

**Audited Financial Statements
of
Dhaka Electric Supply Company Limited (DESCO)
As at and for the year ended 30 June 2025**

Hoda Vasi Chowdhury & Co

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT To the Shareholders of Dhaka Electric Supply Company Limited (DESCO)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Dhaka Electric Supply Company Limited (DESCO)** "the Company" which comprise the statements of financial position as at 30 June 2025, Statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis for Qualified Opinion

1. We refer to the note # 10 of the financial statements, where the Company has shown the amount of Taka 560.12 crore as receivable from customers as on 30 June 2025. Out of the total receivable balance, an amount of Taka 311.07 crore appears to be irrecoverable comprising of Taka 263.08 crore receivable from Bihari Camp as this amount has been accumulating and being carried forward since long and remaining amount of Taka 47.99 crore arising from customers' inactive accounts. However, the Company has recognized only Taka 2.87 crore as a provision for bad debts resulting a short provision of Taka 308.20 crore in this regard resulting assets are overstated as well as loss for the year is understated by said amount.
2. We refer to the note # 9 of the financial statements, where the Company has shown the amount of Taka 660.67 crore as inventories. It has been observed that inventories software currently used by the Company for record keeping does not generate report with monetary value of closing inventories. Further, monetary value of items of inventories so issued is not available from software system. Moreover, no year-end physical verification was carried out by management of the Company. As a result, value of inventories as on the balance sheet date is most likely to be over or understated but management has not quantified such amount of over or understatement and ultimately, this could not be verified by us satisfactorily.
3. We refer to the note # 8.4 of the financial statements, regarding outstanding amount of Tk 562.41 crores as CWIP as on 30 June 2025. It may be pointed out that DESCO has an underground substation construction (UGSS) project at Gulshan and expenditure under this head have been booked and recorded under Capital Work in Progress (CWIP). On 26 September 2023, the project has been cancelled by the Ministry of Power, Energy and Mineral Resources on the grounds, among others, that the revised estimated value (not made available to us) was higher than the initial estimated project value of was Tk 950.97 crore. In response to this order, DESCO has terminated all contracts with the contractor and vendors associated with this project. The

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accumulated costs so incurred up to the date of cancellation order amounting to Taka 732,504,116 crore is included in the above noted amount of CWIP. This capital expenditure on incomplete asset being no longer considered having economic and business value is apparently a total loss but has not been written off as yet and as a result CWIP is overstated by the said amount. We are not aware of any further costs so incurred by contractors or associated vendors upon work orders as well as bills so submitted or not but not accounted/paid for.

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

Emphasis of Matters:

Without modifying our opinion, we draw attention to the following matters:

1. We refer to the note # 30 of the financial statements, and as evident that the Company has not transferred outstanding unclaimed dividends amount which is more than three years to the Capital Market Stabilization Fund (CMSF), as required by the CMSF Rules 2021, Chapter III, Rule 9, Section 1. This is a deviation from the relevant rules.
2. We refer to note # 34 of the financial statements, where it has been disclosed that the Company made provisions for the Workers Profit Participation Fund (WPPF) in previous years, when the Company made profits, following the amendments to Section 232 of the Labour Law 2006. However, DESCO has failed to pay the entire amount of WPPF. Further, allocation of WPPF amount between the employees, Bangladesh Labor Welfare Foundation and fund with a proportion of 80:10:10 among these funds within specified period as per Section 14, Sub-section 3 of the Bangladesh Labor Welfare Foundation Act 2006, has not been done, resulting contravention to the above noted provision of law.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Capital Work-in-Progress (CWIP)

Refer to the note # 8 of the financial statements

Risk	Our response to the risk
<p>Capital Works-in-Progress (CWIP) is the expenditure on fixed assets (Property, Plant and Equipment) that are in the process of construction or completion i.e. not ready for intended use at the time of incurring of expenditure.</p> <p>The Company has shown Capital Work-in-Progress (CWIP) BDT 5,624,068,273 in the financial statements as at 30 June 2025.</p> <p>A significant judgment is required in relation to recognizing Capital Work-in-Progress and transfer it to as Property, Plant and Equipment (PPE).</p>	<p>Our audit procedure includes:</p> <ul style="list-style-type: none"> • Review project contracts, agreements, invoices, and other supporting documentation for each ongoing project to verify the existence and completeness of Capital Work in Progress. • Obtained supporting documents of capitalization transaction to determine whether the amount recorded in correct year. • Physically inspect the ongoing construction or development projects to ensure they exist and are in line with the accounting records. • Assess the effectiveness of internal controls related to Capital Work in Progress. For example, evaluate the segregation of duties and authorization processes. • Ensure that all costs capitalized meet the criteria established by accounting standards, such as being directly attributable to the project and enhancing its future economic benefits. • Review any changes to project scope, as well as variations in the original contract to ensure that they are appropriately accounted for in Capital Work in Progress. • Examine the completeness of Capital Work in Progress by comparing it to project schedules, contract agreements, and any other relevant documentation. • Examine the notes to the financial statements and other disclosures to ensure that Capital Work in Progress is presented in accordance with accounting standards.



Measurement of deferred tax Liability

Refer to the note # 22 of the financial statements

Risk	Our response to the risk
<p>Deferred tax liability as being the amount of income tax payable in future periods in respect of taxable temporary differences.</p> <p>The Company has recognized deferred tax liability BDT 1,694,985,283 in the financial statements as at 30 June 2025.</p> <p>Significant judgment is required in relation to deferred tax liability as it is owned but is not due to be paid until a future date.</p>	<p>Our procedure includes:</p> <ul style="list-style-type: none"> • Obtained an understanding, evaluated the design and tested the operational effectiveness of the key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumption used in estimating the future taxable expense of the company. • Review the company's accounting policies related to deferred tax liabilities, including the applicable tax rates, temporary differences, and measurement methods. • Confirm the existence and classification of temporary differences that give rise to deferred tax liabilities, such as depreciation, bad debt provisions, or fair value adjustments. • Examine the notes to the financial statements to ensure that deferred tax liabilities are adequately disclosed, including details of the underlying temporary differences and the tax rates applied.

Revenue Recognition

Refer to the note # 37 of the financial statements

Risk	Our response to the risk
<p>The Company (DESCO) recognizes revenue by selling energy to the consumers. The Company collect revenue from prepaid customer and postpaid customer. Also, DESCO earn revenue from demand charge, service charge, meter and transformer rent.</p>	<p>Our audit procedure includes:</p> <ul style="list-style-type: none"> • Assess whether revenue recognition policies are applied through comparison with relevant International Financial Reporting Standard;
<p>Revenue earned from selling energy to prepaid customers are recorded on consumption basis. From 01 July 2024 to 30 June 2025 total net sales is Taka 73,420,673,832.</p>	<ul style="list-style-type: none"> • Tested the Companies control over revenue recognition, including reconciliations between sales and cash receipt systems and general ledger; • Obtain monthly VAT return of the company and ensure total sales agreed with VAT return. • Assess the Companies disclosures of its revenue recognition policy.



Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994, the Securities and Exchange Rules, 2020 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 judgment 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.
- 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 achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company's business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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 those books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purpose of the Company's business.

Dhaka, Bangladesh

Date: 11 OCT 2025

DVC: 2510160469AS182139



A F Nesaruddin, FCA

Enrolment # 469

Senior Partner

Firm's Registration # CAF-001-057

Hoda Vasi Chowdhury & Co

Chartered Accountants

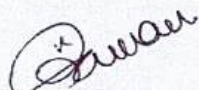


Hoda Vasi Chowdhury & Co


Dhaka Electric Supply Company Limited (DESCO) Statement of Financial Position As at 30 June 2025

Assets	Notes	30 June 2025	30 June 2024
		Taka	Taka
Non-current assets			
Property, plant and equipment, net	4	48,690,968,940	49,376,498,879
Distribution line (deposit works), net	5	4,482,642,393	3,808,632,487
Intangible assets, net	6	26,629,252	42,659,863
Right of use assets, net	7	117,852,484	64,630,719
Capital work-in-progress	8	5,624,068,273	5,745,349,660
		58,942,161,342	59,037,771,608
Current assets			
Inventories	9	6,606,680,396	4,761,483,354
Accounts receivable and others receivable	10	5,601,224,763	6,405,304,837
Advances, deposits and prepayments	11	979,139,425	1,344,145,201
Advance income tax	12	1,691,096,454	1,530,814,783
Investment in term deposit	13	8,069,276,182	5,939,612,350
Cash and cash equivalents	14	10,722,514,518	10,377,870,006
		33,669,931,738	30,359,230,531
Total assets		92,612,093,080	89,397,002,139
Equity and liabilities			
Capital and reserves			
Share capital	15.2	3,975,698,040	3,975,698,040
Irredeemable non-cumulative preference share	16	6,100,748,120	-
GoB equity	17	459,000,008	6,354,341,728
Revaluation surplus	18	6,194,224,278	6,284,690,747
Retained earnings	19	(2,682,960,909)	(1,539,346,456)
		14,046,709,537	15,075,384,059
Donated equity (deposit works)	20	4,482,642,393	3,808,632,488
Long-term liabilities			
Long term loans - non current portion	21	29,479,384,417	27,484,899,789
Deferred tax liabilities	22	1,694,985,283	1,621,166,452
Payable to DESA/DPDC	23	2,268,338,764	2,693,294,437
Security deposits	24	4,240,153,336	4,030,563,182
Lease liabilities	25	138,679,470	69,541,741
Other long term liabilities	26	2,303,020	2,303,020
		37,823,844,290	35,901,768,621
Current liabilities			
Accounts payable	27	12,808,836,000	12,925,122,361
Creditors for goods/works	28	389,945,667	527,726,464
Other payables	29	868,887,644	1,117,584,740
Un-claimed and unpaid dividend including tax	30	102,448,958	103,827,199
Liabilities for expenses	31	1,365,579,390	1,333,183,837
Long term loans - current portion	32	11,304,501,048	8,509,854,100
Interest payable on loans	33	8,763,748,346	7,223,794,666
Workers profit participation fund (WPPF)	34	70,870,460	70,870,460
Short term bank loan	35	-	2,375,455,468
Provision for income tax	36	584,079,347	423,797,676
		36,258,896,860	34,611,216,971
Total equity and liabilities		92,612,093,080	89,397,002,139
Net assets value per share (NAV)		35.33	37.92

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


Company Secretary


Executive Director (F&A)


Director

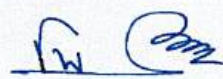

Managing Director


Chairman

Dhaka, 11 OCT 2025

DVC: 2510160469AS182139




A F Nesaruddin, FCA
Enrolment # 469
Senior Partner
Firm Registration # CAF-001-057
Hoda Vasi Chowdhury & Co
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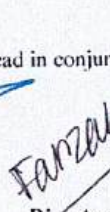
Dhaka Electric Supply Company Limited (DESCO)
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

	Notes	30 June 2025 Taka	30 June 2024 Taka
Electricity supply (net of VAT)	37	73,420,673,832	66,256,009,433
Less: Energy purchase (including wheeling charge)	38	(66,923,999,905)	(62,703,036,003)
Distribution revenue		6,496,673,927	3,552,973,430
Other operating revenue			
Other operating income	39	1,625,517,882	1,650,858,511
Others revenue (deposit works)	40	103,866,301	141,168,787
		1,729,384,183	1,792,027,298
Total operating revenue		8,226,058,110	5,345,000,728
Less: Cost of energy sales			
Direct operating expenses	41	1,394,904,874	1,265,917,595
Depreciation (direct)	42	2,142,156,827	1,985,785,931
		3,537,061,701	3,251,703,526
Gross profit		4,688,996,409	2,093,297,201
Less: Operating expenses			
Administrative expenses	43	391,649,863	459,114,573
Employee expenses	44	2,939,243,339	2,920,575,267
Bad debts expenses	10.2	10,850,286	13,575,528
Depreciation (indirect)	42	204,202,963	150,143,583
		3,545,946,451	3,543,408,951
Total operating profit/(loss)		1,143,049,958	(1,450,111,749)
Add: Non-operating income/(expense)			
Interest income	45	1,009,516,673	848,487,110
Other income	46	176,297,207	144,172,265
Finance cost	47	(1,638,229,632)	(1,827,289,293)
Exchange fluctuation loss	48	(1,692,506,814)	(2,431,200,901)
		(2,144,922,566)	(3,265,830,819)
Net loss before contribution to WPPF		(1,001,872,607)	(4,715,942,568)
Less: Contribution to WPPF	49	-	-
Net loss before tax		(1,001,872,607)	(4,715,942,568)
Income tax			
Current tax expenses	50	(160,281,671)	(203,938,015)
Deferred tax expenses	22.1	(89,783,502)	(135,745,172)
		(250,065,173)	(339,683,187)
Net loss after tax		(1,251,937,780)	(5,055,625,754)
Total other comprehensive income/(loss)		15,964,671	(124,844,985)
Deferred tax on revaluation gain/(loss)		15,964,671	(124,844,985)
Total comprehensive loss for the year		(1,235,973,110)	(5,180,470,739)
Basic earnings per share		(3.15)	(12.72)

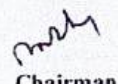
These financial statements should be read in conjunction with annexed notes.


