

hp:f:Jalalabad Gas 2021

Jalalabad Gas Transmission & Distribution System Limited
(A Company of Petrobangla)
Gas Bhaban, Mendhibagh
Sylhet-3100

Jalalabad Gas Transmission & Distribution System Limited
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2021

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS
OF
Jalalabad Gas Transmission & Distribution System Limited**

Report on the audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Jalalabad Gas Transmission & Distribution System Limited (hereinafter referred to as JGTDSL or the company), which comprise the statement of financial position as at 30 June 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the basis for qualified opinion section and note no. 2.23 of our report, the accompanying financial statements present fairly, in all material respects, the statement of financial position as at 30 June 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

With reference to note: 23 and 24; depreciation fund TK. 3,334,081,559 was created by netting off accumulated depreciation of the company. In note no. 06, Fixed deposit against depreciation fund Tk. 869,337,027 was created from cash and Cash equivalents. But the Depreciation Fund Should have been made from transfer of retained profit of the company any type of fund should have been created from profit/retained earning of company. This has resulted overstatement of depreciation fund, and property, plant and equipment of the company by TK 3,334,081,559. In addition to this We draw attention to note-3 of the financial statements: In accordance with the Para-30 of IAS-16, an item of property plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses. But the company was recorded in the statement of financial position at cost value instead of carrying value of property plant and equipment which is non compliance of above mentioned standards and overstated total assets by property plant and equipment. And we also attention as per Para 73 (d) of IAS-16 , the Gross carrying amount and the accumulated depreciation (Aggregated with accumulated impairment losses) at the beginning and end of the period. But the company was not recorded accumulated depreciation in the disclosure of property plant and equipment that's why it is non compliance of above mentioned standards and overstated total assets by accumulated depreciation.

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



Responsibilities of Management and those Charged with Governance for the Financial Statements

Management of **Jalalabad Gas Transmission & Distribution System Limited** is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards (IFRSs), The Companies Act, 1994 and other application Laws and Regulation 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 preparation 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

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 International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and access the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed 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 procedure that as appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

In accordance with The Companies Act, 1994 and other applicable laws and regulations, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (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.

Place: Dhaka

Dated: 07 November 2021


Md. Shahidul Islam FCA

Engagement Partner

Enrolment No: 1758

K. M. HASAN & CO.

Chartered Accountants

Registration No: 4/413/ICAB-83

DVC: 2111101758AS967026

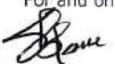


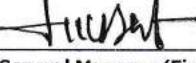
Jalalabad Gas Transmission and Distribution System Limited
Statement of Financial Position
As at 30 June 2021

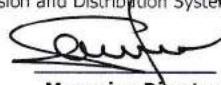
		2020-2021	2019-2020
	Notes	BDT	BDT
ASSETS			
Non-Current assets			
Property, Plant and Equipment	3	5,498,951,721	5,478,790,508
Capital work-in-progress	4	33,997,713	23,117,278
		5,532,949,434	5,501,907,786
Investment and other Assets			
Fixed deposit receipt (FDR)	5	6,529,075,962	6,519,359,328
Fixed deposit against depreciation fund	6	869,337,027	748,566,422
Loan to employees	7	735,676,105	770,600,499
Inter-company loan	8	108,302,519	126,352,939
Investment in shares	9	7,251,670	17,687,000
		8,249,643,283	8,182,566,188
Current Assets			
Inventories	10	293,216,886	359,365,507
Advance, deposit and prepayments	11	6,788,691,093	5,983,331,668
Trade receivable	12	5,903,039,649	5,660,694,354
Other receivable	13	1,533,217,180	1,073,201,626
Other current assets (accrued interest on FDR)	14	210,189,146	306,352,507
Cash and cash equivalents	15	1,122,772,263	612,975,930
		15,851,126,217	13,995,921,592
		29,633,718,934	27,680,395,566
TOTAL ASSETS			
Shareholders Equity & Liabilities			
Capital and reserves			
Share capital	16	1,327,471,800	1,327,471,800
Fair Value Adjustment Reserve	16.1	(10,435,330)	-
Revenue reserve	17	10,270,262,183	9,130,122,173
		11,587,298,653	10,457,593,973
Non-current Liabilities			
Long term borrowings-unsecured			
Local	18	279,734,806	323,218,282
Foreign	19	199,578,898	199,578,898
		479,313,704	522,797,180
Long term liabilities-others			
Security deposits-customers	20	1,563,519,108	1,331,928,602
Retirement benefit obligations (gratuity)	21	846,671	708,671
Provision for leave pay	22	706,500	315,080
Provision for project (depreciation fund)	23	1,428,700,000	1,428,700,000
Depreciation fund	24	1,905,381,559	1,677,342,665
		4,899,153,838	4,438,995,018
Current Liabilities			
Liability for gas purchase	25	949,365,437	1,111,124,529
Liability for LNG charges	26	1,650,901,698	2,456,248,987
Gas development fund	27	98,604,645	212,466,119
Energy security fund	28	109,002,012	234,870,605
Gas transmission charges	29	200,295,467	243,267,139
VAT for gas development Fund	30	20,780,250	19,081,522
Value Added Tax (VAT)	31	453,873,108	416,884,345
Group current accounts	32	59,691,093	61,191,393
Creditors and accruals	33	2,072,637,546	1,216,656,042
Long term loan-current portion	34	43,484,000	49,048,000
Beneficiarys profit participation fund	35	80,381,712	94,801,388
Provision for doubtful debts	36	22,176,274	30,455,548
Provision for Income Tax	37	6,906,759,496	6,114,913,778
		12,667,952,739	12,261,009,395
TOTAL SHAREHOLDER EQUITY AND LIABILITIES		29,633,718,934	27,680,395,566

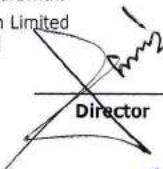
The attached notes form an integral part of these accounts and should be read in conjunction therewith.

For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited


Company Secretary


General Manager (Finance)


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: 07 November 2021




Md. Shahidul Islam FCA
Engagement Partner
Enrolment No: 1758
K. M. HASAN & CO.
Chartered Accountants
Registration No: 4/413/ICAB-83
DVC: 2111101758AS967026

Jalalabad Gas Transmission and Distribution System Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

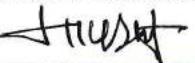
	<u>Notes</u>	2020-2021 BDT	2019-2020 BDT
Revenue			
Gas sales	38	28,285,968,007	26,195,811,011
Other operational income	39	1,306,052,423	1,283,990,713
		29,592,020,430	27,479,801,724
Cost of sales			
Gas purchases	40	4,391,203,085	4,089,708,861
LNG Charges	41	15,354,031,168	14,170,597,543
Gas development fund	42	1,087,112,614	1,003,138,629
Energy security fund contribution	43	1,201,743,461	1,108,925,562
Gas transmission charges	44	924,128,374	890,838,033
VAT for Gas development fund	45	152,081,512	142,067,045
Value added tax (VAT)	46	3,321,772,859	3,103,884,803
		26,432,073,073	24,509,160,476
		3,159,947,357	2,970,641,248
Gross profit			
Operating and other expenses			
Operating expenses	47	796,544,390	891,103,954
Bad debt	48		3,424,553
Depreciation	49	177,841,762	176,827,357
		974,386,152	1,071,355,864
Operating profit			
Non-operational income	50	2,185,561,205	1,899,285,384
		85,362,997	67,898,407
Total Income		2,270,924,202	1,967,183,791
Financial income/(cost)			
Finance income	51	520,061,827	681,255,744
Finance expense	52	(12,580,000)	(14,540,000)
		507,481,827	666,715,744
Profit before contribution to BPPF and tax			
Provision for contribution to BPPF	53	2,778,406,029	2,633,899,535
Profit before tax			
Provision for Income tax	54	(138,920,301)	(131,694,977)
Profit after tax			
		2,639,485,728	2,502,204,558
		(791,845,718)	(813,216,481)
Add: Other Comprehensive Income:			
Gain/ (Loss) on investment in shares(unrealized)		1,847,640,010	1,688,988,078
		(10,435,330)	-
		1,837,204,680	1,688,988,078
Contribution to national exchequer		(707,500,000)	(640,000,000)
Net Income Transferred to Statement of changes in Equity		1,129,704,680	1,048,988,078

The attached notes form an integral part of these accounts and should be read in conjunction therewith.

