

Power Grid Company of Bangladesh Ltd.
Balance Sheet
as at 30 June 2011

	Notes	30.06.2011 Taka	30.06.2010 Taka
Assets			
Property, plant and equipment (figure of 2010 restated)	4	35,676,781,529	34,875,647,167
Capital work-in-progress (figure of 2010 restated)	5	23,549,981,251	16,280,706,909
Total non-current assets		59,226,762,780	51,156,354,076
Inventories	6	1,339,656,762	685,483,498
Accounts and other receivables	7	1,379,078,119	1,352,523,069
Advances, deposits and prepayments (figure of 2010 restated)	8	3,981,843,413	948,522,654
Cash and cash equivalents	9	8,576,389,284	10,612,691,429
Total current assets		15,276,967,578	13,599,220,650
Total assets		74,503,730,358	64,755,574,726
Equity			
Share capital	10	4,190,118,100	3,643,581,000
Deposit for shares	11	9,738,181,386	8,288,522,908
Retained earnings (figure of 2010 restated)		5,853,349,465	5,533,382,436
Total equity attributable to equity holders		19,781,648,951	17,465,486,344
Liabilities			
Term loan-interest bearing	12	44,660,367,822	39,428,415,144
Grant from SIDA (figure of 2010 restated)	13	125,638,246	130,551,473
Deferred liability-gratuity	14	513,935,448	328,218,950
Deferred tax liabilities (figure of 2010 restated)	15	2,119,972,683	2,271,070,397
Total non-current liabilities		47,419,914,199	42,158,255,964
Term loan-interest bearing	16	1,808,318,493	1,790,359,767
Interest Payable (figure of 2010 restated and rearranged)	17	4,272,927,362	2,991,851,386
Liabilities for expenses	18	320,974,260	122,341,304
Liabilities for other finance	19	863,756,589	(78,928,129)
Provision for taxation (figure of 2010 restated)	20	36,190,504	306,208,090
Total current liabilities		7,302,167,208	5,131,832,418
Total liabilities		54,722,081,407	47,290,088,382
Total equity and liabilities		74,503,730,358	64,755,574,726

Previous year's figures have been rearranged and restated wherever necessary, to confirm to current year's presentation.

These financial statements should be read in conjunction with the annexed notes 1 to 31.



Company Secretary



Managing Director



Director



Director



ACNABIN
Chartered Accountants

Dated, Dhaka
07 December 2011



**Power Grid Company of Bangladesh Ltd.
Profit and Loss Account
for the year ended 30 June 2011**

	Notes	2010-2011 Taka	2009-2010 Taka
Revenue	21	6,255,121,287	5,929,637,919
Transmission expenses (figure of 2009-10 restated)	22	(4,574,983,949)	(3,331,724,343)
Gross profit		1,680,137,338	2,597,913,576
Administrative expenses	23	(210,594,022)	(142,367,454)
Results from operating activities		1,469,543,316	2,455,546,123
Finance income	24	931,493,210	909,081,121
Other income (figure of 2010 restated)	25	55,399,525	153,279,057
Finance expenses	26	(1,606,262,249)	(1,406,149,965)
Profit before contribution to WPPF		850,173,802	2,111,756,336
Contribution to WPPF (figure of 2009-10 restated)		(40,484,467)	(100,559,826)
Profit before income tax		809,689,335	2,011,196,510
Income tax expense (figure of 2009-10 restated)	27	114,912,210	(721,134,461)
Current Tax		36,185,504	5,000
Deferred Tax		(151,097,714)	721,129,461
Profit after tax carried forward		924,601,544	1,290,062,049
Basic Earnings Per Share (per value Tk.100) before Split (basic EPS of 2009-10 restated)	28	22.07	30.79
Basic Earnings Per Share (per value Tk.10) after Split	28	2.21	3.08

Previous year's figures have been rearranged and restated wherever necessary, to confirm to current year's presentation.

These financial statements should be read in conjunction with the annexed notes 1 to 31.

Company Secretary

Managing Director

Director

Director

Dated, Dhaka
07 December 2011

ACNABIN
Chartered Accountants



Power Grid Company of Bangladesh Ltd.
Statement of Changes in Equity
for the year ended 30 June 2011

Particulars	Share capital Taka	Deposit for shares Taka	Retained earnings Taka	Total Taka
Balance as at 30 June 2009	3,643,581,000	7,119,140,637	3,494,380,566	14,257,102,203
Prior year adjustment on account of:				
Reversal of understated income of prior years	-	-	1,728,829,874	1,728,829,874
Restated balance as at 30 June 2009	3,643,581,000	7,119,140,637	5,223,210,440	15,985,932,077
Profit for the year	-	-	1,290,062,049	1,290,062,049
Net investment received during the year	-	1,169,382,271	-	1,169,382,271
Final dividend of 2009 (27% Cash)	-	-	(983,766,870)	(983,766,870)
Balance as at 30 June 2010	3,643,581,000	8,288,522,908	5,529,505,619	17,461,609,527
Prior year adjustment on account of:				
Reversal of understated income of prior years	-	-	3,876,817	3,876,817
Restated balance as at 30 June 2010	3,643,581,000	8,288,522,908	5,533,382,436	17,465,486,344
Profit for the year	-	-	924,601,544	924,601,544
Reversal of overstated expenses of prior years	-	-	57,594	57,594
Reversal of overstated tax provision of prior years	-	-	306,203,090	306,203,090
Net investment received during the year	-	1,449,658,479	-	1,449,658,479
Final dividend of 2010 10% (Cash)	-	-	(364,358,100)	(364,358,100)
Final dividend of 2010(15% Stock)	546,537,100	-	(546,537,100)	-
Balance as at 30 June 2011	4,190,118,100	9,738,181,387	5,853,349,465	19,781,648,952

Previous year's figures have been rearranged and restated wherever necessary, to conform to current year's presentation.

