kv double circuit TL project	571,500,000	48,000,000
DTIMEZRPS Mirsharail project	459,000,000	49,800,000
Western Grid Network Development project	540,000,000	180,000,000
Materbari Madunaghat 400 Kv TLP	27,000,000	-
	13,478,835,000	7,035,011,571
12.2 Refund to GoB		
HVDC 2nd Block	21,796,693	25,668
Ashuganj-Bhulta TL Project	-	50,335,723
132kv GNDP-Eastern Region Project	-	5,981,400
Transmission Efficiency Improvement Project(TEI)	-	22,375,731
Bakerganj-Barguna 132kv and Barguna 132/33kv S/S construction project	62,592,254	-
Bharamara-Baharampur 2nd 400kv double circuit TL project	29,995,249	-
Materbari Madunaghat 400 Kv TLP	2,693,497	-
Energy Efficiency in Grid Based Power Supply Project	-	2,008,153
	117,077,692	80,726,675
13. Retained earnings		
Balance as at 01 July (A)	7,875,722,492	6,380,288,420
Prior years' adjustment for:		
Understated expenses (note 13.1)	(1,726,769)	-
Overstated expenses (note 13.2)	10,465,809	6,541,294
Understated income (note 13.3)	-	-
Overstated income (note 13.4)	-	(2,030)
Total prior years adjustment (B)	8,739,040	6,539,264
Re-stated balance at 01 July (A+B)	7,884,461,532	6,386,827,684
Total comprehensive income for the year	3,839,991,712	2,180,264,295
Final dividend	(783,552,085)	(691,369,487)
Balance as at 30 June	10,940,901,159	7,875,722,492
13.1 Prior years adjustment for understated expenses		
Incentive Bonus not charged in previous years	1,726,769	-
	1,726,769	-



13.2 Prior years adjustment for overstated expenses			
Collection from employee for internal audit objection from site offices		5,355,160	1,941,359
Refunded for wrongly deducted by Rupali bank as L/C charge against various L/C		-	4,479,565
Wrongly recorded as bank charge in Ruppur Paromanobic project.		-	120,370
Depreciation		5,110,649	-
		10,465,809	6,541,294
13.3 Prior years adjustment for understated income			
Wheeling bill revised for PBS-1 Mymensingh for the month of June 2017		-	-
		-	-
13.4 Prior years adjustment for overstated income			
Wheeling bill revised for PBS-3, Dhaka for the month of June 2017		-	(626)
Wheeling bill revised for PBS-3, Chattogram for the month of March 2017		-	(1,404)
		-	(2,030)
14. Term loan- interest bearing			
The break-up of term loan- interest bearing are as follows:			
	<u>Notes</u>		
ADB loan	14.1	54,714,263,071	48,974,530,674
GoB loan	14.2	29,665,279,766	21,105,049,433
Assigned loan	14.3	3,648,966,960	4,394,319,983
SIDA loan	14.4	217,621,575	273,987,868
KFW loan	14.5	4,293,272,303	3,379,242,577
Danida loan	14.6	704,810,726	846,286,898
DPBS-1 loan	14.7	398,642,500	467,042,500
NDF loan	14.8	500,682,623	603,194,084
JBIC loan BD 52 , 55 & 70	14.9	20,280,803,416	13,962,811,964
IDA loan (No 4508, 53810, 6177 & 60100)	14.10	9,104,751,537	7,388,582,777
EDCF loan	14.11	7,400,483,209	7,081,806,954
HSBC loan	14.12	216,352,435	191,661,790
IDB loan BD 0172	14.13	1,784,298,288	1,254,926,242
DPBS-3 loan	14.14	-	38,476,823
		132,930,228,408	109,961,920,567
Less: Transfer to term loan-interest bearing (note 18) i.e. current portion of long term loan		(777,574,800)	(840,005,104)
Total long term loan		132,152,653,608	109,121,915,463
Add: Long term interest		24,588,093,149	20,273,603,166
Balance as at 30 June		156,740,746,757	129,395,518,629
14.1 ADB loan			
Balance as at 01 July		48,974,530,673	39,376,453,261
Current Portion of Debt		-	-
Add: Received during the year		5,746,575,807	8,570,517,457
		54,721,106,480	47,946,970,717
Exchange rate fluctuation loss/(gain)		389,309,875	1,421,169,748
Less: Repaid during the year (note 14.1.1)		(396,153,285)	(393,609,792)
Balance as at 30 June		54,714,263,071	48,974,530,673
*Previous year's figures have been rearranged to conform to the current year's presentation.			
Loan details are as follows:			
	<u>Loan no.</u>		
Mymensingh Power Station and Transmission Line	1505	30,046,073	30,046,073
Rampura Sub-Station	1505	28,553,595	28,553,595
Sub-station-Extension -Mirpur	1505	19,891,454	19,891,454
Emergency Restoration System	1505	49,299,719	49,299,719
National Load Dispatch Centre	1505	16,739,594	16,739,594
Haripur-Rampura Transmission Line (General Project)	1505	444,071,780	538,596,794
Exchange rate fluctuation loss/(gain)	1505	832,661,229	819,570,610
Total ADB 1505 (A)		1,421,263,444	1,502,697,838
Hasnabad-Aminbazar-Tongi Transmission Line	1731	26,438,868	26,438,868
Sub-station Aminbazar	1731	180,203,565	195,648,150
Sub-station Extension Tongi, Hasnabad & Kalyanpur	1731	522,249,289	522,249,289
Rampura-Gulshan Underground Transmission Line	1731	137,072,901	137,072,901
Rampura Horipur Aminbazar -CCC	1731	682,250,482	682,250,482
GIS Sub-Station - CNEEC	1731	365,739,955	365,739,955
Exchange rate fluctuation loss/(gain)	1731	723,263,904	699,991,879
Total ADB 1731 (B)		2,617,218,964	2,629,391,523
Khulna -Ishwardi Transmission Line- L & T	1885	-	-
Khulna Ishwardi Transmission Line-(TATA Power)	1885	1,114,656,086	1,199,919,710
Ashuganj-Sirajganj Transmission Line -(LG & Sejon)	1885	1,332,346,580	1,332,346,580
Ashuganj-Sirajganj ABB Ltd.	1885	186,232,208	186,232,208
Ishwardi-Baghabari-Sirajgonj-Bogra-BHEL	1885	779,228,281	779,228,281