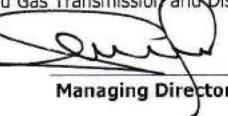
For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited



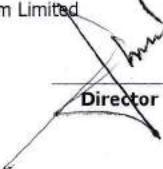
Company Secretary



General Manager (Finance)



Managing Director



Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: 07 November 2021



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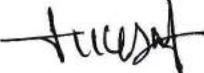


Jalalabad Gas Transmission and Distribution System Limited
Statement of Changes in Equity
For the year ended 30 June 2021

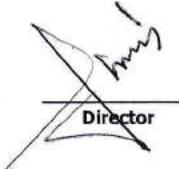
Particulars	Share capital	Share money deposit	Fair Value Adjustment Reserve	Revenue reserve	Total
	BDT	BDT	BDT	BDT	BDT
Balance at 01 July 2020	1,327,471,800	-	-	9,130,122,173	10,457,593,973
Net profit for the year	-	-	-	1,847,640,010	1,847,640,010
Gain/(Loss)Investment in Shares (Unrealized)	-	-	(10,435,330)	-	(10,435,330)
Contribution to National Exchequer	-	-	-	(707,500,000)	(707,500,000)
Balance at 30 June 2021	1,327,471,800	-	(10,435,330)	10,270,262,183	11,587,298,653
Balance at 01 July 2019	704,816,200	622,655,690	-	8,081,134,005	9,408,605,895
Addition against Sylhet Gas Transmission	-	-	-	-	-
Transmission Net work Upgradation Project.	339,793,200	(339,793,200)	-	-	-
Nobigon Gas supply & Distribution Project.	282,862,400	(282,862,400)	-	-	-
Transfer to revenue reserve	-	(90)	-	90	-
Net profit for the year	-	-	-	1,688,988,078	1,688,988,078
Contribution to national exchequer	-	-	-	(640,000,000)	(640,000,000)
Balance at 30 June 2020	1,327,471,800	-	-	9,130,122,173	10,457,593,973

The attached notes form an integral part of these accounts and should be read in conjunction therewith.
For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited


Company Secretary


General Manager (Finance)


Managing Director


Director

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: 07 November 2021


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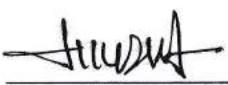


Jalalabad Gas Transmission and Distribution System Limited
Statement of Cash Flows
For the year ended 30 June 2021

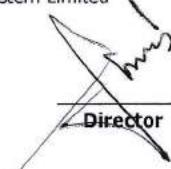
	2020-2021 BDT	2019-2020 BDT
A. Cash flows from operating activities		
Net profit before tax	2,639,485,728	2,502,204,558
Adjustment for non-cash items:		
Depreciation	177,841,762	176,827,357
Provision for doubtful debts	-	3,424,553
	2,817,327,490	2,682,456,468
Changes in working capital components:		
Inventories	66,148,621	(74,119,251)
Advance, deposit and prepayments	(15,732,392)	(31,627,067)
Corporation income tax	(789,627,033)	(707,674,964)
Trade receivable	(242,345,295)	(1,387,723,455)
Other receivable	(460,015,554)	(353,770,786)
Liability for gas purchase	(161,759,092)	(841,155,626)
Liability for gas transmission Charges	(42,971,672)	54,491,476
Gas development fund	(113,861,474)	(107,122,986)
Liability for LNG Charges	(805,347,289)	1,006,988,805
VAT for Gas development fund charges	1,698,728	(17,952,469)
Value Added Tax (VAT)	36,988,763	(70,877,392)
Energy security fund	(125,868,593)	6,401,723
Provision for project (Depreciation Fund)	-	1,428,700,000
Depreciation fund	228,038,894	(1,231,113,170)
Addition during the year for depreciation fund	(177,841,762)	(176,827,357)
Group current accounts	(1,500,300)	(68,266,914)
Creditors and accruals	855,981,504	594,600,660
Contribution to BPPF	(14,419,676)	22,585,687
Provision for Leave pay	391,420	54,300
Provision for bad debts	(8,279,274)	-
Payable for retirement benefit obligations (gratuity)	138,000	135,620
Contribution to national exchequer	(707,500,000)	(640,000,000)
	(2,477,683,476)	(2,594,273,166)
Net cash provided/(used) in operating activities	339,644,014	88,183,301
B. Cash flows from investing activities		
Fixed deposits receipts (FDR)	(9,716,634)	287,875,643
Fixed deposits against depreciation fund	(120,770,605)	(165,053,172)
Acquisition of property, plant and equipment	(20,161,213)	(323,044,409)
Other current assets	96,163,361	(56,358,393)
Payments for capital works-in-progress	(10,880,435)	310,385,017
Net cash provided/(used) in investing activities	(65,365,526)	53,804,686
C. Cash flows from financing activities		
Inter-company loan	18,050,420	18,050,420
Increase in employee loans	34,924,394	(9,120,511)
Repayment of long term loans	(43,483,476)	(49,048,000)
Customers and contractors security deposit		(2,360,113,129)
Customers and contractors security deposit	231,590,506	2,539,024,194
Long term loan current portion	(5,564,000)	(33,000)
Share capital	-	622,655,600
Share money deposit	-	(622,655,690)
Adjustment	90	
Net cash provided/(used) in financing activities	235,517,844	138,759,884
Net Cash inflow during the year (A+B+C)	509,796,333	280,747,871
Opening Balance of Cash and Cash Equivalents	612,975,930	332,228,059
Closing Balance of cash and Cash Equivalents	1,122,772,263	612,975,930

For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited


Company Secretary


General Manager (Finance)


Managing Director


Director

Place: Dhaka
Dated: 07 November 2021



Jalalabad Gas Transmission and Distribution System Limited
Notes to the Financial Statements
For the year ended 30 June 2021

1. Background and nature of business of the company

Jalalabad Gas Transmission and Distribution System Limited (hereinafter referred to JGTDSL or the company), a public limited company, owned by Petrobangla was registered as a company with the Registrar of Joint Stock Companies and Firms(RJSC) on 01 December 1986 under The Companies Act, 1913 (Now the Companies Act, 1994). As per decision of Government of Bangladesh, JGTDSL was formed with the principal objective of establishing a balanced and reliable natural gas transmission network and ensuring effective operational control of the same for transportation of available gas in order to meet the increasing gas demand in the country. JGTDSL commenced its formal operation through holding the first meeting of the Board of Directors on 25 February 1987 and subsequently embarked on commercial business upon receipt of certificate of commencement of business from the Registrar of Joint Stock Companies and Firms on 24 April 1988.

The other objectives for which the Company was established are to construct, operate and maintain high pressure gas/condensate pipelines to transmit natural gas/condensate from different gas fields and delivering the gas/condensate to the marketing companies operating in Bangladesh.

2. Significant accounting policies

2.1 Basis of preparation of the financial statements

These financial statements have been prepared on accrual basis following going concern concept under historical cost convention.

2.2 Statement of compliance

These financial statements have been prepared in compliance with the applicable requirements of International Financial Reporting Standard (IFRSs) which also cover International Accounting Standards (IASs) and the format of Management System Improvement Programmed MSIP). The related provision of Companies Act 1994 have also been duly complied with. Wherever appropriate, such principles are explained in succeeding notes.

2.3 Foreign currencies

Transactions in foreign currencies are recorded in local currency applying the exchange rates prevailing on the dates of transactions or where covered by a forward exchange contract, at the forward cover rates. Monetary assets and liabilities denominated in foreign currencies are translated into local currency at the closing rate.

2.4 Use of estimates and judgments

The preparation of financial statements require management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of its assets, liabilities, income and expenses and disclosure of the contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates.

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

2.5 Events after the reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

- i. Adjusting events: those that provide evidence of conditions that existed at the end of the reporting period.
- ii. Non-adjusting events: those that are indicative of conditions that arose after the reporting period.