Company Secretary


Executive Director (F&A)


Director


Managing Director


Chairman

Dhaka, 11 OCT 2025

DVC: 2510160469 AS 182139





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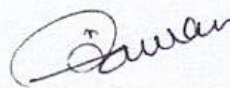
Dhaka Electric Supply Company Limited (DESCO)
Statement of Changes in Equity
For the year ended 30 June 2025

Amount in Taka

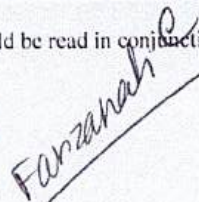
Particulars	Share capital	Preference share capital	GoB equity	Revaluation surplus	Retained earnings	Total
Balance as at 01 July 2024	3,975,698,040	-	6,354,341,728	6,284,690,747	(1,539,346,456)	15,075,384,059
Issuance of preference share	-	6,100,748,120	(6,100,748,120)	-	-	-
GoB equity added during the year	-	-	205,406,400	-	-	205,406,400
Net loss during the year	-	-	-	-	(1,251,937,780)	(1,251,937,780)
Deferred tax adjustment for revalued assets	-	-	-	15,964,671	-	15,964,671
Adjustment of depreciation of revalued assets	-	-	-	(106,431,140)	106,431,140	-
Prior year adjustment	-	-	-	-	1,892,187	1,892,187
Balance as at 30 June 2025	3,975,698,040	6,100,748,120	459,000,008	6,194,224,278	(2,682,960,909)	14,046,709,537

Particulars	Share capital	Preference share capital	GoB equity	Revaluation surplus	Retained earnings	Total
Balance as at 01 July 2023	3,975,698,040	-	6,100,748,128	6,515,966,871	3,532,230,741	20,124,643,780
GoB equity added during the year	-	-	253,593,600	-	-	253,593,600
Net loss during the year	-	-	-	-	(5,055,625,754)	(5,055,625,754)
Deferred tax adjustment for revalued assets	-	-	-	(124,844,985)	-	(124,844,985)
Adjustment of depreciation of revalued assets	-	-	-	(106,431,140)	106,431,140	-
Prior year adjustment	-	-	-	-	6,198,465	6,198,465
Cash dividend	-	-	-	-	(128,581,047)	(128,581,047)
Balance as at 30 June 2024	3,975,698,040	-	6,354,341,728	6,284,690,747	(1,539,346,456)	15,075,384,059

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


 Company Secretary


 Executive Director


 Director


 Managing Director

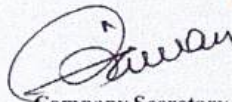

 Chairman

Hoda Vasi
 Chowdhury & Co

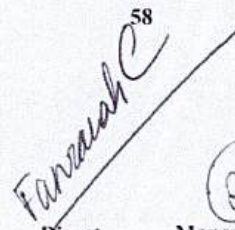


**Dhaka Electric Supply Company Limited (DESCO)
Statement of Cash Flows
For the year ended 30 June 2025**

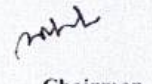
	Notes	30 June 2025 Taka	30 June 2024 Taka
A. Cash flow from operating activities			
Distribution revenue		8,452,534,103	7,767,678,676
Collection of Government Duty, VAT and Tax		8,381,323,918	7,480,941,940
Received from other operating and non operating activities		1,905,681,390	1,730,404,102
Received against financial income		859,968,297	703,520,958
Payment for employee expenses		(2,939,243,339)	(2,920,575,267)
Payment for administrative and other expenses		(1,516,133,837)	(579,784,185)
Payment for interest on long term loan		(282,738,125)	(144,501,065)
Payment for interest on short term loan		(95,031,559)	(65,000,000)
Advance income tax paid		(160,160,672)	(203,694,678)
Payment for Government Duty, VAT and Tax		(8,274,788,018)	(7,608,674,515)
Net cash generated from operating activities		6,331,412,158	6,160,315,966
B. Cash flow from investing activities			
Acquisition of property and plant		(3,661,505,433)	(980,861,232)
Investment in term deposit		(2,430,663,832)	-
Acquisition of inventories and equipment		(3,485,291,478)	(2,919,943,154)
Net cash used in investing activities		(9,577,460,742)	(3,900,804,386)
C. Cash flow from financing activities			
Loan received from ADB, GoB, AHB and JICA		3,680,107,531	2,153,218,892
Dividend paid		(1,378,241)	(123,834,282)
Long term loan paid		(297,726,347)	(299,935,221)
Consumer security deposits received		264,612,946	265,672,512
Payment against consumer security deposits		(54,922,793)	(73,268,895)
Net cash flow from financing activities		3,590,693,097	1,921,853,006
D. Net in cash and cash equivalents (A+B+C)		344,644,512	4,181,364,586
E. Cash and cash equivalents at the beginning of the year		10,377,870,006	6,196,505,421
F. Cash and cash equivalents at the end of the year (D+E)		10,722,514,518	10,377,870,006
Net operating cash flows per share (NOCFPS)		15.93	15.49


Company Secretary


Executive Director (F&A)


Director


Managing Director


Chairman



**Dhaka Electric Supply Company Limited (DESCO)
Notes to the Financial Statements
As at and for the year ended 30 June 2025**

1 Reporting entity

1.1 Company profile

Dhaka Electric Supply Company Limited (DESCO) was incorporated in Bangladesh on 03 November 1996 as a Public Limited Company by shares under the Companies Act, 1994, with an initial authorized capital of Taka 5,000 million, divided into 500 million ordinary shares of Taka 10 each. The authorized capital of the Company was subsequently increased from Taka 5,000 million to Taka 20,000 million by a special resolution passed in the 23rd Annual General Meeting (AGM) held on 09 January 2021. The shares of the Company are listed and traded on the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE) since 2006.

1.2 Nature and Scope of business

The main objective of the Company is to distribute electricity to its consumers effectively and efficiently. DESCO started its operation from 24 September 1998 in Mirpur area and as per Government decision the operation of greater Gulshan area was added from 09 April 2003. Further on 04 March 2007 operation of Tongi area was also handed over from DESA to the Company.

1.3 Registered and corporate head office

The registered office of the Company is located at 22/B, Kobi Faruk Sarani, Nikunja-2, Dhaka-1229, Bangladesh.

2 Basis of preparation of financial

2.1 Statement of compliance

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

2.1.1 Other regulatory compliances

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

The Securities and Exchange Ordinance, 1969
The Securities and Exchange Rules, 2020
DSE and CSE (listing) Regulations, 2015
Corporate Governance Code, 2018
The Income Tax Act, 2023
The Withholding Tax Rules, 2023
The Value Added Tax and Supplementary Duty Act, 2012
The Customs Act, 2023
The Labor Act, 2006 (amended in 2018)

2.2 Components of financial statements

-Statement of Financial Position;
-Statement of Profit or Loss and Other Comprehensive Income;
-Statement of Changes in Equity;
-Statement of Cash Flows; and
-Notes to the Financial Statements.

2.3 Basis of measurement

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



2.4 Use of estimates and judgments

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

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

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

	<u>Note Ref.</u>
Depreciation and amortisation	4,5,6 and 7
Deferred tax liabilities	22
Foreign currency denominated loans and borrowings	21 and 32

2.5 Going concern

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

2.6 Reporting period

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

3 Significant accounting policies

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

3.1 Foreign currency transactions

Foreign currency transactions and balances are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit or loss and other comprehensive income as per requirement of International Accounting Standards (IAS) 21: The Effects of Changes in Foreign Exchange Rates. However, while recognizing foreign exchange gain/loss, on foreign currency-denominated loans for the acquisition of property, plant and equipment and capital work-in-progress the Company has capitalized such exchange gain/(loss) as per section 185 (Schedule -XI, Part - I) of the Companies Act, 1994.

3.2 Property, plant and equipment

3.2.1 Recognition and measurement

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

3.2.2 Subsequent costs

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

3.2.3 Depreciation

No depreciation is charged on land, land development and capital works-in-progress.

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



Depreciation is charged at rates varying from 2% to 15% depending on category and economic life of the assets as under. Depreciation rate has been approved by DESCO Board on its 460th meeting.

<u>Category of asset</u>	<u>Rate of depreciation (%) P.A.</u>
Land and land development	0% (Nil)
Building and other constructions	2%
Distribution equipment and cables	3%-15%
Distribution line	3.33%
Furniture and fixtures	10%
Office equipment	10%-15%
Motor vehicles	10%

The company has acquired 0.1532 acres land from National Housing Authority (NHA) at Taka 7.45 lac on 99 years lease in the year 2005. The amortization of the cost of this land would have been Taka 7.529 per year, which would not have any 'material impact' on the profitability of the company, hence no amortization has been considered.

3.2.4 Capital works-in-progress

Capital works-in-progress consists of all costs related to projects including civil construction, land development, consultancy, interest during the construction period, line-in progress, import duties, and nonrefundable taxes and VAT. Property, plant and equipment that is being under construction/acquisition is also accounted for as capital works-in-progress until construction/acquisition is completed and measured at cost.

3.2.5 Retirement and disposal

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

3.2.6 Impairment

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

3.3 Intangible assets

3.3.1 Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38 "Intangible Assets" are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the profit or loss as incurred.

Development activities involve a plan or design for the production of new and substantially improved products and processes. Development expenditures, on an individual project, are recognized as an intangible asset when the Company can demonstrate all of the following:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) Its intention to complete the intangible asset and use or sell it;
- (iii) Its ability to use or sell the intangible asset;
- (iv) How the intangible asset will generate probable future economic benefits. Among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (v) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (vi) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.



Other development expenditures are recognized in profit or loss as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Following of the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is completed and the asset is placed in service. It is amortized over the period of expected future economic benefits. During the period of development, the asset is tested for impairment annually.

3.3.2 Subsequent costs

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in profit or loss as incurred.

3.3.3 Amortization

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

The Company uses reducing balance method to amortize intangible asset. The estimated useful life and depreciation rate for the current and comparative year are as follows:

<u>Category</u>	<u>Rate of amortization</u>
Software and software development	15%

3.4 Inventories

Inventories have been stated at the lower of cost and net realizable value in accordance with IAS - 2 "Inventories", after making due allowance for any obsolete or slow moving items. The cost of inventories is assigned by using weighted average cost method.

3.5 Leases

The Company has adopted IFRS 16: "Leases" on 01 July 2024 for its lease agreements which, at the inception of the agreement, conveyed the right to control the use of an identified asset for a period of time in exchange for consideration.

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 superseded IAS 17: "Leases" and the related Interpretations. IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer.

Distinctions of operating leases (off-balance sheet) and finance leases (on the statement of financial position) are removed for lessee accounting and are replaced by a model where a right-of-use asset and a corresponding liability have to be recognized for all leases by lessees (i.e. all on the statement of financial position) except for short-term leases and lease of low value assets.

The right of use asset is initially measured at cost and subsequently measured at cost (subject to certain exception) less accumulated depreciation and impairment losses, adjusted for any measurement of the lease liability. The lease liability is initially measured at the present value of the lease payments. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas, under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

3.6 Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets carried in the statement of financial position include cash and cash equivalents, accounts and other receivables, inter-company receivables, advances and deposits.

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

3.6.1 Financial assets

Financial assets are recognized initially on the date at which the Company becomes a party to the contractual provisions of the transaction.



Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at the bank excluding investment in term deposits of more than three months.

Investment in term deposits

Investment in term deposits comprise of fixed deposits having maturity of more than three months.

Advances and deposits

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

Accounts and other receivables

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

Accounts receivable for energy is stated at realizable amount less provision for doubtful debts. The company provides for doubtful debts @ 0.25% of accounts receivable against consumers balance standing at the balance sheet date, as decided by the Board of Directors at the meeting held on 17 April 2005.

3.6.2 Financial liabilities

Financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include interest bearing borrowing mostly from government, non refundable grants, trade payables and other current liabilities.

Interest-bearing borrowings

i) Foreign borrowings: The Company has been taking term loans from foreign lenders through the Government of Bangladesh by Subsidiary Loan Agreement (SLA) which is directly paid for by the lenders without routing through the Company's bank account. The Company recognizes the loans in its books of account when loan is disbursed by the lender.

ii) GoB borrowings: In terms of interest bearing borrowings from the GoB, the lender paid amount for four types of expenses:

- A. CD VAT
- B. Compensation
- C. Local payment to vendors
- D. Foreign payment to vendors

The payment of the loans are directly paid by the lenders without routing through the Company's bank account except for the foreign payments to vendors. The Company recognizes the loans in its books of account when loan is disbursed.

The government directly pay loan amounts to the company's bank account for foreign payments to vendors and unused amount of GoB loans are refunded in the name of GoB through treasury challan.

3.7 Deposit for shares

A share money deposit is a part of equity. These are considered equity shares and are long-term profit invested deposits geared toward to stockholders of a company. The Company gets the share money deposit from the Government of Bangladesh.

GoB's amount represents the investment received from GoB against the development projects. Most of the GoB's borrowings are detruncated into a 40% - 60% ratio as per the commemoratives of the borrowings distributed in the name of the Company. 60% of the borrowings are deposited as a deposit for shares in the name of GoB.

3.8 Provision, contingent liabilities and contingent assets

Provisions

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



Contingent liabilities

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

Contingent asset

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

3.9. Income taxes

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

3.9.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The enacted rate of tax is 20% as per Income Tax Act, 2023.

The minimum tax is applicable for the Company as per section 163 of the Income Tax Act, 2023 on gross receipts from all sources @ 0.60% or on the income of regular sources tax deducted as a source for wheeling bills or regular tax calculated.

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

3.9.2 Deferred tax

Deferred tax is recognized using the provisions of IAS 12, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they are reversed, based on income tax, the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

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

3.10 Revenue recognition

Under IFRS-15, the entity should recognize revenue when (or as) a performance obligation is satisfied, i.e.: when 'control' of the goods or service underlying the particular performance obligations is transferred to the customer.

IFRS-15 is a 5 steps approach to revenue recognition:

Step 1: Identify the contract(s) with a customer;

Step 2: Identify the performance obligations in the contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract;

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

DESCO is a distribution company of electricity. The company distributes electricity as per the tariff rate fixed up by Bangladesh Energy Regulatory Commission (BERC) and Power Division. The company purchase electricity from Bangladesh Power Development Board (BPDB). Margin between tariff sales and energy purchase cost is the company's distribution revenue.

