

Bangladesh Gas Fields Company Limited
Birashar
Brahmanbaria

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Auditor's report and financial statements
For the year ended 30 June 2023

S. F. AHMED & CO.

Chartered Accountants | Since : 1958

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Contents

Sl. No.	Particulars	Page No.
1	Independent Auditor's Report	1-2
2	Statement of Financial Position (Balance Sheet)	3
3	Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)	4
4	Statement of Changes in Equity	5
5	Statement of Cash Flows	6
6	Significant Accounting Policies and Notes to the Financial Statements	7-45
7	Budget Variance Report	46-47
8	Key Performance Indicator (KPI)	48



**Independent Auditor's Report
To the Shareholders of Bangladesh Gas Fields Company Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bangladesh Gas Fields Company Limited (the company), which comprise the statement of financial position (balance sheet) as at 30 June 2023, and the statement of profit or loss and other comprehensive income (profit and loss statement), 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, the accompanying financial statements give a true and fair view of the financial position of the company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

(1) We draw attention to note no. 20, note no. 26 and note no. 27 to the financial statements, where the cumulative balance of Hydrocarbon development fund (HCDF), depreciation fund and emergency fund is BDT 23,410,031,796. However, investments against these funds have a cumulative balance of BDT 17,829,777,714 resulting a shortfall of BDT 5,580,254,082.

(2) We draw attention to note no. 16 to the financial statements, interest income from depreciation fund investment, emergency fund investment and hydrocarbon development fund investment has been credited with the respective fund balances without pass through in statement of profit and loss and other comprehensive income (profit and loss statement).

Our opinion is not modified regarding these matters.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books; and
- c) the statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account.

Auditor's Signature : 
Name of Engagement Partner : Md. Moktar Hossain, FCA, Senior Partner
Enrollment No. : 728
Firm's Name : S. F. AHMED & CO., Chartered Accountants
Firm's Reg. No. : 10898 E.P. under Partnership Act 1932



Document Verification Code (DVC) : 2309270728AS385434

Dhaka, Bangladesh
Dated, **27 SEP 2023**

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Statement of Financial Position (Balance Sheet)
As at 30 June 2023

Particulars	Notes	Amount in Taka	
		30 June 2023	30 June 2022
1 CAPITAL AND RESERVES		35,901,678,013	36,980,775,681
Share capital	18	10,275,567,970	9,801,714,510
GOB contribution to equity	19	81,422,593	473,853,465
Capital reserve	20	2,217,267,996	2,138,140,825
Revaluation reserve		70,419,657	70,419,657
Revenue reserve	21	154,471,717	154,471,717
Retained earnings	22	23,102,528,080	24,342,175,507
2 LONG TERM BORROWINGS		24,536,351,553	24,002,018,213
Unsecured loans-local sources	23	10,074,255,665	11,857,880,370
Unsecured loans-foreign sources	24	14,462,095,888	12,144,137,843
3 FUND & LIABILITIES		32,575,523,473	29,180,520,025
Accumulated depletion and depreciation	25	10,819,789,529	8,231,690,734
Depreciation fund	26	20,120,261,942	19,376,438,049
Emergency fund	27	1,635,472,002	1,572,391,242
4 OTHER LONG TERM LIABILITIES		7,062,475,885	7,241,999,132
Customers' and contractors' security deposits		2,187,868	2,201,548
Deferred tax liability	28	7,060,288,017	7,239,797,584
5 CURRENT LIABILITIES		5,960,769,531	5,504,224,885
Trade creditors (SD-VAT and others)	29	2,330,758,149	1,224,168,716
Accruals and provisions	30	291,352,207	976,884,521
Beneficiaries' profit participation fund		-	25,170,874
Current portion of long term loan (local and foreign)	31	2,920,552,536	2,650,990,705
Interest payable	32	7,340,878	253,194,313
Provision for income tax	33	410,765,761	373,815,756
TOTAL EQUITY & LIABILITIES (1+2+3+4+5)		106,036,798,455	102,909,537,936
6 FIXED ASSETS		64,551,944,735	62,046,852,045
Proved properties (Gas wells) at cost	34	40,799,627,737	40,172,711,222
Property, plant and equipments (at cost or valuation)	35	17,740,539,388	17,561,475,021
Capital works- in- progress	36	6,011,777,610	4,312,665,802
7 INVESTMENT AND OTHER ASSETS		26,667,031,116	28,261,773,207
Bank deposits (FDR)	37	7,955,042,154	10,960,431,855
Hydro carbon development fund investment		981,219,177	1,563,653,540
Depreciation fund investment		15,453,128,063	13,576,340,636
Emergency fund investment		1,395,430,474	1,292,314,679
Loans to group companies (non-current portion)	38	89,242,286	118,989,720
Loans to employees (non-current portion)	39	792,968,962	750,042,777
8 CURRENT ASSETS		10,797,350,545	9,765,402,341
Inventories of stores and other materials	40	142,369,369	138,567,090
Advances, deposits and prepayments	41	77,587,035	39,609,654
Current portion of loan to group companies	38	29,747,432	29,747,430
Current portion of loans to employees	42	70,457,764	52,012,968
Trade accounts receivable (except group company)	43	313,282,934	313,282,934
Other current assets	44	8,946,143,620	8,369,887,517
Cash and bank balances	45	1,217,762,391	822,294,748
9 GROUP COMPANY ACCOUNTS (RECEIVABLE)		4,020,472,059	2,835,510,343
Gas distribution companies	46	3,479,876,647	2,303,711,840
Other current accounts	47	540,595,412	531,798,503
TOTAL ASSETS (6+7+8+9)		106,036,798,455	102,909,537,936

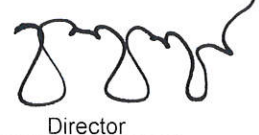
These financial statements should be read in conjunction with the annexed notes.

For and on behalf of Board of Directors of Bangladesh Gas Fields Company Limited


GM (Finance and Accounts)


Company Secretary



Managing Director


Director

As per our report of even date

Dhaka, Bangladesh
Dated, **27 SEP 2023**




S. F. AHMED & CO.
Chartered Accountants

DVC :
2309270728AS385434

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)
For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		30 June 2023	30 June 2022
1 REVENUE		11,574,860,177	9,730,684,673
Sales of gas	48	10,535,979,653	8,606,278,048
Sales of petroleum products	49	1,019,029,224	1,101,543,475
Condensate handling	50	19,851,300	22,863,150
2 VALUE ADDED TAX (VAT) and supplementary duty (SD)	51	6,590,982,108	4,490,442,584
3 NET REVENUE (1-2)	52	4,983,878,069	5,240,242,089
4 OPERATING EXPENSES		4,775,272,075	4,348,933,931
Production cost	53	2,165,460,756	1,707,726,763
Depreciation, depletion and amortization	53	2,609,811,319	2,611,370,987
Transportation of petroleum products	54	-	29,836,181
5 OTHER OPERATING INCOME	55	4,918,766	30,766,186
6 GROSS OPERATING PROFIT (3-4+5)		213,524,760	922,074,344
7 FINANCIAL COST		1,775,419,309	1,300,125,666
Interest cost	56	737,563,375	657,637,293
Exchange rate fluctuation loss/ (gain)	56	1,037,855,934	642,488,373
8 NET OPERATING PROFIT/(LOSS) (6-7)		(1,561,894,549)	(378,051,322)
9 NON-OPERATIONAL INCOME		551,768,502	881,468,808
Investment income	57	482,661,194	817,644,764
Finance income	57	69,107,308	63,824,044
10 PROFIT/ (LOSS) BEFORE BPPF & TAX (8+9)		(1,010,126,047)	503,417,486
11 CONTRIBUTION TO BPPF	58	-	25,170,874
12 PROFIT/ (LOSS) BEFORE TAX (10-11)		(1,010,126,047)	478,246,612
13 PROVISION FOR CORPORATE TAX			
Current Tax			
A. Current year tax	33.1	158,094,999	131,517,818
B. Prior year tax	33	(74,064,052)	(453,169,194)
		84,030,947	(321,651,376)
C. Deferred tax income	28.2	(179,509,567)	(456,001,229)
Net tax provision		(95,478,620)	(777,652,605)
14 PROFIT/ (LOSS) FOR THE YEAR (12-13)		(914,647,427)	1,255,899,217
15 Payment to National Exchequer as Advance (Interim) Dividend		325,000,000	642,600,256
16 TRANSFER TO EMERGENCY FUND		-	62,794,961
17 PROFIT/ (LOSS) TRANSFER TO STATEMENT OF CHANGES IN EQUITY (14-15-16)		(1,239,647,427)	550,504,000
18 BASIC EARNINGS PER SHARE (BEPS)		(0.89)	1.28
19 DILUTED EARNINGS PER SHARE (DEPS)		(0.88)	1.22

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

For and on behalf of Board of Directors of Bangladesh Gas Fields Company Limited



GM (Finance and Accounts)



Company Secretary



Managing Director



Director

As per our report of same date



Dhaka, Bangladesh
Dated, **27 SEP 2023**


S. F. AHMED & CO.
Chartered Accountants
DVC :
2309270728AS385434

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Statement of Changes in Equity
For the year ended 30 June 2023

Particulars	Share capital	GOB contribution to equity	Capital reserves	Revaluation reserve	Revenue reserve	Retained earnings	Total
Balance as at 01 July 2022	9,801,714,510	473,853,465	2,138,140,825	70,419,657	154,471,717	24,342,175,507	36,980,775,681
GOB contribution to equity converted to paid up capital	473,853,460	(473,853,460)	-	-	-	-	-
Interest on HCDF (Hydro Carbon Development Fund)	-	-	79,127,171	-	-	-	79,127,171
GOB contribution during the year	-	81,422,588	-	-	-	-	81,422,588
Profit/(loss) for the year	-	-	-	-	-	(1,239,647,427)	(1,239,647,427)
Balance as at 30 June 2023	10,275,567,970	81,422,593	2,217,267,996	70,419,657	154,471,717	23,102,528,080	35,901,678,013

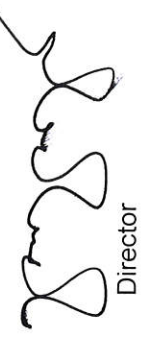
Particulars	Share capital	GOB contribution to equity	Capital reserves	Revaluation reserve	Revenue reserve	Retained earnings	Total
Balance as at 01 July 2021	8,032,503,200	1,769,211,310	2,073,639,917	70,419,657	154,471,717	23,791,671,507	35,891,917,308
GOB contribution to equity converted to paid up capital	1,769,211,310	(1,769,211,310)	-	-	-	-	-
Interest on HCDF (Hydro Carbon Development Fund)	-	-	64,500,908	-	-	-	64,500,908
GOB contribution during the year	-	473,853,465	-	-	-	-	473,853,465
Profit/(loss) for the year	-	-	-	-	-	550,504,000	550,504,000
Balance as at 30 June 2022	9,801,714,510	473,853,465	2,138,140,825	70,419,657	154,471,717	24,342,175,507	36,980,775,681

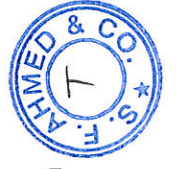
For and on behalf of Board of Directors of Bangladesh Gas Fields Company Limited


GM (Finance and Accounts)


Company Secretary


Managing Director


Director



Dhaka, Bangladesh
Dated **27 SEP 2023**

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Statement of Cash Flows
For the year ended 30 June 2023

	Amount in Taka	
	30 June 2023	30 June 2022
Cash flows from operating activities		
Profit/ (loss) before tax	(1,010,126,047)	478,246,612
Adjustment of non-cash items:		
Depreciation and depletion charges	2,609,811,319	2,611,370,987
Interest expense	737,563,375	657,637,293
Exchange rate fluctuation loss/(gain)	1,037,855,934	642,488,373
	<u>3,375,104,581</u>	<u>4,389,743,265</u>
Changes in working capital components:		
Decrease/(Increase) in inventories of stores and other materials	(3,802,279)	10,962,045
Decrease/(Increase) in advance, deposits and prepayments	(37,977,381)	121,685,080
Decrease/(Increase) in trade accounts receivables (except group company)	-	29,809,911
Decrease/ (Increase) in other current assets	(3,235,621)	85,200,404
Decrease/ (Increase) in group company accounts receivables	(1,155,214,284)	710,190,232
Increase/ (Decrease) in trade creditors (VAT & others) and accrual & provision	421,043,439	618,767,840
Increase/ (Decrease) in Beneficiaries' profit participation fund	(25,170,874)	(66,420,723)
Income tax paid (including source tax)	(872,772,187)	(602,806,309)
Interest paid	(983,416,810)	(799,047,839)
Net cash flow from operating activities	714,558,585	4,498,083,907
Cash flows from investing activities		
Acquisition of fixed assets	(2,526,805,214)	(5,366,044,669)
Adjustment/received from disposal of fixed assets	-	-
Investment in fixed deposits receipts	1,607,920,842	(588,576,193)
Loans to employees	(61,370,981)	(106,629,933)
Interest received from investment of hydro carbon development fund	101,750,492	90,266,168
Interest received from investment of depreciation fund	956,478,761	701,529,233
Interest received from investment of emergency fund	80,473,332	69,846,319
Net cash used in investing activities	158,447,232	(5,199,609,074)
Cash flows from financing activities		
GoB contribution to equity	81,422,588	473,853,465
Long term foreign loan received	2,381,173,104	2,771,934,068
Long term local loan received	122,133,882	781,001,965
Short term bank loan	-	(40,000,000)
Repayment of foreign long term loans	(994,551,600)	(651,012,848)
Repayment of local long term loans	(1,742,716,148)	(1,710,174,468)
Payment to National Exchequer as interim dividend	(325,000,000)	(642,600,256)
Net cash used in financing activities	(477,538,174)	983,001,927
Net increase/(decrease) in cash & cash equivalents	395,467,643	281,476,760
Total opening cash and cash equivalents	822,294,748	540,817,988
Total closing cash and cash equivalents	1,217,762,391	822,294,748

For and on behalf of Board of Directors of Bangladesh Gas Fields Company Limited



GM (Finance and Accounts)



Company Secretary



Managing Director



Director

Dhaka, Bangladesh
Dated, **27 SEP 2023**



Bangladesh Gas Fields Company Limited
Notes to the Financial Statements

For the year ended 30 June 2023

1. Introduction

Bangladesh Gas Fields Company Limited was converted to Public Limited Company vide a special resolution adopted in the 5th extra ordinary general meeting held on 18 August 1996.