Gallamari 132/33 KV GIS S/S Cons. & 132 KV TL Cons.	1885	477,789,256	477,789,256
Shunt Compensation Phase-1	1885	214,157,758	238,990,584
Exchange rate fluctuation loss/(gain)	1885	1,125,400,137	1,079,038,064
Total ADB 1885 (C)		5,229,810,306	5,293,544,684
National Load Dispatch Centre	2039	2,009,002,945	2,165,090,180
Exchange rate fluctuation loss/(gain)	2039	520,987,040	499,205,345
Total ADB 2039 (D)		2,529,989,985	2,664,295,525
Meghnaghat - Aminbazar 400 KV TL	2332	2,770,384,288	2,770,384,288
Aminbazar Old Airport 230 KT TL	2332	4,602,794,915	4,602,794,915
3 Transmission Line NCC	2332	1,034,521,006	1,034,521,006
3 Transmission Line-HG Power	2332	753,634,898	753,634,898
Exchange rate fluctuation loss/(gain)	2332	1,071,315,317	980,492,976
Total ADB 2332 (E)		10,232,650,424	10,141,828,082
Bangladesh India Grid Interconnector	2661	8,973,642,077	8,973,642,077
Exchange rate fluctuation loss/(gain)	2661	394,512,361	311,363,061
Total ADB 2661 (F)		9,368,154,438	9,285,005,138
GNDP in Eastern Region	2966	6,300,361,186	5,681,431,935
Aminbazar-Mawa-Mongla	2966	95,938,478	57,616,292
Exchange rate fluctuation loss/(gain)	2966	535,621,110	480,257,657
Total ADB 2966 (G)		6,931,920,774	6,219,305,884
ADB Loan(400/230/132kv GNDP)	3087	1,716,393,786	1,664,411,425
Exchange rate fluctuation loss/(gain)	3087	72,727,638	57,252,692
Total ADB 3087 (H)		1,789,121,423	1,721,664,117
ADB Loan(400/230/132kv GNDP)	3350	2,559,928,528	769,566,234
Exchange rate fluctuation loss/(gain)	3350	30,493,515	13,756,117
Total ADB 3350 (I)		2,590,422,044	783,322,351
ADB Loan(HVDC 2nd Block)	3298	2,749,533,708	2,690,715,274
Exchange rate fluctuation loss/(gain)	3298	152,959,833	127,067,545
Total ADB 3298 (J)		2,902,493,542	2,817,782,819
ADB Loan(HVDC 2nd Block)	3299	6,909,881,631	5,775,111,449
Exchange rate fluctuation loss/(gain)	3299	132,407,424	140,581,265
Total ADB 3299 (K)		7,042,289,055	5,915,692,713
ADB Loan(400/230/132kv GNDP)	3522	1,464,742,287	-
Exchange rate fluctuation loss/(gain)	3522	5,537,576	-
Total ADB 3522 (L)		1,470,279,863	-
ADB Loan(South Western Trans Exp)	3683	588,648,810	-
Exchange rate fluctuation loss/(gain)	3683	-	-
Total ADB 3522 (M)		588,648,810	-
Total ADB loan (A+B+C+D+E+F+G+H+I+J+K+L+M)		54,714,263,071	48,974,530,674

The above loans are repayable within 16 years to 25 years with 5 years grace period.

14.1.1 Repaid during the year

	Loan no.		
Substation extension-Mirpur	1505	-	47,262,507
Mymensingh Power Station and Transmission Line	1505	-	47,262,507
Meghnaghat Associated TLP	1505	94,525,014	-
Substation Aminbazar	1731	35,444,585	70,889,170
(Khulna-Ishwardi) L & T	1885	85,263,624	127,895,436
Shunt Compensation Project	1885	24,832,827	23,838,204
NLDC	2039	156,087,235	76,461,968
		396,153,285	393,609,792

14.2 GoB loan

Balance as at 01 July	21,105,049,433	16,696,898,228
Current Portion of Debt	-	-
Add: Received during the year	8,985,890,000	4,690,007,714
	30,090,939,433	21,386,905,942
Less: Refunded during the year (note 14.2.1)	(425,659,667)	(281,856,509)
Balance as at 30 June	29,665,279,767	21,105,049,433

Loan details are as follow:

1) Comilla-Meghnaghat-Rampura & Meghnaghat-Haripur-203 KV Transmission	86,269,990	86,269,990
2) Hasnabad-Aminbazar-Tongi Transmission Line	76,476,675	91,772,008
3) Kabirpur-Tangail-Sirajgonj Transmission Line	25,645,120	38,467,680
4) Ishwardi-Baghabari-Sirajgonj-Bogra Transmission Line	612,804,828	612,804,828
5) Khulna-Ishwardi-Bogra-Barapukuria Transmission Line	385,359,607	642,266,005
6) Ashugonj- Jamuna Bridge-Sirajgonj (Inter Connector Line)	169,910,000	203,892,000
7) NLDC Project-National Load Dispatch Centre	366,247,496	390,663,996
8) Three Transmission Line	525,247,450	525,247,450
9) Aminbazar-Old Airport 230 Kv Associated Substation	924,418,863	924,418,863
10) Shunt compensation at Grid Substation	59,121,686	63,306,767



11) Meghnaghat-Aminbazar 400 Kv Transmission Line	703,887,136	703,887,136
12) Transmission efficiency improvement	158,766,733	158,766,733
13) Siddirgonj Maniknagar 230 Kv T/L Cons. Project	208,205,501	208,205,501
14) BD - India Grid Interconnection Project	1,666,584,784	1,666,584,784
15) Bibiana Comilla (North) 230KV TLP	924,000,000	924,000,000
16) Haripur 360mw Combined Cycle Power Plant	167,324,499	167,324,499
17) 132 KV GNDP Eastern Region	672,958,958	672,958,958
18) Ashugonj Bhulta 400 KV TLP	2,391,278,412	2,373,678,412
19) Grid Interconnection between Tripura (India)	624,780,000	624,780,000
20) HVDC 2nd Block	2,152,546,378	1,917,477,507
21) Bibiana Kaliakoir 400kv & Fenchugonj Bibiana 230kv T/L Project	3,020,264,696	3,020,264,696
22) NPTND	2,120,000,000	820,000,000
23) 400/230/132kv Grid Network Development	504,200,000	204,000,000
24) TLF(Project-2)	949,782,673	949,782,673
25) Enhancement of Capacity(ECGSTLP)	536,000,000	456,000,000
26) Feasibility Study to Connect Nuclear Power Plant with National Grid	35,474,516	35,474,516
27) Dhaka-Chittagong MPGS Project(MMM)	87,133,200	87,133,200
28) Aminbazar-Mawa-Mongla 400kv TL Project	413,210,000	139,710,000
29) Patukhali(Payra)-Gopalganj 400kv TL Project	6,028,240,000	1,812,240,000
30) Energy Efficiency in Grid Based Power Supply Project	394,661,231	242,661,231
31) Patuakhali-Payra 230kv TL project	1,043,800,000	99,810,000
32) Power Grid Network strengthening project-G to G	176,000,000	16,000,000
33) Bakerganj-Barguna 132kv and Barguna 132/33kv S/S construction project	226,271,830	40,000,000
34) Bharamara-Baharampur 2nd 400kv double circuit TL project	393,003,167	32,000,000
35) DTIMEZRPS Mirsharail project	339,200,000	33,200,000
36) Western Grid Network Development project	480,000,000	120,000,000
37) Materbari Madunaghat 400 Kv TLP	16,204,336	-
	<u>29,665,279,766</u>	<u>21,105,049,433</u>
Add: Current portion of long term loan	-	-
	<u>29,665,279,766</u>	<u>21,105,049,433</u>