[Signature]

Company Secretary

[Signature]

Managing Director

[Signature]

Director

Director

Power Grid Company of Bangladesh Ltd.
Statement of Cash Flows
for the year ended 30 June 2011

Particulars	2010-2011 Taka	2009-2010 Taka
A. Cash flows from operating activities		
Cash receipts from customers	6,235,045,362	5,922,353,487
Cash paid to suppliers, contractors, employees, etc.	(4,204,803,283)	(1,871,141,415)
Cash generated from operating activities	2,030,242,079	4,051,212,072
Interest paid	(325,186,273)	(1,076,304,680)
Income taxes paid	(36,185,504)	(290,797,912)
Net cash from operating activities	1,668,870,302	2,684,109,480
B. Cash flows from investing activities		
Interest received	925,014,085	888,065,746
Cash receipts from others	55,399,525	148,365,830
Addition to property, plant and equipments and capital work-in-progress	(11,322,145,296)	(6,575,928,106)
Net cash used in investing activities	(10,341,731,686)	(5,539,496,530)
C. Cash flows from financing activities		
Share capital and deposit for share	1,751,005,935	1,169,382,271
Long term loan	5,249,911,404	2,999,615,622
Dividend paid	(364,358,100)	(983,766,870)
Net cash from financing activities	6,636,559,239	3,185,231,023
D. Net increase in cash and cash equivalents (A+B+C)	(2,036,302,145)	329,843,972
E. Opening cash and cash equivalents	10,612,691,429	10,282,847,457
F. Closing cash and cash equivalents (D+E)	8,576,389,284	10,612,691,429

Previous year's figures have been rearranged and restated wherever necessary, to conform to current year's presentation.



Company Secretary



Managing Director



Director



Director

Dated, Dhaka
07 December 2011



**Notes to the Financial Statements
for the year ended 30 June 2011****1. Reporting entity****1.1 Company profile**

Power Grid Company of Bangladesh Limited (the Company) is a listed Company. The Company was incorporated on 21 November 1996 having registration no. C-31820 (941)/96 under the Companies Act 1994 as a private Company limited by share which was subsequently converted to a public limited Company on 5 March 2000. The Company is listed with both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

1.2 Nature and scope of business

The Company's principal activities are planning, promoting, developing, operating and maintaining of an integrated and efficient power transmission system/network through out Bangladesh. As the sole power transmission Company in Bangladesh, the Company is responsible in all aspects, regarding transmission lines, sub-stations, load dispatch Centres, 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 organisations.

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.

1.4 Corporate head office

Corporate head office of the Company is located at Institute of Engineers Bangladesh (IEB) Bhaban (New), 3rd and 4th floors, Ramna, Dhaka-1000.

2. Basis of preparation**2.1 Statement of compliance**

Except as details below, the financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Foreign currency exchange difference of Tk 1,344,850,002.00 arising on foreign currency denominated loans and borrowings taken by the Company has been capitalised and included in the carrying amount of capital work-in-progress as required under the provision of Section 185, read with, Part-1, Schedule XI of the Companies Act 1994 because the loans were used in the projects that were accounted for in capital work in progress. The difference arising from capitalisation of foreign exchange loss/(gain) has been recognised in accordance with the requirements of the Companies Act 1994.

2.2 Presentation of Financial Statements

The presentation of these financial statements are in accordance with the guidelines provided by BAS 1: Presentation of financial statements.



2.3 Basis of Measurement

These financial statements have been measured under historical cost convention.

2.4 Functional and presentation currency

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

2.5 Level of precision

The figures of financial statements presented in Taka 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 believed to be reasonable under the circumstances, the result of which form 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 are recognised 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 recognised in the financial statements is included in the following notes:

	<u>Note Ref.</u>
Depreciation and amortisation	4
Deferred liability for gratuity and earned leave	15
Deferred tax liabilities	16
Foreign currency denominated loans and borrowings	12-14 and 17-18

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 going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of the existing business.

2.8 Reporting period

The financial statements of the Company covers one year from 1 July 2010 to 30 June 2011 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

Bangladesh Accounting Standards 21: The Effect of changes in Foreign Exchange Rates requires balances resulting from transactions denominated in a foreign currency to be converted into Taka 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 balance sheet date.

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 BAS 16: Property, Plant and Equipment. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non refundable 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 the intended manner. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

3.2.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised 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 derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit and loss account 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. For addition to property, plant and equipment, depreciation is charged from the month of capitalisation up to the month immediately preceding the month of disposal. This year depreciation has been charged for 6(Six) months on addition of fixed assets. Considering the estimated useful life of the assets, the rates of depreciation stand as follows:

Building	5%
Plant and machinery (substations and transmission lines)	3.50%
Motor vehicle	20%
Office equipment	10%
Signboard	25%
Furniture and fixture	10%

3.2.4 Capital work-in-progress

Capital work 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 non refundable taxes and VAT. Property, plant and equipment that is being under construction/ acquisition is also accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.2.5 Retirement and disposal

An item of property, plant and equipment is derecognised 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 recognised the net with 'other income' in the profit and loss account.

3.3 Inventories

Inventories consisting of spare parts at Grid Maintenance Divisions (GMDs) are valued at lower of cost and net realisable value in accordance with provision of BAS 2: Inventories. Cost of inventories include expenditure incurred in acquiring the inventories and other cost 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 costs necessary to make the sale.

3.4 Financial instrument

Non derivative financial instruments comprises of cash and cash equivalents, accounts and other receivables, loans and borrowings and other payable.

3.4.1 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 Company without any restriction.

3.4.2 Accounts and other receivable

Accounts and other receivable 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 uncollectibility of any amount so recognised.

3.5 Share capital

Paid up capital represents total amount of issued share capital against which per van amount has been settled in entity. 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. The ordinary shareholders are entitled to any residual proceeds of liquidation after settlement of due to all other parties.

3.6 Provisions

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will 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 settled the present obligation at the balance sheet date.



3.7 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account 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 requirement of BAS 12: Income Tax.

3.7.1 Current tax

Current tax 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 24.75% considering 10% tax rebate for declaring dividend of more than 20% of the paid up capital. Provision for tax has been made on the basis of Finance Act 2011.

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

Revenue comprises transmission/wheeling charge and rental income which are recognised in the profit and loss account after meeting the recognition criteria in accordance with the requirement of BAS 18: Revenue. Revenues are measured at fair value of the consideration received or receivable, net off sale related taxes (VAT).

