

In compliance with the the Notification No. SEC/CMRRCD/2008-183/Admin/03-34 Dated September 27, 2009 of the Securities and Exchange Commission, we are pleased to publish the 3rd Quarter (un-audited) Financial Statements ended 31st March, 2019 of the Company as below:

3rd Quarter (un-audited) Statement of Financial Position as at 31st March, 2019

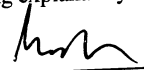
Power Grid Company of Bangladesh Limited

Statement of Financial Position (Un-audited)

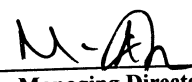
As at March' 31, 2019

	Notes	<u>March '31, 2019</u> Taka	<u>June'30, 2018</u> Taka
Assets			
Property, plant and equipment	04	112,798,116,350	115,120,606,842
Capital work-in-progress	05	83,804,408,100	63,269,033,237
Total non-current assets		196,602,524,450	178,389,640,079
Investment in FDR	06	50,000,000	110,000,000
Inventories	07	1,251,279,791	1,011,360,681
Accounts and other receivables	08	4,963,155,201	3,240,307,900
Advances, deposits and prepayments		11,203,360,414	9,901,480,568
Cash and cash equivalents	09	10,299,209,921	7,481,236,802
Total current assets		27,767,005,327	21,744,385,951
Total assets		224,369,529,777	200,134,026,030
Equity			
Share capital	10	4,609,129,910	4,609,129,910
Deposit for shares	11	46,530,408,886	37,348,943,886
Retained earnings		9,768,965,298	7,875,722,492
Total equity attributable to equity holders		60,908,504,094	49,833,796,288
Liabilities			
Term loan - interest bearing	12	141,966,517,162	129,395,518,629
Grant from SIDA & KFW	13	1,081,187,214	1,048,053,605
Deferred liability - gratuity	14	3,053,692,983	2,791,709,375
Deferred tax liabilities	15	7,052,127,960	6,240,241,542
Total non-current liabilities		153,153,525,319	139,475,523,151
Term loan - interest bearing		405,701,762	840,005,104
Interest Payable	16	190,045,555	410,713,009
Liabilities for expenses		920,860,443	2,030,713,925
Liabilities for other finance		8,347,228,059	7,178,242,571
Provision for taxation	17	443,664,545	365,031,982
Total current liabilities		10,307,500,364	10,824,706,591
Total liabilities		163,461,025,683	150,300,229,742
Total equity and liabilities		224,369,529,777	200,134,026,030

The accounting explanatory notes (1 to 27) form an integral part of these Financial Statements.


Company Secretary


Executive Director(F)


Managing Director


Director


Chairman



Power Grid Company of Bangladesh Limited


Statement of Comprehensive Income(Un-audited)
for the Period ended on March' 31, 2019

Notes	July 01, 2018 to March 31, 2019 Taka	July 01, 2017 to March 31, 2018 Taka	January to March 31, 2019 Taka	January to March 31, 2018 Taka
18	12,686,785,724	11,364,548,542	3,815,426,419	3,507,951,136
19	(6,564,630,644)	(6,527,039,242)	(1,927,855,002)	(2,169,075,573)
	<u>6,122,155,080</u>	<u>4,837,509,300</u>	<u>1,887,571,417</u>	<u>1,338,875,563</u>
20	(559,792,915)	(472,766,056)	(245,390,857)	(144,834,863)
	<u>5,562,362,165</u>	<u>4,364,743,244</u>	<u>1,642,180,560</u>	<u>1,194,040,700</u>
Results from operating activities				
21	149,572,697	57,389,082	1,780,133	6,948,109
22	269,068,761	119,699,478	126,689,410	49,372,787
	<u>(2,240,823,900)</u>	<u>(2,270,239,937)</u>	<u>(593,920,358)</u>	<u>(684,352,861)</u>
	<u>3,740,179,722</u>	<u>2,271,591,867</u>	<u>1,176,729,745</u>	<u>566,008,735</u>
Profit before contribution to WPPF				
	(178,103,796)	(108,171,041)	(56,034,749)	(26,952,797)
	<u>3,562,075,926</u>	<u>2,163,420,826</u>	<u>1,120,694,996</u>	<u>539,055,938</u>
Contribution to WPPF				
Profit before income tax				
23	(890,518,982)	(540,855,206)	(280,173,749)	(134,763,984)
	<u>2,671,556,944</u>	<u>1,622,565,620</u>	<u>840,521,247</u>	<u>404,291,953</u>
Basic earnings per share (per value Tk 10)				
24	<u>5.80</u>	<u>3.52</u>	<u>1.82</u>	<u>0.88</u>