14.2.1 Refund during the year

Comilla-Meghnaghat-Rampura & Meghnaghat-Haripur-203 KV Transmission	-	-
Hasnabad-Aminbazar-Tongi Transmission Line	15,295,333	30,590,666
Kabirpur-Tangail-Sirajgonj Transmission Line	12,822,560	6,411,280
Khulna-Ishwardi-Bogra-Barapukuria Transmission Line	256,906,398	128,453,199
Ashugonj- Jamuna Bridge-Serajgonj (Inter Connector Line)	33,982,000	33,982,000
HVDC 2nd Block	14,531,128	17,112
Shunt Compensation Project	4,185,080	4,185,080
NLDC	24,416,500	24,416,500
132kv GNDP Project	-	3,987,600
Ashugonj-Bhulta 400kv TLP	-	33,557,149
Transmission efficiency improvement project (TEI)	-	14,917,154
Energy Efficiency in Grid Based Power Supply Project	-	1,338,769
Bakerganj-Barguna 132kv and Barguna 132/33kv S/S construction project	41,728,170	-
Bharamara-Baharampur 2nd 400kv double circuit TL project	19,996,833	-
Materbari Madunaghat 400 Kv TLP	1,795,664	-
	<u>425,659,667</u>	<u>281,856,509</u>

14.3 Assigned loan

The break-up of the above loan is as follows:

A. Assigned loan from BPDB

Balance as at 01 July	795,147,662	1,705,943,235
Add: Current portion of the debt	-	-
Add: Exchange rate fluctuation loss/(gain)	(745,353,023)	(621,549,629)
Addition/adjustment during the year	-	(289,245,944)
	<u>49,794,639</u>	<u>795,147,662</u>
Balance as at 30 June (A)	<u>49,794,639</u>	<u>795,147,662</u>

B. Assigned loan from DPDC(DESA)

Balance as at 01 July	3,599,172,321	3,599,172,321
Addition/adjustment during the year	-	-
Balance as at 30 June (B)	<u>3,599,172,321</u>	<u>3,599,172,321</u>
Balance as at 30 June grand total (A+B)	<u>3,648,966,960</u>	<u>4,394,319,983</u>



Above loans have been taken over from BPDB and DPDC(DESAs) along with the fixed assets at written down value in different phases, the break-up of which is given below:

1. Assigned loan from BPDB:

1st Phase—Comilla (North) and Haripur 230 KV Sub-station and Haripur-Ghorashal 230 KV 45 KM. Transmission Line.
2nd Phase—Hasnabad and Tongi 230/132 KV. Sub-station and Hasnabad-Haripur 230 KV 16.5 KM Transmission Line.
3rd Phase – Grid Maintenance Division viz Dhaka (North) Dhaka (South), Dhaka (East), Aricha, Comilla and Mymensingh Telecommunication Division, Siddhirgonj, System Protection and Metering Division, Dhaka Grid Circle office, Dhaka.

4th Phase - 230 KV and 132 KV Transmission Line, Sub-station of Chittagong and Sylhet Division.

5th Phase – 230 KV, 132 KV, and 66 KV Transmission Line and Grid Sub-station of western part of the Country.

6th Phase – 230 KV and 132 KV Transmission Line and Grid Sub-station of western part of the Country.

2. Assigned loan from DPDC(DESAs):

1st Phase – Bhulta, Joydevpur and Manikgonj 132/33 KV. Sub-station & related Transmission Line.

2nd Phase – Kallyanpur and Mirpur 132/33 KV. Sub-station & related Transmission Line.

During the year, the Company provided for interest @4% p.a. on all the assigned loans. It is noted that the subsidiary loan agreements of the above loans with the Government are still with BPDB and DPDC(DESAs). So, the repayments are made through BPDB and DPDC(DESAs).

14.4 SIDA loan(ABB)

SIDA (Swedish International Development Co-Operation Agency) loan is recorded as and when disbursement request is sent to SIDA's designated bank through Economic Relations Division (ERD) for making payment directly to the contractors/suppliers account as per SIDA Loan agreement and disbursement procedure.

Balance as at 01 July	273,987,868	310,763,409
Received during the year	-	-
Less: Paid during the year (note 14.5.1)	(49,038,816)	(24,519,408)
Exchange rate fluctuation loss/(gain)	(7,327,477)	(12,256,134)
Balance as at 30 June	217,621,575	273,987,868

14.4.1 Paid during the year

Khulna-Ishurdi-Bogra-Baropukuria 230 kv TL Project	49,038,816	24,519,408
	49,038,816	24,519,408

14.5 KFW loan

KFW (Kreditanstalt Fur Wiederaufbau) loan is recorded as and when disbursement request is sent to KFW for making payment directly to the contractor/suppliers account as per KFW Loan agreement and disbursement procedure.

Name of the transmission line

KFW loan	WZNDP, IBSB, KIBB, TEI & EEGBPS Project	
Balance as at 01 July	3,379,242,577	2,617,867,232
Add: Received during the year	1,019,288,749	665,213,320
Less: Paid during the year (note 14.6.1)	(50,246,865)	(50,246,865)
Exchange rate fluctuation loss/(gain)	(55,012,158)	146,408,890
Balance as at 30 June	4,293,272,303	3,379,242,577

14.5.1 Paid during the year

Bogra S/s ABB Germany WZP	50,246,865	16,748,955
Khulna-Ishurdi-Bogra-Baropukuria TLP	-	33,497,910
	50,246,865	50,246,865

14.6 Danida loan

Danida (Danish International Development Agency) loan is recorded as and when disbursement request is sent to Danida's designated bank through Economic Relations Division (ERD) for making payment directly to the contractor/suppliers account as per Danida loan agreement and disbursement procedure.

Name of the transmission line

Danida loan	Joydevpur-Kabirpur-Tangail	
Balance as at 01 July	846,286,898	854,201,773
Received during the year	-	-
Less: Paid during the year (note 14.7.1)	(125,725,880)	(62,862,940)
Exchange rate fluctuation loss/(gain)	(15,750,292)	54,948,065
Balance as at 30 June	704,810,726	846,286,898

14.6.1 Paid during the year

Joydevpur-Kabirpur-Tangail Project	125,725,880	62,862,940
	125,725,880	62,862,940



14.7 DPBS-1 loan

This loan was received from Dhaka Palli Bidyut Shamity-1 for purchasing land, development of land and construction of 2X75 MVA 132/33 Kv Sub-Station. The loan amount is maximum BDT 76 crore. The repayment of principal and interest @ 5% will be made in 10 years from the date of commercial tenderization at semi-annual equal installment.

Balance as at 01 July	467,042,500	535,442,500
Received during the year (14.7.1)	-	-
Less: Paid during the year (14.7.2)	(68,400,000)	(68,400,000)
Balance as at 30 June	398,642,500	467,042,500

14.7.1 Received during the year

Kodda 132kv Grid SS

-	-
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14.7.2 Paid during the year

Aminbazar Savar Transmission Line & Savar Substation

68,400,000	68,400,000
68,400,000	68,400,000

14.8 NDF loan no-363

NDF (Nordic Development Fund) loan is recorded as and when disbursement request is sent to NDF for making payment directly to the contractors/suppliers account as per NDF loan agreement and disbursement procedure.