The Company (DESCO) recognizes revenue of energy on issue of bills to the consumers for consumption of energy, demand charge, service charge, meter and transformer rent.

3.11 Finance income and expense

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



3.12 Earnings per share

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

Basic EPS is calculated by dividing the net profit for the year attributable to ordinary shareholders (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the year and splitted ordinary shares (IAS 33 para 10).

3.13 Statement of cash flows

The statement of cash flows has been prepared in accordance with requirements of IAS 7: Statement of Cash Flows. The cash generated from operating activities has been prepared using the direct method as prescribed by Securities and Exchange Rules, 2020 and as the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.14 Borrowing cost

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

3.15 Employee benefits

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

3.15.1 Defined contribution plan (provident fund)

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

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

3.15.2 Defined benefit plan (gratuity)

The Company also maintains a gratuity scheme for permanent employees, provision for which has been made in the statement of profit or loss and other comprehensive income. Employees are entitled to gratuity benefits after completion of minimum 3 years service with the Company but provision has been made for persons who have not completed 3 years. The gratuity is calculated on the last basic salary and is payable at the rate of 2.5 months' basic salary for every completed year of service. Actuarial valuation of the gratuity scheme has been made as of 30 June 2024 by an independent actuarial valuer to assess the adequacy of the liabilities provided for the schemes.

3.15.3 Group Insurance

The Company has taken group endowment policy for its employees and provision for the premium on the coverage is made annually.

3.16 Workers Profit Participation Fund (WPPF)

This is required to be made in terms of section 234(1)(b) of the Bangladesh Labor Act, 2006 (as amended in 2018). As per that Act, 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the fund, the proportion of the payment to the participation fund and the welfare fund being 80:10. The remaining 10% shall be paid by the company to the workers' welfare foundation fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-thirds has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in Section 242 of that Act.

The company makes provision @ 5% of its net profit before tax as a contribution to workers' profit participation fund before tax and charging such expense in accordance with The Bangladesh Labor Act, 2006 (as amended in 2018).

3.17 Events after the reporting period

In compliance with the requirements of IAS 10 "Events After the Reporting period" that provide additional information about the Company's position at the reporting date are reflected in the financial statements and events after the reporting period date that are not adjusting events are disclosed in the notes when material.



No material events occurred from the end of the reporting year to the date of issue of these financial statements, which could materially affect the values stated in the financial statements.

3.18 Related party transaction

The company in normal course of business carried out a number of transactions with directors/entities that fall within the definition of related party contained in International Accounting Standard (IASs) 24: related party disclosure. The disclosure relating to related parties have been shown in note 53.

3.19 Comparative information

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

3.20 General

- i) Figures appearing in these financial statements have been rounded off to the nearest Taka; and
- ii) Comparative figures and account titles in the financial statements have been rearranged/reclassified where necessary to conform with current year's presentation.



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	2025 <u>Taka</u>	2024 <u>Taka</u>
4 Property, plant and equipment, net		
At cost		
Opening balance	68,745,268,958	59,627,362,392
Add: Addition during the year	1,532,822,479	9,122,050,149
	<u>70,278,091,437</u>	<u>68,749,412,542</u>
Less: Disposal during the year	(6,532,093)	(4,143,584)
Closing balance	<u><u>70,271,559,344</u></u>	<u><u>68,745,268,958</u></u>
Accumulated depreciation		
Opening balance	19,368,770,079	17,312,977,172
Add: Charged during the year	2,212,068,339	2,056,094,636
	<u>21,580,838,418</u>	<u>19,369,071,808</u>
Less: Adjustment for disposals	(248,014)	(301,729)
Closing balance	<u><u>21,580,590,404</u></u>	<u><u>19,368,770,079</u></u>
Written down value as at 30 June	<u><u>48,690,968,940</u></u>	<u><u>49,376,498,879</u></u>

Details of property, plant and equipment and depreciation are presented in Annexure-A.

5 Distribution line (deposit works), net

At cost		
Opening balance	4,036,795,691	3,984,785,191
Add: Addition during the year	803,965,133	52,010,500
	<u>4,840,760,824</u>	<u>4,036,795,691</u>
Less: Disposal during the year	-	-
Closing balance	<u><u>4,840,760,824</u></u>	<u><u>4,036,795,691</u></u>
Accumulated depreciation		
Opening balance	228,163,204	98,758,516.00
Add: Charged during the year	129,955,227	129,404,688
	<u>358,118,431</u>	<u>228,163,204</u>
Less: Adjustment for disposals	-	-
Closing balance	<u><u>358,118,431</u></u>	<u><u>228,163,204</u></u>
Written down value as at 30 June	<u><u>4,482,642,393</u></u>	<u><u>3,808,632,487</u></u>

Details of distribution line (deposit works) are presented in Annexure-B.

6 Intangible asset, net

At cost		
Opening balance	193,464,637	193,210,887
Add: Addition during the year	-	-
	<u>193,464,637</u>	<u>193,210,887</u>
Less: Adjustment	-	253,750
Closing balance	<u><u>193,464,637</u></u>	<u><u>193,464,637</u></u>
Accumulated amortization		
Opening balance	150,804,774	121,823,141
Add: Charged during the year	16,030,611	28,981,633
	<u>166,835,385</u>	<u>150,804,774</u>
Less: Adjustment for disposals	-	-
Closing balance	<u><u>166,835,385</u></u>	<u><u>150,804,774</u></u>
Written down value as at 30 June	<u><u>26,629,252</u></u>	<u><u>42,659,863</u></u>

Details of intangible assets are presented in Annexure-C.



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	2025 <u>Taka</u>	2024 <u>Taka</u>
7 Right of use assets, net		
At cost		
Opening balance	115,483,964	11,516,995
Add: Addition made during the year	171,864,452	103,966,969
	<u>287,348,416</u>	<u>115,483,964</u>
Less: Adjustment made during the year	(381,847)	-
Closing balance	<u>286,966,569</u>	<u>115,483,964</u>
Accumulated depreciation		
Opening balance	50,853,245	-
Add: Charged during the year	118,260,840	50,853,245
	<u>169,114,085</u>	<u>50,853,245</u>
Less: Adjustment	-	-
Closing balance	<u>169,114,085</u>	<u>50,853,245</u>
	<u>117,852,484</u>	<u>64,630,719</u>
Written down value as at 30 June		
Details of right of use assets are presented in Annexure-D.		
8 Capital Work -in- Progress		
Construction of head office building and others (note-8.1)	1,177,108,848	1,169,159,020
Overhead/underground cable line 33/11KV (note-8.2)	864,270,177	1,282,050,813
Underground (UG) line construction 132/33/11Kv-Turnkey Project (note-8.3)	511,531,266	-
Dhaka Underground Substation Construction project at Gulshan-132/33/11Kv (note-8.4)	732,504,116	732,462,116
Construction of Grid Sub-station-04 Nos.132/33/11 KV and 04 Nos 33/11 KV (note-8.5)	926,099,163	1,219,795,919
33KV AIS to GIS conversion of New Tongi Grid 132/33/11 KV Sub- Station (note-8.6)	268,859,847	208,024,239
Software-customer management (note-8.7)	6,748,876	5,439,001
Mobile app-smart management reporting solution (note-8.8)	2,415,000	1,931,999
GIS Mapping APP (note-8.9)	398,659,181	390,614,754
Modernization of UG distribution network (note-8.10)	228,117,847	228,117,847
Master Information Center (MIC) (note-8.11)	507,753,952	507,753,952
	<u>5,624,068,273</u>	<u>5,745,349,660</u>
8.1 Construction of head office building and others		
Opening balance	1,169,159,020	887,911,018
Add: Addition during the year	7,949,828	281,248,002
	<u>1,177,108,848</u>	<u>1,169,159,020</u>
Less: Transferred to PPE during the year	-	-
Closing balance	<u>1,177,108,848</u>	<u>1,169,159,020</u>
This includes civil works, consultancy services, and related costs for the construction of the DESCO Head Office Building and the Central Store at Mirpur. The project commenced on 03 June 2021. At present, the construction works remain on hold due to prevailing political circumstances. The appointed contractor has left the country before completion of the project. Consequently, a committee has been formed to assess the remaining construction work, estimate the additional costs required for completion, and initiate the process of appointing a new contractor to resume and finalize the project.		
8.2 Overhead/underground cable line 33/11KV		
Opening balance	1,282,050,813	371,972,140
Add: Addition during the year	712,648,470	1,137,793,315
	<u>1,994,699,283</u>	<u>1,509,765,455</u>
Less: Adjustment	(968,265,925)	-
Less: Transferred to PPE during the year	(162,163,181)	(227,714,642)
Closing balance	<u>864,270,177</u>	<u>1,282,050,813</u>



This represents the construction and installation cost of 33 KV and 11 KV Overhead and Underground (OHUG) Cable Lines within Mirpur, Gulshan and Tongi areas under DESCO own funding.

	2025	2024
	<u>Taka</u>	<u>Taka</u>
8.3 Underground (UG) line construction 132/33/11Kv-Turnkey Project		
Opening balance	-	2,587,129,977
Add: Addition during the year	511,531,266	120,509,506
	511,531,266	2,707,639,483
Less: Transferred to PPE during the year	-	(2,707,639,483)
Closing balance	511,531,266	-

This project represents the construction of 132 KV, 33 KV and 11 kv Underground (UG) Cable Lines with the DESCO distribution area. The project commenced on 02 October 2024 and is being implemented as a turnkey basis. Total contract price is Taka 5.147 million under ADB, GOB, and DESCO funding.

8.4 Dhaka Underground Substation Construction project at Gulshan-132/33/11Kv

Opening balance	732,462,116	648,622,882
Add: Addition during the year	42,000	83,839,234
	732,504,116	732,462,116
Less: Transferred to PPE during the year	-	-
Closing balance	732,504,116	732,462,116

The Company signed an agreement with 37 Bridge, Bangladesh for consultancy services for project management, supervision and implementation support and with TEPCO and TEPSCO for engineering service consultant for construction of 132/33/11 KV UG Grid Substation building at Gulshan project under JICA, GoB and DESCO Funding. Contact price of TEPCO and TEPSCO are JPY 1095.59 million and BDT 307.75 million. The project has already been cancelled by the Government. Contract signed between DESCO and 37 Bridge and Contract signed between DESCO and JV of TEPCO and TEPSCO have also been terminated.

8.5 Construction of Grid Sub-station-04 Nos.132/33/11 KV and 04 Nos 33/11 KV

Opening balance	1,219,795,919	-
Add: Addition during the year	12,913,528	1,219,795,919
	1,232,709,447	1,219,795,919
Less: Adjustment	(306,610,284)	-
Less: Transferred to PPE during the year	-	-
Closing balance	926,099,163	1,219,795,919

The Company signed an agreement with CCCE-XEEC consortium, China for construction of 08 Nos 132/33/11Kv Grid sub-stations at DESCO area under ADB funding. The total contract price are USD 74.88 million and BDT 300.02 million.

8.6 33KV AIS to GIS conversion of New Tongi Grid 132/33/11 KV Sub- Station

Opening balance	208,024,239	-
Add: Addition during the year	60,835,608	208,024,239
	268,859,847	208,024,239
Less: Transferred to PPE during the year	-	-
Closing balance	268,859,847	208,024,239

The Company signed an agreement with ASTL-MME, JV, for 33KV AIS to GIS conversion of new Tongi grid 132/33/11 KV sub-station under DESCO funding. The total contract price are Euro 2.21 million and BDT 27.52 million.

8.7 Software-customer management

Opening balance	5,439,001	5,439,001
Add: Addition during the year	1,309,875	-
	6,748,876	5,439,001
Less: Transferred to PPE during the year	-	-
Closing balance	6,748,876	5,439,001

The Company signed an agreement with Techno vista for development of Online Customer Management System under own funding. Total contract price is BDT 6.48 million.



