

Power Grid Company of Bangladesh Limited

PGCB Bhaban, Avenue-3, Jahurul Islam City, Aftabnagar, Badda
Dhaka- 1212, Bangladesh

Independent Auditor's Report along with Financial Statements For the year ended 30 June 2021

ম্যাবস্ এন্ড জে পার্টনার্স
MABS & J Partners
Chartered Accountants

SMC Tower (7th Floor)
33, Banani C/A Road 17
Dhaka-1213, Bangladesh
Tel.: + 880 2 9821057-58



ACNABIN
Chartered Accountants

BDBL Bhaban (Level - 13 & 15)
12 Kawran Bazar Commercial Area
Dhaka-1215, Bangladesh
Tel.: + 880 2 41020030-35

15 November 2021

TABLE OF CONTENTS

SL#	Particulars	Page No.
1.	Independent Auditor's Report	1-8
2.	Statement of Financial Position	9
3.	Statement of Profit or Loss and Comprehensive Income	10
4.	Statement of Changes in Equity	11
5.	Statement of Cash Flows	12
6.	Notes to the Financial Statements	13-56

INDEPENDENT AUDITOR'S 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, 2021, 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 matters 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, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as explained in note # 2 to the financial statements.

Basis for Qualified Opinion

01. As disclosed in **note # 4** to the financial statements, the carrying amount of Property, plant and equipment (PPE) has been reported at BDT 136,689,953,915. 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 2021. Out of the total assets of the Company, PPE is 37.99% which remains unverified as to its quantity. Moreover, the Company has never performed any impairment test of its Property, plant and equipment which is also a non-compliance with IAS 36.

Again, as disclosed in the same note to the financial statements, the Company has recognized Land and land development at a carrying amount of BDT 12,859,745,025 which includes inter alia land valued at BDT 11,265,141,282 inclusive of addition of land during the current year amounting to BDT 3,573,745,882. The Company could not provide us proper supporting documents (i.e. copy of Original title deeds, BS, RS, CS mutation, DCRs, Mouza Maps, Updated land development tax receipts) related to ownership of lands. As a result, the ownership of the lands could not be confirmed. Besides, the Company could not also provide us a complete list of lands along with location, size and carrying amount of each piece of land separately. We had no other practical alternative auditing procedure that we could apply to confirm the ownership of the lands as well as the carrying value thereof as on 30 June 2021.



02. As disclosed in **note # 5** to the financial statements, the Company has recognized Capital works-in-progress amounting to BDT 164,427,566,284 which includes the value of BDT 23,617,512,635 for 14 completed Projects, 2 GMDs and 1 Other Office. This amount should have been transferred to Property, plant and equipment from Capital works-in-progress in the current year. But the Company has not yet transferred the amount to Property, plant and equipment. As a result, the current year-end Capital works-in-progress has been overstated with corresponding understatement of the current year-end gross carrying amount of PPE. Consecutively, the depreciation charge for the current year has been under recognized.
03. In **note # 7** to the financial statements, the Company has disclosed BDT 2,728,484,768 as inventories. Movement of inventories was not properly recorded, and mismatches were found between the store ledger and accounts ledger balances at the cost centers we visited. During our visit to 9 GMDs, we observed that in 4 GMDs the physical store statement showed an inventory of BDT 923,281,914 as against BDT 495,395,593 as per the accounts ledger, the difference being BDT 427,886,321. As a result, the physical existence and the carrying amount 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 carrying amount thereof as on 30 June 2021.
04. As disclosed in **note # 8** to the financial statements, the Company has reported an amount of BDT 8,119,362,842 as "Accounts and other receivables". It includes inter-alia receivables from BPDB, DPDC, DESCO, PBS, Grameen Phone, and Fiber @ Home amounting to BDT 3,948,941,420, BDT 1,294,341,399, BDT 326,609,214, BDT 2,039,044,081, BDT 788,521, and BDT 2,672,877 respectively. Amounts as stated above are increasing year by year till to date. It includes disputed amounts with BPDB, DPDC, DESCO, PBS, Grameen Phone, and Fiber @ Home amounting to BDT 3,380,332,085, BDT 787,783,618, BDT 1,588,938, BDT 72,406,447, BDT 788,521, and BDT 2,672,877 respectively. In our opinion, the Company is very unlikely to recover the amounts in full. Had adequate provisions been made for the above, the earnings per share (EPS) for the year 2020-21 and net asset value (NAV) as at 30 June 2021 would have been adversely affected to that extent.
05. In **note # 12** to the financial statements, the Company has disclosed BDT 71,805,544,491 as 'Deposit for Shares'. As per gazette # ১৪৬/এফআরসি/প্রশাঃ/প্রজ্ঞাপন/ ২০২০/০১ dated 02 March 2020, any money received as Share Money Deposit (SMD) or whatever name, included in the Equity, is not refundable. And money received under SMD should be converted to Share Capital within 6 months of receipt of the money. The above-mentioned gazette also requires that, until converting the SMD into Share Capital, SMD amount should be considered as Potential Share Capital and also for the calculation of Earnings Per Share of the Company. During the year 2019-2020 and 2020-2021, the Company refunded SMD amounting to BDT 1,257,628,787 and BDT 160,777,591 respectively. The Company has neither converted the SMD into Share Capital nor considered the SMD while calculating the diluted EPS. The diluted earnings per share (Diluted EPS) for the financial year 2020-21 would have been adversely affected to that extent.

A decision has been given by the Ministry of Power Energy and Mineral Resources in this regard via letter reference # 27.00.0000.088.36.001.2019.120 dated 12 April 2021. As per the decision, the Company is to issue irredeemable and non-cumulative preference shares in the name of Secretary of Power Division at 0.5% for the first year and at 1% from the next year against the share money deposit to comply with section 8(2)(Gha) of Financial Reporting Act 2015.



06. In **note # 14.3** to the financial statements, the Company has disclosed BDT 3,599,172,321 (2019-20: BDT 3,599,172,321) as 'Assigned loan from DPDC(DESA)'. In the case of 'Assigned loan from DPDC(DESA)', the Company has been carrying the same balance since long. It is also mentionable that in the audited financial statements of DPDC for the year 2019-20, no receivable was found to be recognized on account of Power Grid Company of Bangladesh.
07. In **note # 21.1** to the financial statements, the Company has disclosed the provision for Workers' Profit Participation Fund. The Company has stated to have formed a separate Trust and Trust meeting minutes are available, but no Trust Deed was found in this regard. The Company makes full contributions with regard to workers' profit participation, workers' welfare and Bangladesh Labour Welfare Foundation to a separate bank account (Account Title: 'PGCB Workers Profit Participation Fund') maintained by the Company, not by any Trust. Though the Company is required to pay 10% of its required contribution of WPPF directly to Bangladesh Workers' Welfare Foundation, neither the Company, nor the WPP Fund has yet transferred any such contribution to the Bangladesh Workers' Welfare Foundation since the requirement of such contribution has been made mandatory from the financial year 2005-06. Such amount comes to BDT 159,732,802.

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.

Emphasis of Matter

We draw attention to the following matters, though our opinion is not qualified in respect of the same:

01. In **note # 5.1.4 and note # 7.1** to the financial statements, the Company has disclosed about the current status of some long standing inventory in transit and inventories.
02. As disclosed in **note # 10** to the financial statements, the Company has reported an amount of BDT 9,557,809,169 as the current year-end balance of Cash and cash equivalents which includes inter alia Custom Deposits amounting to BDT 4,626,520,894 as per the ledger of the Company. The custom deposits amount has remained unreconciled, as stated in the above note.
03. In **note # 25** to the financial statements the Company has disclosed BDT 686,264,641 as 'Administrative expenses' which consists of rent, rates and taxes amounting to BDT 14,042,837. Out of this amount, office rent expenses of GMD offices comprise of BDT 6,921,128. The rental arrangements convey the right to control the use of identified assets for a period of time in exchange for consideration similar to leases. Also, the rental tenures for the offices are more than 12 months and the underlying assets are not of low value. As such these rentals should have been recognized and measured in the financial statements as lease liabilities and right-of-use assets as per **IFRS-16 Leases**. But the IFRS 16 was not followed while preparing the financial statements.

04. In **note # 3.4.2** and **14** to the financial statements, the Company has disclosed loan recognition policy and 'Term loan-interest bearing' comprising of the loans provided by the development partners, loan taken from the Government of Bangladesh, Assigned Loans, and loans from some other parties. In the case of recognizing loans from development partners, the Company recognized the loans when the Company issued payment certificates /withdrawal notifications, even though the loans were disbursed at later dates by the development partners. However, the loan interest calculations thereon have been correctly made from the disbursement dates.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The draft Annual Report is expected to be made available to us after the date of this auditor's report but before finalization of the Annual Report.

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 identified above when it becomes available 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.

When we read the annual report before finalization, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 as the key audit matters to be communicated in our report.

Revenue Recognition	
Risk	Our Response to the risk
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	Our audit included the following procedures: <ul style="list-style-type: none"> We tested certain internal controls within the revenue process including controls over the calculation of the units invoiced for; We checked the process to get assurance that revenue has been recognized at the correct time by testing a sample of transactions against which the revenue has been recognized.

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 may not be properly complied with. The application of IFRS 15 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.

- We tested a sample of revenue which comprised of transmission /wheeling charge and optical fiber charge as main components and compared to underlying documentation, including the contracts.
- We critically assessed journals posted to revenue to identify unusual or irregular items and obtained underlying documentation.
- We ascertained the revenue recognition process and tested 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.

Please see note # 23 to the financial statements.

IT Systems and Controls

Risk	Our Response to the risk
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. 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>We relied on the test (carried out by us during the year 2018-19) on the design implementation, and operating effectiveness of the Company's access controls over the information systems that are critical to financial reporting, and we also identified the changes to above made during the year and conducted necessary tests. It included the following:</p> <ul style="list-style-type: none"> • 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. 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. Where deficiencies were identified, we tested compensating controls or performed alternate procedures. • In addition we identified where relevant changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.

Legal and regulatory matters	
Risk	Our Response to the risk
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. 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>Our audit procedures included:</p> <ul style="list-style-type: none"> • 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. • 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. • We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. • We also assessed the Company's provisions and contingent liabilities disclosure.

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 # 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

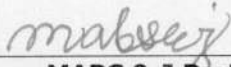


of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 statement of financial position and statement profit or loss and other 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.



MABS & J Partners
Chartered Accountants

Signed by: J C Biswas, FCA
Partner

ICAB Enrolment # 199
DVC:2111180199AS823626



ACNABIN
Chartered accountants

Signed by: ASM Nayeem, FCA
Partner

ICAB Enrolment # 353
DVC:2111220353AS310793

Dated, Dhaka

15 NOV 2021

Power Grid Company of Bangladesh Ltd.
Statement of Financial Position
As at 30 June 2021

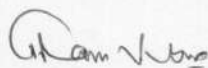
	Notes	Amounts in BDT		
		30.06.2021	30.06.2020 <u>Restated</u>	01.07.2019 <u>Restated</u>
Assets				
Non-current assets				
Property, plant and equipment (Restated)	04	136,689,953,915	137,290,956,257	139,496,704,997
Capital works-in-progress (Restated)	05	164,427,566,284	110,406,399,048	66,621,124,012
Total non-current assets		301,117,520,199	247,697,355,305	206,117,829,009
Current assets				
Investment in FDR	06	4,820,000,000	910,000,000	10,000,000
Inventories	07	2,728,484,768	2,069,593,343	1,137,052,392
Accounts and other receivables (Restated)	08	8,119,362,842	6,220,677,829	5,536,814,135
Advances, deposits and prepayments	09	33,460,287,580	14,385,557,778	14,188,602,127
Cash and cash equivalents	10	9,557,809,169	14,361,932,660	11,938,407,665
Total current assets		58,685,944,359	37,947,761,610	32,810,876,319
Total assets		359,803,464,558	285,645,116,915	238,928,705,328
Equity and liabilities				
Equity				
Share capital	11	7,127,269,910	7,127,269,910	4,609,129,910
Deposit for shares	12	71,805,544,491	58,858,845,659	50,710,701,193
Retained earnings (Restated)	13	7,071,608,177	5,118,382,271	4,098,236,130
Total equity		86,004,422,578	71,104,497,840	59,418,067,233
Non-current liabilities				
Term loan-interest bearing	14	242,788,115,915	185,431,692,703	156,740,746,757
Grant from SIDA & KFW & ADB	15	2,060,684,584	2,021,439,449	1,397,138,163
Deferred liability-gratuity	16	2,894,452,631	2,797,771,548	3,000,998,610
Deferred tax liabilities (Restated)	17	7,643,123,842	7,380,025,871	6,082,458,001
Total non-current liabilities		255,386,376,972	197,630,929,571	167,221,341,531
Current liabilities				
Term loan-interest bearing	18	2,033,001,510	2,001,575,654	777,574,800
Interest payable (Current portion)	19	862,046,729	1,001,575,778	331,989,607
Liabilities for expenses (Restated)	20	1,409,135,366	1,692,916,323	1,366,605,681
Liabilities for other finance (Restated)	21	12,015,504,492	10,776,527,406	9,337,143,321
Provision for taxation	22	2,092,976,911	1,437,094,343	475,983,155
Total current liabilities		18,412,665,008	16,909,689,504	12,289,296,564
Total liabilities		273,799,041,980	214,540,619,075	179,510,638,095
Total equity and liabilities		359,803,464,558	285,645,116,915	238,928,705,328

The accounting policies and explanatory notes (1 to 38) 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


MABS & J Partners

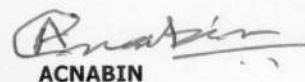
Chartered Accountants

Signed by: J C Biswas, FCA

Partner

ICAB Enrolment # 199

DVC:2111180199AS823626


ACNABIN

Chartered Accountants

Signed by: ASM Nayeem, FCA

Partner

ICAB Enrolment # 353

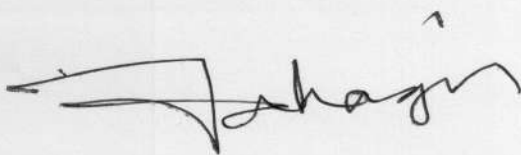
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Power Grid Company of Bangladesh Ltd.
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

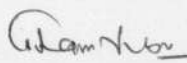
	Notes	Amounts in BDT	
		2020-21	2019-20
			Restated
Revenue	23	21,857,084,165	18,740,622,266
Transmission expenses (Restated)	24	(13,223,107,380)	(9,838,472,094)
Gross profit		8,633,976,785	8,902,150,172
Administrative expenses (Restated)	25	(686,264,641)	(569,020,970)
Profit from operating activities		7,947,712,144	8,333,129,202
Finance income	26	528,688,679	518,031,921
Other income	27	452,717,511	424,039,825
Finance expenses (Restated)	28	(4,416,574,887)	(4,330,491,299)
Profit before contribution to WPPF		4,512,543,447	4,944,709,649
Contribution to WPPF	29	(214,883,021)	(240,430,468)
Profit before income tax		4,297,660,426	4,704,279,181
Income tax expense (Restated)	30	(918,980,538)	(2,258,679,058)
Current tax		(655,882,568)	(961,111,188)
Deferred tax (Restated)		(263,097,970)	(1,297,567,870)
Profit after tax (Restated)		3,378,679,888	2,445,600,123
Other comprehensive income		-	-
Total comprehensive income (Restated)		3,378,679,888	2,445,600,123
Earnings per share (EPS)- Basic and diluted (Restated)	31	4.74	3.43

The accounting policies and explanatory notes (1 to 38) 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

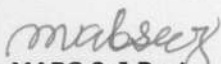


Managing Director



Director

See annexed report of the date



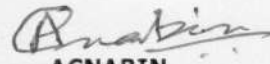
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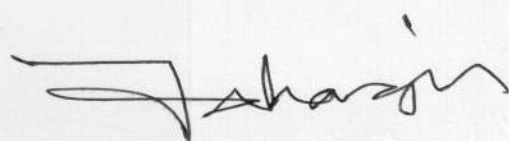
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Power Grid Company of Bangladesh Ltd.
Statement of Changes in Equity
For the year ended 30 June 2021