Balance as at 01 July	603,194,084	653,437,070
Add: Received during the year	-	-
Less: Paid during the year (14.9.1)	(91,281,200)	(91,281,200)
Exchange rate fluctuation loss/(gain)	(11,230,261)	41,038,214
Balance as at 30 June	500,682,623	603,194,084

14.8.1 Paid during the year

Khulna-Ishurdi-Bogra-Baropukuria 230 kv TL Project(WZPSDP)

91,281,200	91,281,200
91,281,200	91,281,200

14.9 JBIC loan BD 52, 55, 70, 76 & 81

JBIC (Japan Bank for International Cooperation) loan is recorded as and when disbursement request is sent to JBIC for making payment directly to the contractors/suppliers account as per JBIC loan agreement and disbursement procedure.

	<u>Name of the transmission line</u>		
JBIC loan no-52, 55, 70, 76 & 81	Transmission Line Facility ,		
Balance as at 01 July	Haripur 360 MW Combined Cycle &	13,962,811,964	8,714,134,640
Add: Received during the year	National Power Transmission Network	5,732,826,755	4,265,778,619
Paid during the year	Development Project	-	-
Exchange rate fluctuation loss/(gain)	Dhaka-Chittagong MPGSP	585,164,697	982,898,704
Balance as at 30 June		20,280,803,416	13,962,811,964

14.10 IDA loan - (4508, 53810, 6177 & 60100)

Name of the transmission line
Siddirganj - Maniknagar

14.10.1 IDA loan - 4508

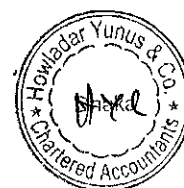
Balance as at 01 July	2,261,360,498	2,174,121,109
add: Received during the year	-	2,270,636
Paid during the year	-	-
Exchange rate fluctuation loss/(gain)	20,250,990	84,968,753
Balance as at 30 June	2,281,611,488	2,261,360,498

14.10.2 IDA loan - 53810

	<u>Name of the transmission line</u>		
	ECGSTLP		
Balance as at 01 July	5,127,222,279	1,366,398,370	
add: Received during the year	1,526,530,370	3,644,513,761	
Paid during the year	-	-	
Exchange rate fluctuation loss/(gain)	52,061,789	116,310,149	
Balance as at 30 June	6,705,814,438	5,127,222,279	

14.10.3 IDA loan - 61770 BD

	<u>Name of the transmission line</u>		
	ESPNERP		
Balance as at 01 July	-	-	
add: Received during the year	92,470,432	-	
Paid during the year	-	-	
Exchange rate fluctuation loss/(gain)	(2,142,636)	-	
Balance as at 30 June	90,327,796	-	



		<u>Name of the transmission line</u>	
14.10.4 IDA loan - 60100	BPSREIP		
Balance as at 01 July	-	-	
add: Received during the year	26,997,661	-	
Paid during the year	-	-	
Exchange rate fluctuation loss/(gain)	154	-	
Balance as at 30 June	26,997,815	-	
	9,104,751,537	7,388,582,777	
		<u>Name of the transmission line</u>	
14.11 EDCF loan	Bibiyana - Kallakoir - Fenchugonj		
EDCF loan			
Balance as at 01 July	7,081,806,954	6,792,310,665	
Add: Received during the year	255,257,088	23,135,786	
Paid during the year	-	-	
Exchange rate fluctuation loss/(gain)	63,419,167	266,360,504	
Balance as at 30 June	7,400,483,209	7,081,806,954	
		<u>Name of the transmission line</u>	
14.12 HSBC loan	Barisal - Bhola - Borhanuddin & Kulaura - Sherpur		
HSBC loan			
Balance as at 01 July	191,661,790	494,577,505	
Add: Received during the year	250,607,803	-	
Less: Paid during the year	(278,823,642)	(302,915,715)	
Exchange rate fluctuation loss/(gain)	52,906,484	-	
Balance as at 30 June	216,352,435	191,661,790	
		<u>Name of the transmission line</u>	
14.13 IDB loan BD-172	400/230/132kv GNDP		
IDB loan BD-172			
Balance as at 01 July	1,254,926,242	-	
Add: Received during the year	513,915,767	1,239,413,547	
Less: Paid during the year	-	-	
Exchange rate fluctuation loss/(gain)	15,456,279	15,512,695	
Balance as at 30 June	1,784,298,288	1,254,926,242	
		<u>Name of the transmission line</u>	
14.14 DPBS-3 loan			
This loan was received from Dhaka Palli Bidyut Shamity-3 for the extension of one 132 kv bay in Savar 132/33 Kv substation under Kodda 132/33 kv grid substation project.			
Balance as at 01 July	38,476,823	-	
Received during the year (note 14.14.1)	-	38,476,823	
Less: Paid/Adjustment	38,476,823	-	
Balance as at 30 June	-	38,476,823	
14.14.1 Received during the year			
Kodda 132/33 kv Grid SS	-	38,476,823	
	-	38,476,823	
		<u>Name of the transmission line</u>	
15. Grant from SIDA & KFW			
Grant from KFW (note 15.1)	1,310,805,735	956,807,950	
Grant from SIDA (note 15.2)	86,332,428	91,245,655	
	1,397,138,163	1,048,053,605	
		<u>Name of the transmission line</u>	
15.1 Grant from KFW			
Balance as at 01 July	956,807,950	80,154,780	
Received During the year	353,997,785	876,653,170	
Balance as at 30 June	1,310,805,735	956,807,950	
		<u>Name of the transmission line</u>	
15.2 Grant from SIDA			
Balance as at 01 July	91,245,655	96,158,882	
Less: Current year amortization (note 27)	(4,913,227)	(4,913,227)	
Balance as at 30 June	86,332,428	91,245,655	