Transmission charge is recognised when monthly invoices are raised against Bangladesh Power Development Board (BPDB), Dhaka Power Distribution Company (DPDC), Palli Bidyut Samitis (PBSs), West Zone Power Distribution Co. Ltd (WZPDC) and Dhaka Electric Supply Company Ltd. (DESCO). Amount of invoices is determined by survey of meter reading at cut off time.

Rental income from Optical Fiber Cable Network is recognised when monthly invoices are raised against Grameen Phone Ltd, Bangladesh Telecommunication Company Limited (BTCL) and Robi Axiata Ltd. Quantum of invoices is determined in accordance with the agreement.

3.9 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. All finance expenses are recognised in the profit and loss account.

3.10 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares.

Basic EPS is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year and split ordinary shares in accordance with the requirement of BAS 33: EPS.

3.11 Events after the balance sheet date

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

3.12 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of BAS 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.

3.13 Borrowing cost

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

3.14 Employee benefits

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

3.14.1 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.

3.14.2 Group insurance

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

**3.14.3 Defined benefit plan (gratuity)**

The Company also maintains an unfunded gratuity scheme for permanent employees, provision for which has been made in profit and loss account. Employees are entitled to gratuity benefits after completion of minimum 3 years service in 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 two months' basic salary for every completed year of service.

3.15 Workers Profit Participation Fund (WPPF)

The Company makes a regular allocation of 5% on net profit before tax to this fund and payment is made to the eligible workers as per provision of the Company's profit under Labour Law 2006 Chapter-15.

3.16 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 Para 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.

3.17 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.





4. Property, plant and equipment

Particulars	Cost				Depreciation				Balance in Tote	
	Balance as at 01 July 2010	Prior Years Adjustment	Revalued Balance as at 01 July 2010	Additions during the year	Disposals/Adjustment for the year	Balance as at 30 June 2011	Balance as at 01 July 2010	Prior Year Adjustment	Revalued Balance as at 01 July 2010	Balance as at 30 June 2011
Land and land development	627,034,250	-	627,034,250	-	-	627,034,250	-	-	627,034,250	627,034,250
Building	75,062,958	-	75,062,958	24,134,108	-	99,197,066	8,133,632	-	91,063,434	18,790,193
Plant and machinery (valuation and transmission line)	65,598,234,629	1,540,664,982	71,257,899,611	3,317,284,957	-	74,575,184,568	16,891,586,768	57,287,679	36,598,176,947	24,862,971,255
Motor vehicle	148,146,219	-	148,146,219	96,222,580	-	244,368,800	114,112,226	-	214,368,800	135,251,796
Office equipment	75,778,822	-	75,778,822	7,631,638	-	83,410,460	38,316,198	-	73,394,262	79,117,633
Copyright	6,663,866	-	6,663,866	-	-	6,663,866	4,795,834	-	1,868,032	48,611,824
Furniture and fixtures	76,884,995	-	76,884,995	5,153,893	-	82,038,888	9,537,631	-	72,501,257	1,406,050
Total	79,439,144,315	1,540,664,982	71,889,809,333	3,398,057,489	-	75,887,957,024	32,059,074,488	57,287,679	33,113,145,167	38,716,725,495
Depreciation allocated to:	2010-2011	2010-2011								
Transmission expenses (Note 22)	2,588,731,415	2,457,073,279								
Administration expenses (Note 23)	8,835,215	8,133,530								
	2,597,566,630	2,465,206,809								

Plant and machinery includes sub-stations and transmission lines, amounting to Rs. 42,961,190,000 that have been transferred from PSC through several vendor agreements of which the last agreement was made on 13-10-09 and the last agreement (2010 agreement) is dated 1-1-2011. First vendor agreement, however, is executed to be signed in near upcoming year.





5. Capital work-in-progress

	30.06.2011 Taka	30.06.2010 Taka
Balance as at 1 July	16,392,344,102	12,474,463,900
Cost incurred during the year	8,516,112,917	6,344,253,902
Adjustment/transfer to assets	(1,358,475,768)	(2,426,373,700)
Balance as at 30 June	23,549,981,251	16,392,344,102

Project-wise break-up:

National Load Dispatch Centre	3,996,151,233	3,084,738,105
Ishwardi-Baghabari-Sirajgonj Bogra Transmission Line (Note-19.5)	4,779,226,655	4,504,996,651
Three Transmission Line (Natore-Rajshahi 132 KV T/L)	702,347,625	702,347,625
Transmission Line Facility	4,635,615,613	2,821,042,353
Meghnaghat-Aminbazar 400 Kv Transmission Line	690,599,798	322,961,190
Aminbazar Old Airport 230 Kv Transmission Line	2,616,064,133	472,234,055
Siddingonj-Manikgonj 230 Kv Transmission Line	321,912,973	37,941,262
Aminbazar-Saver 132 Kv Transmission Line	945,491,758	860,231,206
Shahibazar Ashuganj 132 Kv Transmission Line	158,988,750	158,988,750
i) Extension of 132 Kv Sub-station at Ashuganj, Shajibazar,Fenchuganj and Sylhet (50 Mw Rental	158,612,407	
ii) Meghnaghat-Aminbazar 400 Kv RPP, Associated T/L extension Transmission Line	420,797,784	
Transmission Efficiency Improvement	579,410,191	110,606,271
Sylhet Shahibazar Brahmanbaria 400 Kv TL	52,066,283	29,736,062
Exchange Rate Fluctuation loss	36,340,322	36,340,322
Inventory in transit	528,747,656	(277,335,569)
HVDC Bangladesh- India Interconnector	25,804,327	23,821,135
Three Transmission Line (Magura-Jhenaidah-Chuadanga-Panchagar)	467,103,254	33,485,852
Barisal-Bhola-Borhanuddin TLP	2,529,534,030	2,045,066,355
Bibiyana- Kaliakoir 400 kv Fenchugonj bibiyana 230 kv TLP	1,995,595	10,360
Bibiyana- Comilla (North) 230 kv TLP	226,596,150	-
Tangail-Jamalpur Transmission Line	255,984,905	-
Mymensingh-Joydebpur Transmission Line	-	264,576
Sylhet-Shahibazar-Ashugonj-Transmission Line	-	93,200
Tongi 13KV Sub-station Extension	-	809,150
Lalmonirhat Cashion Foundation (GMD-Rangpur)	-	1,639
Maniknagar 230/132 Kv Substation	-	1,457,731
Shunt Compensation (Phase - 1)	-	17,468
Naogaon - Neamatpur 132 KV Transmission Line	-	515,179,970
Sustainable Power Development Project (SPSPD)	-	795,221,189
	-	450,000
	23,549,981,251	16,280,706,909

6. Inventories

1,339,656,762 **685,483,498**

These represent the closing inventory of electrical goods as at 30 June 2011. The electrical goods include spare parts which were received from Bangladesh Power Development Board (BPDB) along with the substations and transmission lines.