2.6 Revenue recognition

Revenue is recognized when sales of gas are billed. Sales price for gas is set as per government order. Interest income is considered on accrual basis. Other income is accounted for when they are received in cash.

2.7 Property, plant and equipment

Recognition

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:

- a)** it is probable that future economic benefits will flow to the entity; and
- b)** the cost of the item can be measured reliably.

Measurement at recognition

An item of property, plant and equipment qualifying for recognition is initially measured at its cost. Cost comprises expenditure that is directly attributable to the acquisition of the assets. The cost of self-constructed asset includes the following: the cost of materials and direct labour; any other costs directly attributable to bringing the assets to a working condition for their intended use; and when the company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are

Subsequent costs

- a)** Repairs and maintenance expenditure is recognized as expenditure as incurred.
- b)** Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

Disposal

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceed from disposal and the carrying amount of the item) is recognized in statement of profit or loss and other comprehensive income.

Depreciation

Depreciation on all items of property, plant and equipment (fixed assets) has been charged using straight-line method at rates varying from 2.5% to 25% depending on the estimated useful life of assets. Depreciation on addition to fixed assets has been charged from the first day of the acquisition date as per IAS - 16.

2.8 Impairment of assets

The carrying value of the company's assets other than inventories, are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the statement of Profit or Loss and comprehensive income.

2.9 Inventories

Inventories represent stores and spares held for sale in the ordinary course of business within the company's normal operating cycle which is more than a calendar year along with goods in transit, both foreign and local.

Inventories of store and other materials have been valued as follows:

- i.** Stores and spares are valued at average cost
- ii.** Stocks in transit are valued at cost
- iii.** Materials previously issued for project work when return to store are recorded at zero value.



2.10 Treatment of grants and contribution from customer

2.10.1 Grants

Grants received from Government and Donor agencies for development and extension of Gas supply infrastructure are credited to capital reserve.

2.10.2 Contribution from consumers

Contribution received from customer towards the cost of connection are deducted from the relevant connection cost surplus or deficit is taken into income statement.

2.11 Contribution to Beneficiaries Profit Participation Fund

This is made in terms of section 234(1)(b) of Bangladesh Labour Act 2006 (as amended in 2013), 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% of the amount of 5% of net profit shall be paid by the Company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act, 2006. Of the 80% being transferred to the participation fund, two-third (2/3) has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third (1/3) has to be invested in accordance with the manner as stated in section 242 of that Act.

2.12 Employee benefits

The company maintains a defined contribution plan (provident fund) and a retirement benefit obligations (gratuity fund) for its eligible permanent employees.

Defined contribution plan (provident fund)

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognized employees' provident fund is being 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. This fund is recognized by the National Board of Revenue (NBR).

Defined retirement benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan (gratuity fund) other than a defined contribution plan. The company operates a funded gratuity scheme which is recognized by the National Board of Revenue (NBR). Provision in respect of which is made annually covering all its permanent eligible employees.

The company also maintain a pension fund which has been approved by the Ministry of finance and Ministry of power energy and mineral resources of Bangladesh. Expense related to the said fund is being charged on a monthly basis.

Leave pay

This relates to leave encashment and is measured on an undiscounted basis and expensed as the related services is provided. Provision is made for the amount of leave encashment based on the latest basic salary. This benefit is applicable for employees as per service rules.

2.13 Treatment of expense

Expenses are recognized in the period they are incurred. Interest on loan is charged directly to the specific capital projects funded by the loan. The charging ceases when the project is completed and thereafter the interest cost is charged to the profit and loss statement on cash basis.

All expenses in relation to transmission and distribution of gas are treated as transmission and distribution cost and separately shown in the financial statements.

2.14 Development and line construction cost

Development and line construction costs are shown under capital works-in- progress till the project and line construction work are completed. On successful completion, the costs are capitalized as proved assets. If the development project is unsuccessful, the costs are shown as intangible assets and written off as impairment cost over a period time.

2.15 Long term loan

Local and foreign loans payable within next one year are shown as current portion under current

2.16 Trade receivables

Trade receivables are shown at realizable value, being the face value of the debts less provision for bad and doubtful debts (if any). Provision for bad and doubtful debts is made @ 3% on non-bulk customer as per board decision.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and other short term highly liquid investments with original maturities of three months or less and bank overdrafts which were held and available for use by the company without any restriction, and there was insignificant risk of changes in value of these current assets.

2.18 Short term loan to employee

Short term loan to employee is stated at face value plus accrued interest thereon. Where such loans are not expected to be realized within one year, then these are not shown as current asset.

2.19 Energy security fund

This fund was created as per Bangladesh Energy Regulatory Commission (BERC) order 2015/11 para 9(2), dated 27 August 2015, with effect from 01 September 2015.

2.20 Revenue reserve

Revenue reserve includes only amounts, which are potentially distributable to the shareholders.

2.21 Customer security deposits

Security deposits received from customers against gas supply are treated as long term liabilities since these are not repayable while gas supply to consumers continues.

2.22 Provision for income tax

Provision for tax is made at currently applicable rate on accounting profit before paying dividend. This is treated as income tax liability which will be subsequently adjusted after completion of income tax assessment.

Advance income tax paid against future anticipated tax burden is recognized as current asset. No deferred tax (asset or liability) is created to compensate for the timing difference and computation difference between accounting income and taxable income.

2.23 Deferred tax

Deferred tax has not been recognized in profit or loss for the temporary difference in carrying amount of property, plant & equipment from inception as prescribed by Para 15 of IAS 12: 'Income Taxes. And as per financial reporting council circular no.146/FRC/SS/2019/181, dated 11 April 2019, The deferred tax expenses will be recognised by the JGTDSL as year ended in the

2.24 Depreciation Fund Management

Depreciation Fund Management Implement the company Vide Petrobangla letter no. 28.02.0000.026.42.001.17/95, Date: 23-10-2017 & company board order no. 418th Dated: 12-08-2018.

2.25 General

- i. Previous year's figures have been rearranged where necessary to conform to current year's presentation.
- ii. Figures have been rounded to the nearest BDT

	2020-2021 BDT	2019-2020 BDT
3 Property, plant and equipment		
Cost:		
Opening balance	5,478,790,508	5,155,746,099
Add: Addition during the year	20,161,213	323,044,409
	<u>5,498,951,721</u>	<u>5,478,790,508</u>
Depreciation:		
Opening Balance	177,841,762	176,827,357
Add: charged during the year	177,841,762	176,827,357
Less: Transfer to Depreciation fund during the year	177,841,762	176,827,357
Written down value	Annexure- A	<u>5,498,951,721</u>
		<u>5,478,790,508</u>
4 Capital works-in-progress		
Pipeline and Civil construction	32,741,952	23,117,278
50,000 prepaid Gas meter project	1,255,761	-
	<u>33,997,713</u>	<u>23,117,278</u>
5 Fixed deposit receipt (FDR)		
State-owned banks	4,353,299,166	3,337,201,236
Private commercial banks	2,175,776,796	3,182,158,092
Details are given in Annexure-D		
	<u>6,529,075,962</u>	<u>6,519,359,328</u>
6 Fixed deposit against depreciation fund		
Opening balance	748,566,422	583,513,250
Add: Addition during the year	205,857,600	153,855,665
Add: Net interest	45,120,603	33,101,757
Less: Encashment during the year	999,544,625	770,470,672
	130,207,598	21,904,250
	<u>869,337,027</u>	<u>748,566,422</u>
7 Loan to employees		
Opening balance	770,600,499	761,479,988
Add: Addition during the year	66,460,000	79,248,953
Less: Recovery during the year	837,060,499	840,728,941
	101,384,394	70,128,442
	<u>735,676,105</u>	<u>770,600,499</u>
Details of employees loan:		
Land purchase and Housebuilding loan	732,448,571	766,153,965
Motor cycle loan	2,611,534	3,712,534
Computer loan	616,000	734,000
	<u>735,676,105</u>	<u>770,600,499</u>
8 Inter- company loan		
Opening balance	126,352,939	144,403,359
Add: Addition during the year	-	-
Less: Adjustment during the year	126,352,939	144,403,359
	18,050,420	18,050,420
	<u>108,302,519</u>	<u>126,352,939</u>
Name of Company:		
1. Gas transmission Company	<u>108,302,519</u>	<u>126,352,939</u>
The above amount was given to GTCL as loan as per petrobangla letter reference no 12.04.237/gtcl/724 dated 23 december 2012		



	2020-2021 BDT	2019-2020 BDT
9 Investment in shares	7,251,670	17,687,000

Sl.No.	Particular	Cost Price	Fair Value	Unrealized Gain/(Loss)
1	ICB Islamic Bank Limited	17,687,000	7,251,670	(10,435,330)
	Total	17,687,000	7,251,670	(10,435,330)

Oriental Bank Ltd. banking operation was suspended by Bangladesh Bank and also subsequently was taken over by ICB Islamic Bank Ltd. Bangladesh Bank Issued circular BRPD/(R-1)651/9(10)2007-446 dated 02-08-07 for reorganization of Oriental Bank Ltd. Accordingly deposit holders were allowed a portion of their deposit into buying the shares of ICB Islamic Bank Ltd. In the process the company became owner of 1,768,700 shares of BDT 10 each amounting to BDT 17,768,000.