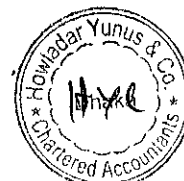
16. Deferred liability- gratuity		
Balance as at 01 July	2,791,709,375	1,963,994,600
Add: Provision made during the year	322,980,496	909,116,456
	3,114,689,871	2,873,111,056
Less: Paid /adjustment during the year	113,691,261	81,401,681
Balance as at 30 June	3,000,998,610	2,791,709,375
17. Deferred tax liabilities		
Deferred tax liabilities recognized in accordance with the provisions of IAS 12: Income taxes, is arrived as follows:		
Balance as at 01 July	6,240,241,542	5,853,283,410
Addition/(reversal) during the year	284,086,279	386,958,132
Balance as at 30 June	6,524,327,821	6,240,241,542
18. Term loan - Interest bearing		
ADB loan no. 1505, 1731, 1885 & 2039	619,227,078	589,610,636
Others (note 18.1)	158,347,722	250,394,468
The Company expects to pay current portion of long term loan during FY: 2019-20	777,574,800	840,005,104
18.1 Other loan		
Danida	62,862,940	69,274,220
KFW	33,497,910	33,497,910
NDF	45,640,600	45,640,600
SIDA	16,346,272	101,981,738
	158,347,722	250,394,468
19. Interest payable		
This represents the interest payable for the period. The movement of the above amount is given below:		
Balance as at 01 July	20,684,316,175	17,003,529,321
Add: Interest charged during the year (note 19.1)	5,128,827,535	4,293,439,176
	25,813,143,710	21,296,968,497
Payment/Adjustment made during the year (note 19.2)	(893,060,954)	(612,652,322)
Balance as at 30 June	24,920,082,756	20,684,316,175
The Company expects to pay interest payable during Interest payable -long term portion	331,989,607	410,713,009
	24,588,093,149	20,273,603,166
	24,920,082,756	20,684,316,175
19.1 Interest charge during the year		
Bibiyana-Kaliakore-Fechugong Project	-	2,594,491.87
Dhaka-Chittagong MPGS Project	19,819,436	6,024,574
Amin Bazar - Mawa - Mongla	23,900,058	5,329,120
NPTND Project	425,575,437	244,556,041
132 Kv GNDP in Eastern Region	275,122,502	240,027,402
Ashuganj Bhulta 400 KV TLP	71,340,539	70,586,943
Grid interconnection between BD-India 2nd phase	418,260,215	225,289,001
ECGSTLP Project	249,457,550	123,321,756
400/230/132kv GNDP	194,393,147	68,428,985
Western GNDP	48,513,614	4,804,786
Patuakhali-Paira-Gopalganj Project	100,553,770	17,258,637
Energy Efficiency Project	11,216,054	5,825,624
DTIMEZRPS Project	4,954,841	89,367
Bakerganj-Barguna 132/33kv TLP	3,531,652	107,441
Patuakhali-Paira 230kv TL Project	15,669,616	1,607,898
BD-Baharampur India 2nd 400kv TLP	7,573,282	7,890
BPSREI Project	308,017	-
Matarbari Madunaghat Project	5,655,977	-
PGCB ESPN ER Project	3,524,021	-
Total IDC	1,879,369,728	1,015,859,956
Add: Interest charged in finance expenses (note 28)	3,249,457,807	3,277,579,220
	5,128,827,535	4,293,439,176

In respect of projects that have not yet commenced commercial operation, borrowing costs are adjusted with capital works-in-progress with correspondence increase in interest payable. Borrowing costs are capitalized at the rate implicit in the loan agreement between the lender and the company.



Power Grid Company of Bangladesh Ltd.
Notes to the financial statements
For the year ended 30 June 2019

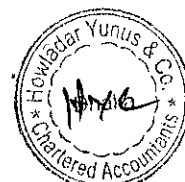
	30.06.2019 BDT	30.06.2018 BDT
19.2 Interest paid/adjustment made during the year		
Meghnaghat Associated TL Project	20,795,503	28,357,504
Hasnabad-Aminbazar-Tongi TL Project	21,406,438	46,884,207
East West (Ashugong-Sirajgong-Interconnection) TL Project	8,070,725	9,769,825
Joydebpur-Kabirpur-Tangail Project	91,405,284	38,775,220
Khulna-Ishurdi-Bogra-Baropukuria 230 kv TL Project	372,365,143	284,662,835
Shunt Compensation Project	16,244,480	17,868,429
NLDC TLP	107,562,335	66,791,806
132 Kv GNDP in Eastern Region	19,975,358	14,991,477
Bhola Barisal Borhanuddin Project	29,071,009	42,226,612
Ashuganj-Bhulta Project	70,586,945	44,590,496
Dhaka Palli Biddyt Samity-1 (Aminbazar-Savar project)	14,204,670	17,624,670
NPTNDP	20,230,361	-
Aminbazar-Mawa-Mongla 400kv TLP	3,198,834	53,186
EEGBPSP	5,499,122	56,055
WGNDP	389,589	-
Bakerganj-Barguna 132 Kv TLP	107,441	-
Patuakhali-Gopalganj 400 Kv TLP	17,415,636	-
DTIMEZRPS	89,367	-
HVDC 2nd Block	53,882,963	-
400/230/132 Kv GNDP	6,667,227	-
B-B 2nd 400 Kv TLP	7,890	-
DCMPGSP	2,685,612	-
Patuakhali-Payra 230 Kv TLP	1,607,898	-
ECGSTLP	9,591,123	-
	893,060,954	612,652,322
20. Liabilities for expenses		
Salaries	593,468	89,343
Electricity charge	-	10
Gas charge	808,546	787,872
Audit fee	900,000	900,000
Sundry expenses	1,051,590,837	2,028,936,700
	1,053,892,851	2,030,713,925
21. Liabilities for other finance		
Workers' profit participation fund (note 21.1)	210,805,505	132,203,663
Revenue sharing payable BTRC	53,649,168	43,974,145
Tax/VAT withheld from contractor/suppliers	221,736,929	133,622,758
Unclaimed dividend (note 21.2)	29,465,682	28,737,926
Employees provident fund	258,753	89,742
Contractors earnest/security/retention money	4,526,645,839	4,790,000,037
Tax withheld from employees	625,152	835,397
Revenue stamp	123,361	95,831
Prime Misinter relief fund	(144,244)	(144,244)
Union subscription	780,650	772,497
Performance guarantee (note 21.3)	10,076,841	10,076,841
Account current with corporation and other offices (note 21.4)	(128,423,171)	(52,126,687)
Advance receipt of PF contribution -lien	14,256	14,256
WPPF Trust A/c	36,548	36,548
Deposit work-RAJUK	2,644,363	2,644,363
Deposit work for Projects	7,699	7,699
Deposit work-Roads & Highway Dhaka-Ctg 4 line Project	-	9,576,516
Deposit work GC Chittagong (CDA)	41,411,748	46,812,144
Deposit Work of Dhaka Mero Rail (Mirpur Tongi 132 KV D/C O/H Line)	18,619,218	17,543,478
Deposit Work with PWD GMD Mymensingh.	-	22,173,510
Deposit Work of Kodda 33kv SS	597,172,212	375,396,042
Deposit Work Ruppur Atomic Energy Power Station	466,286,729	599,041,682
Deposit Work DPDC Aminbazar Old airport Project	19,801,815	19,801,815
Deposit Work -Meghna Industrial Economic Zone	33,558,888	33,558,888
Deposit Work -EGNDP(Norsingdi PBS-2)	2,157,491	8,888,537