* Income tax expense for the period July 01,2018 to March 31,2019 consists Current tax TK.78,632,563.09 & Deferred tax expense TK. 811,886,418.47

** Application has been submitted to BSEC to issue shares in favour of Bangladesh Power Development Board for Tk. 251,81,40,000 against their transmission infrastructure transferred to the Company on 30/12/2002 and 30/06/2007. The EPS and NAVPS will be affected when the share in question will be issued.

The accounting explanatory notes (1 to 27) form an integral part of these Financial Statements.



Company Secretary




Executive Director(F)



Managing Director



Director



Chairman

Note: The details of the published 3rd quarter financial statements is available in the website of the company. The address of the web-site is www.pgecb.org.bd



Power Grid Company of Bangladesh Limited

Statement of Changes in Equity(Un-audited)

for the Period Ended on March' 31 '2019

	Share Capital	Deposit for Shares	Accumulated Profit	Total
Balance at 30 June,2018	4,609,129,910	37,348,943,886	7,875,722,492	49,833,796,288
Addition/Adjustment during the period		9,181,465,000	5,237,947	9,186,702,947
Net profit for the period			2,671,556,944	2,671,556,944
Dividend (17% Cash)			(783,552,085)	(783,552,085)
Balance at 31 March,2019	4,609,129,910	46,530,408,886	9,768,965,298	60,908,504,094

Statement of Changes in Equity(Un-audited)

for the Period Ended on March' 31 '2018

	Share Capital	Deposit for Shares	Accumulated Profit	Total
Balance at 30 June,2017	4,609,129,910	30,394,658,990	6,380,288,420	41,384,077,320
Addition/Adjustment during the period		3,826,626,000	1,778,685	3,828,404,685
Net profit for the period			1,622,565,620	1,622,565,620
Dividend (15% Cash)			(691,369,487)	(691,369,487)
Balance at 31 March,2018	4,609,129,910	34,221,284,990	7,313,263,238	46,143,678,138



Company Secretary




Executive Director(F)



Managing Director



Director



Chairman



Power Grid Company of Bangladesh Limited

Cash Flow Statement(Un-audited)

For the period ended March' 31, 2019

	July 01, 2018 to March 31, 2019	July 01, 2017 to March 31, 2018
	<u>Taka</u>	<u>Taka</u>
A. CASH FLOW FROM OPERATING ACTIVITIES:		
RECEIPTS:		
Cash Receipts from Customers	10,955,448,979	10,289,260,303
Others	-	-
	10,955,448,979	10,289,260,303
PAYMENTS:		
Cash paid to Suppliers ,Contractors,employees & etc.	(4,390,754,708)	(2,583,012,658)
Interest paid	(771,635,482)	(480,261,153)
	(5,162,390,190)	(3,063,273,811)
Net Cash Provided by Operating Activities : (Note 25)	5,793,058,789	7,225,986,492
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Addition to fixed assets and capital work in progress	(22,066,571,046)	(24,759,783,123)
Investment in FDR	60,000,000	880,000,000
Interest Received	148,361,586	75,429,040
Net Cash (Used in) Investing Activities:	(21,858,209,460)	(23,804,354,083)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share capital and Deposit for share	9,219,836,556	4,617,478,054
Long term loan	10,446,839,319	13,873,748,048
Dividend Paid	(783,552,085)	(691,369,487)
Net Cash Provided by Financing Activities	18,883,123,790	17,799,856,615
(Decrease) / Increase in Cash (A+B+C)	2,817,973,119	1,221,489,024
Cash, beginning of the Period	7,481,236,802	5,434,654,620
Cash, End of the Period	10,299,209,921	6,656,143,644



Company Secretary



Executive Director(F)



Managing Director



Director



Chairman



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

for the Period ended on March' 31, 2019

1. Reporting entity

1.1 Company profile

Power Grid Company of Bangladesh Ltd. (the Company) is a listed public limited Company. The Company was incorporated on 21 November 1996 having registration no. C-31820 (941)/96 under the Companies Act, 1994 as a private limited company by share which was subsequently converted to a public limited company on 05 March 2000. The Company is listed with both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