7. Accounts and other receivables

Receivable from transmission/wheeling and optical fiber charge	1,045,206,073	1,025,130,148
Repair and maintenance charge receivable from DESA	104,777,393	104,777,393
Interest receivable	229,094,653	222,615,528
	1,379,078,119	1,352,523,069

The age-wise analysis of receivables against transmission/wheeling and optical fiber charge of Tk.1,045,206,073 was as under:

Particulars	> 6 Months Taka	< 6 Months Taka	Total Taka
DPDC	-	331,749,598	331,749,598
RPC	5,439,000	-	5,439,000
DESCO	-	144,062,901	144,062,901
PBS	-	476,938,792	476,938,792
WZPDCL	-	70,970,800	70,970,800
BPDB	-	-	-
Grameenphone Ltd. for optical fiber	-	4,771,221	4,771,221
BTCL for optical fiber	-	-	-
Robi Axiata for optical fiber	-	11,273,761	11,273,761
	5,439,000	1,039,767,073	1,045,206,073





30.06.2011	30.06.2010
Taka	Taka

The accounts receivable from BPDB has been fully 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. Therefore no provision for bad debt had been made in the accounts.

8. Advances, deposits and prepayments

Advances (Notes-8.1)	3,980,895,962	947,591,704
Deposits (Notes-8.2)	947,450	930,950
	3,981,843,413	948,522,654

8.1 Advances

Advance against Purchase	11,700	26,704
Advance against Legal expense (Doza & Haroon)	365,000	335,000
Advance against TA/DA	126,311	187,186
Advance against Contractors/suppliers	236,874	236,874
Advance of Branch offices and GMDs	535,299	663,318
Advance tax (Note 8.1.1)	1,335,600,581	800,483,262
Advance against expenses	1,727,586	1,181,415
Advance against house rent	218,996	218,996
Recoverable From Employees of GMD Aricha	73,493	73,493
Advances given by Projects (Note-8.3)	2,627,093,083	142,826,731
Recoverable From CCC(Project-1)	-	1,358,725
Suspense account (Defalcation at GM-Project)	31,138	-
Loan to IBSB 230 KV T/L Project	14,875,901	-
	3,980,895,962	947,591,704

8.1.1 Advance tax represents income tax deducted at source on import of raw materials, interest on fixed deposit and short term accounts and advance payment of tax deducted by customer (Note - 28).

8.2 Deposits

Grid maintenance divisions (GMDs)	225,090	225,090
CDBL	500,000	500,000
Others	222,360	205,860
	947,450	930,950

8.3 Advances include amounting to Tk.2,118,497,464 given by BD-India Interconnector Project and other 10 (ten) Projects .

9. Cash and Cash Equivalents

Cash in hand	442,376	511,246
Balances with banks as:		
Current deposit accounts	520,248,811	273,701,771
Short term deposit accounts	1,405,698,097	1,368,478,412
Fixed deposit accounts	6,650,000,000	8,970,000,000
	8,575,946,908	10,612,180,183
	8,576,389,284	10,612,691,429

10. Share capital

Authorized share capital

100,000,000 ordinary shares of Tk. 100 each

10,000,000,000	10,000,000,000
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Paid up share capital

41,901,181 ordinary shares of Tk. 100 each

4,190,118,100	3,643,581,000
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The break-up of the paid up share capital is as follows:

11,653,600 Shares of Tk. 100 each fully called and paid up in cash	1,165,360,000	1,165,360,000
24,782,210 Shares of Tk. 100 each paid up other than cash	2,478,221,000	2,478,221,000
54,65,371 Shares of TK. 100 each as 15% Bonus Shares	546,537,100	-
	4,190,118,100	3,643,581,000





Percentage of shareholdings:

Particulars	30.06.2011		30.06.2010	
	No. of shares	%	No. of shares	%
Sponsors	31,949,668	76.25	27,782,320	76.25
Institutions (financial & others)	7,938,843	18.95	5,760,750	15.81
Individual	2,012,620	4.80	2,892,740	7.94
Total	41,901,131	100.00	36,435,810	100.00

Classification of shareholders by holding:

Share holding range	Number of shareholders as at		% of shareholdings as at	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Less than 500 shares	6,583	6,994	88.14	86.19
500 to 5,000 shares	714	926	9.56	11.41
5,001 to 10,000 shares	61	72	0.82	0.89
10,001 to 20,000 shares	48	49	0.64	0.60
20,001 to 30,000 shares	17	30	0.23	0.37
30,001 to 40,000 shares	8	11	0.11	0.14
40,001 to 50,000 shares	10	9	0.13	0.11
50,001 to 100,000 shares	13	11	0.17	0.14
100,001 to 1,000,000 shares	12	12	0.16	0.15
Over 1,000,000 shares	3	1	0.04	0.01
Total	7,469	8,115	100.00	100.00





11. Deposit for shares

This represents the amount of investment received from the Government of the People's Republic of Bangladesh as part of GoB equity against the development projects.

	30.06.2011 Taka	30.06.2010 Taka
Balance as at 1 July	8,288,522,908	7,119,140,637
Add: Received during the year from the GoB as part of equity in respect of development projects	1,473,540,000	1,270,920,000
	9,762,062,908	8,390,060,637
Less: Refunded to GoB the surplus fund released by GoB	23,881,522	101,537,729
Balance as at 30 June	9,738,181,386	8,288,522,908

The amount related to Deposit for shares will be settled as per the statutory regulation and decision of the Govt.