Deposit Work -R & H Tower Construction-GMD Comilla	-	4,967,920
Advance rent receipt - UGC	96,000,000	104,000,000
Advance rent receipt - Teletalk	98,706,240	25,800,000
Deposit Work-Tower Extension at Gopalgonj Railway-GMD Faridpur	7,953,620	8,063,951
Deposit Work-Desco 132/33kv underground cable	56,378,200	57,368,478
Deposit Work-Rajendrapur 132/33kv substation and Kodda line	1,093,930,625	199,208,596
Deposit Work-Tongi Maniknagar GS 132kv new bay construction project	197,844,058	243,692,633
Deposit Work for Mawa and Pachchor Bhanga for Padma Bridge	252,963,168	188,626,447
Deposit Work for Dohazari to Cox's Bazar TLP for dual guage railway	128,827,987	-
Deposit Work for Dohazari to Cox's Bazar TLP for dual guage railway-Lot 1	707,006,000	-
Deposit Work for Dohazari to Cox's Bazar TLP for dual guage railway-Lot 2	437,650,500	-
Deposit Work for 132kv Substation-T.K.-Chittagong PBS-1, Patiya	18,006,529	-
Deposit Work for Rampur and Agrabad S/S for BPDB under NPTNDP	1,827,496	-
Deposit Work for Ishurdi-Dhalarghar 230kv TL extention work	69,230,416	-
Deposit Work for Faridpur-Madaripur 132kv TL extention work for Padma Setu Phase 2	40,646,200	-
Loan from DESCO for Aminbazar-Mirpur-Tongi 132kv double circuit line	-	100,000,000
Fraction bonus share sales proceeds payable	403,252	403,252
Liabilities for unsettled liquidated damage	13,392,904	13,392,904
Liabilities for unsettled audit objection	7,111,624	7,120,506
Insurance claim payable	2,748,500	1,964,500
	9,337,938,750	7,178,242,571
21.1 Workers' profit participation fund		
Balance as at 01 July	132,203,663	142,856,525
Provision made during the year	211,751,458	133,149,616
Transfer to WPPF trust A/c	(133,149,616)	(143,802,479)
Balance as at 30 June	210,805,505	132,203,663
21.2 Unclaimed dividend		
Year ended 30 June 2006	566,292	566,292
Year ended 30 June 2007	2,878,790	2,878,790
Year ended 30 June 2008	5,321,114	5,321,114
Year ended 30 June 2009	6,856,688	6,856,688
Year ended 30 June 2010	3,981,072	3,981,072
Year ended 30 June 2011	4,907,550	4,907,550
Year ended 30 June 2012	431,613	431,613
Year ended 30 June 2013	1,237,022	1,237,022
Year ended 30 June 2014	661,924	661,924
Year ended 30 June 2015	846,024	847,637
Year ended 30 June 2016	443,593	444,883
Year ended 30 June 2017	575,400	603,342
Year ended 30 June 2018	758,601	-
	29,465,682	28,737,926
21.3 Performance guarantee		
CNEEC	76,841	76,841
BTTB	10,000,000	10,000,000
Sean Engineering & Construction Ltd.	-	-
	10,076,841	10,076,841
21.4 Current account with corporation and other offices		
BPDB	114,745,358	114,745,358
Project-1	(2,422,567)	(2,422,567)
IBSB Project-cash defalcation (note 21.4.1)	(637,536,768)	(637,536,768)
WPPF	(240,745,962)	(164,449,478)
	(765,959,939)	(689,663,455)
Provision for cash defalcation of IBSB project	637,536,768	637,536,768
	(128,423,171)	(52,126,687)

21.4.1 IBSB project-cash defalcation

The Ishwardi - Bagabari - Sirajgonj - Bogra 230 Kv Transmission Line Project was completed on June 30, 2010. As a result, a Project Completion Report (PCR) is to be prepared. Total expenditure booked so far in works-in-progress has been transferred to Fixed Assets in 2013-14. Two investigation committees were formed, one by the management and another by the Board of Directors. The management committee submitted the report and ascertained the defalcation amount of BDT 637,536,768. Provision was made for cash defalcation for the said amount in 2010-11.



22. Provision for taxation		
Balance as at 01 July	365,031,982	269,262,084
Add: Addition during the year	110,951,173	95,769,898
	<u>475,983,155</u>	<u>365,031,982</u>
Less: Paid/Adjustment during the year	-	-
Balance as at 30 June	<u>475,983,155</u>	<u>365,031,982</u>
23. Revenue		
Transmission/wheeling charge	17,469,955,982	15,351,460,483
Optical fiber charge	312,825,731	238,599,015
	<u>17,782,781,714</u>	<u>15,590,059,498</u>
24. Transmission expenses		
Salary and other benefits to employees (note 25.1)	2,285,107,634	2,221,719,662
Travelling and conveyance	60,565,191	59,183,243
Functions, games and entertainment	1,771,887	623,211
Rent, rates and taxes	26,443,605	31,428,306
Postage, telephone and fax	6,150,994	4,638,742
Recruitment and training	24,142,419	42,518,017
CPF contribution	89,792,080	86,404,742
Gratuity	268,073,812	754,566,658
Electricity and power	233,885,901	193,788,278
Office expenses	8,168,102	6,123,712
Fuel and lubricant	25,351,235	25,473,536
Security expenses	237,013,932	230,227,989
Insurance	1,547,896	1,718,398
Bank charges and commission	2,440,274	2,678,339
Consultancy	5,130,878	7,060,623
Repair and maintenance	613,420,799	433,704,544
C & F, carrying and handling	1,558,721	337,950
Miscellaneous expenses	648	52,727
Depreciation (note 4)	6,151,177,808	5,071,108,900
	<u>10,041,743,816</u>	<u>9,173,357,578</u>