10 Inventories

A) Stores & Spares

Opening balance	280,318,891	273,836,341
Add: Addition during the year	28,025,609	48,235,971
	<u>308,344,500</u>	<u>322,072,312</u>
Less: Issued during the year	58,897,039	41,753,822
Total A	249,447,060	280,318,891

Detail's break up given bellow

Pipeline Materials	155,298,208	178,072,488
Laboratory chemicals	41,384,299	48,190,044
Packaging gaskets & industrial	33,090,155	34,888,614
General Hardware	1,666,968	1,588,335
Electrical & Electronic	1,936,458	1,685,892
Fire fighting Equipment spairs	301,547	161,900
Fuel & lubricant	11,518,185	14,727,065
Furniture & fixture	543,384	539,965
Others	707,858	464,587
Total A	249,447,060	280,318,891

B) Goods-in-transit (Foreign)

Opening balance	79,046,616	11,409,915
Add: Addition during the year	364,465,519	85,339,860
	<u>443,512,135</u>	<u>96,749,775</u>
Less: Transfer to project during the year	399,742,710	17,702,758
Total B	43,769,826	79,046,616

Detail's break up given bellow

B) Goods-in-transit (foreign)	43,769,826	79,046,616
Total(A+B)	293,216,886	359,365,507



	2020-2021 BDT	2019-2020 BDT
11 Advance, deposit and prepayments		
Corporate income tax	6,612,525,231	5,822,898,198
Advances (note 11.1)	173,548,808	157,715,691
Deposits with PDB (note 11.2)	427,545	427,545
Deposits with Telephone and Telegraph Board (note 11.3)	39,238	39,238
Office rent	177,667	177,667
Prepaid insurance premium	1,905,429	2,006,154
Deposit to Linde Bangladesh Ltd.	32,000	32,000
Deposit to RPGCL	35,175	35,175
	<u>6,788,691,093</u>	<u>5,983,331,668</u>
11.1 Advances		
Advance against procurement and others	106,782	21,906
Advance against incentive bonus & others	173,442,026	157,693,785
	<u>173,548,808</u>	<u>157,715,691</u>
11.2 Deposits with PDB		
Financial year - 1990-1991	5,500	5,500
Financial year - 1995-1996	120,000	120,000
Financial year - 1998-1999	3,000	3,000
Financial year - 1999-2000	20,700	20,700
Financial year - 2000-2001	197,720	197,720
Financial year - 2002-2003	48,953	48,953
Financial year - 2003-2004	5,100	5,100
Financial year - 2005-2006	5,500	5,500
Financial year - 2007-2008	8,822	8,822
Financial year - 2008-2009	5,500	5,500
Financial year - 2010-2011	6,750	6,750
	<u>427,545</u>	<u>427,545</u>
11.3 Deposits with Telephone and Telegraph Board		
Financial year - 1981-1982	250	250
Financial year - 1982-1983	775	775
Financial year - 1983-1984	1,000	1,000
Financial year - 1986-1987	213	213
Financial year - 1995-1996	24,000	24,000
Financial year - 1997-1998	2,000	2,000
Financial year - 1998-1999	6,000	6,000
Financial year - 2001-2002	5,000	5,000
	<u>39,238</u>	<u>39,238</u>
12 Trade receivable		
Power (PDB) Govt.	2,217,636,336	1,435,656,259
Power (PDB) non-govt.	1,114,129,629	1,127,767,667
Captive Power	453,660,539	564,076,878
Fertilizer	329,233,269	519,797,380
Industrial	546,397,657	607,309,132
Tea estate	38,858,308	39,796,712
CNG	463,914,798	351,105,375
Hotel & Resturent	45,073,712	141,384,563
Small & Cottage Industries	143,843,755	202,357,749
Domestic	550,291,646	671,442,639
	<u>5,903,039,649</u>	<u>5,660,694,354</u>



	2020-2021 BDT	2019-2020 BDT
13 Others receivable		
Lafarge Surma Cement against TPQ, Higher Lime factory against Gas tariff	1,372,332,271	1,070,487,969
Dearness allowance	158,434,566	83,823
Others	74,164	2,629,834
	<u>2,376,179</u>	<u>2,629,834</u>
	<u>1,533,217,180</u>	<u>1,073,201,626</u>

The overtime was paid against D.A during 1987, 1989 and 1990 over expected in D.A by 10% on all those years but the increase was not actually allowed by the government. The advance is reported to be realized from concerned employees final settlement bill upon their retirement/release from the service.

14 Other current assets		
Opening balance	306,352,507	249,994,114
Add : Addition during the year	<u>210,189,146</u>	<u>306,352,507</u>
	<u>516,541,653</u>	<u>556,346,621</u>
Less : Adjustment during the year	<u>306,352,507</u>	<u>249,994,114</u>
	<u>210,189,146</u>	<u>306,352,507</u>

15 Cash and cash equivalents

Cash in hand		
Cash at bank (STD and C/A)	1,122,772,263	612,975,930
	<u>1,122,772,263</u>	<u>612,975,930</u>

16 Share Capital

a) Authorized	<u>1,500,000,000</u>	<u>1,500,000,000</u>
15,000,000 ordinary shares of BDT 100 each		
b) Issued subscribed and paid-up	<u>1,327,471,800</u>	<u>1,327,471,800</u>
13,274,718 ordinary shares of BDT 100 each		

Equity portion of Nobigong Gas supply And Distribution Project And Sylhet Gas Transmission Network Upgradation project Transfer from Share money deposits to Paid up capital as per board deceission.

Projects

Initial Paid Up Capital	500,700	500,700
Hobiganj Tea Valley Project	15,850,000	15,850,000
Sylhet Town Gas Supply Project	16,000,000	16,000,000
Sunamganj Town Gas Supply	23,000,000	23,000,000
Sylhet Tea Estate Gas Supply Project (phase -1)	43,408,000	43,408,000
Sylhet Tea Estate Gas Supply Project (phase -2)	98,581,000	98,581,000
Gas distribution to Jalalabad Franchise Area	24,146,100	24,146,100
Third Natural Gas Development Project	77,345,000	77,345,000
Grameen Gas Distribution Project	71,438,534	71,438,534
Gas supply to Sylhet Combined Cycle Power Plant	78,924,744	78,924,744
The Netherland grants	19,393,586	19,393,586
Belgium grant	55,112,880	55,112,880
United Kingdom grants	58,248,066	58,248,066
Hydro Carbon Development Fund	122,867,568	122,867,568
Nobiganj Gas Supply and Distribution Project	282,862,400	282,862,400
Sylhet Gas Transmission Network Upgradation Project	339,793,200	339,793,200
Adjustment	22	22
	<u>1,327,471,800</u>	<u>1,327,471,800</u>



	2020-2021 BDT	2019-2020 BDT
16.1 Fair Value adjustment reserve	10,435,330	-

Banking operation of Oriental Bank Ltd. was suspended by Bangladesh Bank and also subsequently was taken over by ICB Islamic Bank Ltd. Bangladesh Bank Issued circular BRPD/(R-1)651/9(10)2007-446 dated 02-08-07 for reorganization of Oriental Bank Ltd. Accordingly deposit holders were allowed a portion of their deposit into buying the shares of ICB Islamic Bank Ltd. In the process the company became owner of 1,768,700 shares of BDT 10 each amounting to BDT 17,768,000. During the year fair value reserve were showed in the financial Statements.