12. Term loan- interest bearing

The break-up of term loan- interest bearing are as follows:

	Notes		
ADB loan	12.1	15,487,468,469	13,071,628,819
GoB loan	12.2	5,620,957,412	4,864,956,228
Bangladesh Power Development Board	12.3	8,003,670	8,003,670
Assigned loan	12.4	13,075,457,352	14,071,806,065
Exchange rate fluctuation loss/(gain)	12.5	3,939,755,196	1,788,821,969
Suppliers credit	12.6	601,069,987	801,066,428
SIDA loan	12.7	310,579,155	326,925,427
KFW loan	12.8	2,157,841,717	2,110,739,012
Danida loan	12.9	1,162,964,399	1,225,827,339
DPBS-1 loan	12.10	684,000,000	684,000,000
NDF loan	12.11	867,171,394	912,811,994
JBIC loan BD 52	12.12	2,333,197,282	1,332,168,650
IDA Loan No 4508	12.13	184,751,624	20,019,310
EDCF Loan	12.14	35,468,458	-
		46,468,686,315	41,218,774,912
Less: Transferred to Term loan-interest bearing (Note-17) i.e. Current portion of long term loan		1,808,318,493	1,790,359,768
Balance as at 30 June		44,660,367,822	39,428,415,144

Previous year's figures have been rearranged.

12.1 ADB loan

Balance as at 1 July	13,071,628,818	10,804,874,344
Current Portion of Debt	-	-
Received during the year	2,774,987,373	2,635,345,665
	15,846,616,191	13,440,220,009
Repaid during the year	(359,147,722)	(368,591,191)
Balance as at 30 June	15,487,468,469	13,071,628,818

*Previous year's figures have been rearranged to conform to the current year's presentation.





Loan details are as follows:

	30.06.2011	30.06.2010
	Taka	Taka
Loan no.		
Mymensingh power station and transmission Line	1505 124,571,087	124,571,087
Rampura Sub-Station	1505 453,916,158	548,441,172
Sub-station-Extension -Mirpur	1505 67,153,961	67,153,961
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	1505 538,596,794	538,596,794
Hasnabad-Aminbazar-Tongi Transmission Line	1731 309,995,548	380,884,718
Sub-station Aminbazar	1731 408,315,660	408,315,660
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
Khulna Ishwardi Transmission Line-(Nippon Koie,	1885 -	42,293,813
Khulna -Ishwardi Transmission Line- L & T	1885 153,840,477	153,840,477
Khulna Ishwardi Transmission Line-(TATA Power)	1885 1,467,318,635	1,510,288,446
Ashuganj-Sirajganj Transmission Line -(LG & Sejon)	1885 1,657,756,322	1,657,756,322
Ashuganj-Sirajganj ABB Ltd.	1885 294,702,122	403,172,036
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 309,818,788	309,818,788
National Load Dispatch Centre	2039 2,614,680,936	1,835,830,174
Meghnaghat - Aminbazar 400 KV TL	2332 389,962,765	194,782,770
Aminbazar Old Airport 230 KV TL	2332 1,951,712,601	399,996,957
3 Transmission Line NCC	2332 1,034,521,006	975,613,558
3 Transmission Line-HG Power	2332 680,236,132	489,902,608
	15,487,468,469	13,071,628,818
Add: Current portion of Long Term Loan	15,487,468,469	13,071,628,818

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

12.2 GoB loan

Balance as at 1 July	4,864,956,229	4,364,048,219
Current Portion of Debt	-	-
Received during the year	982,360,000	847,280,000
	5,847,316,229	5,211,328,219
Refunded during the year	(226,358,817)	(346,371,990)
Balance as at 30 June	5,620,957,412	4,864,956,229

Loan details are as follow:

a) Comilla-Meghnaghat-Rampura & Meghnaghat-Haripur-203 KV Transmission Line	301,543,550	355,361,940
b) Hasnabad-Aminbazar-Tongi Transmission Line	305,906,670	336,497,336
c) Kabirpur-Tangail-Sirajgonj Transmission Line	80,141,000	86,552,280
d) Ishwardi-Baghabari-Sirajgonj-Bogra Transmission Line(Note-12.2.1)	612,804,828	614,804,828
e) Khulna-Ishwardi-Bogra-Barapukuria Transmission Line	1,198,896,534	1,284,532,000
f) Ashugonj- Jamuna Bridge-Serajgonj (Inter Connector Line)	424,775,000	458,757,000
g) Construction and Extension of Sub-Station & Transmission Line	859,741,683	567,741,683
h) NLDC Project-National Load Dispatch Centre	488,329,996	500,000,000
i) Three Transmission Line	525,247,450	459,247,450
j) Aminbazar-Old Airport 230 Kv Associated Substation	269,416,527	45,755,017
k) Shunt compensation at Grid Substation	83,701,607	83,701,607
l) Meghnaghat-Aminbazar 400 Kv Transmission Line	160,977,030	64,800,000
m) Transmission Efficiency improvement	14,790,036	2,279,586
n) Siddirgonj Maniknagar 230 Kv T/L Cons. Project	44,925,501	4,925,501
o) BD - India Grid Interconnection project	173,760,000	-
p) Bibiana Comilla (North) 230KV TLP	76,000,000	-
	5,620,957,412	4,864,956,229
Add: Current portion of Long Term Loan	5,620,957,412	4,864,956,229



30.06.2011 Taka	30.06.2010 Taka
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12.2.1 The above loans are repayable within 15 years with 5 years grace period.

12.3 Bangladesh Power Development Board (IDA Cr.2016 BD)

8,003,670	8,003,670
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The above loan was received from Bangladesh Power Development Board for purchase of capital assets such as cars, computers, etc. This is payable within 20 years with 5 years grace period.

12.4 Assigned loan

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

A. Assigned loan from BPDB

Balance as at 1 July	10,227,128,965	11,234,345,458
Add: Current portion of the debt	-	-
Addition/adjustment during the year	(996,348,713)	(1,007,216,493)
	<u>9,230,780,252</u>	<u>10,227,128,965</u>
Balance as at 30 June (A)	9,230,780,252	10,227,128,965

B. Assigned loan from DESA

Balance as at 1 July	3,844,677,100	3,844,677,100
Addition/adjustment during the year	-	-
	<u>3,844,677,100</u>	<u>3,844,677,100</u>
Balance as at 30 June (B)	3,844,677,100	3,844,677,100
Balance as at 30 June Grand total (A+B)	13,075,457,352	14,071,806,065

*Previous year figures have been rearranged to conform to the current year's presentation.

