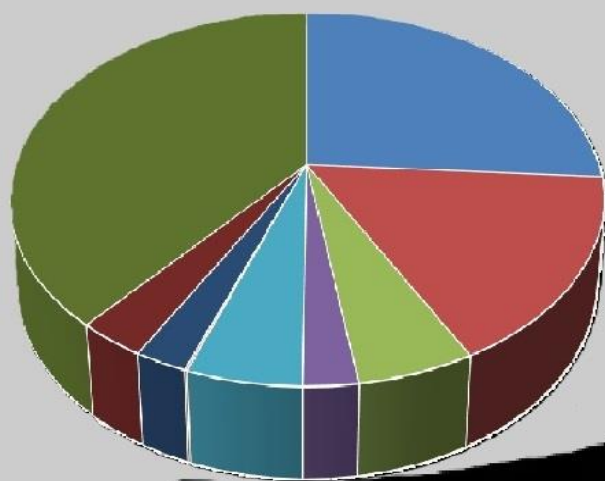
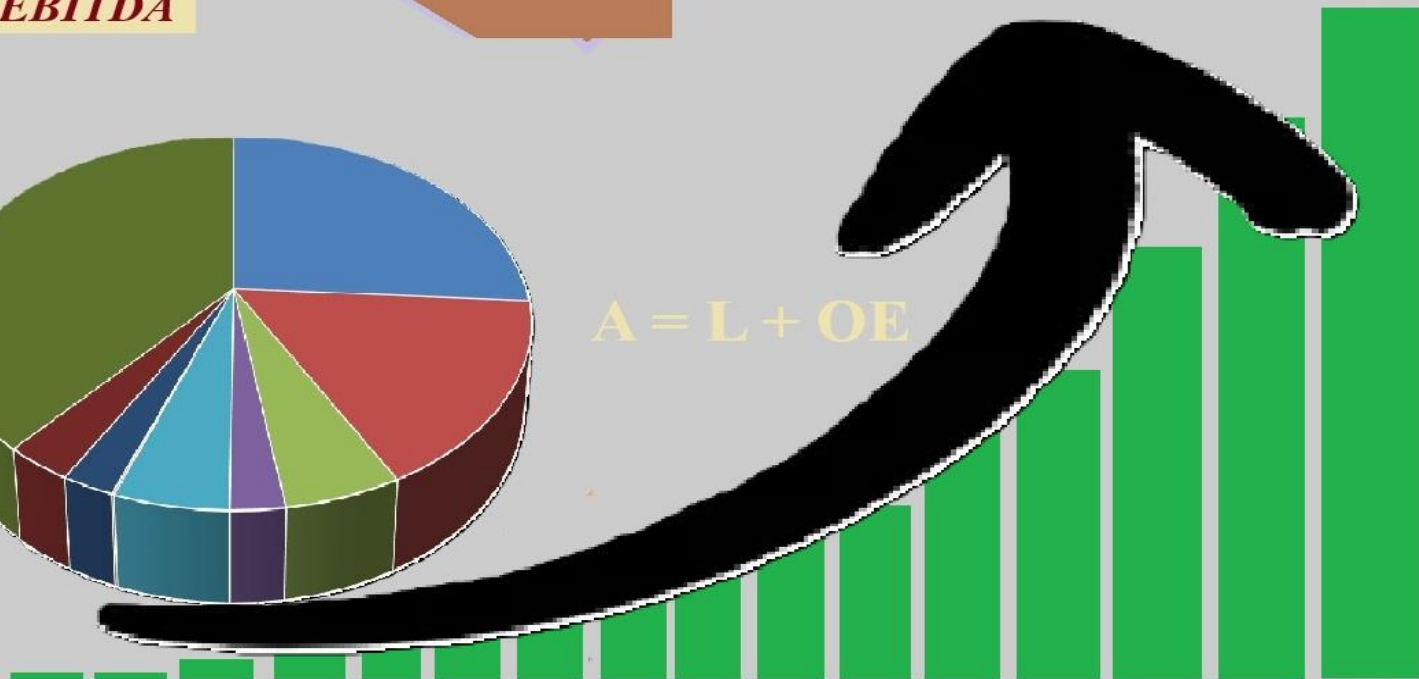




Debt & Contingent Liability (DCL) and Fiscal Risk Statement of 101 SOEs and ABs



$$A = L + OE$$



December 2024

**Monitoring Cell, Finance Division
Ministry of Finance**

Acronyms

ABL	Atlas Bangladesh Limited
ABs	Autonomous Bodies
ADP	Annual Development Program
AFCCL	Ashuganj Fertilizer and Chemical Company Limited
AFS	Audited Financial Statements
APSCL	Ashuganj Power Station Company Limited
	Bangladesh Petroleum Exploration and Production Company
BAPEX	Limited
BBA	Bangladesh Bridge Authority
BBA	Bangladesh Bridge Authority
BBAL	Biman Bangladesh Airlines Limited
BCIC	Bangladesh Chemical Industries Corporation
BCMCL	Barapukuria Coal Mining Company Limited
BCSL	Bangladesh Cable Shilpa Limited
BDT	Bangladeshi Taka
BEPZA	Bangladesh Export Processing Zone Authority
BERC	Bangladesh Energy Regulatory Commission
BERC	Bangladesh Energy Regulatory Commission
BEZA	Bangladesh Economic Zone Authority
BFIDC	Bangladesh Forest Industry Development Corporation
BFIDC	Bangladesh Forest Industries Development Corporation
BGDCL	Bakhrabad Gas Distribution Company Limited
BGFCL	Bangladesh Gas Fields Company Limited
BIWTA	Bangladesh Inland Water Transport Authority
BIWTA	Bangladesh Inland Water Transport Authority
BIWTC	Bangladesh Inland Water Transport Corporation
B MDF	Bangladesh Municipal Development Fund
BOESL	Bangladesh Overseas Employment and Services Limited
BOESL	Bangladesh Overseas Employment and Services Limited
BPC	Bangladesh Petroleum Corporation
BPC	Bangladesh Petroleum Corporation
BPDB	Bangladesh Power Development Board
BPDB	Bangladesh Power Development Board
BPRC	Bangladesh Parjatan Corporation
BRDB	Bangladesh Rural Development Board
BREB	Bangladesh Rural Electrification Board
BRPL	B-R Powergen Ltd.
BRTC	Bangladesh Road Transport Corporation
BSC	Bangladesh Shipping Corporation
BSC	Bangladesh Shipping Corporation
BSCCL	Bangladesh Submarine Cable Company Limited
BSCIC	Bangladesh Small and Cottage Industries Corporation
BSCL	Bangladesh-Satellite Company Limited
BSFIC	Bangladesh Sugar and Food Industries Corporation
BTCL	Bangladesh Telecommunication Company Ltd.

BTRC	Bangladesh Telecommunication Regulatory Commission
CAAB	Civil Aviation Authority of Bangladesh
Carew	Carew & Company (Bangladesh) Ltd (Carew.CBL)
CCCL	Chhatak Cement Company Limited
CDA	Chattogram Development Authority
COGS	Cost of Goods Sold
CPA	Chittagong Port Authority
CPA	Chittagong Port Authority
CPGCBL	Coal Power Generation Company Bangladesh Limited
CUFL	Chittagong Urea Fertilizer Limited
DANIDA	Danish International Development Agency
DAPF	DAP Fertilizer Company Limited
DESCO	Dhaka Electric Supply Company Limited
DLCL	Dhaka Leather Company Limited
DLI	Disbursement Linked Indicator
DLR	Disbursement Linked Results
DMTCL	Dhaka Mass Transit Company Limited
DPDC	Dhaka Power Distribution Company Limited
DSWL	Dhaka Steel Works Limited
DWASA	Dhaka Water Supply and Sewerage Authority
EBITDA	Earnings before Interest Tax, Depreciation and Amortization
EGCB	Electricity Generation Company of Bangladesh Limited
ELBL	Eastern Lubricants Blenders Limited
EMDF	Electricity Maintenance and Development Fund
EPIWTA	East Pakistan Inland Water Transport Authority
ERL	Eastern Refinery Limited
FD	Finance Division
FDR	Fixed Deposit Receipt
FSM	Faridpur Sugar Mills Limited
FY	Financial Year
GMCO	General Electric Manufacturing Company Limited
GoB	Government of Bangladesh
GP	Gross Profit
GTCL	Gas Transmission Company Limited
GWL	Gazi Wires Limited
HSBC	Hong Kong and Shanghai Banking Corporation Ltd.
IAS	International Accounting Standards
ICC	International Chamber of Commerce
ICSID	International Centre for Settlement of Investment Dispute
ICT	Inland Container Terminal
ITFC	International Islamic Trade Finance Corporation
JBIC	Japan Bank for International Co-operation
JFCL	Jamuna Fertilizer Company Limited
JGTDSL	Jalalabad Gas transmission & Distribution System Limited
JOCL	Jamuna Oil Company Limited
JSM	Joypurhat Sugar Mills Limited
KDA	Khulna Development Authority
KDA	Khulna Development Authority

KGDCCL	Karnaphuli Gas Distribution Company Limited
KSM	Kustia Sugar Mill Ltd
KWASA	Khulna Water and Sewerage Authority
LA	Loan Agreement
LPG	LP Gas Limited
MC	Monitoring Cell
MGMCL	Maddhapara Granite Mining Company Limited
MKSM	Mobarakganj Sugar Mills Limited
MPA	Mongla Port Authority
MPL	Meghna Petroleum Limited
NBSM	North Bengal Sugar Mills Ltd
NESCL	Northern Electricity Supply Company PLC (NESCL)
NPCBL	Nuclear Power Plant Company Bangladesh Limited
NPD	National Program Director
NTCL	National Tea Company Limited
NTL	National Tubes Limited
NTSM	Natore Sugar Mills Limited
NWPGCL	North West Power Generation Company Limited
PBSM	Pabna Sugar Mill Limited
PFM	Public Financial Management
PGCB	Power Grid Company of Bangladesh Limited
PGCL	Pashchimanchal Gas Company Limited
PIL	Pragoti Industries Limited
PKSF	Palli Karma-Sahayak Foundation
POCL	Padma Oil Company Limited
PSM	Panchagarh Sugar Mills Ltd. Panchagarh
RDA	Rajshahi Development Authority
RJCO	Renwick, Jaineswar & Co. (BD) Limited
RJSM	Rajshahi Sugar Mills Limited
RPCL	Rural Power Company Limited
RPGCL	Rupantarita Prakritik Gas Company Limited
RSM	Rangpur Sugar Mills Limited
RWASA	Rajshahi Water and Sewerage Authority
SFCL	Shahjalal Fertilizer Company Limited
SGCL	Sundarban Gas Company Limited
SGFL	Sylhet Gas field limited
SHSM	Shyampur Sugar Mills Limited
SLA	Subsidiary Loan Agreement
SMEF	Small and Medium Enterprise Foundation
SOE	State-Owned Enterprises
SPFMS	Strengthening Public Financial Management Program to Enable Service Delivery
STSM	Sitabganj Sugar Mills Ltd.
TCB	Trading Corporation of Bangladesh
TDM	Treasury and Debt Management
TDS	Tax Deduction at Source
TGTDCL	Titus Gas Transmission and Distribution Company Limited
TICI	Training Institute for Chemical Industries

TSM	Thakurgaon Sugar Mill Limited
TSP	Triple Super Phosphate Complex Limited
TSSL	Telephone Shilp Sangstha Limited
UGSFL	Usmania Glass Sheet Factory Limited
VAT	Value Added Tax
VDS	VAT Deduction at Source
WPPF	Workers Profit Participation Fund
WZPDCL	West Zone Power Distribution Company Limited
ZBSM	Zeal Bangla Sugar Mills Ltd.

Executive Summary

The Monitoring Cell (MC) has analyzed the financial statement of 101 SOEs and ABs considering fiscal risk exposure for Government of Bangladesh under the *Procedure to Regulate the Debt and Contingent Liabilities of SoEs and ABs* issued by Finance Division. The audited financial statement of each SOE and AB has been analyzed from the perspective of debt composition, asset composition, debt and equity composition, Profitability Ratio, Liquidity Ratio, and Solvency Ratio to grade each SOE in five risk categories. Six ratios have been considered for grading SOE out of an average score of 5.0 giving equal weight (5) for each ratio. The analysis result was validated with SOE officials through several feedback workshops held in the MC. All concerns of participants regarding risk analysis are incorporated in the DCL statement. Most of the participants argued that the very low-risk debt-to-EBITDA ratio for SOEs should be 15 and creditors turnover days need to rationalize.

The total debt of the 101 SOEs and ABs was BDT 6,397,825.80 million as of 30 June 2023 which is a 26.04% increase from the previous year. Debt composition in FY 2022-23 shows that 'other debt' makes up 46% followed by 43% borrowing from GoB under SLA & LA, 6% borrowing from financial institutions and finally 5% debt to related parties (sister concerns of entities). The compositions further show that long-term liabilities are 54% of total debt which may cause fiscal risk for GoB.

The analysis reveals that 2 SOEs fall under very low-risk category, 20 SOEs fall under the Low-risk category, 37 SOEs major portion belong to the moderate risk category, 28 SOEs fall under high risk and finally, 14 SOEs are placed under the very high-risk category. The individual scores of 101 SOEs and ABs were between 1.16 and 5.0 with an average score of 3.25 which goes with the moderate risk category. Therefore, aggregated risk related to 101 SOEs and ABs is moderate. Among very high risky SOEs, 10 are sugar mills. Participants of sugar mills revealed that bank interest on loans makes up 80% of production cost and appeal for interest written off and product diversification.

Out of 101 SOEs and ABs, 24 SOEs possess contingent liability. Total contingent liability in financial year 2022-23 is BDT 185,907.44 million on June 30, 2023. Out of these contingent liabilities major portion, 39% is due to loan guarantees for subsidiaries followed by 31% pending litigation, 26% other causes, and finally 4% statutory obligation. This contingent liability is 0.16 % of GDP in FY 2022-23.

This Report has calculated the residual liabilities of 101 SOEs and ABs that may affect the fiscal plan of the country, was BDT 3,047,610.54 million in FY 2022-23 which has been derived by subtracting the SLA & LA along with the cash and cash equivalent from their total liability.

This Report concludes that a portion of liability may cause a potential fiscal risk for the country. Among 101 SoEs and ABs, 28 entities are categorized as high risk and 14 entities are categorized as very high risk. The liability of these two categories entities that may affect the fiscal plan, was consequently 1.67% of GDP and 3.13% of GDP of FY 2022-23. This report also find no intrusion of liability from SoE sector as fiscal burden since June 2023.

Therefore, the explicit fiscal risks coming even from these entities may be considered negligible compared to the country's overall macro-fiscal framework.

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Beza



Bepza

1. Bangladesh Economic Zone Authority (BEZA)

1.1 Bangladesh Economic Zones Authority (BEZA) has been emerged by the Bangladesh Economic Zones Act, 2010, the Bangladesh Economic Zones Authority (BEZA) was officially instituted by the government on 9 November 2010. It aims to establish economic zones in all potential areas in Bangladesh including backward and

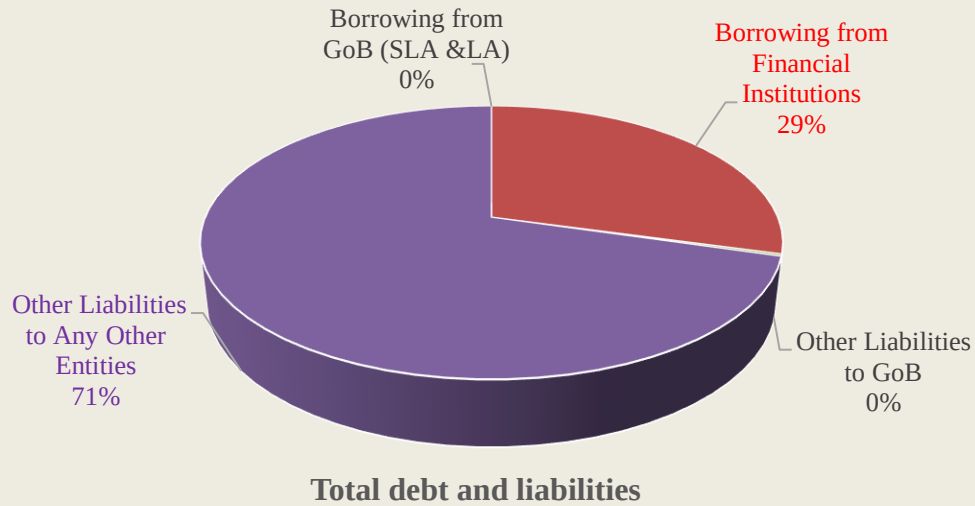
underdeveloped regions with a view to encouraging rapid economic development through increase and diversification of industry, employment, production and export. It is attached with the Prime Minister's Office (PMO) and is mandated to establish, license, operate, manage and control economic zones in Bangladesh. BEZA is governed by a 3-level management structure namely Governing Board, Executive Board and BEZA Office/Secretariat.

1.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Economic Zones Authority (BEZA) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs..

Table – 1: Statement of Debt and liabilities

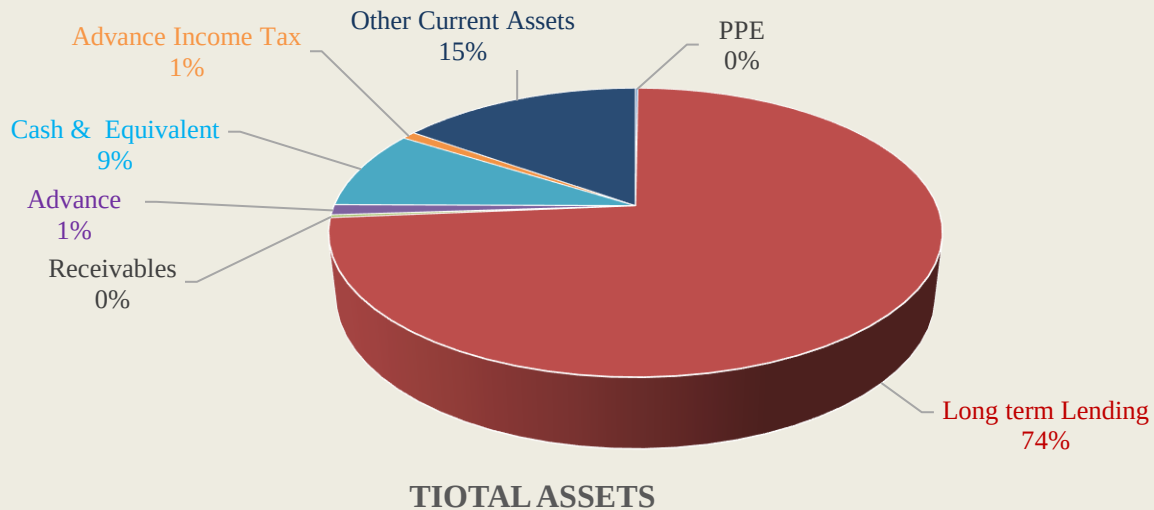
Amount in BDT					
Serial No	Particulars of Debt & Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	10,366,504,503.00	9,455,907,179.00	-8.78%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	10,366,504,503.00	9,455,907,179.00	-8.78%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	51,008,234.00	80,650,973.00	58.11%	0.00
15	Any Other Liabilities to Any Other Entities	18,795,406,486.00	22,758,096,737.00	21.08%	0.00
16	Other Debt and liabilities (12+13+14+15)	18,846,414,720.00	22,838,747,710.00	21.18%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	29,212,919,223.00	32,294,654,889.00	10.55%	0.00
18	Debt and liabilities to GoB (3+14)	51,008,234.00	80,650,973.00	58.11%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	29,161,910,989.00	32,214,003,916.00	10.47%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

1.3 Statement of debt and liabilities in FY 2022-23:



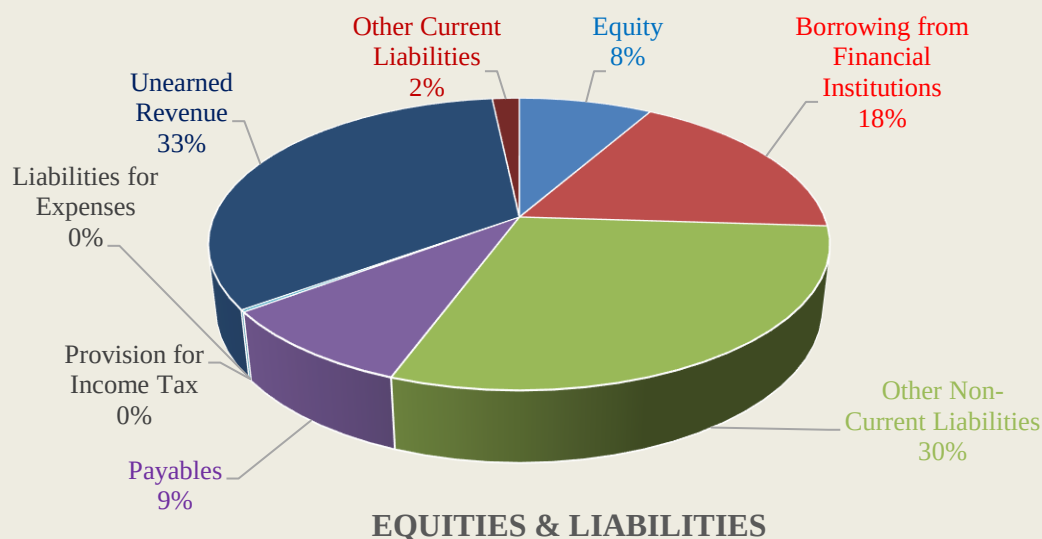
According to the financial statement of BEZA, the total debt was BDT 32,294.65 million as of 30th June, 2023. Out of this amount, major portion 71% is other liability to any other entity which are current liabilities and remaining 29% is borrowing from financial institution which are long-term liabilities. More importantly BEZA does not hold liabilities related to Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). If BEZA failed to make repayment it may cause fiscal risk for GoB.

1.4 The composition of assets in FY 2022-23:



According to financial statement of BEZA , total assets in FY 2022-23 was BDT 35,214.30 million. Out of these assets major portion 74% is long -term lending which are non-current assets followed by other current assets 15%, cash & cash equivalent 9%, advance income tax 1% and 1% prepaid. Besides receivables and PPE hold insignificant amount that has shown as 0% in pie chart. The composition shows that about two-thirds of total assets is long assets.

1.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liability in FY 2022-23 shows that major portion 33% is unearned revenue, followed by 30% non-current liabilities, following that borrowing from financial institutions 18% (long term liabilities), trade and others payables 9%, equity 8% and 2% other current liabilities. Besides provision for income tax and liabilities for expenses hold insignificant amount which has shown as 0% in pie chart. The composition exhibits that long term liability is only 48% compared to equity 8% and 44% current liability. So, the growth of BEZA is liability driven and may cause fiscal risk for GoB.

1.6 Fiscal risk from BEZA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BEZA

Particular	Result	Risk	Score
Cost recovery	1.46	Low	2
Return on Equity (ROE)	8.29 %	Low	2

Table – 3: Liquidity Ratio – BEZA

Particular	Result	Risk	Score
Current ratio	0.59	Very High	5
Creditor turnover days	Trade Payable is '0' (Zero),	Very Low	1

Table – 4: Solvency Ratio – BEZA

Particular	Result	Risk	Score
Debt to total assets	0.92	High	4
Debt to EBITDA	16.20	Very High	5
Total score			19
Average Score			3 (3.17)
Overall Risk Rating			Moderate

1.7 The ratio analysis shows that BEZA's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BEZA's cost recovery ratio is 1.46 and according to threshold value it goes under low fiscal risk category. Considering the threshold value, cost recovery ratio between 1.25 and less than 1.50 is low risk category. With cost recovery ratio 1.46 BEZA poses **low** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BEZA's ROE is 8.29 % and according to threshold value it fits low risk category. ROE value of 15% and above is considered as very low risk category. With ROE 8.29% BEZA poses **low** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of BEZA is 0.59 appears to be very poor and as per threshold value table it fits very high-risk category. A current ratio of 1.0 and below considered as very high-risk category. So, having current ratio of 0.59, BEZA poses **very high** fiscal risk to GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 is considered as very low risk category. With nil (0) creditor turnover days, BEZA poses **very low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BEZA's debt to assets ratio is 0.92 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio between 0.75 and less than 1.0 is high risk category. Securing debt to assets ratio of 0.92, BEZA carry **high** risk to GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BEZA's debt to EBITDA ratio is 16.20 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 16.20, BEZA presents **very high** risk for GoB.

1.8 According to the records, Bangladesh Economic Zones Authority (BEZA) did not involve in any quasi-fiscal activities in FY 2022-23.

1.9 According to the records, there exists no Pending Litigation for financial year 2022-23. So, Bangladesh Economic Zones Authority (BEZA) does not anticipate contingent Liabilities for GoB in FY 2022-23.

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2. Bangladesh Export Processing Zone Authority (BEPZA)

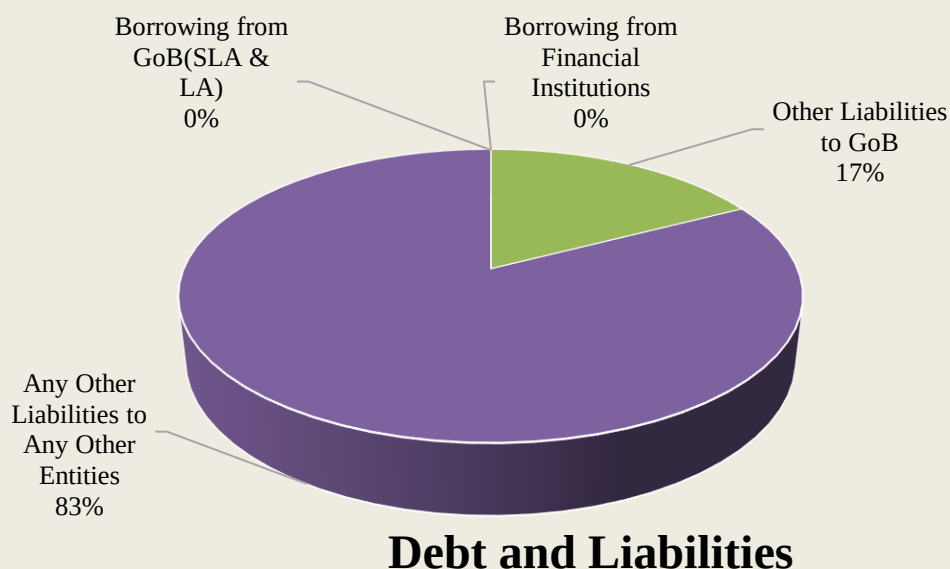
2.1 Bangladesh Export Processing Zone Authority (BEPZA) was established under the Bangladesh Export Processing Zone Authority Act, 1980. It is the official organization of the government to promote, attract and facilitate foreign investment in the EPZs. The primary objective of an EPZ is to provide special areas where potential investors would find a congenial investment climate free from cumbersome procedures. Besides, BEPZA as the competent Authority performs inspection & supervision of the compliances of the enterprises related to social & environmental issues, safety & security at work place in order to maintain harmonious labor-management & industrial relations in EPZs. It has 8 EPZs in its jurisdiction.

2.2 The following Table-1 presents the statement of debt of Bangladesh Export Processing Zone Authority (BEPZA) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and Liabilities

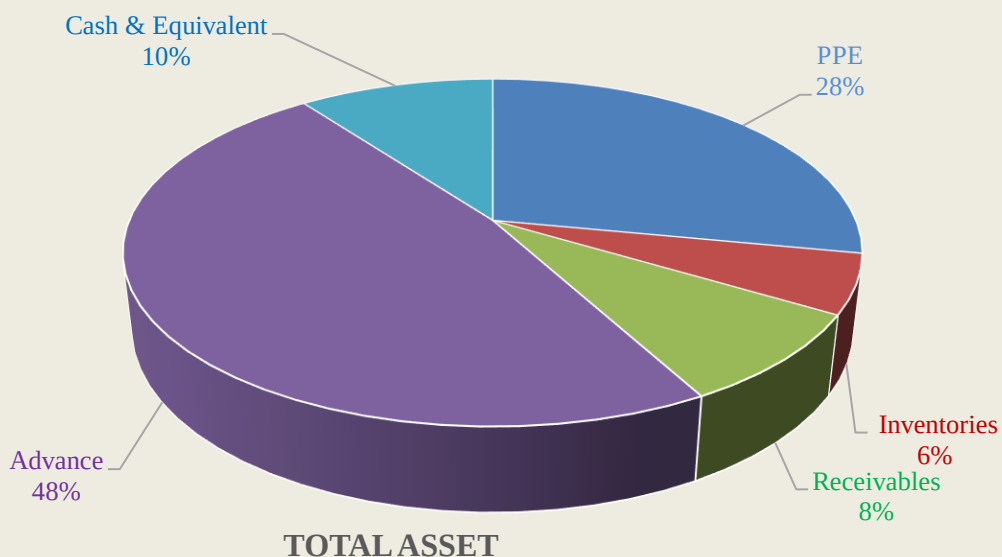
Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	955,538,746.00	986,301,047.00	3.22%	0.00
15	Any Other Liabilities to Any Other Entities	4,296,887,950.00	4,678,004,715.00	8.87%	0.00
16	Other and liabilities and liabilities Debt(12+13+14+15)	5,252,426,696.00	5,664,305,762.00	7.84%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	5,252,426,696.00	5,664,305,762.00	7.84%	0.00
18	Debt and liabilities to GoB (3+14)	955,538,746.00	986,301,047.00	3.22%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	4,296,887,950.00	4,678,004,715.00	8.87%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee.	0.00	0.00	0.00%	0.00

2.3 Statement of Debt and Liabilities in FY 2022-23:



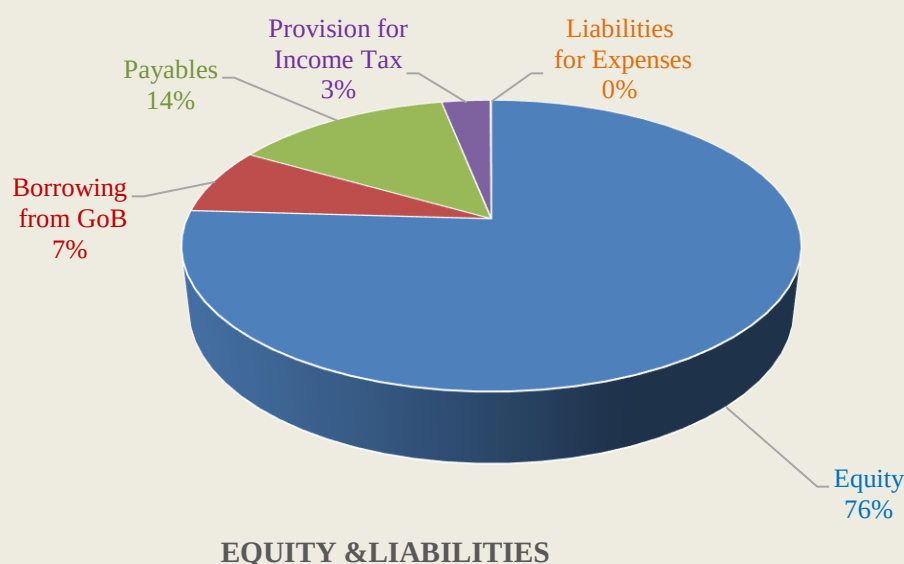
According to the financial statement of BEPZA, the total debt in FY 2022-23 was BDT 56,664.3 million as of 30th June, 2023. Out of this amount, major portion 83% is 'any other liabilities to any other entity' which are current liabilities and remaining 17% is other liabilities to GoB that are also current liabilities and all of them are expected to be settled within financial year. Having no long-term borrowing from GoB under SLA and LA, BEPZA is less likely to pose fiscal risk for GoB.