2. Financial structure

The company's financial structure comprises:

- a. Equity capital, all of which are effectively owned by Petrobangla on behalf of the Government of Bangladesh; and
- b. Long term loan comprising of foreign and local currency loans.

3. Business

3.1 The company carries out production of natural gas within the eastern part of Bangladesh. A small quantity of condensate is also produced as by-product.

3.2 The company has consolidated with its own financial statements those of ongoing projects. The purpose of these projects is to substantially meet the country's growing demand of natural gas by carrying out a series of activities such as drilling of new wells, workover/recompletion of existing wells, installation of gas process plants and installation of gas compressor to increase wellhead gas pressure in line with the gas transmission pipeline pressure.

4. Basis of preparation of financial statements

4.1 Components of financial statements

1. Statement of Financial Position (Balance Sheet) as at 30 June 2023;
2. Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement) for the year ended 30 June 2023;
3. Statement of Changes in Equity for the year ended 30 June 2023;
4. Statement of Cash Flows for the year ended 30 June 2023;
5. Notes, comprising significant accounting policies and other explanatory information.

4.2 Statement of compliance

The financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

4.3 Date of authorization

The audited financial statements for the year ended 30 June 2023 were authorized by the Board of Directors on 25 September 2023.

4.4 Reporting period

These financial statements cover a period of one year from 01 July 2022 to 30 June 2023.

4.5 Basis of preparation

The financial statements of the company have been prepared on historical cost basis except to the extent as modified through revaluations as mentioned in Note no. 4.17 as per Companies Act, 1994 and Uniform System of Accounts (USAC) prescribed by Bangladesh Energy Regulatory Commission (BERC) for its Licensees vide BERC's order # 2018/01.

The financial statements provide comparative information in respect of the previous period.

4.6 Authentication of financial statements

Section 189 (1) (ii) of Companies Act 1994 states that financial statements of a public limited company shall be signed by its Managing Agent, Manager or Secretary, if any, and by not less than two Directors of the company one of whom shall be the Managing Director where there is one. Financial statements of the company for the year under reporting have been signed by executives of the company in compliance with this provision.



Bangladesh Gas Fields Company Limited
Notes to the Financial Statements

For the year ended 30 June 2023

4.7 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the discloser of contingent liabilities if any, at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.8 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the company's functional currency.

4.9 Gas and Oil exploration, development and production expenditure

Oil and gas exploration, development and production expenditures are accounted for as set out in the Statement of Recommended Practice (SORP) "Accounting for Oil and gas exploration and development activities" published by the Oil Industry Accounting Committee, UK.

4.10 Foreign currencies

Foreign currencies are recorded at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailed on the closing date and the resulting exchange differences are recognized in profit or loss in the period in which they arise as per IAS-21. The gains and losses arising from loans directly related to capital works-in-progress are charged to the concerned accounts till its completion.

4.11 Amortization of ERF

Exchange Rate Fluctuation (ERF) on foreign loans has been added to the assets procured with the principal loans received as per Petrobangla order no. 11.31.02/1000 dated 22/02/2001. According to the order, the entire loss or gains due to ERF of a year has been added to or deducted from the assets procured with the foreign currency loan proceeds as per Company's Act 1994 up to 30 June 2018 and ERF burdens are depreciated as per the applicable rate of depreciation/depletion of relevant asset.

4.12 Fields under development and in production

All field development costs borne by the company are capitalized under full cost method of accounting as tangible fixed assets named as proved properties and then depleted over the course of rest operating cycle. Such costs relate to the acquisition and installation of production facilities and also include development drilling costs, applicable exploration and evaluation costs, project overhead and interest capitalized in accordance with the Uniform System of Accounts (USAC) prescribed by Bangladesh Energy Regulatory Commission (BERC).

4.13 Depletion

4.13.1 The capitalized costs of fields in production are depleted field by field on a unit of production basis. Depletion is calculated by reference to the proportion that production for the period bears to the total of the estimated remaining commercial reserves at the beginning of the period.

4.13.2 Changes in estimates affecting unit of production calculations for depletion are accounted for prospectively over the estimated remaining commercial reserves of each field.

4.13.3 The company treats as commercial reserves the estimated proven and probable reserves which can be commercially exploited using currently available technology.

4.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing cost are recognized in profit or loss in the period in which they are incurred.



Bangladesh Gas Fields Company Limited
Notes to the Financial Statements

For the year ended 30 June 2023

4.15 Provision

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.16 Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. These are derecognized when the Company transfers the rights of the financial asset where such transfer qualifies for derecognition or the obligations specified in the contract is discharged or cancelled or expires.

Financial assets mainly comprise of investments, loans, advances, deposits, trade debtors, other receivables and cash and bank balances. Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities are trade and other payables.

4.17 Fixed assets

4.17.1 Expenditure exceeding taka 10,000.00 (Ten thousand) only on a single tangible item having useful life in excess of three years shall be treated as a fixed asset and the fixed assets are stated at cost or revaluation up to the period.

4.17.2 All tangible assets owned before 30 June 1981 were revalued using technical price indexes for the industry. Land is carried at cost. Surplus arising on the revaluation in 1981 of tangible assets is included in revenue reserve as per IAS-16, Para-41.

4.18 Depreciation

Freehold land is not depreciated. Other tangible assets are depreciated on a straight line basis at rates sufficient to write off historic cost over their estimated useful lives. Depreciation of an asset begins when it is available for use as per IAS-16, Para-55. Depreciation rates for the principal categories of assets are as follows:

Class of Assets	Rate of Depreciation
Leasehold land including development	0-5%
Buildings, sheds and walls	2.5-10%
Furniture, fittings and domestic equipment	10-20%
Office and communication equipment	20%
Other equipment's	15-30%
Production assets including plants	5-30%
Water services	10-20%
Vehicles	20 %
Other assets	5-25%

4.19 Depreciation fund

A "Depreciation fund", approved by the board in the 426th meeting held on 28 December 2005 has been created to meet the cost of replacement and/or acquisition of operating assets, creating new production facilities which may include well work-over, drilling, perforation, compression etc., in the existing as well as new fields. This approval is effective from 01 July 2005.

4.20 Emergency fund

An emergency fund was created according to the decision taken in the 53rd Annual General Meeting of the Company to meet emergency need like disaster. Later the fund policy was approved in the 493rd meeting of the Board of Directors of the Company held on 17 October, 2009. According to the policy, initially Tk. 5.00 Core has been transferred to the fund and 5% of after-tax-profit is being transferred to that fund



Bangladesh Gas Fields Company Limited
Notes to the Financial Statements

For the year ended 30 June 2023

4.21 Capital reserve

Capital reserve consists of mainly company's share of Hydrocarbon Development Fund (HCDF), grant received from government and donor agencies relating to extension of the gas production infrastructure. Under a government order the HCDF was created out of sales revenue @ 2.50% on end-users price up to November 1998 for future development expenditure of the company and other group operating companies engaged in gas transmission, distribution and production. Contribution to this fund has been discontinued from 01 December 1998.

4.22 Bank deposits

Bank deposits are classified under "Investments and other assets" where the deposits have a maturity of more than three months.

4.23 Inventories

Inventories are valued at average historical cost less provision for deterioration and obsolescence. Goods-in-transit are valued at cost. No amount is attributed to stocks of hydrocarbons in pipelines or petrochemical plant. Stock of petroleum products are measured at net realizable value i.e. "gazette price less VAT" in accordance with IAS-2, Para-4 as the sale of said products is assured under forward contract or government guarantee.

5. Loan to employees

Loan to employees are included in current assets at the face value of the loans plus accrued interest less any provision considered by the management to be necessary to state such loans at net realizable value within one year, whereas such loans are not expected to be realized within one year of the balance sheet date, they are included under the heading of "Investments and other assets".

6. Trade debtors

Trade debtors are valued at their realizable value, being the face value of the debts less provision for expected credit loss (as per IFRSs).

7. Repayment of long-term loans

Current portion of the long-term loans i.e. loans repayable during the next financial year has been shown as current liability in the statement of financial position (Balance Sheet) and the remaining balances are shown under long-term liabilities.

8. Employee benefits

- 8.1 The company operates a contributory provident fund for the benefit of employees. This fund is operated by a separate trustee.
- 8.2 The company provides an end-of-service gratuity to employees. A fund has been created to meet such liabilities as per NBR approval no.1 (6) Anu-1/99/41 dated 04-01-2000. The approval is effective from 01 July 1998. It is operated by a separate trustee.
- 8.3 The company operates a separate pension fund and a general provident fund for permanent employees under approval from the Ministry of Finance, Finance Division, Reference No-07.00.0000.126.00.003.13-120 Dated: 02 June 2014. The Pension Fund is duly approved by the NBR as per ref. no. 08.01.0000.035.02.325.20/728 dated 12 October 2020 and General Provident Fund is also approved by the Tax Commissioner Office as per ref. no. ১আ/প্রভিঃ ফান্ড-০৩/২০২১-২০২২/৪৪৬ dated 13 September 2021 accordingly. Company started operation of both the funds from 18 September 2013.

9. Revenue reserve

Revenue reserve include only amounts which are potentially distributable to shareholders.



Bangladesh Gas Fields Company Limited
Notes to the Financial Statements

For the year ended 30 June 2023

10. Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from the sale of gas and petroleum products is recognized when the significant risks and rewards of ownership have been transferred, which is considered to occur when title passes to the customer. This generally occurs when the product is physically transferred into a pipeline, vessel or other delivery mechanism.

Sales prices for gas and by-products are set by the Government of Bangladesh and all produced gas is sold to group companies. Sales are valued on an accrual basis and government levies and taxes on sales are disclosed separately.

11. Expenditure

All known expenditures have been accounted for in the financial statements irrespective of whether the same is paid or not up to the closing date.

12. Current Tax

Provision for current Income tax is provided on profits as determined by tax regulations at tax rates currently in force and recognized in the statement of profit or loss and other comprehensive income (profit and loss statement).

13. Deferred Tax

Deferred tax is calculated using the carrying amount and tax base of assets and liabilities. Deferred tax arises due to temporary difference deductible or taxable for the events or transactions recognized in the income statement. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount / reported amount in the statement of financial position. Deferred tax asset or liability is the amount of income tax recoverable or payable in future periods recognized in the current period. The deferred tax asset / income or liability / expense do not create a legal recoverability / liability to and from the income tax authority.

14. Statement of recommended practice (SORP)

Statement of Recommended Practice (SORP), issued by Oil Industry Accounting Committee, UK; 1 to 4 has been complied with where applicable.

SORP-1 refers to disclosures about oil and gas exploration and production activities.

SORP-2 refers to accounting for oil and gas exploration and development activities.

SORP-3 refers to accounting for abandonment costs.

SORP-4 refers to accounting for various financing, revenue and other transactions of oil and gas exploration and production companies.

15. Compliance report on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, BGFCL applied all the applicable IAS and IFRS as adopted by ICAB. Details are given below:



Bangladesh Gas Fields Company Limited
Notes to the Financial Statements

For the year ended 30 June 2023

Name of the IAS	IAS no.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events After The Reporting Period	10	Applied
Construction Contracts	11	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants & Disclosure of Govt. Assistance	20	Applied
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	N/A
Investments in Associates and Joint Ventures	28	N/A
Financial Instruments Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	N/A
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	N/A
Investment Property	40	Applied
Agriculture	41	N/A

Name of IFRS	IFRS No.	Status
First Time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Business Combinations	3	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	Applied
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	N/A
Financial Instruments	9	Applied
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	N/A
Insurance Contracts	17	Applied

16. Departure from IAS

Interest income generating from depreciation fund investment, emergency fund investment and hydrocarbon fund investment has been adjusted with the respective fund balances as per Petrobangla memo no: 28.02.0000.026.42.001.17/95. This contradicts with the requirements of paragraph 82(a) (i) of IAS 1: Presentation of Financial Statements which states that the Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement) shall include interest revenue calculated using the effective interest method. Hence, such is a departure from IAS 1.

17. Event after reporting date

All material events occurring after the reporting date are considered and where necessary, adjusted for or disclosed.



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

18. Share capital

The authorized share capital is Taka 1,200 crore comprises 1,200,000,000 ordinary shares of Taka 10 each. The issued, subscribed and paid-up share capital is Taka 10,275,567,970 consists of 1,027,556,797 ordinary shares of Taka 10 each fully paid up.

Details of share capital of the company are as under :

Description	30 June 2023	30 June 2022
i) 20,000,000 ordinary shares of Taka 10 each	200,000,000	200,000,000
ii) 3,050,000 ordinary shares of Taka.10 each	30,500,000	30,500,000
iii) 221,662,260 ordinary shares of Taka 10 each (GOB contribution converted to equity as per 3 rd EGM dated 26 May 1996)	2,216,622,600	2,216,622,600
iv) 558,538,060 Ordinary shares of Taka 10 each (GOB contribution to equity duly converted to paid-up capital as per the decision of 666 th Board Meeting and 65 th AGM held on 03 December 2020 and 10 January 2021 respectively)	5,585,380,600	5,585,380,600
v) 176,921,131 ordinary shares of Taka 10 each (GOB contribution to equity duly converted to paid-up capital as per the decision of 679 th Board Meeting and 66 th AGM held on 04 November 2021 and 13 November 2021 respectively)	1,769,211,310	1,769,211,310
vi) 47,385,346 ordinary shares of Taka 10 each called up and paid up (GOB contribution to equity duly converted to paid-up capital as per the decision of 694 th Board Meeting held on 26 October 2022)	473,853,460	-
Total	10,275,567,970	9,801,714,510

Distribution schedule of the above shares as at 30 June 2023 is given below:

Sl. No.	Name of share holder	Designation	No. of Share	Rate	Taka
1.	Petrobangla		1,027,556,727	10	10,275,567,270
2.	Mr. Zanendra Nath Sarker	Chairman, Petrobangla	10	10	100
3.	Mr. A. K. M. Benjamin Riazi	MD (Joint Secretary), Pan Pacific Sonargaon	10	10	100
4.	Mr. Md. Altaf Hossain	Director (Administration), Petrobangla	10	10	100
5.	Mr. Md. Shaheenur Islam	Director (PSC), Petrobangla	10	10	100
6.	Mr. Md. Kamruzzaman Khan	Director (Operation and Mines), Petrobangla	10	10	100
7.	Mr. Md. Abdul Mannan Patwary	Director (Planning), Petrobangla	10	10	100
8.	Begum Ruchira Islam	Secretary, Petrobangla	10	10	100
	Total		1,027,556,797		10,275,567,970

Note: GOB contribution to equity is duly converted to paid-up capital as per FRC guideline ref. no. 146/FRC/SS/2020/251 dated 11 February 2020. Accordingly, return on allotment (Form-XV) submitted to the Registrar of Joint Stock Companies and Firms (RJSCF) and certified copy has been collected by the company.