Above loans have been taken over from BPDB and DESA 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 Haripaur-Ghorashal 230 KV 45 KM. Transmission Line.

2nd Phase—Hasnabad and Tongi 230/132 KV. Sub-station and Hasnabad-Haripaur 230 KV 16.5 KM Transmission Line.

3rd Phase – Grid Maintenance Division viz Dhaka (North) Dhaka (South), Dhaka (East), Anicha, 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.

2. Assigned loan from DESA:

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

2nd Phase – Kaliyanpur 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 DESA. So, the repayments are made through BPDB and DESA.

12.5 Exchange rate fluctuation loss/(gain)

This represents foreign currency exchange rate fluctuation loss on the loans utilized for import of materials and construction works of different projects under donor finance and also includes loss /(gain) on account of loan transferred from BPDB.



30.06.2011 Taka	30.06.2010 Taka
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12.6 Suppliers credit

This represents the credit received from the following two contractors for construction of transmission line projects:

Name of contractor Name of the transmission line

a) Tata Power Ltd. India	Ishwardi -Baghabari		
Balance as at 1 July		296,984,135	303,891,667
Received During the year		-	2,774,318
Paid During the Year		(104,774,736)	(9,681,850)
Balance as at 30 June		192,209,399	296,984,135
b) China Nation Wire & Cable	Bogra -Barapukuria		
Balance as at 1 July		504,082,292	595,997,688
Received During the year		-	-
Paid During the Year		(95,221,705)	(91,915,395)
Balance as at 30 June		408,860,587	504,082,292
Total (a+b)		601,069,987	801,066,428

12.7 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 1 July	326,925,427	326,925,427
Received During the year	-	-
Paid During the Year	(16,346,272)	-
Balance as at 30 June	310,579,155	326,925,427

12.8 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	WZP, IBSB & TEI Project		
Balance as at 1 July		2,110,739,012	1,626,936,310
Received During the year		80,600,615	483,802,702
Paid During the Year		(33,497,910)	-
Balance as at 30 June		2,157,841,717	2,110,739,012

12.9 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 1 July		1,225,827,339	1,257,258,809
Received During the year		-	-
Paid During the Year		(62,862,940)	(31,431,470)
Balance as at 30 June		1,162,964,399	1,225,827,339
		684,000,000	684,000,000

12.10 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 Tk.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.



30.06.2011 Taka	30.06.2010 Taka
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12.11 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 1 July	912,811,994	912,811,994
Received During the year	-	-
Paid During the Year	(45,640,600)	-
Balance as at 30 June	867,171,394	912,811,994

12.12 JBIC loan BD 52

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.

Name of the transmission line

JBIC Loan no-52

Transmission Line Facility

Balance as at 1 July	1,332,168,650	319,514,508
Received During the year	1,001,028,631	1,012,654,143
Paid During the Year	-	-
Balance as at 30 June	2,333,197,282	1,332,168,650

12.13 IDA loan - 4508

Name of the transmission line

IDA loan - 4508

Siddirganj - Maniknagar

Balance as at 1 July	20,019,310	-
Received During the year	164,732,514	20,019,310
Paid During the Year	-	-
Balance as at 30 June	184,751,824	20,019,310

12.14 EDCF Loan

Name of the transmission line

EDCF Loan

Bibiyan - Kaliakoir - Fenchugonj

Balance as at 1 July	-	-
Received During the year	35,468,458	-
Paid During the Year	-	-
Balance as at 30 June	35,468,458	-

13. Grant from SIDA

Balance as at 1 July	130,551,473	140,377,927
Prior years adjustment: 2008-2009	-	(4,913,227)
2009-2010	-	(4,913,227)
	130,551,473	130,551,473
Current year amortization	(4,913,227)	-
Balance as at 30 June	125,638,246	130,551,473

14. Deferred Liability- gratuity

Balance as at 1 July	328,218,950	264,663,472
Add: Provision made during the year	200,909,394	70,524,790
	529,128,344	335,188,262
Less: Paid during the year	15,192,896	6,969,312
Balance as at 30 June	513,935,448	328,218,950





30.06.2011 Taka	30.06.2010 Taka
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15. Deferred tax liabilities

Deferred tax liabilities recognized in accordance with the provisions of BAS 12: *Income taxes*, is arrived as follows:

Balance as at 1 July	2,271,070,397	1,549,940,936
Addition/(Reversal) during the year	(151,097,714)	721,129,461
Balance as at 30 June	2,119,972,683	2,271,070,397

16. Term loan - interest bearing

ADB loan no. 1505,1731 & 1885	359,147,722	349,367,493
Govt. loan	253,255,536	253,255,536
BPDB assigned loan	881,647,500	881,647,500
Other (Note 16.1)	314,267,734	306,089,238
	1,808,318,493	1,790,359,767

16.1 Other Loan

Danida	62,862,940	62,862,940
KFW	33,497,910	16,748,955
NDF	45,640,600	22,820,300
SIDA	16,346,272	8,173,138
CCC	100,511,800	92,576,657
Tata	55,408,212	102,907,249.00
	314,267,734	306,089,239

17. Interest Payable

This represents the interest payable for the period.