1.2 Nature and scope of business

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

1.3 Registered office

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

1.4 Corporate head office

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

2. Basis of preparation

2.1 Statement of compliance

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

Foreign currency exchange difference of BDT 2,027,402,595.36 arising from foreign currency denominated loans and borrowings taken by the Company for acquisition of property, plant and equipment has been added with the carrying amount of capital works-in-progress and property, plant and equipment as required under the provision of Section 185, read with, Part-1, Schedule XI of the Companies Act, 1994 since the loans were used in the projects that were accounted for in capital works in progress. The difference arising from capitalisation of foreign exchange loss/(gain) has been recognised in accordance with the requirements of the Companies Act, 1994.

2.1.1 Other regulatory compliances

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

- The Securities & Exchange Ordinance, 1969
- The Securities & Exchange Rules, 1987
- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax Act, 1991
- The Value Added Tax Rules, 1991
- The Customs Act, 1969



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

for the Period ended on March' 31, 2019

2.2 Presentation of financial statements

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

2.3 Basis of measurement

These financial statements have been measured under historical cost convention.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT) 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.

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

	<u>Note Ref.</u>
Depreciation and amortisation	4
Deferred liability for gratuity	14
Deferred tax liabilities	15
Foreign currency denominated loans and borrowings Included in Loans	12

2.7 Going concern

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



for the Period ended on March' 31, 2019

2.8 Applicable accounting standards

The following BASs are applicable for the financial statements for the year under review:

- BAS - 1 Presentation of Financial Statements
- BAS - 2 Inventories
- BAS - 7 Statements of Cash Flows
- BAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- BAS - 10 Events after the Reporting Period
- BAS - 12 Income Taxes
- BAS - 16 Property, Plant and Equipment
- BAS - 18 Revenue
- BAS - 19 Employee Benefits
- BAS - 20 Accounting for Government Grants and Disclosure of Government Assistance
- BAS - 21 The Effects of Changes in Foreign Exchange Rates
- BAS - 23 Borrowing Costs
- BAS - 24 Related Party Disclosures
- BAS - 32 Financial Instruments: Presentation
- BAS - 33 Earnings per Share
- BAS - 34 Interim Financial Reporting
- BAS - 36 Impairment of Assets
- BAS - 37 Provisions, Contingent Liabilities and Contingent Assets
- BAS - 39 Financial Instruments: Recognition and Measurement
- BFRS - 7 Financial Instruments Disclosures
- BFRS - 13 Fair Value Measurement

2.9 Reporting period

The financial statements of the Company cover nine months from 01 July 2018 to 31 March 2019 and followed consistently.

3. Significant accounting policies

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

3.1 Foreign currency transactions

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

3.2 Property, plant and equipment

3.2.1 Recognition and measurement

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



for the Period ended on March' 31, 2019

3.2.2 Subsequent costs

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

3.2.3 Depreciation

No depreciation is charged on land and capital work in progress

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

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

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

3.2.4 Capital works-in-progress

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

3.2.5 Retirement and disposal

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

3.3 Inventories

Inventories consisting of spare parts at Grid Maintenance Divisions (GMD) offices are valued at lower of cost and net realisable value in accordance with provisions of BAS 2: Inventories. Cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

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

3.4 Financial instrument

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

3.4.1 Cash and cash equivalents

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

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

for the Period ended on March' 31, 2019

3.4.2 Accounts and other receivables

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

3.5 Share capital

Paid up capital represents 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.

3.6 Provisions

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

3.7 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the 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 BAS 12: Income Taxes.

3.7.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The effective rate of tax is 25% . Provision for tax has been made on the basis of income tax laws.

3.7.2 Deferred tax

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

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

3.8 Revenue recognition

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

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

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

for the Period ended on March' 31, 2019

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

3.9 Basis for allocation of transmission expense and administrative expense:

Particulars	Transmission	Admin.	Total
Salary and other employee benefits	89	11	100
Travelling and conveyance	96.2	3.8	100
Functions, games and entertainment	8.67	91.33	100
Rent, rates and taxes	44.9	55.1	100
Postage, telephone and fax	67.66	32.34	100
Recruitment and training	47.4	52.6	100
CPF contribution	92.11	7.89	100
Gratuity	83	17	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	2	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. No particular policy is followed for the allocation of cost.