17 Revenue reserve

This represents the accumulated profit arising out of business operation of JGTDSL .

Description	General reserve	Appropriation account	Total	Total
Opening balance	89,857,532	9,040,264,641	9,130,122,173	8,081,134,005
Add: Net profit for the year	-	1,847,640,010	1,847,640,010	1,688,988,078
Transfer from Equity	-	-	-	90
	89,857,532	10,887,904,651	10,977,762,183	9,770,122,173
Less: Contribution to national exchequer	-	(707,500,000)	(707,500,000)	(640,000,000)
	89,857,532	10,180,404,651	10,270,262,183	9,130,122,173

18 Long term borrowings - local

Opening balance	323,218,282	372,266,282
Add: Addition during the year	-	-
	323,218,282	372,266,282
Less: Transferred to current portion	43,484,000	49,048,000
Adjustment	524	-
	279,734,806	323,218,282

Project:

Gas Supply to Sylhet Combined Cycle Power Station and Sahajalal Fertilizer	4,299,476
Sylhet Gas transmission Network Upgradation Project	279,734,806
	279,734,806
	323,218,282

19 Long term borrowings - foreign

Opening balance	199,578,898	199,578,898
Add: Foreign exchange Increase/Gain	-	-
	199,578,898	199,578,898
Less: Foreign exchange decrease/loss	199,578,898	199,578,898

Project

Third Natural Gas Development Project	199,578,898	199,578,898
	199,578,898	199,578,898



	2020-2021 BDT	2019-2020 BDT
20 Security deposits - customers		
a) Cash security deposited by customers:		
Industry	536,242,011	369,702,042
Captive Power	399,254,014	373,691,879
CNG	15,159,816	15,862,485
Tea- Estates	57,754,843	54,823,852
Hotel & Resturent	100,930,261	76,350,773
Small & cottage Industry	81,272,921	77,666,054
Domestic	372,905,242	363,831,517
	<u>1,563,519,108</u>	<u>1,331,928,602</u>

21 Retirement benefit obligations (gratuity)		
Opening balance	708,671	573,051
Add: Provision during the year	138,000	135,620
	<u>846,671</u>	<u>708,671</u>
Less: Payment/adjustment during the year	<u>846,671</u>	<u>708,671</u>

Provision for gratuity has been made on the basis of last two months basic pay multiplied by total length of service of individual officers and staff of the company.

22 Provision for leave pay		
Opening balance	315,080	260,780
Add: Provision during the year	391,420	54,300
	<u>706,500</u>	<u>315,080</u>
Less: Payment during the year	<u>706,500</u>	<u>315,080</u>

Provision for leave pay has been made at one month of basic pay of each year of service, subject to maximum of eighting months basic pay.

23 Provision for project (Depreciation Fund)		
Name of the project are given below:		
50,000 prepaid meter Established DPP	1,185,500,000	1,185,500,000
JGTDSL center store building DPP	243,200,000	243,200,000
	<u>1,428,700,000</u>	<u>1,428,700,000</u>

24 Depreciation Fund		
Opening balance	1,677,342,665	2,908,455,835
Add: Addition during the year	177,841,772	176,827,357
Add: Net Interest during the year	50,197,122	36,694,117
	<u>1,905,381,559</u>	<u>3,121,977,309</u>
Less: Adjustment Accrued Interest	-	15,934,644
Provision for project work	-	1,428,700,000
	<u>1,905,381,559</u>	<u>1,677,342,665</u>

Depreciation Fund Management created as per company Board decision. No 418th dated 12-08-2018



	2020-2021 BDT	2019-2020 BDT
25 Liability for Gas purchase		
Opening balance	1,111,124,529	1,952,353,623
Add: Addition during the year	5,424,268,109	5,252,009,295
Less: Paid during the year	<u>6,535,392,638</u>	<u>7,204,362,918</u>
	5,586,027,201	6,093,238,389
	<u>949,365,437</u>	<u>1,111,124,529</u>
Company wise break-up is as follows:		
Sylhet Gas Fields Limited.	90,098,858	169,232,114
Bangladesh Gas Fields Company Limited	145,032,233	233,527,372
IOC	714,234,346	708,365,043
	<u>949,365,437</u>	<u>1,111,124,529</u>
This represents amount payable to gas producing companies against their shares of margin		
26 Liability for LNG Charges		
Opening balance	2,456,248,987	1,449,260,182
Add: Addition during the year	<u>15,354,031,168</u>	<u>14,170,597,543</u>
Less: Paid during the year	<u>17,810,280,155</u>	<u>15,619,857,725</u>
	16,159,378,457	13,163,608,738
	<u>1,650,901,698</u>	<u>2,456,248,987</u>
27 Gas development Fund		
Opening balance	212,466,119	319,589,105
Add: Payable for the year	<u>1,087,112,614</u>	<u>1,003,138,629</u>
Less: Paid during the year	<u>1,299,578,733</u>	<u>1,322,727,734</u>
	1,200,974,088	1,110,261,615
	<u>98,604,645</u>	<u>212,466,119</u>
28 Energy security fund		
Opening balance	234,870,605	228,468,882
Add: Payable for the year	<u>1,201,743,461</u>	<u>1,108,925,562</u>
Less: Paid during the year	<u>1,436,614,066</u>	<u>1,337,394,444</u>
	1,327,612,054	1,102,523,839
	<u>109,002,012</u>	<u>234,870,605</u>
29 Gas transmission charges		
Opening balance	243,267,139	188,775,663
Add: Payable for the year	<u>924,128,374</u>	<u>890,838,033</u>
Less: Paid during the year	<u>1,167,395,513</u>	<u>1,079,613,696</u>
	967,100,046	836,346,557
	<u>200,295,467</u>	<u>243,267,139</u>
Company wise break-up is as follows:		
Gas transmission company(GTCL)	156,840,479	190,339,605
Petrobangla	42,492,329	51,575,676
Titas Gas Transmission & Distribution Company Ltd	962,659	1,351,857
	<u>200,295,467</u>	<u>243,267,139</u>
30 VAT for gas development fund		
Opening balance	19,081,522	37,033,991
Add: Payable for the year	<u>106,849,526</u>	<u>88,922,126</u>
Less: Paid during the year	<u>125,931,048</u>	<u>125,956,117</u>
	105,150,798	106,874,595
	<u>20,780,250</u>	<u>19,081,522</u>