The movement of the above amount is given below:

Balance as at 1 July	2,851,851,386	2,422,485,135
Interest charged during the year	2,406,462,027	2,000,004,507
	5,258,313,413	4,422,489,642
Payment made during the year	(985,386,051)	(1,430,638,256)
Balance as at 30 June	4,272,927,362	2,991,851,386

17.1 Last year's figure has been rearranged.

18. Liabilities for expenses

Salaries	993,608	2,353
Bonus Payable	-	270
Gas charge	214,172	121,972
Audit fee (Including last year Audit Fee)	600,000	558,374
Sundry expenses	319,166,480	121,658,335
	320,974,260	122,341,304





30.06.2011 Taka	30.06.2010 Taka
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19. Liabilities for other finance

Deposit work – Sylhet – Sunamgonj	3,848,054	3,848,054
PGCB WPPF Trust(Note-19.1)	141,055,456	101,355,255
Revenue sharing payable BTRC	14,852,313	9,357,018
Tax/VAT withheld from contractor/suppliers	30,801,269	30,380,866
Unclaimed dividend(Note-19.2)	20,499,380	17,472,204
PGCB Employees Provident Fund	63,219	(2,088)
Contractors earnest/security/retention money	354,319,436	297,701,306
Tax withheld from employees	2,809,953	628,143
Revenue stamp	167,636	175,851
PM Relief Fund	(28,164)	(28,164)
Bangladesh Power Development Board	3,765,000	3,765,000
PGCB union subscription	50,580	95,227
Performance guarantee(Note-19.3)	10,076,841	10,076,841
Account current with corporation (Note-19.4)	115,286,586	(554,503,673)
Advance receipt of PF Contribution -Lien	14,256	14,256
WPPF Trust A/c	36,429	36,429
Deposit work- Halishahor – Dhaka(North-West)	699,345	699,345
Advance Rent Receipt - UGC	160,000,000	-
Provision for Bad Debt	5,439,000	-
	863,756,589	(78,928,129)

19.1 Workers' profit participation fund

Balance as at 1 July	101,355,255	107,684,959
Provision made during the year	40,484,467	100,559,826
Transfer to WPPF trust A/c	(784,265)	(106,889,529)
Balance as at 30 June	141,055,456	101,355,255

19.2 Unclaimed dividend

Year ended 30 June 2006	566,292	568,092
Year ended 30 June 2007	2,885,540	3,002,165
Year ended 30 June 2008	5,374,574	9,644,130
Year ended 30 June 2009	6,976,568	4,257,817
Year ended 30 June 2010	4,696,406	-
	20,499,380	17,472,204

19.3 Performance guarantee

CNEEC	76,841	76,841
BTTB	10,000,000	10,000,000
	10,076,841	10,076,841

19.4 Account Current with Corporation & Other Office

BPDB	112,990,367	113,846,692
Project-1	(2,422,567)	(7,422,567)
Project-2	4,727,427	(23,875,948)
TSS	(8,641)	(8,641)
IBSB Project (Note-19.4.1)	(637,536,768)	(637,536,768)
WPPF	-	493,560
	(522,250,182)	(554,503,673)
Provision for cash defalcation of IBSB project	637,536,768	-
	115,286,586	(554,503,673)



**30.06.2011**
Taka**30.06.2010**
Taka**19.4.1 Cash defalcation**

The Ishwardi - Bagabari - Sirajgonj - Bogra 230 Kv Transmission Line Project was completed on 30.06. 2010. As a result a Project Completion Report (PCR) is to be prepared and total expenditure booked so far in work-in progress and current years Account Current balance has to be transferred to Fixed Assets. Two investigation committee was formed, one by the management and another by the Board of Directors. The management committee submitted the report and ascertained the defalcation amount of Tk. 637,536,768. This year Provision has been made for cash defalcation for the said amount.

20. Provision for taxation

Balance as at 01 July

306,208,090

306,203,090

Add: Addition during the year

36,185,504

5,000

342,393,594

306,208,090

Prior Year adjustment

(306,203,090)

-

Less: Paid during the year

36,190,504**306,208,090**



21. Revenue

Transmission/wheeling charge
Optical Fiber charge

2010-2011 Taka	2009-2010 Taka
6,155,642,208	5,854,805,615
99,479,079	74,832,304
6,255,121,287	5,929,637,919

22. Transmission expenses

Salary and other employee benefits
Travelling and conveyance
Functions, games and entertainment
Rent, rates and taxes
Postage, telephone and fax
Recruitment and training
CPF contribution
Gratuity
Electricity and power
Office Expenses
Fuel and lubricant
Security expense
Insurance
Bank charges and commission
Consultancy
Repair and maintenance
C & F, carrying and handling
Miscellaneous expenses
Depreciation (Note: 4)
Bad Debt
Provision for cash defalcation of IBSB

849,508,755	520,132,961
23,384,221	22,132,676
265,839	182,232
13,507,214	12,652,488
4,471,361	3,843,664
1,469,352	1,982,588
42,495,199	22,337,485
166,754,797	58,535,576
58,832,970	44,837,705
3,788,133	3,894,606
14,894,068	13,310,633
73,009,107	70,000,976
319,322	297,883
2,236,947	1,961,354
54,275	794,506
87,540,489	95,231,657
411,913	314,902
332,603	207,172
2,588,731,615	2,459,073,279
5,439,000	-
637,536,768	-
4,574,983,949	3,331,724,343

23. Administrative expenses

Salary and other employee benefits (Note-23.1)
Travelling and conveyance
Functions, games and entertainment
Rent, rates and taxes
Postage, telephone and fax
Recruitment and training
CPF contribution
Gratuity
Electricity and power
Office Expenses
Fuel and lubricant
Security expense
Insurance
Bank charges and commission
Consultancy
Repair and maintenance
C & F, carrying and handling
Miscellaneous expenses
Depreciation (Note: 4)
Advertisement and publicity
Audit fee
Legal expenses
Fees and renewals
Directors' honorarium and support service allowance
AGM Expenses

104,995,464	64,286,096
923,701	874,264
2,800,357	1,919,634
16,595,781	15,545,613
2,137,213	1,837,187
1,630,547	2,200,087
3,640,073	1,913,394
34,154,597	11,989,214
993,113	756,870
6,876,656	7,069,938
4,669,925	4,173,451
991,610	950,753
1,156,970	1,079,293
43,325	37,987
240,275	3,649,042
2,828,498	3,077,063
17,118	13,087
75,249	46,871
8,831,715	8,193,930
5,335,445	7,694,749
313,000	429,971
542,500	669,100
6,142,380	306,000
2,204,070	1,090,282
2,445,439	2,563,577
210,594,022	142,367,454



2010-2011 Taka	2009-2010 Taka
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23.1 Salary and other benefits to managing director and 3 (Three) full time directors