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	2025 <u>Taka</u>	2024 <u>Taka</u>
8.8 Mobile app-smart management reporting solution		
Opening balance	1,932,000	966,000
Add: Addition during the year	483,000	966,000
	2,415,000	1,932,000
Less: Transferred to PPE during the year	-	-
Closing balance	2,415,000	1,932,000
DESCO signed an agreement with REVE System for the Development and Maintenance Service of an IOS Mobile application for DESCO.		
8.9 GIS Mapping APP		
Opening balance	390,614,754	255,069,381
Add: Addition during the year	8,044,427	135,545,373
	398,659,181	390,614,754
Less: Transferred to PPE during the year	-	-
Closing balance	398,659,181	390,614,754
The Company signed an agreement with Trident Techlab Pvt. Ltd. (India) In association with BEATS Consulting Services Ltd.(BETS), Arc Bangladesh for design development and Installation of multi platform GIS-based application for the management of distribution network of DESCO for technical financial and managerial benefits. Work order value USD 14,80,935. and BDT 33,84,75,182.		
8.10 Modernization of UG distribution network		
Opening balance	228,117,847	29,830,846
Add: Addition during the year	-	198,287,001
	228,117,847	228,117,847
Less: Transferred to PPE during the year	-	-
Closing balance	228,117,847	228,117,847
The Company signed an agreement with Energy Tron Pty Ltd for consulting services for feasibility study for modernization of underground distribution network in DESCO area in the sum of USD 2,044,934 and BDT 50,500,000.		
8.11 Master Information Center (MIC)		
Opening balance	507,753,952	485,779,489
Add: Addition during the year	-	21,974,463
	507,753,952	507,753,952
Less: Transferred to PPE during the year	-	-
Closing balance	507,753,952	507,753,952
The Company signed an agreement with Oculin Tech BD Ltd for upgradation of Master Information Center (MIC) of DESCO on turnkey basis in the sum of BDT 74,83,11,592.		
9 Inventories		
Stores and spares (note-9.1)	6,309,858,643	4,722,278,910
Stores in transit	296,821,753	39,204,444
	6,606,680,396	4,761,483,354
9.1 Stores and spares		
Cable and accessories	4,975,399,408	2,678,104,272
Distribution transformers	185,344,365	184,693,177
Meter and meter accessories	240,838,159	676,344,761
Pole and pole fittings	325,967,350	395,803,564
Sub-station equipment and spares	400,615,791	429,524,994
Tools, equipment and others	174,932,144	352,132,365
Computer, printer, tonner and others	6,675,669	5,573,100
Furniture and fixtures	85,757	102,677
	6,309,858,643	4,722,278,910



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
10 Accounts receivable and others receivable		
Accounts receivable from consumers	4,724,564,380	5,743,983,588
Others receivable (note-10.1)	905,358,501	679,169,081
Less: Provision for doubtful debts (note-10.2)	(28,698,118)	(17,847,832)
Accounts receivable from sales	<u>5,601,224,763</u>	<u>6,405,304,837</u>
10.1 Others receivable		
Accounts receivable from BPDB against materials and others (note-10.3)	37,062,294	57,462,294
Accounts receivable from DPDC against Materials and others (note-10.4)	342,471,337	342,471,337
Accounts receivable from WZPDCL	1,197,161	1,197,161
Expenses recoverable from employees	1,275,463	1,010,057
Interest receivable on FDR and STD	389,405,562	143,081,550
Accounts receivable from United Trade Int.	17,222,382	17,222,383
Accounts receivable - SREDA	806,825	806,825
Accounts receivable - Licensing Board	806,825	806,825
Accounts receivable-income tax for the FY 2013-14	68,471,658	68,471,658
Accounts receivable - PGB PLC.	2,368,838	2,368,836
Accounts receivable - others	107,594	107,594
Accounts receivable - Ministry of Freedom Fighter (electricity bill)	44,162,562	44,162,562
	<u>905,358,501</u>	<u>679,169,081</u>
10.2 Provision for doubtful debts		
Opening Balance	17,847,832	62,546,003
Add: Provision made during the year	10,850,286	13,575,528
	<u>28,698,118</u>	<u>76,121,531</u>
Less: Adjustment/amount written off during the year	-	(58,273,699)
Closing Balance	<u>28,698,118</u>	<u>17,847,832</u>
A provision of Taka 10,850,286 has been made during the year representing 0.25% of the receivables outstanding as at 30 June 2025.		
10.3 Accounts receivable from BPDB against materials and others		
Receivable from BPDB against materials supplied	35,072,115	55,472,115
Receivable from BPDB against others	1,990,179	1,990,179
	<u>37,062,294</u>	<u>57,462,294</u>
10.4 Accounts receivable from DPDC against Materials and others		
Receivable from DPDC against materials supplied	341,654,882	341,654,882
Receivable from DPDC against others	816,455	816,455
	<u>342,471,337</u>	<u>342,471,337</u>
11 Advances, deposits and prepayments		
A) Advances		
Against goods and services	77,479,641	359,437,460
Advance to Rajuk against land purchase	430,066,726	440,094,126
National Development Engineers Ltd.	140,752,114	140,752,114
Advance to Power Cell (ERP software)	46,903,000	46,903,000
Advance to BPDB	6,237,150	6,237,150
Advance to Techvision (ERP Software)	1,904,556	1,904,556
Advance against office rent	972,390	1,993,025
Advance to DPDC	629,000	629,000
Advance to share money deposit	1,000	1,000
Advance to Eastern Housing Ltd	-	12,650,000
Protested claim for VAT appeal in tribunal	-	4,449,831
	<u>704,945,577</u>	<u>1,015,051,262</u>



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
B) Deposits		
Dhaka and Gazipur City Corporation	228,332,788	258,162,447
Roads and Highway Authority	6,800,000	6,800,000
Telephone Shilpha sangstha ltd against rent of store	5,000,000	5,000,000
Security deposit - others	4,476,963	4,474,083
Security deposit - RDA building and KDA building	2,746,318	2,746,318
Central Depository of Bangladesh (CDBL)	500,000	500,000
Telephone/mobile	146,653	146,653
Dhaka WASA	10,411	10,411
	<u>248,013,133</u>	<u>277,839,912</u>
C) Prepayments		
Prepayment - employees	26,180,715	31,459,696
Prepaid expense for cyber security license	-	19,794,331
	<u>26,180,715</u>	<u>51,254,027</u>
	<u>979,139,425</u>	<u>1,344,145,201</u>
12 Advance income tax		
Opening balance	<u>1,530,814,783</u>	<u>1,586,987,372</u>
Add: Paid during the year (note-12.1)	160,281,671	203,938,015
Less: Adjustment against current tax provision for FY 2018-19 and FY 2019-20	-	(260,110,604)
Closing balance	<u>1,691,096,454</u>	<u>1,530,814,783</u>
12.1 Advance income tax paid during the year		
Deducted at source (on interest of FDR and STD)	155,909,992	191,985,636
Deducted at source (on imported materials)	416,179	9,355,779
Income tax paid for FY 2024-25	3,955,500	2,596,600
	<u>160,281,671</u>	<u>203,938,015</u>
13 Investment in term deposit		
Opening balance	<u>5,939,612,350</u>	<u>10,415,545,662</u>
Add: Investment during the year	6,923,596,070	5,939,612,350
Less: Encashment during the year	(4,793,932,238)	(10,415,545,662)
Closing balance	<u>8,069,276,182</u>	<u>5,939,612,350</u>
The Company holds Fixed Deposit Receipts (FDRs) amounting to Taka 8,069,276,182. of which Taka 2500 million has been placed under lien against a Secured Overdraft (SOD) loan facility.		
14 Cash and cash equivalents		
Cash at banks (note-14.1)	10,420,519,398	10,375,343,820
Investment in short term deposit (FDR)	301,000,000	-
Imprest cash with sales and distribution (S&D) centers	995,120	2,526,186
	<u>10,722,514,518</u>	<u>10,377,870,006</u>
14.1 Cash at banks		
Current account (revenue collecting accounts) (note-14.2)	2,578,812,910	3,732,995,439
Current account (VAT)	687,958,962	483,970,561
Short term deposit accounts	7,153,747,526	6,158,377,820
	<u>10,420,519,398</u>	<u>10,375,343,820</u>
14.2 This represents collection for the last one months, by the different collecting banks, which has been transferred to the Company's central account in the next month.		
15 Share capital		
15.1 Authorized share capital		
2,000,000,000 ordinary shares of Taka 10 each	<u>20,000,000,000</u>	<u>20,000,000,000</u>
15.2 Issued and subscribed capital		
397,569,804 ordinary shares of Taka 10 each	<u>3,975,698,040</u>	<u>3,975,698,040</u>



15.3 Composition of share holding position as at 30 June 2025 is as follows

Particulars	No. of share holders	Number of share	% of share
DPDC (GoB)	1	268,988,757	67.66%
General public	202	93,960,992	23.69%
Mutual fund/institute	5,519	34,463,674	8.61%
Foreign company	23	156,381	0.04%
Total	5,745	397,569,804	100%

15.4 Classification of shares by holding at 30 June 2025 is as follows

Slabs by number of shares	No of share holders	% of shareholders	Number of share	% of share capital
1 to 500	2,400	41.78%	418,748	0.11%
501 to 5,000	2,489	43.32%	4,613,992	1.16%
5,001 to 10,000	352	6.13%	2,671,015	0.67%
10,001 to 20,000	212	3.69%	3,068,864	0.77%
20,001 to 30,000	69	1.20%	1,703,100	0.43%
30,001 to 40,000	39	0.68%	1,382,801	0.35%
40,001 to 50,000	32	0.56%	1,490,157	0.37%
50,001 to 100,000	47	0.82%	3,536,879	0.89%
100,001 to 1,000,000	78	1.36%	25,657,766	6.45%
Over 1,000,000 Shares	27	0.47%	353,026,482	88.80%
Total	5,745	100%	397,569,804	100%

16 Irredeemable non-cumulative preference share

610,074,812 irredeemable non-cumulative preference shares of Taka 10 each **6,100,748,120** -

As per directive from Power Division, DESCO Board on its 470th and 493th meeting held on 05 December 2023 and 04 November 2024 respectively approved the issuance of 60,76,93,513 and 23,81,299 number of irredeemable non-cumulative preference shares against GoB equity granted under Annual Development Program. These shares were issued on 11 July 2024 and 29 May 2025 after getting consent from the BSEC.

	2025	2024
	Taka	Taka
17 GoB equity		
Opening balance	6,354,341,728	6,100,748,128
Add: Addition during the year	205,406,400	253,593,600
	6,559,748,128	6,354,341,728
Less: Transferred to preference share capital	(6,100,748,120)	-
Closing balance	459,000,008	6,354,341,728

This represents 60% of loan received from the Government from time to time under Annual Development Program (ADP) as 60% is Government equity and the balance 40% is loan. Preference shares will be issued against the remaining GoB equity after AGM.

18 Revaluation surplus

Opening revaluation of fixed assets	6,284,690,747	6,515,966,872
Adjustment during the year	(106,431,140)	(106,431,140)
Deferred tax on revalued assets	15,964,671	(124,844,985)
Closing balance	6,194,224,278	6,284,690,747

19 Retained earnings

Opening balance	(1,539,346,456)	3,532,230,741
Adjustment of depreciation of revalued assets	106,431,140	106,431,140
Prior year adjustment	1,892,187	6,198,465
Net loss during the year	(1,251,937,780)	(5,055,625,754)
	(2,682,960,909)	(1,410,765,409)
Cash dividend paid	-	(128,581,047)
Closing balance	(2,682,960,909)	(1,539,346,456)



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	2025 Taka	2024 Taka
20 Donated equity (deposit works)		
Opening balance	3,808,632,488	3,984,785,192
Add: Amount received from consumer against line construction	803,965,133	52,010,500
Less: Depreciation on distribution line (deposit works)	(129,955,227)	(228,163,204)
Closing balance	4,482,642,393	3,808,632,488
21 Long term loans - non current portion		
(A) Loan from ADB, AIIB and JICA		
ADB loan no. 2332 (note-21.1)	1,783,693,367	2,284,366,488
ADB loan no. 3087 (note-21.2)	13,456,466,547	14,285,767,463
ADB loan no. 3522 (note-21.3)	1,081,300,381	1,121,700,616
ADB loan no. 4399 (note-21.4)	4,845,404,244	1,228,747,808
AIIB loan no. 003 (note-21.5)	5,495,123,783	5,737,153,886
JICA loan No. BD P97 (note-21.6)	440,462,409	389,220,326
	27,102,450,731	25,046,956,586
(B) Loan from Government of Bangladesh (GoB)		
Loan no. 2332 (note-21.7)	34,701,093	44,615,689
Loan no. 3087 (note-21.8)	1,315,677,542	1,454,169,914
Loan no. LN 0003 (note-21.9)	599,522,288	645,639,386
Loan no. BD - P97 (note-21.10)	76,533,114	76,533,114
Loan no. BD - BD 3522 (note-21.11)	44,499,649	47,922,699
Loan no. BD - BD Prepaid (note-21.12)	270,000,000	169,062,400
GoB loan - 4399 (note-21.13)	36,000,000	-
	2,376,933,686	2,437,943,202
	29,479,384,417	27,484,899,789

21.1 ADB loan no. 2332

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	19,359,038	2,284,366,488	29,038,557	3,160,556,547
Add: Received	-	-	-	-
	19,359,038	2,284,366,488	29,038,557	3,160,556,547
Less: Transfer to current liability	(4,839,760)	(594,564,455)	(9,679,519)	(1,142,183,242)
	14,519,278	1,689,802,033	19,359,038	2,018,373,305
Exchange loss	-	93,891,334	-	265,993,183
Closing balance	14,519,278	1,783,693,367	19,359,038	2,284,366,488

This represents funds drawn in USD under the subsidiary loan agreement between the Government of Bangladesh (GoB) and DESCO for the Sustainable Power Sector Development Project financed by the Asian Development Bank (ADB). The loan is repayable in local currency equivalent at the prevailing exchange rate on the date of repayment.

As per the terms, DESCO shall repay the principal amount to GoB in 30 equal semi-annual installments commencing after a grace period of 10 years, together with interest at 4.5% per annum, payable semi-annually on 1 May and 1 November each year. The exchange difference arising on revaluation at the reporting date has been recognized in the financial statements.

21.2 ADB loan no. 3087

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	121,065,826	14,285,767,463	144,125,983	15,686,672,028
Add: Received	-	-	-	-
	121,065,826	14,285,767,463	144,125,983	15,686,672,028
Less: Transfer to current Liability	(11,535,079)	(1,416,470,163)	(23,060,157)	(2,721,098,564)
	109,530,747	12,869,297,300	121,065,826	12,965,573,464
Exchange loss	-	587,169,247	-	1,320,193,999
Closing balance	109,530,747	13,456,466,547	121,065,826	14,285,767,463



This represents the amount drawn in USD under the subsidiary loan agreement between the Government of Bangladesh (GoB) and DESCO for the Power System Expansion and Efficiency Improvement Investment Program financed by the Asian Development Bank (ADB). The loan amount is repayable in local currency equivalent at the exchange rate prevailing on the date of repayment.

As per the agreement, the principal is repayable in 30 equal semi-annual installments over 20 years, including a grace period of 5 years. Interest is payable to the Government of Bangladesh at the rate of 4% per annum on the outstanding balance, on a semi-annual basis (1 May and 1 November each year). The project term expired on 30 June 2021.