	2020-2021 BDT	2019-2020 BDT
31 Value added tax		
Opening balance	416,884,345	487,761,737
Add: Payable for the year	<u>2,333,939,821</u>	<u>1,942,884,875</u>
Less: Paid during the year	<u>2,750,824,166</u>	<u>2,430,646,612</u>
	<u>2,296,951,058</u>	<u>2,013,762,267</u>
	<u>453,873,108</u>	<u>416,884,345</u>
32 Group current accounts		
Petrobanqla current account	57,522,482	58,527,947
Titas Gas Transmission and Distribution Company Limited	3,991,409	4,233,120
BAPEX current account	102,194	102,194
Madhapara Hard Rock and Mining Project	(23,657)	(23,657)
Bakhrabad Gas Systems Ltd	(15,877,107)	(14,676,269)
Gas Transmission Company Limited (GTCL)	(1,371,513)	(910,189)
RPGL current account	665,225	665,225
SGFL current account	697,016	697,016
PGCL current account	(1,687,297)	(1,710,841)
Barapukuria Coal Mining	71,820	71,820
Sondarban Distribution Company Ltd	18,673,885	17,510,903
Joypurhat Line Stone	9,547	9,547
Karnaphuli Gas Distribution Co. Ltd	(3,082,911)	(3,305,423)
	<u>59,691,093</u>	<u>61,191,393</u>
33 Creditors & Accruals		
Creditors for expenses	252,742,118	245,690,891
Creditors for other finance	1,731,745,548	888,318,472
Security deposit (Cash)	88,149,880	82,646,679
	<u>2,072,637,546</u>	<u>1,216,656,042</u>
34 Long term loan-current portion		
Opening balance	49,048,000	49,081,000
Add: Transfer from loan account	<u>43,484,000</u>	<u>49,048,000</u>
Less: Paid during the year	<u>92,532,000</u>	<u>98,129,000</u>
	<u>49,048,000</u>	<u>49,081,000</u>
	<u>43,484,000</u>	<u>49,048,000</u>
Projects:		
Gas Supply to Sylhet Combine Cycle Shahajal Factory	4,300,000	9,866,000
Gas Transmission Net work Upgradation Project	39,184,000	39,182,000
	<u>43,484,000</u>	<u>49,048,000</u>
35 Beneficiaries' profit participation fund		
Opening balance	94,801,388	72,215,701
Add: Payable for the year	<u>138,920,301</u>	<u>131,694,977</u>
Less: Paid during the year	<u>233,721,689</u>	<u>203,910,678</u>
	<u>153,339,977</u>	<u>109,109,290</u>
	<u>80,381,712</u>	<u>94,801,388</u>
36 Provision for doubtful debts		
Opening balance	30,455,548	27,030,995
Add: Addition during the year	-	3,424,553
Less: Adjustment during the year	<u>30,455,548</u>	<u>30,455,548</u>
	<u>8,279,274</u>	<u>-</u>
	<u>22,176,274</u>	<u>30,455,548</u>
Provision for doubtful debts has been made @ 3% on non-bulk customers as per Board resolution.		
37 Provision for income tax		
Opening balance	6,114,913,778	5,301,697,297
Add: Provision during the year	<u>791,845,718</u>	<u>813,216,481</u>
Less: Payment/adjustment during the year	<u>6,906,759,496</u>	<u>6,114,913,778</u>
	<u>6,906,759,496</u>	<u>6,114,913,778</u>

38 Gas sales	2020-2021		2019-2020	
	Volume (CM)	BDT	Volume (CM)	BDT
Power (PDB)-Govt.	2,023,507,782	9,004,609,630	1,303,605,150	5,801,042,918
Power Non-Govt.	773,561,865	3,442,350,299	1,272,146,448	5,657,463,945
Captive power- Industries generator	242,375,343	3,356,898,497	210,094,832	2,913,401,273
Fertilizer	384,337,829	1,710,303,340	369,619,013	1,644,804,611
Industrial	288,754,617	3,089,674,401	238,142,400	2,548,123,578
Tea estate	27,278,593	291,880,946	31,568,026	337,777,977
Hotel & Restaurant	9,307,301	214,067,932	9,899,112	229,912,570
Small & Cottage Industry	11,432,923	194,817,003	18,374,337	310,860,193
Domestic	205,148,407	2,584,869,673	200,509,107	2,526,414,311
CNG	125,614,180	4,396,496,286	120,743,136	4,226,009,635
	4,091,318,840	28,285,968,007	3,774,701,561	26,195,811,011

39 Other operational income

Surcharge for late payment	74,394,673	73,201,620
Meter rent	10,326,807	10,734,151
Service/consultancy Fees	11,550,000	-
Connection charge	5,520,172	4,657,802
Heating charge	693,712,816	711,883,642
Demand charges	510,547,955	483,513,498
	1,306,052,423	1,283,990,713

40 Gas purchases

Name of the Companies

	Wellhead Margin	
Sylhet Gas Fields Ltd	110,581,112	140,691,716
Bangladesh Gas Fields Company Limited	399,554,364	489,676,408
Petrobangla (IOC) (Details below) :		
Jalalabad Gas Field (IOC)	1,135,927,027	1,026,003,117
Bibiana Gas Field (IOC)	1,532,322,775	1,057,342,244
National Gas fields (IOC)	985,245,747	1,174,194,738
Petrobangla Margin against SFF	227,572,060	201,800,638
	4,391,203,085	4,089,708,861

During the year total gas purchase volume was recorded in the financial statements 4,117.778 MMCM. (From National Gas fields 1,108.705 MMCM and Ioc Gas fields 3009.073 MMCM).

41 LNG Charges

This represents contribution to Purchase LNG Gas with effect from 18 september 2018

Type of user:

Power (PDB)	6,045,357,555	5,563,557,334
Fertilizer	836,342,706	813,104,496
Industrial	1,791,000,353	1,463,797,710
Tea estate	166,997,614	191,703,218
Hotel & Restaurant	131,205,003	175,894,382
Small & cottage industry	116,573,000	155,734,382
Domestic	1,521,299,669	1,486,698,286
CNG	2,759,052,928	2,625,398,546
Captive power - Industries generator	1,986,202,340	1,694,709,189
	15,354,031,168	14,170,597,543



	2020-2021 BDT	2019-2020 BDT
42 Gas development fund		
Type of user		
Power (PDB)	475,994,726	438,059,110
Fertilizer	65,851,311	64,021,598
Industrial	119,224,607	97,443,145
Tea estate	11,116,818	12,761,439
Hotel & Restaurant	8,248,839	12,577,237
Small & Cottage Industry	7,518,410	8,577,237
Domestic	99,573,715	97,308,949
CNG	170,595,410	162,331,406
Captive power - Industries generator	128,988,778	110,058,508
	<u>1,087,112,614</u>	<u>1,003,138,629</u>
43 Energy security fund contribution		
Type of user		
Power (PDB)	526,232,377	484,292,943
Fertilizer	72,801,419	70,778,595
Industrial	131,708,400	107,646,240
Tea estate	12,280,840	14,097,666
Hotel & Restaurant	9,119,366	13,797,202
Small & cottage Indusry	8,316,467	9,597,202
Domestic	110,049,700	107,546,661
CNG	188,633,619	179,495,806
Captive power	142,601,273	121,673,247
	<u>1,201,743,461</u>	<u>1,108,925,562</u>
44 Gas transmission charges		
This represents payable to Gas Transmission Company Limited for use of their transmission lines.		
Name of the Company		
Gas Transmission Company Limited (GTCL)	706,840,479	690,339,605
Petrobangla against IOC transmission charges	214,109,196	196,862,555
Titas Gas Transmission and Distribution Company Ltd.	3,178,699	3,635,873
	<u>924,128,374</u>	<u>890,838,033</u>
45 VAT for gas development fund		
Sylhet Gas fields Limited (SGFL)	23,317,279	28,812,800
Bangladesh gas fields Company Limited.	21,914,707	24,332,119
Petrobangla (IOC) gas fields	106,849,526	88,922,126
	<u>152,081,512</u>	<u>142,067,045</u>
46 Value added tax (VAT)		
Sylhet Gas fields ltd (SGFL)	509,360,815	629,642,855
Bangladesh gas fields Company Limited.	478,472,223	531,357,073
Petrobangla (IOC) gas fields	2,333,939,821	1,942,884,875
	<u>3,321,772,859</u>	<u>3,103,884,803</u>
47 Operating expense		
Direct costs:		
Employee cost (note 47.1)	537,112,596	562,742,671
Repair and maintenance (note 47.2)	40,812,759	47,066,077
Security expense	64,212,669	62,472,270
Other direct cost (note 47.3)	148,837,254	211,768,309
Administrative costs (note 47.4)	790,975,278	884,049,327
	5,569,112	7,054,627
	<u>796,544,390</u>	<u>891,103,954</u>

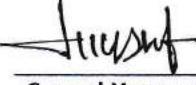
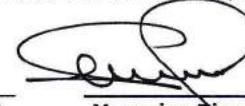