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. 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 BAS 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 (BAS 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 (BAS 33.31).

3.12 Events after the reporting period

N/A.

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

for the Period ended on March' 31, 2019

3.13 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of BAS 7: Statement of Cash Flows. The cash generated from operating activities has been prepared using the direct method as prescribed by Securities and Exchange Rules 1987 and as the benchmark treatment of BAS 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 BAS 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 BAS 19: Employees Benefits. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

3.15.1 Defined contribution plan (provident fund)

Defined contribution plan is a post-employment benefit plan. The recognised Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution.

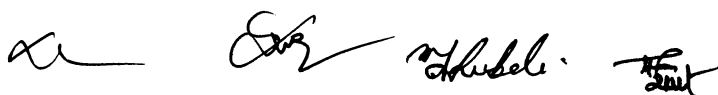
The Company recognises contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

3.15.2 Defined benefit plan (gratuity)

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

3.15.3 Group insurance

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



for the Period ended on March' 31, 2019

3.16 Workers Profit Participation Fund (WPPF)

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

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

3.17 Proposed dividend

The amount of proposed dividend has not been accounted for but disclosed in the notes to the accounts along with dividend per share in accordance with the requirements of the para 125 of BAS 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 BAS 10: Events After The Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

3.18 Comparative information

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



4 Property, plant and equipment

Particulars	Cost		Depreciation		Written down value	
Land and land development	5,852,906,878	483,417,119	-	-	6,336,323,997	5,852,906,878
Building	609,832,954	81,530,001	-	92,446,426	572,990,418	517,386,528
Plant and machinery (substation and transmission line)	175,545,061,424	870,253,717	176,415,315,141	67,511,150,625	105,228,329,948	108,033,910,799
Motor vehicle	1,143,726,911	66,635,278	1,210,362,189	741,459,481	354,666,733	402,267,430
Office equipment	393,706,322	17,099,861	410,806,183	157,714,266	225,637,575	235,992,056
Computer & Accessories	65,328,826	7,077,808	72,406,634	29,336,973	34,384,348	35,991,853
Signboard	56,411,853	-	56,411,853	56,411,853	-	-
Furniture and fixture	85,240,362	5,182,398	90,422,760	43,089,064	42,145,394	42,151,298
Total						

Depreciation allocated to:

Transmission expenses (Note 19)	3,839,042,664	3,828,639,171
Administrative expenses (Note 20)	14,644,009	14,604,325

AB *Sur* *not attached.* *the*

5 Capital work-in-progress

Balance as at 1 July	63,269,033,237	25,353,438,671
Add: Cost incurred during the year	20,535,374,863	37,915,594,566
Less: Adjustment/transfer to assets	-	-
Balance	83,804,408,100	63,269,033,237

Project-wise break-up:

400/230/132 Kv Chocoria Matharbari TLP	234,562	234,562
Ashuganj Bhulta 400 KV Transmission Line Project	6,395,943,662	5,717,948,413
Aminbazar Mawa Mongla 400 KV TLP & Aminbazar S/S Project	151,245,591	119,388,896
132 KV Amnura Substation & Associated TLP	570,721,753	566,059,942
Bakerganj-Barguna 132kv and Barguna S/s construction Project	253,621,109	18,637,616
B.Baria-Nabinagar-Narshingdi 132 KV Transmission Line Project	200,000	200,000
Baharampur-BD-Baharampur-India 2nd 400kv TLP	193,468,939	2,568,048
Bangladesh power system reliability and efficiency improvement Project	13,616,958	4,270,636
ESPNER Project - Eastern Region	1,686,487	-
Enhancement of capacity of Grid S/S & TL for Rural Electrification Project	8,199,433,347	6,556,104,709
Power Grid Network Strengthening Project (G to G)	131,791,646	85,745,025
Ghorasal 230kv UG cable project	131,915,747	112,589,974
400/230/132 KV Grid Network Development Project	6,789,200,803	4,474,910,145
Grid Development Project in Eastern Region	8,903,991,379	8,649,497,151
Head Office Building	1,677,226,209	1,439,286,501
HVDC 400kv back to back substation project	62,394,068	297,361
HVDC 2nd Block	15,960,441,936	14,299,198,099
Kodda 132/33 KV S/S Project	83,919,469	24,818,094.64
Kodda-Rajendrapur 132kv double circuit TLP	192,588,981.16	1,900.00
Matarbari-Anowara-Madunaghat 400 KV TL Project	500,000	-
Matarbari-Madunaghat 400 KV TL Project	39,061,857	23,799,291
DTIMEZRPS Mirsharail project	194,592,756	2,222,799
Dhaka-Chittagong MPGS Project (MMM)	423,602,774	396,356,036
Mongla Khulna (South) 230 KV TLP	989,850,686	824,985,928
Management Training Centre Building, Agargaon	182,826,160	140,703,739
Mymensingh Tangail Bhaluka and Jamalpur Sherpur	198,502	198,502
National Power Transmission Network Development	14,220,543,336	11,088,649,969
Sylhet Shajibazar Brahmanbaria 400 Kv TL	36,340,322	36,340,322
Shajibazar Ashuganj 132 Kv Transmission Line	158,988,750	158,988,750
Replacement of Aminbazar 132kv double circuit TLP	108,632,008	108,000
Meghnaghat – Aminbazar 400 Kv RPP, Associated T/L extension Transmission Line	487,551,473	487,681,960
Patuakhali (Payra) Gopalganj 400 KV TLP & Gopalganj 400 KV S/S	9,334,367,542	3,302,321,790
Patuakhali-Payra 230kv TL Project	1,146,008,233	91,585,248
Rajendrapur 132kv GIS S/S project	200,639,628	5,570,306
RE Component of MUSCCFP	579,096,024	487,581,378
Reconductoring of 132kv TLP	1,548,495,818	1,121,845,732
Based Power Supply Project).	143,117,244	66,086,654
Western Grid Network Development Project	2,217,583,853	935,782,571
Exchange Rate Fluctuation loss/(Gain)	1,370,949,566	1,370,949,566
Inventory In Transit	707,818,923	655,517,623
Balance	83,804,408,100	63,269,033,237

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6 Investment in FDR			
These represent the investment in Fixed Deposit in various scheduled banks.			
7 Inventories			
These represent the closing inventory of electrical goods as at 31 March 2019. The electrical goods included spare parts which were received from Bangladesh Power Development Board (BPDB) along with the substations and transmission			
8 Accounts and other receivables (re-arranged)			
Receivable from transmission/wheeling and optical fiber charge (note 8.1)	4,961,637,841		3,230,301,095
Other receivables (note 8.2)	1,517,360		10,006,804
8.1 Accounts receivables			
Receivable from transmission/wheeling and optical fiber charge	4,967,076,841		3,235,740,095
Provision for bad debt (RPCL)	(5,439,000)		(5,439,000)
Net receivable from transmission/wheeling and optical fiber charge			
8.2 Other receivables			
T/L sales (Tangail PBS)	-		9,700,555
Interest receivable	1,517,360		306,249
9 Cash and Cash Equivalents			
Cash in hand	801,722		711,389
Balances with banks as:			
Current deposit accounts	1,453,067,734		933,017,262
Short term deposit accounts	8,845,340,465		6,547,508,151
	10,298,408,199		7,480,525,413
Balance			
10 Share capital			
Authorized share capital			
10,000,000,000 ordinary shares of Tk. 10 each			
Paid up share capital			
460,912,991 ordinary shares of Tk. 10 each			

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11 **Deposit for shares**

This represents the amount of investment received from the Government of the People's Republic of Bangladesh as part of GoB equity against the development projects & BPDB's Investment received through 5th & 6th Vendors Agreement.

Balance as at 1 July		37,348,943,886	30,394,658,990
Add: Received during the period from the GoB as part of equity in respect of development projects		<u>9,181,465,000</u>	<u>7,035,011,571</u>
		46,530,408,886	37,429,670,561
Less: Refunded to GoB the surplus fund released by GoB		-	80,726,675
Balance			
	31.03.2019	30.06.2018	
Note: Investment of Govt.	44,012,268,886	34,830,803,886	
Investment of BPDB	<u>2,518,140,000</u>	<u>2,518,140,000</u>	
Total Investment	<u>46,530,408,886</u>	<u>37,348,943,886</u>	