2.4 The composition of assets in FY 2022-23:



According to the financial statement of BEPZA total assets in FY 2022-23 was BDT 32,537.48 million. Out of these assets major portion 48% is advances/prepayment which are current assets followed by 28% PPE (non-current assets), 10% cash & cash equivalent, 8% receivables and finally 6% inventories. The composition shows that long-term assets are 72% compared to 28% non-current assets.

2.5 The composition of equity and liability in FY 2022-23:



The composition of debt and equity of BEPZA in FY 2022-23 shows that major portion 76% portion is covered by equity followed by 14% payables, borrowing from GoB 7% (payables) and 3% provision for income tax which in current liabilities. Besides liabilities for expenses hold insignificant amount which has shown as 0% in pie chart. According to financial statement BEPZA does not hold any long-term liabilities which in turn makes it less likely to cause fiscal risk for GoB.

2.6 Fiscal risk from BEPZA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BEPZA

Particular	Result	Risk	Score
Cost recovery	1.81	Very Low	1
Return on Equity (ROE)	11.10%	Low	2

Table – 3: Liquidity Ratio – BEPZA

Particular	Result	Risk	Score
Current ratio	4.13	Very Low	1
Creditor turnover days	Trade Payables is '0' (Zero).	Very Low	1

Table – 4: Solvency Ratio – BEPZA

Particular	Result	Risk	Score
Debt to total assets	0.17	Very Low	1
Debt to EBITDA	1.05	Very Low	1
Total Score			7
Average Score			1(1.17)
Overall Risk Rating			Very Low
Previous Year's Overall Risk Rating			Very Low

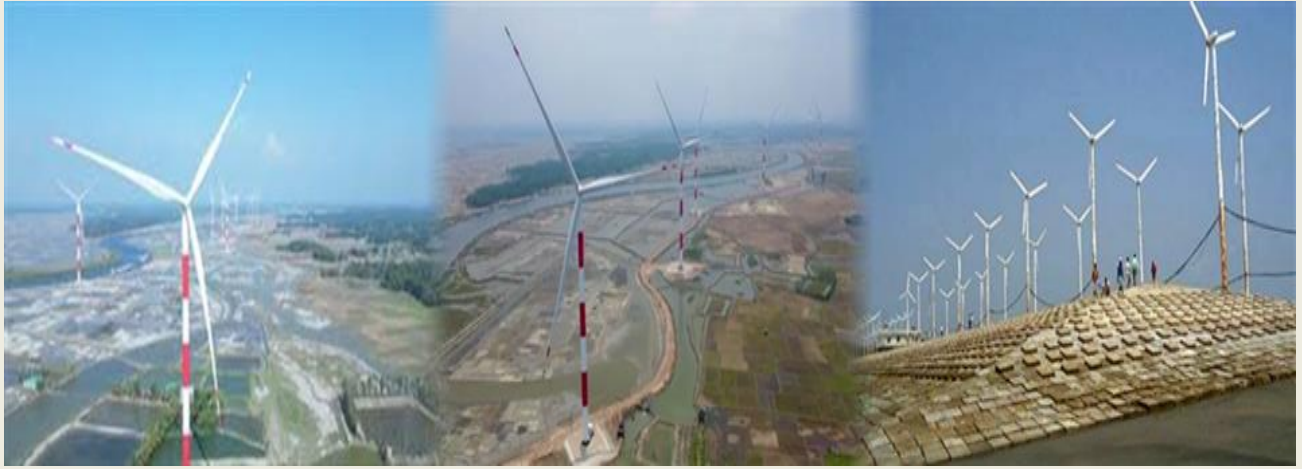
2.7 The ratio analysis shows that BEPZA's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BEPZA's cost recovery ratio is 1.8 which appears to be healthy and according to threshold value it fits under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.50 and above falls under very low-risk category. With cost recovery ratio 1.8 BEPZA pose **very low** fiscal risk for GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BEPZA 's ROE is 11.10% and according to threshold value it fits low risk category. ROE value between 8% and less than 15% is considered as low risk category. With ROE 11.10% BEPZA **pose low** fiscal risk for GoB;
- iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of BEPZA is 4.13 appears to be healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 4.13 BEPZA poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 considered as very low risk category. With Creditor Turnover Days of 0 days, BEPZA pose **very low** risk to GoB
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BEPZA's debt to assets ratio is 0.17 appears to be very healthy and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.17, BEPZA carry **very low** risk for GoB; and
- vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. FMS's debt to EBITDA ratio is 1.05 and according to threshold value it fits under very low risk category. Considering the threshold value, debt to EBITDA ratio of below 1.5 belongs to very low risk category. With EBITDA ratio of 1.05, BEPZA pose **very Low** risk for GoB.

2.8 According to the records, BEPZA did not involve in any quasi-fiscal activities in FY 2023.

2.9 According to the records, no statutory obligation and no lawsuit is pending against BEPZA. So, no Contingent Liabilities is anticipated for BEPZA in FY 2022-23.

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Power Division



3. Bangladesh Power Development Board (BPDB)

3.1 Bangladesh Power Development Board (BPDB) is a statutory body established on May 31, 1972 by the President's Order no. 59. As a part of reform and restructuring, transmission sector is separated by creating Power Grid Company Bangladesh PLC as a subsidiary of BPDB and distribution sector is separated by creating new distribution entities such as DPDC, DESCO and BREB. Further 03(Three) generation and 02(Two) urban distribution companies were created as a subsidiary of BPDB. The entity also formed 03(Three) Joint Venture Company with other organizations/companies for power generation in the country. The subsidiaries of BPDB are:

- (1) Ashuganj Power Station Company Ltd. (APSCL);
- (2) Electricity Generation Company of Bangladesh (EGCB);
- (3) North West Power Generation Company Ltd. (NWPGL);
- (4) Power Grid Company of Bangladesh (PGCB);
- (5) West Zone Power Distribution Company Ltd. (WZPDCL);
- (6) Northern Electricity Supply Company Ltd. (NESCO Ltd.).
- (7) B-R Powergen Ltd. (BRPL) (50%), JVC
- (8) Bangladesh-India Friendship Power Company (Pvt.) Ltd. (50%), JVC
- (9) Bay of Bengal Power Company (Pvt.) Ltd. (50%), JVC

Power Division, The Ministry of Power, Energy & Mineral Resources has the oversight responsibility for BPDB. Bangladesh Power Development Board (BPDB) mainly performs the following function:

(a) Generate electricity to meet the customer's demand; (b) Purchase Power from Public and Private generation Companies; (c) Sell electricity to different distribution companies and Bangladesh Rural Electrification Board; (d) Sell electricity within entity's distribution zones; (e) Install Smart, Pre-Paid & Net-Meters for customers.

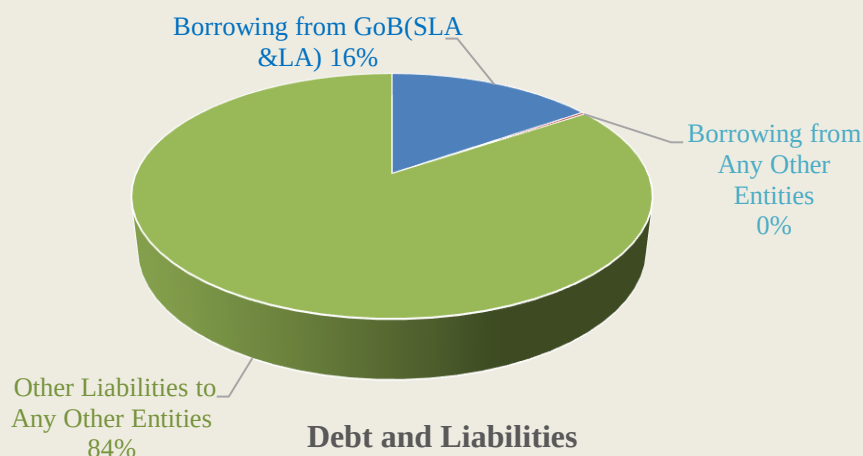
3.2 The following Table-1 presents the statement of debt & liabilities of Bangladesh Power Development Board (BPDB), for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt & Liabilities

Amount in BDT					
Serial No	Particulars of Debt & Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liability related to GoB under SLA	140,939,582,495.19	156,461,954,484.17	11.01%	16,857,208,291.20
2	Debt and liability related to GoB under LA	86,640,294,298.50	90,486,453,889.48	4.44%	6,190,706,969.30
3	Debt and liability related to GoB(1+2)	227,579,876,793.69	246,948,408,373.65	8.51%	23,047,915,260.50
4	Debt and liability related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liability related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liability related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liability related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liability related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and Liability to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liability related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liability related to Any Other Entities Not Mentioned above	6,266,929,207.20	4,356,781,207.20	-30.48%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	1,120,352,035,009.11	1,355,521,966,692.15	20.99%	0.00
16	Other Debt(12+13+14+15)	1,126,618,964,216.31	1,359,878,747,899.35	20.70%	0.00
17	Total Debt (3+7+8+11+16)	1,354,198,841,010.00	1,606,827,156,273.00	18.66%	23,047,915,260.50
18	Debt to GoB (3+14)	227,579,876,793.69	246,948,408,373.65	8.51%	23,047,915,260.50

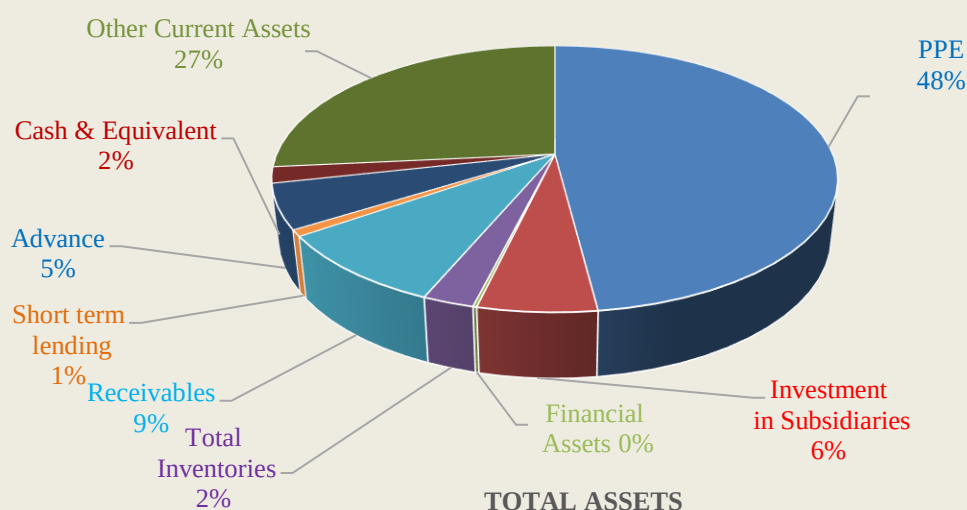
Serial No	Particulars of Debt & Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
19	Debt to Entities other than GoB (17-18)	1,126,618,964,216.31	1,359,878,747,899.35	20.70%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	108,493,165,760.48	121,441,201,760.48	11.93%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	92,215,262,794.73	103,768,154,830.97	12.53%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

3.3 Statement of Debt and Liabilities in FY 2022-23



According to the financial statement of Bangladesh Power Development Board (BPDB), the total debt and liabilities were BDT 1,606,827.16 million as of 30th June, 2023. Out of this amount, 16% were borrowed from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) and 84.0% were from other sources (such as any other liabilities to any other entities) and Borrowing from Any Other Entities hold insignificant amount which shows as '0' in pie chart. If BPDB fails to make repayment of loan under SLA and LA, it will create fiscal risk to GoB.

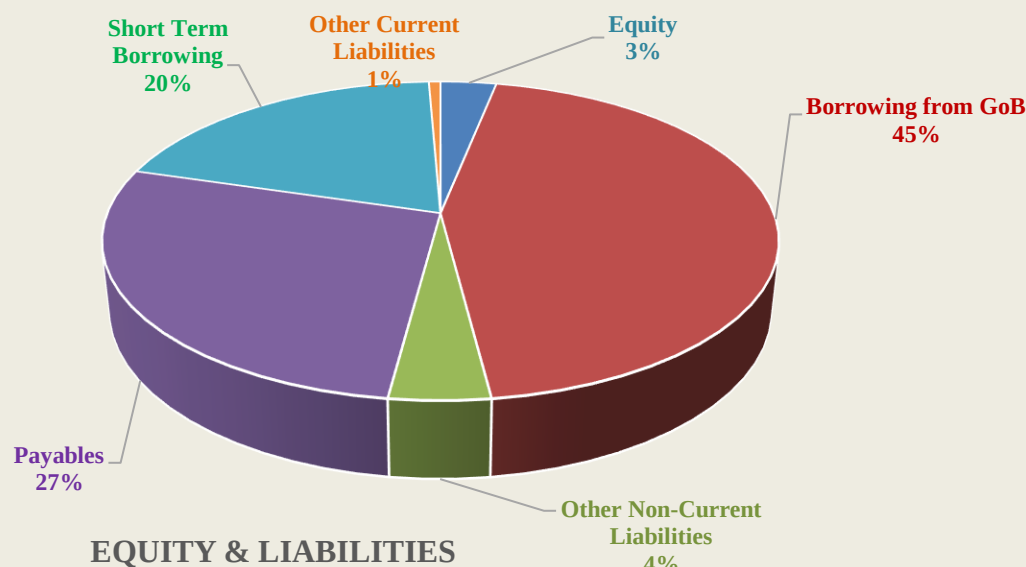
3.4 The composition of Assets in FY 2022-23:



Total assets of BPBD in FY 2022-23 was BDT 1,554,633.01 million. Out of this amount major portion 48% is PPE, followed by 27 % is other current assets, 9% receivable, 6% investment in subsidiaries, advance & prepaid 5%,

Inventory 2%, cash & cash equivalent 2% and finally 1% short-term landing. Financial Assets are insignificant in amount which shows as '0%' in pie chart.

3.5 The composition of Equity and Liabilities in FY 2022-23:



According to the financial statement in 2022-23 equity of BPDP is negative, which cover 3%. According to the composition of equity and liability major portion 45% borrowing from GoB under both Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by 27% payables, 20% short-term borrowing and finally 4% other non-current liability. Negative equity means that total liability of BPDB has exceeded its total assets. Having negative equity along with long term liability related to GoB, BPDB poses fiscal risk for GoB.

3.6 Fiscal risk from BPDB is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BPDB

Particular	Result	Risk	Score
Cost recovery	0.91	High	4
Return on Equity (ROE)	Net income & Equity both are negative.	Very High	5

Table – 3: Liquidity Ratio – BPDB

Particular	Result	Risk	Score
Current ratio	0.80	Very High	5
Creditor turnover days	175	Very High	5

Table – 4: Solvency Ratio – BPDB

Particular	Result	Risk	Score
Debt to total assets	1.03	Very High	5
Debt to EBITDA	EBITDA is negative.	Very High	5
Total Score			29
Overall Score			5 (4.83)
Overall Risk Rating			Very High

3.7 The ratio analysis shows that BPDB's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. BPDB's cost recovery ratio is 0.91 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.91 BPDB poses **high** fiscal risk to GoB. BPDB pointed out that government regulated tariff rates have remained unadjusted against rising energy purchasing costs. The inability to align tariffs with the actual cost of energy causes low-cost recovery ratio;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BPDB's net income is negative and equity is negative too, which indicate that BPDB is struggling financially and may be unable to make repayment of its debt by its own revenue. With negative net income and negative equity, BPDB poses **very high** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BPDB is 0.80 appears to be poor and as per threshold value table it fits high-risk category. A current ratio of below 1.0 is considered as very high-risk category. So, having current ratio of 0.80 BPDB poses **very high** risk for GoB;
- iv. Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 175 days, BPDB poses **very high** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BPDB's debt to assets ratio is 1.03 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 1.03, BPDB carry **very high** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BPDB's EBITDA is negative; hence BPDB may be unable to make repayment of its debt by its own revenue. With negative EBITDA, BPDB poses **very high** risk for GoB. BPDB revealed that the majority of BPDB's projects are financed through loans, the company experienced a loss in the fiscal year 2022-2023, resulting in a negative EBITDA.

3.8 According to the records, BPDB did not engage in any quasi-fiscal activities in FY 2022-23.

3.9 According to the records BPDB no statutory obligation but there is a Pending Litigation of BDT 72.05 million for financial year 2022-23. So BPDB poses a Contingent Liabilities of BDT 72.05 million for GoB.

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4. Dhaka Electric Supply Company Limited (DESCO)

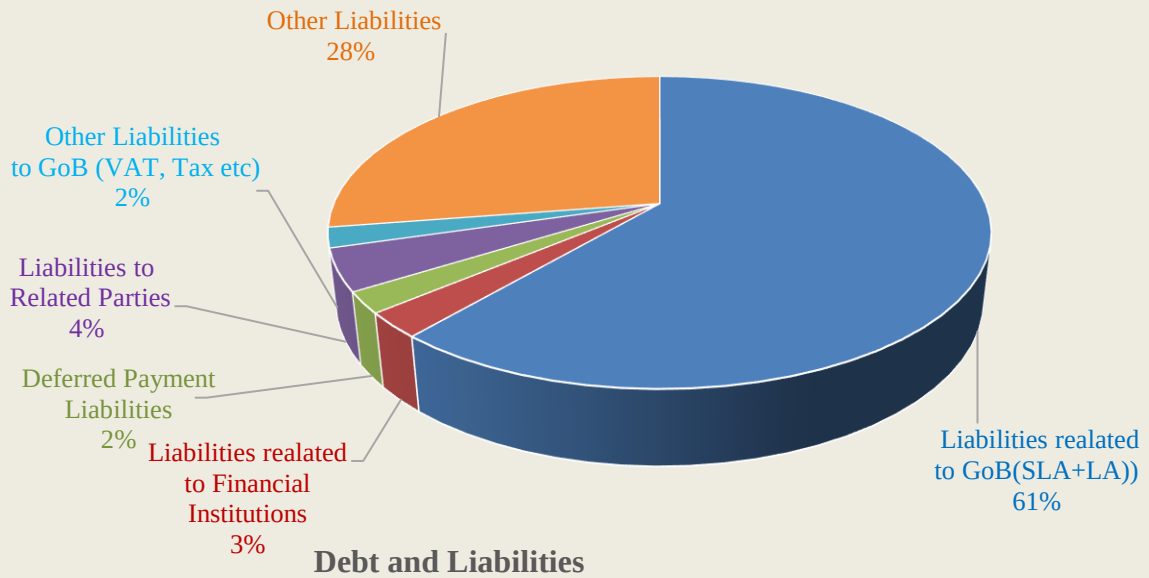
4.1 Dhaka Electric Supply Company Limited (DESCO) was incorporated as a Public Limited Company by shares, on 03 November, 1996 with an Authorized Capital of TK. 5,000 million divided into 500 million ordinary shares of TK. 10 each as per SEC notification no SEC/CM RRCD/2009-193/109, dated: 15/09/2011. The main objective of the company is to distribute electricity to its consumers effectively and efficiently. DESCO supply electricity in Mirpur, Gulshan and Togni area that cover consumers of 12,79,492 as of June, 2024.

4.2 The following Table-1 presents the statement of debt and liabilities of Dhaka Electric Supply Company Limited (DESCO) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

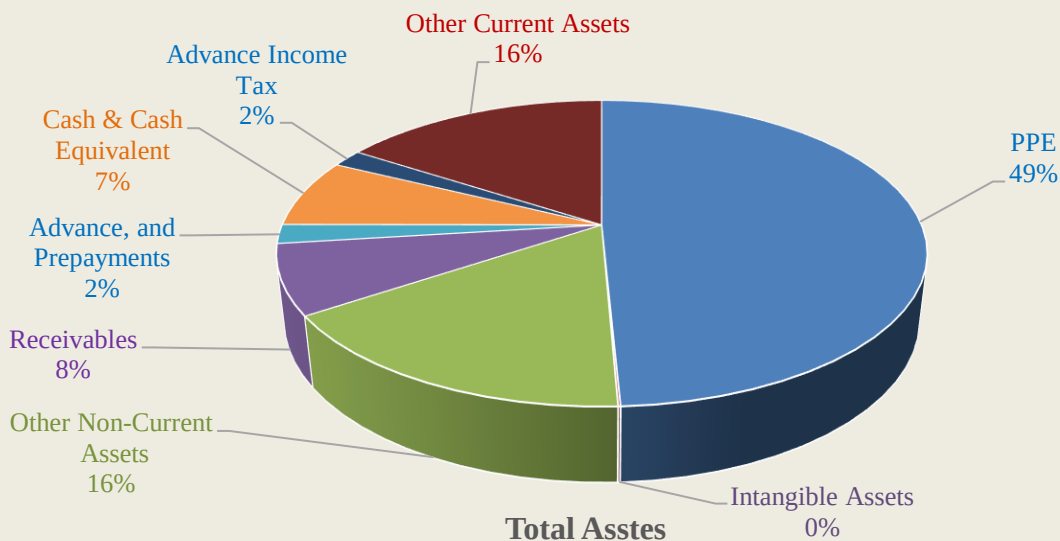
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liability related to GoB under SLA	30,601,785,198.00	34,679,688,835.00	13.33%	0.00
2	Debt and liability related to GoB under LA	3,305,135,341.00	3,280,019,484.00	-0.76%	0.00
3	Debt and liability related to GoB(1+2)	33,906,920,539.00	37,959,708,319.00	11.95%	0.00
4	Debt and liability related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liability related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liability related to Domestic Other Financial Institutions	0.00	1,619,542,421.00	0.00%	0.00
7	Debt and liability related to Financial Institutions (4+5+6)	0.00	1,619,542,421.00	0.00%	0.00
8	Deferred Payment Liabilities	2,866,808,807.00	1,360,576,295.00	-52.54%	0.00
9	Debt and liability to Related Parties	3,255,932,852.00	2,692,375,288.00	-17.31%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and Liabilities to Related Parties (9+10)	3,255,932,852.00	2,692,375,288.00	-17.31%	0.00
12	Debt and liability related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liability related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities for GoB	780,316,978.00	1,294,634,424.00	65.91%	0.00
15	Any Other Liabilities to Any Other Entities	13,336,337,061.00	16,981,512,153.00	27.33%	0.00
16	Other Debt (12+13+14+15)	14,116,654,039.00	18,276,146,577.00	29.47%	0.00
17	Total Debt (3+7+8+11+16)	54,146,316,237.00	61,908,348,900.00	14.34%	0.00
18	Debt for GoB (3+14)	34,687,237,517.00	39,254,342,743.00	13.17%	0.00
19	Debt to Entities other than GoB (17-18)	19,459,078,720.00	22,654,006,157.00	16.42%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

4.3 Statement of Debt and Liabilities in FY 2022-23



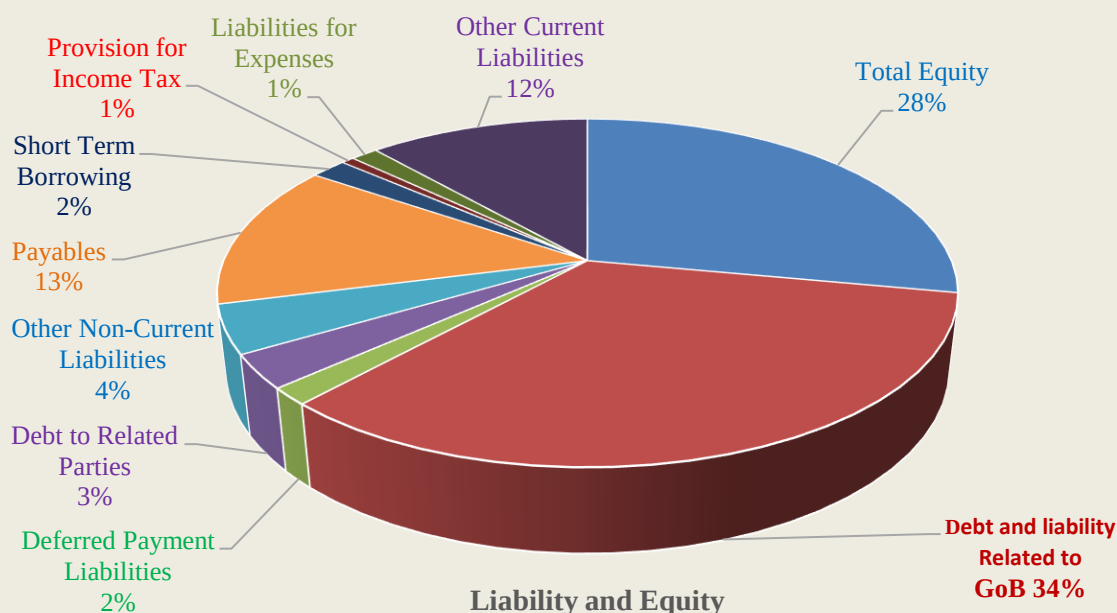
According to the financial statement of DESCO, the total debt and liabilities was BDT 61,908.35 million as of 30th June 2023. Out of this amount, major portion 61% borrowed from GoB followed by 28% other liabilities, liabilities to related party 4%, other liabilities to GoB 2%, deferred payment liability 2% and finally 3% liabilities related to financial institution. Most of the liability (61%) related to GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). If DESCO fails to make repayment of SLA and LA liabilities in due time, then it will create risk for GoB.

4.4 The combination of Total Assets in FY 2022-23



According to Financial statement total assets of DESCO in FY 2022-23 was BDT 85,919.019 million. Out of this asset the major portion 49 % is PPE followed by 16 % other non-current assets, 16% current assets, 8% receivables, 7% cash and cash equivalent, 2% advance income tax and finally 2% advances & prepayment. Intangible assets are insignificant portion that shows as 0% in pie chart.

4.5 Composition of Liability and Equity in FY 2022-23:



According to the composition of equity and liability major portion 34% debt & liability related to GoB followed by equity 28%, other current liabilities 12%, payables 13%, other non-current liabilities 4%, debt to related party 3%, short-term borrowing 2%, deferred payment liabilities 2%, provision for income tax 1% and finally 1% liabilities for expenses. The composition shows that equity is 28% compared to 43% long-term liability. Thus, the growth of DESCO is liability driven which may cause fiscal risk for GoB.

4.6 Fiscal risk from DESCO is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – DESCO

Particular	Result	Risk	Score
Cost recovery	0.89	High	4
Return on Equity (ROE)	-22.54%	Very High	5

Table – 3: Liquidity Ratio – DESCO

Particular	Result	Risk	Score
Current ratio	1.19	High	4
Creditor turnover days	76	Moderate	3

Table – 4: Solvency Ratio – DESCO

Particular	Result	Risk	Score
Debt to total assets	0.72	Moderate	3
Debt to EBITDA	EBITDA is Negative	Very High	5
Total Score			24
Average Score			4
Overall Risk Rating			High
Previous Year's Overall Risk Rating			Moderate

4.7 The ratio analysis shows that DESCO's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. DESCO's cost recovery ratio is 0.89 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.89 DESCO poses **high** fiscal risk for GoB.
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. DESCO's return on Equity is -22.45% and as per threshold table it falls under very high-risk category. Considering threshold value ROE below -10.0% fits under very High-risk category With RoE value -22.54%, DESCO poses **very high** fiscal risk for GoB. In response to very high risk DESCO argues that unfavorable tariff rate fixed by government has resulted negative net income, which in turn has led to a high negative Return on Equity (ROE). If government enacts favorable tariff rate DESCO will turn to profitability and ROE will move to very low risk category.
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of DESCO is 1.19 appears to be poor and as per threshold value table it fits high-risk category. A current ratio of 1.0 and below is considered as very high-risk category. So, having current ratio of 1.19 DESCO poses **high** risk for GoB. DESCO claimed that power sector SOEs require substantial fixed assets and operates with low current asset that causes low current ratio. In context of power sector, current ratio of 1.19 is good enough to manage its short term- liabilities.
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days between 60 and less than 90 is considered as very low risk category. With Creditor Turnover Days of 76 days, DESCO poses **moderate** risk for GoB.
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. DESCO's debt to assets ratio is 0.72 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.72, DESCO poses **moderate** risk for GoB.
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. DESCO's EBITDA is negative, hence DESCO may be unable to make repayment of its debt by its own. With negative EBITDA, DESCO poses **very high** risk for GoB

4.8 According to the records, DESCO did not involve in any quasi-fiscal activities in FY 2022-23.

4.9 According to the record no lawsuit and no statutory obligation are pending against DESCO. It has not issued any guarantee yet. So, no Contingent liability is anticipated from lawsuit and statutory obligation for DESCO in FY 2022-23.