21.3 ADB loan no. 3522

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	9,505,939	1,121,700,616	10,562,155	1,149,584,699
Add: Received	-	-	-	-
	9,505,940	1,121,700,616	10,562,155	1,149,584,699
Less: Transfer to current liability	(704,144)	(86,504,031)	(1,056,216)	(124,633,401)
	8,801,796	1,035,196,585	9,505,939	1,024,951,298
Exchange loss	-	46,103,796	-	96,749,318
Closing balance	8,801,796	1,081,300,381	9,505,939	1,121,700,616

This represents the amount drawn in USD under the subsidiary loan agreement between the Government of Bangladesh (GoB) and DESCO for the Power System Enhancement and Efficiency Improvement Project financed by the Asian Development Bank (ADB). The loan is repayable in local currency equivalent at the exchange rate prevailing on the date of repayment.

As per the agreement, the principal is repayable in 30 equal semi-annual installments over 20 years, including a grace period of 5 years. Interest is payable to the Government of Bangladesh at the rate of 4% per annum on the outstanding balance, on a semi-annual basis (15 January and 15 July each year). The project term expired on 30 June 2022.

21.4 ADB loan no. 4399

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	10,413,118	1,228,747,808	-	-
Add: Received	29,028,513	3,543,169,931	10,413,118	1,228,243,445
	39,441,631	4,771,917,739	10,413,118	1,228,243,445
Less: Transfer to current liability	-	-	-	-
	39,441,631	4,771,917,739	10,413,118	1,228,243,445
Exchange loss	-	73,486,505	-	504,363
Closing balance	39,441,631	4,845,404,244	10,413,118	1,228,747,808

This represents the amount drawn in USD under the subsidiary loan agreement between the Government of Bangladesh (GoB) and DESCO for the Distribution System Upgrade and Expansion Project financed by the Asian Infrastructure Investment Bank (AIIB). The loan is repayable in local currency equivalent at the exchange rate prevailing on the date of repayment.

As per the agreement, the principal is repayable in 30 equal semi-annual installments over 20 years, including a grace period of 5 years. Interest is payable to the Government of Bangladesh at the rate of 6.10% to 12% per annum on the outstanding balance, on a semi-annual basis (30 June and 31 December each year). The project term will expire on 30 June 2027.

21.5 AIIB loan no. 003

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	48,619,948	5,737,153,886	56,399,139	6,138,482,387
Add: Received	-	-	-	-
	48,619,948	5,737,153,886	56,399,139	6,138,482,387
Less: Transfer to current liability	(3,889,596)	(477,836,851)	(7,779,191)	(917,944,622)
	44,730,352	5,259,317,035	48,619,948	5,220,537,765
Exchange loss	-	235,806,748	-	516,616,121
Closing balance	44,730,352	5,495,123,783	48,619,948	5,737,153,886



This represents the amount drawn in USD under the subsidiary loan agreement between the Government of Bangladesh (GoB) and DESCO for the Distribution System Upgrade and Expansion Project financed by the Asian Infrastructure Investment Bank (AIIB). The loan is repayable in local currency equivalent at the exchange rate prevailing on the date of repayment.

As per the agreement, the principal is repayable in 30 equal semi-annual installments over 20 years, including a grace period of 5 years. Interest is payable to the Government of Bangladesh at the rate of 4% per annum on the outstanding balance, on a semi-annual basis (20 January and 20 July each year). The project term expired on 30 June 2021.

21.6 JICA loan No. BD P97

	30-Jun-25		30-Jun-24	
	JYP	Taka	JYP	Taka
Opening balance	518,618,168	389,220,326	447,502,547	355,531,647
Add: Received	-	-	71,115,621	52,877,413
	518,618,168	389,220,326	518,618,168	408,409,060
Less: Adjustment	-	-	-	-
	518,618,168	389,220,326	518,618,168	408,409,060
Exchange loss	-	51,242,083	-	(19,188,734)
Closing balance	518,618,168	440,462,409	518,618,168	389,220,326

This represents the amount drawn in JPY under the subsidiary loan agreement between the Government of Bangladesh (GoB) and DESCO for the Dhaka Distribution System Development Project financed by the Japan International Cooperation Agency (JICA). The loan is repayable in local currency equivalent at the exchange rate prevailing on the date of repayment.

As per the agreement, the principal is repayable in 30 equal semi-annual installments over 20 years, including a grace period of 5 years. Interest is payable to the Government of Bangladesh at the rate of 4% per annum on the outstanding balance, on a semi-annual basis (20 January and 20 July each year). The project term will expire on 31 December 2028.

21.7 Loan no. 2332	2025	2024
	Taka	Taka
Opening balance	44,615,689	64,444,881
Add: Received	-	-
	44,615,689	64,444,881
Less: Transfer to current liability	(9,914,596)	(19,829,192)
Closing balance	34,701,093	44,615,689

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty and VAT on material/equipment imported by the company under the ADB loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan is repayable in 30 installments starting from 2013 after a grace period of 5 years. The loan carries interest at 3% p.a. and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.

21.8 Loan no. 3087

Opening balance	1,454,169,914	1,731,154,660
Add: Received	-	-
	1,454,169,914	1,731,154,660
Less: Transfer to current liability	(138,492,372)	(276,984,746)
Closing balance	1,315,677,542	1,454,169,914

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty and VAT on material/equipment imported by the company under the ADB loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan is repayable in 30 installments starting from 2021 after a grace period of 5 years. The loan carries interest at 3% p.a. and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
21.9 Loan no. LN 0003		
Opening balance	645,639,386	694,384,904
Add: Received	-	-
Less: Transfer to current liability	(46,117,098)	(46,117,098)
	<u>599,522,288</u>	<u>648,267,806</u>
Less: Refund (global tax)	-	(2,628,420)
Closing balance	<u><u>599,522,288</u></u>	<u><u>645,639,386</u></u>

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty and VAT on material/equipment imported by the company under the AIB loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan is repayable in 30 installments starting from 2021 after a grace period of 5 years. The loan carries interest at 3% p.a. and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.

21.10 Loan no. BD - P97		
Opening balance	76,533,114	76,533,114
Add: Received	-	-
	<u>76,533,114</u>	<u>76,533,114</u>
Less: Transfer to current liability	-	-
Closing balance	<u><u>76,533,114</u></u>	<u><u>76,533,114</u></u>

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to pay VAT and AIT on Consultancy, Engineering Service and construction works of UGSS Project under the JICA Loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan carries interest at 3% p.a. and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.

21.11 Loan no. BD - BD 3522		
Opening balance	47,922,699	51,345,749
Add: Received	-	-
	<u>47,922,699</u>	<u>51,345,749</u>
Less: Transfer to current liability	(3,423,050)	(3,423,050)
Closing balance	<u><u>44,499,649</u></u>	<u><u>47,922,699</u></u>

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty and VAT on material/equipment imported by the company under the ADB loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan is repayable 30 installments with a grace period of 5 years.

21.12 Loan no. BD - BD Prepaid		
Opening balance	169,062,400	-
Add: Received	100,937,600	169,062,400
	<u>270,000,000</u>	<u>169,062,400</u>
Less: Refund	-	-
Closing balance	<u><u>270,000,000</u></u>	<u><u>169,062,400</u></u>

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty and VAT on material/equipment imported by the company under the ADB loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan is repayable 30 installments with a grace period of 5 years.

21.13 GoB loan - 4399		
Opening balance	-	-
Add: Received	36,000,000	-
	<u>36,000,000</u>	<u>-</u>
Less: Transfer to current liability	-	-
Closing balance	<u><u>36,000,000</u></u>	<u><u>-</u></u>

This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty and VAT on material/equipment imported by the company under the ADB loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GoB Equity". The loan is repayable 30 installments with a grace period of 5 years.



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	2025 <u>Taka</u>	2024 <u>Taka</u>
22 Deferred tax liabilities		
i. Deferred tax on PPE		
WDV of accounting base	46,454,593,964	46,359,682,858
WDV of tax base	<u>2024-25</u>	<u>2023-24</u>
WDV of tax base	27,362,947,032	27,727,803,724
Unabsorbed depreciation (i.i)	13,198,271,864	13,198,271,864
WDV of tax base	40,561,218,896	40,926,075,588
Temporary difference	5,893,375,068	5,433,607,271
Less: Permanent difference of vehicle	13,716,000	13,716,000
	<u>5,879,659,068</u>	<u>5,419,891,271</u>
Effective tax rate	20.0%	20.0%
Deferred tax liabilities	<u>1,175,931,814</u>	<u>1,083,978,254</u>
i.i Unabsorbed depreciation		
Opening Balance	13,198,271,864	13,198,271,864
Add: (Taxable income)/loss for the FY 2022-23 (note-50.1)	-	-
Closing Balance	<u>13,198,271,864</u>	<u>13,198,271,864</u>
ii. Deferred tax on bad debt		
Provision for bad debts	(28,698,118)	(17,847,832)
Deferred tax assets @ 20%	<u>(5,739,624)</u>	<u>(3,569,566)</u>
iii. Deferred tax on revaluation of assets		
Revalued value of land	6,900,850,177	6,900,850,177
Revalued value of other than land	(181,832,809)	(181,832,809)
Tax rate:		
On land	8%	8%
On other than land	15%	15%
Deferred tax liabilities		
For land	552,068,014	552,068,014
For other than land	(27,274,921)	(11,310,250)
	<u>524,793,093</u>	<u>540,757,764</u>
Total deferred tax liabilities (i+ii+iii)	<u>1,694,985,283</u>	<u>1,621,166,452</u>
22.1 Deferred tax expenses/(income)		
Deferred tax other than revalued assets as at 30 June 2025	1,170,192,190	1,080,408,688
Deferred tax other than revalued assets as at 30 June 2024	1,080,408,688	944,663,516
Deferred tax for the year	<u>89,783,502</u>	<u>135,745,172</u>
22.2 Deferred tax expenses/(income) on revalued assets		
Deferred Tax liabilities on revalued assets as at 30 June 2025	524,793,093	540,757,764
Deferred Tax liabilities on revalued assets as at 30 June 2024	540,757,764	415,912,779
Deferred tax for the year	<u>(15,964,671)</u>	<u>124,844,985</u>
23 Payable to DESA/DPDC		
Loan against assets taken from DESA (note-23.1)	2,140,587,621	2,565,543,294
Payable to DPDC for material supply (note-23.2)	126,015,972	126,015,972
Payable to DPDC for bill collection (note-23.3)	1,735,171	1,735,171
	<u>2,268,338,764</u>	<u>2,693,294,437</u>
23.1 Loan against assets taken from DESA		
Opening balance	2,565,543,294	2,565,543,294
Less : Paid during this year	(424,955,673)	-
Closing balance	<u>2,140,587,621</u>	<u>2,565,543,294</u>



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An independent valuer was appointed to physically verify and value the assets taken over by the company from DESA in the year 2003. The valuer submitted its report in September 2010. The board finalized the value in its meeting held on 05 May 2019. Based on the finalized valuation report, value of land decreased by Taka 105,378,060, building increased by Taka 72,110,175, distribution equipment decreased by Taka 425,364,528 and distribution line increased by Taka 259,371,187. An amount of Taka 42,49,55,673 has been paid during this year.

	2025	2024
	Taka	Taka
23.2 Payable to DPDC for material supply		
Opening balance	126,015,972	125,096,823
Add: Material received	-	919,149
Closing balance	126,015,972	126,015,972
23.3 Payable to DPDC for bill collection		
Opening balance	1,735,171	1,735,171
Less: Adjustment against the payment for DESA/DPDC bill collection	-	-
Closing balance	1,735,171	1,735,171
24 Security deposits		
Security deposits - consumer (note-24.1)	4,237,373,336	4,027,683,182
Security deposits - outsourcing employee (note-24.2)	2,780,000	2,880,000
	4,240,153,336	4,030,563,182
24.1 Security deposits - consumer		
Opening balance	4,027,683,182	3,838,515,833
Add: Received during the year	264,612,947	262,436,244
	4,292,296,129	4,100,952,077
Less: Refunded during the year	(54,922,793)	(73,268,895)
Closing balance	4,237,373,336	4,027,683,182
24.2 Security deposits - outsourcing employee		
Opening balance	2,880,000	-
Add: Received during the year	60,000	2,940,000
	2,940,000	2,940,000
Less: Refunded during the year	(160,000)	(60,000)
Closing balance	2,780,000	2,880,000
25 Lease liabilities		
Opening balance	69,541,741	12,601,167
Add: Addition during the year	184,531,412	109,044,867
Less: Payment during the year	(115,393,683)	(52,104,293)
Closing balance	138,679,470	69,541,741
26 Other long term liabilities		
Liabilities against suspend account	2,303,020	2,303,020
	2,303,020	2,303,020
27 Accounts payable		
Bangladesh Power Development Board (BPDB) (note-27.1)	12,354,972,161	12,467,125,755
Power Grid Bangladesh (PGB) PLC. (note-27.2)	452,872,682	457,005,449
Rural Electrification Board (REB) (note-27.3)	379,157	379,157
Power Grid Bangladesh (PGB) PLC. (note-27.4)	612,000	612,000
	12,808,836,000	12,925,122,361