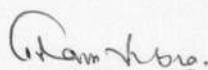
Particulars	Share capital BDT	Deposit for shares BDT	Retained earnings BDT	Total BDT
Year ended 30 June 2020				
Balance as on 1 July 2019 as reported	4,609,129,910	50,710,701,193	10,940,901,160	66,260,732,263
Prior years' adjustment for:				
Overstated expenses	-	-	448,104,248	448,104,248
Understated expenses	-	-	(7,279,858,484)	(7,279,858,484)
Overstated income	-	-	(10,910,794)	(10,910,794)
Restated balance as on 01 July 2019	4,609,129,910	50,710,701,193	4,098,236,130	59,418,067,233
Net investment received during the year	-	10,666,284,466	-	10,666,284,466
Shares issued to BPDB against deposit for shares	2,518,140,000	(2,518,140,000)	-	-
Total comprehensive income for the year	-	-	2,445,600,123	2,445,600,123
Final dividend of 2018-19 (20% cash)	-	-	(1,425,453,982)	(1,425,453,982)
Restated balance as on 30 June 2020	7,127,269,910	58,858,845,659	5,118,382,271	71,104,497,840
Year ended 30 June 2021				
Balance as on 1 July 2020	7,127,269,910	58,858,845,659	5,118,382,271	71,104,497,840
Net investment received during the year	-	12,946,698,832	-	12,946,698,832
Total comprehensive income for the year	-	-	3,378,679,888	3,378,679,888
Final dividend of 2019-20 (20% cash)	-	-	(1,425,453,982)	(1,425,453,982)
Balance as on 30 June 2021	7,127,269,910	71,805,544,491	7,071,608,177	86,004,422,578

The accounting policies and explanatory notes (1 to 38) 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

Dated, Dhaka
15 November 2021

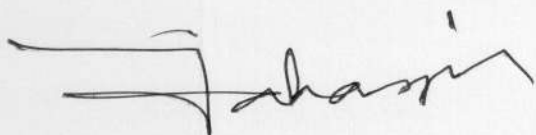


Power Grid Company of Bangladesh Ltd.
Statement of Cash Flows
For the year ended 30 June 2021

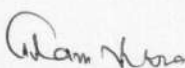
	Note	Amounts in BDT	
		2020-21	2019-20 Restated
A. Cash flows from operating activities			
Cash receipts from customers	32.1.1	19,888,466,890	18,077,272,092
Cash paid to suppliers, contractors, employees (Restated)	32.1.2	(8,400,448,312)	(6,068,137,159)
Cash generated from operation		11,488,018,578	12,009,134,933
Cash receipts from other income		443,123,738	419,126,598
Interest paid		(2,176,788,056)	(1,534,142,934)
Income taxes paid		-	-
Net cash from operating activities (Restated)	32	9,754,354,260	10,894,118,597
B. Cash flows from investing activities			
Interest received		505,851,668	497,518,401
Addition to property, plant and equipment and capital works-in-progress (Restated)		(74,195,288,252)	(44,578,360,408)
Investment in fixed deposit		(3,910,000,000)	(900,000,000)
Net cash used in investing activities (Restated)		(77,599,436,584)	(44,980,842,007)
C. Cash flows from financing activities			
Share capital and deposit for shares	12.1	12,946,698,832	10,666,284,465
Receipt of Grant from SIDA, KFW & ADB	15.4	44,158,362	629,214,513
Receipt as long term loan		55,593,385,806	28,995,143,652
Repayment of long term loan		(3,614,750,379)	(2,859,152,522)
Dividend paid		(1,928,533,788)	(921,241,703)
Net cash from financing activities		63,040,958,833	36,510,248,405
D. Net increase in cash and cash equivalents (A+B+C)		(4,804,123,491)	2,423,524,995
E. Opening cash and cash equivalents		14,361,932,660	11,938,407,665
F. Closing cash and cash equivalents (D+E)		9,557,809,169	14,361,932,660
Cash and cash equivalents comprise:			
Cash in hand	10	853,513	905,321
Balances with banks:			
Current deposit accounts	10	4,748,835,371	2,585,161,714
Short term deposit accounts	10	4,808,120,285	11,775,865,625
		9,556,955,656	14,361,027,339
		9,557,809,169	14,361,932,660

The accounting policies and explanatory notes (1 to 38) 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

Dated, Dhaka
15 November 2021



Power Grid Company of Bangladesh Ltd.
Notes to the financial statements
For the year ended 30 June 2021

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 Taka 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 the 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 of turnkey jobs for other organizations. The Company is the sole electric power transmission organization in Bangladesh. It is a government-controlled public listed company that solely operates the power grid & transmission of electricity in Bangladesh.

1.3 Registered and corporate head office

The registered and corporate 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

The financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act, 1994, Securities and Exchange Commission Ordinance & Rules and other applicable laws and regulations.

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 and Supplementary Duty Act, 2012
The Value Added Tax And Supplementary Duty Rules, 2016
The Customs Act, 1969
The Labor Act, 2006

2.2 Structure, content and 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;
- e. Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements;
- f. Comparative information in respect of the preceding period; and
- g. Statement of Financial Position as at the beginning of the preceding period.

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 its operation in 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 financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

Notes to the financial statements marked from 3.1 to 3.19 set out the accounting policies on all material accounting areas.

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

Sl#	Name of IAS/IFRS	IAS/ IFRS No.	Status
1	Presentation of Financial Statements	IAS 1	Complied
2	Inventories	IAS 2	Complied
3	Statements of Cash Flows	IAS 7	Complied
4	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Complied
5	Events after the Reporting Period	IAS 10	Complied
6	Income Taxes	IAS 12	Complied
7	Property, Plant and Equipment	IAS 16	Complied
8	Employee Benefits	IAS 19	Complied
9	Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	Complied
10	The Effects of Changes in Foreign Exchange Rates	IAS 21	Complied
11	Borrowing Costs	IAS 23	Complied
12	Related Party Disclosures	IAS 24	Complied
13	Accounting and Reporting by Retirement Benefit Plan	IAS 26	N/A
14	Consolidated and Separate Financial Statements	IAS 27	N/A
15	Investments in Associates	IAS 28	N/A
16	Financial Instruments: Presentation	IAS 32	Complied
17	Earnings Per Share	IAS 33	Complied
18	Interim Financial Reporting	IAS 34	Complied
19	Impairment of Assets	IAS 36	Not Complied
20	Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Complied
21	Intangible Assets	IAS 38	Complied
22	Financial Instrument: Recognition and Measurement	IAS 39	Complied
23	Investment Property	IAS 40	Not Complied
24	Agriculture	IAS 41	N/A
25	First-time Adoption of International Financial Reporting Standards	IFRS 1	N/A
26	Share-based Payment	IFRS 2	N/A
27	Business Combinations	IFRS 3	N/A
28	Insurance Contracts	IFRS 4	N/A
29	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	N/A
30	Exploration for and Evaluation of Mineral Resources	IFRS 6	N/A
31	Financial Instruments: Disclosures	IFRS 7	Complied
32	Operating Segments	IFRS 8	N/A
33	Financial Instruments	IFRS 9	Complied
34	Consolidated Financial Statements	IFRS 10	N/A
35	Joint Arrangements	IFRS 11	N/A
36	Disclosure of Interests in Other Entities	IFRS 12	N/A
37	Fair Value Measurement	IFRS 13	Partially Complied
38	Regulatory Deferral Accounts	IFRS 14	N/A
39	Revenue from Contracts with Customers	IFRS 15	Complied
40	Leases	IFRS 16	Not Complied

* N/A = Not Applicable

2.12 Reporting period

The financial statements of the Company cover one year from 01 July 2020 to 30 June 2021, and the July-June year is followed consistently.

3. Significant accounting policies

The accounting policies (except for recognition of foreign exchange gain/loss, the policy about which has been changed in the current year with required restatements as mentioned in note 3.19) set out below have been applied consistently to all periods presented in the financial statements.

3.1 Foreign currency transactions

International 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 BDT at the rate prevailing on the date of transaction. All monetary assets and liabilities at the reporting date, denominated in foreign currencies, are to be retranslated at the exchange rates prevailing on the reporting date. While recognizing foreign exchange gain/loss, on foreign currency-denominated loans for acquisition of property, plant, and equipment the Company follows the IAS-21. Details are given in note 3.19.

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 works-in-progress.

Depreciation on other items of property, plant, and equipment is provided on a straight-line basis over the estimated useful life of each category of 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 lives of the assets, the rates of depreciation stand as follows:

<u>Category of asset</u>	<u>Rate of depreciation</u> (%) P.A.
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 at 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 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.

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.

Non-derivative 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 in 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 non 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 the case of recognizing loans from development partners, the Company recognized the loans when the Company issued payment certificates/withdrawal notifications.

In the 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 Shares. 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, and such grant amounts are related to the relevant projects. PGCB follows Income Approach in the case of recognizing grants.

Trade payables

Payables are stated at cost which is the fair value of the consideration to be paid in 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 the Govt. of Bangladesh.

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 statement of financial position 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 reporting 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, if any, is 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, if any, is 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 at the reporting date, and any adjustment to tax payable in respect of previous years. The enacted rate of tax is 22.5% 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% or as per section 82C(2-b) of Income Tax Ordinance 1984 tax deducted as source for wheeling bills.

Provision for tax is made on the basis of income tax laws.

3.7.2 Deferred tax

Deferred tax is recognised using the provisions of IAS-12, 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 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.

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:

(In percentage)

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 a 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).

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 1,425,453,982 for 30 June 2021 at the board meeting held on 15 November 2021. 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 2021 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.

3.19 Changes in accounting policy

Previously PGCB has charged foreign exchange (gain)/loss to PPE and Capital works-in-progress as per the provision of section 185, part-1, schedule XI of Company Act-1994. However, as per para-28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in paragraph 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Please see note # 4, note # 5, note # 13, note # 17, note # 24, note # 25, note # 28, and note # 30.



Power Grid Company of Bangladesh Ltd.
Notes to the financial statements
For the year ended 30 June 2021

4. Property, plant and equipment as on 30 June 2021

Particulars	Figures in BDT					
	Restated balance as at July 01, 2020	Addition during the year	(Disposal)/adjustment for the year	Total at 30 June 2021	Rate (%)	Restated balance as at July 01, 2020
Land and land development Building	9,685,999,143	3,573,745,882	(400,000,000)	12,859,745,025	-	-
Plant and machinery (substation and transmission line) Restated (Note 4.6)	204,288,975,410	2,649,212,456	(455,629,070)	206,482,558,795	5	161,425,979
Motor vehicle	1,348,572,046	-	(112,173,973)	1,236,398,073	20	78,118,952,785
Office equipment	650,969,798	117,477,727	-	768,447,525	10	1,026,259,780
Computer and accessories	91,056,385	14,432,390	-	105,488,775	10	253,787,693
Signboard	56,411,853	-	-	56,411,853	25	43,412,594
Furniture and fixtures	106,028,401	13,135,411	-	119,163,812	10	57,380,096
Total 2020-2021	217,008,587,037	6,404,621,242	(967,803,043)	222,445,405,237		79,717,630,780
						(112,173,973)
						6,149,994,515
						85,755,451,322
						136,689,953,915

Depreciation charged for the year
Transmission expenses (note 24)
Administrative expenses (note 25)

2020-2021	2019-2020
6,126,624,536	6,052,843,527
23,369,979	23,126,687
6,149,994,515	6,085,970,214

Property, plant and equipment as on 30 June 2020 (Restated)

Particulars	Figures in BDT					
	Restated balance as at July 01, 2019	Addition during the year*	(Disposal)/adjustment for the year	Restated total at 30 June 2020	Rate (%)	Restated balance as at July 01, 2019
Land and land development Building	7,221,322,551	2,464,676,592	-	9,685,999,143	-	-
Plant and machinery (substation and transmission line) Restated (Note 4.01, 4.02, 4.03 & 4.04)	726,722,861	53,851,142	-	780,574,003	5	126,303,848
Motor vehicle	203,211,644,322	1,077,331,088	-	204,288,975,410	3.5	72,279,159,413
Office equipment	1,249,865,057	98,706,989	-	1,348,572,046	20	887,884,597
Computer and accessories	492,899,803	158,069,995	-	650,969,798	10	196,207,981
Signboard	75,618,522	15,437,863	-	91,056,385	10	35,822,684
Furniture and fixtures	56,411,853	12,147,807	-	68,559,660	25	56,411,853
	93,880,594	-	-	106,028,401	10	49,870,189
Total 2019-2020 (Restated)	213,128,365,562	3,880,221,475	-	217,008,587,037		73,631,660,566
Total 2018-2019 (Restated)	177,272,063,276	35,856,302,286	-	213,128,365,562		67,454,770,158
						6,176,890,408
						73,631,660,566
						139,496,704,997

Previously PCB had charged foreign exchange (gain)/loss to PPE as per the form set out in Part-I of Schedule XI of the Companies Act-1994 following, the provision of Section 185 of the Companies Act-1994 which requires inter alia that the property and assets shall be in the form set out in Part-I of Schedule XI or as near thereto as circumstance admit or in such other form as may be approved by the Government either generally or in any other particular case. However, as per Para 28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in Para 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Accordingly, the Company restates the financial statements following the provision of IAS-8.

4.01 Restatement of Plant and machinery as on 01 July 2019

Opening balance on 01 July 2019 (before restatement)	209,379,083.746
Add: Depreciation charged for 16 Kilometer Transmission Line during 2018-19 (note 4.06)	312,712.830
Less: Adjustment due to correction of foreign exchange gain/(loss) from 2010-11 to 2018-19 (note 13.1.1)	(6,480,152.254)
Opening balance on 01 July 2019 (after restatement)	203,211,644.322

4.02 Restatement of Accumulated depreciation on Plant and machinery as on 01 July 2019

Opening balance on 01 July 2019 (before restatement)	73,448,638.333
Add: Depreciation charged for 16 Kilometer Transmission Line during 2018-19 (note 4.06 & 13.1)	2,248,962
Less: Adjustment due to correction of foreign exchange gain/(loss) from 2010-11 to 2018-19 (note 13.1)	(1,171,727.882)
Opening balance on 01 July 2019 (after restatement)	72,279,159.413

4.03 Restatement of addition on Plant and machinery during 2019-20

Addition during 2019-20 (before restatement)	1,933,037.873
Less: Adjustment due to correction of foreign exchange gain/(loss) during 2019-20	(855,706.785)
Addition during 2019-20 (after restatement)	1,077,331.088

4.04 Restatement of depreciation charged on Plant and machinery during 2019-20

Depreciation charged during 2019-20 (before restatement) (A)	6,075,525.644
Add: Depreciation charged for 16 Kilometer Transmission Line during 2019-20 (note 4.06)	10,974,936
Less: Adjustment due to correction of foreign exchange gain/(loss) during 2019-20	(246,707.207)
Net adjustment to depreciation during 2019-20 (B)	(235,732.272)
Depreciation charged during 2019-20 (after restatement) C=(A+B)	5,839,793.372

4.05 Allocation of Restatement of depreciation on Plant and machinery for the year 2019-20

Particulars	Allocation Rate	Allocated Amount	Depreciation Reported in 2019-20	Adjustment	Restated Depreciation for 2019-20
Transmission expenses (note 24)	99.62%	(234,836,490)	6,297,680,017	(234,836,490)	6,062,843,527
Administrative expenses (note 25)	0.38%	(895,782)	24,022,469	(895,782)	23,126,687

4.06 Plant and machinery include an addition of 16 Kilometer transmission line (132KV) amounting to Tk. 312,712.830. The transmission line was built by North-West Power Generation Company Limited (NWPGCL) as per the Power Purchase Agreement (PPA) with Bangladesh Power Development Board (BPDB), and the cost of the transmission line was fixed at Tk. 420,044,400. BPDP will not pay the wheeling charge to PGCB for the evacuation of electric power to be generated by this transmission line until the repayment of Transmission Line construction cost of Tk. 420,044,400. Accordingly, BPDB deducted the bills, among others, by the amount of wheeling charge from the transmission mentioned above line every month. However, there is a dispute between the PGCB and BPDB relating to the transmission line cost. Considering the past establishment cost of the transmission lines, PGCB argued that the cost of the transmission line should not be more than BDT 312,712.830. And PGCB started communication with BPDB regarding the matter. As such, PGCB recognized the agreed amount as the Transmission Line and liabilities for the transmission line as on 17 April 2019 with a retrospective restatement from the financial year 2018-19. The Company has also charged consequential depreciation charge for the financial year 2018-19 and 2019-20 amounting to Tk. 2,248,962 and Tk. 10,974,936 respectively following the provision of IAS-8.