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5. Dhaka Power Distribution Company Limited (DPDC)

5.1 Dhaka Power Distribution Company Limited (DPDC) is a Public Limited Company owned by Power Division of Ministry of Power, Energy and Mineral Resources of Government of Peoples Republic of Bangladesh. Dhaka Power Distribution Company Limited (DPDC) was registered 25th October, 2005 under the Companies Act 1994 with an Authorized Share Capital of Tk. 10,000 (Ten thousand) crore divided into 100 (one hundred) crore ordinary shares of Tk. 100 each. The company was entitled to perform business since the date as mentioned in the Certificate of Commencement of Business. The DPDC took over DESA on 1st July 2008 and started commercial Operation on the date of taking all Assets and Liabilities of DESA through Transfer Agreement dated 11 September, 2008. The Company was created as a part of the Power Sector Reform Program. It was created to provide Electricity to the consumers of Dhaka City Corporation area (excluding DESA area) including Narayngonj town, Siddirgonj, Demra, Fatullah and Moktarpur under Narayanganj district

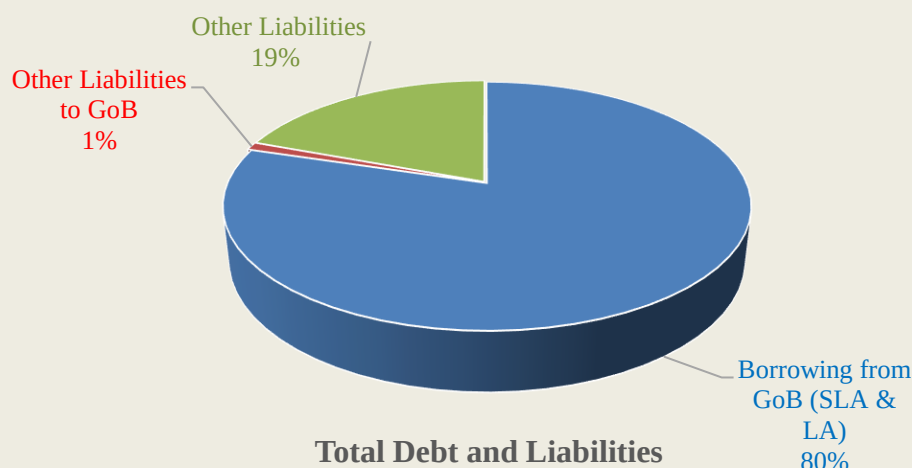
5.2 The following Table-1 presents the statement of debt and liabilities of DPDC for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liability related to GoB under SLA	63,534,329,195.00	90,311,185,159.00	42.15%	3,153,352,014.83
2	Debt and liability related to GoB under LA	16,283,606,888.00	23,654,807,299.00	45.27%	0.00
3	Debt and liability related to GoB(1+2)	79,817,936,083.00	113,965,992,458.00	42.78%	3,153,352,014.83
4	Debt and liability related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liability related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liability related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liability related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liability related to Related Parties	1,421,761,951.00	0.00	-100.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	1,421,761,951.00	0.00	-100.00%	0.00
12	Debt and liability related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liability related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,214,054,720.00	1,366,408,208.00	12.55%	1,214,054,720.00
15	Any Other Liabilities to Any Other Entities	18,336,470,279.00	27,677,381,489.00	50.94%	11,792,631,478.76
16	Other Debt and liabilities (12+13+14+15)	19,550,524,999.00	29,043,789,697.00	48.56%	13,006,686,198.76
17	Total Debt and liabilities (3+7+8+11+16)	100,790,223,033.00	143,009,782,155.00	41.89%	16,160,038,213.59
18	Debt and liabilities to GoB (3+14)	81,031,990,803.00	115,332,400,666.00	42.33%	4,367,406,734.83
19	Debt to Entities other than GoB (17-18)	19,758,232,230.00	27,677,381,489.00	40.08%	11,792,631,478.76
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

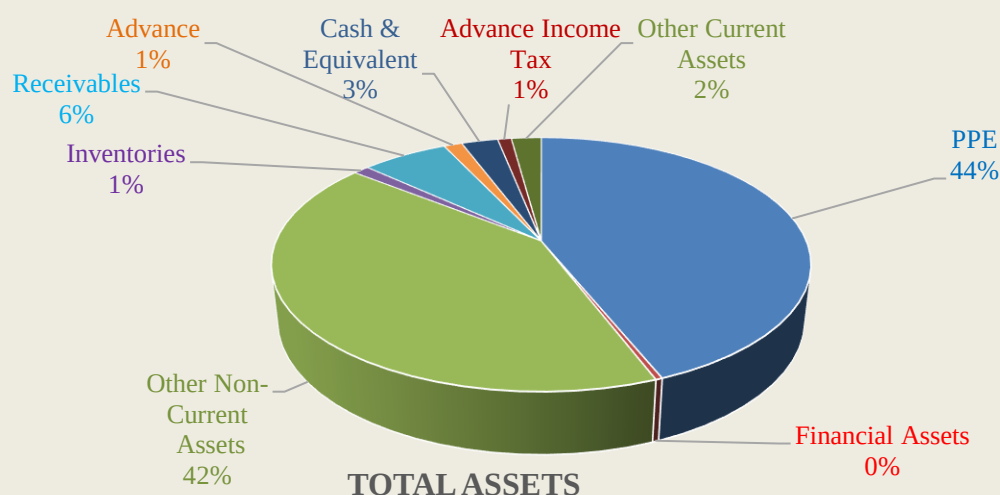
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

5.3 Statement of Debt and Liabilities in FY 2022-23



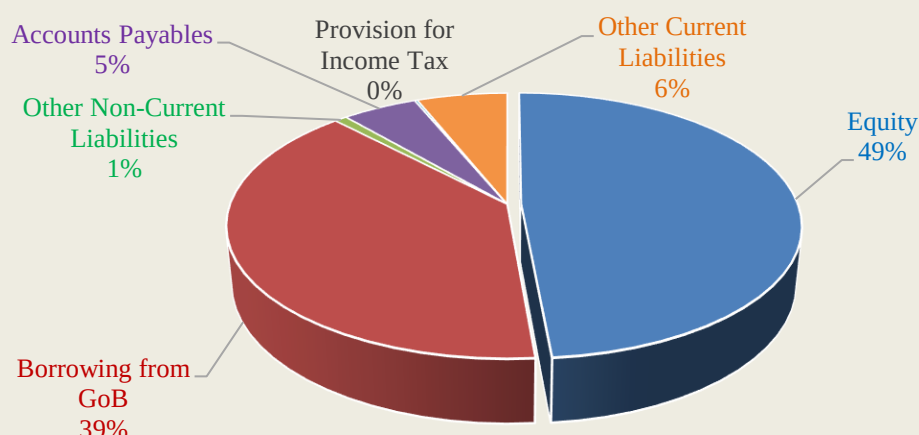
According to the financial statement of DPDC, the total debt was BDT 143,009.78 million as of 30th June 2023. Out of this amount, 80% were borrowed from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by 19% from other liabilities and remaining 1% other liabilities to GoB which are current liability (like VDS and TDS). Composition of debt and liabilities further shows that DPDC heavily depended on GoB loan and accordingly if DPDC fails to make repayment of its long-term it will cause huge fiscal risk for GoB.

5.4 Statement of Assets in FY 2022-23



Total assets of DPDC in FY 2022-23 was BDT 278,417.423 million. Out of these amounts major portion 44% is PPE which are non-current assets followed by other non-current assets which cover 42%, receivables 6%, cash & cash equivalent 3%, other current assets 2%, inventory 1% and finally 1% advance income tax. Financial assets are insignificant amount which shows as 0% in pie chart. The statement shows that long-term assets are 86% of total assets.

5.5 Statement of Equity and Liability:



EQUITY & LIABILITIES

According to Financial statement of DPDC total equity and liabilities in FY 2022-23 was BDT 278,417.423 million. Out of these amounts major portion equity makes up 49% followed by 39% borrowing from GoB under Subsidiary Loan agreement (SLA) and Loan Agreement (LA) which non-current liabilities, 6% other current liabilities, 5% accounts payables and finally 1% other non-current liability. Besides provision for income tax is insignificant amount which shows as 0% in pie chart. The composition shows that growth of DPDC is equity driven which may reduce likelihood of fiscal risk for GoB.

5.6 Fiscal risk from Dhaka Power Distribution Company Limited (DPDC) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – DPDC

Particular	Result	Risk	Score
Cost recovery	0.93	High	4
Return on Equity (ROE)	-4.75%	High	4

Table – 3: Liquidity Ratio – DPDC

Particular	Result	Risk	Score
Current ratio	1.26	Moderate	3
Creditor turnover days	62	Moderate	3

Table – 4: Solvency Ratio – DPDC

Particular	Result	Risk	Score
Debt to total assets	0.51	Moderate	3
Debt to EBITDA	EBITDA is negative.	Very High	5
Total score			22
Average Score			4 (3.67)
Overall Risk Rating			High
Previous Year's Overall Risk Rating			Low

5.6 The ratio analysis shows that DPDC's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. DPDC 's cost recovery ratio is 0.93 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.93 DPDC poses **high** fiscal risk to GoB.
 - ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. DPDC's ROE value is - 4.75 which falls under high-risk category. Considering threshold value ROE between 0% and less than -10.0% fits under high-risk category. With RoE value -4.75%, DPDC poses **high** fiscal risk for GoB. In response to high risk DPDC argues that unfavorable tariff rate fixed by government has resulted negative net income, which in turn has led to a high negative Return on Equity (ROE). If government enacts favorable tariff rate DPDC will turn to profitability and ROE will move to very low risk category.
 - iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of DPDC is 1.26 appears to be not healthy and as per threshold value table it fits moderate-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.26 DPDC poses **moderate** risk for GoB. In favor of current argues that DPDC's current ratio of 1.26 reflects a strong and stable financial position within the context of its sector. It also indicates that the company is effectively managing its short-term liabilities, ensuring operational efficiency and financial stability
 - iv. Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of between 60 and less than 90 is considered as moderate risk category. With Creditor Turnover Days of 62 days, DPDC poses **moderate** risk to GoB. In response to creditor turnover days DPDC claimed that credit turnover days of 62 is very much aligned with the company's payment schedule and the company is maintaining a stable and manageable credit cycle, ensuring timely payments to its key stakeholders.
 - v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. DPDC's debt to assets ratio is 0.51 and according to threshold value it fits under moderate category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.51, DPDC carry **moderate** risk for GoB. In response to Debt to Asset ratio, DPDC explain that significant portion of DPDC's ongoing projects is financed through long-term debt and after completion of these projects the debt ratio is expected to decline gradually.
 - vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. DPDC's EBITDA is negative, hence DPDC may be unable to make repayment of its debt by its own revenue. With negative EBITDA, DPDC poses **very high** risk for GoB. In case of Debt to EBITDA ratio DPDC reveal that for a more accurate assessment the standard for this ratio should be adjusted. Since DPDC has a 15-year loan repayment period, a debt-to-EBITDA ratio of 15 times would be a more suitable.
- 5.8 According to the records, DPDC did not involve in any quasi-fiscal activities in FY 2022-23.
- 5.9 According to the records, no statutory obligation and no lawsuit is pending against DPDC. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for DPDC in FY 2022-23.
- 5.10 **Arguments for Overall risk rating:** DPDC appealed that standard used here are not entirely applicable to the power sector, and particularly to DPDC, due to several key factors: regulated tariff rates, ongoing large-scale projects, and the unique characteristics of the power industry. It also reported that if above mentioned factors are taken into account, DPDC's risk profile would undoubtedly shift to very low or low risk position.

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6. Power Grid Company of Bangladesh Limited (PGCB)

6.1 Power Grid Company of Bangladesh Ltd. is a listed public limited company in Bangladesh. The Company was incorporated on 21 November 1996 having registration no. C-31820 (941)/96 under the companies Act, 1994 as a fully Bangladesh Power Development Board (BPDB) owned company. The Company's principal activities are planning, promoting, developing, operating, and maintaining an integrated and efficient power transmission system/network throughout Bangladesh.

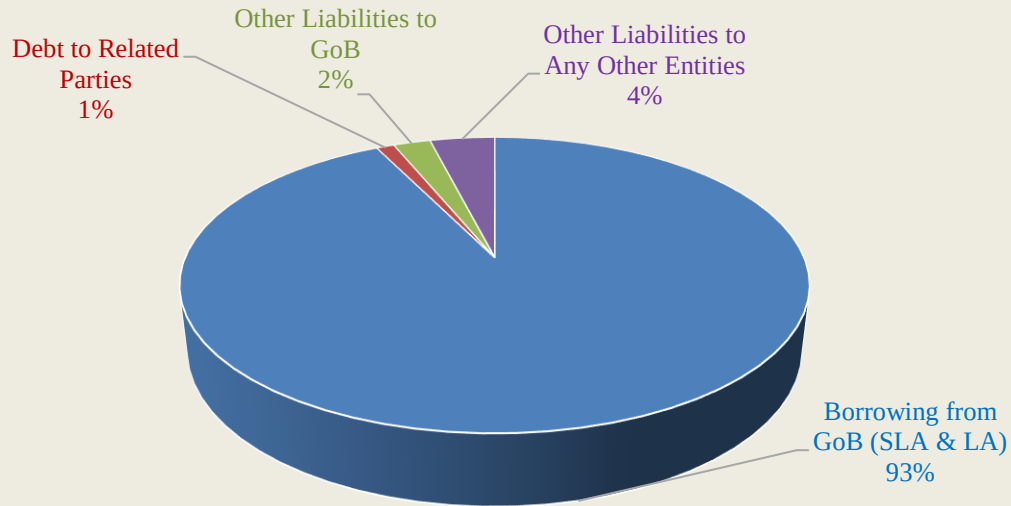
6.2 The following Table-1 presents the statement of debt and liabilities of Power Grid Company of Bangladesh (PGCB) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table - 1: Statement of Debt and Liabilities

Amount in BDT

Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	250,324,835,692.28	329,743,359,462.98	31.73%	0.00
2	Debt and Liabilities related to GoB under LA	55,049,599,703.84	71,732,406,198.80	30.31%	0.00
3	Debt and Liabilities related to GoB(1+2)	305,374,435,396.12	401,475,765,661.78	31.47%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	1,716,206.49	0.00	-100.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	1,716,206.49	0.00	-100.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	4,606,940,565.82	4,750,907,458.64	3.13%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	4,606,940,565.82	4,750,907,458.64	3.13%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	10,449,102,595.00	9,813,237,783.00	-6.09%	0.00
15	Any Other Liabilities to Any Other Entities	16,170,004,274.00	17,211,420,461.00	6.44%	0.00
16	Other Debt(12+13+14+15)	26,619,106,869.00	27,024,658,244.00	1.52%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	336,602,199,037.43	433,251,331,364.42	28.71%	0.00
18	Debt and liabilities related to GoB (3+14)	315,823,537,991.12	411,289,003,444.78	30.23%	0.00
19	Debt to Entities other than GoB (17-18)	20,778,661,046.31	21,962,327,919.64	5.70%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

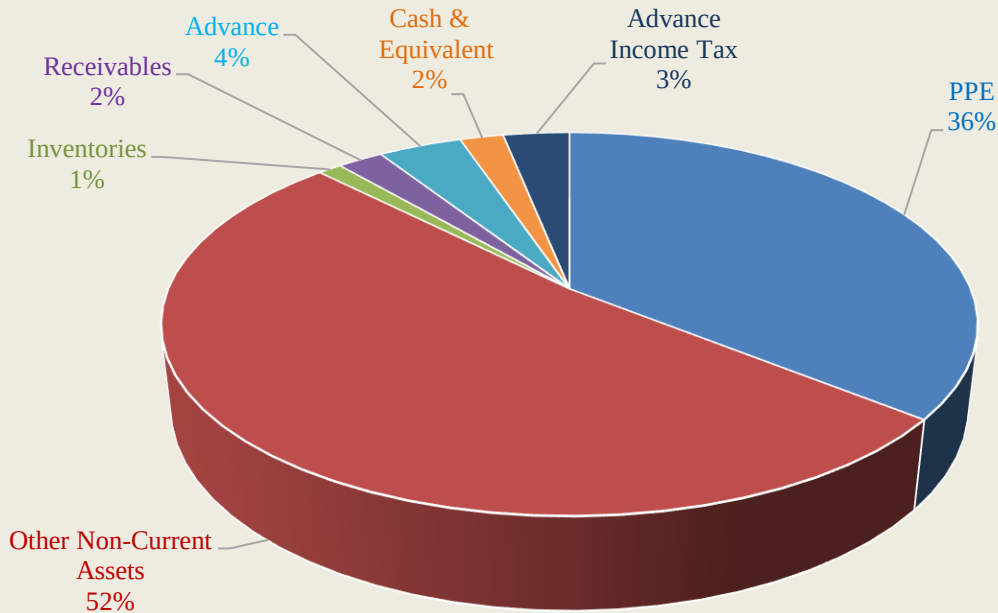
6.3 Statement of Debt and Liabilities:



Total Debt and Liabilities

According to the financial statement of PGCB, the total debt was BDT 433,251.33 million BDT as of 30th June 2023. Out of this amount, major portion 93 % is borrowing from GoB under Subsidiary Loan (SLA) and Loan Agreement (LA), followed by 4% liabilities to any other entities, 2% other liabilities to GoB which are current liability and finally 1% belongs to related party. Considering the liability composition, about 93% if its liability is long-term liability from GoB. If PGCB fails to make repayment of its debt then it will create fiscal risk for GoB.

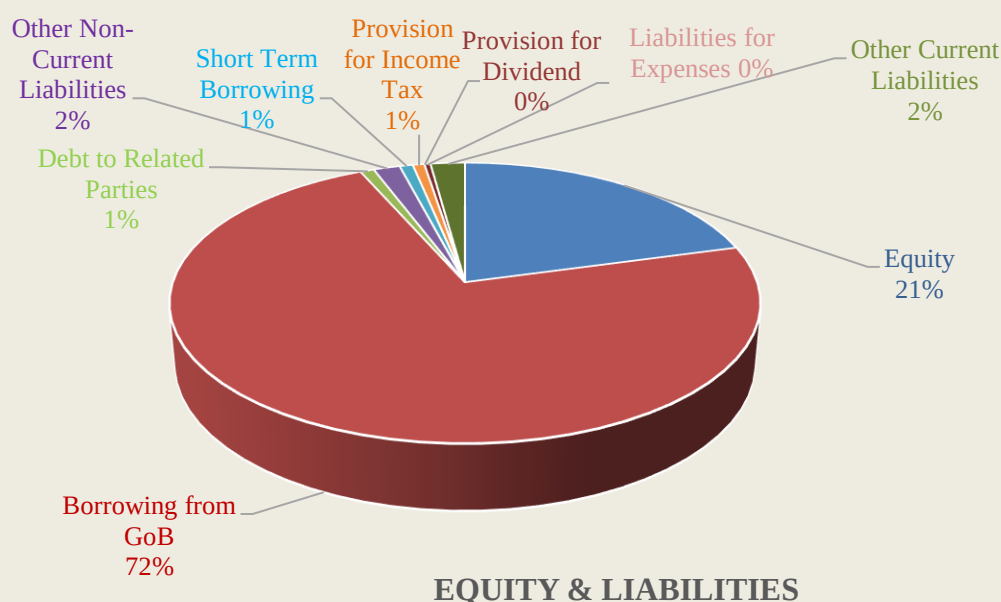
6.4 Statement of Assets in FY 2022-23.



TOTAL ASSETS

According to Financial statement total assets of PGCB in FY 2022-23 was BDT 546,910.47 million. Out of this amount major portion 52% is Other non-current assets followed by 36% PPE, 4% advance & prepaids, 3% advance income tax, 2% receivables, 2% cash & cash equivalent and finally 1% inventory. The composition shows that long-term assets is 88% of total assets.

6.5 Statement of equity and liability in FY 2022-23:



According to Financial statement total Liability and Equity of PGCB in FY 2022-23 was BDT 546,910.47. Out of this amount major portion 72 % is borrowing from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by 21 % equity, 2% other non-current liability, 2% other current liability, 1% debt to related party, 1% short-term borrowing and finally 1% provision for income tax. Besides provision for dividend and liabilities for expenses are insignificant amount which shows as 0% in pie chart. Therefore, growth of PGCB is highly liability driven and may cause fiscal risk for GoB.

6.6 Fiscal risk from PGCB is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – PGCB

Particular	Result	Risk	Score
Cost recovery	0.79	High	4
Return on Equity (ROE)	-5.51 %	High	4

Table – 3: Liquidity Ratio – PGCB

Particular	Result	Risk	Score
Current ratio	3.19	Very Low	1
Creditor turnover days	Trade Payables is '0' (Zero)	Very Low	1

Table – 4: Solvency Ratio – PGCB

Particular	Result	Risk	Score
Debt to total assets	0.79	High	4
Debt to EBITDA	21.69	Very High	5
Total score			19
Average Score			3 (3.17)
Overall Risk rating			Moderate
Previous Year's Overall Risk Rating			Low

6.7 The ratio analysis shows that PGCB's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. PGCB 's cost recovery ratio is 0.79 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.79 PGCB poses **high** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. PGCB 's return on Equity is -5.51% and as per threshold table it falls under high-risk category. Considering threshold value ROE between 0% and less than -10.0% fits under high-risk category. With ROE value - 5.51%, PGCB poses **high** fiscal risk for GoB. In response to very high risk, PGCB argues that unfavorable tariff rate fixed by government has resulted negative net income, which in turn has led to a negative Return on Equity (ROE). If government enacts favorable tariff rate PGCB will turn to profitability and ROE will move to very low risk category;
- iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of PGCB is 3.9 appears to be healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 3.19 PGCB poses **very low** risk for GoB;
- iv. Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 considered as very low risk category. With Creditor Turnover Days of '0' days, PGCB poses **very low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. PGCB's debt to assets ratio is 0.79 appears to be poor and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 0.79, PGCB carries **high** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. PGCB's EBITDA ratio is 21.69 which falls under under very high-risk category. According to threshold value debt to EBITDA ratio of 5.0 and above considered as high-risk category. Having EBITDA ratio of 21.69 PGCB poses **very high** risk for GoB. In response to very high debt to EBITDA ratio PGCB revealed that long term liability such as (20 years) causes high EBITDA ratio which is acceptable to power sector.

6.8 According to the records, PGCB did not involve in any quasi-fiscal activities in FY 2022-23.

6.9 According to the records, no Statutory Obligation and no lawsuit is pending against PGCB. It has not issued any guarantee yet. So, no Contingent Liabilities is anticipated for PGCB in FY 2022-23.

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7. Ashuganj Power Station Company Limited (APSCL)

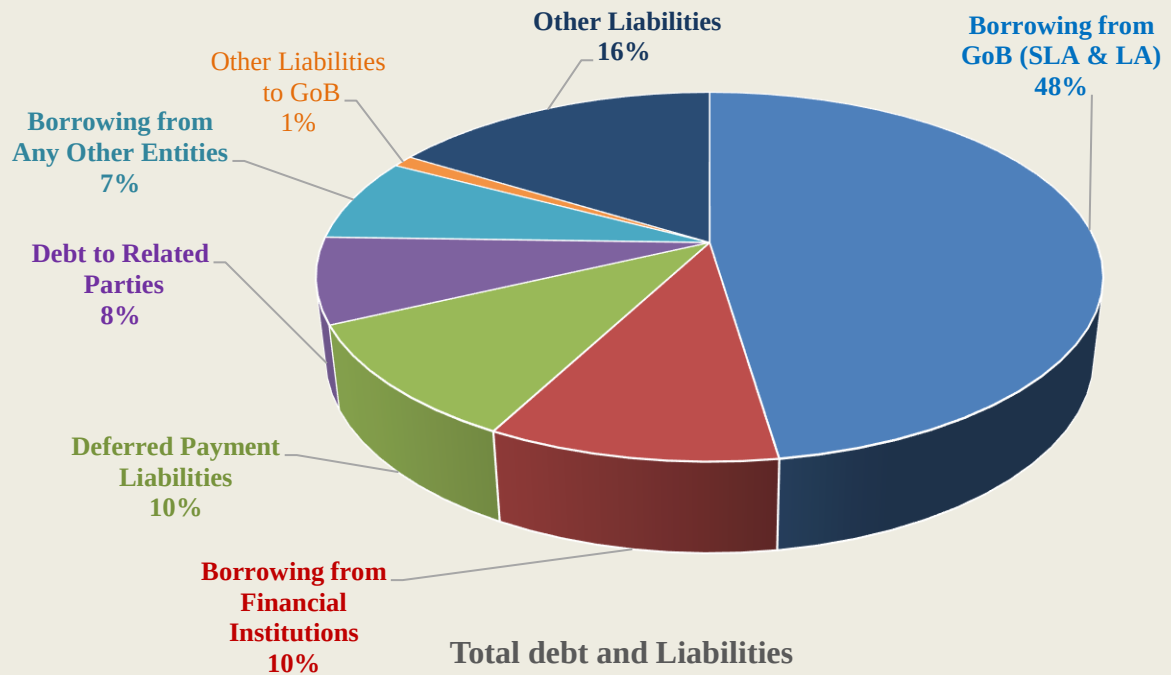
7.1 Ashuganj Power Station Company Limited (APSCL) is a Public Limited Company owned by Power Division of Ministry of Power, Energy and Mineral Resources of Government of Peoples Republic of Bangladesh. It is registered as a private limited company with the Registrar of Joint Stock Companies and Firms (RJSCF), Dhaka vide certificate of incorporation no. 40630(2328)/2000 dated 28th June 2000 which was thereafter converted into a public limited company. Its starting authorized share capital was BDT 100 crore which has been increased to BDT 5,000 crore on 4th December 2019. As on 30 June 2023 it paid up capital stands BDT 1372.60 crore.

7.2 The following Table-1 presents the statement of debt and liabilities of APSCL for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

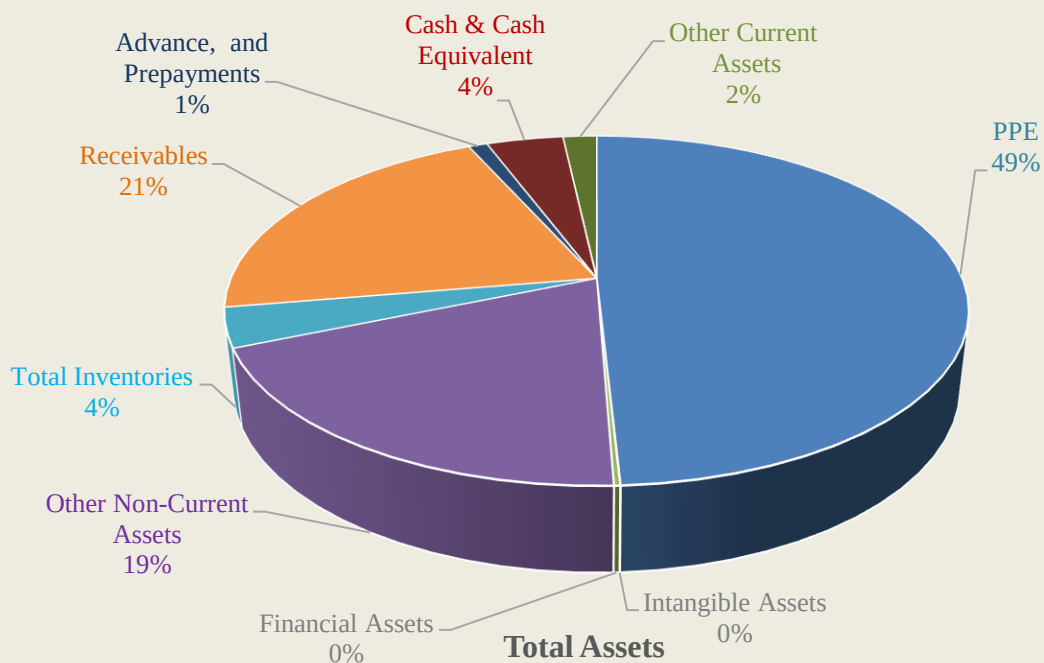
					Amount in BDT
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	35,060,309,898.00	42,842,891,077.00	22.20%	0.00
2	Debt and Liabilities related to GoB under LA	5,361,815,289.00	7,935,305,019.00	48.00%	0.00
3	Debt and Liabilities related to GoB(1+2)	40,422,125,187.00	50,778,196,096.00	25.62%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	14,532,092,280.00	10,737,731,489.00	-26.11%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	14,532,092,280.00	10,737,731,489.00	-26.11%	0.00
8	Deferred Payment Liabilities	10,728,407,184.00	10,915,940,651.00	1.75%	0.00
9	Debt and Liabilities related to Related Parties	10,872,389,918.00	7,998,016,850.00	-26.44%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	10,872,389,918.00	7,998,016,850.00	-26.44%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	6,337,762,188.00	7,779,874,204.00	22.75%	0.00
14	Other Liabilities to GoB	272,248,132.00	1,096,892,954.00	302.90%	0.00
15	Any Other Liabilities to Any Other Entities	9,447,103,736.00	17,247,604,954.00	82.57%	0.00
16	Other Deb and lliabilities (12+13+14+15)	16,057,114,056.00	26,124,372,112.00	62.70%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	92,612,128,625.00	106,554,257,198.00	15.05%	0.00
18	Debt to GoB (3+14)	40,694,373,319.00	51,875,089,050.00	27.47%	0.00
19	Debt to Entities other than GoB (17-18)	51,917,755,306.00	54,679,168,148.00	5.32%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	14,532,092,280.00	16,663,266,410.00	14.67%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

7.3 Debt and Liabilities Statement in FY 2022-23



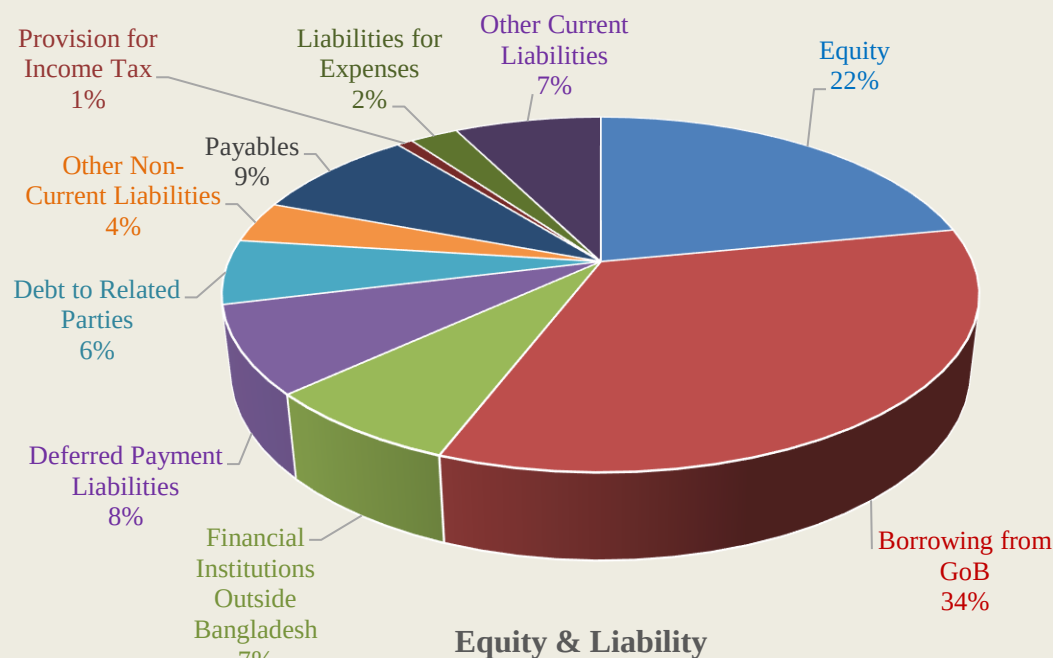
According to the financial statement of APSCL, the total debt was BDT 106,554.26 million as of 30th June, 2023. Out of this amount, major portion 48% were borrowed from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). Then comes other liabilities 10%, debt and liabilities related to Financial Institute 10%, debt to related party 8%, and finally 7% debt & liabilities related to any other entities. In addition, it has 1% other liabilities to GoB which are current liability. The debt and liability composition further shows that long term liability is nearly 76% of total liability. Therefore, if APSCL fails to make repayment of these long-term liabilities it will create fiscal risk for GoB.