Basic pay	4,402,945	3,082,110
Accommodation allowance	1,015,233	720,536
CPF contribution	300,839	137,201
Bonus	1,090,600	701,600
	<u>6,809,617</u>	<u>4,641,447</u>

24. Finance income

Interest Income	931,493,210	909,081,121
	<u>931,493,210</u>	<u>909,081,121</u>

25. Other income

Rental income	5,518,641	1,230,165
Miscellaneous sales	29,436,544	133,806,256
Grant Income (note # 13)	4,913,227	4,913,227
Miscellaneous income	15,531,113	13,329,409
	<u>55,399,525</u>	<u>153,279,057</u>

26. Finance expenses

On Loan, 5th Phase Assets transferred from BPDB	397,108,657	440,592,041
On Loan, 1st Phase Assets transferred from DESA	70,790,364	70,790,364
On Loan, 2nd Phase Assets transferred from DESA	82,996,720	82,996,720
On Loan no 1505, Mymensingh Power Station Associated Trans. Line	9,965,687	9,965,687
IDA Credit (Loan No.2016) transferred from BPDB	612,281	612,281
Meghnaghat-Cornilla Line, NLDC (Govt. Loan)	17,082,465	20,848,157
Haripur-Ghorasal Turn Inout (ADB Loan No. 1505)	-	4,002,185
Cornilla sub-station extension (ADB Loan No. 1505)	-	1,969,787
Haripur sub-station extension (ADB Loan No. 1505)	-	968,072
Rampura sub-station (ADB Loan No. 1505)	41,948,537	45,012,274
Sub-station extension Mirpur (ADB Loan No. 1505)	5,372,317	5,372,317
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 Cornilla Line, Haripur Rampura Line Sub-station (General)	43,087,743	43,087,743
Hasnabad-Aminbazar-Tongi Line Project (Govt. Loan)	16,435,150	22,943,000
Hasnabad-Aminbazar-Tongi Line Project (ADB Loan: 1731)	19,955,240	26,797,016
Substation -Aminbazar - Savar (ADB Loan : 1731)	22,457,361	22,457,361
Substation Extension -Tongi -Hasnabad-& Kallyanpur (ADB Loan : 1731)	28,723,711	28,723,711
Khulna-Ishwardi-Bogra-Boropukuria TL (Local : GOB)	63,135,628	64,226,600
Khulna-Ishwardi-Bogra-Boropukuria 230 Kv TL (ADB Loan: 1885) TATA Power	83,050,018	77,614,679
Substation Extension (Ishwardi 230/132 & Khulna Central 132/33 Kv) L & T(ADB Loan : 1885)	8,461,226	8,461,226
Khulna - Bheramera - Ishwardi -Boropukuria TL & Substation (Nippon Koei)	1,147,147	2,292,875
Bogra 230/132 Kv Substation (ABB GmBh) (Loan No : Khv)	92,273,745	88,066,065
Khulna South 230/132 Kv Substation (NDF Loan)	49,565,066	50,204,660
Boropukuria Substation (ABB Power) SIDA Loan	17,751,827	17,980,898
Ashuganj-Bangabandhu Bridge -Sirajganj (Trifer Connector) (Local : GOB)	22,504,929	25,486,500
Ashuganj-Sirajganj 230 Kv TL (Nippon Koei) (ADB Loan: 1885)	-	2,015,078
Ashuganj-Sirajganj 230 Kv TL (LG & Sejong) (ADB Loan: 1885)	91,176,598	92,003,922
Switchyard at Sirajganj & extension of 230 Kv Substation (ABB India) (ADB Loan : 1885)	20,654,397	22,174,462
Kabirpur Tangail Sirajganj Project (Local Loan: GoB)	4,245,936	4,808,460
Joydebpur-Kabirpur-Tangail (Danida Loan)	60,490,510	62,862,940
Exchange loss/(gain) (Note-26.1)	-	-
Rampura Gulshan Underground Cable Line -ADB Loan 1731	7,539,010	3,738,520
Gulshan 132 KV GIS S/S Line -ADB Loan 1731	20,115,698	9,975,182
Upgradation of 230/132KV Rampura -Haripur-Aminbazar S/S(GOB)	-	3,103,020
Upgradation of 230/132KV Rampura -Haripur-Aminbazar S/S(ADB Loan 1731)	37,523,776	18,607,681
CCC - Suppliers credit	17,483,102	20,105,335
On Exchange Rate Fluctuation Loss	247,324,256	-
	<u>1,606,262,249</u>	<u>1,406,149,965</u>

26.1 Exchange rate fluctuation loss/(gain) represents gain due to exchange rate fluctuation in respect of ADB loan utilized by the company as well as the loss/(gain) for assigned loan transferred from BPDB & DESA.

27. Income tax expense/(Income)

Current tax
Deferred tax
Deferred Tax (Income)/Expenses related to the origination and reversal of temporary differences
Adjustment to opening deferred tax liability resulting from reduction in tax rate

2010-2011 Taka	2009-2010 Taka
36,185,504	5,000
(151,097,714)	721,129,461
76,009,326	721,129,461
(227,107,040)	-
(114,912,210)	721,134,461

28. Earning per share (EPS)- basic

Net profit after tax
Number of Ordinary shares outstanding during the year
EPS - basic before split
Number of Ordinary shares outstanding during the year before split
EPS - basic after split

924,601,544	1,290,062,049
41,901,181	41,901,181
22.07	30.79
419,011,810	419,011,810
2.21	3.08

29. Related party transactions

The company in normal course of business has entered into transactions with other entities that fall within the definition of related party contained in BAS 24. 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> Taka	<u>Receivable/(payable) as at 30 June 2010</u> Taka
Bangladesh Power Development Board (BPDB)	Associate company	Transmission Charge	1,331,366,077	-

Transactions with related companies are priced on arm's length basis and are in the ordinary course of business.

30. Number of employees

The number of employees as at 30 June 2011 is 1977 and which was 1932 as at 30 June 2010.

31. Even after balance sheet date

The Board of Directors in its 254th adjourned meeting held on 08 December 2011 recommended dividend 15% cash dividend per shares for the year 2010-2011 which is subject to the approval at the forthcoming AGM.