5. Capital works-in-progress (Restated)

Balance as at 01 July (Restated) (Note # 5.1.1)
Add: Cost incurred during the year (Note # 5.1.2)
Less: Adjustment/transfer to assets
Balance as at 30 June (Restated)

Amounts in BDT	
30.06.2021	30.06.2020
110,406,399,048	66,621,124,012
56,293,871,713	45,257,185,288
(2,272,704,477)	(1,471,910,252)
164,427,566,284	110,406,399,048

Project-wise break-up:

Expansion & Strengthening of Power System Network under Chattogram Area Project	15,250,835	2,619,830
Barapukuria-Bogura-Kaliakoir 400 KV TL Project	23,207,419	3,134,569
Dhaka and Western Zone Transmission Grid Expansion Project (DWZTGE)	76,788,227	7,808,923
Rahanpur (Chapainawabganj)-Monakosa 400 KV TL Project	1,871,738,032	149,349,660
Project-1 (102088)	291,433,945	-
Baskhali LILO to Matarbari-Madunaghat 400 KV TLP	1,000,081,049	-
GMD Dhaka-North West WIP	49,357,500	49,357,500
Grid Circle Khulna (WIP-102091)	77,133,680	78,944,510
Deposit Work at Payra Gopalganj 400 KV with BCPCL Project	498,512,180	-
33 Kv Switching Station at Agrabad & Rampur, Ctg.	86,241,605	11,003,848
Replacement of Ashuganj 132 kv Old AIS Substation by 132 KV New GIS Substation	146,724,952	130,517,627
Aminbazar Mawa Mongla 400 KV TLP & Aminbazar S/S Project	18,296,101,673	9,432,700,906
132 KV Amnura Substation & Associated TLP	819,230,496	819,198,599
Bakerganj-Barguna 132kv and Barguna S/s construction Project	1,039,587,738	803,121,955
Bay Extension at Tongi and Rampura SS Construction Project	187,847,448	157,731,701
Baharampur-BD-Baharampur-India 2nd 400kv TLP	1,308,450,335	1,093,184,035
Bangladesh power system reliability and efficiency improvement Project	334,211,098	309,626,316
Enhancement of capacity of Grid S/S & TL for Rural Electrification Project	10,211,071,874	9,399,840,705
ESPNER Eastern Region Project	1,061,321,131	136,468,996
Power Grid Network Strengthening Project (G to G)	1,520,923,638	220,202,310
GRIC CIRCLE Dhaka(NORTH) WIP	1,557,568,235	2,778,800,553
Ghorasal 230kv UG cable project	135,887,411	135,880,501
GMD Barishal WIP	611,174,440	612,965,196
GMD Dhaka(East) WIP	9,907,991	9,907,991
400/230/132 KV Grid Network Development Project	14,381,712,705	11,040,331,615
Head Office Building *	2,147,175,691	1,889,107,714
HVDC 400kv back to back substation project	62,774,312	62,767,292
Ruppur Paromanobik Biddut Nirman Prokolpo	6,903,074,008	284,920,836
Kodda 132/33 KV S/S Project	260,909,375	260,858,222
Kodda-Rajendrapur 132kv double circuit TLP	780,990,274	761,918,080
Matarbari-Anowara-Madunaghat 400 KV TL Project	-	5,097,011,265
DTIMEZRPS Mirsharail project	2,660,909,224	1,768,557,435
Matarbari-Madunaghat 400 KV TL Project	10,625,447,803	-
Dhaka-Chittagong MPGS Project (MMM)	15,995,975,020	8,079,840,406
Mongla Khulna (South) 230 KV TLP	1,163,571,362	1,015,567,626
Management Training Centre Building, Agargaon	231,825,669	231,825,669
Mymensingh Tangail Bhaluka and Jamalpur Sherpur 132kv TL	198,502	198,502
National Power Transmission Network Development	20,287,370,674	19,163,923,668
Sylhet Shajibazar Brahmanbaria 400 Kv TL	36,340,322	36,340,322
Aminbazar Old Airport 132KV TLP	110,527,750	110,527,750
Shajibazar Ashuganj 132 Kv Transmission Line	158,988,750	158,988,750
Patuakhali (Payra) Gopalganj 400 KV TLP & Gopalganj 400 KV S/S	19,214,572,177	16,504,428,360
Patuakhali Gopalganj 400 KV TLP & Gopalganj 400 KV S/S	-	28,000
Patuakhali-Payra 230kv TL Project	2,787,621,162	2,702,557,113
Payra Power Station 400/138/33KV SS Project	931,858,852	612,004,040
Rajendrapur 132kv GIS S/S project	973,944,638	972,578,039
RE Component of MUSCCFP	643,062,695	633,574,258
Reconductoring of 132kv TLP	1,595,473,257	1,665,775,403
Rahanpur Interim SS Project	470	-
Rural Trans. Network Development and Renovation Project (Energy Efficiency in Grid Based Power Supply Project).	1,460,082,680	345,407,345
Sahajibazar XLPE Cable Replacement Project	103,177,443	103,177,443
South Western Transmission Expansion Project	9,704,081,058	2,117,248,072
Western Grid Network Development Project	9,825,243,581	8,304,341,946
Exchange Rate Fluctuation Loss/(Gain)	-	-
Inventory in Transit (note 5.1.4)	150,903,895	140,227,650
Balance as at 30 June	164,427,566,284	110,406,399,048

*Head Office Building partially has now been used.



Amounts in BDT	
30.06.2021	30.06.2020

5.1 Capital works-in-progress (Restated)

5.1.1	Opening Balance as on 01 July 2019 (before restatement)	68,590,309,163
	Understated expenses (Exchange Rate Fluctuation Loss/(Gain from 2010-11 to 2018-19))* (note 13.1.1)	(1,968,449,324)
	Understated expenses** (note 13.1)	(735,826)
	Opening balance as on 01 July 2019 (after restatement)	66,621,124,012
5.1.2	Cost incurred during the year 2019-20 (before restatement)	44,736,218,817
	Foreign exchange gain loss during 2019-20	520,966,471
	Cost incurred during the year 2019-20 (after restatement)	45,257,185,288
5.1.3	Closing Balance as on 30 June 2020 (before restatement)	111,854,617,728
	Understated expenses (Exchange Rate Fluctuation Loss/(Gain from 2010-11 to 2018-19))* (note 13.1.1)	(1,968,449,324)
	Foreign exchange gain/loss during 2019-20	520,966,471
	Understated expenses** (note 13.1)	(735,826)
	Closing Balance as on 30 June 2020 (after restatement)	110,406,399,048

*Previously PGCB had charged foreign exchange (gain)/loss to Capital works-in-progress as per the form set out in Part-1 of Schedule XI of the Companies Act-1994 following the provision of Section 185 of the Companies Act 1994 which required inter alia that the property and assets shall be in the form set out in Part-I of Schedule XI or as near thereto as circumstance admit or in such other as may be approved by the Government either generally or in any other particular case. However, as per Para 28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in Para 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Accordingly, the Company restates the financial statements following the provision of IAS-8. In previous years, the cumulative balances of exchange rate fluctuation loss/(gain) for the financial year 2018-19 and 2019-20 were Tk. 1,968,449,324 and Tk. 1,447,482,853 respectively. The foreign exchange gain during the year 2019-20 was Tk. 520,966,471. The Company has now rectified the amount by crediting Capital works-in-progress by cumulative amounts of foreign exchange (gain)/loss to Capital works-in-progress and adjusted the same with the retained earnings to comply with IAS-21 properly.

**The Company has previously erroneously recorded Environment assessment, Route survey expenses and Bank charges as Capital works-in-progress (capital overhead) amounting to Tk. 735,826. Now the amount has been rectified by crediting the amount with Capital works-in-progress and adjusted the same with the retained earnings as per Para 42 of IAS 8.

- 5.1.4** Inventory in transit amounts includes BDT 118,580,523 has remained unchanged since 2014 without any adjustment. The Company has identified that these inventory in transit have been received already and traced out the inventory locations. The Company will transfer these inventories from inventory in transit to inventories subsequently.

6. Investment in FDR

FDR with Different Schedule Bank Accounts	4,820,000,000	910,000,000
	4,820,000,000	910,000,000

Details are given in Note 37.1.c

7. Inventories

2,728,484,768	2,069,593,343
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These represent the closing inventory of electrical goods as at 30 June 2021. The electrical goods include spare parts which were received from Bangladesh Power Development Board (BPDB) along with the substations and transmission lines inter-alia mentioned in note 4.

- 7.1** Inventories includes BDT 19,748,332 has been delivered to the project named, 'National Power Transmission Network Development (NPTND)' in 2018-19 for the purpose of a bypass transmission line, but the amount of the inventories has neither been recorded in Capital works-in-progress nor charges as an expense. The Company will charge this inventory as an expense after the dismantling of the bypass transmission line.

8. Accounts and other receivables (Restated)

Receivable from transmission/wheeling and optical fiber charge [restated (note 8.1)]	8,071,292,183	6,200,124,727
Other receivables (note 8.2)	48,070,659	20,553,102
	8,119,362,842	6,220,677,829

8.1 Accounts receivables

Receivable from transmission/wheeling and optical fiber charge [restated (note-8.1.1)]	8,071,292,183	6,200,124,727
Provision for bad debt (RPCL)	-	-
Net receivable from transmission/wheeling and optical fiber charge	8,071,292,183	6,200,124,727

Details are given in Note 8.3.

Amounts in BDT	
30.06.2021	30.06.2020

8.1.1 Accounts receivables

Closing Balance as on 30 June 2020 as reported	6,205,596,521
Overstated OPGW Income charged previously (note 13.4)*	(690,524)
Overstated Wheeling Bill of previous year (note 13.4)*	(10,220,270)
Understated income (note 13.2)**	5,439,000
Restated Balance as on 30 June 2020	6,200,124,727

8.1.2 Accounts receivables

Closing Balance as on 30 June 2019 as reported	5,542,285,929
Overstated OPGW Income charged previously (note 13.4)*	(690,524)
Overstated Wheeling Bill of previous year (note 13.4)*	(10,220,270)
Understated income (note 13.2)**	5,439,000
Restated Balance as on 30 June 2019	5,536,814,135

* The Company has previously overstated the revenue income of transmission/wheeling and optical fiber charge amounting to Tk. 10,220,270 and OPGW income 690,524 respectively. Now the amount has been rectified by crediting the amount with account receivables and adjusted the same with the retained earnings as per Para 42 of IAS 8.

** During 2010-11, the Company has made a provision for bad debt (RPCL) amounting to Tk. 5,439,000 but the amount has been realised during the year 2020-21. The Company has now rectified the amount by debiting the amount with account receivables and adjusted the same with the retained earnings as per Para 42 of IAS 8.

8.2 Other receivables

Receivable from Others	4,680,546	-
Interest receivable	43,390,113	20,553,102
	48,070,659	20,553,102

8.3 The age-wise analysis of receivables against transmission/wheeling charge and optical fiber charge

The age-wise analysis of receivables against transmission/wheeling charge and optical fiber charge of BDT 8,071,292,183 is as

Particulars	> 6 Months	< 6 Months	Total
	BDT	BDT	BDT
BPDB	3,307,606,938	641,334,482	3,948,941,420
DPDC	771,786,081	522,555,318	1,294,341,399
DESCO	1,588,938	325,020,276	326,609,214
PBS	72,406,447	1,966,637,634	2,039,044,081
WZPDCL	14,243	195,583,601	195,597,844
NESCO (NWZPDCL)	-	223,309,906	223,309,906
Grameenphone Ltd. for optical fiber	788,521	-	788,521
Fibre @ Home for optical fiber	2,672,877	-	2,672,877
UGC for optical fiber	492,481	-	492,481
Teletalk	-	39,494,440	39,494,440
	4,157,356,526	3,913,935,657	8,071,292,183

The Company has reported an amount of BDT 8,071,352,183 as receivable from transmission/wheeling and optical fiber charge. It includes receivables from BPDB, DPDC, DESCO, PBS, WZPDCL and NESCO BDT 3,948,941,420, BDT 1,294,341,399, BDT 326,609,214, BDT 2,039,104,081 BDT 195,597,844 & BDT 223,309,906 respectively. Receivable from BPDB includes BDT 3,307,606,938 due over 120 days against dispute wheeling units; DPDC includes BDT 771,786,081 due over 120 days for same reasons. These amount being carried forward from Jan 2003 and Dec 2008 respectively.

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)	33,459,002,011	14,384,274,209
Deposits (note 9.2)	1,285,569	1,283,569
	33,460,287,580	14,385,557,778

9.1 Advances

Advance against legal expense (Doza & Haroon)	407,815	407,815
Advance against TA/DA	89,000	89,000
Advance against contractors/suppliers	2,811,673	6,443,129
Advance of branch offices and GMDs	28,060,949	19,820,772
Advance tax (note 9.1.1)	11,831,770,535	9,934,019,477
Advance against expenses	13,790,609	9,186,708
Advance against office rent	1,554,650	1,554,650
Advances given by projects (note 9.3)	21,464,279,478	4,412,721,520
Suspense account (defalcation at CE-Project Monitoring)	31,138	31,138
Advance against Koddia Loan	116,206,165	-
	33,459,002,011	14,384,274,209

Amounts in BDT	
30.06.2021	30.06.2020

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	227,090	225,090
CDBL	500,000	500,000
Others	558,479	558,479
	1,285,569	1,283,569

9.3 Advances given by projects

IBSB Project	306,748	306,748
33 KV GIS SS at Agrabad & Rampur Ctg.	450,660	-
132 KV Amnura S/S & Associated TLP	1,000	1,000
RRAGS Project	1,191,057	1,191,057
National Power Transmission Network Development (NPTND)	178,274,209	198,059,427
400/230/132 KV GND Project	35,381	37,000
Mongla-Khulna-South	96,826,159	111,581,790
Rohanpur Interim SS Project	48,301,192	-
ECGSTLP	41,832	-
Ruppur Paromanobik Biddut Nirman Project	-	4,712,144
Aminbazar-Mawa-Mongla 400kv TL Project	153,947,337	817,480,878
RE Component of MUSCCFPP	-	4,038,454
Power Grid Network Strengthening Project-G to G	15,201,037,466	2,131,115
Patuakhali(Paira)-Gopalganj 400kv TLP	17,195,012	26,135,109
Rajendrapur 132/33kv GIS project	-	3,841,589
DTIMEZRPS Mirsharail project	-	48,988,938
Bakerganj Barguna 132kv & Barguna SS construction project	-	19,703,059
Bharamara-Baharampur 2nd 400kv TL	-	17,564,812
Matarbari-Modunaghat 400kv TL project	20,895,852	92,106,880
WGNDP	116,034,684	280,057,718
Energy efficiency in grid base power supply	1,565,156,244	1,480,028,153
South Western Expansion Project	1,168,789,571	1,052,346,339
ESPNER Project, Eastern Region	2,322,037,194	104,615,855
Bay Extension at Rampura SS & Tongi Project	3,281,405	3,281,405
Replacement of Ashuganj 132 kV Old AIS Substation by 132 kV New GIS Substation	50,480,553	51,032,380
Infras. Dev. Evacuation Facilities of Rooppur Nuclear Power Project	152,000	46,750
Rahanpur-Monakosha 400KV TLP	-	65,212,618
Dhaka and Western Zone Transmission Grid Expansion Project	494,177,133	48
Bashkhali LILO to Matarbari-Madunaghat 400kv TL Project	6,796,904	28,220,254
Bhaluka-Sherpur Project	18,869,885	-
	21,464,279,478	4,412,721,520

10. Cash and cash equivalents

Cash in hand	853,513	905,321
Balances with banks as:		
Current deposit accounts*	4,748,835,371	2,585,161,714
Short term deposit accounts	4,808,120,285	11,775,865,625
	9,556,955,656	14,361,027,339
	9,557,809,169	14,361,932,660

Details are given in Note 37.1.c

**Current deposit accounts include inter alia 54 CD Vat accounts of Head office and Projects (4 CD Vat accounts of Head office and 50 CD Vat accounts of different projects) in the ledger of the Company with four Custom Houses (Dhaka, Chattogram, Mongla and Benapole). In these CD Vat accounts, the relevant amount is recognized on receipt of Government order on ADB allocation. When a Government order on ADB allocation is received from Government, CD Vat accounts are debited and Govt. Loan/Deposit for Share are credited with the allocated amount in the Company's ledger. Simultaneously the Company's account is to be credited in the Custom Houses registers. We have cross-checked the CD Vat account balances in our ledger with such balances in the Custom Houses' registers in the case of 37 CD Vat accounts as were made available to us. Our record shows an amount of Tk. 4,626,520,894 as the year-end balance in our favor against all 54 CD Vat accounts, whereas as per the records of Custom Houses the year-end balances in favor of us amount to Tk. 4,973,012,969 in the case of 37 CD Vat accounts. We found that the main reasons for such differences are that the Custom Houses are late in updating their records on receipt of the ADB Allocation Government orders on ADB Allocation, and sometimes there could be erroneous entries in their records which are manually kept.