19. GOB contribution to equity

Particulars	30 June 2023	30 June 2022
Opening balance	473,853,465	1,769,211,310
Less: Converted to paid up share capital (note 18)	(473,853,460)	(1,769,211,310)
Add: Compressor Project (T&N)- FC	-	281,224,084
Add: Compressor Project (T&N)- GOB	-	47,629,196
Add: Wellhead Compressor Project Titas A - GOB	81,422,588	145,000,185
Closing Balance	81,422,593	473,853,465

20. Capital reserve

Particulars	30 June 2023				30 June 2022
	HCDF	Grants	Other	Total	
Opening balance	1,575,170,681	561,939,791	1,030,353	2,138,140,825	2,073,639,917
Add: Net interest received	79,127,171	-	-	79,127,171	64,500,908
Closing balance	1,654,297,852	561,939,791	1,030,353	2,217,267,996	2,138,140,825

Capital reserve mainly consist of Hydrocarbon Development Fund (HCDF) as detailed in note 4.21 Significant Accounting Policies. Movement of HCDF is as follows:



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

20.1 Hydrocarbon Development Fund (HCDF)

Particulars		30 June 2023	30 June 2022
Opening balance	(A)	1,575,170,681	1,510,669,773
Add: Interest received during the year		82,266,620	93,691,853
Less: Provision for taxation on interest income		(22,623,321)	(25,765,260)
Add: Adjustment of accrued interest		19,483,872	(3,425,686)
Net interest received during the year	(B)	79,127,171	64,500,907
Closing balance	(A+B)	1,654,297,852	1,575,170,681

Note: The following development work is implemented from Hydrocarbon Development Fund (HCDF)

Particulars	Implementation Period	Amount in TK
Workover of well no. Titas-24	2022-2023	494,430,536
Total		494,430,536

20.2 The grants received by the company are as follows :

Donor agency	Amount in TK
French Government (1988-1989) - Habiganj Gas Field, Well-3 & 4	47,629,264
UNDP (1994-1995) - Titas-11, HGF-6, NGF-1 & MGF-1	47,843,249
CIDA (1996-1997) - Titas-11, HGF-6, NGF-1 & MGF-1	371,728,991
Department for International Development (DFID)-UK (1981-1982) - Titas-5	64,531,950
ODA (2002-2003) - MSIP	5,491,337
USSR (1998-1999) - Purchase consideration of Feni gas field	24,715,000
Total	561,939,791

21. Revenue reserves

The Revenue reserve amounting to Tk. 154,471,717 comprises general reserve.

22. Retained earnings

Particulars	30 June 2023	30 June 2022
Opening balance	24,342,175,507	23,791,671,507
Add: Profit/ (loss) for the year	(1,239,647,427)	550,504,000
Closing balance	23,102,528,080	24,342,175,507

23. Unsecured loans - local sources

Loan	Project	Repayment Period	30 June 2023	30 June 2022
GOB loan	3-D Seismic (BGFCL Part)	1-7-2011 to 30-06-2031	89,675,970	109,534,542
GOB loan	Gas seepage control and development of Titas Field	1-7-2020 to 30-06-2032	764,313,808	849,237,564
GOB loan	Augmentation of gas production under Fast Track Pro	1-7-2019 to 30-06-2031	4,354,667,410	4,899,000,834
GOB loan	Installation gas compressor at Titas C and NGF	1-7-2022 to 30-06-2034	297,080,463	324,087,779
GOB loan	Wellhead compressor at Titas-A	1-7-2027 to 30-06-2039	360,168,791	238,034,910
GDF loan	Drilling of Titas # 27	1-7-2017 to 30-06-2026	237,097,124	366,725,106
GDF loan	Workover of wells at Titas gas field seepage Area.	1-7-2017 to 30-06-2027	803,052,666	1,032,337,712
GDF loan	Recompletion of Bakhrabad Well No#5	1-7-2018 to 30-06-2025	110,270,835	165,406,253
GDF loan	Compressor at BKB gas field	1-7-2018 to 30-06-2027	380,347,918	513,127,166
GDF loan	Titas # 21 Workover	1-7-2019 to 30-06-2027	216,586,247	280,966,690
GDF loan	Drilling of BKB # 10	1-7-2019 to 30-06-2027	1,256,313,183	1,573,327,443
GDF loan	Workover of 7 Wells at Titas, HGF, BKB & NGF	1-7-2021 to 30-06-2032	3,110,439,840	3,248,810,522
		Total	11,980,014,255	13,600,596,521
Less: Current portion (principal to be paid in next financial year)		(note 23.1)	(1,905,758,590)	(1,742,716,151)
		Balance as at 30 June	10,074,255,665	11,857,880,370

23.1 Movement of unsecured local loans are as follows:

Particulars	30 June 2023	30 June 2022
Balance as at 01 July	13,600,596,521	14,529,769,022
Addition/adjustment during the year	122,640,000	781,001,965
Total loan (before repayment)	13,723,236,521	15,310,770,987
Less: Repayment during the year	(1,743,222,266)	(1,710,174,466)
Total loan (before transferred to current liability) (note 23.2)	11,980,014,255	13,600,596,521
Less: Transferred to current liability to be paid in next financial year (note 31)	(1,905,758,590)	(1,742,716,151)
Balance as at 30 June	10,074,255,665	11,857,880,370



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

23.2 Local unsecured loans are repayable according to the following schedule :

Repayable	30 June 2023	30 June 2022
FY 2022-2023	-	1,742,716,151
FY 2023-2024 (note 23.1)	1,905,758,590	1,905,758,590
FY 2024-2025	1,954,861,048	3,834,264,933
FY 2025-2026 & 2026-2027	3,491,630,252	6,117,856,847
FY 2027-2028 to Next	4,627,764,365	-
Total	11,980,014,255	13,600,596,521

Note: The amount repayable within FY 2023-2024 is included under current liabilities.

24. Unsecured loan - foreign sources

Loan	Currency	Project	Repayment Period	30 June 2023	30 June 2022
ADB loan - 2188 BAN (SF), Part-B	US\$	Appraisal gas fields (3-D Seismic)	1-7-2018 to 30-06-2028	222,927,937	231,144,721
ADB loan - 2622 BAN (SF), Part-B	US\$	Gas seepage control & drilling	1-7-2020 to 30-06-2032	6,737,114,425	6,461,458,766
JICA loan No-BD-P78	YEN	Inst. of gas compressor (CTN)	1-7-2022 to 30-06-2037	3,137,883,571	3,362,018,111
ADB loan - 3461 BAN	US\$	Installation of wellhead compressor at Titas- A	1-7-2027 to 30-06-2039	2,361,411,703	1,339,876,464
ADB loan-3462 BAN (SF)	US\$	Installation of wellhead compressor at Titas - A	1-7-2027 to 30-06-2039	1,609,584,479	913,552,135
AIIB loan no- 8318	US\$	Installation of wellhead compressor at Titas - A	1-7-2027 to 30-06-2039	1,407,967,720	744,362,200
Total				15,476,889,834	13,052,412,397
Less: Current portion (principal and exchange fluctuation to be paid in next financial year) (note 24.1 and 24.2)				(1,014,793,946)	(908,274,554)
Balance as at 30 June				14,462,095,888	12,144,137,843

24.1 Movements of unsecured foreign loans are as follows:

Particulars	30 June 2023			30 June 2022
	Principal (book value)	Exchange rate fluctuation loss/(gain)	Balance as at 30 June 2023	
Balance as at 01 July	12,017,675,039	1,034,737,357	13,052,412,396	10,289,002,804
Addition during the year	2,381,173,104	1,037,855,934	3,419,029,038	3,414,422,441
Total loan (before repayment)	14,398,848,143	2,072,593,291	16,471,441,434	13,703,425,245
Less: Repayment during the year	(789,405,936)	(205,145,664)	(994,551,600)	(651,012,848)
Total before transferred to current liability	13,609,442,207	1,867,447,628	15,476,889,834	13,052,412,397
Less: Transfer to current liability and to be paid in next financial year (note 31)	(801,184,896)	(213,609,050)	(1,014,793,946)	(908,274,554)
Balance as at 30 June	12,808,257,311	1,653,838,577	14,462,095,888	12,144,137,843

24.2 The repayment profile of foreign loans is as follows :

Repayable	30 June 2023	30 June 2022
		908,274,554
FY 2023-2024 (note 24.1)	1,014,793,946	908,274,554
FY 2024-2025	1,014,793,946	1,816,549,108
FY 2025-2026 and 2026-2027	2,029,587,892	9,419,314,181
FY 2027-2028 to next	11,417,714,050	-
Total	15,476,889,834	13,052,412,397



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

Note: The amount repayable within FY 2023-2024 is included under current liabilities.

Name of Loan	Information
ADB loan - 2188 BAN (SF), Part-B, SLA signed with Finance Division, date; 11 September 2006	Loan agreement date with ADB : 18 June 2006 Loan amount (Disbursed); US\$ 4,117,307.51, Terms; 15 Years, Grace Period; 5 Years Total Instalment No. 20 (Yearly 2 instalment) @ USD 205,865.38
ADB loan - 2622 BAN (SF), Part-B, SLA signed with Finance Division, date: 15 November 2010	Loan agreement date with ADB : 03 June 2010 Loan amount (Disbursed); US\$ 82,910,275.88, Terms; 15 Years, Grace Period; 3 Years Total Instalment No. 24 (Yearly 2 instalment) @ USD 3,454,594.83
JICA loan - BD P 78 SLA signed with Finance Division date: 10 June 2015	Loan agreement date with JICA : 16 June 2014 Loan amount: JPY 9,335,000,000 in BDT. 729,00,00,000, Ex. Rate 1 JPY= 0.781 BDT Loan and Equity Ratio : 60% Loan and 40% Equity Total Instalment No. 20 (Yearly 2 instalment) @ BDT 145,800,000.00 Terms: 20 Years, Grace Period; 5 Years
ADB loan 3461-BAN and 3462-BAN (SF), SLA signed with Finance Division, date: 11 June 2017	Loan agreement date with ADB : 29 Decemver 2016 Loan amount: US\$ 69,367,000, Terms: 15 Years, Grace Period; 3 Years Total Instalment No. 24 (Yearly 2 instalment) @ USD 2,890,291.67
ADB Loan 8318 (AIIB 000015-1-BGD), SLA Signed with Finance Division, date: 13 July 2017	Loan agreement date with AIIB : 08 May 2017 Loan amount: US\$ 24,410,256.41, Terms: 15 Years, Grace Period; 3 Years Total Instalment No. 24 (Yearly 2 instalment) @ USD 1,017,094.02

25. Accumulated depletion and depreciation

Particulars	30 June 2023	30 June 2022
Balance as at 01 July	8,231,690,734	6,988,408,052
Add: Depletion during the year (note 34)	1,409,045,047	1,398,759,256
Depreciation during the year (note 35)	1,200,766,272	1,212,611,731
Accumulated depletion and depreciation	10,841,502,053	9,599,779,039
Less: Written off during the year (note 35)	(21,712,524)	(2,602,991)
	10,819,789,529	9,597,176,048
Less: Transfer to depreciation fund (note 26)	-	(1,365,485,314)
Balance as at 30 June	10,819,789,529	8,231,690,734

26. Depreciation fund

Particulars	30 June 2023	30 June 2022
Balance as at 01 July	19,376,438,049	17,506,512,706
Add: Interest received during the year	773,290,429	716,688,013
Less: Provision for taxation on current year's interest (773,290,429*27.5%)	(212,654,868)	(197,089,204)
Add/(Less): Adjustment of accrued interest	183,188,332	(15,158,780)
Total before transferred from accumulated depletion and depreciation	20,120,261,942	18,010,952,735
Add: Transferred from accumulated depletion and depreciation (note 25)	-	1,365,485,314
Balance as at 30 June	20,120,261,942	19,376,438,049

Note: The following development works are implemented from Depreciation Fund

Particulars	Implementation Period	Amount in TK
Drilling project Titas 17 & 18	July 2007 - June 2014	2,983,757,440
Redevelopment of BKB Field 1st Phase (Drilling BKB-9 & workover BKB-2&5)	July 2006 - June 2014	752,800,000
Appraisal of Gas Fields (3-D Seismic) - Survey over Titas & BKB gas field	January 2006 - June 2016	180,000,000
Workover of 7 wells at Titas, HGF, BKB & NGF	January 2017 - June 2022	261,580,871
Installation of Wellhead Gas Compressor at Titas-C & NGF	July 2014 - June 2022	9,733,095
Wellhead Gas Compressor at Titas-E & G	July 2021 - June 2023	32,928,968
Loan to GTCL for BIBIANA DHANUA Gas Pipeline	July 2012 - June 2016	118,989,720
Total		4,339,790,094



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

27. Emergency fund

Particulars	30 June 2023	30 June 2022
Balance as at 01 July	1,572,391,242	1,459,193,437
Add: Interest received during the year	63,245,720	70,703,543
Less: Provision for taxation on current year's interest	(17,392,573)	(19,443,474)
Add: Adjustment of accrued interest	17,227,612	(857,224)
Total	1,635,472,002	1,509,596,281
Add: 5% of after tax profit for the year	-	62,794,961
Balance as at 30 June	1,635,472,002	1,572,391,242

Note: The following development work is implemented from Emergency Fund

Particulars	Implementation Period	Amount in TK
Workover of well no. Titas-15	2017-2018	209,971,116
Total		209,971,116

28. Deferred tax liability

Deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements in accordance with the provisions of IAS 12. Tax rate prevailing at the balance sheet date is used to determine deferred tax. Details of deferred tax calculation is as follows:

28.1 Deferred tax liability/(asset)

Particulars	30 June 2023	30 June 2022
Carrying amount as per BGFCL books of accounts		
A. Fixed assets	8,516,502,525	9,516,491,906
Less: Freehold land (note 35.1)	(631,563,198)	(631,563,198)
Leasehold land (note 35.1)	(349,032)	(418,838)
Sub-total	7,884,590,295	8,884,509,870
B. Proved properties (gas wells) (note 34.2)	22,741,918,813	23,524,047,347
C. Total carrying Amount (A+B)	30,626,509,108	32,408,557,217
D. Carrying value of tax base as per 3rd schedule of Income Tax Ordinance 1984.	4,952,734,499	6,082,020,549
E. Taxable temporary differences (C-D)	25,673,774,609	26,326,536,668
F. Deferred tax liability as at 30 June (27.5% on E)	7,060,288,017	7,239,797,584