7.4 The composition of Assets in Financial Year 2022-23:



According to the Financial statement of APSL in FY 2022-23, total assets BDT 136,505.14 million. Asset's composition shows that major portion 49% PPE followed by receivables 21%, other non-current assets 19%, inventory 4%, cash & cash equivalent 4%, other current assets 2% and finally 1% advance & prepayment. The asset composition shows that about 68% belong to non-current asset category and remaining 32% are current assets.

7.5 The composition of Debt and Liabilities in FY 2022-23:



The composition of debt and liabilities shows that major portion 34% is borrowing from GoB, followed by equity 22%, deferred payment liabilities 8%, liabilities related to Financial Institute 7%, other current liability 7%, other non-current liabilities 4%, liability for expense 2%, and finally 1% provision for income tax. It shows that total non-current liabilities are 55% compared to equity 22%. So, the growth of APSCL is liability driven which may cause fiscal risk for GoB.

7.6 Fiscal risk from Ashuganj Power Station Company Limited (APSCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – APSCL

Particular	Result	Risk	Score
Cost recovery	1.09	Moderate	3
Return on Equity (ROE)	8.17%	Low	2

Table – 3: Liquidity Ratio – APSCL

Particular	Result	Risk	Score
Current ratio	1.63	Low	2
Creditor turnover days	191	Very High	5

Table – 4: Solvency Ratio – APSCL

Particular	Result	Risk	Score
Debt to total assets	0.78	High	4
Debt to EBITDA	18.93	Very high	5
Total Score			21
Average Score			4(3.5)
Overall Risk Rating			High

7.7 The ratio analysis shows that APSCL's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. APSCL 's cost recovery ratio is 1.09 and according to threshold cost recovery ratio 1.0 to less than 1.25 goes under moderate fiscal risk category. With cost recovery ratio 1.09 APSCL pose **moderate** fiscal risk to GoB. In response to cost recovery ratio APSCL claimed that 'Operating expense' should consider instead of 'total expense' in cost recovery ratio. However, IMF consider 'Total Expense' in calculating Cost recovery ratio;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. APSCL 's ROE is 8.17% and according to threshold value it fits low risk category. ROE value between 8% and less than 15% is considered as low risk category. Securing ROE 8.17%, APSCL pose **low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of APSCL is 1.63 and as per threshold value table it fits low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 1.63 APSCL poses **low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 191 days, APSCL pose **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. APSCL's debt to assets ratio is 0.78 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio between 0.75 and less than 1.0 is high-risk category. With debt to assets ratio of 0.78, APSCL carry **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. APSCL's debt to EBITDA ratio is 18.93 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 18.93, APSCL pose **very high** risk for GoB. In response to very high debt to EBITDA ratio APSCL revealed that long term liability such as (20 years term liability) causes high EBITDA ratio which is acceptable to power sector.

7.8 According to the records, APSCL did not involve in any quasi-fiscal activities in FY 2022-23.

7.9 According to the records, no statutory obligation and no lawsuit is pending against APSCL. It has not provided any guarantee yet. So, no Contingent Liabilities anticipated for APSCL in FY 2022-23.

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8. Electricity Generation Company of Bangladesh Limited (EGCB)

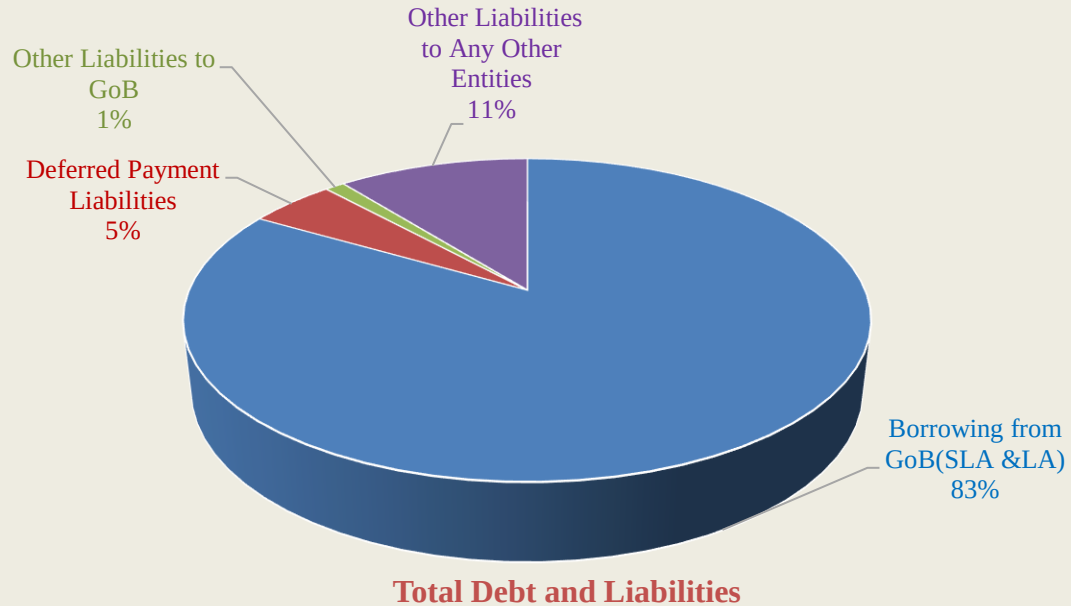
8.1 Electricity Generation Company of Bangladesh Limited (EGCB) was registered as the “Private Limited Company” with the Register of Joint Stock Companies and Firms (RJSC), Dhaka on 23 November 1996, vide registration number C-31833 (954)/96 in the name of “Meghnaghat Power Company Ltd.”. Subsequently, it was renamed as the “Electricity Generation Company of Bangladesh Limited” from 16th February 2004 vide memo no-51, approved by the Registrar of Joint Stock Companies and Firms (RJSC). Electricity Generation Company of Bangladesh Limited (EGCB) was converted from Private Limited Company to Public Limited Company on 15 January 2009. The principal activity of the company is to set up power plant for generation of electricity and sale the same to Bangladesh Power Development Board (BPDB).

8.2 The following Table-1 presents the statement of debt and liabilities of Electricity Generation Company of Bangladesh Limited (EGCB) for the FY 2022-23 which has been prepared based on the data collected through Form -1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

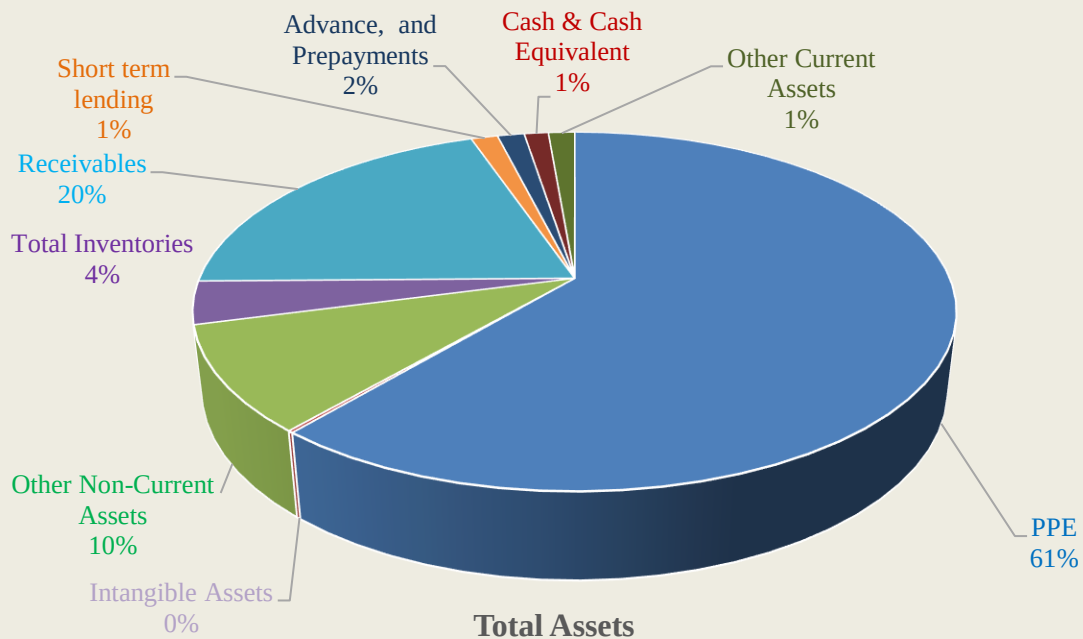
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	53,235,150,794.32	63,435,806,202.44	19.16%	0.00
2	Debt and Liabilities related to GoB under LA	4,283,817,216.00	4,275,340,741.33	-0.20%	0.00
3	Debt and Liabilities related to GoB(1+2)	57,518,968,010.32	67,711,146,943.77	17.72%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	3,935,205,114.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other debt and Liabilities to GoB	989,497,617.24	894,867,926.24	-9.56%	0.00
15	Any Other Liabilities to Any Other Entities	2,569,490,641.44	8,705,806,639.99	238.81%	0.00
16	Other Debt (12+13+14+15)	3,558,988,258.68	9,600,674,566.23	169.76%	0.00
17	Total Debt and Liabilities (3+7+8+11+16)	61,077,956,269.01	81,247,026,624.01	33.02%	0.00
18	Debt and liabilities to GoB (3+14)	58,508,465,627.57	68,606,014,870.02	17.26%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,569,490,641.44	12,641,011,753.99	391.97%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

8.3 Statement of Debt and Liabilities for FY 2022-23:



According to the financial statement of Electricity Generation Company of Bangladesh Limited (EGCB), total debt was BDT 81,247.03 million as of 30th June, 2023. Out of this amount, major portion 83% borrowed from GoB under Subsidiary Loan Agreement (SAL) and Loan Agreement (LA) followed by other liabilities to any other entities 11%, deferred payment liability 5% and finally 1% other liabilities to GoB. The debt and liability composition shows that about 88% of total liability is long-term liability. If EGCB fails to make repayment of these long-term liability it will create fiscal risk for GoB.

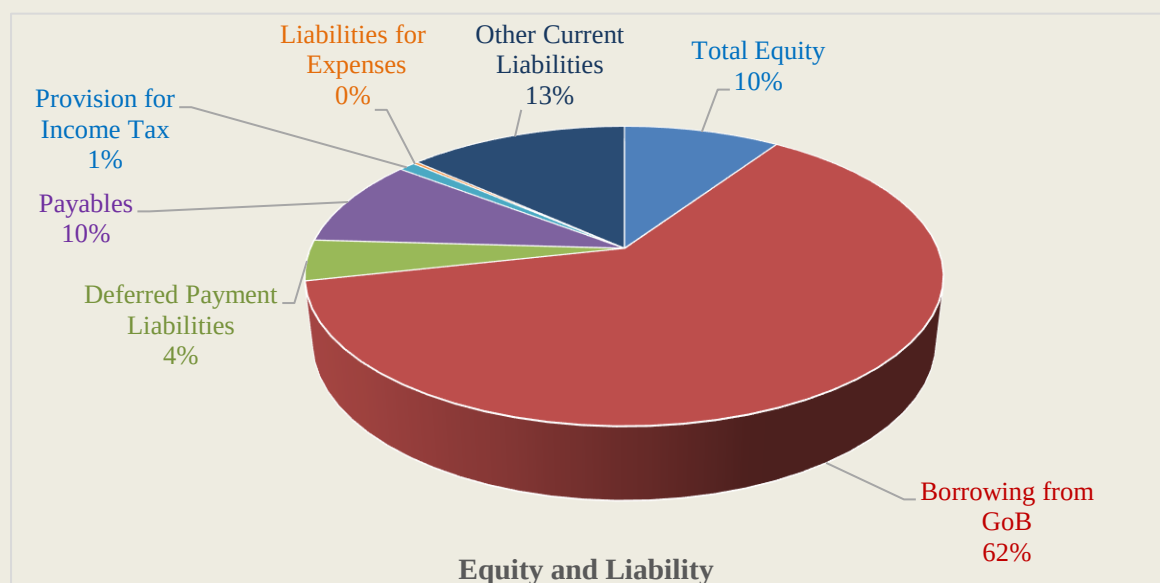
8.4 The composition of Assets in FY 2022-23.



According to the Financial statement of EGCB in FY 2022-23 total assets was BDT 8,9724.81 million. The assets composition shows that major portion 61% is PPE followed by receivables 20%, other non-current assets 10%,

inventory 4%, advance & prepayment 2%, short-term lending 1%, cash & equivalent 1% and finally 1% other current assets. The assets composition revealed that non-current assets is about 71% and remaining 29% belongs to current assets.

8.5 The composition of Equity and Liabilities in FY 2022-23:



The composition of debt and equity shows that major portion 62% liabilities are from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) which are non-current liability followed by other current liabilities 13%, equity 10%, payables 10%, deferred payment liability 4% and finally 1% provision for income tax. Besides liability for expenses holds insignificant amount and shown as 0% in pie chart. The liability composition indicates that EGCB's growth is liability driven and poses potential fiscal risk for GoB.

8.6 Fiscal risk from EGCB is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – EGCB

Particular	Result	Risk	Score
Cost recovery	1.19	Moderate	3
Return on Equity (ROE)	25.17%	Very Low	1

Table – 3: Liquidity Ratio – EGCB

Particular	Result	Risk	Score
Current ratio	1.21	high	4
Creditor turnover days	186	Very High	5

Table – 4: Solvency Ratio – EGCB

Particular	Result	Risk	Score
Debt to total assets	0.91	High	4
Debt to EBITDA	11.51	Very High	5
Total score			22
Average score			4(3.67)
Overall Risk rating			High
Last Year's Overall Risk rating			Low

8.7 The ratio analysis shows that EGCB's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. EGCB's cost recovery ratio is 1.19 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. Having cost recovery ratio 1.19, between 0.75 and less than EGCB poses **moderate** fiscal risk to GoB. EGCB argues that low-cost recovery ratio is because of regulated tariff rates which has been unadjusted in response to rising production cost;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. EGCB's ROE is 25.17% and according to threshold value it fits very Low fiscal risk category. ROE value of 15% and above is considered as very low risk category. With ROE 25.17%, EGCB poses **very low** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of EGCB is 1.21 and as per threshold value table it fits high-risk category. A current ratio of 1.0 and below is considered as very high-risk category. So, the current ratio of 1.121 EGCB poses **high** risk for GoB;
- iv. Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 186 days, EGCB poses **very high** risk to GoB. EGCB pointed out that it makes repayment six monthly which causes higher creditor turnovers day which acceptable for power sector SoEs;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. EGCB's debt to assets ratio is 0.91 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio between 0.75 and less than 1.0 is high-risk category. With debt to assets ratio of 0.91, EGCB carry **high** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. EGCB's debt to EBITDA ratio is 11.51 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 11.51, EGCB poses **very high** risk for GoB. In response to very high debt to EBTDA ratio EGCB claimed that as power sector organization has long term (such as 15-year) loan repayment period, a debt-to-EBITDA ratio of 15 would be a suitable.

8.8 According to the records, Electricity Generation Company of Bangladesh Limited (EGCB) did not involve in any quasi-fiscal activities in FY 2022-23.

8.9 According to the records (data collected through form-2), there exists pending litigations of BDT 1,033.22 million and Credit Dispute of BDT 561 million against EGCB. So, BDT 1,595.02 million of Contingent Liabilities is anticipated for EGCB in FY 2022-23.

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9. West Zone Power Distribution Company Limited (WZPDCL)

9.1 West Zone Power Distribution Company Limited (WZPDCL) was incorporated under the Companies Act 1994 on November 04, 2002. It is an enterprise of the Bangladesh Power Development Board (BPDB). The Company was established to take over Assets, Liabilities, and Commercial operation of power distribution of BPDB in the districts of Khulna, Jessore, Kustia, Barisal, and greater Faridpur district. The activities of the Company include selling and distribution of electricity to the consumers of districts of Khulna, Jessore, Kustia, Barisal and civil districts of greater Faridpur. In addition, the Company operates Diesel Generation Power Plant at Monpura for electricity generation..

9.2 The following Table-1 presents the statement of debt and liabilities of West Zone Power Distribution Company Limited (WZPDCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

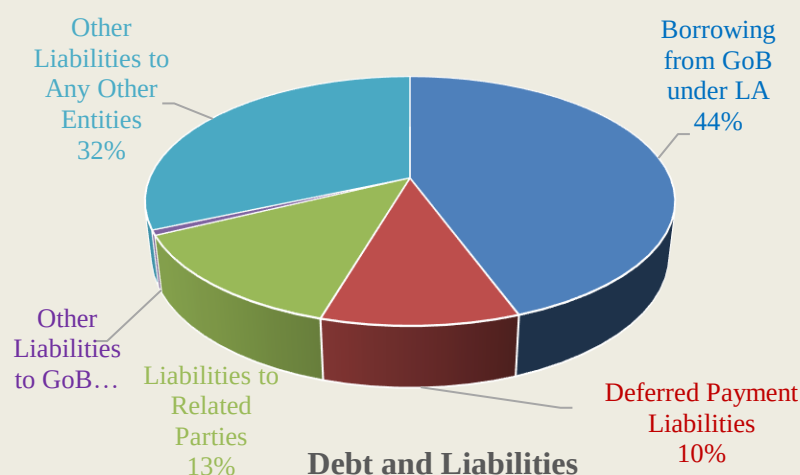
Table – 1: Statement of Debt and Liabilities

Amount in BDT

Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and Liabilities related to GoB under LA	15,260,075,056.00	17,461,045,197.00	14.42%	0.00
3	Debt and Liabilities related to GoB(1+2)	15,260,075,056.00	17,461,045,197.00	14.42%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	3,447,151,724.00	3,998,067,150.00	15.98%	0.00
9	Debt and Liabilities related to Related Parties	2,714,194,139.00	3,143,247,792.00	15.81%	0.00
10	Other Liabilities to Related Parties	1,958,866,400.00	2,051,930,811.00	4.75%	0.00
11	Debt and liabilities to Related Parties(9+10)	4,673,060,539.00	5,195,178,603.00	11.17%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	232,336,209.00	258,890,456.00	11.43%	0.00
15	Any Other Liabilities to Any Other Entities	11,323,387,841.00	12,420,642,355.00	9.69%	0.00
16	Other Debt and liabilities (12+13+14+15)	11,555,724,050.00	12,679,532,811.00	9.73%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	34,936,011,369.00	39,333,823,761.00	12.59%	0.00
18	Debt and liabilities to GoB (3+14)	15,492,411,265.00	17,719,935,653.00	14.38%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	19,443,600,104.00	21,613,888,108.00	11.16%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00

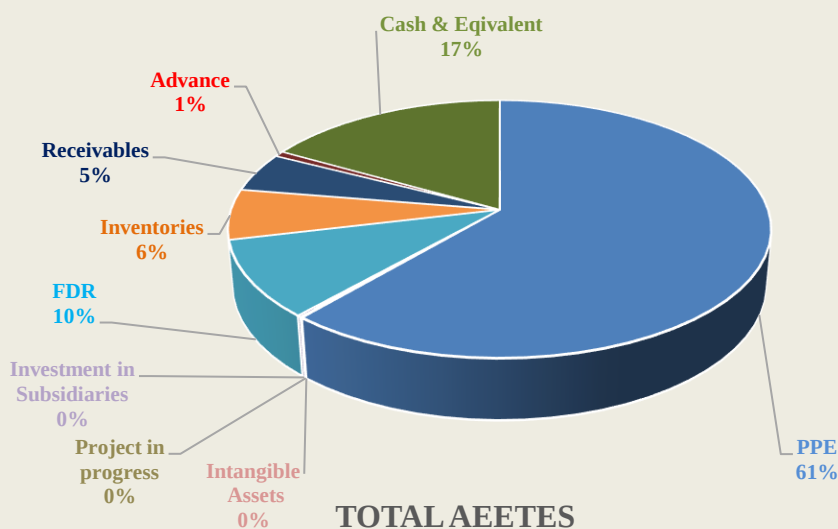
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

9.3 Statement of Debt and Liabilities in FY 2022-23



According to the financial statement of WZPDCL, the total debt is BDT 39,333.82 million as of 30th June, 2023. Out of this amount, major portion 44% liabilities related to GoB under Loan Agreement (LA) followed by other liabilities to any other entities 32%, liabilities to related parties 13%, deferred liabilities of 10% and finally 1% other liabilities to GoB. The statement shows that long-term liability is 67% of total liability and if WZPDCL fails to make repayment of its long-term liabilities it will create fiscal risk for GoB.

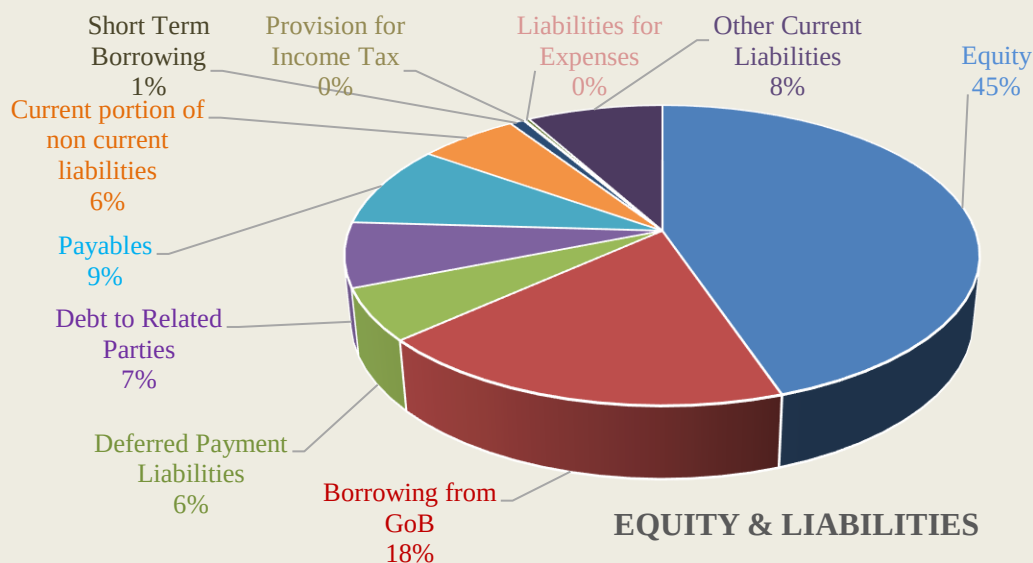
9.4 The composition of assets in FY 2022-23.



The assets composition in FY 2022-23 shows that major portion of assets is PPE that cover 61% of total assets and it is normal for Power sector. The second major assets are Cash and Cash equivalent that occupies 17% followed by FDR that cover 10%, inventory 6%, receivables 5% and finally 1% advance & prepayments. Besides, investment in

subsidiary, project in progress and intangible asset occupy insignificant portion which shown as 0% in pie chart. The assets composition revealed that non-current assets are 71% of total assets.

9.5 Composition of Liability and Equity in FY 2022-23:



The composition of Liability and debt shows that equity occupy the major portion 45% followed by borrowing from GoB 18%. The liability composition revealed that total long-term liabilities is 31% that includes debt to related parties 7% and deferred payment liability 6%. The current liabilities include payables 9%, current portion of non-current liabilities 6%. The composition shows that growth of the WZPDCL is driven by both equity and debt and this situation poses fiscal risk for GoB.

9.6 Fiscal risk from WZPDCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – WZPDCL

Particular	Result	Risk	Score
Cost recovery	0.94	High	4
Return on Equity (ROE)	-8.55%	High	4

Table – 3: Liquidity Ratio – WZPDCL

Particular	Result	Risk	Score
Current ratio	1.19	High	4
Creditor turnover days	82	Moderate	3

Table – 4: Solvency Ratio – WZPDCL

Particular	Result	Risk	Score
Debt to total assets	0.55	Moderate	3
Debt to EBITDA	110.30	Very High	5
Total Score			23
Average Score			4 (3.83)

Overall risk Rating	High
Previous year's Overall Risk Rating	Moderate

9.7 The ratio analysis shows that WZPDCL's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of WZPDCL is 0.94 and according to the threshold value it belongs to high-risk category. A ratio between 0.75 and less than 1.0 is considered as high-risk category as per threshold value. With cost recovery ratio 0.94 WZPDCL poses **high** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. WZPDCL 's return on Equity is -8.55% and as per threshold table it falls under high-risk category. Considering threshold value ROE between 0% and less than -10.0% fits under high-risk category. Securing ROE value -8.55%, WZPDCL poses **high** fiscal risk for GoB. In response to very high risk WZPDCL argues that unfavorable tariff rate fixed by government has resulted negative net income, which in turn has led to a high negative Return on Equity (ROE). If government enacts favorable tariff rate WZPDCL will turn to profitability and ROE will move to very low risk category;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of WZPDCL is 1.19 appears to be poor and as per threshold value table it fits high-risk category. A current ratio of 1.0 and below is considered as very high-risk category. So, having current ratio of 1.19 WZPDCL poses **high** risk for GoB. WZPDCL appealed that power sector SOEs require substantial fixed assets and operates with low current asset that causes low current ratio;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value creditors turnover days between 60 to less than 90 days is considered as moderate-risk category. With creditor turnover days 82, WZPDCL poses **moderate** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Debt to total Asset's ratio of WZPDCL is 0.55 and according to the threshold value it belongs to moderate-risk category. A ratio between 0.5 and less than 0.75 is considered as moderate -risk category as per threshold value. With debt to Asset's ratio 0.55, WZPDCL poses **moderate** risk to GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. WZPDCL's EBITDA is negative, hence WZPDCL may be unable to make repayment of its debt by its own. With negative EBITDA, WZPDCL poses **very high** risk for GoB

9.8 According to the records, WZPDCL did not involve in any quasi-fiscal activities in FY 2022-23.

9.9 According to the records, no statutory obligation and no lawsuit is pending against WZPDCL. It has not issue guarantee yet. So, no Contingent Liabilities is foreseen for WZPDCL in FY 2022-23.

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10. Coal Power Generation Company Bangladesh Limited (CPGCBL)

10.1 Coal Power Generation Company Bangladesh Limited (CPGCBL) is an enterprise of the Government of the People's Republic of Bangladesh which was incorporated in Bangladesh on 5th September, 2011 as a Public Limited Company with Register of Joint Stock Companies & Firms (RJSC). This power company has been formed with a view to producing power based on coal. Three power generation projects including two coals based and one LNG based projects are currently being implemented by the Company.