We could not get information from Custom Houses about the year-end balances in the case of remaining 17 CD Vat accounts. As a result, we could not reconcile the balances between the amounts as per our ledger and the amounts as per the Custom Houses' records.



Amounts in BDT	
30.06.2021	30.06.2020

11. Share capital

Authorised share capital

10,000,000,000 ordinary shares of BDT 10 each

100,000,000,000 100,000,000,000

Paid up share capital

712,726,991 ordinary shares of BDT 10 each

7,127,269,910 7,127,269,910

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

499,636,100 shares of BDT 10 each paid up other than cash

4,996,361,000 4,996,361,000

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

7,127,269,910 7,127,269,910

Percentage of shareholdings:

Particulars	30-Jun-21		30-Jun-20	
	No. of shares	%	No. of shares	%
Sponsors (BPDB)	548,408,787	76.95	603,260,348	84.64
Institutions (financial & others)	115,737,339	16.24	87,040,379	12.21
Individual	48,126,200	6.75	21,362,872	3.00
Foreign (Individual & Institution)	454,665	0.06	1,063,392	0.15
Total	712,726,991	100.00	712,726,991	100

Classification of shareholders by holding:

Shareholding range	Number of shareholders as at		% of shareholdings as at	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Less than 500 shares	3,615	1,736	33.03	34.44
500 to 5,000 shares	5,594	2,584	51.11	51.27
5,001 to 10,000 shares	767	292	7.01	5.79
10,001 to 20,000 shares	443	198	4.05	3.93
20,001 to 30,000 shares	152	63	1.39	1.25
30,001 to 40,000 shares	75	20	0.69	0.40
40,001 to 50,000 shares	61	17	0.56	0.34
50,001 to 100,000 shares	101	46	0.92	0.91
100,001 to 1,000,000 shares	116	71	1.06	1.41
Over 1,000,000 shares	22	13	0.20	0.26
Total	10,946	5,040	100	100



Amounts in BDT	
30.06.2021	30.06.2020

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.

Balance as at 01 July	58,858,845,659	50,710,701,193
Add: Received during the year from the GoB as part of equity in respect of development projects (note 12.2)	13,107,476,423	11,923,913,253
	71,966,322,082	62,634,614,446
Less: Refunded to GoB the surplus fund released by GoB (note 12.3)	(160,777,591)	(1,257,628,787)
Less: Shares issued to BPDB against deposit for shares	-	(2,518,140,000)
Balance as at 30 June	71,805,544,491	58,858,845,659

12.1 Investment of Govt.	58,858,845,659	50,710,701,193
Increased during the year (Net received)	12,946,698,832	10,666,284,466
Shares issued to BPDB against deposit for shares	-	(2,518,140,000)
Total investment	71,805,544,491	58,858,845,659

The amount related to deposit for shares will be settled as per the decision of the Govt. and approval of Bangladesh Securities and Exchange Commission (BSEC).

12.2 Equity in respect of development projects

400/230/132 KV GNDP	600,000,000	450,000,000
NPTND	-	450,000,000
Dhaka-Chittagong MPGS Project(MMM)	2,026,800,000	1,173,000,000
Aminbazar-Mawa-Mongla 400kv TLP	1,559,999,647	2,220,000,000
Patukhali(Paira)-Gopalganj 400kv TLP	641,106,066	3,000,000,000
Energy Efficiency in Grid Based Power Supply Project	452,776,636	335,432,400
Meghnaghat-Aminbazar 400kv	-	-
Haripur 360MW combined cycle	-	-
Transmission Efficiency Improvement Project(TEI)	-	-
Patukhali-Paira 230kv TLP	27,651,668	155,205,000
Power Grid Network strengthening project- (G to G)	2,303,542,047	539,999,132
Bangladesh Power System Reliability and Efficiency Improvement Project	-	42,000,000
Bakerganj-Barguna 132kv and Barguna 132/33kv S/S construction project	96,594,026	170,040,000
Bharamara-Baharampur 2nd 400kv double circuit TL project	37,544,908	181,980,000
DTIMEZRPS Mirsharail project	241,169,390	809,940,000
Western Grid Network Development project	-	240,000,000
Materbari Madunaghat 400 Kv TLP	690,000,000	960,000,000
South Western Transmission Expansion Project	1,151,954,426	449,976,808
Rahanpur-Monkosha 400 KV TL Cons. Project	1,017,780,000	122,340,000
Replacement of Ashugonj Old 132 KV AIS SS by New 132 KV GIS SS	7,499,295	102,000,000
Enhancement and Strengthening of Power Network in Eastern Region Project (ESPNER Project)	1,634,459,745	521,999,913
Infrast. Development for Evacuation Facilities of Roppur	540,000,000	-
Dhaka and Western Zone Transmission Grid Expansion Project	78,598,570	-
	13,107,476,423	11,923,913,253

12.3 Refund to GoB

132KV GNDP in Eastern Region	12,135,310	-
HVDC- 2nd Phase	148,001,598	-
Bharamara-Baharampur 2nd 400kv double circuit TL project	-	39,637,653
Ashuganj-Bhulta TL Project	-	4,299,673
Patuakhali(Paira)-Gopalganj 400kv TL Project	-	1,063,963,819
Patuakhali-Payra 230kv TL Project	343,541	31,467,638
DTIMEZRPS Mirsharail project	-	25,452,141
Aminbazar Mawa mongla 400 kv TL Project	-	90,000,000
Rahanpur-monkosha 400 kv TL project	297,142	2,807,863
	160,777,591	1,257,628,787



13. Retained earnings

Balance as at 01 July (Reported)
Prior years' adjustment
Understated expenses (note 13.1)
Overstated expenses (note 13.2)
Understated income (note 13.3)
Overstated income (note 13.4)
Balance at 01 July (Restated)
Total comprehensive income for the year
Final dividend
Balance as at 30 June

Amounts in BDT	
30.06.2021	30.06.2020
5,118,382,271	10,940,901,160
-	(6,842,665,030)
-	(7,279,858,484)
-	448,104,248
-	-
-	(10,910,794)
5,118,382,271	4,098,236,130
3,378,679,888	2,445,600,123
(1,425,453,982)	(1,425,453,982)
7,071,608,177	5,118,382,271

13.1 Prior years adjustment for understated expenses

Understated depreciation expenses for 16 Kilometer Transmission Line for the year 2018-2019 (note 4.02)
Environment assessment, Route survey expenses and Bank charges wrongly recorded as Capital Overhead in previous years and now adjusted (note 5.1.1)
Foreign exchange (gain)/loss was not charged as income/expenses in prior years (note 13.1.1)

-	2,248,962
-	735,826
-	7,276,873,695
-	7,279,858,484

13.1.1 Foreign exchange (gain)/loss was not charged as income/expenses in prior years

Adjustment to Plant and machinery from 2010-11 to 2018-19 (note 4.01)
Adjustment to Accumulated depreciation from 2010-11 to 2018-19 (note 4.02)
Adjustment Capital works-in-progress from 2010-11 to 2018-19 (note 5.1.1)

-	6,480,152,254
-	(1,171,727,882)
-	1,968,449,324
-	7,276,873,695

13.2 Prior years adjustment for overstated expenses

Deferred tax expenses overstated note 17.2)
WPPF Overstated (note 21.1.1)
Amount recorded as bad debt & provision previously is now realizable (note 8.1.1)

-	441,869,819
-	795,429
-	5,439,000
-	448,104,248

13.3 Prior years adjustment for understated income

13.4 Prior years adjustment for overstated income

Overstated OPGW Income charged previously (note 8.1.1)
Overstated Wheeling Bill of previous year (note 8.1.1)

-	690,524
-	10,220,270
-	10,910,794

14. Term loan- interest bearing

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

	Notes		
ADB loan	14.1	70,919,119,555	60,516,896,695
GoB loan	14.2	44,603,402,816	36,503,434,780
Assigned loan	14.3	3,599,172,321	3,599,172,321
SIDA loan	14.4	203,708,226	201,028,372
KFW loan	14.5	8,125,442,875	7,011,468,276
Danida loan	14.6	611,085,086	636,043,775
DPBS-1 loan	14.7	-	-
NDF loan	14.8	432,068,705	450,834,523
JBIC loan BD 52, 55, 70, 76, 81 & 103	14.9	37,494,586,249	28,005,727,229
IDA loan (No 4508, 53810, 6177 & 60100)	14.10	13,096,706,005	9,728,186,248
EDCF loan	14.11	7,435,515,082	7,431,136,098
HSBC loan	14.12	32,391,775	81,889,898
IDB loan BD-0172	14.13	5,752,286,372	3,578,931,721
Indian 3rd LOC Loan	14.14	5,958,709,559	257,232,193
Gazipur PBS-1 loan	14.15	-	304,485,727
Gazipur PBS-2 loan	14.16	63,723,284	303,499,755
Energy Pac Engineering Ltd. Loan for 132 KV Amnura	14.17	140,182,850	543,847,458
SS and Associated TL Project			
GCL Loan 2019/1 (673) for G to G Project	14.18	13,137,425,991	-
		211,605,526,751	159,153,815,069
		(2,033,001,510)	(2,001,575,654)
		209,572,525,241	157,152,239,415
		33,215,590,674	28,279,453,287
		242,788,115,915	185,431,692,703

Less: Transfer to term loan-interest bearing (note 18) i.e. current portion of long

Total long term loan

Add: Long term interest (note 19)

Balance as at 30 June

14.1 ADB loan

Balance as at 01 July

Add: Received during the year

Exchange rate fluctuation loss/(gain)

Less: Repaid during the year (note 14.1.1)

Balance as at 30 June

Loan details are as follows:

Loan details are as follows:		Loan no.		
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	255,021,747	349,546,766	
Exchange rate fluctuation loss/(gain)	1505	839,306,011	838,631,589	
(A) Total ADB 1505		1,238,858,193	1,332,708,789	
Hasnabad-Aminbazar-Tongi Transmission Line	1731	26,438,868	26,438,868	
Sub-station Aminbazar	1731	18,425,225	53,869,810	
Sub-station Extension Tongi, Hasnabad & Kalyanpur	1731	486,804,704	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	735,423,006	734,020,243	
(B) Total ADB 1731		2,452,155,141	2,521,641,547	
Khulna -Ishwardi Transmission Line- L & T	1885	-	-	
Khulna Ishwardi Transmission Line-(TATA Power)	1885	901,497,026	986,760,650	
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 Con	1885	438,175,129	477,789,256	
Shunt Compensation Phase-1	1885	151,033,273	176,286,134	
Exchange rate fluctuation loss/(gain)	1885	1,149,751,653	1,146,931,004	
(C) Total ADB 1885		4,938,264,150	5,085,574,113	
National Load Dispatch Centre	2039	1,612,232,717	1,770,960,087	
Exchange rate fluctuation loss/(gain)	2039	532,449,521	531,279,111	
(D) Total ADB 2039		2,144,682,238	2,302,239,198	
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	890,309,802	1,034,521,006	
3 Transmission Line-HG Power	2332	753,634,898	753,634,898	
Exchange rate fluctuation loss/(gain)	2332	1,119,584,689	1,113,699,076	
(E) Total ADB 2332		10,136,708,592	10,275,034,183	
Bangladesh India Grid Interconnector	2661	8,346,877,438	8,973,642,077	
Exchange rate fluctuation loss/(gain)	2661	751,873,268	433,315,367	
(F) Total ADB 2661		9,098,750,706	9,406,957,444	
GNDP in Eastern Region	2966	6,448,593,643	6,448,593,643	
Aminbazar-Mawa-Mongla 400 KV TLP	2966	95,938,478	95,938,478	
Exchange rate fluctuation loss/(gain)	2966	423,770,250	419,679,662	
(G) Total ADB 2966		6,968,302,371	6,964,211,783	
ADB Loan(400/230/132kv GNDP)	3087	1,716,393,786	1,716,393,786	
Exchange rate fluctuation loss/(gain)	3087	81,327,469	80,269,058	
(H) Total ADB 3087		1,797,721,255	1,796,662,843	
ADB Loan(400/230/132kv GNDP)	3350	2,924,304,320	2,834,821,354	
Aminbazar-Mawa-Mongla 400 KV TLP	3350	134,198,100	94,282,038	
Exchange rate fluctuation loss/(gain)	3350	41,602,751	39,521,085	
(I) Total ADB 3350		3,100,105,171	2,968,624,477	
ADB Loan(HVDC 2nd Block)	3298	2,804,585,935	2,804,585,935	
Exchange rate fluctuation loss/(gain)	3298	166,914,065	165,164,065	
(J) Total ADB 3298		2,971,500,000	2,969,750,000	

Loan details are as follows (Cont.):

ADB Loan(HVDC 2nd Block)	3299
Exchange rate fluctuation loss/(gain)	3299
(K) Total ADB 3299	
ADB Loan(Aminbazar-Mawa-Mongla 400 KV TLP)	3522
Exchange rate fluctuation loss/(gain)	3522
(L) Total ADB 3522	
ADB Loan(South Western Trans Exp)	3683
Patuakhali (Payra) Gopalgonj 400KV TLP	3683
Exchange rate fluctuation loss/(gain)	3683
(M) Total ADB 3683	
ADB Loan(Dhaka and Western ZGEP)	3853
Exchange rate fluctuation loss/(gain)	3853
(N) Total ADB 3853	

Total ADB loan (A+B+C+D+E+F+G+H+I+J+K+L+M+N)

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

Amounts in BDT	
30.06.2021	30.06.2020
7,168,678,609	7,168,678,609
154,383,269	150,070,512
7,323,061,878	7,318,749,120
9,859,276,447	5,364,184,641
16,732,878	10,707,015
9,876,009,325	5,374,891,656
7,129,636,447	1,931,288,096
1,244,923,773	268,922,068
5,452,470	(358,622)
8,380,012,689	2,199,851,542
494,177,133	-
(1,189,285)	-
492,987,848	-
70,919,119,555	60,516,896,695

14.1.1 Repaid during the year

	Loan no.		
Haripur-Rampur Transmission Line (General Project)	1505	94,525,019	94,525,014
Substation Aminbazar	1731	35,444,585	106,333,755
Sub-station Extension Tongi, Hasnabad & Kalyanpur	1731	35,444,585	-
Khulna Ishurdi-TATA	1885	85,263,624	127,895,436
Gallamari 132/33 KV GIS S/S Cons. & 132 KV TL Cons.	1885	39,614,127	-
Shunt Compensation Project	1885	25,252,861	37,871,624
3 Transmission Line NCC	2332	144,211,204	-
Bangladesh India Grid Interconnector	2661	626,764,639	-
NLDC	2039	158,727,370	238,042,858
		1,245,248,014	604,668,687

14.2 GoB loan

Balance as at 01 July	36,503,434,780	29,665,279,766
Add: Received during the year	8,738,317,932	7,949,274,979
	45,241,752,712	37,614,554,745
Less: Refunded during the year (note 14.2.1)	(427,123)	(838,419,192)
Less: Paid during the year (note 14.2.2)	(637,922,773)	(272,700,774)
Balance as at 30 June	44,603,402,816	36,503,434,780

Loan details are as follow:

1) Comilla-Meghnaghat-Rampur & Meghnaghat-Haripur-203 KV Transmission	86,269,990	86,269,990
2) Hasnabad-Aminbazar-Tongi Transmission Line	15,295,343	30,590,676
3) Kabirpur-Tangail-Sirajgonj Transmission Line	12,822,560	19,233,840
4) Ishwardi-Baghabari-Sirajgonj-Bogra Transmission Line	612,804,828	612,804,828
5) Khulna-Ishwardi-Bogra-Barapukuria Transmission Line	214,088,675	299,724,141
6) Ashugonj- Jamuna Bridge-Serajgonj (Inter Connector Line)	101,946,000	135,928,000
7) NLDC Project-National Load Dispatch Centre	317,414,496	341,830,996
8) Three Transmission Line	490,230,953	525,247,450
9) Aminbazar-Old Airport 230 Kv Associated Substation	924,418,863	924,418,863
10) Shunt compensation at Grid Substation	50,751,526	54,936,606
11) Meghnaghat-Aminbazar 400 Kv Transmission Line	703,887,136	703,887,136
12) Transmission efficiency improvement	137,597,835	148,182,284
13) Siddirgonj Maniknagar 230 Kv T/L Cons. Project	208,205,501	208,205,501
14) BD - India Grid Interconnection Project	1,555,479,132	1,666,584,784
15) Bibiana Comilla (North) 230KV TLP	800,800,000	862,400,000
16) Haripur 360mw Combined Cycle Power Plant	167,324,499	167,324,499
17) 132 KV GNDP Eastern Region	664,868,751	672,958,958
18) Ashugonj Bhulta 400 KV TLP	2,308,798,232	2,388,411,964
19) Grid Interconnection between Tripura (India)	624,780,000	624,780,000
20) HVDC 2nd Block	2,053,878,646	2,152,546,378
21) Bibiana Kaliakoir 400kv & Fenchugonj Bibiana 230kv T/L Project	3,020,264,696	3,020,264,696
22) NPTND	2,420,000,000	2,420,000,000

		Amounts in BDT	
		30.06.2021	30.06.2020
23) 400/230/132kv Grid Network Development		1,204,200,000	804,200,000
24) TLF(Project-2)		886,463,828	949,782,673
25) Enhancement of Capacity(EGSTLP)		536,000,000	536,000,000
26) Feasibility Study to Connect Nuclear Power Plant with National Grid		35,474,516	35,474,516
27) Dhaka-Chittagong MPGS Project(MMM)		2,220,333,200	869,133,200
28) Aminbazar-Mawa-Mongla 400kv TL Project		2,873,209,770	1,833,210,000
29) Patuakhali(Payra)-Gopalganj 400kv TL Project		7,746,334,811	7,318,930,787
30) Energy Efficiency in Grid Based Power Supply Project		920,133,922	618,282,831
31) Patuakhali-Payra 230kv TL project		1,144,496,991	1,126,291,574
32) Power Grid Network strengthening project-G to G		2,071,694,098	535,999,401
33) Bakerganj-Barguna 132kv and Barguna 132/33kv S/S construction project		404,027,848	339,631,830
34) Bharamara-Baharampur 2nd 400kv double circuit TL project		512,928,004	487,898,065
35) DTIMEZRPS Mirsharail project		1,022,971,499	862,191,905
36) Western Grid Network Development project		640,000,000	640,000,000
37) Matarbari Madunaghat 400 Kv TLP		1,116,204,336	656,204,336
38) Bangladesh Power System Reliability and Efficiency Improvement Project		28,000,000	28,000,000
39) South Western Transmission Expansion Project		1,067,954,155	299,984,539
40) Rahanpur-Monkosha 400 KV TL Cons. Project		758,009,997	79,688,092
41) Replacement of Ashugonj Old 132 KV AIS SS by New 132 KV GIS SS		72,999,530	68,000,000
42) Enhancement and Strengthening of Power Network in Eastern Region Project (ESPNER Project)		1,437,639,602	347,999,439
43) Infra. Dev. For Evacuation Facilities of Ropur		360,000,000	-
44) Dhaka and Western Zone Transmission Grid Expansion Project		52,399,047	-
		44,603,402,816	36,503,434,780
14.2.1 Refund during the year			
Bharamara-Baharampur 2nd 400kv double circuit TL project		-	26,425,102
Ashuganj-Bhulta 400kv TLP		-	2,866,448
Patuakhali(Paira)-Gopalganj 400kv TLP		-	709,309,213
PGCB DTIMEZRPS Mirsharail Project		-	16,968,095
Patuakhali-Payra 230kv TL Project		229,028	20,978,426
Aminbazar Mawa mongla 400 kv TL Project		-	60,000,000
Rahanpur-monkosha 400 kv TL project		198,095	1,871,908
		427,123	838,419,192
14.2.2 Paid during the year			
Hasnabad-Aminbazar-Tongi Transmission Line		15,295,333	45,885,999
Kabirpur-Tangail-Sirajgonj Transmission Line		6,411,280	6,411,280
Khulna-Ishwardi-Bogra-Barapukuria Transmission Line		85,635,466	85,635,466
Ashugonj- Jamuna Bridge-Serajgonj (Inter Connector Line)		33,982,000	33,982,000
Transmission Line Facilities (Project 2)		63,318,845	-
Three Transmission Line		35,016,497	-
Shunt Compensation Project		4,185,080	4,185,080
NLDC		24,416,500	24,416,500
Transmission efficiency improvement project (TEI)		10,584,449	10,584,449
BD-India Grid Interconnection Project		111,105,652	-
Bibiyana-Comilla(North) 230kv TLP		61,600,000	61,600,000
132KV GNDP in Eastern Region		8,090,207	-
Ashuganj-Bhulta 400kv TLP		79,613,732	-
HVDC -2nd Phase		98,667,732	-
		637,922,773	272,700,774
14.3 Assigned loan			
The break-up of the above loan is as follows:			
A. Assigned loan from BPDB			
Balance as at 01 July		-	49,794,639
Add: Current portion of the debt		644,986,071	696,880,563
Add: Exchange rate fluctuation loss/(gain)		-	(49,794,639)
Addition/adjustment during the year		(644,986,071)	(696,880,563)
Balance as at 30 June (A)		-	-
B. Assigned loan from DPDC(DES)			
Balance as at 01 July		3,599,172,321	3,599,172,321
Addition/adjustment during the year		-	-
Balance as at 30 June (B)		3,599,172,321	3,599,172,321
Balance as at 30 June grand total (A+B)		3,599,172,321	3,599,172,321

Amounts in BDT	
30.06.2021	30.06.2020

Above loans have been taken over from BPDB and DPDC(DESA) along with the fixed assets at written down value in different phases, are given below:

Assigned loan from DPDC(DESA):

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(DESA). So, the repayments are made through BPDB and DPDC(DESA).

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	201,028,372	217,621,575
Received during the year	-	-
Less: Paid during the year (note 14.4.1)	(16,346,272)	(16,346,272)
Exchange rate fluctuation loss/(gain)	19,026,127	(246,931)
Balance as at 30 June	203,708,226	201,028,372

14.4.1 Paid during the year

Khulna-Ishurdi-Bogra-Baropukuria 230 kv TL Project	16,346,272	16,346,272
	16,346,272	16,346,272

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

WZNDP, IBSB, KIBB, TEI & EEGBPS Project

KFW loan		
Balance as at 01 July	7,011,468,276	4,293,272,303
Add: Received during the year	1,236,334,141	2,777,503,071
Less: Paid during the year (note 14.5.1)	(501,740,278)	(72,786,420)
Exchange rate fluctuation loss/(gain)	379,380,737	13,479,321
Balance as at 30 June	8,125,442,875	7,011,468,276

14.5.1 Paid during the year

Bogra S/s ABB Germany WZP	459,252,813	33,497,910
Khulna-Ishurdi-Bogra-Baropukuria TLP	42,487,465	39,288,510
	501,740,278	72,786,420

Loan details are as follows:

Name of the transmission line

KFW loan

Bogra S/S ABB Germany

Balance as at 01 July	459,252,813	492,750,723
add: Received during the year	-	-
Paid during the year	(459,252,813)	(33,497,910)
Exchange rate fluctuation loss/(gain)	-	-
(A) Balance as at 30 June	-	459,252,813

Name of the transmission line

KFW loan

Ishardi-Bagabari-Sirajgonj-Bogra

Balance as at 01 July	1,162,743,646	1,182,579,634
add: Received during the year	-	-
Paid during the year	-	-
Exchange rate fluctuation loss/(gain)	191,431,053	(19,835,988)
(B) Balance as at 30 June	1,354,174,699	1,162,743,646

Name of the transmission line

KFW loan

Energy Efficiency Program

Balance as at 01 July	916,922,310	956,210,820
add: Received during the year	-	-
Paid during the year	(42,487,465)	(39,288,510)
Exchange rate fluctuation loss/(gain)	-	-
(C) Balance as at 30 June	874,434,845	916,922,310

Amounts in BDT	
30.06.2021	30.06.2020

KFW loan Name of the transmission line
WZNDP

Balance as at 01 July	3,114,274,742	1,557,837,935
add: Received during the year	768,544,656	1,522,488,489
Paid during the year	-	-
Exchange rate fluctuation loss/(gain)	180,341,322	33,948,318

(D) Balance as at 30 June **4,063,160,720** **3,114,274,742**

KFW loan Name of the transmission line
EEGBPS

Balance as at 01 July	1,358,274,765	103,893,191
add: Received during the year	467,789,485	1,255,014,582
Paid during the year	-	-
Exchange rate fluctuation loss/(gain)	7,608,361	(633,008)

(E) Balance as at 30 June **1,833,672,611** **1,358,274,765**

Total KFW loan (A+B+C+D+E) **8,125,442,875** **7,011,468,276**

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.

Danida loan Name of the transmission line
Joydevpur-Kabirpur-Tangail

Balance as at 01 July	636,043,775	704,810,725
Received during the year	-	-
Less: Paid during the year (note 14.6.1)	(62,862,940)	(62,862,940)
Exchange rate fluctuation loss/(gain)	37,904,251	(5,904,010)

Balance as at 30 June **611,085,086** **636,043,775**

14.6.1 Paid during the year

Joydevpur-Kabirpur-Tangail Project	62,862,940	62,862,940
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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	-	398,642,500
Adjustment during the year (14.7.1)	-	(330,242,500)
Less: Paid during the year (14.7.2)	-	(68,400,000)

Balance as at 30 June **-** **-**

14.7.1 Adjustment during the year

Kodda 132kv Grid SS	-	330,242,500
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14.7.2 Paid during the year

Aminbazar Savar Transmission Line & Savar Substation	-	68,400,000
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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	450,834,523	500,682,623
Add: Received during the year	-	-
Less: Paid during the year (14.8.1)	(45,640,600)	(45,640,600)
Exchange rate fluctuation loss/(gain)	26,874,782	(4,207,500)

Balance as at 30 June **432,068,705** **450,834,523**

14.8.1 Paid during the year

Khulna-Ishurdi-Bogra-Baropukuria 230 kv TL Project (WZPSDP)	45,640,600	45,640,600
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Amounts in BDT	
30.06.2021	30.06.2020

14.9 JBIC loan BD 52, 55, 70, 76, 81 & 103

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	Transmission Line Facility ,		
Balance as at 01 July	Haripur 360 MW Combined Cycle &	28,005,727,229	20,280,803,416
Add: Received during the year	National Power Transmission Network	10,140,752,438	7,558,138,386
Paid during the year	Development Project	(106,575,261)	-
Exchange rate fluct. loss/(gain)	Dhaka-Chittagong MPGSP	(545,318,157)	166,785,427
Balance as at 30 June		37,494,586,249	28,005,727,229

Loan details are as follows:

	Loan no.		
JBIC loan no-P52 : TLF	52	3,180,727,270	3,158,148,904
Add: Received during the year		-	-
Less: Paid during the year		(106,575,261)	-
Exchange rate fluctuation loss/(gain)	52	(79,736,574)	22,578,366
(A) JBIC loan no-52		2,994,415,435	3,180,727,270
JBIC loan no-P55 : Haripur 360MW	55	1,549,115,594	1,538,119,210
Add: Received during the year		-	-
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)	55	(40,450,984)	10,996,384
(B) JBIC loan no-55		1,508,664,610	1,549,115,594
JBIC loan no-P70 : NPTND Project	70	13,092,781,109	11,618,053,099
Add: Received during the year		501,253,285	1,379,959,019
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)	70	(350,874,985)	94,768,991
(C) JBIC loan no-70		13,243,159,409	13,092,781,109
JBIC loan no-76	76	601,339,496	532,819,674
Add: Received during the year		20,293,443	68,519,822
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)	76	-	-
(D) JBIC loan no-76		621,632,939	601,339,496
JBIC loan no-81 : Dhaka Chittagonj MPGSP	81	5,834,315,106	2,624,205,856
Add: Received during the year		5,642,666,672	3,210,109,250
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)	81	-	-
(E) JBIC loan no-81		11,476,981,778	5,834,315,106
JBIC loan no-P103 : Matarbari-Modunaghat 400KV TI	103	3,747,448,654	809,456,672
Add: Received during the year		1,640,449,234	2,899,550,295
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)	103	(17,986,760)	38,441,687
(F) JBIC loan no-103		5,369,911,128	3,747,448,654
JBIC loan no-P106 : Matarbari-Modunaghat 400KV TI	106	-	-
Add: Received during the year		2,336,089,803	-
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)	106	(56,268,854)	-
(G) JBIC loan no-106		2,279,820,949	-
Total JICA loan (A+B+C+D+E+F+G)		37,494,586,249	28,005,727,229

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

Balance as at 01 July	9,728,186,249	9,104,751,538
Add: Received during the year	3,349,412,269	587,785,309
Less: Paid during the year (14.8.1)	-	-
Exchange rate fluctuation loss/(gain)	19,107,487	35,649,402
Balance as at 30 June	13,096,706,005	9,728,186,248



Amounts in BDT	
30.06.2021	30.06.2020
2,291,061,949	2,281,611,488
-	-
-	-
1,350,066	9,450,461
2,292,412,015	2,291,061,949
7,026,954,616	6,705,814,438
544,367,162	293,576,973
-	-
4,122,166	27,563,205
7,575,443,944	7,026,954,616
189,559,397	90,327,796
2,778,522,276	99,543,620
-	-
1,041,816	(312,019)
2,969,123,489	189,559,397
220,610,287	26,997,816
26,522,831	194,664,716
-	-
12,593,438	(1,052,245)
259,726,556	220,610,287
13,096,706,005	9,728,186,248
7,431,136,098	7,400,483,209
-	-
-	-
4,378,984	30,652,889
7,435,515,082	7,431,136,098
81,889,898	216,352,435
-	-
(49,567,810)	(135,150,249)
69,687	687,712
32,391,775	81,889,898
3,578,931,721	1,784,298,288
2,161,262,517	1,783,513,306
-	-
12,092,134	11,120,127
5,752,286,372	3,578,931,721



		Amounts in BDT	
		30.06.2021	30.06.2020
14.14 Indian 3rd LOC Loan			
This loan was received from Indian 3rd LOC Loan for Infrastructure development for evacuation facilities of Ruppur Nuclear project.			
Balance as at 01 July		257,232,193	-
Received during the year		5,704,288,485	257,232,193
Less: Paid/Adjustment		-	-
Exchange rate fluctuation loss/(gain)		(2,811,119)	-
Balance as at 30 June		5,958,709,559	257,232,193
14.15 Gazipur PBS-1 loan			
This loan was received from Gazipur PBS-1 for Kodda 132 kv substation project.			
Balance as at 01 July		304,485,727	-
Received during the year		-	304,485,727
Less: Paid/Adjustment		(304,485,727)	-
Balance as at 30 June		-	304,485,727
14.16 Gazipur PBS-2 loan			
This loan was received from Gazipur PBS-2 for Rajendrapur 132/33 kv GIS substation project.			
Balance as at 01 July		303,499,755	-
Received during the year		-	303,499,755
Less: Paid/Adjustment		(239,776,471)	-
Balance as at 30 June		63,723,284	303,499,755
14.17 Energy Pac Engineering Ltd. Loan for 132 KV Amnura SS and Associated TL Project			
Balance as at 01 July		543,847,458	-
Add: Received during the year		-	522,165,662
Less: Paid during the year		(404,157,110)	-
Exchange rate fluctuation loss/(gain)		492,502	21,681,796
Balance as at 30 June		140,182,850	543,847,458
14.18 GCL Loan 2019/1 (673) for G to G Project			
Balance as at 01 July		-	-
Add: Received during the year		12,970,000,000	-
Less: Paid during the year		-	-
Exchange rate fluctuation loss/(gain)		167,425,991	-
Balance as at 30 June		13,137,425,991	-
15. Grant from SIDA & KFW & ADB			
Grant from KFW (note 15.1)		1,395,529,800	1,351,371,438
Grant from SIDA (note 15.2)		76,505,974	81,419,201
Grant from ADB (note 15.3)		588,648,810	588,648,810
		2,060,684,584	2,021,439,449
15.1 Grant from KFW			
Balance as at 01 July		1,351,371,438	1,310,805,735
Received During the year		44,158,362	40,565,703
Balance as at 30 June		1,395,529,800	1,351,371,438
15.2 Grant from SIDA			
Balance as at 01 July		81,419,201	86,332,428
Add: Received during the year		-	-
Less: Current year amortization		(4,913,227)	(4,913,227)
Balance as at 30 June		76,505,974	81,419,201
15.3 Grant from ADB			
Balance as at 01 July		588,648,810	-
Received During the year		-	588,648,810
Balance as at 30 June		588,648,810	588,648,810
15.4 Received during the year			
Grant from KFW		44,158,362	40,565,703
Grant from SIDA		-	-
Grant from ADB		-	588,648,810
		44,158,362	629,214,513