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

12 **Term loan- interest bearing**

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

ADB loan	51,818,246,201	48,974,530,674
GoB loan	26,954,765,936	21,105,049,433
Assigned loan	3,648,966,862	4,394,319,983
SIDA loan	233,122,186	273,987,868
KFW loan	3,457,217,739	3,379,242,577
Danida loan	751,992,488	846,286,898
DPBS-1 loan	432,842,500	467,042,500
NDF loan	534,733,184	603,194,084
JBIC loan BD 52 , 55, 70, 76 & 81	15,394,287,503	13,962,811,964
IDA loan (No 4508 & 53810)	8,530,845,647	7,388,582,777
EDCF loan	7,178,077,705	7,081,806,954
HSBC loan	1,112,496	191,661,790
IDB loan BD 0172	1,434,072,615	1,254,926,242
DPBS-3 loan	<u>38,476,823</u>	<u>38,476,823</u>
	120,408,759,885	109,961,920,567
Less: Transferred to Term loan-interest bearing i.e. Current portion of long term loan payable during FY:2018-19	(405,701,762)	(840,005,104)
Total long term loan	120,003,058,123	109,121,915,463
Add: Long term interest	21,963,459,039	20,273,603,166
Balance		

13 **Grant from SIDA & KFW**

Grant from KFW (note 13.1)	989,941,559	956,807,950
Grant from SIDA (note 13.2)	<u>91,245,655</u>	<u>91,245,655</u>

13.1 **Grant from KFW**

Balance as at 1 July	956,807,950	80,154,780
Received During the period	<u>33,133,609</u>	<u>876,653,170</u>
Balance		

13.2 **Grant from SIDA**

Balance as at 1 July	91,245,655	96,158,882
Less: Current period amotization	-	(4,913,227)
Balance		

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14 Deferred Liability- gratuity

	[REDACTED]	[REDACTED]
Balance as at 1 July	2,791,709,375	1,963,994,600
Add: Provision made during the period	<u>320,000,000</u>	<u>909,116,456</u>
	3,111,709,375	2,873,111,056
Less: Paid /adjustment during the period	58,016,392	81,401,681
Balance	[REDACTED]	[REDACTED]

15 Deferred tax liabilities

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

Balance as at 1 July	6,240,241,542	5,853,283,410
Prior Year Adjustment	-	-
Addition/(Reversal) during the period	<u>811,886,418</u>	<u>386,958,132</u>
Balance	[REDACTED]	[REDACTED]

16 Interest Payable

This represents the interest payable for the period.

The movement of the above amount is given below:

Balance as at 1 July	20,684,316,175	17,003,529,321
Add: Interest charged during the period	<u>2,240,823,900</u>	<u>4,293,439,176</u>
	22,925,140,075	21,296,968,497
Payment/Adjustment made during the period	(771,635,481)	(612,652,322)
Balance	[REDACTED]	[REDACTED]
The Company expects to pay Interest Payable during FY: 2018-19	190,045,555	410,713,009
Interest Payable -Long Term Portion	<u>21,963,459,039</u>	<u>20,273,603,166</u>
Total	<u>22,153,504,594</u>	<u>20,684,316,175</u>

17 Provision for taxation

Balance as at 01 July	365,031,982	269,262,084
Add: Addition during the period	<u>78,632,563</u>	<u>95,769,898</u>
	443,664,545	365,031,982
Prior Year adjustment	-	-
Less: Paid/Adjusment during the period	-	-
Balance	[REDACTED]	[REDACTED]

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18 Revenue

Transmission/wheeling charge	12,469,967,926	11,207,846,803
Optical Fiber charge	216,817,798	156,701,739

19 Transmission expenses

Salary and other employee benefits	1,623,010,764	1,647,142,125
Travelling and conveyance	41,720,461	41,998,611
Functions, games and entertainment	1,626,817	391,243
Rent, rates and taxes	20,515,918	21,354,913
Postage, telephone and fax	4,213,219	3,148,463
Recruitment and training	10,936,316	21,648,282
CPF contribution	65,435,712	63,534,292
Gratuity	265,600,000	373,500,000
Electricity and power	159,318,327	137,750,162
Office Expenses	5,833,863	4,485,531
Fuel and lubricant	17,841,182	17,866,921
Security expense	158,574,033	158,861,601
Insurance	1,180,450	1,310,406
Bank charges and commission	1,552,126	2,704,925
Consultancy	1,875,895	6,328,323
Repair and maintenance	346,092,538	196,050,086
C & F, carrying and handling	259,712	285,116
Miscellaneous expenses	648	39,071
Depreciation (Note: 1)	3,839,042,664	3,828,639,171