28.2 Deferred tax expense/(income)

Particulars	30 June 2023	30 June 2022
Closing balance of deferred tax liability (note 28.1)	7,060,288,017	7,239,797,584
Less: opening balance of deferred tax liability (note 28.1)	7,239,797,584	7,695,798,813
Deferred tax expense/(income)	(179,509,567)	(456,001,229)

29. Trade creditors (SD-VAT and others)

Particulars	Sub-note	30 June 2023	30 June 2022
Supplementary duty and VAT	29.1	2,190,019,363	1,145,451,305
Supply of materials		5,361,060	4,268,795
Condensate handling	29.2	135,377,726	74,448,616
Total		2,330,758,149	1,224,168,716

29.1 Supplementary duty & VAT

Fields	30 June 2023	30 June 2022
Titas Field	1,304,259,585	710,473,648
Habiganj Field	666,333,981	312,492,840
Bakhrabad Field	114,657,157	66,549,196
Narsingdi Field	95,625,665	46,033,040
Meghna Field	9,142,975	9,902,581
Sub-total	2,190,019,363	1,145,451,305

29.2 Condensate handling

Name of parties	30 June 2023	30 June 2022
BAPEX	77,341,751	33,254,010
Petrobangla - Tullow (Bangura)	56,889,285	40,047,915
TGTDCL	1,146,690	1,146,690
Sub-total	135,377,726	74,448,616



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

30. Accruals and provisions

Particulars	Sub-note	30 June 2023	30 June 2022
Capital expenditure	30.1	32,866,615	742,414,349
Utilities, audit fee, labour bill, micro bus hire bill etc.	30.2	17,893,511	14,955,780
Other creditors	30.3	159,937,910	174,812,524
Advance received against condensate sales		80,654,171	44,701,868
Total		291,352,207	976,884,521

30.1 Capital expenditure

Particulars	30 June 2023	30 June 2022
Outstanding liabilities for capital works-in-progress	32,866,615	742,414,349
Sub-total	32,866,615	742,414,349

30.2 Utilities, audit fee, labour bill, micro bus hire bill, etc

Particulars	30 June 2023	30 June 2022
Gas, electricity and water charges	2,273,758	1,387,888
Internet and telephone charges	469,683	249,883
Outstanding liabilities for expenses, foreign mats., audit fee, labour bill, micro bus hire bill etc.	15,150,070	13,318,009
Sub-total	17,893,511	14,955,780

30.3 Other creditors

Particulars	30 June 2023	30 June 2022
Tax and VAT deducted at source from suppliers/contractors	106,737,712	6,725,234
Employees club/union	373,056	232,831
Others (Incentive bonus, employee income tax, etc.)	52,827,142	167,854,459
Sub-total	159,937,910	174,812,524

31. Current portion of long term loan (local and foreign)

Particulars	30 June 2023	30 June 2022
Principal payable of local loan (note 23.1)	1,905,758,590	1,742,716,151
Principal payable of foreign loan (note 24.1)	801,184,896	801,184,896
Foreign exchange fluctuation loss/(gain) payable of foreign loan (note 24.1)	213,609,050	107,089,658
Total	2,920,552,536	2,650,990,705

32. Interest payable

Particulars	Note	30 June 2023	30 June 2022
Foreign loan	32.1	3,891,888	250,101,109
Local loan	32.2	3,448,990	3,093,204
Interest on SOD loan		-	-
Total (note 32.3)		7,340,878	253,194,313

32.1 Details of interest payable foreign loan

Loan description	Opening balance as at	Interest charged during the year	Interest paid/ adjustment	Balance as at 30 June 2023
ADB loan - 1293 BAN (SF) Part A	-	-	-	-
ADB loan - 2188 BAN (SF) Part B	85,896	8,438,856	8,439,145	85,607
ADB loan - 2622 BAN (SF) Part B	2,509,959	267,843,753	267,689,595	2,664,117
JICA loan no - BD - P78	247,505,254	132,331,489	378,694,578	1,142,165
Total foreign loan	250,101,109	408,614,098	654,823,318	3,891,889



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

32.2 Details of interest payable local loan

Loan description	Opening balance as at 01 July 2022	Interest charged during the year	Interest paid/ adjustment during the year	Balance as at 30 June 2023
GOB loan - 3-d Seismic (BGFCL Part)	46,347	4,100,641	4,100,096	46,892
GOB loan - GSCDP	323,407	32,768,937	32,766,610	325,734
GOB loan - fast track programme	1,893,983	188,249,886	188,249,886	1,893,983
GOB loan- Compressor (T&N)	-	12,581,709	12,460,361	121,348
GDF- Titas # 12 (workover)	7,129	-	7,130	-
GDF- Titas # 27	74,489	6,677,484	6,683,463	68,510
GDF- Workover of wells at Titas gas field seepage area	194,826	19,484,625	19,453,155	226,296
GDF- BKB #5 (workover)	33,232	3,028,672	3,030,182	31,722
GDF- Compressor at BKB field	98,901	9,589,553	9,580,610	107,844
GDF- Titas # 21 (workover)	53,242	5,293,022	5,285,161	61,103
GDF- BKB # 10 New Well	293,370	29,859,764	29,800,254	352,880
GDF-7 Wells (workover)	74,278	17,314,985	17,176,584	212,679
Total local loan	3,093,204	328,949,277	328,593,492	3,448,990
Total (note 32.1 and note 32.2)	253,194,313	737,563,375	983,416,810	7,340,879

32.3 Movements of Interest payable on long-term loans are as follows :

Particulars	30 June 2023	30 June 2022
Opening balance	253,194,313	122,543,133
Add: Interest charged during the year (note 32.2)	737,563,375	929,699,018
Less : Interest paid during the year (note 32.2)	(983,416,810)	(799,047,839)
Closing balance	7,340,878	253,194,313

33. Provision for Income Tax

Particulars	30 June 2023	30 June 2022
Tax provision as at 1 July	373,815,756	759,589,096
Add: Current tax provision for company (note 33.1)	158,094,999	131,517,818
Provision for the year (Depreciation fund, HCDF and Emergency fund)	252,670,762	242,297,938
Tax provision	784,581,517	1,133,404,852
Less: Adjustment of tax liability		
Previous year tax liability as per Assessment Order	(299,751,704)	(306,419,902)
Previous year excess tax provision as per Assessment Order	(74,064,052)	(453,169,194)
	(373,815,756)	(759,589,096)
Balance as at 30 June	410,765,761	373,815,756

Note: Advance Income Tax (at source) is over paid upto 30 June 2023 Tk. 724.63 crore.

33.1 Provision for current Tax

Particulars	30 June 2023	30 June 2022
Taxable profit		
Profit before taxation	(1,011,914,778)	478,246,612
Less: Profit on sale of fixed asset	-	-
Taxable business profit/ (loss)	(1,011,914,778)	478,246,612
A. Tax on business profit	-	131,517,818
Other operating income and non-operational income Tk. 556,687,268@27.50%	153,088,999	-
AIT on vehicle	5,006,000	-
B. Tax on other operating and non-operational income	158,094,999	-
Interest income of Depreciation fund, HCDF and Emergency fund	918,802,769	881,083,409
C. Tax on interest income of Depreciation fund, HCDF and Emergency fund	252,670,762	242,297,938
Total tax provision for the year (A+B+C)	410,765,761	373,815,756



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

34. Proved properties (Gas wells) at cost

Each field operated by the company is treated as a separate cost centre for the purposes of calculating depletion, although all fields are considered as one cost pool.

Proved properties (well cost) at cost		30 June 2023	30 June 2022
Opening Balance	: Original Cost	38,289,380,455	37,232,232,102
	: Exchange Rate Fluctuation Loss/(Gain)	1,883,330,767	1,883,330,767
		40,172,711,222	39,115,562,869
Add: Addition during the year		626,916,515	1,057,148,353
Gross capitalized costs (note 34.2- A)	(a)	40,799,627,737	40,172,711,222
Depletion			
Accumulated depletion as at 01 July			
	: Original Cost	15,389,876,578	14,033,436,037
	: Exchange Rate Fluctuation Loss/(Gain)	1,258,787,299	1,216,468,582
		16,648,663,877	15,249,904,619
Add: Depletion during the year			
	: Original Cost	1,368,450,640	1,356,440,540
	: Exchange Rate Fluctuation Loss/(Gain)	40,594,407	42,318,716
Depletion during the year		1,409,045,047	1,398,759,256
Accumulated depletion as at 30 June (note 34.2- B)	(b)	18,057,708,924	16,648,663,875
Net capitalized costs (note 34.2- C)	(a-b)	22,741,918,813	23,524,047,347

Details of proved properties (Gas wells) are as shown in sub-schedule 34.2

Exchange rate fluctuation (ERF) losses/ gains on foreign loan directly added/deducted to the respective asset account upto 2017-2018. However effect of ERF has been accounted for in statement of profit or loss and other comprehensive income from 2018-2019 in accordance with IAS 21 "The effects of changes in Foreign Exchange Rates".

34.1 Net recoverable gas reserve quantities

Particulars	30 June 2023	30 June 2022
	Gas (MMCM)	Gas (MMCM)
Net recoverable reserves as at 01 July	90,451.218	96,846.890
Recoverable developed reserves	-	-
Sub-Total	90,451.218	96,846.890
Changes during the year :	-	-
Revisions of previous estimates of reserve	-	-
Purchases of reserves in place	-	-
Extension, discoveries & other additions	-	-
Sales of reserves in place	-	-
Production during the year	(6,192.343)	(6,395.672)
Total changes during year	(6,192.343)	(6,395.672)
Net recoverable reserves as at 30 June	84,258.875	90,451.218
Recoverable developed reserves	-	-
Recoverable undeveloped reserves	-	-
Total reserves as at 30 June	84,258.875	90,451.218

Note: The reserves of Titas, Habiganj, Bakhrabad, Narsingdi and Meghna field were taken into account in the financial year 2012-2013 as per Petrobangla letter ref. no.49.01.67(part)/ 247 dated 28 November 2012.



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

34.2 Details of proved properties (Gas wells)

A. Original cost:

Particulars	Accumulated well cost as at 01 July 2022		Addition during the year		Accumulated well cost as at 30 June 2023		Amount in Taka
	Original cost	Exchange rate fluctuation loss/ (gain)	Acquisition cost	Exchange rate fluctuation loss/ (gain)	Original cost	Exchange rate fluctuation loss/ (gain)	
Titus Field	28,294,112,959	682,069,555	575,866,872	-	28,869,979,831	682,069,555	29,552,049,386
Habiganj Field	2,261,033,739	433,880,776	-	-	2,261,033,739	433,880,776	2,694,914,515
Bakhrabad Field	5,661,298,072	744,419,972	51,049,643	-	5,712,347,715	744,419,972	6,456,767,687
Narsingdi Field	1,179,785,346	-	-	-	1,179,785,346	-	1,179,785,346
Meghna Field	447,185,863	-	-	-	447,185,863	-	447,185,863
Feni Field	344,566,808	22,960,464	-	-	344,566,808	22,960,464	367,527,272
Kamta Field	101,397,668	-	-	-	101,397,668	-	101,397,668
Total	38,289,380,455	1,883,330,767	626,916,515	-	38,916,296,970	1,883,330,767	40,799,627,737

B. Accumulated depletion

Particulars	Accumulated depletion as at 01 July 2022		Depletion during the year		Accumulated depletion as at 30 June 2023		Total
	Accumulated depletion of original cost	Accumulated depletion of exchange rate fluctuation loss/ (gain)	Depletion on Original Cost	Depletion on Ex. Rate Fluct. Loss / (Gain)	Accu. Depletion of Original Cost	Accu. Depletion of Ex. Rate Fluct. Loss/ (Gain)	
Titus Field	10,131,763,181	421,415,905	1,119,789,074	15,576,568	11,251,552,255	436,992,473	11,688,544,728
Habiganj Field	1,980,090,994	387,074,708	104,892,067	17,475,395	2,084,983,061	404,550,103	2,489,533,164
Bakhrabad Field	1,862,646,948	427,336,222	91,572,502	7,542,444	1,954,219,450	434,878,666	2,389,098,116
Narsingdi Field	646,372,598	-	45,369,245	-	691,741,843	-	691,741,843
Meghna Field	323,038,380	-	6,827,753	-	329,866,133	-	329,866,133
Feni Field	344,566,808	22,960,464	-	-	344,566,808	22,960,464	367,527,272
Kamta Field	101,397,668	-	-	-	101,397,668	-	101,397,668
Total	15,389,876,577	1,258,787,299	1,368,450,640	40,594,407	16,788,327,218	1,299,381,706	18,057,708,924

C. Written down value (A - B)

Particulars	Written down value as at 30 June 2023		Total
	Original Cost	Exchange rate fluctuation loss/ (gain)	
Titus Field	17,618,427,576	245,077,082	17,863,504,658
Habiganj Field	176,050,678	29,330,673	205,381,351
Bakhrabad Field	3,758,128,265	309,541,306	4,067,669,571
Narsingdi Field	488,043,503	-	488,043,503
Meghna Field	117,319,730	-	117,319,730
Total	22,157,969,752	583,949,061	22,741,918,813



Bangladesh Gas Fields Company Limited (A Company of Petrobangla)											
Notes to the Financial Statements For the year ended 30 June 2023											
35.1 Details of Land and Building											
Description	Cost				Rate	Depreciation/ Depletion				Net book value at 30 June 2023	
	Balance as at 01 July 2022	Addition during the year	Disposal/ Adjustment during the year	Total at 30 June 2023		Upto 01 July 2022	Charge during the year	Disposal/ Adjustment during the year	Total to 30 June 2023		
Land and land development:											
Freehold land	631,563,198	-	-	631,563,198		-	-	-	-		631,563,198
Leasehold land	8,616,920	-	-	8,616,920	5%	69,806	-	-	8,267,888		349,032
Land infrastructure	289,900,783	8,703,104	-	298,603,887	5%	10,979,061	-	-	150,843,977		147,759,910
	930,080,901	8,703,104	-	938,784,005		11,048,867	-	-	159,111,865		779,672,140
Buildings, sheds and walls:											
Freehold concrete or brick structures	858,696,353	42,112,244	-	900,808,597	2.5%	22,069,877	-	-	325,959,108		574,849,489
Shed & temporary structures	171,956,218	8,341,321	-	180,297,539	10%	8,916,272	-	-	154,764,433		25,533,106
Walls & storeyards	318,033,177	2,776,658	-	320,809,835	5%	12,373,014	-	-	166,464,938		154,344,897
Leasehold structures and improvements thereto	88,206,632	-	-	88,206,632	5%	2,330,967	-	-	58,021,330		30,185,302
Other construction	48,207,294	1,244,103	-	49,451,397	2.5%	1,233,715	-	-	12,703,692		36,747,705
	1,485,099,674	54,474,326	-	1,539,574,000		46,923,845	-	-	717,913,501		821,660,499
	2,415,180,575	63,177,430	-	2,478,358,005		57,972,712	-	-	877,025,366		1,601,332,639