Amounts in BDT	
30.06.2021	30.06.2020

16. Deferred liability- gratuity

Balance as at 01 July	2,797,771,548	3,000,998,610
Add: Provision made during the year	262,268,146	-
Less: Adjustment made for provision	-	(92,818,042)
	3,060,039,694	2,908,180,568
Less: Paid during the year	(165,587,063)	(110,409,020)
Balance as at 30 June	2,894,452,631	2,797,771,548

17. Deferred tax liabilities (Restated)

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

Deferred tax Liability:

Carrying amount of Property, Plant & Equipment excluding	123,732,478,108	127,439,479,631
Less: Tax base including Unabsorbed Depreciation (Restated) (note 17.1)	(86,911,976,293)	(95,142,157,701)
Taxable Temporary Difference (A)	36,820,501,815	32,297,321,930

Deferred tax asset:

Provision for Gratuity as per Accounts	3,060,039,694	2,908,180,568
Less: Tax base	(165,587,063)	(110,409,020)
Deductible Temporary Difference (B)	2,894,452,631	2,797,771,548

Deferred tax Liability:

Interest Receivable	43,390,113	20,553,102
Less: Tax base	-	-
Taxable Temporary Difference (C)	43,390,113	20,553,102

Net Taxable/(Deductible) Temporary Differences (D) = (A-B+C) **33,969,439,297** **29,520,103,484**

Deferred Tax Liability as on 30 June (Restated) (D X 22.5%) **7,643,123,842** **7,380,025,871**

17.1 Previously PGCB had charged foreign exchange (gain)/loss to PPE as per the form set out in Part-1 of Schedule XI of the Companies Act-1994 following the provision of Section 185 of the Companies Act 1994 which required inter alia that the property and assets shall be in the form set out in Part-I of Schedule XI or as near thereto as circumstance admit or in such other as may be approved by the Government either generally or in any other particular case. However, as per Para 28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in Para 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Accordingly, the Company restates the financial statements following the provision of IAS-8. As a result, total deferred tax liabilities for the 2019-20 was understated amounting to Tk. 182,332,727. The opening balance of deferred tax liabilities was Tk. 7,197,693,144 before restatement and after restatement, it stands to 7,380,025,871. The carrying amount of property, plant & equipment excluding permanent differences was Tk. 125,148,625,985 before restatement and after restatement, it stands to Tk. 127,439,479,631. And, The Tax base including Unabsorbed Depreciation was Tk. 93,580,634,962 before restatement and after restatement, it stands to Tk. 95,142,157,701.

17.2 Deferred tax liabilities for the financial year 2018-19 was Tk. 6,524,327,821 before restatement and after restatement the amount stands to 6,082,458,001. Overstated expense amounting to Tk. 441,869,819 (note 13.2) from the period 2010-11 to 2018-19 has been debited with deferred tax liabilities and the same has been adjusted retained earnings.

18. Term loan - interest bearing (current portion)

ADB Loan	1,151,303,551	1,245,828,570
GoB Loan	610,778,576	451,551,102
Others (note 18.1)	270,919,383	304,195,982
Current portion: The Company expects to pay during FY: 2021-22	2,033,001,510	2,001,575,654

18.1 Other loan

Danida	62,862,940	62,862,940
KFW	41,926,859	73,321,928
NDF	45,640,600	45,640,600
JICA	104,142,712	106,024,242
SIDA	16,346,272	16,346,272
	270,919,383	304,195,982

Amounts in BDT	
30.06.2021	30.06.2020

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

Add: Interest charged during the year (note 19.1)

Payment/Adjustment made during the year (note 19.2)

Balance as at 30 June

Current portion: The Company expects to pay during FY: 2021-22

Long term portion

Total Interest payable

29,281,029,065	24,920,082,756
6,973,396,394	5,895,089,242
36,254,425,459	30,815,171,997
(2,176,788,056)	(1,534,142,932)
34,077,637,403	29,281,029,065
862,046,729	1,001,575,778
33,215,590,674	28,279,453,287
34,077,637,403	29,281,029,065

19.1 Interest charge during the year

IDC:

Patukhali(Paira)-Gopalgonj 400kv TLP

Rahanpur-Monkosha 400 KV TL Cons. Project

BD-Baharampur India 2nd 400kv TLP

NPTND Project

Replacement of Ashugonj Old 132 KV AIS SS by New 132 KV GIS SS

400/230/132kv GNDP

ECGSTLP Project

Western GNDP

Dhaka-Chittagong MPGS Project

Energy Efficiency Grid Based Power Supply Project (EEGBPSP)

Power Grid Network strengthening project- (G to G)

Matarbari Madunaghat Project

Patuakhali-Paira 230kv TL Project

BPSREI Project

Bakerganj-Barguna 132/33kv TLP

DTIMEZRPS Project

PGCB ESPN ER Project

South Western Transmission Expansion Project

132KV Amnura SS & Associated TLP

Dhaka and Western Zone Transmission Grid Expansion Project (DWZTGP)

Infras. Dev. Evacuation Facilities of Rooppur Nuclear Power Project

Aminbazar-Mawa-Mongla 400kv TL Project

Total IDC

Add: Interest charged in finance expenses (note 28)

Total Interest charge during the year

260,317,174	210,698,578
9,554,239	99,895
14,733,648	13,298,622
558,036,182	543,575,535
2,096,513	16,721
381,872,236	283,094,650
298,231,356	290,324,197
169,782,927	105,402,198
196,104,967	80,035,784
28,116,739	19,349,745
295,326,832	-
97,513,281	63,730,202
32,040,716	33,171,371
10,305,459	3,046,489
10,806,371	8,970,751
27,776,739	18,236,302
89,709,438	6,480,563
147,636,785	13,187,715
-	96,937,059
864,316	-
47,385,155	-
351,686,690	109,681,879
3,029,897,763	1,899,338,256
3,943,498,631	3,995,750,986
6,973,396,394	5,895,089,242

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.



Amounts in BDT	
30.06.2021	30.06.2020

19.2 Interest paid/adjustment made during the year

Meghnaghat Associated TL Project	5,671,501	13,233,502
Hasnabad-Aminbazar-Tongi TL Project	30,598,894	56,076,660
East West (Ashugong-Sirajgong-Interconnection) TL Project	4,672,525	6,371,625
Ashugonj AIS by GIS Project	16,721	-
Joydebpur-Kabirpur-Tangail Project	14,625,007	31,847,798
Khulna-Ishurdi-Bogra-Baropukuria 230 kv TL Project	375,954,280	159,281,674
Shunt Compensation Project	12,580,624	20,423,444
NLDC TLP	86,840,424	139,611,800
132 Kv GNDP in Eastern Region	254,933,732	20,188,769
Bhola Barisal Borhanuddin Project	3,180,746	11,805,758
Ashuganj-Bhulta Project	34,631,973	71,340,538
Dhaka Palli Biddut Samity-1 (Aminbazar-Savar project)	-	10,784,670
NPTNDP	68,940,984	37,504,110
Aminbazar-Mawa-Mongla 400kv TLP	27,002,530	7,500,259
EEGBPSP	14,613,639	8,697,045
WGNDP	17,131,149	10,020,821
Bakerganj-Barguna 132 Kv TLP	8,970,751	3,531,652
Patuakhali-Gopalganj 400 Kv TLP	202,123,617	100,553,770
DTIMEZRPS	18,236,302	4,954,841
HVDC 2nd Block	-	61,713,500
400/230/132 Kv GNDP	18,762,115	10,637,458
B-B 2nd 400 Kv TLP	13,298,622	7,573,282
DCMPGSP	-	2,613,996
Patuakhali-Payra 230 Kv TLP	33,171,371	15,669,616
BPSREIP	560,150,000	-
ESPNER Project, Eastern Region	2,696,860	-
ECGSTLP	16,080,000	14,490,411
DCMPGS	16,177,767	-
STGEP	3,165,238	-
Grid interconnection BD-India project	204,231,261	1,542,658
Transmission Efficiency Improvement Project	83,378,108	81,641,565
Bibiana-Cumilla(North) 230kv TLP	22,638,000	24,486,000
Matarbari Madhunaghat 400kv TLP	6,903,097	8,729
Kabirpur-Tangail-Sirajgonj Project	13,759,080	-
TLF Project	312,901,510	-
Three Transmission Line Project	158,999,141	-
Rahanpur Monkoasha	99,895	-
Energypac Engineering Ltd.	89,240,442	-
Adjustment of BPDB Loan	-	600,036,982
	2,176,788,056	1,534,142,932

20. Liabilities for expenses (Restated)

Salaries	1,590,744	1,620,439
Electricity charge	-	-
Gas charge	805,205	1,034,170
Audit fee	900,000	900,000
Liability for Modhumoti 105 MW HOF (note 20.1) (Restated)	215,263,010	312,712,830
Sundry expenses (note 20.1) (Restated)	1,190,576,407	1,376,648,884
	1,409,135,366	1,692,916,323

20.1 Balance as on 30 June 2020 (before restatement)

Add: Liability understated for Modhumoti 105 MW HOF (note 4.01)*	1,374,881,374
Add: Liability understated for Repair and Maintenance **	312,712,830
Balance as on 30 June 2020 (after restatement)	5,322,119
	1,692,916,323

* See note 4.06 to the financial statements

**During 2019-20, the company has erroneously understated repair and maintenance expense amounting to Tk. 5,322,119. Now the Company has now rectified the amount by debiting the amount with repair and maintenance cost of Transmission expense (note 24) and administrative expense (note 25) proportionately amounting to Tk. 5,155,537 and Tk. 166,582 respectively and adjusted the same with the liabilities for expenses as per Para 42 of IAS 8. Before restatement repair and maintenance cost of Transmission expense (note 24) and administrative expense (note 25) were Tk. 676,283,406 and Tk. 21,851,627 respectively after restatements the amounts stand to Tk. 681,438,943 and Tk. 22,018,209 respectively.



Amounts in BDT	
30.06.2021	30.06.2020

21. Liabilities for other finance (Restated)

Workers' profit participation fund (note 21.1) (Restated)	237,184,684	238,689,084
Unclaimed Dividend (note 21.2)	30,598,157	30,049,961
Interest Payable on Unclaimed Dividend/Other Dividend related Payable (note 21.3)	8,144,592	503,628,000
Performance guarantee (note 21.4)	10,076,841	10,076,841
Account current with corporation and other offices (note 21.5)	114,415,227	(32,134,539)
Deposit for work RAJUK	2,644,363	2,644,363
Deposit work for Projects	7,699	7,699
Deposit Work of GC-Ctg (CDA)	-	282,382
Deposit Work of Metrorail (Mirpur-Tongi 132kv D/C O/H)	18,619,218	18,619,218
Deposit Work of Kodda 33KV SS for PBS	269,309,460	282,085,197
Deposit Work of Rup-pur	96,724,125	356,760,587
Deposit Work from DPDC-Aminbazar-Old Airport	19,801,815	19,801,815
Deposit Work-Meghna Industrial Economic Zone	33,558,888	33,558,888
Deposit Work-EGNDP(Narsingdi PBS-2)	4,521,023	4,521,023
Deposit Work-Tower Extention at Gopalgonj Railway, GMD-Faridpur	8,049,620	8,063,952
Deposit Work-DESCO 132/33 KV Underground Cable	-	47,950,256
Deposit Work-Rajendrapur 132/33 KV Substation and Kodda Line	823,063,959	925,157,177
Deposit Work-Tongi Maniknagar GS 132kv New Bay Construction Project	109,838,632	109,372,232
Deposit Work for Mawa and Pachchor Vanga For Padma Setu	68,234,632	142,625,329
Deposit Work of Dohazari to Cox Bazar TLP for Dual Gauge Railway	49,493,929	128,780,587
Deposit Work -132KV SUBSTATION-T.K.-PBS Patiya-1	6,073,819	10,184,332
Deposit Work -Rampur and Agrabad Substation for BPDB under NPTND Project	193,634,956	193,184,295
Deposit Work of Dohazari to Cox Bazar TLP for Dual Gauge Railway-Lot 1	635,483,823	707,006,000
Deposit Work of Dohazari to Cox Bazar TLP for Dual Gauge Railway-Lot 2	280,513,877	437,650,500
Deposit Work with Ishwardi-Dhalarchar 230kv Transmission Line extention work	33,006,628	51,248,753
Deposit Work with Faridpur-Madaripur 132kv Transmission Line extention work for Padma Setu Fase 2	32,191,232	32,291,818
Deposit Work of GMD-Ctg Central elevator express way for CDA	78,360,233	148,920,130
Deposit Work For 230KV Hasnabad-Shampur TLP GMD-D(S)	73,191,509	107,170,100
Deposit Work For 132KV Sirajganj-Sahjadpur TLP GMD-Bogura	2,938,124	2,938,124
Deposit Work For 132KV TLP 100 Feet Khal Khanan and Unnoyan Project	12,322,012	17,485,953
Deposit Work For VALUKA-SRIPUR 132KV TLP	41,264,222	17,490,679
Deposit Work For Transformer and 33KV GIS Line(Bay) for Bhola PBS	-	94,314,920
Deposit Work For Height Extention of 132KV TL Rajshahi-Naogaon to Rajshahi-Natore Road	13,809,664	18,542,666
Deposit Work For Re-routing of 132kv Bashundhora-Tongi Ckt-1 TL (GMD-Dhaka	107,269,830	107,269,830
Deposit Work of GMD-Ctg (Central) Outer Ring Road for CDA	32,232,852	135,323,035
Deposit Work of Clearance and Rerouting of Khulsi Barolia under GMD-Ctg (Central)	5,950	-
Deposit Work for Padda Railway Bridge Connection GMD-K(N)	19,541,434	-
Deposit Work for DTIMEZRPS Miresarai Project	158,255,454	-
Deposit Work for Battery Charger for 33KV Feeder GMD-CTG(South)	3,004,480	-
Deposit Work for Height Ext Replace of Bogura-Naogaon 132KV Tower at Tinmatha	30,956,916	-
Deposit Work for Mujib Industrial City CE-Project	3,473,000	-
Deposit Work for Bay-Extention of Bhaluka 132/33 KV SS Project-1	36,783,406	-
Advance rent receipt - UGC	80,000,000	88,000,000
Advance rent receipt - Teletalk	-	63,716,616
Advance rent receipt - MBL(Aftabnagar)	2,000,000	-
Revenue sharing payable BTRC	-	33,718,097
Advance receipt of PF contribution -lien	14,256	14,256
Fraction bonus share sales proceeds payable	403,252	403,252
Liabilities for unsettled audit objection	6,423,997	7,197,865
Employees provident fund	1,826,150	887,516
WPPF Trust A/c	-	36,548
WPPF Payable	539,771	-
Liabilities for unsettled liquidated damage	1,656,282,797	13,392,904
Contractors earnest/security/retention money	6,352,213,033	5,564,486,882
Tax/VAT withheld from contractor/suppliers	208,998,390	85,619,555
Tax withheld from employees	2,290,030	1,624,425
Revenue stamp	47,684	125,951
Prime Minister relief fund	(1,736)	(1,736)
Insurance claim payable	5,482,769	5,159,269
Union subscription	383,816	584,820
	12,015,504,492	10,776,527,406

Amounts in BDT	
30.06.2021	30.06.2020
238,689,084	210,010,075
214,883,021	240,430,468
(216,387,421)	(211,751,459)
237,184,684	238,689,084

21.1 Provision for Workers' profit participation fund

Balance as at 01 July (Restated) (note 21.1.1)

Provision made during the year

Transfer to WPPF trust A/c

Balance as at 30 June (Restated)

210,805,505

Overstated expense of WPPF * (note 13.2)

(795,429)

Opening balance as on 01 July 2019 (after restatement)

210,010,075

*During 2005-06, the company has erroneously made a provision for Workers' profit participation fund (WPPF) amounting to Tk. 795,429. Now the Company has now rectified the amount by debiting the amount with provision for Workers' profit participation fund and adjusted the same with the retained earnings as per paragraph 42 of IAS 8.