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
27.1 Bangladesh Power Development Board (BPDB)		
Opening balance	12,467,125,755	10,932,303,969
Add: Energy purchased during the year	64,561,519,080	60,519,371,798
	77,028,644,835	71,451,675,767
Less: Payment made during the year	(64,673,672,674)	(58,984,550,012)
Closing balance	12,354,972,161	12,467,125,755
27.2 Power Grid Bangladesh (PGB) PLC.		
Opening balance	457,005,449	390,758,268
Add: Wheeling charge during the year	2,362,480,826	2,571,592,343
	2,819,486,275	2,962,350,611
Less: Payment made during the year	(2,366,613,593)	(2,505,345,162)
Closing balance	452,872,682	457,005,449
27.3 Rural Electrification Board (REB)		
Opening balance	379,157	379,157
Addition during this year	-	-
Closing balance	379,157	379,157
27.4 Power Grid Bangladesh (PGB) PLC. (Material)		
Opening balance	612,000	612,000
Addition during this year	-	-
Closing balance	612,000	612,000
28 Creditors for goods/ works		
Equipment and materials	11,098,471	7,767,408
Bangladesh Telephone Shilpa Sangstha	48,928,988	28,632,596
Ideal Enterprise	2,594,822	2,594,822
Sun Rise Enterprise	913,800	913,800
Bangladesh Smart Electrical Company Ltd.	57,002,300	60,754,620
Bangladesh Power Equipment Manu. Com. Ltd.	68,638,035	163,164,000
Alliance Power	11,791,101	5,741,100
Arma Electric Company	8,235,028	8,235,028
Digicon Technologies Ltd.	2,401,632	3,306,843
Rangpur Metal Industries Ltd.	8,117,069	96,531,980
LS Cable and System Ltd.	120,509,506	120,509,506
ABB Limited	3,390,000	-
Bornolipi	3,157,500	-
CCC Engineering Ltd	10,687,607	-
Grameenphone Ltd.	2,511,579	-
Liabilities against goods, service and works	29,968,229	-
BRB Cable Industry Ltd.	-	19,382,518
Bangladesh Machine Tools factory	-	6,815,609
Evergreen Printing Press	-	3,376,634
	389,945,667	527,726,464
29 Other payables		
VAT collected against electricity bills	450,692,336	346,245,909
Tax deducted from contractors, suppliers and others	3,725,859	-
VAT deducted from contractors, suppliers and others	7,877,721	22,998,961
Retention money (contractors and suppliers)	159,292,563	141,502,142
Interest payable on dividend bank a/c	9,312,594	-
Security deposit and others	237,986,571	139,505,861
Liabilities against depository work	-	467,331,867
	868,887,644	1,117,584,740



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	2025 <u>Taka</u>	2024 <u>Taka</u>
30 Un-claimed and unpaid dividend including tax		
FY 2005-2006	748,715	748,715
FY 2006-2007	1,377,070	1,377,070
FY 2007-2008	1,381,464	1,381,464
FY 2008-2009	1,330,837	1,330,837
FY 2009-2010	1,421,816	1,421,816
FY 2010-2011	1,487,732	1,487,732
FY 2011-2012	3,888,864	3,888,864
FY 2012-2013	32,267,734	32,267,734
FY 2013-2014	2,662,323	2,662,323
FY 2014-2015	5,572,575	5,572,575
FY 2015-2016	5,906,699	5,906,699
FY 2016-2017	6,536,304	6,536,304
FY 2017-2018	6,538,580	6,538,580
FY 2018-2019	8,305,799	8,305,799
FY 2019-2020	6,623,896	6,623,896
FY 2020-2021	5,298,059	5,298,059
FY 2021-2022	7,731,968	7,731,968
FY 2022-2023	3,368,524	4,746,765
	<u>102,448,958</u>	<u>103,827,199</u>
31 Liabilities for expenses		
Audit fees	644,220	590,887
Payable for contributory provident fund and gratuity fund	25,419,112	-
Payable for COSS, LEM, MSS, Civil Constructions and others	274,993,754	331,371,982
BERC sales charge	123,831,811	105,476,204
Creditors to others	9,332,128	32,216,365
Advance receipt against pre-paid meter (unused balance of recharge amount)	637,999,810	537,072,921
Morshed Ent. and Ayon Enterprise	13,099,082	10,599,137
Rony Ent and Munshi Engineers	41,998,019	57,904,713
Liabilities for Expenses (All departments)	50,387,761	94,610,734
Elite Construction	1,170,325	7,013,403
Elite Security Services Ltd.	5,367,340	4,867,556
J.S.S Services Ltd.	2,793,197	5,464,951
Reliable Rent A Car	965,560	3,919,920
HH Traders, Morshed Ent & SM Ent	34,318,252	34,318,252
Bhuiyan Masud JV	22,204,889	18,561,827
BNF Engineers Ltd.	21,631,854	14,316,516
EMA Ass. Engr. & Malancho B. RTS	23,000,480	10,622,672
Dhaka North City Corporation	3,128,723	-
Masco International & Munshi Eng.	11,725,221	-
ASTL-MME -JV	57,273,391	-
JV of Khan Power Engineering and DEDA	4,294,461	-
HT Power Engineering and Ayon Enterprise	-	60,661,803
Convoy Service	-	3,593,995
	<u>1,365,579,390</u>	<u>1,333,183,837</u>
32 Long term loans - current portion		
ADB loan no-1731 (note-32.1)	-	2,305,332
ADB loan no-2332 (note-33.2)	1,775,069,822	1,419,445,961
ADB loan no-3087 (note-32.3)	6,868,567,333	5,236,853,610
ADB loan no-3522 (note-32.4)	216,260,077	124,633,402
AIB loan no-003 (note-32.5)	1,672,428,980	1,147,430,779
GoB loan no-2332 (note-32.6)	24,786,490	19,829,192
GoB loan no-3087 (note-37.7)	648,308,050	509,815,678
GoB loan no-0003 (note-32.8)	92,234,196	46,117,098
GoB loan no-3522 (note-32.9)	6,846,100	3,423,050
	<u>11,304,501,048</u>	<u>8,509,854,100</u>



32.1 ADB loan no-1731

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	19,537	2,305,332	19,537	2,126,376
Add: Transferred from long term loan	-	-	-	-
	19,537	2,305,332	19,537	2,126,376
Less: Paid during the year	(19,537)	(2,383,479)	-	-
	-	(78,147)	19,537	2,126,376
Exchange loss	-	78,147	-	178,956
Closing balance	-	-	19,537	2,305,332

32.2 ADB loan no-2332

	30-Jun-25		30-Jun-24	
	US \$	Taka	US \$	Taka
Opening balance	12,029,204	1,419,445,961	4,044,600	440,214,189
Add: Transferred from long term loan	4,839,760	594,564,455	9,679,519	1,142,183,242
	16,868,964	2,014,010,416	13,724,119	1,582,397,431
Less: Paid during the year	(2,419,880)	(290,385,570)	(1,694,915)	(200,000,000)
	14,449,084	1,723,624,846	12,029,204	1,382,397,431
Exchange loss	-	51,444,976	-	37,048,530
Closing balance	14,449,084	1,775,069,822	12,029,204	1,419,445,961

32.3 ADB loan no-3087

	June 30, 2025		June 30, 2024	
	US \$	Taka	US \$	Taka
Opening balance	44,380,115	5,236,853,610	21,319,958	2,320,464,231
Add: Transferred from long term loan	11,530,079	1,416,470,163	23,060,157	2,721,098,564
	55,910,194	6,653,323,773	44,380,115	5,041,562,795
Less: Paid during the year	-	-	-	-
	55,910,194	6,653,323,773	44,380,115	5,041,562,795
Exchange loss	-	215,243,560	-	195,290,815
Closing balance	55,910,194	6,868,567,333	44,380,115	5,236,853,610

32.4 ADB loan no-3522

	June 30, 2025		June 30, 2024	
	US \$	Taka	US \$	Taka
Opening balance	1,056,215	124,633,402	-	-
Add: Transferred from long term loan	704,144	86,504,031	1,056,215	124,633,402
	1,760,359	211,137,433	1,056,215	124,633,402
Less: Paid during the year	-	-	-	-
	1,760,359	211,137,433	1,056,215	124,633,402
Exchange loss	-	5,122,644	-	-
Closing balance	1,760,359	216,260,077	1,056,215	124,633,402

32.5 AHB loan no-003

	June 30, 2025		June 30, 2024	
	US \$	Taka	US \$	Taka
Opening balance	9,723,990	1,147,430,779	1,944,798	211,671,807
Add: Transferred from long term loan	3,889,596	477,836,851	7,779,192	917,944,622
	13,613,586	1,625,267,630	9,723,990	1,129,616,429
Less: Paid during the year	-	-	-	-
	13,613,586	1,625,267,630	9,723,990	1,129,616,429
Exchange loss	-	47,161,350	-	17,814,350
Closing balance	13,613,586	1,672,428,980	9,723,990	1,147,430,779



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
32.6 GoB loan no-2332		
Opening balance	19,829,192	-
Add: Transferred from long term loan	9,914,596	19,829,192
	<u>29,743,788</u>	<u>19,829,192</u>
Less: Paid during the year	(4,957,298)	-
Closing balance	<u>24,786,490</u>	<u>19,829,192</u>
32.7 GoB loan no-3087		
Opening balance	509,815,678	232,830,932
Add: Transferred from long term loan	138,492,372	276,984,746
	<u>648,308,050</u>	<u>509,815,678</u>
Less: Paid during the year	-	-
Closing balance	<u>648,308,050</u>	<u>509,815,678</u>
32.8 GoB loan no-0003		
Opening balance	46,117,098	-
Add: Transferred from long term loan	46,117,098	46,117,098
	<u>92,234,196</u>	<u>46,117,098</u>
Less: Paid during the year	-	-
Closing balance	<u>92,234,196</u>	<u>46,117,098</u>
32.9 GoB loan no-3522		
Opening balance	3,423,050	-
Add: Transferred from long term loan	3,423,050	3,423,050
	<u>6,846,100</u>	<u>3,423,050</u>
Less: Paid during the year	-	-
Closing balance	<u>6,846,100</u>	<u>3,423,050</u>
33 Interest payable on loans		
Interest payable on ADB loan (note-33.1)	6,739,640,632	5,645,503,877
Interest payable on GoB loan (note-33.2)	601,599,965	510,154,145
Interest payable on AHB - LN003 (note-33.3)	1,348,668,356	1,020,040,840
Interest payable on JICA Loan BD-P97 (note-33.4)	73,839,393	48,095,804
	<u>8,763,748,346</u>	<u>7,223,794,666</u>
33.1 Interest payable on ADB loan		
Opening balance	5,645,503,877	4,397,813,366
Add: Interest accrued during the year	1,376,874,880	1,247,690,511
	<u>7,022,378,757</u>	<u>5,645,503,877</u>
less: Paid during the year	(282,738,125)	-
Closing balance	<u>6,739,640,632</u>	<u>5,645,503,877</u>
33.2 Interest payable on GoB loan		
Opening balance	510,154,145	429,325,244
Add: Interest accrued during the year	91,445,820	80,828,902
	<u>601,599,965</u>	<u>510,154,145</u>
less: Paid during the year	-	-
Closing balance	<u>601,599,965</u>	<u>510,154,145</u>
33.3 Interest payable on AHB - LN003		
Opening balance	1,020,040,840	782,003,185
Add: Interest accrued during the year	328,627,516	241,205,819
	<u>1,348,668,356</u>	<u>1,023,209,004</u>
less: Paid during the year	-	(3,168,164)
Closing balance	<u>1,348,668,356</u>	<u>1,020,040,840</u>



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	2025 <u>Taka</u>	2024 <u>Taka</u>
33.4 Interest payable on JICA loan BD-P97		
Opening balance	48,095,804	34,568,375
Add: Interest accrued during the year	25,743,589	13,527,429
	73,839,393	48,095,804
less: Paid during the year	-	-
Closing balance	73,839,393	48,095,804
34 Workers Profit Participation Fund (WPPF)		
Opening balance	70,870,460	160,441,123
Addition during the year	-	-
	70,870,460	160,441,123
Paid/adjustment for the FY 2014-15	-	(89,570,663)
Closing balance	70,870,460	70,870,460
35 Short term bank loan		
Secured over draft (SODs) from Rupali Bank (note-35.1)	-	2,100,000,000
Term loan from Eastern Bank PLC. (note-35.2)	-	275,455,468
	-	2,375,455,468
35.1 Secured over draft (SODs) from Rupali Bank		
Opening balance	2,100,000,000	1,500,000,000
Add: Addition during this year	-	1,250,000,000
	2,100,000,000	2,750,000,000
Less: Paid during this year	(2,100,000,000)	(650,000,000)
Closing balance	-	2,100,000,000
35.2 Term loan from Eastern Bank Ltd.		
Opening balance	275,455,468	119,542,421
Add: Addition during this year	-	181,331,000
	275,455,468	300,873,421
Less: Paid during this year	(275,455,468)	(25,417,953)
Closing balance	-	275,455,468
36 Provision for income tax		
Opening balance	423,797,676	575,235,880
Add: Provided during the year (note-36.1)	160,281,671	203,938,015
Less: Provision adjust with advance income tax	-	(260,110,604)
Less: Income tax paid for FY 2022-23, AY 2023-24	-	(95,265,615)
Closing balance	584,079,347	423,797,676
36.1 Provision during the year is as follows		
For FY 2020-21	42,254,758	42,254,758
For FY 2021-22	46,806,917	46,806,917
For FY 2022-23	226,063,600	226,063,600
For FY 2023-24	108,672,400	108,672,400
	160,281,671	-
	584,079,346	423,797,675