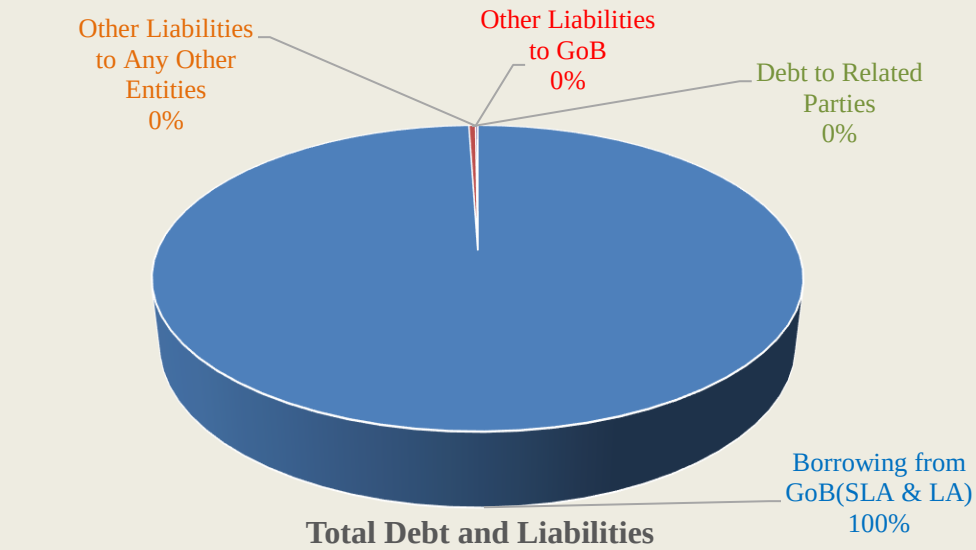
10.2 The following Table-1 presents the statement of debt and liabilities of Coal Power Generation Company Bangladesh Limited (CPGCBL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

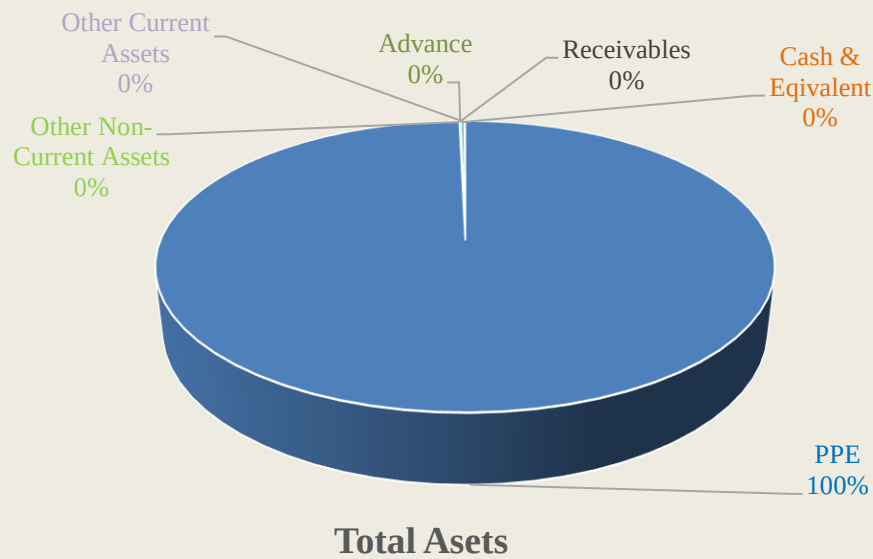
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	89,794,542,430.00	119,481,602,861.00	33.06%	0.00
2	Debt and Liabilities related to GoB under LA	20,538,267,199.00	25,221,948,016.00	22.80%	0.00
3	Debt and Liabilities related to GoB(1+2)	110,332,809,629.00	144,703,550,877.00	31.15%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	557,504,254.00	574,229,382.00	3.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	557,504,254.00	574,229,382.00	3.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,647,673.00	3,521,905.00	113.75%	0.00
15	Any Other Liabilities to Any Other Entities	1,539,393,519.00	190,106,554.00	-87.65%	0.00
16	Other Debt and liabilities(12+13+14+15)	1,541,041,192.00	193,628,459.00	-87.44%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	112,431,355,075.00	145,471,408,718.00	29.39%	0.00
18	Debt and liabilities to GoB (3+14)	110,334,457,302.00	144,707,072,782.00	31.15%	0.00
19	Debt to Entities other than GoB (17-18)	2,096,897,773.00	764,335,936.00	-63.55%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

10.3 Statement of Debt and Liabilities in FY 2022-23:



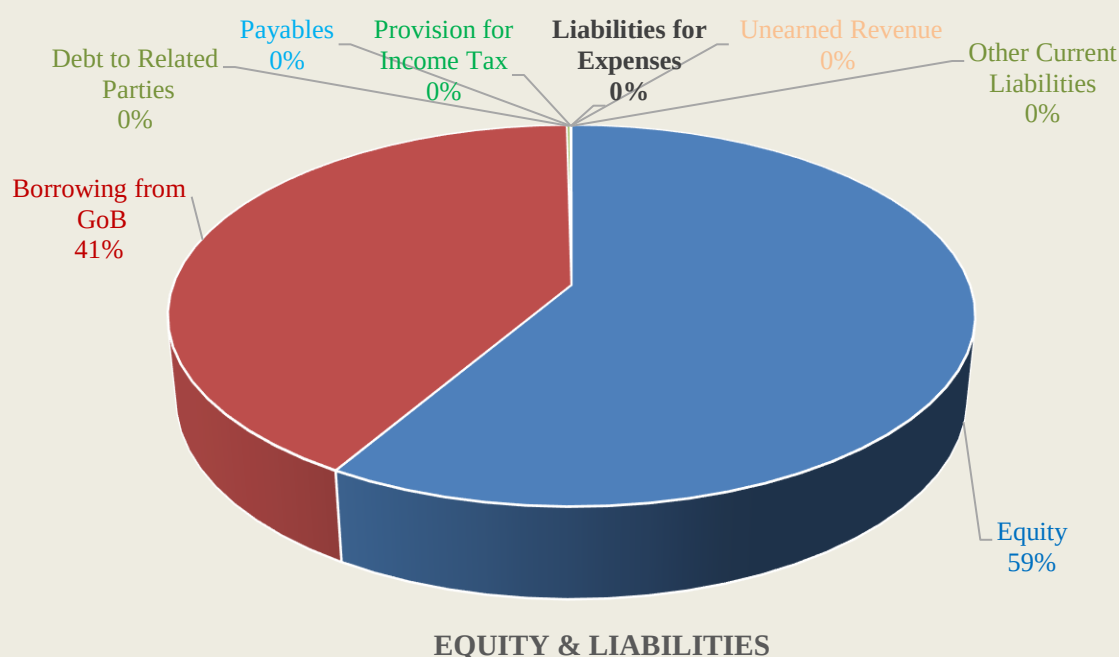
According to the financial statement of Coal Power Generation Company Bangladesh Limited (CPGCBL), total debt and liabilities were BDT 145,471.41 million as of 30th June, 2023. Out of this amount 100 % borrowed from GoB under under Subsidiary Loan agreement (SLA) and Loan Agreement (LA). Besides other liabilities to any other entities, other liabilities to GoB and debt to related party occupy insignificant portion compared to borrowing from GoB and has shown as 0% in pie chart. If CPGCBL fails to make repayment of its debt, it will create fiscal risk for GoB.

10.4 The composition of Assets in FY 2022-23:



The composition of total assets shows that 100% assets belong to PPE that is all are non-current assets.

10.5 The composition of Equity and Liability in FY 2022-23



The composition of equity and liability shows that major portion 59% is equity and remaining 41% is liabilities related to GoB under SAL and LA. So, the composition shows that growth of CPGCBL is slightly driven by equity and this situation can reduce likelihood of fiscal risk for GoB.

10.6 Fiscal risk from CPGCBL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – CPGCBL

Particular	Result	Risk	Score
Cost recovery	0.26	Very High	5
Return on Equity (ROE)	-0.16%	High	4

Table – 3: Liquidity Ratio – CPGCBL

Particular	Result	Risk	Score
Current ratio	6.80	Very Low	1
Creditor turnover days	Trade Payables is '0' (Zero),	Very Low	1

Table – 4: Solvency Ratio – CPGCBL

Particular	Result	Risk	Score
Debt to total assets	0.41	Low	2
Debt to EBITDA	EBITDA is negative.	Very High	5
Total Score			18
Average Score			3.0
Overall risk rating			Moderate

10.7 The ratio analysis shows that CPGCBL's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of CPGCBL is 0.26 and according to the threshold value it belongs to very high-risk category. A ratio of less than 0.75 considered as very high-risk category as per threshold value. With cost recovery ratio 0.26, CPGCBL poses **very high** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. CPGCBL's Return on Equity is -0.16% and as per threshold table it falls under high-risk category. Considering threshold value ROE between 0% and less than -10.0% fits under high-risk category. With ROE value -0.16%, CPGCBL poses **high** fiscal risk for GoB. In response to high-risk category, CPGCBL argues that unfavorable tariff rate fixed by government has resulted negative net income, which in turn has led to a high negative Return on Equity (ROE);
- iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of CPGCBL is 6.80 and according to the threshold value it belongs to low-risk category. Current ratio of 2.0 and above is considered as very low-risk category as per standard derived from threshold value. So, with current ratio of 6.80, CPGCBL poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value creditors turnover days of below 30 is considered as very low risk category. With Nil (0) creditor turnover days, CPGCBL poses **very low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Debt to total Asset's ratio of CPGCBL is 0.41 and according to the threshold value it belongs to low-risk category. A ratio between 0.25 and less than 0.50 considered as low-risk category as per threshold value. With debt to Asset's ratio 0.41, CPGCBL poses **low** risk to Gob; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. CPGBL's EBITDA is negative, hence CPGBL may be unable to make repayment of its debt by its own revenue. With negative EBITDA, CPGBL poses **very high** risk for GoB.

10.8 According to the records, Coal Power Generation Company Bangladesh Limited (CPGCBL) did not involve in any quasi-fiscal activities in FY 2022-23.

10.9 According to the records, no statutory obligation and no lawsuit is pending against CPGCBL. It has not issued any guarantee yet. So Contingent Liabilities is not foreseen for CPGCBL in FY 2022-23.

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11. Rural Power Company Limited (RPCL)

11.1 Rural Power Company Limited (RPCL) is a Public Company limited by shares registered under the Companies Act, 1913. The company was incorporated in Bangladesh with The Register of Joint Stock Companies & Firms on 31st December, 1994. The main objective is to establish, operate and maintain the facilities for. development, generation, transmission, distribution. supply and utilization of electricity in all its aspects. Accordingly, two open cycle power generation plant of each 35 MW have been set up in private sector with the financial assistance of Asian Development Bank. Rural Power Company Limited has taken up this plant and it is set up in Mymensingh.

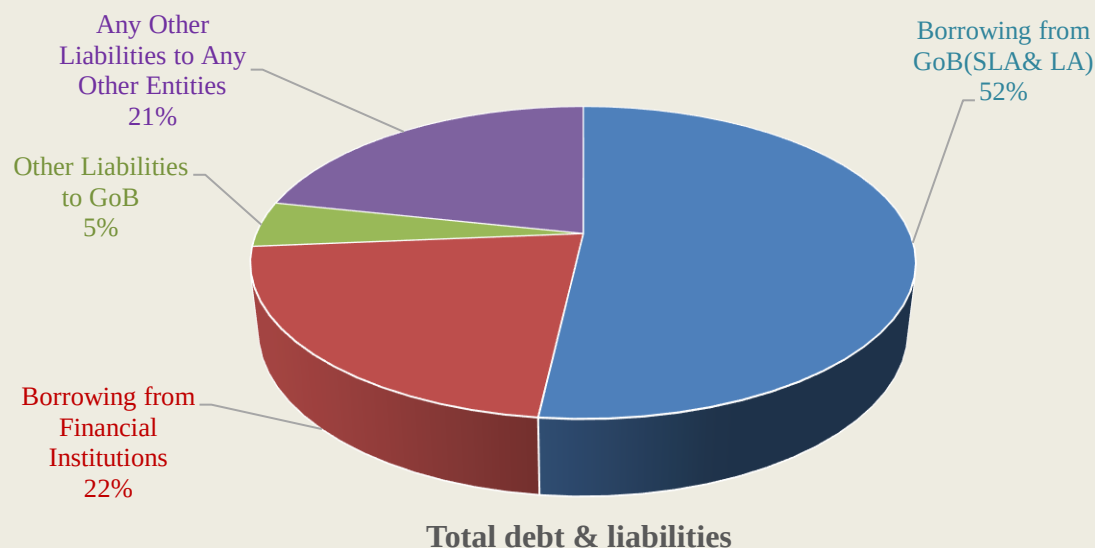
11.2 The following Table-1 presents the statement of debt and liabilities of Rural Power Company Limited (RPCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and liabilities

Amount in BDT

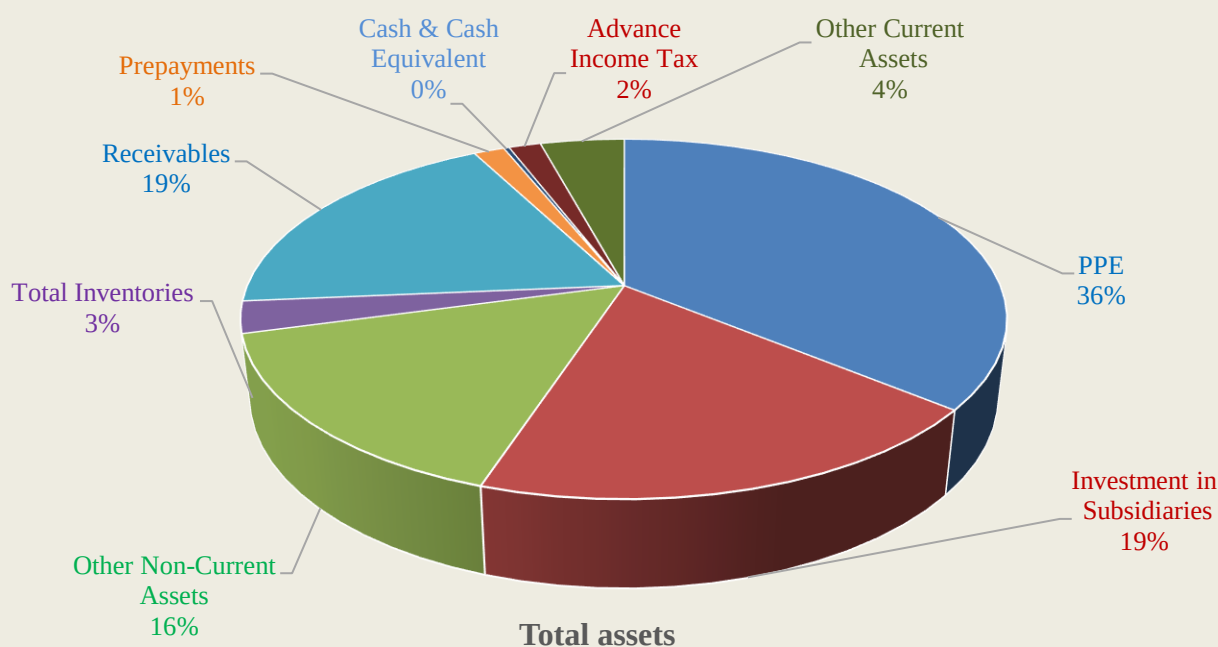
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	1,390,274,840.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	11,731,565,309.15	12,389,558,053.15	5.61%	0.00
3	Debt and liabilities related to GoB(1+2)	11,731,565,309.15	13,779,832,893.15	17.46%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	2,324,147,015.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	3,420,499,801.00	3,493,891,737.13	2.15%	466,704,541.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	3,420,499,801.00	5,818,038,752.13	70.09%	466,704,541.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,273,571,067.00	1,252,154,964.00	-1.68%	0.00
15	Any Other Liabilities to Any Other Entities	4,163,428,268.85	5,754,025,209.72	38.20%	0.00
16	Other Debt and liabilities related to(12+13+14+15)	5,436,999,335.85	7,006,180,173.72	28.86%	0.00
17	Total Debt and liabilities related to (3+7+8+11+16)	20,589,064,446.00	26,604,051,819.00	29.21%	466,704,541.00
18	Debt and liabilities related to GoB (3+14)	13,005,136,376.15	15,031,987,857.15	15.59%	0.00
19	Debt and liabilities related to to Entities other than GoB (17-18)	7,583,928,069.85	11,572,063,961.85	52.59%	466,704,541.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

11.3 Statement of debt and liabilities in FY 2022-23:



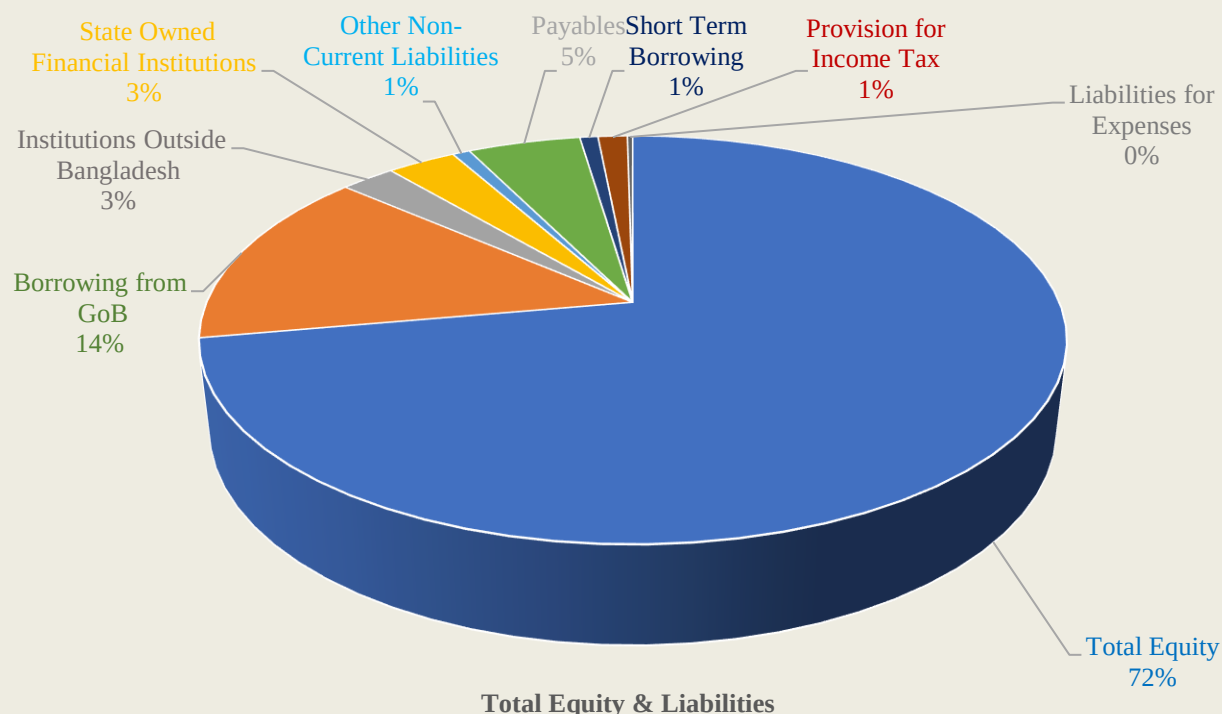
According to the financial statement of RPCL, total debt was BDT 26,604.05 million as of 30th June 2023. Out of this amount, major portion 52% is liabilities to GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by liabilities related to financial institution 22%, liabilities to any other entities (such as payables) 21% and finally 5% other liabilities to GoB (like current liabilities such as VDS & TDS). The statement shows that long-term liabilities are in total 74% and remaining 26% is current liabilities. If RPCL fails to make repayment of its long-term liabilities including SLA and LA, it will cause fiscal risk for GoB.

11.4 The composition of assets in FY 2022-23:



According to financial statement in FY 2022-23 total assets was BDT 95732.32 million. Out of these assets major portion 36% is PPE followed by receivables 19%, investment in subsidiaries 19%, other non-current assets 16%, other current assets 4%, advance income tax 2% and 1% prepayments. The composition shows that 71% is noncurrent assets and remaining 29% is current assets.

11.5 The composition of liabilities and equities in FY 2022-23:



The composition of equity and liability shows that equity cover major portion 72% followed by liabilities related to GoB 14%, payables 5%, liabilities related to state owned financial institutions 3%, liabilities related to institution outsides Bangladesh 3%, other non-current liabilities 1% and finally 1% short term borrowing. The composition exhibits that non-current liabilities is about 15% compared to 72% equity. This situation indicates that RPCL's growth is highly equity driven and less likely to cause fiscal risk for GoB.

11.6 Fiscal risk from Rural Power Company Limited (RPCL)'s is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following Tables.

Table – 2: Profitability Ratio – RPCL

Particular	Result	Risk	Score
Cost recovery	1.11	Moderate	3
Return on Equity (ROE)	2.66%	Moderate	3

Table – 3: Liquidity Ratio – RPCL

Particular	Result	Risk	Score
Current ratio	3.97	Very Low	1
Creditor turnover days	65	Moderate	3

Table – 4: Solvency Ratio – RPCL

Particular	Result	Risk	Score
Debt to total assets	0.28	Low	2
Debt to EBITDA	5.59	Very High	5
Total Score			17
Average Score			3(2.83)
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Low

11.7 The ratio analysis shows that Rural Power Company Limited (RPCL)'s risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. RPCL 's cost recovery ratio is 1.11 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.11 RPCL poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. RPCL 's ROE is 2.66% and according to threshold value it fits moderate-risk category. ROE value between 0% and less than 8% is considered as moderate-risk category. With ROE 2.66 %, RPCL poses **moderate** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of RPCL is 3.97 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 3.97, RPCL poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days between 60 and less than 90 is considered as moderate-risk category. With Creditor Turnover Days of 65 days, RPCL poses **moderate** risk to GoB. In response to creditors turnover days, RPCL argues that it has 2000.00 crore receivable to PDB. The long pending receivables to PDB led to payables accumulation which in turn cause higher creditors turnover days;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. RPCL's debt to assets ratio is 0.28 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 0.28, RPCL carry **low** risk for GoB; and
- vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. RPCL's debt to EBITDA ratio is 5.59 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 5.59, RPCL poses **very high** risk for GoB. RPCL claimed that due to long-term loan repayment period like 10 to 15 years, a debt-to-EBITDA ratio of 15 would be a more suitable benchmark.

11.8 According to the records, RPCL did not involve in any quasi-fiscal activities in FY 2022-23.

11.9 According to the records, no lawsuit is pending against RPCL. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen from lawsuit for RPCL in FY 2022-23.

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12. North West Power Generation Company Limited (NWPGL)

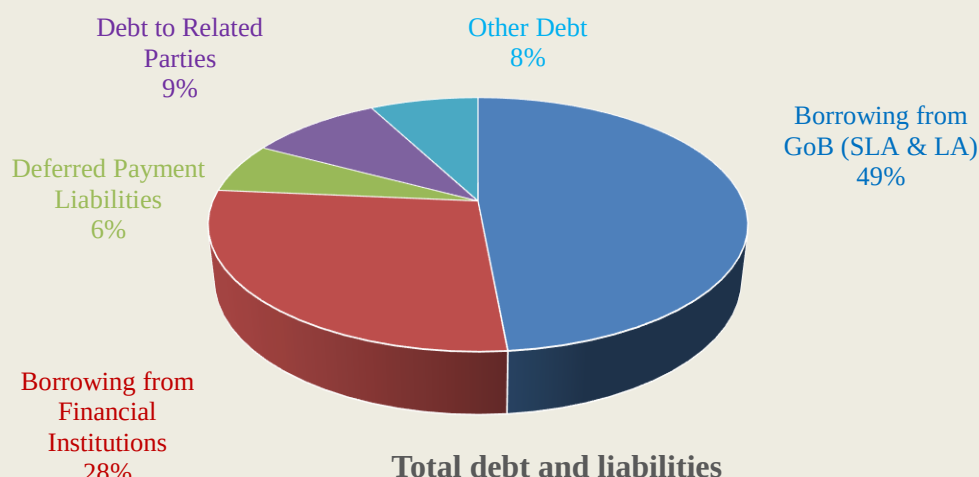
12.1 North West Power Generation Company Limited (NWPGL), is an Enterprise of Bangladesh Power Development Board (BPDB) incorporated on 28 August, 2007 under the framework of the Govt. Power Sector Reform Policy and the Companies Act, 1994. Within the shortest period after incorporation, the Company has become one of the leading power generating utilities in the country. Presently the Company has 07 (Seven) Power Plants in operation and 03 (three) projects under construction. The principal activity of the company is to generate electricity to enhance the national development programs. The company has schematic comprehensive future development plan for implementing different power plant projects of different sizes, capacities, and technologies.

12.2 The following Table-1 presents the statement of debt of North West Power Generation Company Limited (NWPGL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

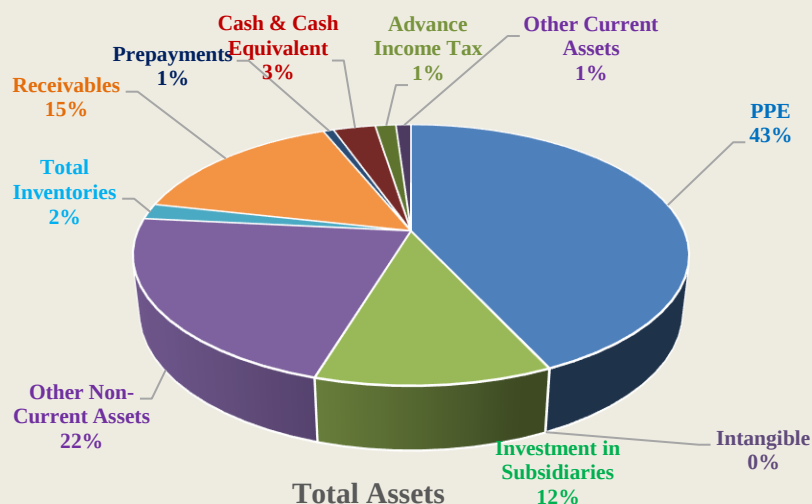
					Amount in BDT
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	47,007,073,697.00	61,493,329,523.00	30.82%	0.00
2	Debt and liabilities related to GoB under LA	10,130,514,882.00	9,915,018,265.20	-2.13%	0.00
3	Debt and liabilities related to GoB(1+2)	57,137,588,579.00	71,408,347,788.20	24.98%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	25,631,833,971.00	26,544,033,605.00	3.56%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	5,593,590,106.00	5,837,378,553.00	4.36%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	9,708,518,086.00	8,617,772,157.00	-11.23%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	40,933,942,163.00	40,999,184,315.00	0.16%	0.00
8	Deferred Payment Liabilities	8,390,387,541.00	9,422,842,797.00	12.31%	0.00
9	Debt and liabilities related to Related Parties	13,497,372,494.00	13,899,297,860.00	2.98%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	13,497,372,494.00	13,899,297,860.00	2.98%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	688,746,046.00	746,273,600.00	8.35%	0.00
14	Other Liabilities to GoB	1,677,839,875.00	2,837,805,392.00	69.13%	0.00
15	Any Other Liabilities to Any Other Entities	1,928,118,507.00	7,804,098,192.80	304.75%	0.00
16	Other Debt and liabilities (12+13+14+15)	4,294,704,428.00	11,388,177,184.80	165.17%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	124,253,995,205.00	147,117,849,945.00	18.40%	0.00
18	Debt and liabilities to GoB (3+14)	58,815,428,454.00	74,246,153,180.20	26.24%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	65,438,566,751.00	72,871,696,764.80	11.36%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	103,877,962,897.50	109,810,834,577.50	5.71%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

12.3 Statement of debt and liabilities in FY 2022-23:



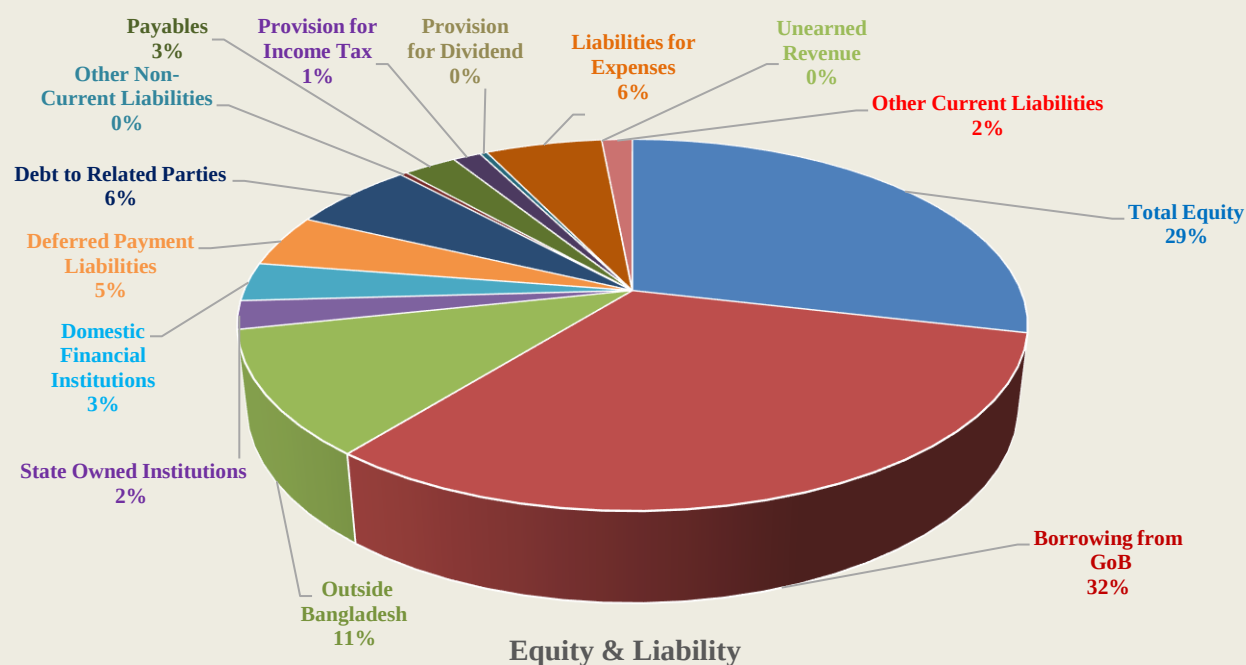
According to the financial statement of NWPGL, the total debt was BDT 147,117.85 million as of 30th June, 2023. Out of this amount, major portion 49% is borrowing from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by borrowing from financial institution 28%, debt to related parties 9% other debt 8% and finally 6% deferred payment liabilities. The statement of debt and liability shows that about 83% liability is long term liability. If NWPGL fails to make repayment of these long-term liabilities, it will cause fiscal risk for GoB.

12.4 The composition of assets in FY 2022-23:



According to the financial statement total assets in FY 2022-23 was BDT 206,132.44 million. Out of these assets, major portion 43% PPE, followed by other current liabilities 22%, receivables 15%, investment in subsidiaries 12%, cash and cash equivalent 3%, inventories 2%, and 1% other current assets, 1% prepayments and finally 1% advance income tax. Besides, intangible assets insignificant in amount which has shown as 0% in pie chart. The composition revealed that long-term assets are 77% of total assets.

12.5 The composition of equity and liabilities in FY 2022-23:



The statement of Equity and liability shows that major portion 32% is borrowing from GoB under subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by equity 29%, liabilities related to financial institution outside Bangladesh 11%, liabilities to related parties 6%, liabilities for expense 6%, deferred payment liabilities 5%, liabilities related to domestic financial institution 3%, payables 3%, other current liabilities 2%, liabilities related to state owned institution 2% and 1% provision for income tax. Besides provision for dividend and unearned revenue are insignificant in amount and has shown as 0% in pie chart. The statement shows that growth of NWPGCL is liability-driven compared to equity and this situation poses fiscal risk for GoB.

12.6 Fiscal risk from NWPGCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – NWPGCL

Particular	Result	Risk	Score
Cost recovery	1.21	Moderate	3
Return on Equity (ROE)	9.40%	Low	2

Table – 3: Liquidity Ratio – NWPGCL

Particular	Result	Risk	Score
Current ratio	2.03	Very Low	1
Creditor turnover days	45	Low	2

Table – 4: Solvency Ratio – NWPGCL

Particular	Result	Risk	Score
Debt to total assets	0.71	Moderate	3
Debt to EBITDA	6.47	Very High	5
Total Score			16
Average Score			3 (2.67)
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Low

12.7 The ratio analysis shows that North West Power Generation Company Limited (NWPGL) 's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. NWPGL 's cost recovery ratio is 1.21 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.21 NWPGL poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. NWPGL 's ROE is 9.40% and according to threshold value it fits low-risk category. ROE value between 8% and less than 15% is considered as low-risk category. With ROE 9.40 %, NWPGL poses **low** fiscal risk to GoB. In this connection NWPGL revealed that all equity has not involved in production which led to low ROE;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of NWPGL is 2.03 appears to be healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.03, NWPGL poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days between 30 and less than 60 is considered as low-risk category. With Creditor Turnover Days of 45 days, NWPGL poses **low** risk for GoB. In this connection NWPGL reported that Creditor Turnover Days depends on types of fuel used. For example, oil as fuel reduce payables and accordingly reduce creditor turnover days. On the contrary, gas as fuel increase payables and increases creditor turnover days;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. NWPGL's debt to assets ratio is 0.71 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very low risk category. With debt to assets ratio of 0.71, NWPGL carry **moderate** risk for GoB; and
- vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. NWPGL's debt to EBITDA ratio is 6.47 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 6.47, NWPGL poses **very high** risk for GoB. NWPGL argued that loan amount of under construction projects are accounted for in total debt whereas this loan does not contribute to income or cash flow. Thus, projects in progress increase debt to EBITDA ratio. Besides, foreign exchange loss also increase debt that led to higher debt to EBITDA ratio. Debt to EBITDA ratio of 15 may be more justifiable for power sector.