	2020-2021 BDT	2019-2020 BDT
47.1 Employee cost		
Officers' salary	149,946,253	170,533,040
Staff salary	62,272,898	65,975,570
Educational allowance	3,101,900	3,342,916
Overtime	26,986,083	26,234,260
House rent allowance	73,387,887	79,490,074
Gratuity	138,000	135,620
Leave pay	18,078,581	13,721,368
Festival bonus	15,882,037	36,433,919
Incentive bonus	34,167,906	32,142,562
Bangla noboborsho Bonus	3,127,559	3,452,206
Liveries and uniform	15,315,644	10,603,493
Recreation allowance	15,265,400	17,182,761
Company's contribution to provident fund	29,820	43,100
Gas subsidy	5,274,499	5,625,519
Medical allowance	8,101,447	9,642,342
Lunch subsidy-staff	3,285,982	2,736,577
Lunch subsidy-officers	3,967,187	4,110,712
Medical expenses	1,761,613	2,241,639
Welfare expenses	3,948,828	3,995,657
Group insurance	4,784,748	4,993,727
Washing allowance	778,406	824,550
Conveyance allowance	1,171,092	1,046,574
Pension fund	67,769,179	64,311,303
Honorarium	3,231,564	2,970,522
Recruitment Expenses/others	15,288,479	-
Others	49,604	952,660
	537,112,596	562,742,671
47.2 Repair and maintenance		
Vehicles	4,587,546	4,268,487
Plant and pipeline machinery	28,976,580	24,453,836
Building	6,747,174	18,212,077
Furniture, fixtures and office equipment	501,459	131,677
	40,812,759	47,066,077
47.3 Other direct costs		
Travelling and conveyance	5,990,608	8,922,764
Telephone and telex	5,037,055	4,893,138
Fuel, oil and lubricants	7,637,123	7,867,793
Electricity	6,871,731	5,698,502
Transport hire	21,782,301	18,986,337
Office rent	4,385,772	4,312,334
Municipal tax and land revenue	15,748,989	13,107,840
Insurance	2,214,836	2,433,239
Training expenses	2,199,636	9,033,177
Wages of workers (casual labour)	39,587,765	33,455,575
Entertainment expenses	3,612,945	4,428,991
Electric accessories	1,654,527	1,521,792
Bank charges	8,652,031	5,274,887
Legal Expenses	12,189,107	3,469,659
Consultancy fees	130,500	78,985,809
Entertainment allowance	68,238	111,101
Donation and subscription	1,151,819	979,509
Directors' honorarium	2,355,681	755,000
Audit fees	192,500	185,750
Crockeries and cutleries	57,296	109,461
Domestic use of gas	46,443	53,770
Residential furnishing	29,500	93,273
Others with CSR	7,240,851	7,088,608
	148,837,254	211,768,309



	2020-2021 BDT	2019-2020 BDT
47.4 Administrative costs		
Office, stationery and printing	2,934,061	4,191,292
Advertisement	2,192,475	2,399,635
Newspaper and periodicals	442,576	463,700
	<u>5,569,112</u>	<u>7,054,627</u>
48 Bad debts		<u>3,424,553</u>
Bad debts calculation @3% on debtors (Domestic, Customer, Small Industries, Hotel and Resturent)		
49 Depreciation	<u>177,841,762</u>	<u>176,827,357</u>
Depreciation Calculation is shwon in Annexure-A		
50 Non-operational income		
Sale of tender schedule	940,400	336,000
Supplier's registration fees	725,100	132,900
Sale of pipeline materials (customer finance)	56,690,210	51,878,722
Sale of condenset	-	1,498,318
Sale of gas bill books	27,037	30,005
Other rental Income	9,323,082	4,382,700
Penalty	1,655,128	3,427,492
Miscellaneous income	16,002,040	6,212,270
	<u>85,362,997</u>	<u>67,898,407</u>
51 Finance income		
Interest on FDR accounts	435,402,279	582,542,321
Interest on STD accounts	63,019,399	79,209,295
Interest on employee loan	19,247,851	16,750,945
Interest on inter-company loan	2,392,298	2,753,183
	<u>520,061,827</u>	<u>681,255,744</u>
52 Finance expense		
This represents interest on local ADP loan which is made up as follows :		
Sylhet Combined Cycle Power Station and Shahjalal Fertilizer Factory	418,000	812,000
Sylhet Gas Transmission Network Upgradation Project	12,162,000	13,728,000
	<u>12,580,000</u>	<u>14,540,000</u>
53 Provision for contribution to BPPF	<u>138,920,301</u>	<u>131,694,977</u>
(Details are given in note 2.11)		
54 Income tax expense	<u>791,845,718</u>	<u>813,216,481</u>
Provision for income tax @30% on accounting profit as per finance act, 2021		

For and on behalf of the Board of Directors of Jalalabad Gas Transmission and Distribution System Limited


Company Secretary

General Manager (Finance)

Managing Director

Director

Place: Dhaka
Dated: 07 November 2021



Jalalabad Gas Transmission and Distribution System Limited
Details of property, plant and equipment
For the year ended 30 June 2021

Annexure- A

Category of asset	Cost			Rate % Total as at 30 June 2021	1st July 2020	Addition during the year	Adjustment during the year	Total as at 30 June 2021	Charged during the year	Depreciation fund	Transfer to depreciation fund	Total as at 30 June 2021	Written Down Value as at 30 June 2021
	1st July 2020	BDT	BDT										
Freehold land	203,213,654	-	-	203,213,654	-	-	-	-	-	230,720	-	203,213,654	-
Land infrastructure	13,216,983	-	-	13,216,983	5	-	-	-	-	12,742,935	-	13,216,983	-
Concrete and bricks	504,367,848	17,278,870	-	521,645,718	2.5	-	-	-	-	735,287	-	521,646,718	-
Sheds and temporary structure	15,186,085	-	-	15,186,085	10	-	-	-	-	1,723,750	-	15,186,085	-
Walls and store yards	49,474,928	-	-	49,474,928	5	-	-	-	-	1,676,580	-	49,474,928	-
Furniture and fixtures	45,550,601	1,043,357	-	46,593,958	10	-	-	-	-	91,374	-	46,593,958	-
Domestic appliance	4,804,603	-	-	4,804,603	15	-	-	-	-	1,791,748	-	4,804,603	-
Office equipment	53,139,159	779,735	-	53,918,894	15	-	-	-	-	120,800	-	53,918,894	-
Other equipment	107,910,696	-	-	107,910,696	15	-	-	-	-	8,566,436	-	107,910,696	-
Transmission lines	403,487,307	-	-	403,487,307	3.33	-	-	-	-	123,236,452	-	403,487,307	-
Distribution lines	3,359,323,677	1,059,251	-	3,360,382,228	5	-	-	-	-	14,945,257	-	3,360,382,928	-
Transmission and distribution plant	541,624,814	-	-	541,624,814	5	-	-	-	-	579,558	-	541,624,814	-
Tube wells and ponds	16,565,738	-	-	16,565,738	10	-	-	-	-	16,565,738	-	16,565,738	-
Water pipe lines and tanks	1,338,792	-	-	1,338,792	10	-	-	-	-	1,338,792	-	1,338,792	-
Light vehicle	158,976,253	-	-	158,976,253	20	-	-	-	-	11,400,865	-	158,976,253	-
Loose tools	609,370	-	-	609,370	25	-	-	-	-	609,370	-	609,370	-
Total as at 30 June 2021	5,478,790,508	20,161,213	-	5,498,951,721	-	-	-	-	-	177,841,772	-	5,498,951,721	-
Total as at 30 June 2020	5,155,646,099	3,223,044,409	-	5,478,790,508	-	-	-	-	-	176,827,357	-	5,478,790,508	-



Jalalabad Gas Transmission and Distribution System Limited
Key Performance Indicator
For the year ended 30 June 2021

Annexure- B
(BDT in lac)