Power Grid Company of Bangladesh Ltd.
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	2018-19 BDT	2017-18 BDT
25. Administrative expenses		
Salary and other benefits to employees (note 25.1)	282,429,033	274,594,565
Travelling and conveyance	2,392,388	2,337,800
Functions, games and entertainment	18,665,102	6,564,923
Rent, rates and taxes	32,490,214	38,614,721
Postage, telephone and fax	2,940,040	2,217,217
Recruitment and training	26,790,954	47,182,441
CPF contribution	7,691,451	7,401,296
Gratuity	54,906,684	154,549,798
Electricity and power	3,948,043	3,271,187
Office expenses	14,827,682	11,116,467
Fuel and lubricant	7,948,693	7,987,039
Security expenses	3,219,123	3,126,956
Insurance	5,608,348	6,226,112
Bank charges and commission	47,263	51,874
Consultancy	23,565,307	32,428,321
Repair and maintenance	19,820,451	14,013,577
C & F, carrying and handling	64,778	14,045
Miscellaneous expenses	147	11,929
Depreciation (note 4)	23,463,637	19,343,720
Advertisement and publicity	18,738,008	17,483,797
Auditors' Remuneration	1,195,000	3,336,207
Legal expenses	777,150	923,932
Fees and renewals	120,287,668	6,352,121
Directors' honorarium and support service allowance	4,507,640	4,730,890
Other honorarium	6,556,817	3,637,050
AGM expenses	1,907,510	1,911,393
Donation & subscription	5,525,000	12,625,000
Research & development	63,565,780	27,306,323
	753,879,913	709,360,702
25.1 Salary and other benefits to managing director and 5 (five) full time directors		
Basic pay	8,563,447	9,228,134
Accommodation allowance	4,281,724	4,614,068
Bonus	1,523,490	1,451,430
Contribution to CPF	91,677	373,770
	14,460,338	15,667,402
26. Finance Income		
Interest income	332,112,266	174,157,620
27. Other Income		
Rental income	9,983,110	10,852,187
Miscellaneous sales*	286,331,261	103,345,076
Grant income (note 15)	4,913,227	4,913,227
Miscellaneous income	75,740,580	78,322,060
	376,968,178	197,432,549
28. Finance expenses		
On loan, 5th phase assets transferred from BPDB	-	2,843,269
On loan, 1st phase assets transferred from DESA	143,966,893	143,966,893
On Loan no 1505, Mymensingh Power Station Associated Trans. Line	2,403,686	4,195,777
Bhola-Barishal-Borhanuddin project (HSBC)	33,442,588	39,489,360
Meghnaghat-Comilla Line, NLDC (Govt. Loan)	4,313,500	4,313,500
Rampura sub-station (ADB Loan No. 1505)	2,284,288	2,284,288
Sub-station Extension Mirpur (ADB Loan No. 1505)	1,591,316	4,595,399
Emergency Restoration System (ADB Loan No. 1505)	3,943,978	3,943,978
National Load Dispatch Centre (ADB Loan: 1505)	1,339,168	1,339,168
Meghnaghat Comilla Line, Haripur Rampura Line Sub-station (General)	40,342,633	43,087,743
Hasnabad-Aminbazar-Tongi Line Project (Govt. Loan)	4,045,930	5,558,702

* Miscellaneous sales include the sale of scraps, tender schedules, trees, newspapers, and other disposables.



Hasnabad-Aminbazar-Tongi Line Project (ADB Loan: 1731)	1,454,138	1,454,138
Substation –Aminbazar – Savar (ADB Loan : 1731)	9,377,338	13,233,515
Substation Extension –Tongi –Hasnabad-& Kallyanpur (ADB Loan : 1731)	28,723,711	28,723,711
Khulna-Ishwardi-Bogra-Boropukuria TL (Local : GoB)	26,101,221	35,180,927
Khulna-Ishwardi-Bogra-Boropukuria 230 Kv TL (ADB Loan: 1885) TATA	62,443,128	67,877,808
Bogra 230/132 Kv Substation (ABB GmBh) (Loan : Kfw)	62,654,250	68,039,613
Khulna South 230/132 Kv Substation (NDF Loan)	27,904,850	32,127,543
Boropukuria Substation (ABB Power) SIDA Loan	11,324,271	13,230,739
Ashuganj-Banga Bandu Bridge -Sirajganj (Inter Connector) (Local : GoB)	9,577,803	11,272,248
Ashuganj-Sirajganj 230 Kv TL (LG & Sejong) (ADB Loan: 1885)	73,279,062	73,279,062
Shunt Compensation Project GoB Loan	3,016,854	3,264,519
Shunt Compensation Project ADB Loan 1885	12,110,160	13,567,140
Switchyard at Sirajganj & Extension of 230 Kv Substation (ABB India) (ADB	10,242,771	10,242,771
NLDC Project GoB Loan	18,666,916	20,111,837
NLDC Project ADB Loan 2039	102,344,277	110,066,553
Kabirpur Tangail Sirajganj Project (Local Loan: GoB)	1,640,146	2,126,701
Joydebpur-Kabirpur-Tangail (Danida Loan)	34,940,600	39,711,295
Rampura Gulshan Underground Cable Line -ADB Loan 1731	7,539,010	7,539,010
Gulshan 132 KV GIS S/S Line -ADB Loan 1731	20,115,698	20,115,698
Upgradation of 230/132KV Rampura -Haripur-Aminbazar S/S(ADB Loan	37,523,776	37,523,776
Three Transmission Line Project (CCC)	51,726,050	51,726,050
Three Transmission Line Project (HGPT)	37,681,745	37,681,745
Three Transmission Line Project (GoB)	26,262,373	26,262,373
Ishurdi Baghabari Sirajganj Bogra Project (GOB)	30,640,241	30,640,241
Ishurdi Baghabari Sirajganj Bogra Project (KFW)	157,989,913	157,989,913
Ishurdi Baghabari Sirajganj Bogra Project (ADB-1885)	42,857,555	42,857,555
Transmission Line Facilities (GOB, JICA 52 & ADB 1885)	213,422,259	213,422,259
Bibiana Comilla (North) (GoB)	46,200,000	46,200,000
Haripur 360MW Combined Cycle (GOB & JICA BD P 55)	81,161,929	79,756,362
BD-India Grid Interconnection (GOB & ADB 2661)	442,274,922	442,274,922
Meghnaghat Aminbazar 400 KV Transmission Line(ADB 2332)	152,371,136	152,371,136
Meghnaghat Aminbazar 400 KV Transmission Line (GoB)	35,194,357	34,614,360
Transmission Efficiency Improvement(GOB & KFW)	103,559,419	103,649,330
Aminbazar Bazar-Old Airport 230 kv Transmission Line Project	253,153,720	253,153,720
Aminbazar Bazar-Old Airport 230 kv Transmission Line Project(GoB)	46,220,943	46,220,943
Siddirganj-Maniknagar (IDA 4508)	84,892,552	84,802,473
Siddirganj-Maniknagar(GoB)	6,246,165	6,246,165
TCGI (GOB)	18,743,400	18,743,400
Feasibility Study to Connect Nuclear Power Plant with National Grid(GOB)	1,064,235	1,064,235
Bibiana-Kalikoir & Fenchuganj-Bibiyana (GOB & EDCF)	355,719,446	354,773,647
Exchange Rate Fluctuation Loss (note 28.1)	263,421,486	228,821,711
Interest expenses	3,249,457,807	3,277,579,220
Exchange Rate Fluctuation Loss for refunding of security money	-	5,210,226
	<u>3,249,457,807</u>	<u>3,282,789,446</u>

28.1 Exchange rate fluctuation loss/(gain) represents gain due to exchange rate fluctuation in respect of ADB, JICA, KFW, SIDA, NDF, DANIDA, IDA & EDCF loan utilized by the company as well as the loss/(gain) for assigned loan Transferred from BPDB & DESA.

29. Income tax expense/(income)

Current tax	110,951,173	95,769,898
Deferred tax (income)/expenses related to the origination and reversal of temporary differences	284,086,279	386,958,132
	<u>395,037,452</u>	<u>482,728,030</u>

30. Earnings per share - basic

Net profit after tax	3,839,991,712	2,180,264,295
Number of ordinary shares outstanding during the year	460,912,991	460,912,991
Earnings per share - basic	8.33	4.73

30.1 EPS for the year has increased by BDT 3.60 in comparison to the previous year. The total income of the company has increased by BDT 2,530,212,491 and the total expenses of the company have increased by BDT 870,485,074. The expenses do not incur in line with the company's income. Hence EPS has increased.