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

1,237,021 1,237,021

Year ended 30 June 2014

659,413 661,283

Year ended 30 June 2015

825,369 846,024

Year ended 30 June 2016

427,828 443,593

Year ended 30 June 2017

508,323 548,997

Year ended 30 June 2018

586,198 607,737

Year ended 30 June 2019

719,643 762,187

Year ended 30 June 2020

691,242 -

30,598,157 30,049,961

21.3 Interest Payable on Unclaimed Dividend/Other Dividend related payable

Dividend Payable

503,628,000

Interest Payable on Unclaimed Dividend

8,144,592 -

8,144,592 503,628,000

21.4 Performance guarantee

CNEEC

76,841 76,841

BTTB

10,000,000 10,000,000

10,076,841 10,076,841

21.5 Current account with corporation and other offices

BPDB

114,745,358 114,745,358

Project-1

- (2,422,567)

IBSB Project-cash defalcation (note 21.5.1)

(637,536,768) (637,536,768)

WPPF

(330,131) (144,457,330)

(523,121,541) (669,671,307)

Provision for cash defalcation of IBSB project

637,536,768 637,536,768

114,415,227 (32,134,539)

21.5.1 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

1,437,094,343 475,983,155

Add: Addition during the year

655,882,568 961,111,188

2,092,976,911 1,437,094,343

Less: Paid/Adjustment during the year

- -

Balance as at 30 June

2,092,976,911 1,437,094,343

Amounts in BDT	
2020-21	2019-20
21,354,489,833	18,388,507,585
502,594,332	352,114,681
21,857,084,165	18,740,622,266

23. Revenue

Transmission/wheeling charge
Optical fiber charge

24. Transmission expenses (Restated)

Salary and other benefits to employees	2,708,913,981	2,377,922,211
Travelling and conveyance	83,256,247	61,650,396
Functions, games and entertainment	518,491	690,337
Rent, rates and taxes	11,429,387	10,116,397
Postage, telephone and fax	6,497,794	5,782,813
Recruitment and training	20,082,578	53,492,801
CPF contribution	100,583,809	95,442,264
Gratuity	217,034,686	(77,038,975)
Electricity and power	306,503,136	268,429,126
Office expenses	15,712,124	7,618,141
Fuel and lubricant	24,589,738	23,539,136
Security expenses	264,109,565	258,967,507
Insurance	1,017,084	1,260,209
Bank charges and commission	6,466,979	2,399,827
Consultancy	2,424,416	2,513,032
Repair and maintenance (Restated)*	926,560,564	681,438,943
C & F, carrying and handling	782,265	1,404,402
Liquidated Damage (As capacity charge to BPDB for 1320MW power plant of BCPCL)**	2,400,000,000	-
Depreciation (note 4) Restated***	6,126,624,536	6,062,843,527
	13,223,107,380	9,838,472,094

*See note 20.1 to the financial statements.

**The reported liquidity damage of BDT 2,400,000,000 has incurred due to non-completion of the transmission line for 1320MW power plant of BCPCL within the prescribed period i.e. as decided by BPDB on 24th November 2020.

***See note 4.04 and note 4.05 to the financial statements.



Amounts in BDT		
	2020-21	2019-20
25. Administrative expenses (Restated)		
Salary and other benefits to employees	334,809,593	293,900,498
Travelling and conveyance	3,288,708	2,435,255
Functions, games and entertainment	5,461,792	7,272,025
Rent, rates and taxes	14,042,837	12,429,618
Postage, telephone and fax	3,105,803	2,764,058
Recruitment and training	22,285,730	59,361,210
CPF contribution	8,615,853	8,175,437
Gratuity	44,452,887	(15,779,067)
Electricity and power	5,173,838	4,531,140
Office expenses	28,522,459	13,829,327
Fuel and lubricant	7,709,931	7,380,523
Security expenses	3,587,136	3,517,296
Insurance	3,685,107	4,566,002
Bank charges and commission	125,252	46,480
Consultancy	11,134,958	11,541,957
Repair and maintenance (Restated)*	29,938,418	22,018,209
C & F, carrying and handling	32,509	58,364
Depreciation (note 4) Restated**	23,369,979	23,126,687
Advertisement and publicity	13,021,344	22,120,074
Auditors' Remuneration	1,464,460	1,653,255
Legal expenses	13,381,247	6,668,552
Fees and renewals	25,972,313	5,052,867
Directors' honorarium and support service allowance	8,288,560	6,918,550
Other honorarium	9,222,085	7,677,560
AGM expenses	523,993	1,913,476
Donation & subscription	25,000	21,973,576
Research & development	65,022,847	33,868,042
Innovation Expenses	-	-
	686,264,641	569,020,970

*See note 20.1 to the financial statements.

**See note 4.04 and note 4.05 to the financial statements.

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

Basic pay	8,850,179	8,229,414
Accommodation allowance	4,425,090	4,128,208
Bonus	1,340,580	1,591,560
Contribution to CPF	572,764	418,772
	15,188,613	14,367,954

26. Finance income

Interest income	528,688,679	518,031,921
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27. Other income

Rental income	27,722,689	22,772,491
Miscellaneous sales (note 27.1)	287,807,553	194,512,506
Grant income	22,650,501	46,294,988
Miscellaneous income	114,536,768	160,459,840
	452,717,511	424,039,825

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

28. Finance expenses (Restated)

Rampura sub-station (ADB Loan No. 1505)	2,284,288	2,284,288
Sub-station Extension Mirpur (ADB Loan No. 1505)	1,591,316	1,591,316
Meghnaghat Comilla Line, Haripur Rampura Line Sub-station (General)	25,353,297	33,345,985
On Loan no 1505, Mymensingh Power Station Associated Trans. Line	2,403,686	2,403,686
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
Khulna-Ishwardi-Bogra-Boropukuria 230 Kv TL (ADB Loan: 1885) TATA Power	52,652,995	57,942,714
Ashuganj-Sirajganj 230 Kv TL (LG & Sejong) (ADB Loan: 1885)	73,279,062	73,279,062
Switchyard at Sirajganj & Ext. of 230 Kv Substation (ABB India) (ADB Loan : 1885)	10,242,771	10,242,771
Ishurdi Baghabari Sirajganj Bogra Project (ADB-1885)	42,857,555	42,857,555
Shunt Compensation Project ADB Loan 1885	9,216,281	10,784,158

	Amounts in BDT	
	2020-21	2019-20
Hasnabad-Aminbazar-Tongi Line Project (ADB Loan:1731)	1,454,138	1,454,138
Substation –Aminbazar – Savar (ADB Loan : 1731)	1,729,077	6,014,851
Substation Extension –Tongi –Hasnabad-& Kallyanpur (ADB Loan : 1731)	28,611,551	28,723,711
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 1731)	37,523,776	37,523,776
NLDC Project ADB Loan 2039	85,808,340	94,767,357
ADB Loan no.1885/8-BAN Gallamari TLF(SiemensGIS SS)	25,526,287	26,278,409
Meghnaghat Aminbazar 400 KV Transmission Line(ADB 2332)	152,371,136	152,371,136
Aminbazar Bazar-Old Airport 230 kv Transmission Line Project (ADB 2332)	253,153,720	253,153,720
Three Transmission Line Project (CCC) (ADB 2332)	49,236,938	51,726,050
Three Transmission Line Project (HGPT) (ADB 2332)	37,681,745	37,681,745
BD-India Grid Interconnection (GOB & ADB 2661)	350,291,222	358,945,683
ADB Loan No.2966 (132KV GNDP in Eastern Region)	257,943,746	256,112,927
ADB Loan no.3298(HVDC 2nd Block)	112,183,437	111,010,837
ADB Loan no.3299(HVDC 2nd Block)	286,747,144	278,350,251
Siddirganj-Maniknagar (IDA 4508)	84,892,552	84,892,552
On loan, 1st phase assets transferred from (DESA) DPDC	143,966,893	143,966,893
Boropukuria Substation (ABB Power) SIDA Loan	8,680,094	9,630,343
Bogra 230/132 Kv Substation (ABB GmbH) (Loan : KFW)	34,198,437	57,971,389
Ishurdi Baghabari Sirajganj Bogra Project (KFW)	157,989,913	157,989,913
Transmission Efficiency Improvement (GOB & KFW)	90,244,996	94,490,342
Joydebpur-Kabirpur-Tangail(JKT) (Danida Loan)	27,203,292	30,525,454
Khulna South 230/132 Kv Substation (NDF Loan)	21,725,550	24,378,752
JBIC Loan BD-52 KEC (TLF)	26,263,657	27,760,015
JBIC Loan BD-52 Hysong (TLF)	27,128,943	27,128,943
JBIC Loan BD-52 CCC (TLF)	38,947,890	38,947,890
JBIC Loan BD-52 ABB (TLF)	39,993,502	39,993,502
JBIC Loan BD-52 CCC-Comilla North (TLF)	5,824,366	5,824,366
Haripur 360MW Combined Cycle (GOB & JICA BD P 55)	72,795,704	72,795,704
Bibiana-Kalikoar & Fenchuganj-Bibiyana (GOB & EDCF)	275,293,815	275,293,815
Transmission Line Facilities-TLF (GOB, JICA 52 & ADB 1885)	46,396,233	47,489,134
Meghnaghat-Comilla Line, NLDC (Govt. Loan)	4,313,500	4,313,500
NLDC Project GoB Loan	16,318,918	17,661,935
Kabirpur Tangail Sirajganj Project (Local Loan: GoB)	851,032	1,189,853
Hasnabad-Aminbazar-Tongi Line Project (Govt. Loan)	1,045,531	2,791,608
Ishurdi Baghabari Sirajganj Bogra Project (GOB)	30,640,241	30,640,241
Khulna-Ishwardi-Bogra-Boropukuria TL (Local : GoB)	13,508,115	18,033,753
Ashuganj-Banga Bandu Bridge -Sirajganj (Inter Connector) (Local : GoB)	6,209,861	8,005,732
Meghnaghat Aminbazar 400 KV Transmission Line (GoB)	35,194,357	35,194,357
Siddirganj-Maniknagar(GoB)	6,246,165	6,246,165
Three Transmission Line Project (GoB)	25,657,978	26,262,373
Aminbazar Bazar-Old Airport 230 kv Transmission Line Project(GoB)	46,220,943	46,220,943
Shunt Compensation Project (GoB Loan)	2,614,398	2,844,597
Horipur Combined Cycle Plant (GoB Loan)	8,366,225	8,366,225
Transmission Efficiency Improvement Project (TEI)	4,335,854	4,671,473
BD-India Grid Interconnection Project	81,411,525	83,329,239
Bibiana Comilla (North) (GoB)	25,234,060	27,187,311
Bibiyana-K.Koir 400 & F.Gonj-BBiana 230kv TLP	90,607,941	90,607,941
132 KV Grid Network Dev Project In Eastern Region	19,981,305	20,188,769
Ashugonj-Bhulta 400kv TLP	71,514,943	71,652,359
TCGI (GoB)	18,743,400	18,743,400
HVDC-2nd Phase	62,451,656	64,576,391
Feasibility Study to Connect Nuclear Power Plant with National Grid (GoB)	1,064,235	1,064,235
DPBS-1 Loan - Aminbazar-Savar T/L & Savar S/S	-	2,382,787
Bhola-Barishal-Borhanuddin project (HSBC)	2,090,290	8,524,634
Interest on Exchange Rate Fluctuation Loss (note 28.2)	334,248,958	294,188,179

Total interest expenses

Exchange Rate Fluctuation Loss/(Gain) during the period (note 28.1)

3,943,498,631	3,995,750,986
473,076,256	334,740,313
4,416,574,887	4,330,491,299

Amounts in BDT	
2020-21	2019-20

28.1 Finance expenses during the year 2019-20 (before restatement)	3,995,750,986
Expense understated-Exchange Rate Fluctuation Loss/(Gain)*	334,740,313
Finance expenses during the year 2019-20 (after restatement)	<u>4,330,491,299</u>

*Previously PGCB had charged foreign exchange (gain)/loss to PPE and Capital works-in-progress as per the form set out in Part-1 of Schedule XI of the Companies Act-1994 following the provision of Section 185 of the Companies Act 1994 which required inter alia that the property and assets shall be in the form set out in Part-I of Schedule XI or as near thereto as circumstance admit or in such other as may be approved by the Government either generally or in any other particular case. However, as per Para 28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in Para 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Accordingly, the Company restates the financial statements following the provision of IAS-8. As a result financial expenses for foreign exchange loss for the year 2019-2020 was understated amounting to Tk. 334,740,313. The Company has now rectified the amount by charging the foreign exchange loss to profit and loss and adjusted the same with the retained earnings to comply with IAS-21 accordingly. The financial expenses of the year 2019-2020 was Tk. 3,995,750,986 before restated and after restatement it stands to 4,330,491,299.

28.2 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 Contribution to WPPF

Profit before contribution to WPPF as per "Profit & Loss and Other Comprehensive Income Statement"

Contribution to WPPF

(Increase)/Decrease of WPPF for restated of previous year's expenses/(income)

Contribution to WPPF during the year

A	4,512,543,447	4,944,709,649
(A*5/105)	214,883,021	235,462,364
	-	4,968,104
	<u>214,883,021</u>	<u>240,430,468</u>

30. Income tax expense/(income) (Restated)

Current tax (Note 30.1)

Deferred tax (income)/expenses related to the origination and reversal of temporary differences (Note 30.2) **Restated**

655,882,568	961,111,188
263,097,970	1,297,567,870
<u>918,980,538</u>	<u>2,258,679,058</u>

30.1 Calculation of current tax

Calculation of Current Tax Payable

Total taxable income during the year

AIT on wheeling charge u/s-82C (2)b

Minimum tax on gross receipt

Minimum tax { U/S-82C(5) }

Tax on excess perquisite (Rate 22.5%)

Tax on entertainment (Rate 22.5%)

Current Tax

Income (Tk.)	Rate	Tax
(i)	(ii)	(iii) = (i X ii)
-	22.50%	-
21,354,489,833	3%	642,142,566
22,795,100,243	0.60%	136,770,601
	Higher of the above	<u>642,142,566</u>
	59,889,450	13,475,126
	1,177,224	264,875
		<u>655,882,568</u>

"As per paragraph 80(B) of IAS-12, components of tax expenses(income) may include any adjustments recognised in the period for current tax of prior periods". Due to understatement of prior years profit by Tk. 7,388,865,009 income tax expenses have to be reduced by BDT 1,662,494,627 but there is no impact of prior years adjustment on current year's income tax expenses because of the company providing minimum tax as per section 82(C) of ITO-1984.

As per the Paragraph 81(c) of IAS 12, The company is required to disclose numerical reconciliation between tax expense (income) and accounting profit. However, as the company providing minimum tax following sec 82 (c) of ITO-1984, the company did not disclose the reconciliation.

For Interest income the company is following cash basis accounting for determining taxable profit. However, previously the Company was following accrual basis for the same.