37 Electricity supply

Particulars	Tariff	%	2024-25	2023-24
Domestic	A	38.76%	28,454,251,542	26,276,387,200
Agricultural pump	B	0.00%	206,050	365,409
Small industries	C1	1.24%	907,087,378	906,879,743
Construction	C2	1.75%	1,281,435,513	1,095,339,836
Charitable institutions	D1	0.84%	615,272,436	576,710,977
Street light, pump etc.	D2	0.23%	168,160,370	157,358,445
Battery charging station	D3	1.19%	873,846,293	574,816,415
Commercial and office	E	12.33%	9,051,219,576	7,927,553,666
Domestic	MF3	0.48%	349,774,388	322,947,622
Domestic	MT1	4.07%	2,989,402,654	2,703,523,240
Commercial and office	MT2	18.11%	13,296,727,253	12,204,016,064
Industry	MT3	11.54%	8,475,069,694	7,356,476,406
Construction	MT4	0.19%	141,835,079	138,475,912
General	MT5	6.33%	4,645,400,515	4,075,729,147
Temporary	MT6	0.04%	28,411,145	102,271,754
General	HT1	0.07%	49,510,732	32,949,882
Commercial and office	HT2	2.21%	1,620,936,785	1,426,628,024
Temporary	LT-T	0.05%	37,782,513	23,431,638
Temporary	EHT1	0.59%	434,343,916	354,148,054
Total		100%	73,420,673,832	66,256,009,433

37.1

Particulars	Tariff	%	Unit (Mkwh)	Unit (Mkwh)
Domestic	A	48%	3,395.05	3,296.74
Agricultural pump	B	0%	0.03	0.06
Small industries	C1	1%	82.01	85.86
Construction	C2	1%	75.93	69.91
Charitable institutions	D1	1%	76.53	76.31
Street light, pump etc.	D2	0%	15.81	15.94
Battery charging station	D3	1%	86.66	61.59
Commercial and office	E	9%	654.35	610.75
Domestic	MF3	1%	37.98	36.86
Domestic (medium tension -1)	MT1	4%	253.20	242.03
Commercial and office	MT2	15%	1,073.91	1,052.77
Industry	MT3	11%	755.08	694.69
Construction	MT4	0%	8.60	9.07
General	MT5	6%	413.13	389.79
Temporary	MT6	0%	1.20	5.38
Temporary	HT1	0%	3.98	3.08
Commercial and office	HT2	2%	142.98	133.62
Temporary	LT-T	0%	1.71	1.15
Temporary	EHT1	0%	35.51	29.22
Total		100%	7,113.69	6,814.83

38 Electricity received from BPDB in value and unit

2024-25		2023-24	
Unit (Mkwh)	Taka	Unit (Mkwh)	Taka
7527.35	66,923,999,905	7217.4	62,703,036,003

Electricity is taken solely from Bangladesh Power Development Board (BPDB) at the rate of Taka 8.5880 at 33 KV and 8.4735 at 132 KV/kwh which has been effective from 01 February 2024. The Company also pays wheeling charge to Power Grid Bangladesh (PGB) PLC. at Taka 0.3144 at 33 KV and 0.3086 at 132 per Kwh KV which has also been effective from 01 February 2024.



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
39 Other operating income		
Received from consumer (note-39.1)	1,252,462,175	1,337,086,064
Late payment charge (note-39.2)	373,055,707	313,772,447
	<u>1,625,517,882</u>	<u>1,650,858,511</u>
39.1	This represents received from consumer for issue of materials (at cost price) and meter rent etc.	
39.2	Late payment charge (LPC) includes separately with time binding in consumer electricity bill. The consumers who do not pay bill in time are charged LPC. LPC is being shown as other operating revenue but initially it is inclusive of electricity sales.	
40 Others revenue (deposit works)		
Miscellaneous received from depository work	103,866,301	141,168,787
	<u>103,866,301</u>	<u>141,168,787</u>
	These amount received from consumer against load reservation and issue of materials (at cost price) for line construction at different places of DESCO's jurisdiction as per customer's demand and request.	
41 Direct operating expenses		
Commercial operation support services	281,041,218	276,675,827
Schedule and preventive maintenance (less rent of walkie talkie)	493,238,218	419,873,593
Special action team and collection drive	2,271,929	2,270,474
Consultancy fees for distribution network	401,436	863,889
Revenue stamp charge against consumer bill	28,600,138	33,353,099
System operating fee of BERC	18,355,607	16,564,002
Maintenance of distribution of line and equipment	112,132,682	99,923,000
Repair and maintenance of transformer	69,980,759	61,270,133
R&M of grid sub-station/switching-station	48,427,902	54,694,704
Meter issue	58,076,493	66,600,977
Service cable issue	30,717,130	26,406,558
System automation and customer management	103,757,853	16,065,322
Communication expenses - prepaid meter	54,184,757	103,564,615
Utility expenses - operating	92,458,752	86,435,282
Rent of offices (operating)	1,260,000	1,356,120
	<u>1,394,904,874</u>	<u>1,265,917,595</u>
42 Depreciation		
Depreciation (direct)	2,142,156,827	1,985,785,931
Depreciation (indirect)	204,202,963	150,143,583
	<u>2,346,359,790</u>	<u>2,135,929,514</u>



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
43 Administrative expenses		
Advertisement and notices	7,120,568	10,032,379
Annual General Meeting (AGM)	765,744	1,348,626
Audit fees	709,333	652,000
Office maintenance	5,550,506	5,832,220
Newspaper and periodicals	714,107	805,608
Cleaning expenses	18,370,813	19,049,308
Inspection, survey and consultancy fees	2,439,750	4,341,877
Director's fees	3,977,998	3,153,333
Electricity, gas and water	18,720,365	14,551,321
Entertainment	7,338,013	5,650,163
Fuel for vehicles	31,194,564	30,714,327
Honorarium to various committee members	5,029,113	7,072,462
Legal and professional fees	3,164,150	2,377,417
Office rent	16,156,691	35,093,135
Printing and stationery	22,633,477	20,815,135
Rates and taxes	10,792,535	8,188,454
Recruitment expenses	1,456,244	16,604,837
Repair and maintenance of non-operating assets including head office	51,199,412	42,939,526
Repair and servicing of vehicle	11,198,332	13,212,161
Office security	76,214,204	76,284,720
Listing fee and annual charges	10,118,502	8,829,221
Postage, telephone and internet	25,635,411	20,860,872
Conveyance	4,318,972	5,130,287
Staff training	21,734,154	42,287,115
Other expenses and contingencies	3,954,078	1,738,940
Corporate social expenses	13,910,404	5,733,052
Transport (hired)	16,661,983	51,282,350
Different day celebration and activities	570,440	4,533,727
	<u>391,649,863</u>	<u>459,114,573</u>

Directors are entitled to a remuneration of Taka 12,000 which is net of VAT and AIT effect from 01 March 2020 for attending each board meeting.

	2025	2024
44 Employee expenses		
Salary and allowances	2,166,225,736	2,060,805,602
Festival bonus	190,969,290	188,657,897
Incentive bonus	108,010	128,953,112
Company's contribution to provident fund	118,541,509	111,053,467
Company's contribution to gratuity fund	171,981,551	152,628,075
Group insurance premium	12,798,752	13,105,872
Electricity/telephone expense reimbursed (note-43.2)	39,670,595	37,508,746
Medical expense reimbursed (note-43.2)	133,984,064	131,150,701
Encashment of earned leave	100,754,488	90,817,662
Uniform liveries	2,203,678	3,924,133
Media facilitator and medical retainer fee	2,005,666	1,970,000
Total	<u>2,939,243,339</u>	<u>2,920,575,267</u>

44.1 Remuneration of directors and executives

	Amount in Taka		Amount in Taka	
	2024-25		2023-24	
	Executive directors	Executives	Executive directors	Executives
Salary and bonus	9,374,320	751,007,694	9,374,320	751,007,694
House rent	4,134,560	382,619,917	4,134,560	382,619,917
Provident fund	826,912	64,256,860	826,912	64,256,860
	<u>14,335,792</u>	<u>1,197,884,471</u>	<u>14,335,792</u>	<u>1,197,884,471</u>



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44.2 Employees's lectricity bills, telephone bills and medical expense are reimbursed on actual basis to employees, subject to ceiling.

	2025 <u>Taka</u>	2024 <u>Taka</u>
45 Interest income		
Interest earned on FDR	693,580,474	703,215,957
Interest earned on STD	315,936,199	145,271,153
	<u>1,009,516,673</u>	<u>848,487,110</u>
46 Other income		
Sale of tender documents	739,715	145,792
Sale of obsolete store materials and others received	168,440,110	144,026,473
Capital gain (note-46.1)	7,117,382	-
	<u>176,297,207</u>	<u>144,172,265</u>
46.1 Amount is received from Government against the acquisition of 14.32 decimal land out of 16.50 decimal land at Dumni Moaza .		
47 Finance cost		
Interest expense against ADB loan	1,131,844,252	1,247,690,511
Interest expense against GoB loan	91,445,820	83,997,066
Interest expense against AIB	282,860,041	238,037,655
Interest expense against - JICA Loan - BD - P97	17,618,496	13,527,429
Interest expense against - SOD	95,031,559	209,435,162
Finance cost (lease property)	10,745,280	5,939,080
Bank charges	8,684,184	28,662,389
Total	<u>1,638,229,632</u>	<u>1,827,289,293</u>
48 Exchange fluctuation loss		
For current portion of long term loan	(298,923,197)	(250,332,651)
For long term loan	(1,406,750,360)	(2,180,868,250)
Exchange gain against the encashment of performance guarantee	13,166,743	-
Total	<u>(1,692,506,814)</u>	<u>(2,431,200,901)</u>
Exchange fluctuation loss of Taka 1,692,506,814 has arisen out of translation of foreign currency loan (in dollar) into taka at financial position date at the rate of Taka 122.85/\$1 and Tk. 0.8493/JPY1 exchange rate for FY 2023-24 was Taka 118.00/\$1 and Taka 0.7305/JPY1.		
49 Calculation of workers profit participation fund (WPPF)		
Net profit before tax and WPPF	(1,001,872,607)	(4,715,942,568)
Transferred to workers profit participation fund (WPPF)	<u>-</u>	<u>-</u>
50 Income tax expenses		
Current tax provision (note-50.1))	160,281,671	203,938,015
Deferred tax provision (note-50.2)	89,783,502	135,745,172
	<u>250,065,173</u>	<u>339,683,187</u>
50.1 The details of current tax calculation are given below		
Profit before tax as per income statement	(1,001,872,607)	(4,715,942,568)
Add: Tax effect of expenses that are not deductible for tax purposes	2,378,458,493	2,160,888,257
Less: Tax effect of expenses that are deductible for tax purposes	(2,701,187,361)	(5,263,888,891)
	<u>(1,324,601,475)</u>	<u>(7,818,943,202)</u>
Current tax (at 20.0%)	20%	20%
A Current tax expenses	<u>-</u>	<u>-</u>
B 0.60% of total received from distribution revenue and other operating revenue during the year	9,411,871,990	0.60%
	56,471,232	38,025,961
Tax on total receipt	<u>56,471,232</u>	<u>38,025,961</u>
C Advance tax paid during the year	<u>160,281,671</u>	<u>203,938,015</u>
Minimum tax whichever is higher among A,B,C	160,281,671	203,938,015
Tax expenses	<u>160,281,671</u>	<u>203,938,015</u>



- 50.2 Bangladesh Energy Regulatory Commission (BERC) and Power Division regulate the tariff price of electricity which consists of energy bill and distribution revenue components. DESCO is only given net **Distribution Revenue** as a power distribution licensee. DESCO collects energy bill along with distribution revenue from customers in the form of electricity bill out of which distribution revenue is given as income to DESCO by BERC. Therefore, in calculating the minimum tax, the distribution revenue is considered as receipt and the minimum tax is calculated accordingly.

51 Earning Per Share (EPS)	2025	2024
	<u>Taka</u>	<u>Taka</u>
51.1 Earning Per Share shown as below:		
Earning attributable to ordinary shareholders (Taka)	(1,251,937,780)	(5,055,625,754)
Weighted number of shares outstanding	<u>397,569,804</u>	<u>397,569,804</u>
Basic Earning Per Share	<u>(3.15)</u>	<u>(12.72)</u>

51.2 Diluted Earning per share

No diluted earning per share is required to be calculated for the year as there was no potentially dilutive ordinary shares during the year.

52 Subsequent Events-Disclosures Under IAS 10 "Events After The Balance Sheet Date"

- 52.1 Subsequent to the reporting date, 30 June 2025, the Board of Directors in their meeting held on 11 October 2025 recommended no dividend for the year ended 30 June 2025. The dividend proposal is subject to shareholders' approval at the forthcoming 28th AGM.
- 52.2 Except the fact stated above, no circumstances have arisen since the Financial Position date which would require adjustment to, or disclosure in, the financial statements or notes thereto.



53 Related party transactions

53.1 DESCO purchased/received energy and materials from the following related parties in the normal course of business.

Name of party	Nature of relation	Nature of transaction	Amount in Taka	
			30 June 2025	30 June 2024
DPDC	Ownership	Consumer bill collection	1,735,171	1,735,171
			<u>1,735,171</u>	<u>1,735,171</u>

53.2 DESCO has following outstanding balances with the related parties

Name of party	Amount in Taka		Amount in Taka	
	30 June 2025		30 June 2024	
	Receivable	Payable	Receivable	Payable
DPDC	342,471,337	126,015,972	342,471,337	126,015,972
Total	342,471,337	126,015,972	342,471,337	126,015,972

53.3 Key management personnel

	Amount in Taka	
	30 June 2025	30 June 2024
Director's fees	3,977,998	3,153,333
Managing director salary	2,177,241	2,551,129
Director's salary	4,723,294	9,463,906
Chief engineer and general manager salary	28,204,555	29,207,442

Along with the mentioned cash benefit all the Key management personnel avail car facility as non cash benefit.

54 Credit facility availed

54.1 No credit facility existed under any contract as at 30 June 2025 other than trade credit available in the ordinary course of business.