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20 Administrative expenses

Salary and other employee benefits	200,596,836	203,579,364
Travelling and conveyance	1,648,002	1,658,989
Functions, games and entertainment	17,136,934	4,121,359
Rent, rates and taxes	25,207,099	26,237,940
Postage, telephone and fax	2,013,827	1,504,897
Recruitment and training	12,136,080	24,023,199
CPF contribution	5,605,122	5,442,249
Gratuity	54,400,000	76,500,000
Electricity and power	2,689,327	2,325,252
Office Expenses	10,590,301	8,142,652
Fuel and lubricant	5,593,971	5,602,041
Security expense	2,153,752	2,157,658
Insurance	4,277,017	4,747,876
Bank charges and commission	30,062	52,389
Consultancy	8,615,689	29,064,982
Repair and maintenance	11,182,715	6,334,642
C & F, carrying and handling	10,793	11,849
Miscellaneous expenses	146	8,839
Depreciation (Note: 1)	14,644,009	14,604,325
Advertisement and publicity	12,631,538	12,049,804
Audit fee	20,000	401,995
Legal expenses	7,968,738	395,887
Fees and renewals	120,172,668	6,232,121
Directors' honorarium and support service allowance	3,407,100	3,317,520
Other honorarium	3,969,904	2,063,950
AGM Expenses	1,481,410	1,911,393
Donation & Subscription	525,000	12,525,000
Research & Development Expenses	31,084,875	17,747,884

21 Finance income

Interest Income	149,572,697	57,389,082
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22 Other income

Rental income	8,629,144	5,570,217
Miscellaneous sales	206,159,559	77,835,469
Grant Income	-	-
Miscellaneous income	54,280,059	36,293,792

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23 Income tax expense/(Income)

Current tax	78,632,563	69,249,823
Deferred tax	811,886,418	471,605,384
Deferred Tax (Income)/Expenses related to the origination and reversal of temporary differences	811,886,418	471,605,384
Adjustment to opening deferred tax liability resulting from increase/(reduction) in tax rate	-	-

24 Earning per share (EPS)- basic

Net profit after tax	2,671,556,944	1,622,565,620
Number of Ordinary shares outstanding during the year	460,912,991	460,912,991
EPS - basic		

EPS of 3rd Quarter(2018-19) has increased by Tk. 2.28 in compare to previous year due to increase (almost 11%) of wheeling bill than that of previous year.

25 Cash Flow

Net cash inflow from operating activities of 3rd Quarter(2018-19) has decreased compare to previous year due to increase of payment (suppliers, employees, contractors and interest).

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26 Related party transactions

The Company in normal course of business has entered into transactions with other entities that fall within the definition of related party contined in BAS 24. The Company believes that the terms of related party transactions are not significantly different from those that could have been obtained from parties. the significant related party transactions during the period are as follows:

<u>Name of the party</u>	<u>Nature of relationship</u>	<u>Nature of transaction</u>	Transactions during the period	Receivables/(payable) as at 31 March 2019
			BDT	BDT
Bangladesh Power Development Board (BPDB)	Majority shareholder	Transmission charge	1,869,068,347	1,589,765,245

27 Key management personnel compensation

The Company has no related party key management personnel.



Net Operating Cash Flow Per Share(NOCFPS)

	<u>Net operating cash flow</u>		
	Number of shares		
Third Qtr. 2018-19	<u>5,793,058,789</u>	=	12.57
	460,912,991		
Third Qtr. 2017-18	<u>7,225,986,492</u>	=	15.68
	460,912,991		

Earning Per Share (EPS)

	<u>Net Income After Tax</u>		
	Number of shares		
Third Qtr. 2018-19	<u>2,671,556,944</u>	=	5.80
	460,912,991		
Third Qtr. 2017-18	<u>1,622,565,620</u>	=	3.52
	460,912,991		

Net Asset Value Per Share (NAVPS)

	<u>Net Asset Value</u>		
	Number of shares		
Third Qtr. 2018-19	<u>60,908,504,094</u>	=	132.15
	460,912,991		
Third Qtr. 2017-18	<u>46,143,678,138</u>	=	100.11
	460,912,991		

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