12.8 According to the records, North West Power Generation Company Limited (NWPGL) did not involve in any quasi-fiscal activities in FY 2022-23.

12.9 According to the records, there is a loan guarantee from GoB BDT 351.45 million and Mortgage amount BDT 40,207.83 against NWPGL. So Contingent Liabilities is foreseen from loan guarantee of GoB BDT 71,921.00 million and the mortgage amount BDT 40,207.83 million is for North West Power Generation Company Limited (NWPGL) in FY 2022-23.

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13. B-R Powergen Ltd. (BRPL)

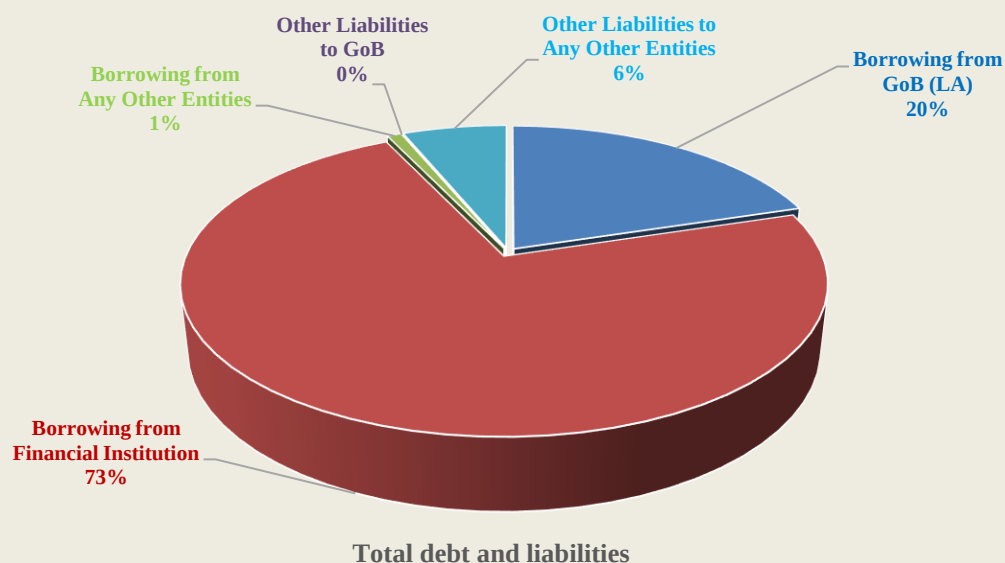
13.1 B-R Powergen Ltd. (BRPL) is a public limited company by shares which has registered under the Companies Act, 1994 on 10 November 2010. The principal activity of the Company is to set up power plants for generating electricity to enhance the national development programs. Primarily, the company started its 150 MW Power Plant Project at Kodda, Gazipur. Currently the Company has 02 (Two) Power Plants in operation namely-Kodda 150 MW Power Plant & Mirsarai 150MW Dual Fuel Power Plant.

13.2 The following Table-1 presents the statement of debts and liabilities of B-R Powergen Ltd. (BRPL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debts and Liabilities

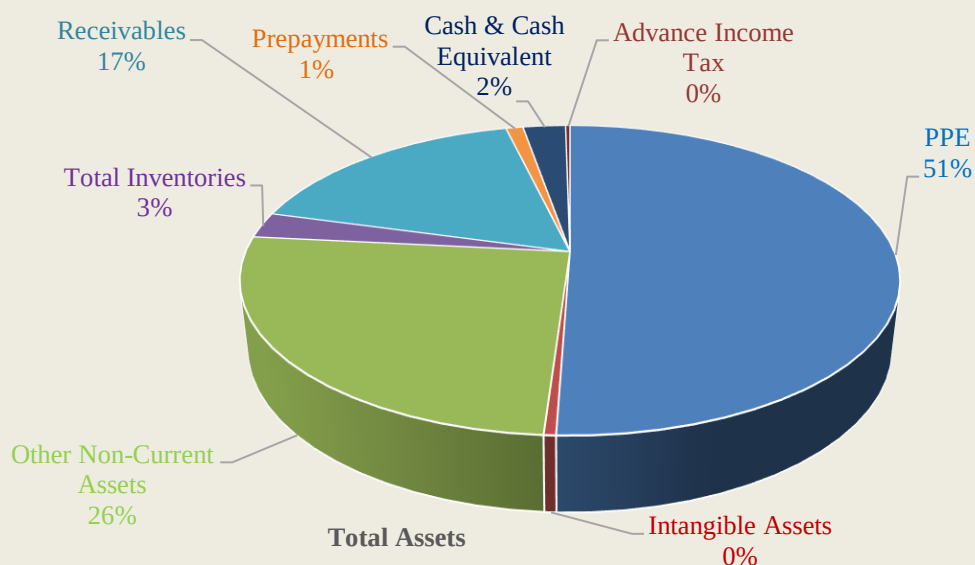
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	3,523,404,689.00	4,105,112,888.00	16.51%	0.00
3	Debt and liabilities related to GoB(1+2)	3,523,404,689.00	4,105,112,888.00	16.51%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	5,850,181,944.00	11,458,145,530.00	95.86%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	2,587,200,267.00	3,278,747,385.00	26.73%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	8,437,382,211.00	14,736,892,915.00	74.66%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	180,399,557.00	173,605,329.00	-3.77%	0.00
14	Other Liabilities to GoB	7,357,739.00	6,055,676.00	17.70%	0.00
15	Any Other Liabilities to Any Other Entities	636,124,846.00	1,263,685,398.00	98.65%	0.00
16	Other Debt and liabilities (12+13+14+15)	823,882,142.00	1,443,346,403.00	75.19%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	12,784,669,042.00	20,285,352,206.00	58.67%	0.00
18	Debt and liabilities to GoB (3+14)	3,530,762,428.00	4,111,168,564.00	16.44%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	9,253,906,614.00	16,174,183,642.00	74.78%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	5,850,181,944.00	11,458,145,530.00	95.86%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

13.3 Statement of debt and liabilities in FY 2022-23:



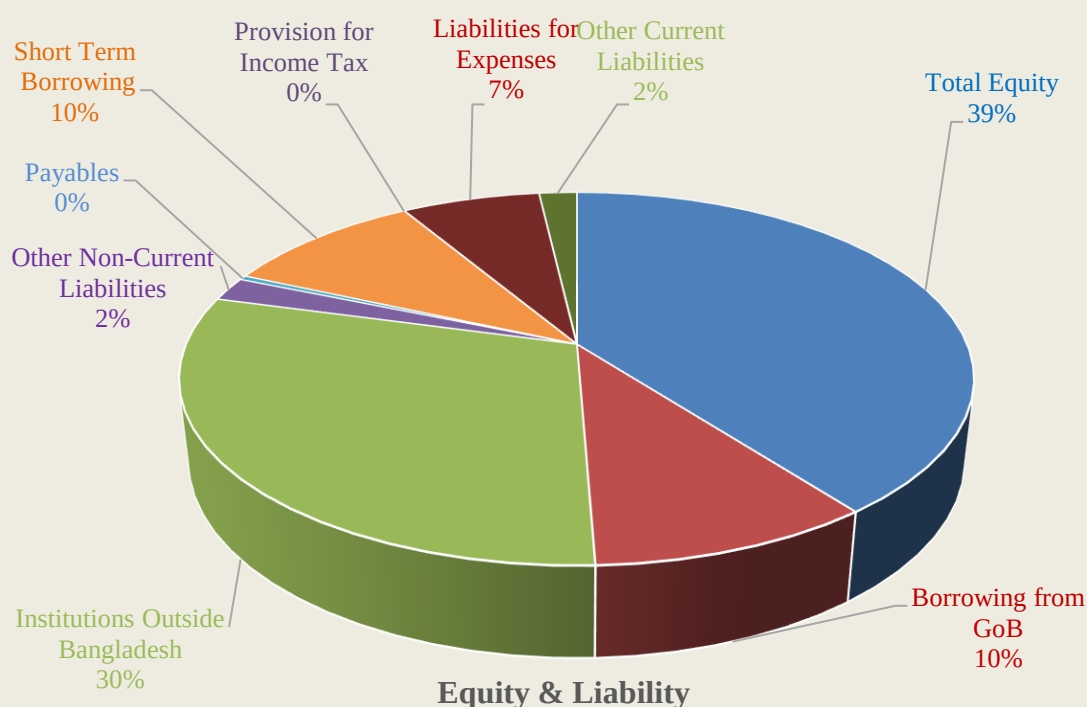
According to the financial statement of BRPL, the total debt was BDT 20,285.35 million as of 30th June, 2023. Out of this amount, major portion 73% is borrowing from financial institution followed by 20% borrowing from GoB under Loan Agreement (LA), 'other liabilities to any other entities (such as current liabilities like payables) 6% and finally borrowing from any other entities (long term liabilities) 1% of total liabilities. Besides other liabilities to GoB hold insignificant amount and has shown as 0% in pie chart. The financial statement further shows that 94% liabilities are noncurrent liabilities and remaining 6% is current liabilities. If BRPL fails to make repayment of its long-term debt, it will cause fiscal risk for GoB.

13.4 Statement of Assets in FY 2022-23:



According to the financial statement in FY 2022-23, the total assets was BDT 335,77.01 million. Out of these assets major portion 51% is PPE, followed by other non-current assets 26%, receivables 17%, inventories 3%, cash & cash equivalent 2% and finally 1% prepayment. Besides intangible assets and advance income tax hold insignificant amount which shown as 0% in pie chart. The assets composition shows that 77% assets are non-current or long-term assets and remaining 23% is current assets.

13.5 The composition of equity and liabilities in FY 2022-23



The composition of equity and liability shows that major portion 39% is equity followed by 30% borrowing from institution outside Bangladesh (long term liability), borrowing from GoB 10%, short-term loan 10%, liabilities for expense 7%, other current liabilities 2% and other non-current liabilities is 2%. Besides payables and provision for income tax hold insignificant amount which has shown as 0% in pie chart. Total current liabilities cover 32% of total equity and liabilities compared to total equity 39%, which means that BRPL's growth is driven by both equity and liabilities. Therefore, BRPL poses fiscal risk for GoB.

13.6 Fiscal risk from BRPL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BRPL

Particular	Result	Risk	Score
Cost recovery	1.04	Moderate	3
Return on Equity (ROE)	3.11%	Moderate	3

Table – 3: Liquidity Ratio – BRPL

Particular	Result	Risk	Score
Current ratio	1.25	Moderate	3
Creditor turnover days	4	Very Low	1

Table – 4: Solvency Ratio – BRPL

Particular	Result	Risk	Score
Debt to total assets	0.60	Moderate	3
Debt to EBITDA	7.76	Very High	5
Total Score			18
Average Score:			3
Overall Risk Rating:			Moderate

13.7 The ratio analysis shows that BRPL's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BRPL 's cost recovery ratio is 1.04 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.04 BRPL poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BRPL 's ROE is 3.11% and according to threshold value it fits moderate-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 3.11 %, BRPL poses **moderate** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BRPL is 1.25 appears to be not healthy and as per threshold value it matches with moderate-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.25, BRPL poses **moderate** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below is considered as very low-risk category. With Creditor Turnover Days of 4 days, BRPL poses **very low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BRPL's debt to assets ratio is 0.60 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 0.60, BRPL carries **moderate** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BRPL's debt to EBITDA ratio is 7.76 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 7.76, BRPL poses **very high** risk for GoB.

13.8 According to the records, BRPL did not involve in any quasi-fiscal activities in FY 2022-23.

13.9 According to the records, no statutory obligation and no lawsuit is pending against BRPL. So, no Contingent Liabilities is foreseen for BRPL in FY 2022-23.

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14. Northern Electricity Supply Company PLC

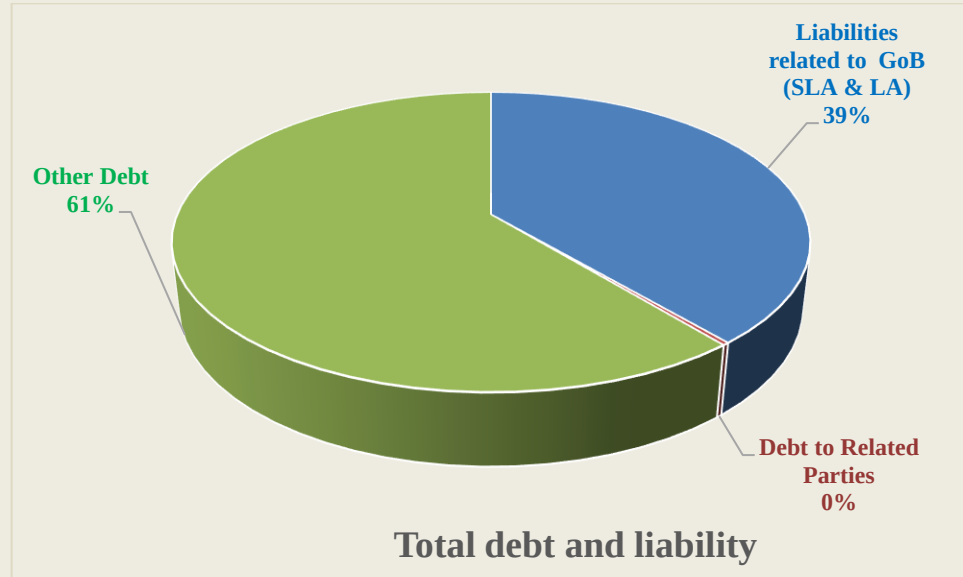
14.1 Northern Electricity Supply Company PLC was incorporated on 3rd August 2005 as a public limited company under the companies Act, 1994 vide registration no. C-58433(439)/2005 as North-West Zone Power Distribution Company Limited. The Certificate of the Commencement of Business was granted to the Company on the same date. After that North-West Zone Power Distribution Company Limited changes its name and incorporated vide registration no. C-58433 dated on 12 September 2007 duly under the Company Act 1994. The main objective of the company is to distribute quality electricity to its consumers effectively and efficiently. NESCO PLC cover total 16 Districts and 39 Upazilas under Rajshahi & Rangpur Distribution Zone excluding REB are and total number of consumers are 19,15,996 as of June, 2023.

14.2 The following Table-1 presents the statement of debt and liabilities of Northern Electricity Supply Company PLC for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

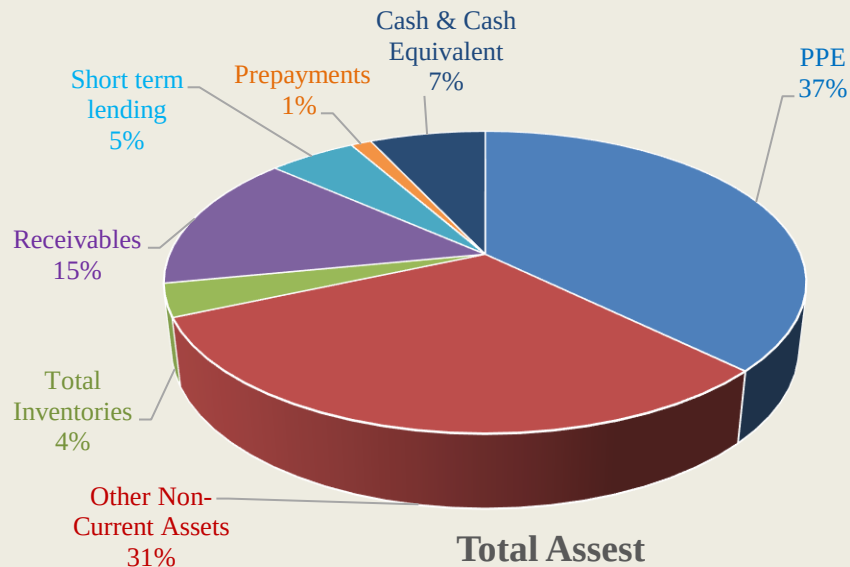
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	7,470,116,437.00	9,305,116,437.00	24.56%	0.00
2	Debt and liabilities related to GoB under LA	1,009,500,000.00	1,009,500,000.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	8,479,616,437.00	10,314,616,437.00	21.64%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	74,981,134.00	74,981,134.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	74,981,134.00	74,981,134.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	12,001,463,165.00	16,206,885,827.00	35.04%	0.00
16	Other Debt and liabilities (12+13+14+15)	12,001,463,165.00	16,206,885,827.00	35.04%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	20,556,060,736.00	26,596,483,398.00	29.39%	0.00
18	Debt and liabilities to GoB (3+14)	8,479,616,437.00	10,314,616,437.00	21.64%	0.00
19	Debt and Liabilities to Entities other than GoB (17-18)	12,076,444,299.00	16,281,866,961.00	34.82%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

14.3 Statement of debt and liabilities in FY 2022-23:



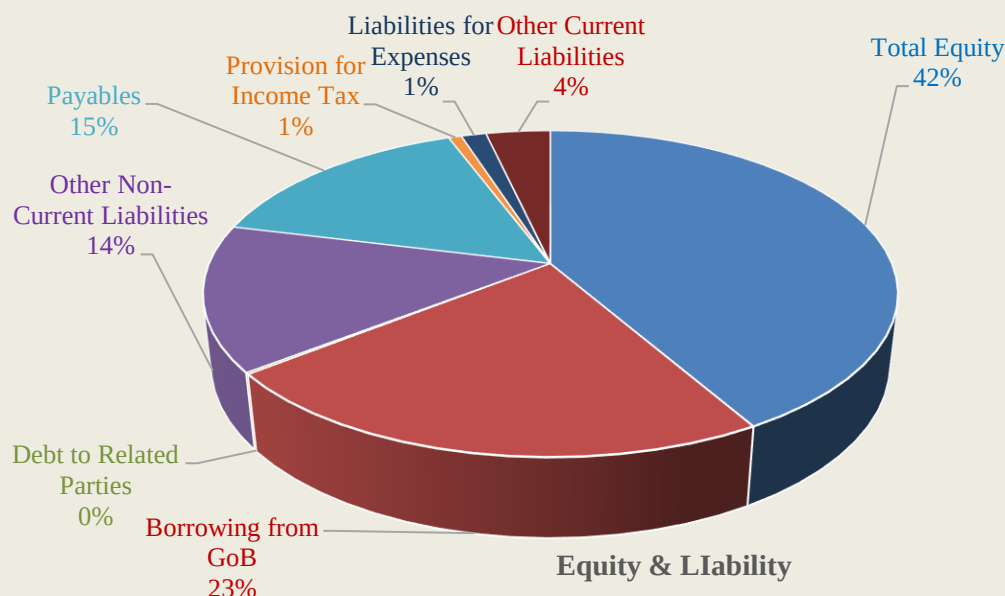
According to the financial statement of NESCO PLC, the total debt was BDT 26,596.48 million as of 30th June, 2023. Out of this amount, major portion 61% is other debt (current liabilities) to any other entity except (GoB) and remaining 39% is liabilities related to GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). Besides debt to related party hold insignificant amount which has shown as 0% in pie chart. If NESCO fails to make repayment of its liabilities to GoB under SLA and LA, it will cause fiscal risk for GoB.

14.4 The composition of Assets in FY 2022-23:



According to NESCO's financial statement in FY 2022-23 total assets was BDT 45,612.95 million. Out of these assets major portion 37% is PPE followed by current liabilities 31%, receivables 15%, cash & cash equivalent 7%, short-term liabilities 5%, total inventories 4% and finally 1% prepayments. Total long-term assets in 37% and remaining 63% is current assets.

14.5 The composition of equity and liabilities:



The composition of equity and liabilities shows major portion 42% is equity followed by 23% liabilities related to GoB, payables 15%, current liabilities 4%, liabilities for expenses 1% and 1% provision for income tax. The composition shows that total equity covers 42% compared to noncurrent liabilities 37% of total equity and liabilities. The composition revealed that growth of NESCO is equity driven that may reduce fiscal risk for GoB.

14.6 Fiscal risk from NESCO PLC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – NESCO PLC

Particular	Result	Risk	Score
Cost recovery	0.98	High	4
Return on Equity (ROE)	-4.6%	High	4

Table – 3: Liquidity Ratio – NESCO PLC

Particular	Result	Risk	Score
Current ratio	1.50	Moderate	3
Creditor turnover days	88	Moderate	3

Table – 4: Solvency Ratio – NESCO PLC

Particular	Result	Risk	Score
Debt to total assets	0.58	Moderate	3
Debt to EBITDA	97.96	Very High	5
Total Score			22
Average Score			4 (3.67)
Overall Risk Rating			High

14.7 The ratio analysis shows that NESCO PLC's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. NESCO PLC 's cost recovery ratio is 0.98 and according to threshold value it matches with moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 0.98, NESCO PLC poses Cost **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. NESCO's Return on Equity (ROE) is -4,6% which fits to **high** fiscal risk category. According to threshold value ROE between less than 0.0% to -10.0 % is considered as high risk;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of NESCO PLC is 1.5 and as per threshold value table it matches with moderate-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.5, NESCO PLC poses **moderate** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days between 60 and less than 90 is considered as moderate-risk category. With Creditor Turnover Days of 88 days, NESCO PLC poses **moderate** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. NESCO PLC's debt to assets ratio is 0.58 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 0.58, NESCO PLC carry **moderate** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. NESCO's EBITDA is negative, hence NESCO may be unable to make repayment of its debt by its own. With negative EBITDA, NESCO poses **very high** risk for GoB. In response to high ratio, NESCO revealed that some projects are in progress that is yet to commissioned while their loan has been accounted in total debt. In other words, loan against project has been incorporated in total debt but the project has not start to produce cash flow yet. Thus, net income and EBITDA remain same while the total debt has increased significantly which led to negative EBITDA.

14.8 According to the records, Northern Electricity Supply Company PLC did not involve in any quasi-fiscal activities in FY 2022-23.

14.9 According to the records, no statutory obligation and no lawsuit is pending against NESCO PLC. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for NESCO PLC in FY 2022-23.

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15. Bangladesh Rural Electrification Board (BREB)

15.1 Rural Electrification Board (REB) was established on October 31, 1977, under the Rural Electrification Board Ordinance, 1977(ordinance No: LI of 1977. Later on, in 2013 REB ordinance 1977 was repealed and replaced by Bangladesh Rural Electrification Board Act No 57 of 2013. BREB is assigned to ensure uninterrupted electricity supply in rural and semi-urban areas of Bangladesh. BREB is the largest power distribution organization in Bangladesh. It plays a vital role in socio-economic advancement in rural areas such as agriculture, industry, education, health, and infrastructure development by electrification. BREB has established 80 Palli Bidyut Samities all over Bangladesh, covering 61 districts that include 462 Upazillas of the country to ensure uninterrupted and quality electricity supply to its consumers for sustainable socio-economic development of Bangladesh. Power Division, The Ministry of Power, Energy & Mineral Resources has the oversight responsibility for BREB. Bangladesh Rural Electrification Board (BREB) mainly performs the following function:

- Responsible for distributing electricity in rural and semi-urban areas of Bangladesh;
- Responsible to expand irrigation facilities and rural industrial development through rural electrification;
- Transfer the complete schemes to Palli Bidyut Samaties for operation, maintenance and management;
- Responsible for building sub-stations and distribution lines in rural areas;
- Install smart and prepaid meters for customers.
- Ensure un-interrupted electricity supply;
- Reduce distribution system loss by adopting modern technology;
- Ensure customer-friendly services and quality electricity supply;

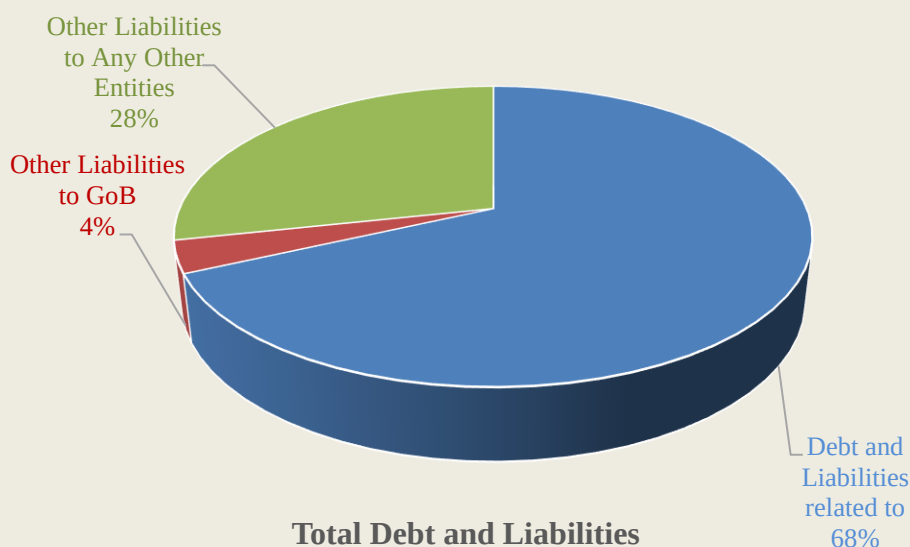
15.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Rural Electrification Board (BREB) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2026)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	111,971,868,939.00	110,357,453,555.00	-1.44%	0.00
2	Debt and Liabilities related to GoB under LA	47,500,000.00	76,500,000.00	61.05%	0.00
3	Debt and Liabilities related to GoB(1+2)	112,019,368,939.00	110,433,953,555.00	-1.42%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00

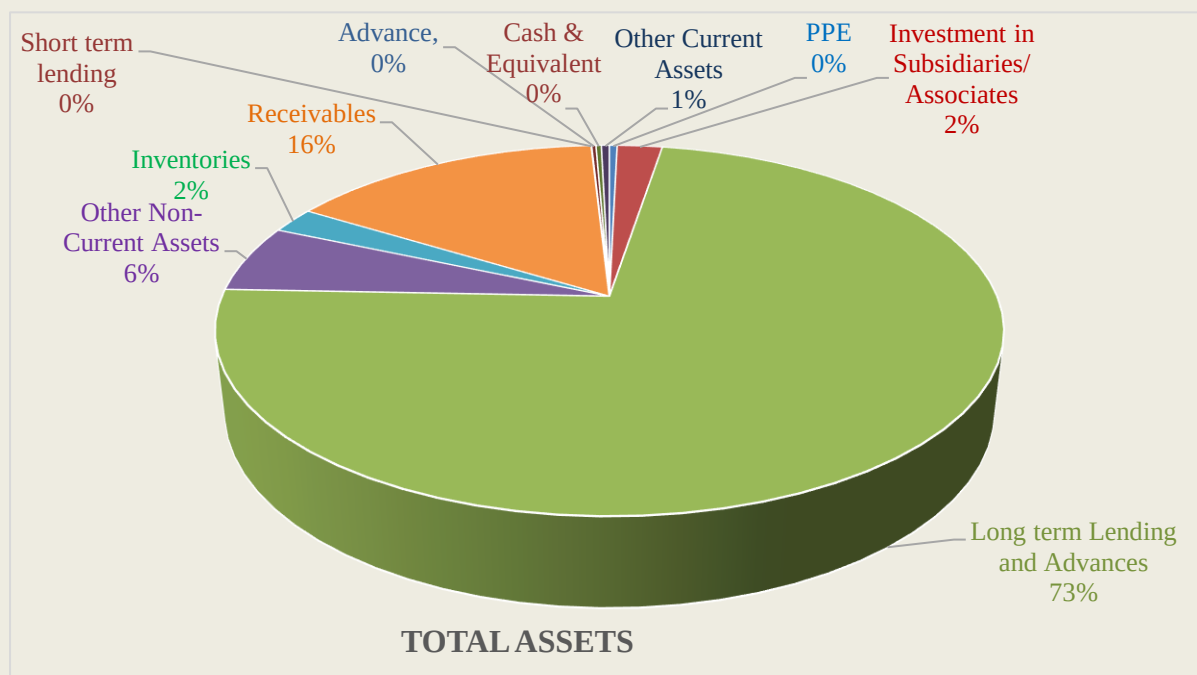
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2026)	Change (%)	Amount Due for Previous Year
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities for GoB	3,124,006,265.00	5,597,597,764.00	79.18%	0.00
15	Any Other Liabilities to Any Other Entities	34,908,140,631.00	45,935,041,519.68	31.59%	0.00
16	Other Debt and liabilities (12+13+14+15)	38,032,146,896.00	51,532,639,283.68	35.50%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	150,051,515,835.00	161,966,592,838.68	7.94%	0.00
18	Debt and liabilities form GoB (3+14)	115,143,375,204.00	116,031,551,319.00	0.77%	0.00
19	Debt to Entities other than GoB (17-18)	34,908,140,631.00	45,935,041,519.68	31.59%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

15.3 Statement of Debt and Liabilities in FY 2022-23



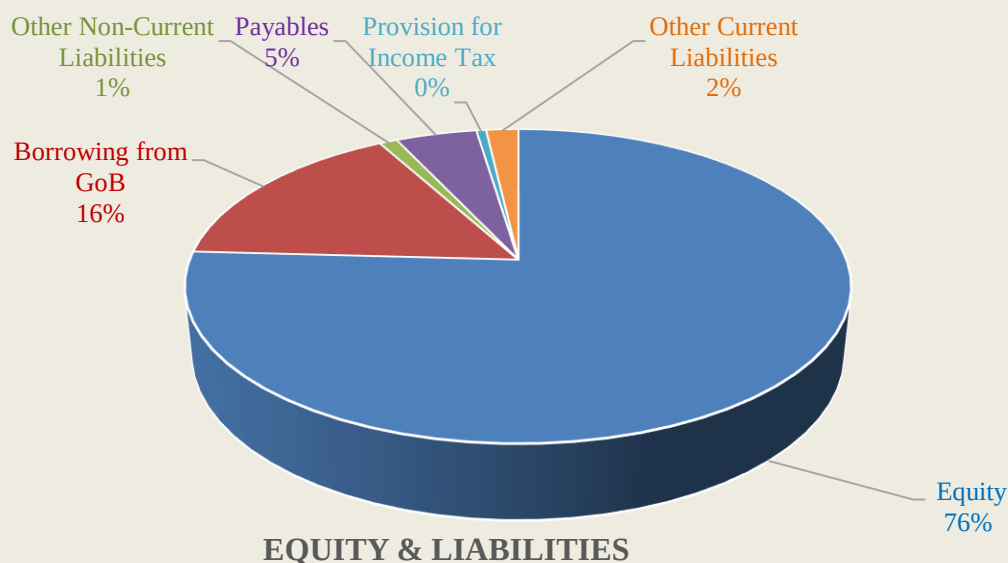
According to the financial statement of BREB, total debt was BDT 161,966.59 million as of 30th June, 2023. Out of this amount, the major portion 68% liabilities related to GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA) followed by other liabilities that cover 28% and finally 4% other liabilities to GoB which are current liabilities. So long-term liability is 68% of total liabilities and all belongs to GoB. Accordingly, if BREB become default in debt repayment it will create fiscal risk for GoB.