31. Cash flow

31.1 Net cash inflow from Operating Activities has decreased due to an increase in payment of suppliers/contractors and interest than that of the previous year.



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32. Related party transactions

32.1 The Company in the normal course of business has entered into transactions with other entities that fall within the definition of the related party contained in IAS 24: Related Party Disclosures. The Company believes that the terms of related party transactions are not significantly different from those that could have been obtained from third parties. The significant related party transactions during the year are as follows:

<u>Name of the party</u>	<u>Nature of relationship</u>	<u>Nature of transaction</u>	<u>Transactions during the year</u> BDT	<u>Receivable/ (payable) as at 30 June 2019</u> BDT
Bangladesh Power Development Board (BPDB)	Majority shareholder	Transmission charge	2,587,573,003	1,910,533,381

Transactions with related party are priced on arm's length basis which are made in the ordinary course of business.

32.2 Related party key management personnel compensation

	<u>2018-2019</u>	<u>2017-2018</u>
Basic pay	8,563,447	9,228,134
Accommodation allowance	4,281,724	4,614,068
Bonus	1,523,490	1,451,430
Contribution to CPF	91,677	373,770
	<u>14,460,338</u>	<u>15,667,402</u>

Salary and other benefits to managing director and 5 (five) full time directors

33 Number of employees

The number of employees as at 30 June 2019 is 2,635 and which was 2,565 as at 30 June 2018. All the employees are paid over BDT 36,000 per annum.

34 Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 06 November 2019.

35 Event after the reporting period

The Board of Directors in its meeting held on 06 November 2019 recommended cash dividend @ 20% per share for the year 2018-19 which is subject to the approval at the forthcoming AGM.



36. Financial risk management

International Financial Reporting Standard (IFRS) 7: Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures, and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. This note presents information about the Company's exposure to each of the following risks, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

36.1 Credit risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from Banks and customers, etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, aging profile, etc. Accounts receivable are related to Transmission/wheeling charge of electricity and optical fiber charge.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	30.06.2019 BDT	30.06.2018 BDT
Accounts and other receivables		
Receivable from transmission and optical fibre charge	5,542,246,347	3,230,301,095
T/L sales (Tangail and Sirajgonj PBS)	-	9,700,555
Interest receivable	39,582	306,249
Advance, deposit and prepayments	14,188,602,127	9,901,480,568
FDR	10,000,000	110,000,000
Cash and bank balances	11,938,407,665	7,481,236,802
	31,679,295,722	20,733,025,269
 b) Ageing of receivables		
Dues within 6 months	3,881,955,783	2,269,834,654
Dues over 6 months	1,660,290,564	438,811,074
	5,542,246,347	2,708,645,728



c) Credit exposure by credit rating

As on 30 June 2019			
	Credit rating	Amount (BDT)	(%)
Accounts and other receivables	NR	5,542,285,929	17.49%
Advance, deposit and prepayments	NR	14,188,602,127	44.79%
Cash and bank balances			
Cash in hand		789,532	0.01%
Cash at bank		11,937,618,133	99.16%
AB Bank Ltd.	AA3	1,515,069,475	12.59%
Agrani Bank Ltd.	A-	804	0.00%
All GMD- Banks	N/A	5,079,931,512	42.20%
Custom Deposit Ctg.	N/A	621,456,444	5.16%
Custom Deposit Benapole	N/A	279,106,286	2.32%
Custom Deposit Dhaka.	N/A	127,383,648	1.06%
Custom Deposit Khulna	N/A	508,547,680	4.22%
Hong Kong Shanghai Banking Corp.	AAA	69,191,935	0.57%
Janata Bank Ltd.	A+	249,579	0.00%
Mercantile Bank Ltd.	AA-	922,762,749	7.67%
Sonali Bank Ltd.	BBB+	2,595,084,165	21.56%
Standard Chartered	AAA	2,120,656	0.02%
Rupali Bank Ltd.	BBB3	216,713,199	1.80%
FDR		100,000,000	0.83%
BRAC Bank Ltd. Banasree Branch	AA1	100,000,000	0.83%



36.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through the preparation of the cash flow forecast, based on the timeline of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates.

In extremely stressed conditions, the Company may get support from the Government of Bangladesh and its sponsor shareholder BPDB in the form of loan and equity.

The following are the contractual maturities of financial liabilities:

Category of liabilities	Carrying amount BDT	Maturity period	Nominal interest rate	Contractual cash flows BDT	Within 6 months or less BDT	Within 6-12 months BDT
Current portion of long term loan	777,574,800	June 2018	4%~12%	777,574,800	-	777,574,800
Interest Payable	331,989,607	June 2018	4%~12%	331,989,607	-	331,989,607
Contribution to WPPF	211,751,458	June 2018	N/A	211,751,458	-	211,751,458
Liabilities for expenses	1,053,892,851	June 2018	N/A	1,053,892,851	-	1,053,892,851

36.3 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the group's income or the value of its holdings of financial instruments.

a) Currency risk

The Company is exposed to currency risk on certain loans taken from different donor agencies (e.g. ADB, World Bank, JICA etc.) Majority of the Company's foreign currency transactions are denominated in USD, EURO, JPY and SEK.

Exposure to currency risk

Foreign currency monetary liabilities Liabilities (long term loan) Restated

Asian Development Bank
Economic Development Co-operation Fund
International Development Association
Islamic Development Bank

30.06.2019	30.06.2018
(USD)	(USD)
581,258,887	522,578,549
81,447,874	79,129,412
103,541,560	84,815,085
20,749,459	14,798,968
786,997,781	701,322,014

Kreditanstalt für Wiederaufbau, Germany
Danish International Development Agency
Nordic Development Fund

30.06.2019	30.06.2018
(EURO)	(EURO)
46,311,231	35,584,509
6,542,090	7,707,050
4,749,776	5,595,577
57,603,097	48,867,136

Swedish International Development Co-operation Agency

30.06.2019	30.06.2018
(SEK)	(SEK)
19,759,228	24,446,417

Japan International Co-operation Agency

30.06.2019	30.06.2018
(JPY)	(JPY)
25,726,136,027	18,939,692,582

Net exposure

The following significant exchange rates are applied during the year:

Exchange rate of USD	84.5	83.75
Exchange rate of SEK	9.10	9.36
Exchange rate of EURO	96.09	97.88
Exchange rate of JPY	0.78	0.76



b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as to the reporting date.

i) Profile

As at 30 June, the interest rate risk profile of the Company's interest bearing financial instrument was:

	30.06.2019
Fixed rate instrument	BDT
Financial asset	10,000,000
Financial liability	157,518,321,557
Variable rate instrument	
Financial asset	Nil
Financial liability	Nil

(ii) Cash flow sensitivity analysis for variable rate instruments:

There being no variable rate instruments, sensitivity analysis has not presented.

37. Contingencies

The Company is currently involved in a number of legal proceeding which may have a significant effect on the financial position or profitability of the Company but for which any provision has not been recognized in these financial statements.