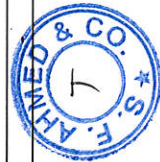
Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

35.2 Details of production and other assets

Description	Cost				Rate	Depreciation/ depletion				Net book value at 30 June 2023		
	Balance as at 01 July 2022	Addition during the year	Disposal/ Adjustment during the year	Total at 30 June 2023		Upto 01 July 2022	Charge during the year	On exchange rate fluctuation Loss/ (Gain)	Disposal/ Adjustment during the year		Total to 30 June 2023	
<u>Furniture & fixtures and domestic appliances:</u>												
Office furniture & fixtures	72,212,898	3,285,125	-	75,498,023	10%	54,177,646	3,807,086	-	-	57,984,732	17,513,291	
Domestic appliances	33,138,760	2,038,220	-	35,176,980	20%	27,325,674	2,020,071	-	-	29,345,745	5,831,235	
	105,351,658	5,323,345	-	110,675,003		81,503,320	5,827,157	-	-	87,330,477	23,344,526	
<u>Office and communication equipment:</u>												
Office equipment	51,356,414	3,466,130	-	54,822,544	20%	44,541,419	3,304,749	-	-	47,846,168	6,976,376	
Telecommunication and computer equipment	120,171,810	969,989	-	121,141,799	20%	120,131,550	27,636	-	-	120,159,186	982,613	
Computer software	305,000	30,391,367	-	30,696,367	20%	2,534	5,561,908	-	-	5,564,442	25,131,925	
	171,833,224	34,827,486	-	206,660,710		164,675,503	8,894,293	-	-	173,569,796	33,090,914	
<u>Other Equipment:</u>												
Radiography and geological equipment	39,937	-	-	39,937	30%	-	-	-	-	39,937	-	
Workshop equipment	11,480,941	-	-	11,480,941	15%	11,480,941	-	-	-	11,480,941	-	
Electric installation	593,001,175	-	-	593,001,175	15%	512,508,361	40,784,565	-	-	553,292,927	39,708,248	
Construction equipment	249,702	-	-	249,702	20%	249,702	-	-	-	249,702	-	
Other equipment	105,245,989	3,105,900	-	108,351,889	15%	89,461,211	4,809,679	-	-	94,270,890	14,080,999	
	710,017,744	3,105,900	-	713,123,644		613,740,152	45,594,244	-	-	659,334,397	53,789,247	
<u>Production assets:</u>												
Sub-surface - Drilling Tools	2,176,928	-	-	2,176,928	30%	-	-	-	-	2,176,928	-	
Other production tools	35,939,109	-	-	35,939,109	20%	35,040,561	332,960	-	-	35,373,521	565,588	
Drilling Rig	51,873,461	-	-	51,873,461	15%	51,873,461	-	-	-	51,873,461	-	
Other drilling and production equipment	206,296,043	1,639,689	-	207,935,732	10%	169,557,002	4,033,649	-	-	173,590,652	34,345,080	
Production Plant	11,414,539,425	-	-	11,414,539,425	10%	4,417,102,725	970,835,779	-	-	5,387,938,504	6,026,600,921	
Production pipe lines and storage tank	1,169,309,439	92,625,541	-	1,261,934,980	5%	547,349,964	52,452,916	-	-	599,802,880	662,132,100	
	12,880,134,405	94,265,230	-	12,974,399,635		5,223,100,642	1,027,655,304	-	-	6,250,755,946	6,723,643,689	
Foreign exchange fluct. loss	429,375,117	-	-	429,375,117		405,102,710	4,854,481	-	-	409,957,191	19,417,926	
Total production assets	13,309,509,521	94,265,230	-	13,403,774,752		5,628,203,352	1,032,509,785	-	-	6,660,713,137	6,743,061,615	

Details of production assets are shown in note 35.3



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

Description	Details of production and other assets						Amount in Taka				
	Cost			Depreciation/ depletion			Total to 30 June 2023	Net book value at 30 June 2023			
	Balance as at 01 July 2022	Addition during the year	Disposal/ Adjustment during the year	Total at 30 June 2023	Rate	Upto 01 July 2022			Charge during the year	On exchange rate fluctuation Loss/(Gain)	Disposal/ Adjustment during the year
Water services:											
Tubewell & ponds	28,636,528	-	-	28,636,528	10%	19,516,602	1,897,431	-	-	21,414,033	7,222,495
Water pumps	20,949,113	77,500	-	21,026,613	20%	16,937,431	1,848,399	-	-	18,785,830	2,240,783
Water pipelines & tanks	179,978,649	-	-	179,978,649	20%	151,164,604	21,325,638	-	-	172,490,242	7,488,407
	229,564,290	77,500	-	229,641,790		187,618,637	25,071,468	-	-	212,690,106	16,951,685
Light vehicles											
Light vehicles	435,433,665	-	12,719,964	422,713,701	20%	365,605,153	24,896,612	12,719,964	-	377,781,801	44,931,900
Heavy vehicles	174,859,236	-	8,992,560	165,866,676	20%	174,859,236	-	8,992,560	-	165,866,676	-
	610,292,901	-	21,712,524	588,580,377		540,464,389	24,896,612	21,712,524	-	543,648,477	44,931,900
Other assets:											
Caravans	9,170,117	-	-	9,170,117	5%	9,170,117	-	-	-	9,170,117	-
Wooden dunnage	153,847	-	-	153,847	15%	153,847	-	-	-	153,847	-
Barrels and containers	118,341	-	-	118,341	25%	118,341	-	-	-	118,341	-
Marine craft	282,802	-	-	282,802	20%	282,802	-	-	-	282,802	-
	9,725,107	-	-	9,725,107		9,725,107	-	-	-	9,725,107	-
	15,146,294,445	137,599,461	21,712,524	15,262,181,383		7,225,930,461	1,142,793,559	-	21,712,524	8,347,011,497	6,915,169,887



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

35.3 Details of production assets:

A. Original cost:

Particulars	Opening production assets as at 01 July 2022		Addition/ adjustment during the year			Total assets as at 30 June 2023			
	Original cost	Exchange rate fluctuation loss/ (gain)	Acquisition cost	Exchange rate fluctuation loss/ (gain)	Adjustment	Total	Original cost	Exchange rate fluctuation loss/ (gain)	Total
Drilling rigs	51,873,461	16,193,491	-	-	-	-	51,873,461	16,193,491	68,066,952
Production plant	11,414,539,425	376,844,906	-	-	-	-	11,414,539,425	376,844,906	11,791,384,331
Other drilling tools & equipment	242,235,151	36,336,720	1,639,689	-	-	1,639,689	243,874,840	36,336,720	280,211,560
Production pipeline & storage tank	1,169,309,439	-	92,625,541	-	-	92,625,541	1,261,934,980	-	1,261,934,980
Sub surface drilling tools	2,176,928	-	-	-	-	-	2,176,928	-	2,176,928
Total	12,880,134,404	429,375,117	94,265,230	-	-	94,265,230	12,974,399,634	429,375,117	13,403,774,751

Amount in Taka

B. Accumulated depreciation:

Particulars	Depreciation as at 01 July 2022		Addition/ adjustment during the year			Total depreciation as at 30 June 2023			
	Accumulated depreciation of original cost	Accumulated depreciation of exchange rate fluctuation loss/ (gain)	Depreciation on original cost	Depreciation of exchange rate fluctuation loss/ (gain)	Adjustment	Total	Accumulated depreciation of original cost	Accumulated depreciation of exchange rate fluctuation loss/ (gain)	Total
Drilling rigs	51,873,461	16,193,491	-	-	-	-	51,873,461	16,193,491	68,066,952
Production plant	4,417,102,721	352,572,498	970,835,779	4,854,481	-	975,690,260	5,387,938,500	357,426,979	5,745,365,479
Other drilling tools & equipment	204,597,567	36,336,720	4,366,609	-	-	4,366,609	208,964,176	36,336,720	245,300,896
Production pipeline & storage tank	547,349,964	-	52,452,916	-	-	52,452,916	599,802,880	-	599,802,880
Sub surface drilling tools	2,176,928	-	-	-	-	-	2,176,928	-	2,176,928
Total	5,223,100,641	405,102,709	1,027,655,304	4,854,481	-	1,032,509,785	6,250,755,945	409,957,190	6,660,713,135

C. Written down value (A-B)

Particulars	Net book value at 30 June 2023	
	Original Cost	Exchange rate Fluctuation Loss/(Gain)
Drilling rigs	-	-
Production plant	6,026,600,925	19,417,927
Other drilling tools and equipment	34,910,664	-
Production pipeline and storage tank	662,132,100	-
Sub surface drilling tools	-	-
Total	6,723,643,689	19,417,927



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

36. Capital works-in-progress

All pre-production costs incurred in oil and gas exploration and production and other capital expenditure for the year ended 30 June 2023 have been capitalized as works-in-progress.

SL No	Particulars	Balance as at 01 July 2022	Addition during the year	Total Balance	Transferred to complete asset during the Year	Balance as at 30 June 2023
1	2	3	4	5=(3+4)	6	7=(5-6)
	Project:					
1	Welhead Compressor at Titas-A	4,110,883,191	1,866,858,013	5,977,741,204	-	5,977,741,204
2	Welhead Compressor at Titas-E & G	26,523,033	5,435,623	31,958,656	244,750	31,713,906
	Sub-Total	4,137,406,224	1,872,293,636	6,009,699,860	244,750	6,009,455,110
	Development works:					
3	Workover of Titas-24 well	-	494,430,536	494,430,536	494,430,536	-
4	3-D Seismic Data Review at Titas & BKB	160,872,698	1,986,529	162,859,227	162,859,226	-
5	Gas Gathering Pipe Line from Location B to A at NGF	-	92,625,541	92,625,541	92,625,541	-
	Sub-Total	160,872,698	589,042,606	749,915,304	749,915,303	-
6	Civil Construction	14,386,879	51,538,051	65,924,930	63,602,430	2,322,500
	Grand Total	4,312,665,802	2,512,874,293	6,825,540,094	813,762,483	6,011,777,610

Details of Project works-in-progress furnished below:

SL No	Project Name	Project cost			Transferred to complete asset			Balance as at 30 June 2023
		Cumulative Balance as at 01 July 2022	Addition during the year	Cumulative Balance as at 30 June 2023	Transferred upto 01 July 2022	Transferred during the Year	Cumulative Transferred as at 30 June 2023	
1	2	3	4	5=(3+4)	6	7	8=(6+7)	9=(5-8)
1	Welhead Compressor at Titas-A	4,112,486,275	1,866,858,013	5,979,344,288	1,603,084	-	1,603,084	5,977,741,204
2	Welhead Compressor at Titas-E & G	27,493,345	5,435,623	32,928,968	970,312	244,750	1,215,062	31,713,906
	Total Project	4,139,979,620	1,872,293,636	6,012,273,256	2,573,396	244,750	2,818,146	6,009,455,110



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

37. Bank deposits (FDR)

Bank deposits (FDR) classified under "Investments and Other Assets" have a term of three months or more. Balances with a maturity of less than three months have been included under current assets. Out of total bank deposits 82% was deposited in Govt. Banks and 18% in Private Scheduled Banks. Deposits (FDR) with various banks are as follows:

SL.	Name of the Banks	2022-2023		2021-2022	
		% of Deposit	30 June 2023	% of Deposit	30 June 2022
A. Government banks					
1	Agrani Bank Ltd.		695,004,902		784,588,125
2	Bangladesh Krishi Bank Ltd.		2,066,640,372		4,019,291,698
3	Janata Bank Ltd.		1,230,977,383		2,092,885,470
4	Karmashangsthan Bank Ltd.		-		23,880,128
5	Rupali Bank Ltd.	82%	2,227,003,224	83%	1,940,237,862
6	Sonali Bank Ltd.		154,470,556		146,594,456
7	BASIC Bank Ltd.		111,320,480		116,260,000
	Sub-total		6,485,416,916		9,123,737,738
B. Private banks					
8	AB Bank Ltd.		166,666,460		699,380,752
9	Al-Arafa Islami Bank Ltd.		-		42,505,000
10	EXIM Bank Ltd.		150,000,000		-
11	First Security Islami Bank Ltd.		453,610,635		570,619,083
12	IFIC Bank Ltd.		42,609,399		40,528,070
13	Bank Asia Ltd.		-		40,000,000
14	Modhumati Bank Ltd.		50,000,000		-
15	Meghna Bank Ltd.		40,000,000		-
16	National Bank Ltd.	18%	20,000,000	17%	-
17	Shimanto Bank Ltd.		60,000,000		-
18	One Bank Ltd.		157,502,100		136,525,000
19	Social Islami Bank Ltd.		169,236,644		277,136,213
20	Bangladesh Commerce Bank Ltd.		10,000,000		-
21	South East Bank Ltd.		80,000,000		-
22	Union Bank Ltd.		60,000,000		-
23	The Padma Bank Ltd.		10,000,000		30,000,000
	Sub-total		1,469,625,238		1,836,694,117
	Total (A+B)	100%	7,955,042,154	100%	10,960,431,855

38. Loans to group companies (Non-current Portion)

Particulars	30 June 2023	30 June 2022
Loan given to GTCL for installation of Bibiana-Dhanua gas pipeline	118,989,718	148,737,150
Less: Current portion	29,747,432	29,747,430
Total	89,242,286	118,989,720

39. Loans to employees (non-current portion)

Particulars	2022 - 2023				Balance as at 30 June 2022
	Opening balance as at 01 July 2022	Paid during the year	Recovered during the year	Balance as at 30 June 2023	
Motor cycle loan	28,827,050	7,800,000	5,467,722	31,159,328	28,827,050
Computer loan	506,452	130,000	227,912	408,540	506,452
House building loan	772,722,242	123,898,745	64,762,130	831,858,857	772,722,242
Total employees loan	802,055,744	131,828,745	70,457,764	863,426,726	802,055,745
Less: Current portion of loans to employees				(70,457,764)	(52,012,968)
Loans to employees (non-current portion)				792,968,962	750,042,777



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

40. Inventories of stores and other materials

Particulars	30 June 2023	30 June 2022
General stores and spares	54,872,125	58,675,651
Project stock	196,519	196,519
Condensate	78,577,228	70,989,489
Other oil products	8,723,498	8,705,431
Total	142,369,369	138,567,090

41. Advances, deposits and prepayments

Particulars	Sub-notes	30 June 2023	30 June 2022
Advances	41 (A)	9,892,280	16,096,394
Deposits	41 (B)	9,009,141	8,806,267
Prepayments	41 (C)	12,903,472	9,991,117
Others	41 (D)	45,782,142	4,715,876
Total		77,587,035	39,609,654

There was no amount due to/by Directors (including MD), any of them severally or jointly with any other person.