15.4 The composition of Assets in FY 2022-23:



According to the Financial Statement total assets in FY 2022-23 was BDT 670,793.13 million. Out of this amount the major portion 73% is long term lending and advances followed by receivables 16%, other non -current assets 6%, inventory 2%, investment in subsidiaries 2% and finally 1% other current assets. Besides cash & cash equivalent, PPE and advance has insignificant portion and shown as 0% in pie chart.

15.5 The composition of Liabilities and Equity in FY 2022-23:



The composition of equity and liability demonstrates that equity occupies 76% followed by borrowing from GoB 16% which are non-current liability. Besides it holds 1% other non-current liabilities. On the other hand, current liability includes 5% payables and 2% other current liabilities. The composition revealed that growth of BERB is highly equity driven and this situation may reduce fiscal risk exposure for GoB. Being heavily equity financed, BREB poses low fiscal risk for GoB.

15.6 Fiscal risk from Bangladesh Rural Electrification Board (BREB) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BREB

Particular	Result	Risk	Score
Cost recovery	4.89	Very Low	1
Return on Equity (ROE)	1.94.%	Moderate	3

Table – 3: Liquidity Ratio – BREB

Particular	Result	Risk	Score
Current ratio	2.64	Very Low	1
Creditor turnover days	132	Very High	5

Table – 4: Solvency Ratio – BREB

Particular	Result	Risk	Score
Debt to total assets	0.24	Very Low	1
Debt to EBITDA	11.76	Very High	5
Total Score			16
Average Score:			3(2.67)
Overall Risk Rating:			Moderate
Previous Year's Overall Risk Rating			Low

15.7 The ratio analysis shows that BREB's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BREB 's cost recovery ratio is 4.89 and according to threshold value it goes under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 4.89 BREB poses **very low** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BREB 's ROE is 1.94% and according to threshold ROE 0 to less than 8.0 fits moderate-risk category. With ROE 1.94 %, BREB poses **moderate** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BREB is 2.64 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.64, BREB poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 132 days, BREB poses **very high** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BREB's debt to assets ratio is 0.24 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt

(vi) to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 0.24, BREB carry **very low** risk for GoB; and

(vii) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. BREB's debt to EBITDA ratio is 11.76 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 11.76, BREB poses **very high** risk for GoB.

15.8 According to the records, BREB has carried out quasi-fiscal activities of BDT 2,319.80 million in FY 2022-23.

15.9 According to the records, no statutory obligation and no lawsuit is pending against BREB. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for BREB in FY 2022-23.

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Energy and Mineral Resources Division



16. Bangladesh Petroleum Corporation (BPC)

16.1 Bangladesh Petroleum Corporation (BPC) was established by President's Ordinance No 88 in 1976. Later on, BPC Ordinance 1976 was replaced by Bangladesh Petroleum Corporation Act 2016. BPC is assigned to import crude and refined oil and lubricants for the country. BPC is also responsible for distributing and marketing the fuel oil throughout the country. Eight companies are now operating under BPC. Since July 1999, BPC is importing lead free gasoline and diesel with reduced Sulphur content from the international market for marketing in the country. Energy and Mineral Resources Division, Ministry of Power, Energy and Mineral Resources has the oversight responsibility for BPC. BPC Plays important roles in the economic development of the country by supplying fuel. Bangladesh is in 77th position in global index of petroleum oil consumption. Countries 92% fuel demand is fulfilled by import and rest 8% from domestic sources. Bangladesh Petroleum corporation (BPC) mainly performs the following functions:

- Import of crude oil and refined Petroleum Products based on requirement of the country.
- Process of crude oil & produce different grades of Petroleum.
- Import and produce lubricant oil.
- Control the Petroleum market through its own subsidiary companies.
- Set up of plant for recycling used lubricants.

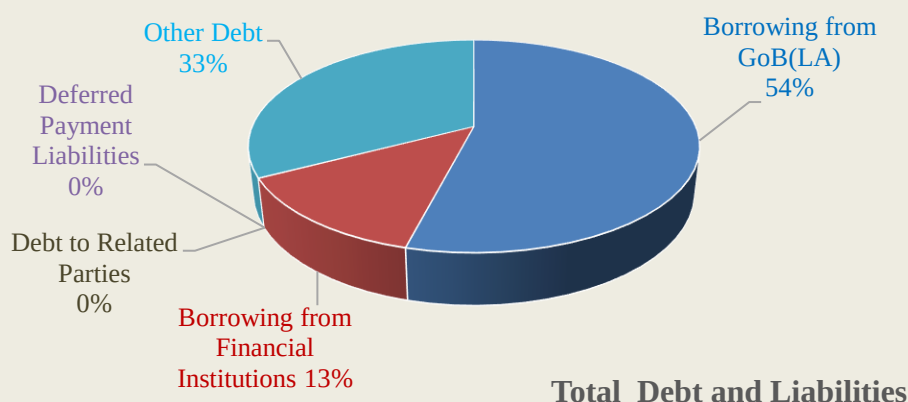
16.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Petroleum Corporation (BPC) for the FY 2022-23 which has been prepared based on the data collected through Form –1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

					Amount in BDT
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (1 st July, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and Liabilities related to GoB under LA	288,598,083,668.00	280,218,950,000.00	-2.90%	0.00
3	Debt and Liabilities related to GoB(1+2)	288,598,083,668.00	280,218,950,000.00	-2.90%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	52,619,503,322.00	68,872,553,607.00	30.89%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	52,619,503,322.00	68,872,553,607.00	30.89%	0.00
8	Deferred Payment Liabilities	29,390,306.00	644,270.00	-97.81%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	300,797,292.00	300,797,292.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	300,797,292.00	300,797,292.00	0.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities for GoB	4,840,867,006.00	17,129,607,451.00	253.85%	0.00
15	Any Other Liabilities to Any Other Entities	124,115,205,477.00	151,794,501,408.00	22.30%	0.00

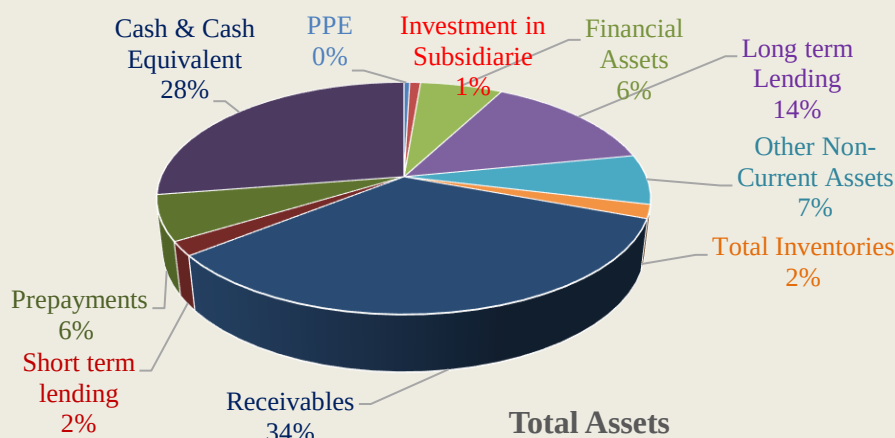
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (1 st July, 2023)	Change (%)	Amount Due for Previous Year
16	Other and liabilities Debt(12+13+14+15)	128,956,072,483.00	168,924,108,859.00	30.99%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	470,503,847,071.00	518,317,054,028.00	10.16%	0.00
18	Debt and liabilities for GoB (3+14)	293,438,950,674.00	297,348,557,451.00	1.33%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	177,064,896,397.00	220,968,496,577.00	24.80%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	274,198,100,000.00	274,198,100,000.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	52,619,503,322.00	68,872,553,607.00	30.89%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

16.3 Statement of debt and liabilities in FY 2022-23



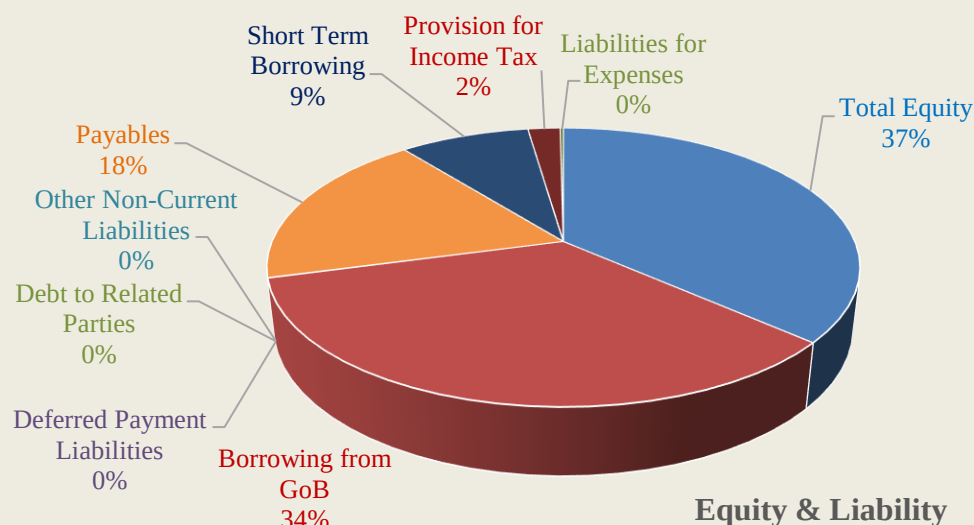
According to the financial statement of Bangladesh Petroleum Corporation (BPC), the total debt was BDT 518,317.054 million as of 30th June 2023. Out of this amount, major portion 54% is liabilities related to GoB under Subsidiary loan Agreement (SLA) and Loan agreement (LA) followed by other debt (other liabilities to GoB & other liabilities to any other entities) 33% and 13% liabilities related to Financial Institution. Besides there exists Deferred payment liabilities and debt related to related party which are less than 1% and depicted as 0% in pie chart. Most of long-term liability are related to GoB under LA and if BPC failed to make repayment, it will cause a fiscal risk for GoB.

16.4 The composition of Assets in FY 2022-23



According to the financial statement total assets in FY 2022-23 was BDT 815,946.99 million. Out of this amount major portion is receivables 34% followed by long term lending 14%, other non-current assets 7%, Financial assets 6% and prepayment 6%. Besides, others assets are inventories 2%, short term lending 2%, investment in subsidiaries 1% and finally PPE is less than 1% which shows as 0% in pie chart. The composition shows that long term assets of about 28% of total assets.

16.5 The composition of liability and Equity in FY 2022-23:



The composition shows that major portion is equity that covers 37% followed by liabilities related GoB 34%, then payables 18% and finally short-term borrowing 9% of total debt and equity. In addition, other liabilities are provision for income tax 2% and liabilities that are less than 1% of total debt and liabilities are Deferred Liabilities, Debt to related parties, other noncurrent liabilities and liabilities for expense. The composition reveals that growth of BPC financed by both equity and Liability.

16.6 Fiscal risk from Bangladesh Petroleum Corporation (BPC) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BPC

Particular	Result	Risk	Score
Cost recovery	1.08	Moderate	3
Return on Equity (ROE)	15.41%	Very Low	1

Table – 3: Liquidity Ratio – BPC

Particular	Result	Risk	Score
Current ratio	2.44	Very Low	1
Creditor turnover days	24	Very Low	1

Table – 4: Solvency Ratio – BPC

Particular	Result	Risk	Score
Debt to total assets	0.64	Moderate	3
Debt to EBITDA	7.03	Very High	5

Total Score	
Average Score	2 (2.3)
Overall Risk Rating	Low

16.7 The ratio analysis shows that BPC's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. BPC 's cost recovery ratio is 1.08 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.08 BPC poses **moderate** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BPC 's ROE is 15.41% and according to threshold value it fits low-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 15.41 %, BPC poses **very low** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BPC is 2.44 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.44, BPC poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 24 days, BPC poses **very low** risk for GoB; and
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BPC's debt to assets ratio is 0.64 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 0.64, BPC carry **moderate** risk for GoB.
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BPC's debt to EBITDA ratio is 7.03 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 7.03, BPC poses **very high** risk for GoB.

16.8 According to the records, BPC did not involve in any quasi-fiscal activities in FY 2022-23.

16.9 According to the records, no statutory obligation and no lawsuit is pending against BPC. It has not issued any guarantee yet. So Contingent Liabilities is not foreseen for Bangladesh Petroleum Corporation (BPC) in FY 2022-23.

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17. Eastern Refinery Limited (ERL)

17.1 Eastern Refinery Limited (ERL), a subsidiary of Bangladesh Petroleum Corporation (BPC) is a public limited Company incorporated under Companies Act 1913 (Amended in 1994). The project was conceived and initiated in 1963 by a group of the then Pakistani entrepreneurs and after emergence of Bangladesh, ERL's operation were over seen first by Bangladesh Mineral Oil & Gas Corporation (BMOGC) & then by Petro Bangla. To run the oil sector (both refining & marketing) efficiently & effectively, Bangladesh Petroleum Corporation (BPC) was setup on 1st January 1977 and ERL was placed under BPC. Since then, ERL has become a subsidiary of BPC and BPC own 100% share of ERL. The Registered office and plant located at North Patenga, Chattogram-4000, Bangladesh. The principal activities of the company throughout are refining of Crude oil on account of BPC & Export Handling Commission.

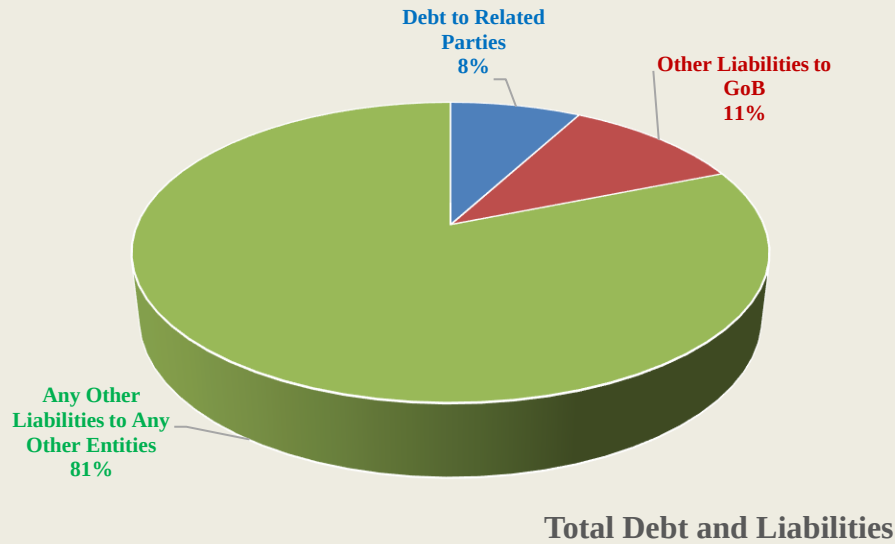
17.2 The following Table–1 presents the statement of debt and liabilities of Eastern Refinery Limited (ERL) for the FY 2021-22 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

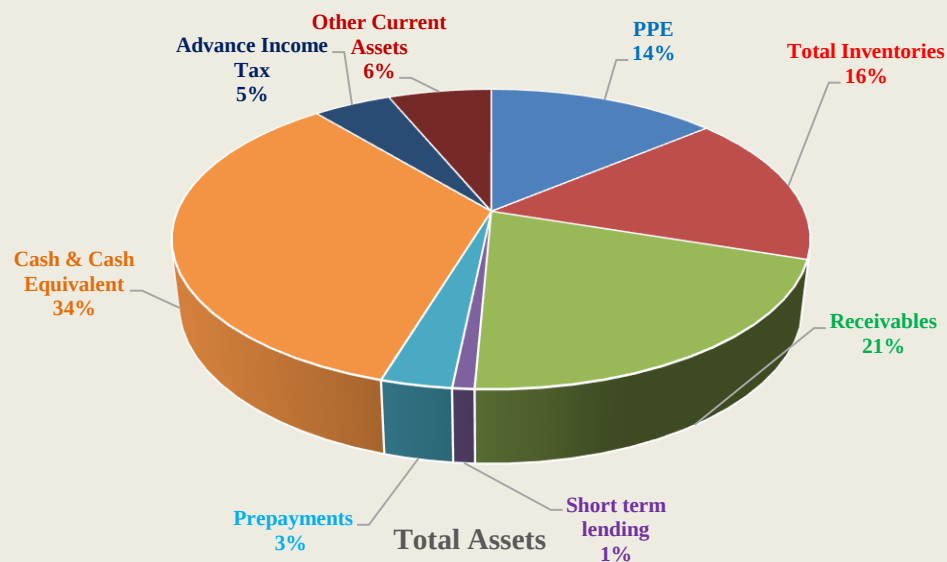
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	63,558,000.00	63,558,000.00	0.00%	0.00
10	Other Liabilities to Related Parties	255,674,000.00	252,091,000.00	-1.40%	0.00
11	Debt and liabilities to Related Parties(9+10)	319,232,000.00	315,649,000.00	-1.12%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	489,241,000.00	438,299,000.00	-10.41%	0.00
15	Any Other Liabilities to Any Other Entities	1,057,408,000.00	3,237,722,000.00	206.19%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,546,649,000.00	3,676,021,000.00	137.68%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,865,881,000.00	3,991,670,000.00	113.93%	0.00
18	Debt and liabilities to GoB (3+14)	489,241,000.00	438,299,000.00	-10.41%	0.00
19	Debt to Entities other than GoB (17-18)	1,376,640,000.00	3,553,371,000.00	158.12%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

17.3 Statement of Debt and Liabilities in FY 2022-23:



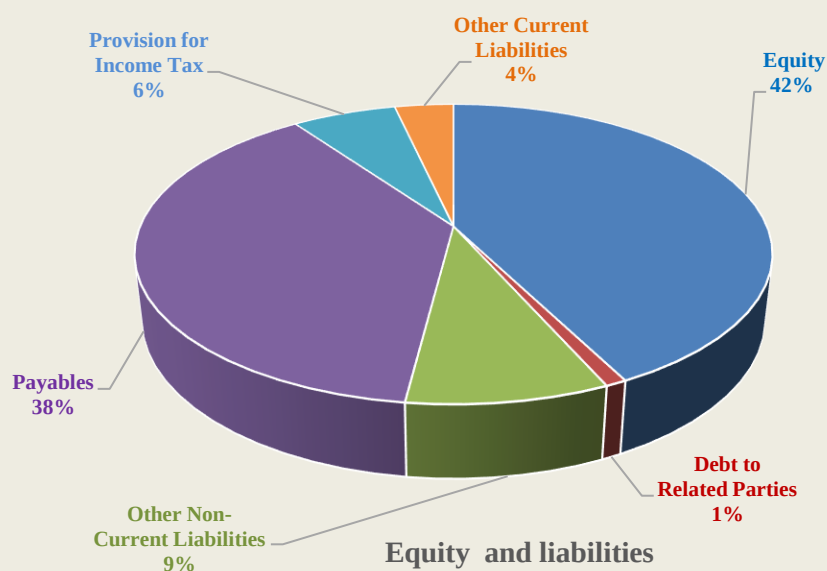
According to the financial statement of Eastern Refinery Limited (ERL), the total debt was BDT 3,991.67 million BDT as of 30th June 2023. Out of this amount, major portion is 'other liabilities to any other entities' 81% followed by other liabilities to GoB 11% and finally 8% debt to related party which is long term liabilities. More importantly ERL does not hold any liability related to GoB under SLA and LA. Based on the statement, ERL poses very low fiscal risk for GoB.

17.4 The composition of assets in FY 2022-23:



According to the financial statement major portion of assets is 'cash and cash equivalent' 34% followed by receivables 21%, inventories 16% and 14% PPE. In addition, ERL also hold advance income tax 5%, other current assets 6% and prepayments 3% and 1% short-term lending. Based on the asset's composition, long term assets 14% and current assets is 86%.

17.5 The composition of Equity and Liabilities:



According to the equity and liability composition major portion 42% is equity followed by payables 38%, non-current liabilities 9%, provision for income tax 6%, other current liabilities 4% and finally 1% debt to related parties. The composition shows that long term liabilities is about 10% and equity is 42%, which means that ERL's growth is equity driven. So, it poses low fiscal risk for GoB.

17.6 Fiscal risk from Bangladesh Energy Regulatory Commission (ERL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – ERL

Particular	Result	Risk	Score
Cost recovery	1.21	Moderate	3
Return on Equity (ROE)	12.01%	Low	2

Table – 3: Liquidity Ratio – ERL

Particular	Result	Risk	Score
Current ratio	1.79	Low	2
Creditor turnover days	27	Very Low	1

Table – 4: Solvency Ratio – ERL

Particular	Result	Risk	Score
Debt to total assets	0.58	Moderate	3
Debt to EBITDA	6.71	Very High	5
Total Score			16
Average Score			3 (2.66)
Overall Risk rating			Moderate
Previous Year's Overall Risk Rating			Very Low

17.7 The ratio analysis shows that ERL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. ERL 's cost recovery ratio is 1.21 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.21 ERL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. ERL's ROE is 12.01% and according to threshold value it fits low-risk category. ROE value between 8% and less than 15% is considered as moderate-risk category. With ROE 12.01% ERL poses **low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of ERL is 1.79 appears to be good and as per threshold value it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.79 ERL poses **low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 is considered as very low-risk category. Securing Creditor Turnover Days of 27 days, ERL poses **very low** risk to GoB; and
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. ERL's debt to assets ratio is 0.58 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.58, ERL carry **moderate** risk for GoB.
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. ERL's debt to EBITDA ratio is 6.71 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 6.71, ERL poses **very high** risk for GoB.

17.8 According to the records, ERL did not involve in any quasi-fiscal activities in FY 2022-23.

17.9 According to the records, no statutory obligation and no lawsuit are pending against ERL. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for ERL in FY 2022-23.

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18. Padma Oil Company Limited (POCL)

18.1 Padma Oil Company was incorporated as a Public Limited Company on 27 April 1965 under the name and style of Burmah Eastern Limited having its registered office at Chattogram. In 1977, Burmah Eastern Limited became a subsidiary of Bangladesh Petroleum Corporation (POCL). The name of the company was changed to Padma Oil Company Limited (POCL) with effect from 3rd September 1988 and its shares are listed with both the Chittagong Stock Exchange (CSE) Limited and Dhaka Stock Exchange (DSE) Limited. The company has set up its factory at Guptakhal, Chattogram and commenced commercial production from 1st April 2008. The registered office of the company is situated at Padma Bhaban, Strand Road, Sadarghat, Chattogram, Bangladesh.

The principal activities of the company are to procure, storage and marketing of petroleum products, Lubricants, Greases, Bitumen and LPG. In addition, the company manufacture Agro Chemical products namely -- Furadan in its Granular Pesticides Formulation Plant.

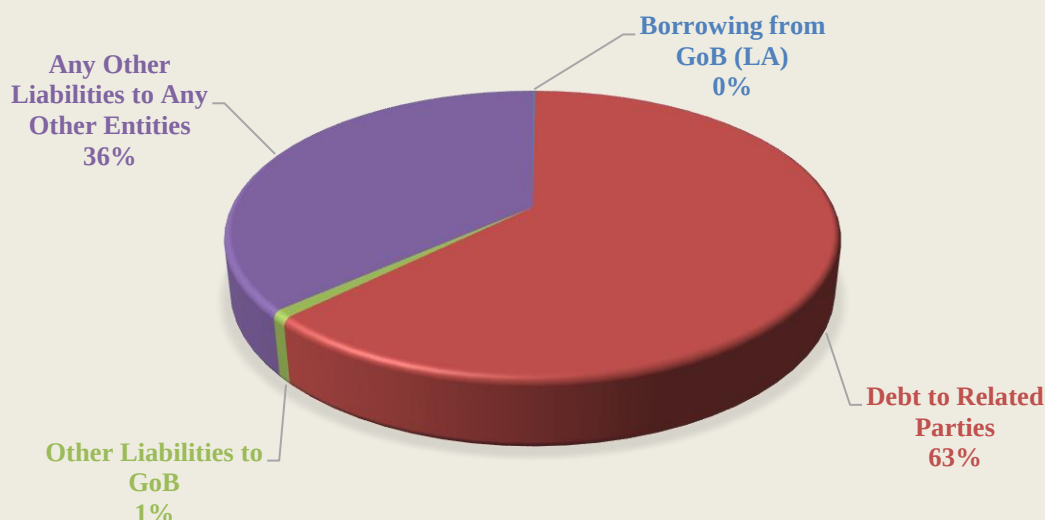
18.2 The following Table – 1 presents the statement of debt and liabilities of Padma Oil Company Limited (POCL) for the FY 2022-23 which has been prepared based on the data collected through Form – 1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	183,463,000.00	183,463,000.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	183,463,000.00	183,463,000.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	75,115,370,000.00	82,607,801,000.00	9.97%	0.00
11	Debt and liabilities to Related Parties(9+10)	75,115,370,000.00	82,607,801,000.00	9.97%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities for GoB.	202,122,000.00	1,098,048,000.00	443.26%	98,900,914.00
15	Any Other Liabilities to Any Other Entities	18,872,498,000.00	48,190,366,000.00	155.35%	18,872,498,000.00
16	Other Debt and liabilities (12+13+14+15)	19,074,620,000.00	49,288,414,000.00	158.40%	18,971,398,914.00
17	Total Debt and liabilities (3+7+8+11+16)	94,373,453,000.00	132,079,678,000.00	39.95%	18,971,398,914.00
18	Debt and liabilities for GoB. (3+14)	385,585,000.00	1,281,511,000.00	232.35%	98,900,914.00
19	Debt and liabilities to Entities other than GoB (17-18)	93,987,868,000.00	130,798,167,000.00	39.16%	18,872,498,000.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00

21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

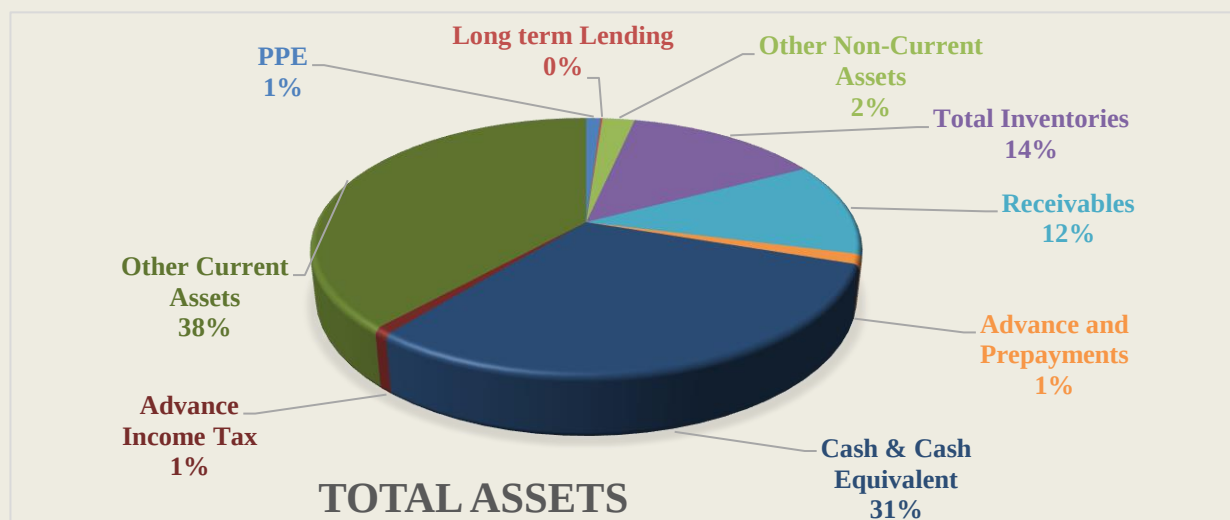
18.3 Statement of Debt and Liabilities in FY 2022-23:



TOTAL DEBT & LIABILITIES

According to the financial statement of Padma Oil Company Limited (POCL), the total debt is BDT 132,079.68 million as of 30th June 2023. Out of this amount, the major portion is 'debt to related party' (63%), followed by 'other liabilities to any other entities' (36%), and finally 1% other liabilities to GoB of total debt and liabilities. Remarkably, POCL does not hold liabilities related to GoB under the Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). If POCL fails to make repayment of its long-term liabilities it may cause fiscal risk for GoB.

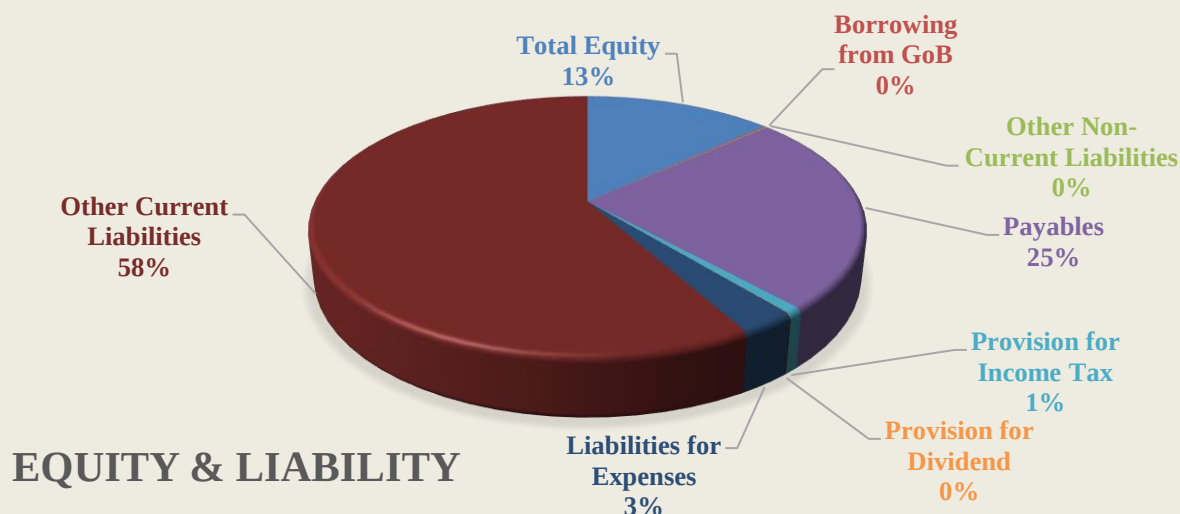
18.4 The composition of Assets in FY 2022-23:



According to the financial statement in FY 2022–23, total assets were BDT 152.066.43 million. Out of these assets,

major portion are other current assets 38%, cash and cash equivalents 31%, inventories 14%, receivables 12%, other noncurrent assets 2%, prepayments 1%, and finally 1% advance income tax. The composition shows that long-term assets are only 2% and current assets are about 98% of total assets.