55 Commitments and contingencies

	2025 Taka	2024 Taka
i) Bank guarantees	Nil	Nil
ii) Outstanding letters of credit	Nil	Nil
iii) Capital expenditure commitments	41,800,377,344	Nil
a. Contracted but not accounted for	36,176,309,072	Nil
b. Approved but not contracted for	Nil	Nil
iv) Claims:		
a. Claims against the Company not acknowledged as debt	21,745,209	16,745,209
b. Claims by the Company not acknowledged as receivable	56,465,511	Nil
c. Bank guarantee received by the company	22,235,356	Nil

56 Number of employees engaged in drawing salary

i) Taka 3,000 or more per month	1,973	2,018
ii) Below Taka 3,000 per month	-	-
	<u>1,973</u>	<u>2,018</u>

57 Net Asset Value Per Share (NAV)

Share holders equity	14,046,709,537	15,075,384,059
No. of share outstanding	397,569,804	397,569,804
	<u>35.33</u>	<u>37.92</u>

58 Net operating cash flows per share (NOCFPS)

Net cash generated from operating activities	6,331,412,158	6,160,315,966
No. of share outstanding	397,569,804	397,569,804
	<u>15.93</u>	<u>15.49</u>



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	2025	2024
	<u>Taka</u>	<u>Taka</u>
59 Reconciliation of net income with cash flows from operating activities		
Profit before income tax and WPPF	(1,001,872,607)	(4,715,942,568)
Depreciation charged	2,346,359,790	2,135,929,514
Exchange fluctuation gain	1,692,506,814	2,431,200,901
Provision for bad debt	10,850,286	13,575,527
Decrease/(increase) in accounts receivable	804,080,074	(292,817,520)
Decrease in advances, deposits and pre-payments	365,005,776	406,141,606
Tax collection/paid/deducted at source	(53,624,772)	(331,427,253)
(Increase)/decrease in accounts payable	(116,286,361)	1,601,068,967
Store consumption and non cash expenses for operating and non expenses	751,548,771	2,720,036,928
Creditors for goods/works	(137,780,797)	273,295,485
Creditors for expenses	32,395,553	120,627,475
Interest expenses	1,638,229,632	1,798,626,904
Cash generated from operations	6,331,412,158	6,160,315,966
Net cash generated from operating activities	6,331,412,158	6,160,315,966



60 Financial risk management (IFRS 7)

60.1 Introduction

The Company's activities expose it to a variety of financial risks: credit risk, market risk (including interest rate risk and foreign currency risk), and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to economically hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Company Treasury) under policies approved by the Board of Directors (Treasury Policy). Company Treasury identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units. The 'Treasury Policy' provides principles for specific areas, such as credit risk, interest rate risk, foreign currency risk, use of derivative financial instruments, and investment of excess liquidity.

This note presents information about the Company's exposure to each of the risks arising from financial instruments and the Company's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

60.2 Carrying amounts of financial instruments by category

The following table shows the carrying amounts of financial instruments by category at the end of 30 June 2025.

Maturity analysis

Particulars	Current	>30 days	>90 days	>1 year	Total
Loans and receivables					
Cash and cash equivalents	10,722,514,518	-	-	-	10,722,514,518
Accounts receivable and other	-	4,724,564,380	-	-	4,724,564,380
Closing balance	10,722,514,518	4,724,564,380	-	-	15,447,078,898

60.3 Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to financial instruments fails to meet its contractual obligations, and arises principally from cash and cash equivalents, time deposits, and trade accounts receivable.

The credit risk with Accounts Receivable (see note 06) is limited, as the Company has numerous clients located in various geographical regions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. For risk control, the customers are companied as follows (risk companies): governmental organizations, listed public limited companies, and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance or letters of credit; these limits are reviewed regularly (credit check).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the Statement of Financial Position. There are no commitments that could increase this exposure to more than the carrying amounts.

60.4 Market risks

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and other prices will affect the Company's result or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on risk.

The market risk with exchange fluctuation gain/(loss) (see note 39) is limited, as this occurred only from foreign loan.



60.5 Interest rate risk

At the reporting date, the Company had the following interest-bearing financial instruments: cash and cash equivalents, time deposits, rent deposits, and bank liabilities. All cash and cash equivalents mature or reprise in the short-term, no longer than three months.

Borrowings mainly bear interest at fixed rates. Cash and cash equivalents and borrowings issued at variable rates expose the Company to cash flow interest rate risk.

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

The Company Treasury manages the interest rate risk to reduce the volatility of the financial result as a consequence of interest rate movements. For the decision whether new borrowings shall be arranged at a variable or fixed interest rate, the Company Treasury focuses on an internal long-term benchmark interest rate and considers the amount of cash and cash equivalents held at a variable interest rate. Currently, the interest rate exposure is not hedged.

60.6 Liquidity risk

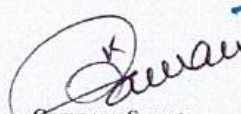



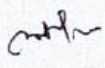
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Company Treasury manages the Company's liquidity to ensure sufficient liquidity to meet all liabilities when due, under both normal and stressed conditions, without facing unacceptable losses or risking damage to the Company's reputation.

Excess liquidity can be invested in instruments such as time deposits, government, and corporate bonds, shares of publicly listed companies, and capital protected instruments.

The following are the contractual maturities of financial liabilities, including interest payments:

Non-derivative financial liabilities

BDT	Carrying amount	Contractual cash flows	Between 1 and 90 days	Between 91 and 360 days	Between 1 and 2 years	Over 2 years
Bank loan	29,479,384,417	-	-	-	8,843,815,325	20,635,569,092
Sundry creditors	12,808,836,000	-	12,808,836,000	-	-	-
Closing balance	42,288,220,417	-	12,808,836,000	-	8,843,815,325	20,635,569,092

 Company Secretary
  Executive Director (F&A)
  Director
  Managing Director
  Chairman



Dhaka Electric Supply Company Ltd.(DESCO)
Schedule of property, plant and equipment
As at 30 June 2025

SL No.	Category of assets	Cost				Rate	Depreciation				Carrying amount/written down value as at 30 June 2025
		Balance as at 01 July 2024	Addition during the year	Adjustment	Balance as at 30 June 2025		Balance as at 01 July 2024	Charged during the year	Adjustment	Balance as at 30 June 2025	
1	Land	2,823,419,289	23,159,654	(6,075,152)	2,840,503,791	-	-	-	-	2,840,503,791	
2	Building	1,175,902,394	79,542,697	-	1,255,445,091	2%	300,423,482	23,997,583	-	931,024,026	
3	Distribution equipment	30,077,504,937	864,488,189	-	30,941,993,126	3%-15%	7,964,521,313	1,407,833,494	-	21,569,638,319	
4	Supervisory Digital	1,250,199,602	-	-	1,250,199,602	6.67%	188,016,278	70,702,500	-	991,480,824	
5	Distribution line	25,140,985,966	546,015,696	-	25,687,001,662	3.33%	9,676,227,608	541,350,822	-	15,469,423,232	
6	Motor vehicles	490,835,318	149,700	-	490,985,018	10%	409,948,061	13,074,110	-	67,962,847	
7	Furniture and fixture	91,167,733	2,478,477	-	93,646,209	10%	69,749,889	4,498,854	-	19,397,466	
8	Office equipment	516,651,065	16,988,066	(456,941)	533,182,190	10%-	406,729,302	44,179,836	(248,014)	82,521,066	
Total		61,566,666,304	1,532,822,479	(6,532,093)	63,092,956,690		19,015,615,933	2,105,637,199	(248,014)	41,971,951,572	

Revaluation

SL No.	Category of assets	Cost				Rate	Depreciation				Carrying amount/written down value as at 30 June 2025
		Balance as at 01 July 2024	Addition during the year	Adjustment	Balance as at 30 June 2025		Balance as at 01 July 2024	Charged during the year	Adjustment	Balance as at 30 June 2025	
1	Land	6,900,850,177	-	-	6,900,850,177	-	-	-	-	6,900,850,177	
2	Building	1,067,097,248	-	-	1,067,097,248	2%	69,361,321	21,341,944	-	976,393,983	
3	Distribution equipment	2,564,349,490	-	-	2,564,349,490	3%	256,434,949	76,930,484	-	2,230,984,057	
4	Distribution line	(3,426,330,538)	-	-	(3,426,330,538)	0%	-	-	-	(3,426,330,538)	
5	Motor vehicles	57,634,817	-	-	57,634,817	10%	20,172,186	5,763,480	-	31,699,151	
6	Furniture and fixture	23,952,299	-	-	23,952,299	10%	7,185,690	2,395,232	-	14,371,377	
7	Office equipment	(8,950,839)	-	-	(8,950,839)	10%-	-	-	-	(8,950,839)	
Total		7,178,602,654	-	-	7,178,602,654		353,154,146	106,431,140	(248,014)	6,719,017,368	
Grand total (2024-25)		68,745,268,958	1,532,822,479	(6,532,093)	70,271,559,344		19,368,770,079	2,212,068,339	(248,014)	48,690,968,940	
Grand total (2023-24)		59,627,362,393	9,122,050,149	(4,143,584)	68,745,268,958		17,312,977,172	2,056,094,636	(301,729)	49,376,498,879	

Allocation of depreciation charged

	30 June 2025 Taka	30 June 2024 Taka
Depreciation (direct) (note-42)	2,142,156,827	1,985,785,931
Depreciation (indirect) (note-42)	204,202,963	150,143,583
	<u>2,346,359,790</u>	<u>2,135,929,514</u>



**Hoda Vasi
Chowdhury & Co**

Dhaka Electric Supply Company Ltd.(DESCO)
Schedule of Distribution line (depository work)
As at 30 June 2025

Annexure - B

SL No.	Category of assets	Cost				Rate	Depreciation				Carrying amount/written down value as at 30 June 2025
		Balance as at 01 July 2024	Addition during the year	Adjustment	Balance as at 30 June 2025		Balance as at 01 July 2024	Charged during the year	Adjustment	Balance as at 30 June 2025	
1	Distribution line (depository work)	4,036,795,691	803,965,133	-	4,840,760,824	3.33%	228,163,204	129,955,227	-	358,118,431	4,482,642,393
	Total	4,036,795,691	803,965,133	-	4,840,760,824		228,163,204	129,955,227	-	358,118,431	4,482,642,393

Dhaka Electric Supply Company Ltd.(DESCO)
Schedule of Distribution line (depository work)
As at 30 June 2024

SL No.	Category of assets	Cost				Rate	Depreciation				Carrying amount/written down value as at 30 June 2025
		Balance as at 01 July 2023	Addition during the year	Adjustment	Balance as at 30 June 2024		Balance as at 01 July 2023	Charged during the year	Adjustment	Balance as at 30 June 2024	
1	Distribution line (depository work)	3,984,785,191	52,010,500	-	4,036,795,691	3.33%	98,758,516	129,404,688	-	228,163,204	3,808,632,487
	Total	3,984,785,191	52,010,500	-	4,036,795,691		98,758,516	129,404,688	-	228,163,204	3,808,632,487

Hoda Vasi
Chowdhury & Co



Dhaka Electric Supply Company Limited (DESCO)
Schedule of Intangible Assets
As at 30 June 2025

Annexure-C

SL No.	Category of assets	Cost				Rate	Amortization				Carrying amount/written down value as at 30 June 2025
		Balance as at 01 July 2024	Addition during the year	Adjustment	Balance as at 30 June 2025		Balance as at 01 July 2024	Charged during the year	Adjustment	Balance as at 30 June 2025	
1	Software and software development	193,464,637	-	-	193,464,637	15%	150,804,774	16,030,611	-	166,835,385	26,629,252
	Total	193,464,637	-	-	193,464,637		150,804,774	16,030,611	-	166,835,385	26,629,252

Dhaka Electric Supply Company Limited (DESCO)
Schedule of Intangible Assets
As at 30 June 2024

SL No.	Category of assets	Cost				Rate	Amortization				Carrying amount/written down value as at 30 June 2025
		Balance as at 01 July 2023	Addition during the year	Adjustment	Balance as at 30 June 2024		Balance as at 01 July 2023	Charged during the year	Adjustment	Balance as at 30 June 2024	
1	Software and software development	193,210,887	253,750	-	193,464,637	15%	121,823,141	28,981,633	-	150,804,774	42,659,863
	Total	193,210,887	253,750	-	193,464,637		121,823,141	28,981,633	-	150,804,774	42,659,863

Amortization on intangible assets has been charged to operating expenses.



Dhaka Electric Supply Company Limited (DESCO)
Schedule of Right of Use Assets
As at 30 June 2025

Annexure- D

SL No.	Category of Assets	Cost				Rate	Depreciation				Carrying amount/Written down value as at 30 June 2025
		Balance as at 01 July 2024	Addition during the Year	Adjustment	Balance as at 30 June 2025		Balance as at 01 July 2024	Addition during the Year	Adjustment	Balance as at 30 June 2025	
1	Right of use assets	115,483,964	171,864,452	(381,847)	286,966,569	3%-10%	50,853,245	118,260,840	-	169,114,085	117,852,484

Dhaka Electric Supply Company Limited (DESCO)
Schedule of Right of Use Assets
As at 30 June 2024

SL No.	Category of Assets	Cost				Rate	Depreciation				Carrying amount/Written down value as at 30 June 2024
		Balance as at 01 July 2023	Addition during the Year	Adjustment	Balance as at 30 June 2024		Balance as at 01 July 2023	Addition during the Year	Adjustment	Balance as at 30 June 2024	
1	Right of use assets	11,516,995	103,966,969	-	115,483,964	3%-10%	-	50,853,245	-	50,853,245	64,630,719

Depreciation on right of use assets has been charged to operating expenses.