Advances – 41 (A) :	30 June 2023	30 June 2022
Advances against procurement	5,057,096	6,942,325
Advance to employees	4,835,184	9,154,069
Sub-total	9,892,280	16,096,394

Deposits – 41 (B):	30 June 2023	30 June 2022
Customs deposits	25,204	297,139
Security deposits	4,982,956	4,508,146
VAT on petroleum product (POL)	4,000,982	4,000,982
Sub-total	9,009,141	8,806,267

Pre-payments- 41 (C) :	30 June 2023	30 June 2022
Ansar salary (security cost)	448,746	1,719,202
Insurance premium	12,454,726	8,271,915
Sub-total	12,903,472	9,991,117

Others –41 (D) :	30 June 2023	30 June 2022
ITC recoverable from C&F commission agent	34,099	13,373
Advance land rent paid to Bangladesh Railway	-	1,439,424
Receivable from project	45,748,044	3,263,079
Sub-total	45,782,142	4,715,876

42. Employees loan (current portion)

Particulars	30 June 2023	30 June 2022
Bi-cycle & motor cycle loan	5,467,722	1,796,538
Computer loan	227,912	348,312
House building loan	64,762,130	49,868,118
Total	70,457,764	52,012,968



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

43. Trade accounts receivable (except group company)

Particulars	30 June 2023	30 June 2022
Padma Oil Company Ltd. (POCL)	61,012,717	61,012,717
Meghna Petroleum Ltd. (MPL)	71,369,646	71,369,646
Bangladesh Petroleum Corporation (BPC)	180,900,571	180,900,571
Total	313,282,934	313,282,934

Movement of the above trade accounts receivable (excluding group company) of petroleum products is as follows:

Particulars	Name of trade debtors (POL)			Total as at 30 June 2023	Total as at 30 June 2022
	POCL	MPL	BPC		
Opening balance	61,012,716	71,369,646	210,710,483	343,092,845	343,092,845
Add: sales during the year	-	-	-	-	-
Adjustment of HSD price as per MOPER Order.	-	-	-	-	-
Total receivable	61,012,716	71,369,646	210,710,483	343,092,845	343,092,845
Less: Received during the year	-	-	-	-	-
Total	61,012,716	71,369,646	210,710,483	343,092,845	343,092,845
Less: Carrying cost	-	-	(29,809,911)	(29,809,911)	(29,809,911)
Closing balance	61,012,716	71,369,646	180,900,571	313,282,934	313,282,934

44. Other current assets

Particulars	30 June 2023	30 June 2022
Advance payment of Tax	8,119,075,281	7,546,054,795
Accrued interest on fixed deposit receipts (FDR)	314,126,956	578,694,403
Accrued interest on HCDF investment	32,449,562	27,874,218
Accrued Interest on depreciation fund investment	444,147,076	159,525,323
Accrued Interest on emergency fund investment	36,296,986	19,629,505
Others	47,759	38,109,273
Total	8,946,143,620	8,369,887,517

45. Cash and bank balances

Particulars	30 June 2023	30 June 2022
Cash in hand	4,054,907	3,146,742
Current account	10,427,594	3,054,779
Short-term deposit account	14,974,269	233,166,735
Cheque in transit	1,188,305,620	582,926,492
Total	1,217,762,391	822,294,748

Cash and bank balances for the purpose of cash flow statement comprise cash in hand and at bank and includes short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

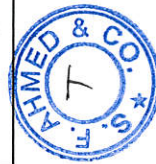
Notes to the Financial Statements
For the year ended 30 June 2023

46. Gas distribution companies

Name of companies/ corporation	30 June 2023		30 June 2022	
	Taka	Average month	Taka	Average month
Titas Gas Transmission & Distribution Company Ltd. (TGTDCL)	1,679,525,581	2.52	1,320,337,882	3.22
Bakhrabad Gas Distribution Company Ltd. (BGDCL)	577,352,149	6.03	275,280,282	4.85
Karnaphuli Gas Distribution Company Ltd. (KGDCL)	315,283	-	315,283	-
Jalalabad Gas Transmission & Distribution System Ltd. (JGTDSL)	324,593,156	3.00	179,601,353	3.00
Pashchimanchal Gas Company Ltd. (PGCL)	341,616,711	5.55	61,851,823	1.76
Sundarban Gas Company Ltd. (SGCL)	318,086,898	4.58	111,860,263	3.00
Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	238,386,868	1.00	354,464,954	1.00
Total	3,479,876,647	3.22	2,303,711,840	3.21

Movement of the above accounts receivables (Gas) is as follows:

Particulars	Name of Gas Distribution Companies								Total
	TGTDCL	BGDCL	KGDC	JGTDSL	PGCL	SGCL	Petrobangla		
Opening Balance :	-	-	-	-	-	-	-	-	-
Regular	1,320,337,882	275,280,282	315,283	179,601,353	61,851,823	111,860,263	354,464,954	1,949,246,886	
Included in current A/c.	-	-	-	-	-	108,431,616	424,863,222	533,294,838	
Total opening	1,320,337,882	275,280,282	315,283	179,601,353	61,851,823	220,291,879	779,328,176	2,837,006,678	
Add: Adjustment in opening balance	258,568,828	24,154,273	-	29,104,476	17,040,934	25,596,443	(354,464,954)	-	
Opening balance after adjustment	1,578,906,710	299,434,555	315,283	208,705,829	78,892,757	245,888,322	424,863,222	2,837,006,678	
Addition:									
Sales during the year	7,033,872,856	940,131,854	-	1,050,328,129	741,439,664	531,820,281	238,386,868	10,535,979,652	
Total receivable	8,612,779,566	1,239,566,409	315,283	1,259,033,958	820,332,421	777,708,603	663,250,090	13,372,986,330	
Less: Received during the year	6,933,253,985	662,214,262	-	934,440,801	478,715,710	342,389,518	-	9,351,014,276	
Balance as at 30 June 2023	1,679,525,581	577,352,147	315,283	324,593,157	341,616,711	435,319,085	663,250,090	4,021,972,053	
Regular	1,679,525,581	577,352,149	315,283	324,593,156	341,616,711	318,086,898	238,386,868	3,479,876,647	
Included in current account (note 47)		-	-	-	-	117,232,186	424,863,222	542,095,408	



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

47. Other current accounts

Name of companies/ corporation	2022-2023			Total as at 30 June 2022
	Irregular receivable of gas margin*	Inter company current A/C	Total as at 30 June 2023	
Titas Gas Transmission & Distribution Company Ltd. (TGTDCL)	-	(40,928)	(40,928)	(40,928)
Bakhrabad Gas Distribution Company Ltd. (BGDCL)		-	-	-
Jalalabad Gas Transmission & Distribution System Ltd. (JGTDSL)		8,220,633	8,220,633	8,220,633
Sylhet Gas Fields Ltd. (SGFL)		(49,852,379)	(49,852,379)	(49,852,379)
Bangladesh Petroleum Exploration and Production Company Ltd. (BAPEX).		26,020,925	26,020,925	26,179,872
Rupantarita Praktitik Gas Company Ltd. (RPGCL)		10,790	10,790	10,790
Sundarban Gas Company Ltd. (SGCL)	117,232,186	5,729	117,237,915	108,437,345
Karnaphuli Gas Distribution Company Ltd. (KGDCL)		-	-	-
Pashchimanchal Gas Company Ltd. (PGCL)		-	-	-
Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	424,863,222	14,135,234	438,998,456	438,843,170
Total	542,095,408	(1,499,996)	540,595,412	531,798,503

* Irregular receivable of gas margin (note 46)



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

48. Sales of Gas

Fieldwise

Name of Fields	30 June 2023			30 June 2022		
	Quantity in MCM	Sales (Taka)	Quantity in MCM	Sales (Taka)	Quantity in MCM	Sales (Taka)
Titas Gas Field	4,046,388.565	6,398,595,609	4,056,169.013	5,198,230,135		
Habiganj Gas Field	1,478,783.798	3,093,480,771	1,615,172.440	2,525,179,623		
Bakhrabad Gas Field	349,319.534	541,321,478	352,940.691	422,651,731		
Narsingdi Gas Field	265,993.997	450,244,627	277,994.862	371,779,204		
Meghna Gas Field	33,868.872	52,337,170	74,286.995	88,437,355		
Total	6,174,354.766	10,535,979,653	6,376,564.001	8,606,278,048		

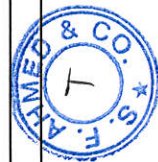
Sales of gas to distribution companies were 6,174,354.766 MCM out of gas production 6,192,343.219 MCM. There was no unaccounted gas considering flared and used for production of 17,656.699 MCM.

Company wise gas sales is follows :

Name of companies/corporation	30 June 2023				30 June 2022			
	Quantity in MCM	Sales (Taka)	VAT	Net sales	Quantity in MCM	Sales (Taka)	VAT	Net sales
1	2	3	4	5 (3-4)	6	7	8	9 (7-8)
TGTDCL	4,588,705.994	7,033,872,856	4,025,109,430	3,008,763,426	4,625,828.141	5,591,412,150	2,806,301,907	2,785,110,243
BGDCL	406,825.547	940,131,856	651,600,215	288,531,642	432,750.404	742,958,458	461,028,850	281,929,608
KGDCCL	-	-	-	-	-	(7,125,796)	-	(7,125,796)
JGTDLSL	458,338.200	1,050,328,129	725,045,508	325,282,621	466,221.389	746,426,387	444,653,543	301,772,844
PGCL	405,403.248	741,439,664	487,373,268	254,066,396	464,352.310	709,514,716	408,962,513	300,552,203
SGCL	315,081.777	531,820,281	327,550,569	204,269,711	387,411.757	468,627,179	222,833,162	245,794,017
Petrobangla	-	238,386,868	238,386,868	-	-	354,464,954	-	354,464,954
Total	6,174,354.766	10,535,979,653	6,455,065,858	4,080,913,796	6,376,564.001	8,606,278,048	4,343,779,975	4,262,498,073

49. Sales of petroleum products

Product	30 June 2023		30 June 2022	
	Quantity in litre	Sales (Taka)	Quantity in litre	Sales (Taka)
Motor spirit (MS)	-	-	19,238	1,154,280
High speed diesel (HSD)	35,960	1,977,800	35,380	1,945,900
Condensate (Heavy)	21,721,500	947,491,830	23,503,500	1,025,222,670
Condensate (Light)	1,282,500	69,559,594	1,350,000	73,220,625
Total sales	23,039,960	1,019,029,224	24,908,118	1,101,543,475



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

50. Condensate handling income

Particulars	30 June 2023		30 June 2022	
	Gross premium	VAT	Net premium	Gross premium
Premium on condensate handling @ Tk. 1.15 per litre (including VAT)	19,851,300	2,589,300	17,262,000	22,863,150
				VAT
				2,982,150
				Net premium
				19,881,000

51. Supplementary duty and VAT

VAT on Gas

Field Name	30 June 2023		30 June 2022		Total
	SD	VAT	SD	VAT	
Titas Gas Field	-	3,751,643,437	-	2,518,721,367	2,518,721,367
HBJ Gas Field	-	2,096,838,920	-	1,394,555,150	1,394,555,150
BKB Gas Field	-	313,750,462	-	209,648,532	209,648,532
NGF Gas Field	-	262,427,884	-	178,432,110	178,432,110
MGF Gas Field	-	30,405,154	-	42,422,816	42,422,816
Total (A)	-	6,455,065,858	-	4,343,779,975	4,343,779,975

VAT on POL

Product	30 June 2023		30 June 2022		Total
	SD	VAT	SD	VAT	
Motor Spirit (MS)	-	-	-	150,558	150,558
High Speed Diesel (HSD)	-	257,974	-	253,813	253,813
Condensate(Heavy)	-	123,995,931	-	133,725,513	133,725,513
Condensate (Light)	-	9,073,046	-	9,550,575	9,550,575
Sub-total	-	133,326,951	-	143,680,459	143,680,459
Cond. Handling Prem.	-	2,589,300	-	2,982,150	2,982,150
Total (B)	-	135,916,251	-	146,662,609	146,662,609
Total A+B	-	6,590,982,108	-	4,490,442,584	4,490,442,584



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

52. Net revenue

Product	30 June 2023			30 June 2022		
	Gross revenue	VAT	Net revenue	Gross revenue	SD & VAT	Net revenue
1	2	3	4 (2-3)	5	6	7 (5-6)
Gas (note 52.1)	10,535,979,653	6,455,065,858	4,080,913,796	8,606,278,048	4,343,779,975	4,262,498,073
Petroleum product (note 52.2)	1,019,029,224	133,326,951	885,702,273	1,101,543,475	143,680,459	957,863,016
Condensate handling Income	19,851,300	2,589,300	17,262,000	22,863,150	2,982,150	19,881,000
Total	11,574,860,177	6,590,982,108	4,983,878,069	9,730,684,673	4,490,442,584	5,240,242,089

52.1 Gas

Name of field	30 June 2023			30 June 2022		
	Gross revenue	VAT	Net revenue	Gross revenue	VAT	Net revenue
1	2	3	4 (2-3)	5	6	7 (5-6)
Titus Gas Field	6,398,595,609	3,751,643,437	2,646,952,171	5,198,230,135	2,518,721,367	2,679,508,768
HBJ Gas Field	3,093,480,771	2,096,838,920	996,641,850	2,525,179,623	1,394,555,150	1,130,624,473
BKB Gas Field	541,321,478	313,750,462	227,571,015	422,651,731	209,648,532	213,003,199
NGF Gas Field	450,244,627	262,427,884	187,816,743	371,779,204	178,432,110	193,347,094
MGF Gas Field	52,337,170	30,405,154	21,932,016	88,437,355	42,422,816	46,014,539
Total	10,535,979,653	6,455,065,858	4,080,913,796	8,606,278,048	4,343,779,975	4,262,498,073

52.2 Petroleum Product

Category	30 June 2023			30 June 2022		
	Gross revenue	VAT	Net revenue	Gross revenue	VAT	Net revenue
1	2	3	4 (2-3)	5	6	7 (5-6)
Own	1,019,029,224	133,326,951	885,702,273	1,101,543,475	143,680,460	957,863,015
Purchased	-	-	-	-	-	-
Total	1,019,029,224	133,326,951	885,702,273	1,101,543,475	143,680,460	957,863,015



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

53. Production costs (including depreciation)

Particulars	Sub-N	30 June 2023	30 June 2022
Pay and allowances of production personnel	53 (A)	824,406,569	590,558,838
Repairs and maintenance	53 (B)	198,750,048	205,098,967
Other production costs	53 (C)	423,279,779	380,013,562
Support costs (See Footnote)	53 (D)	724,816,167	519,975,715
Total production cost		2,171,252,564	1,695,647,082
Adjustment of closing stock	53 (E)	(5,791,808)	12,079,681
Total production cost (A)		2,165,460,756	1,707,726,763
Depletion of oil and gas wells	N-34	1,409,045,047	1,398,759,256
Depreciation of other tangible assets	N-35	1,200,766,272	1,212,611,731
Total depletion and depreciation during the year (B)		2,609,811,319	2,611,370,987
Total (A+B)		4,775,272,075	4,319,097,750

Footnote:

- Production costs exclude all management charges by Petrobangla.
- Directors' fees amounting to taka 12,20,000 and the audit fees amounting to taka 3,00,850 are included in the above production cost (Support cost). In pursuance of Sec. 185, schedule-11 (note-3) of the Company Act.1994, all employees of the company receive yearly more than 36,000 taka.