Sl. No.	Particulars	2020-2021		2019-2020	Standard
		BDT	Ratio	Ratio	Ratio
1	Current ratio: Current assets Current liabilities	<u>158,511</u> 126,680	1.25:1	1.14:1	2:1
2	Quick ratio: Quick assets Current liabilities	<u>70,258</u> 126,680	0.55:1	0.51:1	1:1
3	Return on total sales revenue: <u>Net profit before tax X 100</u> Total sales revenue	<u>26,395X100</u> 282,859	9.33%	9.55%	10%-20%
4	Rate of return on capital employed: <u>Net profit before Tax X 100</u> Capital employed	<u>26,395X100</u> 296,337	8.90%	9.04%	15%-20%
5	Debt-equity ratio: <u>Year end long term loans</u> Capital and reserves	<u>4,793</u> 115,873	4:96	5:95	70:30
6	Rate of return on average net fixed assets(ROR): <u>Net profit before tax+ interest cost X 100</u> Average net fixed assets	<u>(26,395+126)X100</u> 54,888	48.32%	47.33%	Not less than 12%
7	Debt- service ratio: <u>Net profit after tax + interest cost + depreciation</u> Interest cost + Current portion of long term loan	<u>18476+126+1,778</u> 126+435	36.33 Times	29.61 Times	Not less than 1-2 times
8	Sales per employee: <u>Total sales revenue</u> Average no. of employee	<u>282,859</u> 439	644.33	565.78	-
9	Debtors in month <u>Debtors for gas sales</u> Average 3 - month gas sales	<u>59,030</u> 70,715	0.83:1.00	0.86:1.00	1:1
10	Net profit before tax per <u>Net profit before Tax</u> Average no. of employee	<u>26,395</u> 439	60.13	54.04	-
11	Operating profit ratio: <u>Operating profit X 100</u> Sales	<u>21,856X100</u> 282,859	7.73%	7.25%	-



Jalalabad Gas Transmission and Distribution System Limited
Statement of Budget Variance Analysis
For the year ended 30 June 2021

Annexure- C
(BDT in lac)

Sl. no.	Description	Actual	Budget	Actual	Variance
		2019-2020	2020-2021	2020-2021	
		BDT	BDT	BDT	BDT
		1	2	3	4 = 2-3
Cash expenses					
1	Pay of officer	1,705.33	1,744.20	1,499.46	244.74
2	Pay of staff	659.76	668.88	622.73	46.15
3	Education allowance	33.43	40.00	31.01	8.99
4	House rent allowance	794.90	884.98	733.88	151.10
5	Festival bonus	364.34	394.00	158.83	235.17
6	Incentive bonus	321.43	350.00	341.69	8.31
7	Medical allowance	96.42	102.37	81.01	21.36
8	Medical expenses	22.42	23.00	17.61	5.39
9	Lunch subsidy staff	27.37	34.00	32.86	1.14
10	Conveyance allowance	10.47	12.00	11.72	0.28
11	Overtime allowance	262.34	270.00	269.87	0.13
12	Liveries and uniforms	106.03	187.00	153.16	33.84
13	Washing allowances	8.25	10.00	7.78	2.22
14	Welfare expenses	39.95	39.50	39.48	0.02
15	Leave pay	137.21	181.00	180.79	0.21
16	Gratuity	1.35	1.80	1.38	0.42
17	Contribution to pension fund	643.11	651.00	677.69	(26.69)
18	Recreation allowance (LFA)	171.83	191.00	152.65	38.35
19	Lunch subsidy (officer)	41.11	45.00	39.67	5.33
20	Group insurance	49.94	55.00	47.84	7.16
21	Contribution to provident fund	0.43	0.55	0.29	0.26
22	Gas allowance	56.26	60.00	52.74	7.26
23	Honorarium	29.70	40.00	32.31	7.69
24	Bangla nobabarsho bonus	34.52	40.00	31.27	8.73
25	Printing and stationery	41.92	42.00	29.35	12.65
26	Telephone,postage, fax and telex	48.93	51.00	50.37	0.63
27	Electricity expenses	56.98	60.00	68.73	(8.73)
28	Electric accessories	15.21	17.00	16.55	0.45
29	Travelling expenses	89.23	60.00	59.90	0.10
30	Office rent	43.12	46.00	43.86	2.14
31	Entertainment expenses	44.29	40.00	36.14	3.86
32	Training expenses	90.33	22.00	21.98	0.02
33	Legal fees	34.70	515.00	121.89	393.11
34	Consultancy fees	789.86	550.00	1.30	548.70
35	Insurance expenses	24.33	35.00	22.13	12.87
	Sub total	6,896.80	7,463.28	5,689.92	1,773.36



Jalalabad Gas Transmission and Distribution System Limited
Statement of Budget Variance Analysis
For the year ended 30 June 2021

Annexure- C
(BDT in lac)

Sl. No.	Description	Actual	Budget	Actual	Variance
		2019-2020	2020-2021	2020-2021	
36	Director Honorarium	7.55	24.00	23.56	0.44
37	Audit fees	1.86	3.00	1.92	1.08
38	Bank charges	52.75	55.00	86.52	(31.52)
39	Books and periodicals	4.64	6.00	4.43	1.57
40	Rent rate and taxes	131.08	170.00	157.49	12.51
41	Petrol,oil and lubricant	78.67	80.00	76.37	3.63
42	Transport rent	189.85	225.00	217.82	7.18
43	Repair and maintenance of vehicles	42.68	50.00	45.88	4.12
44	Repair and maintenance of plant and machinery.	244.54	400.00	289.77	110.23
45	Repair and maintenance of building, etc.	182.11	150.00	67.47	82.53
46	Repair and maintenance of furniture and fixture	1.32	8.00	5.01	2.99
47	Donation and subscription	9.80	12.00	11.53	0.47
48	Advertisement	24.00	22.00	21.93	0.07
49	Crockeries and cutleries	1.09	1.50	0.57	0.93
50	Gas bill for resthouse & others - own use	0.54	1.00	0.46	0.54
51	Residential furnishing	0.93	1.25	0.29	0.96
52	Entertainment allowance	1.11	2.50	0.69	1.81
53	Wages of irregular workers	334.56	399.00	395.89	3.11
54	Safety and security expenses	624.74	650.00	642.14	7.86
55	Recruitment Expenses	-	306.00	152.88	153.12
56	Others with CSR	80.41	110.00	72.90	37.10
Sub total		2,014.23	2,676.25	2,275.52	400.73
Grand total		8,911.03	10,139.53	7,965.44	2,174.09
Non cash expenses					
57	Depreciation	1,768.27	1,875.00	1,778.41	96.59
58	Bad and doubtful debts	34.25	95.00	-	95.00
Sub total		1,802.52	1,970.00	1,778.41	191.59
Grand total		10,713.55	12,109.53	9,743.85	2,365.68



Jalalabad Gas Transmission and Distribution System Limited
List of Investment in FDR
For the year ended 30 June 2021

Annexure - D

A) Government Bank

SL. No.	Name of the Bank	Balance during year 2020-2021
1.00	Sonali Bank Ltd.	240,000,000
2.00	Janata Bank Ltd	782,072,816
3.00	Bangladesh Krishi Bank	887,204,136
4.00	Agrani Bank Ltd.	841,235,018
5.00	Investment Corporation of Bangladesh (ICB)	622,090,653
6.00	Rupali Bank Ltd	302,122,404
7.00	Bangladesh Dev. Bank Ltd	262,565,337
8.00	BASIC Bank Ltd.	416,008,803
Total :		4,353,299,166

B) Non-Government Bank

SL. No.	Name of the Bank	Balance during year 2020-2021
1.00	AB Bank Ltd.	272,822,442
2.00	First Security Islami Bank Ltd.	198,791,028
3.00	Social Islami Bank Ltd.	273,702,734
4.00	Union Bank Ltd.	424,238,308
5.00	NRBC Bank Ltd.	110,079,450
6.00	Modhumoni Bank Ltd.	16,030,159
7.00	South Bangla Agr. & Commerce Bank Ltd.	84,877,077
8.00	Megna Bank Ltd.	76,777,763
9.00	NRB Global Bank Ltd.	93,690,000
10.00	NRB Bank Ltd.	60,000,000
11.00	Pubali Bank Ltd.	66,581,061
12.00	South East Bank Ltd.	64,880,674
13.00	UCBL Bank Ltd.	40,000,000
14.00	Exim Bank Ltd.	157,292,250
15.00	IFIC Bank Ltd.	20,000,000
16.00	National Bank Ltd.	51,733,850
17.00	NCC Bank Ltd.	10,000,000
18.00	Standard Bank Ltd.	20,860,000
19.00	One Bank Ltd.	103,420,000
20.00	Cumunity Bank Ltd.	10,000,000
21.00	Shimanto Bark Ltd.	20,000,000
Total		2,175,776,796
Grand Total (A+B) :		6,529,075,962