30.2 Calculation of Deferred Tax Expense/(Income) (Restated)

Deferred tax Liability

Carrying amount of Property, Plant & Equipment excluding

permanent differences (Restated)

Less: Tax base including Unabsorbed Depreciation (Restated)

Taxable Temporary Difference

(A)

Deferred tax asset

Provision for Gratuity as per Accounts

Less: Tax base

Deductible Temporary Difference

(B)

Deferred tax Liability

Interest Receivable

Less: Tax base

Taxable Temporary Difference

(C)

Net Taxable/(Deductible) Temporary Differences

(D) = (A-B+C)

Deferred Tax Liability as on 30 June 2021

(D X 22.5%)

Less: Deferred Tax Liability recognised as on 30 June 2020

Deferred Tax Expenses/(Income) related to the origination and reversal of temporary differences (Restated)*

Amounts in BDT	
2020-21	2019-20
123,732,478,108	127,439,479,631
(86,911,976,293)	(95,142,157,701)
36,820,501,815	32,297,321,930
3,060,039,694	2,908,180,568
(165,587,063)	(110,409,020)
2,894,452,631	2,797,771,548
43,390,113	20,553,102
-	-
43,390,113	20,553,102
33,969,439,297	29,520,103,484
7,643,123,841	7,380,025,871
(7,380,025,871)	(6,082,458,001)
263,097,970	1,297,567,870

*Previously PGCB had charged foreign exchange (gain)/loss to PPE as per the form set out in Part-1 of Schedule XI of the Companies Act-1994 following the provision of Section 185 of the Companies Act 1994 which required inter alia that the property and assets shall be in the form set out in Part-I of Schedule XI or as near thereto as circumstance admit or in such other as may be approved by the Government either generally or in any other particular case. However, as per Para 28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in Para 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Accordingly, the Company restates the financial statements following the provision of IAS-8. As a result, deferred tax expense was understated amounting to Tk. 628,082,695. The deferred tax expense was Tk. 673,365,324 before restatement and after restatement it stands to 1,301,448,119.

31. Earnings per share (Basic and diluted)

Net profit after tax

Weighted-average number of ordinary shares outstanding during the period (Note 31.1)

Earnings per share(EPS) - Basic and Diluted**

(last year's EPS restated*) (Note 31.2)

3,378,679,888	2,445,600,123
712,726,991	712,726,991
4.74	3.43

*Previously PGCB had charged foreign exchange (gain)/loss to PPE and Capital works-in-progress as per the form set out in Part-1 of Schedule XI of the Companies Act-1994 following the provision of Section 185 of the Companies Act 1994 which required inter alia that the property and assets shall be in the form set out in Part-I of Schedule XI or as near thereto as circumstance admit or in such other as may be approved by the Government either generally or in any other particular case. However, as per Para 28 of IAS-21, Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognized in profit or loss in the period in which they arise, except as described in Para 32 of IAS-21. Following the provision of IAS-21, the Company has changed its policy during the year. Accordingly, the Company restates the financial statements following the provision of IAS-8. The EPS for the year 2019-2020 was 4.45 before restatement and after restatement it stands to 3.45.

**As per gazette # ১৪৬/এফআরসি/প্রশাস/প্রজ্ঞাপন/ ২০২০/০১ dated 02 March 2020, any money received as Share Money Deposit (SMD) or whatever name, included in the Equity, is not refundable. And money received under SMD should be converted to Share capital within 6 months of receipt of the money. The above-mentioned gazette also requires that, until converting the SMD into Share Capital, SMD amount should be considered as Potential Share Capital and also for the calculation of Earnings Per Share of the Company. The Company has not calculated the diluted EPS considering the SMD amount as per the gazette while calculating DEPS as mentioned above.

31.1 Number of ordinary shares beginning of the year
Number of ordinary shares issued during the year

712,726,991	460,912,991
-	251,814,000
712,726,991	712,726,991

31.2 EPS of 2020-2021 increased to BDT 4.74 from BDT 3.43 (increased by BDT 1.31) in compare to previous period. The total income of the Company has increased by BDT 3,155,796,344 and the total expenses of the Company has increased by BDT 2,222,716,579. The expenses do not incur in line with the Company's income, hence EPS has increased.

Amounts in BDT	
2020-21	2019-20

32. Reconciliation of cash flow from operating activities using indirect method with cash flow from operating activities using direct method:

Particular

Cash flows from operating activities

Net Profit After Tax (as reported)

Finance income (Non Operating Income)	3,378,679,888	2,445,600,123
Depreciation	(528,688,679)	(518,031,921)
Foreign Exchange (Gain)/Loss	6,149,994,514	6,085,970,214
Amortization of Grant	473,076,256	334,740,313
	(4,913,227)	(4,913,227)

Operating profit before working capital changes

9,468,148,751 **8,343,365,502**

Changes in working capital:

Adjustments for (increase)/decrease in operating assets:

Accounts receivable	(21,632,306,240)	(1,813,360,296)
Advances, deposits and prepayments	(1,898,685,013)	(683,863,694)
Inventory	(19,074,729,802)	(196,955,651)
	(658,891,425)	(932,540,951)

Adjustments for increase/(decrease) in liabilities:

Liability for expenses	1,831,328,702	4,490,732,897
Liability for other finance	(283,780,957)	326,310,642
Interest payable	1,238,977,086	1,439,384,088
Deferred liability-gratuity	(139,529,049)	669,586,171
Provision for Tax	96,681,083	(203,227,062)
Deferred tax liability	655,882,568	961,111,188
	263,097,971	1,297,567,870

Adjustments for increase/decrease in liabilities and assets which are not related to net cash flows for operating activities

Adjusted to inventory that was erroneously recorded into plant & machineries	20,087,183,047	(126,619,506)
Advance given/adjusted by Projects (WIP) (Restated)	376,951,803	236,877,287
Non cash adjustment to Liabilities for Expenses/Other finance	17,051,557,958	(1,671,819,913)
Prior Year adjustment to Receivable or Income	323,966,667	-
Increase/ (decrease) in Interest receivable (Note 8.2)	(97,449,820)	-
(Increase)/ decrease in Unclaimed Dividend (Note 21.2)	22,837,011	20,513,520
(Increase)/ decrease in Dividend Payable (Note 21.3)	(548,195)	(584,280)
	503,628,000	(503,628,000)

Adjustments for the long term portion of interest:

Interest expense (IDC) included in long term loan (Note 32.2)	1,906,239,624	1,792,021,882
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Net cash flow from operating activities (Restated)

9,754,354,261 **10,894,118,597**

Net operating cash flow per share Current Year

13.69 **15.29**

Net operating cash flow per share Last Year (Restated)

15.29 **9.98**

32.1 The reason for deviation of net operating cash flow per share (NOCFPS) from Tk. 15.29 to Tk. 13.69, net decrease by Tk. 1.60, due to increase in payment to suppliers, contractors and employees by Tk. 2,332,311,154; increase in interest payment during the year by Tk. 642,645,122; and increase in collection from customers by Tk. 1,811,194,798.

32.1.1 Cash receipts from customers:

Opening balance of Accounts Receivable	6,200,124,727	5,536,774,553
Sales revenue (as reported)	21,857,084,165	18,740,622,266
Adjustments:		
Decreased for non cash adjustment to sundry payable	(97,449,820)	-

Closing balance of Accounts Receivable	27,959,759,072	24,277,396,819
	(8,071,292,183)	(6,200,124,727)

Cash received from customer during the year

19,888,466,890 **18,077,272,092**



Amounts in BDT	
2020-21	2019-20

32.1.2 Cash paid to suppliers, contractors and employees:

Opening balance of Current Liabilities

Liability for expenses
Liability for other finance
Deferred liability-gratuity

15,267,215,277	13,704,747,612
1,692,916,323	1,366,605,681
10,776,527,406	9,337,143,321
2,797,771,548	3,000,998,610

Opening balance of Current Assets

Advances, deposits and prepayments
Inventory

(16,455,151,121)	(15,325,654,519)
(14,385,557,778)	(14,188,602,127)
(2,069,593,343)	(1,137,052,392)

Expenses incurred during the year:

Transmission Expenses
Administrative expenses
Contribution to WPPF

14,124,255,043	10,647,923,532
13,223,107,380	9,838,472,094
686,264,641	569,020,970
214,883,022	240,430,468

Closing balance of Current Liabilities

Liability for expenses
Liability for other finance
Deferred liability-gratuity

(16,319,092,489)	(15,267,215,278)
(1,409,135,366)	(1,692,916,323)
(12,015,504,492)	(10,776,527,406)
(2,894,452,631)	(2,797,771,548)

Closing balance of Current Assets

Advances, deposits and prepayments
Inventory

36,188,772,348	16,455,151,121
33,460,287,580	14,385,557,778
2,728,484,768	2,069,593,343

Other Adjustment to reconcile cash payment for operating expenses

Depreciation expenses
Adjusted to Advance paid for Projects (WIP)
Non cash adjustment to Liabilities for Expenses/Other finance
Adjusted to inventory that was erroneously recorded into plant & machineries in previous years
Liabilities increased for unpaid dividend during the year

(24,405,550,747)	(4,146,815,308)
(6,149,994,515)	(6,085,970,214)
(17,051,557,958)	1,671,819,913
(323,966,667)	-
(376,951,803)	(236,877,287)
(503,079,805)	504,212,280

Cash paid to suppliers, contractors, employees during the year (Restated)

8,400,448,312	6,068,137,159
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32.2 Opening Balance of long-term portion of interest payable (Note 19)
Add: Charged during the year (IDC) (Note 19.1)
Less: Closing balance of long-term portion of interest payable (Note 19)

(28,279,453,287)	(24,588,093,149)
(3,029,897,763)	(1,899,338,256)
33,215,590,674	28,279,453,287
1,906,239,624	1,792,021,882



33. Related party transactions

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:

Name of the party	Nature of relationship	Nature of transaction	Opening Balance BDT	Transactions during the year		Receivable/ (payable) as at 30 June 2021 BDT
				Dr. BDT	Cr. BDT	
Bangladesh Power Development Board (BPDB)	Majority shareholder	Transmission charge	2,650,888,558	3,769,792,033	2,471,739,172	3,948,941,420

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

Related party key management personnel compensation:

	2020-21
Basic pay	8,850,179
Accommodation allowance	4,425,090
Bonus	1,340,580
Contribution to CPF	572,764
	15,188,613

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

Statement of Salary & Other Benefits to Managing Director & Full Time Directors for FY 2020-2021:

Sl. No.	Designation of Employees	Name of Employees	Basic Pay	Accommodation Allowance	Bonus	CPF Contribution	Total
1	MD	Golam Kibria	2,158,032	1,079,016	357,000	215,803	3,809,851
2	ED (P & D)	Md. Yeakub Elahi Chowdhury	1,809,600	904,800	301,600	180,960	3,196,960
3	ED (O & M)	Md. Masoom Alam Bokshi	1,760,019	880,009	145,250	176,001	2,961,279
4	ED (HRM)	Shiekh Reaz Ahmed	878,435	439,218	71,530	-	1,389,183
5	ED (Finance)	Md. Nizam Uddin	858,360	429,180	169,400	-	1,456,940
6	Director (OPGW)	Md. Ashraf Hossain	1,385,733	692,867	295,800	-	2,374,400
	Total		8,850,179	4,425,090	1,340,580	572,764	15,188,613

34 Number of employees

The number of employees was 2,690 as at 30 June 2021 and 2,748 as at 30 June 2020. All the employees are paid over BDT 36,000 per annum.

35 Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 15 November 2021.

36 Event after the reporting period

The Board of Directors in its meeting held on 15 November 2021 recommended cash dividend @ 20% per share for the year 2020-21 which is subject to the approval at the forthcoming AGM.



37. 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

37.1 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:

	Notes	Amounts in BDT	
		30.06.2021	30.06.2020
Accounts and other receivables			
Receivable from transmission and optical fibre charge	8.1	8,071,292,183	6,200,124,727
Other Receivable	8.2	4,680,546	-
Interest receivable	8.2	43,390,113	20,553,102
Advance, deposit and prepayments	9	33,460,287,580	14,385,557,778
FDR	6	4,820,000,000	910,000,000
Cash and bank balances	10	9,557,809,169	14,361,932,660
		55,957,459,591	35,878,168,267
b) Ageing of receivables			
Dues within 6 months	8.3	3,913,935,657	3,509,141,118
Dues over 6 months	8.3	4,157,356,526	2,690,983,609
		8,071,292,183	6,200,124,727



c) Credit exposure by credit rating

Accounts and other receivables
Advance, deposit and prepayments
Cash and bank balances
FDR

As on 30 June 2021		
Credit rating	Amount (BDT)	(%)

NR	8,119,362,842	14.51%
NR	33,460,287,580	59.80%
	9,557,809,169	17.08%
	4,820,000,000	8.61%

Cash and bank balances

Cash in hand

853,513 0.01%

Cash at bank

9,556,955,656 99.99%

AB Bank Limited	AA-	66,465,280	0.70%
All GMD- Banks	N/A	1,436,840,799	15.03%
Custom Deposit-Chattogram	N/A	3,414,991,922	35.73%
Custom Deposit-Benapole	N/A	648,302,497	6.78%
Custom Deposit-Dhaka	N/A	143,638,969	1.50%
Custom Deposit-Khulna	N/A	419,587,506	4.39%
Hong Kong Shanghai Banking Corporation	AAA	63,071,322	0.66%
Mercantile Bank Limited	AA	2,129,324,150	22.28%
Sonali Bank Limited	AAA	1,056,460,927	11.05%
Rupali Bank Limited	AAA	178,272,284	1.87%

FDR

4,820,000,000 100.00%

Sonali Bank Limited-BB Avenue Branch	AAA	1,000,000,000	20.75%
Sonali Bank Limited-Badda Branch	AAA	1,000,000,000	20.75%
Sonali Bank Limited-Rampura Branch	AAA	750,000,000	15.56%
Exim Bank Limited-Panthapath Branch	AA-	150,000,000	3.11%
Mercantile Bank Limited-EIB Branch	AA	100,000,000	2.07%
Mercantile Bank Limited-Aftabnagar Branch	AA	100,000,000	2.07%
First Security Islami Bank Limited-Khilgaon Branch	A+	100,000,000	2.07%
First Security Islami Bank Limited-Mohakhali Branch	A+	50,000,000	1.04%
First Security Islami Bank Limited-Mohammadpur Branch	A+	100,000,000	2.07%
First Security Islami Bank Limited-Bishwa Road Branch	A+	100,000,000	2.07%
ONE Bank Limited-Uttara Br	AA	100,000,000	2.07%
Southeast Bank Limited-Shyamoli Branch	AA	100,000,000	2.07%
Rupali Bank Limited-Rupali Sadan Branch	AAA	100,000,000	2.07%
Rupali Bank Limited-Malibagh Branch	AAA	250,000,000	5.19%
Agrani Bank Limited-Badda Branch	AAA	100,000,000	2.07%
Agrani Bank Limited-Banani Corporate Branch	AAA	700,000,000	14.52%
AB Bank Limited-Nawabpur Road Branch	AA-	20,000,000	0.41%



37.2 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	Contractual cash flows BDT	Within 6 months or less BDT	Within 6-12 months BDT
Current portion of long term loan	2,033,001,510	June 2021	4%~12%	2,033,001,510	-	2,033,001,510
Interest Payable	862,046,729	June 2021	4%~12%	862,046,729	-	862,046,729
Contribution to WPPF	214,883,021	June 2021	N/A	214,883,021	-	214,883,021
Liabilities for expenses	1,409,135,366	June 2021	N/A	1,409,135,366	-	1,409,135,366

37.3 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)

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

30.06.2021 (USD)	30.06.2020 (USD)
646,100,913	646,481,644
81,064,139	81,111,908
143,016,398	110,041,805
67,115,490	41,683,472
937,296,941	879,318,829

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

30.06.2021 (EURO)	30.06.2020 (EURO)
78,095,045	74,993,348
4,978,134	5,930,137
3,614,292	4,305,478
86,687,471	85,228,963

Swedish International Development Co-operation Agency

30.06.2021 (SEK)	30.06.2020 (SEK)
14,776,958	17,970,241

Japan International Co-operation Agency

30.06.2021 (JPY)	30.06.2020 (JPY)
49,015,621,065	35,016,509,681

Jiangsu ETERN Co. Ltd.

30.06.2021 (CNY)	30.06.2020 (CNY)
987,355,456	-

Net exposure

The following significant exchange rates are applied during the year:

Exchange rate of USD	84.90	84.85
Exchange rate of SEK	9.96	9.10
Exchange rate of EURO	101.02	95.41
Exchange rate of JPY	0.77	0.79
Exchange rate of CNY	13.14	

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:

Fixed rate instrument

30.06.2021

BDT

Financial asset

4,820,000,000

Financial liability

244,821,117,425

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.

38 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.