Pay and allowances of production personnel –53 (A)	30 June 2023	30 June 2022
Basic salary of officers and staff	202,489,632	190,803,915
Bonus	99,085,636	71,790,993
Conveyance allowance and expenses	2,425,976	2,314,330
Education allowance	2,030,155	2,386,406
House rent allowance	76,861,490	70,432,544
Contribution to pension fund	232,474,567	70,909,898
Contribution to provident fund	770,784	769,916
Gratuity	12,681,445	539,352
Leave pay	35,881,009	30,518,863
Lunch subsidy	14,683,335	14,268,400
Gas allowance	12,527,828	7,450,019
Overtime	122,507,841	118,268,310
Employees income tax	1,256,156	2,265,864
Shift allowance	3,606,170	3,583,595
Others:	947,514	892,678
Washing allowance	215,993	185,162
Utility	2,600,480	2,227,389
Water and Sewerage	1,360,558	951,204
Total	824,406,569	590,558,838

Repairs and maintenance : 53 (B)	30 June 2023	30 June 2022
Vehicle	14,242,952	12,459,647
Field, plant and machinery	169,768,787	176,952,524
Building	9,924,942	11,015,430
Furniture, fixture and office equipment	4,813,366	4,671,365
Total	198,750,048	205,098,967



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

Other production costs- 53 (C) :	30 June 2023	30 June 2022
Medical expenses	33,137,708	32,914,892
Electricity and electric supplies	7,201,248	7,940,323
Petrol, oil and lubricant (POL)	5,467,238	3,929,304
Motor vehicle hire	11,993,171	13,010,225
Printing and stationery	2,055,352	1,930,662
Training expenses	877,362	709,030
Travelling expenses	1,743,415	1,512,726
Rent rates and taxes	5,834,937	4,014,758
Entertainment and messing expenses	18,333,729	15,861,985
Liveries and uniforms	18,668,136	15,091,157
Postage, telephone, telegraph and telex	634,546	680,578
Safety and security	157,430,866	141,233,307
Insurance expenses	11,706,744	7,941,504
VAT and SD on gas (own use) in plant/ generator	45,859,182	32,790,335
Books, periodicals and newspaper	100,524	93,460
Croceries and cutlery	240,293	290,757
Casual labour	87,764,369	86,682,691
Employees' tiffin expenses	10,084,344	9,785,083
Washing expenses	1,203,782	1,116,607
Soft furnishing	161,375	199,107
Stock expenses/Fuel for production	462,919	386,771
Others (gardening, office cleaning, transfer expense etc.)	2,318,539	1,898,302
Total	423,279,779	380,013,562

Support costs – 53 (D)	30 June 2023	30 June 2022
a) Pay and allowances of support personnel		
Basic salary of officers and staff	125,781,229	118,375,283
Bonus	52,985,984	33,660,207
Conveyance allowance and expenses	659,225	649,088
Education allowance	1,211,736	1,366,826
House rent allowance	38,655,072	34,658,714
Contribution to pension fund	154,983,044	43,998,379
Contribution to provident fund	513,856	513,277
Gratuity	19,022,168	809,028
Leave pay	35,729,707	30,073,753
Lunch subsidy	4,747,265	4,559,540
Gas allowance	5,617,724	3,352,819
Employees income tax	837,437	522,341
Overtime	29,859,065	29,334,341
Shift allowance	100,200	102,209
Others :	1,141,909	1,062,539
Washing allowance	184,184	169,546
Utility	579,746	513,824
Water and sewerage	2,216,875	2,453,087
Sub-total	474,826,427	306,174,801



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

b) Other support costs	30 June 2023	30 June 2022
Medical expenses	20,751,134	21,258,005
Electricity and electric supplies	4,828,759	8,180,943
Office rental	4,550,286	4,080,105
Petrol, oil and lubricant (POL)	7,945,103	6,328,636
Motor vehicle hire	13,725,264	7,354,048
Printing and stationery	4,912,736	4,919,512
Training expenses	872,247	702,990
Travelling expenses	5,599,585	5,316,742
Entertainment and messing expenses	5,307,588	4,480,971
Liveries and uniforms	9,201,670	7,224,330
Postage, telephone, telegraph and telex	6,785,951	3,526,243
Insurance expenses	10,376,136	8,513,759
Welfare expenses	6,492,400	4,080,749
Legal fees	768,360	1,522,750
Director's fees and expenses	6,310,512	5,724,980
Audit fees	300,850	297,950
Corporate social responsibility/Subscription	6,336,000	5,701,250
Advertisement	1,247,277	2,265,732
Books, periodicals and newspaper	1,518,382	1,660,730
Bank charges	4,735,264	5,497,416
Croceries and cutleries	166,621	474,028
Casual labour	33,268,653	30,893,631
Employees' tiffin expenses	2,316,515	2,245,118
Washing expenses	953,805	912,522
Soft furnishing	396,471	966,094
Fuel for generator	9,312,675	4,099,063
Honorarium	54,792,835	51,763,050
Others (Development activities, recruitment expense, gardening, office cleaning, transfer exp etc.)	26,216,661	13,809,568
Sub-Total	249,989,740	213,800,915
Total (a+b)	724,816,167	519,975,715



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

53.E Details of net increase/(decrease) in closing stock of petroleum products are as follows:

Stock of petroleum products are valued at net realisable value in accordance with IAS-2, Para-4 .

Product	30 June 2023			30 June 2022		
	Quantity in litre	Rate per litre (Taka)	Value (Taka)	Quantity in litre	Rate per litre (Taka)	Value (Taka)
Closing stock						
Motor Spirit (MS)-Titas	-	51.6739	-	-	51.6739	-
Motor Spirit (MS)-BKB	-	51.2654	-	-	-	-
Diesel (HSD)-Titas	104,699	47.3261	4,954,994	142,647	47.3261	6,750,925
Diesel (HSD)-BKB	-	46.9176	-	-	-	-
Condensate-heavy	1,754,590	36.9304	64,797,711	1,707,860	36.9304	63,071,953
Condensate- light	298,497	46.1630	13,779,517	167,876	47.1630	7,917,536
Total (a)	2,157,786		83,532,222	2,018,383		77,740,413
Opening stock						
Motor Spirit (MS)-Titas	-	51.6739	-	19,838	51.6739	1,025,107
Motor Spirit (MS)-BKB	-	-	-	-	51.2654	-
Diesel (HSD)-Titas	142,647	47.3261	6,750,925	179,431	47.3261	8,491,768
Diesel (HSD)-BKB	-	-	-	-	46.9176	-
Condensate-heavy	1,707,860	36.9304	63,071,953	2,015,680	36.9304	74,439,869
Condensate- light	167,876	47.1630	7,917,536	124,321	47.1630	5,863,351
Total (b)	2,018,383		77,740,413	2,339,270		89,820,095
Adjustment of closing value (a-b)			5,791,808			(12,079,681)



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

54. Transportation of petroleum products

Description	30 June 2023	30 June 2022
Carrying cost of sales (MS, HSD sold to BPC)	-	29,836,181
Condensate carrying cost (internal)	-	-
Total	-	29,836,181

55. Other operating income

Particulars	30 June 2023	30 June 2022
Sale of tender schedules	400,500	668,750
Forfeiture of earnest money and security deposit	327,500	60,700
Rental income	109,678	15,455,587
Sale of fixed assets	3,631,958	-
Sale of scrap materials	39,368	46,040
Liquidated damage	54,541	522,955
Others (Higher education bond realised, amount received against audit objection, etc.)	355,221	14,012,154
Total	4,918,766	30,766,186

56. Financial cost

Particulars	30 June 2023	30 June 2022
Interest cost		
Interest on foreign loan	408,614,098	304,332,829
Interest on local loans	328,949,277	353,304,464
Total interest cost	737,563,375	657,637,293
Exchange rate fluctuation loss/gain (note 56.1)	1,037,855,934	642,488,373
Total financial cost	1,775,419,309	1,300,125,666



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

56.1 Exchange rate fluctuation loss/gain

Sl. No.	Loan description	Name of currency	Foreign currency balance as on 30 June 2023	Exchange rate as on 30 June 2023	Conversion (Taka)	Book value as on 30 June 2023 (Taka)	Fluctuation on balance loan As on 30 June 2023	Fluctuation payment during the year	Total fluctuation as on 30 June 2023	Opening balance of fluctuation reserve	Inflation during the year (Taka)
			3	4	5=(3x4)	6	7=(5-6)	8	9=(7+8)	10	11=(9-10)
01	ADB Loan No.2188 BAN Part - B	US\$	2,064,148	108	222,927,936	146,572,759	76,355,178	14,263,766	90,618,943	55,507,242	35,111,701
02.	ADB Loan No.2622 BAN Part - B	US\$	62,380,689	108	6,737,114,425	4,946,021,975	1,791,092,450	190,881,898	1,981,974,348	979,230,115	1,002,744,233
	Total				6,960,042,361	5,092,594,734	1,867,447,628	205,145,664	2,072,593,292	1,034,737,357	1,037,855,934

Figure in lac

Sl. No.	Name of currency	Exchange rate as on 30 June 2022	Exchange rate as on 30 June 2023	(Increase/ decrease)	Inflation in 30 June 2022	Inflation in 30 June 2023	(Increase/ decrease)
		3	4	5 (4 - 3)	6	7	8 (7 - 6)
01	US Dollar	93.4500	108.0000	14.55	229.22	351.12	121.90
02	US Dollar	93.4500	108.0000	14.55	6,195.66	10,027.44	3,831.78
	Total				6,424.88	10,378.56	3,953.68



Sl. No.	Loan description	Currency	Principal as on 30 June 2023	Inflation during 2022-2023
01.	ADB Loan No.2188 BAN Part - B	Tk. US\$	1,465.73 20.64	351.12 -
02.	ADB Loan No.2622 BAN Part - B	Tk. US\$	49,460.22 623.81	10,027.44 -
	Total	Taka	50,925.95	10,378.56

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

57. Non-operational income

Particulars	30 June 2023	30 June 2022
Investment income (A)		
Interest on FDR	482,661,194	817,644,764
Sub-total (A)	482,661,194	817,644,764
Finance (B)	30 June 2023	30 June 2022
Interest on STD A/C	42,881,615	37,843,687
Interest on house building loan	26,180,584	25,920,473
Interest on computer loan	45,109	59,884
Sub-total (B)	69,107,308	63,824,044
Total (A+B)	551,768,502	881,468,808

58. Contribution to Beneficiaries' Profit Participation Fund (BPPF)

Beneficiaries' Profit Participation Fund is made on the basis of 5% of the net profits before corporate taxation as per provisions of the companies profits (workers' participation) Act, 1968 subsequently incorporated in Bangladesh Labour Act-2006 & amended in 2013 and is payable to workers (beneficiaries) as defined in the said Act.

59. Contingent liability

- A. Tax assessment up to income year 2015-2016 has been completed except FY 1997-98, 1998-99, 2000-01, 2003-04, 2004-05, 2005-06, 2006-07 and 2012-2013. Some inconsistencies exist in computation of total taxable income and tax liability against above mentioned financial years. The company apprised the tax adviser of the said matter and urged him to resolve those inconsistencies. Until finalization of the aforesaid disputes, the following will be treated as contingent liability.

F/Year	Tax liability/refund as per assesment Order	Tax liability/refund as per return	Contingent liability
01	02	03	04=(02-03)
1997-1998	19,485,709	(7,573,582)	27,059,291
1998-1999	(17,594,437)	(21,773,658)	4,179,221
2000-2001	(40,707,682)	(40,719,153)	11,471
2003-2004	(19,240,599)	(24,933,122)	5,692,523
2004-2005	(13,589,151)	(81,870,272)	68,281,121
2005-2006	59,691,315	(371,005,002)	430,696,317
2006-2007	(205,749,505)	(400,104,388)	194,354,883
2012-2013	1,068,785,370	(547,114,858)	1,615,900,228
Total	851,081,020	(1,495,094,035)	2,346,175,055

It is noted that Income Tax Assessment for the FY 2005-06 was assessed by the Tax authority under section 82C & 83(2) of IT Ordinance 1984, against of which the company appealed to the Appellate Tribunal but failed to have verdict in favor. Then the company submitted an appeal to the Hon'ble High Court Division against that verdict. Now it is under jurisdiction of Hon'ble High Court Division of Supreme Court. It is also be noted that Tax Authority made assesment for the FY 2012-2013 under section 82BB(1)/ 82BB(3)/ 84/152/156/159/ 83(2)/5th schedule/156/159/84 of IT Ordinance 1984. The company appealed to the Commissioner of Taxes (Appeals). The Appellate Tax Commissioner gave a verdict favoring the company to assess the tax but disallowed interest cost of long term loan in computing financial income. Then the company appealed to the Appellate Tribunal but failed to have verdict in favor for disallowance of interest cost. The company submitted an appeal to the Honourable High Court Division against that verdict. Besides this, Income Tax authority re-opens the income tax files from the assessment year 2016-2017 to 2022-2023 as per section 93 of income tax ordinance 1984. Hence, the revised return has been submitted as per the opinion of the tax adviser.



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

B. The following Contingent liabilities may arise if the judgments/order goes against the company.

SL No.	Description	Contingent Liability Amount(TK.)
i.	10(Ten) no(s) Civil Cases had been filed against the company demanding compensation for the acquired land.	13,276,709.00
ii.	<p>Bangladesh Gas Fields Company Ltd. (BGFCL) is gas producing organization. BGFCL has no scope to collect any VAT and SD from the ultimate consumers. The BGFCL is responsible for collecting VAT and SD from the distribution companies and depositing that amount to NBR. Distribution companies are responsible to collect VAT and SD amount on gas sales to the ultimate consumers.</p> <p>Large Taxpayers Unit(LTU)-VAT claimed Tk. 753,40,60,861.51 (Taka Seven Hundred Fifty Three Crore Forty Lac Sixty Thousand Eight Hundred Sixty One and Paisa Fifty One Only) as VAT and SD on the increased value of gas supplied from BGFCL during the period of 1st March 2017 to 17th September 2018.</p> <p>Since, BGFCL having no hand in collection of any VAT and SD from consumers and On the other hand, distribution companies did not collect any VAT and SD on Support for Shortfall amount in accordance with the Tariff Order No. 2017/02 dated 23.02.2017 of Bangladesh Energy Regulatory Commission (BERC), being binding on the petitioner as well as the gas distribution companies by virtue of Section 34 of the BERC Act, 2003. Large Taxpayers Unit (LTU)-VAT issued notice and The final demand under the VAT Act, 1991 to collect VAT) and SD on the increased price (support for shortfall) of gas supplied by BGFCL. That being aggrieved by and dissatisfied with the Demand Notice under Nothi No. 08. 01. 0000.076.04.005.19/1321 dated 21.08.2019 issued by LTU-VAT, BGFCL submitted Writ Petition No.5152/2020 to the Honorable High Court Division. The Honorable Court passed an order against BGFCL's Writ Petition No 5152/2020 dated on 20-10-2020. Being aggrieved, BGFCL submitted A Civil Petition for Leave to Appeal (CPLA) in the Honorable Appellate Division of the Supreme Court against the order/judgment of High Court Division for said Writ Petition. Now it is under jurisdiction of the Appellate Division of the Supreme Court of Bangladesh.</p>	7,534,060,862.51
Total (i + ii)		7,547,337,571.51



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

60. Related party disclosures

i) Related party transactions

During the period, the company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of these related parties, nature of these transactions and their total value have been set out in accordance with the provisions of IAS 24: Related party disclosure.

Name of party	Nature of transactions	Transactions value (Taka)	
		30 June 2023	30 June 2022
Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	Condensate handling	293,652,075	357,966,367
Bangladesh Petroleum Expl. and Production Co. Ltd. (BAPEX).	Condensate handling	395,416,935	432,684,360
Titas Gas Transmission and Distribution Co. Ltd. (TGTDC)	Gas sale	7,033,872,856	5,591,412,150
Bakhrabad Gas Distribution Co. Ltd. (BGDCL)	Gas sale	940,131,854	742,958,458
Karnaphuli Gas Distribution Co. Ltd. (KGDCL)	Gas sale	-	(7,125,796)
Jalalabad Gas Trans. & Distribution System Ltd. (JGTDSL)	Gas sale	1,050,328,129	746,426,387
Pashchimanchal Gas Company Ltd. (PGCL)	Gas sale	741,439,664	709,514,716
Sundorban Gas Company Ltd. (SGCL)	Gas sale	531,820,281	468,627,179
Aqua Refinery Ltd.	Condensate sale	-	18,305,156
Super Petrochemical Ltd.	Condensate sale	1,725,971,734	1,080,138,139

ii) Particulars of Directors of Bangladesh Gas Fields Company Limited as at 30 June 2023:

Name of Directors	Position	Entities where they have interests
Mr. Dr. Md. Khairuzzaman Mozumder	Chairman	Secretary, Energy & Mineral Resources Division, Ministry of Power, Energy and Mineral Resources., Govt. of Bangladesh.
Mr. Md. Humayun Kabir	Director	Additional Secretary (Development), Energy & Mineral Resources Division, Dhaka.
Mr. Md. A Khaleque Mullick	Director	Additional Secretary (Admin), Energy & Mineral Resources Division, Dhaka.
Mr. A. K. M. Benjamin Riazi	Director	Managing Director (Joint Secretary), Pan Pacific Sonargaon, Dhaka and Ex-Director (Finance), Petrobangla.
Mr. Mohammad Faruque Hossen	Director	Joint Secretary (Admin-2), Energy & Mineral Resources Division, Dhaka.
Mr. Muktadir Aziz	Director	Private Secretary (Deputy Secretary) to the Power, Energy & Mineral Resources Affairs Adviser to the Prime Minister, Dhaka.
Mr. Md. Abdul Mannan Patwary	Director	Director (Planning), Petrobangla
Mr. Md. Sheikh Shahidul Islam	Director	Senior Assistant Secretary (Admin-1), Energy & Mineral Resources Division, Dhaka.
Mr. Md. Abdus Sultan	Director	Managing Director of Bangladesh Gas Fields Company Limited.



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Notes to the Financial Statements
For the year ended 30 June 2023

61. Others

- 61.1 Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year, without causing any impact on the operational result and value of assets and liabilities as reported in the financial statements.
- 61.2 Figures in these notes and in the annexed financial statements have been rounded off to the nearest BDT.
- 61.3 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

For and on behalf of the Board of Directors of Bangladesh Gas Fields Company Limited



GM (Finance and Accounts)



Company Secretary



Managing Director



Director

Dhaka, Bangladesh

Dated, 27 SEP 2023



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Budget variance with actual expenditure
For the year ended 30 June 2023

Taka in lac					
SI no	Particulars	2021-2022	2022-2023		
		Actual	Budget	Actual Expenses	Variance
<u>A. Employees expenses</u>					
1	Officers' salaries	1,918.26	2,159.00	2,053.27	105.73
2	Staff salaries	1,173.53	1,335.00	1,229.44	105.56
6	House rent allowance	1,050.91	1,341.00	1,155.17	185.83
7	Education assistance allownace	37.53	60.00	32.42	27.58
8	Medical allowance	81.04	96.00	83.02	12.98
9	Medical expenses	460.69	570.00	455.87	114.13
10	Employees tiffin allowance and expense	120.30	150.00	124.01	25.99
11	Festival bonus	662.89	1,147.00	1,055.69	91.31
12	Incentive bonus	391.62	600.00	465.03	134.97
13	Conveyance allowance	29.63	35.00	30.85	4.15
14	Overtime	1,476.03	1,550.00	1,523.67	26.33
15	Liveries and uniforms	223.15	322.00	278.70	43.30
16	Washing allowances	3.55	4.50	4.00	0.50
17	Welfare expenses	40.81	65.00	64.92	0.08
18	Leave encashment	347.53	510.00	428.77	81.23
19	Gratuity	13.48	260.10	317.04	(56.94)
20	Pension fund	1,149.08	3,988.00	3,874.58	113.42
21	Leave fare	258.39	360.00	287.34	72.66
22	Employee tea expenses	54.59	120.00	70.16	49.84
23	Lunch subsidy	188.28	250.00	194.31	55.69
24	Group insurance	74.44	90.00	80.84	9.16
25	Contribution to providend fund (CPF)	12.83	14.00	12.85	1.15
26	Gas allowance	108.03	195.00	181.46	13.54
27	Shift allowances/ hardship allowance	36.86	46.00	37.06	8.94
28	Honorarium	517.64	922.33	547.93	374.40
29	Employees income tax	27.88	40.00	20.95	19.05
30	Others (Utility, wash, water and electricity. etc.)	81.01	90.00	88.46	1.54
	Sub Total (A)	10,540.00	16,319.93	14,697.78	1,622.15



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)

Budget variance with actual expenditure
For the year ended 30 June 2023

Taka in lac					
SI no	Particulars	2021-2022	2022-2023		
		Actual	Budget	Actual Expenses	Variance
B. Office expenses					
34	Printing and stationery	68.50	80.00	69.68	10.32
35	Postage, telegraph and telephone	42.07	100.00	74.20	25.80
36	Electricity and water expenses	131.51	218.00	88.87	129.13
37	Electric supplies	29.70	100.00	31.43	68.57
38	Travelling expenses	68.29	100.00	73.43	26.57
39	Office rent	40.80	50.00	45.50	4.50
40	Entertainment expenses (with AGM)	141.90	155.00	158.26	(3.26)
41	Training expenses	14.12	350.00	17.50	332.50
42	Legal expenses	11.38	40.00	4.75	35.25
43	Consultant fee	3.85	18.00	2.93	15.07
44	Insurance expenses	90.11	204.00	139.99	64.01
45	Director fees and board expenses	57.25	60.00	63.11	(3.11)
46	Audit fees	2.98	5.40	3.01	2.39
47	Bank charges	54.97	65.00	47.35	17.65
48	Books and periodicals	17.54	27.00	16.19	10.81
50	Tax (Land development tax & UP tax)	40.15	56.00	58.35	(2.35)
51	Petrol, oil and lubricant (POL)	102.58	130.00	134.12	(4.12)
52	Condensate transport	298.36	25.00	-	25.00
53	Motor vehicle hire	203.64	280.00	257.18	22.82
54	Repair and maintenance of vehicles	124.60	200.00	142.43	57.57
55	Repair and maintenance of field, Plant and machinery	1,769.53	5,700.00	1,697.69	4,002.31
56	Repair and maintenance of building etc.	110.15	225.00	99.25	125.75
57	Repair and maintenance of furniture, fixture and office equipment	46.71	100.00	48.13	51.87
58	Corporate social responsibility/subscription	57.01	65.00	63.36	1.64
59	Advertisement	22.66	30.00	12.47	17.53
60	Crockeries and cutleries	7.65	11.00	4.07	6.93
61	Depreciation and depletion	26,113.71	26,434.00	26,098.11	335.89
63	Internal gas use (Fuel for H/O generator)	44.86	110.00	97.76	12.24
64	Residential furnishing/soft furnishing	11.65	25.00	5.58	19.42
65	Entertainment allowance	6.94	8.00	7.99	0.01
66	VAT on gas (own use) in plant/ generator/ vehicle	327.90	615.00	458.59	156.41
67	Casual labour	1,175.76	1,400.00	1,210.33	189.67
68	Safety and security expenses (ansar etc.)	1,412.33	1,828.00	1,574.31	253.69
69	School operating expenses	-	-	-	-
70	Others (National day, recruitment exp, development etc.)	177.37	348.00	306.93	41.07
Sub total (B)		32,828.55	39,162.40	33,112.86	6,049.54
Sub-total (A+B)		43,368.54	55,482.33	47,810.64	7,671.69
POL closing stock adjustment (C)		120.80	-	(57.92)	57.92
Purchase cost of condensate (D)		-	-	-	-
Grand Total : (A+B+C+D)		43,489.34	55,482.33	47,752.72	7,729.61



Bangladesh Gas Fields Company Limited (A Company of Petrobangla)			
Key performance indicator (KPI) For the year ended 30 June 2023			
		(Taka in lac)	
Particulars		30/Jun/2023	30/Jun/2022
1) Current ratio (2:1)			
Total current assets		148,178.23	126,009.12
Total current liabilities		59,607.70	55,042.25
		2.49:1	2.29:1
2) Liquidity ratio (1:1)			
Current assets		148,178.23	126,009.12
Less: Inventory		1,423.69	1,385.67
Cash assets and cash equivalent assets		146,754.54	124,623.45
Total current liabilities		59,607.70	55,042.25
		2.46 : 1	2.26 : 1
3) Rate of Return on average net fixed assets (ROR)			
Net profit before tax		(10,101.26)	4,782.47
Interest charges		7,375.63	6,576.37
		(2,725.63)	11,358.84
Average net fixed assets		321,494.81	305,318.27
		(0.85) %	3.72
4) Debt-Equity ratio (60:40)			
<u>Year end long term Loans:</u>			
Long term loan		228,825.13	230,743.71
Reserve for exchange fluctuation		16,538.39	9,276.48
		245,363.52	240,020.19
<u>Capital and reserves:</u>			
Share capital		102,755.68	98,017.14
GOB contribution to equity		814.23	4,738.53
Capital reserves(excluding HCDF)		5,629.70	5,629.70
Revaluation reserve		704.20	704.20
Revenue reserves		1,544.72	1,544.72
Retained earnings		231,025.28	243,421.76
		342,473.80	354,056.04
	Debt : Equity	42 : 58	40 : 60
5) Debt- Service Coverage Ratio (DSCR) : (Not less than 1.2 times)			
<u>Net operating income</u>			
Net operating profit		(15,618.95)	(3,780.51)
Add: Interest cost		7,375.63	6,576.37
Add: Depreciation and depletion		26,098.11	26,113.71
		17,854.79	28,909.57
<u>Debt service requirement</u>			
Current portion of long term loan		29,205.53	26,509.91
Short term bank loan		-	-
Interest		7,375.63	6,576.37
		36,581.16	33,086.28
	Debt- Service Coverage Ratio :	0.49 Times	0.87 Times
6) Total unit cost (In taka)			
a) Unit cost per MCM =	Total cost	6,556,483,191	5,632,314,609
	Gas production in MCM	6,192,343	6,395,672
		1,058.80	880.64
b) Unit cost per MCF =	Total cost	6,556,483,191	5,632,314,609
	Gas production in MCF	218,680,743	225,861,248
		29.98	24.94
7) Earning Per Share (EPS)			
a) Basic Earning Per Share (BEPS)	Net profit after tax	(914,647,427)	1,255,899,217
	No of shares	1,027,556,797	980,171,451
		(0.89)	1.28
b) Diluted Earnings Per Share (DEPS)	Net profit after tax	(914,647,427)	1,255,899,217
	No of shares	1,035,699,056	1,027,556,797
		(0.88)	1.22