18.5 The composition of Equity and Liabilities:



According to the composition of liabilities and equity, other current assets' cover major portion 58%, payables 25%, equity 13%, liability for expenses 3%, and finally provision for 1% income tax. Besides, other non-current liabilities, borrowing from Gob, and provision for dividends are less than 1%, which has shown as 0% in the pie chart. The equity and liability composition shows that current liabilities are 87% and the remaining 13% is equity. Thus, the growth of POCL is equity driven and poses low fiscal risk for GoB.

18.6 Fiscal risk from Padma Oil Company Limited (POCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – POCL

Particular	Result	Risk	Score
Cost recovery	1.01	Moderate	3
Return on Equity (ROE)	17.49%	Very Low	1

Table – 3: Liquidity Ratio – POCL

Particular	Result	Risk	Score
Current ratio	1.11	High	4
Creditor turnover days	42	Low	2

Table – 4: Solvency Ratio – POCL

Particular	Result	Risk	Score
Debt to total assets	0.87	High	4
Debt to EBITDA	26.06	Very High	5
Total score			19
Average Score			3 (3.17)
Overall Risk Rating			Moderate
Previous year's Overall Risk Rating			Moderate

18.7 The ratio analysis shows that POCL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1 to 1.25 falls under the moderate-risk category. POCL's cost recovery ratio is 1.01, and according to the threshold value, it goes under the moderate fiscal risk category. With a cost recovery ratio of 1.01 POCL, it poses **moderate** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 15% and above is considered a very low-risk category. POCL's ROE is 17.49%, and according to the threshold value, it fits the very low-risk category. A ROE value of 15% and above is considered a very low-risk category. With ROE 17.49%, POCL poses **very low** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio of 1.00 to 1.25 considered as high-risk category. The current ratio of POCL is 1.11, which appears to be poor, and as per the threshold value table, it matches the very high-risk category. So, having a current ratio of 1.11 POCL poses **high** fiscal risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 to 60 considered as low-risk category. With a Creditor Turnover Days of 42 days, POCL poses **low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of 0.75 to 1.0 is in the high-risk category. POCL's debt to assets ratio is 0.87 and according to the threshold value it fits under the high-risk category. With a debt to assets ratio of 0.87, POCL carries **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to the very high-risk category. POCL 's debt to EBITDA ratio is 26.06 and according to the threshold value it fits under very high-risk category. With a Debt to EBITDA ratio of 26.06, POCL poses **very high** risk for GoB.

18.8 According to the records, POCL was not involved in any quasi-fiscal activities in FY 2022–23.

18.9 According to the records, no statutory obligation and no lawsuit is pending against POCL. It has not issued any guarantee yet. So Contingent Liabilities is not foreseen for POCL in FY 2022–23.

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19. Jamuna Oil Company Limited (JOCL)

19.1 In 1964 Pakistan National Oil Limited (PNOL), the maiden National Oil Company was established as a private limited company. The company started functioning with an authorized capital of Tk. 2.00 crore. After the Independence of Bangladesh in 1971 the Government of the People's Republic of Bangladesh acquired the assets and liabilities of Pakistan National Oil Limited by Bangladesh Abandoned Property (control, Management & Disposal) Order, 1972 (P. O. No. 16 of 1972) and the Company was renamed as Bangladesh National Oil Limited. The Company was finally renamed Jamuna Oil Company Limited (JOCL) by the Government on 13 January 1973. The main function of the company are marketing of octane, petrol, diesel, kerosene, furnace oil, bitumen and lubricants in Bangladesh.

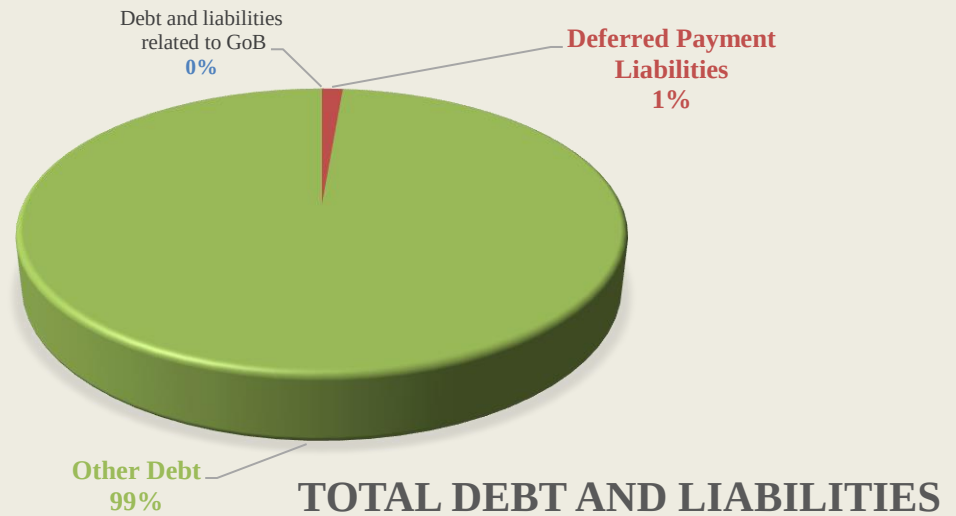
19.2 The following Table-1 presents the statement of debt and liabilities of Jamuna Oil Company Limited (JOCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

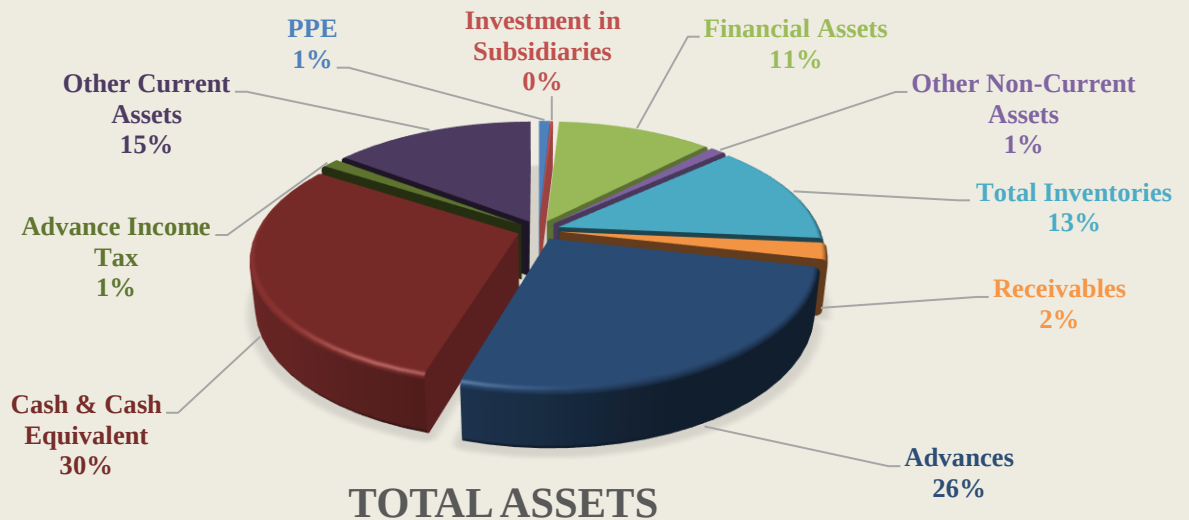
SL No	Particulars of Debt and Liabilities	Opening Balance 1 st July 2022	Ending Balance 30 th June 2023	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	1,045,130,736.00	1,132,755,836.00	8.38%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	545,755,616.00	877,446,758.00	60.78%	0.00
15	Any Other Liabilities to Any Other Entities	48,024,349,547.00	83,623,647,500.00	74.13%	0.00
16	Other Debt and liabilities (12+13+14+15)	48,570,105,163.00	84,501,094,258.00	73.98%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	49,615,235,899.00	85,633,850,094.00	72.60%	0.00
18	Debt and liabilities to GoB (3+14)	545,755,616.00	877,446,758.00	60.78%	0.00
19	Debt/liability to Entities other than GoB (17-18)	49,069,480,283.00	84,756,403,336.00	72.73%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

19.3 Statement of Debt and Liabilities:



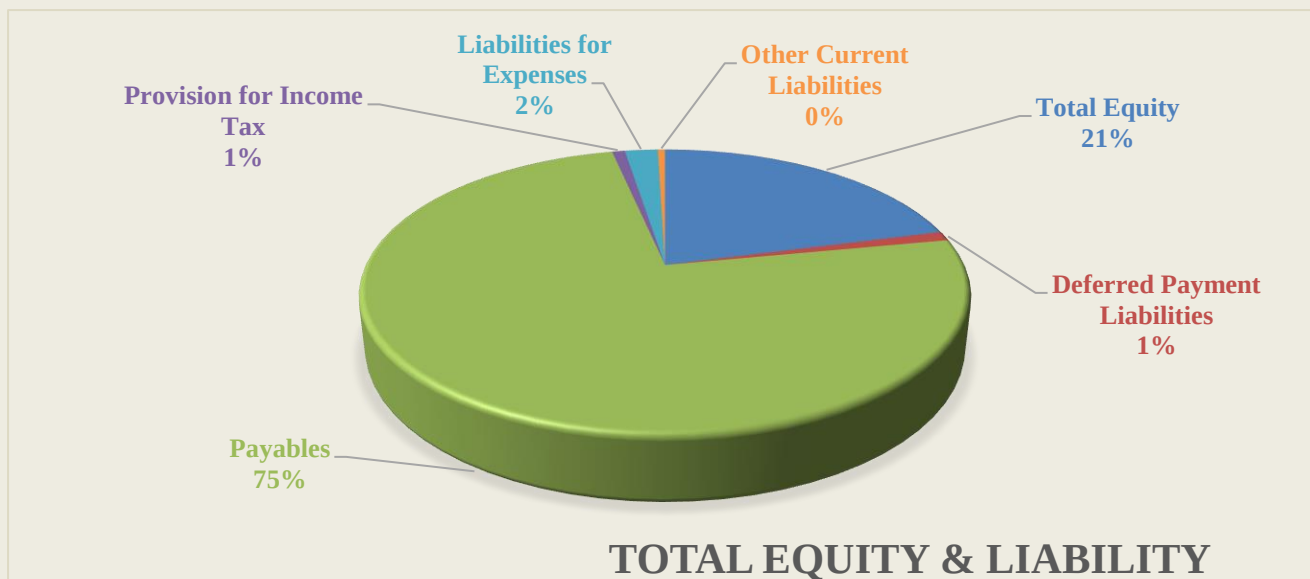
According to the financial statement of Jamuna Oil Company Limited (JOCL), the total debt is BDT 85,633.85 million as of 30th June 2023. Out of this amount, a major portion 99% is other debt and liabilities (other debt to GoB and other debt to any other entity) and 1% deferred payment liabilities, which are non-current liabilities. However, JOCL does not hold liabilities related to GoB under both SLA and LA. Considering the non-existence of a subsidiary loan agreement (SLA) and loan agreement (LA), JOCL is less likely to cause fiscal risk for GoB.

19.4 Composition of Assets in FY 2022-23:



According to the financial statement, total assets in FY 2022–23 were BDT 108,324.65 million. Out of these assets, a major portion is 30% cash and cash equivalent, 26% advances/prepaids, other current assets are 15%, inventories are 13%, financial assets are 11%, receivables are 2%, and finally 1% share for each of advance income tax, PPE, and other non-current assets. The asset composition shows that long term assets cover 13% of total assets compared to 87% current assets.

19.5 Statement of Equity and Liabilities in FY 2022-24:



The equity and liability composition shows that payables occupy 75%, followed by equity 21%, liabilities for expenses 2%, deferred payment liabilities 1%, which is noncurrent liabilities, and 1% provision for income tax. Besides, noncurrent liability is less than 1%, which is shown as 0% in the pie chart. The composition shows that growth of JOCL equity driven and thus less likely to cause fiscal risk for GoB.

19.6 Fiscal risk from Jamuna Oil Company Limited (JOCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – JOCL

Particular	Result	Risk	Score
Cost recovery	1.02	Moderate	3
Return on Equity (ROE)	15.02%	Very Low	1

Table – 3: Liquidity Ratio – JOCL

Particular	Result	Risk	Score
Current ratio	1.11	High	4
Creditor turnover days	118	High	4

Table – 4: Solvency Ratio – JOCL

Particular	Result	Risk	Score
Debt to total assets	0.79	High	4
Debt to EBITDA	17.74	Very High	5
Total Score			21
Average Score			4 (3.5)
Overall Risk Rating			High
Previous year's Overall Risk Rating			Moderate

19.7 The ratio analysis shows that JOCL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1 to 1.25 falls under the moderate-risk category. JOCL's cost recovery ratio is 1.02, and according to the threshold value, it goes under the moderate fiscal risk category. With a cost recovery ratio of 1.02, JOCL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. ROE value of 15% and above is considered a very low-risk category. JOCL's ROE is 15.02%, and according to the threshold value, it fits a very low-risk category. With ROE 15.02%, JOCL poses **very low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligations or those due within one year. A current ratio of 1.0 to 1.5 is considered a high-risk category. The current ratio of JOCL is 1.11, which appears to be poor, and as per the threshold value table, it matches the high-risk category. So, having a current ratio of 1.11 JOCL poses **high** fiscal risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 90 to 120 days is considered a high-risk category. With a Creditor Turnover Days of 118 days, JOCL poses **high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio between 0.75 to 1.0 matches the high-risk category. JOCL's debt to assets ratio is 0.79, and according to the threshold value, it fits under the high-risk category. With debt to assets ratio of 0.79, JOCL carries **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to the very high-risk category. JOCL's debt to EBITDA ratio is 17.74, and according to the threshold value, it fits under the very high-risk category. With a Debt to EBITDA ratio of 17.74, JOCL poses **very high** risk for GoB.

19.8 According to the records, JOCL was not involved in any quasi-fiscal activities in FY 2022-23.

19.9 According to the records, JOCL has no pending litigation, but its statutory obligation is BDT 387.66 million for the financial year 2022–23. So JOCL possesses a contingent liability of BDT 387.66 million for GoB.

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20. Meghna Petroleum Limited (MPL)

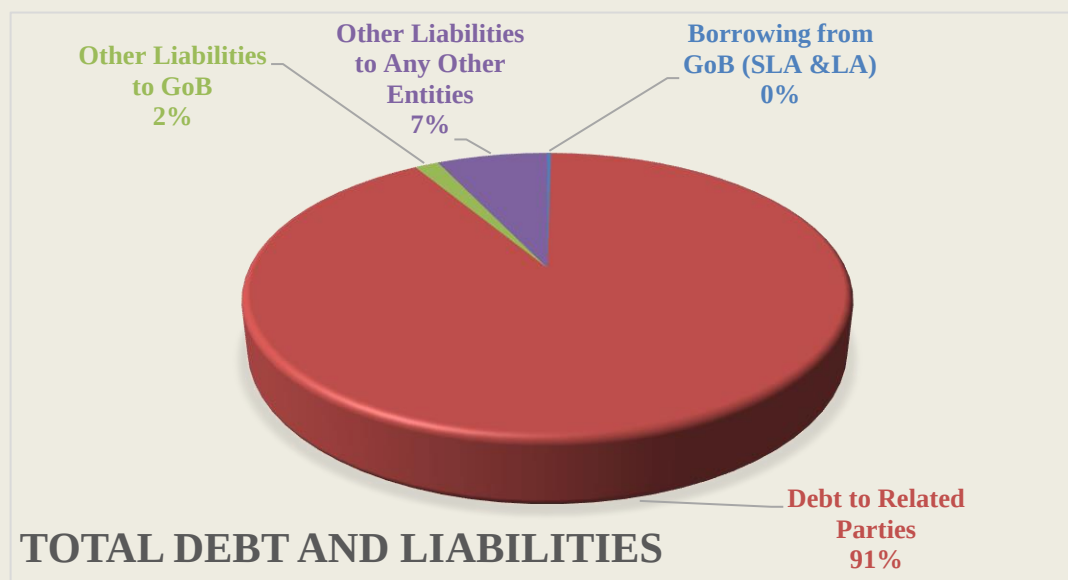
20.1 Meghna Petroleum Limited was incorporated in Bangladesh on 27 December 1977 as a Private Limited Company. Subsequently, it was converted into a Public Limited Company on 29 May 2007 vide a special resolution dated 20 May 2007 under the Companies Act 1994. The main activities are to supply fuel oil throughout the country and receive and store fuel oil on behalf of BPC in the light of government and BPC guidelines. In other words, main functions are procuring, storing and marketing of Petroleum, Products, Lubricants, Bitumen, LPG & Battery Water.

20.2 The following Table–1 presents the statement of debt and liabilities of Meghna Petroleum Limited (MPL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

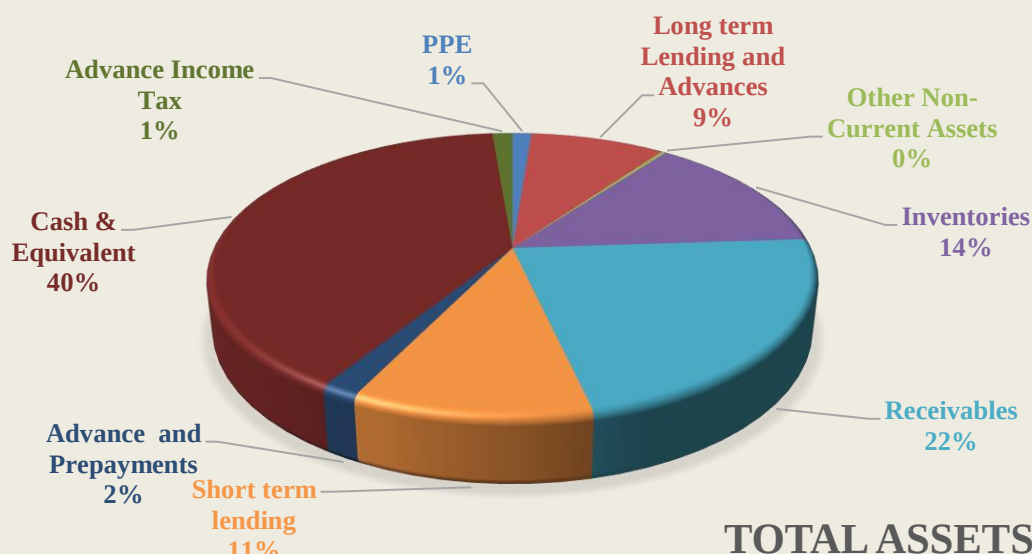
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	196,918,403.16	203,997,705.16	3.60%	94,356,168.93
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	196,918,403.16	203,997,705.16	3.60%	94,356,168.93
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	57,268,756,936.21	78,071,749,701.21	36.33%	0.00
11	Debt and liabilities to Related Parties(9+10)	57,268,756,936.21	78,071,749,701.21	36.33%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	891,687,165.00	1,315,444,452.00	47.52%	0.00
15	Any Other Liabilities to Any Other Entities	4,794,252,549.00	6,072,989,178.00	26.67%	0.00
16	Other Debt and liabilities (12+13+14+15)	5,685,939,714.00	7,388,433,630.00	29.94%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	63,151,615,053.37	85,664,181,036.37	35.65%	94,356,168.93
18	Debt and liabilities to GoB (3+14)	1,088,605,568.16	1,519,442,157.16	39.58%	94,356,168.93
19	Debt and liabilities to Entities other than GoB (17-18)	62,063,009,485.21	84,144,738,879.21	35.58%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

20.3 Statement of Debt and Liabilities in FY 2022-23:



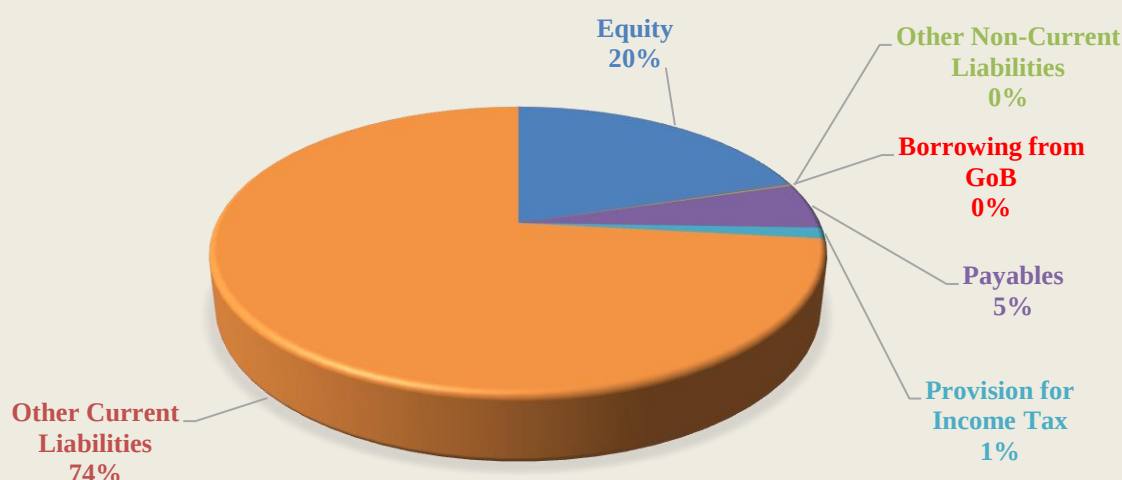
According to the financial statement of MPL, the total debt is BDT 85,664.18 million as of 30th June 2023. Out of this amount, major portion 91% is liabilities to related parties followed by 'other liabilities to any other entities' 7% and other liabilities to GoB 2% which is by nature current liability. Besides borrowing from GoB is less than 1% and shown as 0% in the pie chart. As the liabilities related to GoB under SLA and LA is less than 1% of total liability, MPL poses very low fiscal risk for GoB.

20.4 The composition of assets in FY 2022-23



According to the financial statement total assets in FY 2022-23 were BDT 107,308.33 million. Out of these assets major portion 40% is 'cash & cash equivalent' followed by receivables 22%, Inventories 14%, short term lending 11%, Long term lending 9%, PPE 1%, advance and prepayment 2% and advance income tax 1%.

20.5 The composition of equity and liabilities in FY 2022-23:



EQUITY & LIABILITIES

According to the financial statement, total equity and liabilities' major portion 74% is other current liabilities, followed by equity 20%, payables 5%, and 1% provision for income tax. Besides, MPL holds liabilities related to GoB and other non-current liabilities, both of which are less than 1%, which shows as 0% in the pie chart. The equity and liabilities composition shows that equity occupies 20% compared to 0% non-current liabilities, which indicated that MPL's growth is financed by equity as well as less likely to pose fiscal risk for GoB.

20.6 Fiscal risk from Meghna Petroleum Limited (MPL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – MPL

Particular	Result	Risk	Score
Cost recovery	1.02	Moderate	3
Return on Equity (ROE)	20.43%	Very Low	1

Table – 3: Liquidity Ratio – MPL

Particular	Result	Risk	Score
Current ratio	1.13	High	4
Creditor turnover days	6	Very Low	1

Table – 4: Solvency Ratio – MPL

Particular	Result	Risk	Score
Debt to total assets	0.80	High	4
Debt to EBITDA	13.16	Very High	5
Total score			18
Average Score			3
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Low

20.7 The ratio analysis shows that Meghna Petroleum Limited (MPL)'s risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, a cost recovery ratio between 1.00 to 1.25 indicates a moderate-risk category. MPL's cost recovery ratio is 1.02, and according to the threshold value, it goes under the moderate fiscal risk category. With a cost recovery ratio of 1.02 MPL, it poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 15% and above is considered a very low-risk category. MPL's ROE is 20.43%, and according to the threshold value, it fits the low-risk category. With ROE 20.43%, MPL poses **very low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligations or those due within one year. A current ratio of 1.0 to 1.25 is considered a high-risk category. The current ratio of MPL to 1.13 appears to be poor, and as per the threshold value, it matches the high-risk category. So, having a current ratio of 1.13 MPL poses **high** for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With a Creditor Turnover Days of 6 days, MPL poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio between 0.75 and 1.0 matches the high-risk category. MPL's debt to assets ratio is 0.80, and according to the threshold value, it fits under the high-risk category. With a debt to assets ratio of 0.80, MPL carries **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. MPL's debt to EBITDA ratio is 13.16 and according to threshold value it fits under very high-risk category. With Debt to EBITDA ratio of 13.16, MPL poses **very high** risk for GoB.

20.8 According to the records, Meghna Petroleum Limited (MPL) did not involve in any quasi-fiscal activities in FY 2022-23.

20.9 According to the records, no statutory obligation and no pending litigation are existing against MPL. So, no Contingent Liabilities are expected for MPL in FY 2022-23.

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21. LP Gas Limited (LPG)

21.1 LP Gas Limited (LPG), was incorporated on 3rd March 1983 as a Private Limited Company, subsequently it was converted into Public Limited Company from 17th April, 1988 under the Companies Act, 1913. This is a subsidiary company of Bangladesh Petroleum Corporation (BPC). Further LPG Kailashtila Plant, situated at Sylhet and LPG plant, Chittagong are merged plant of LP Gas Limited with effect from 01.07.2003 as per decision of the Board Meeting of BPC No.649 held on 13.10.2003. The Registered office of the company situated at North Patenga, Chittagong. The main functions of the company are bottling of LP Gas in cylinder and distribution to the respective agents and customers into the country. This company on an average has been supplying over 20,000 M. tons of LPG to various parts of the country which is roughly 15%-20% of the current demand.

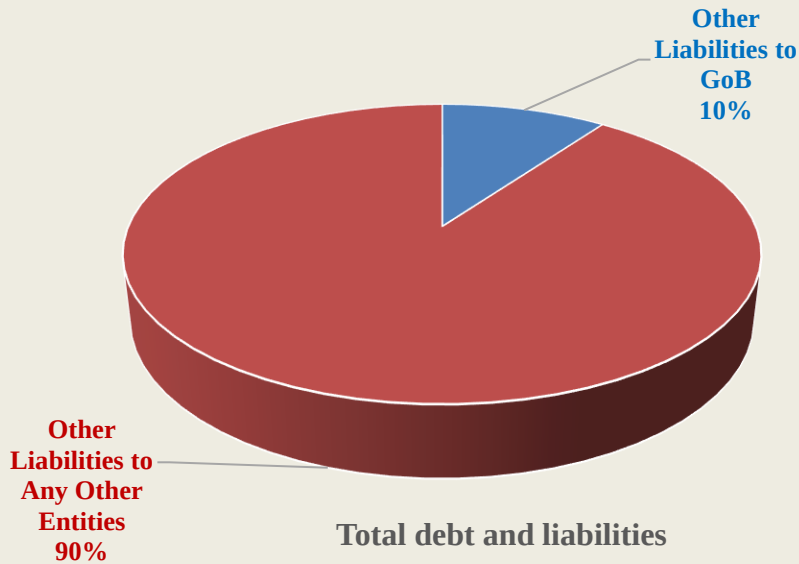
21.2 The following Table-1 presents the statement of debt and liabilities of LP Gas Limited (LPG), for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

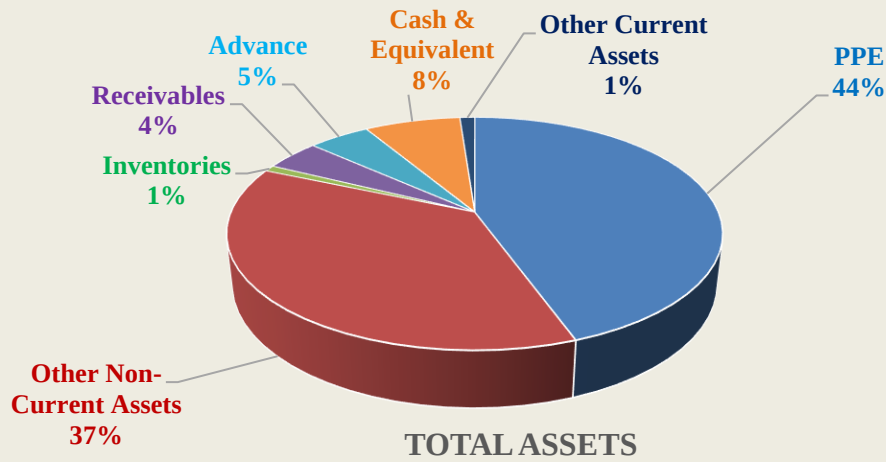
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	195,956.00	0.00	100.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	195,956.00	0.00	100.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	13,115,187.00	31,378,205.00	139.25%	0.00
15	Any Other Liabilities to Any Other Entities	271,237,759.00	282,463,149.00	4.14%	0.00
16	Other Debt and liabilities (12+13+14+15)	284,352,946.00	313,841,354.00	10.37%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	284,548,902.00	313,841,354.00	10.29%	0.00
18	Debt and liabilities to GoB (3+14)	13,115,187.00	31,378,205.00	139.25%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	271,433,715.00	282,463,149.00	4.06%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

21.3 Statement of debt and liabilities in FY 2022-23:



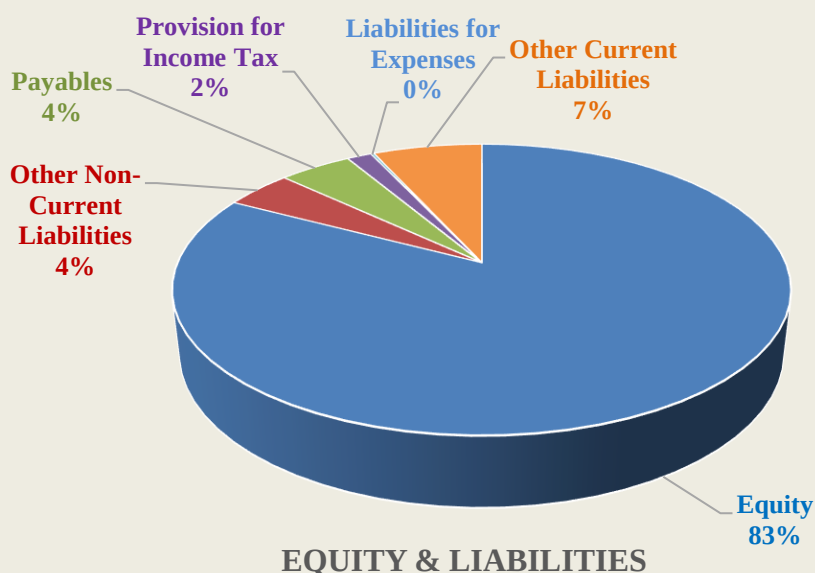
According to the financial statement of LP Gas Limited (LPG) the total debt is BDT 313.84 million as of 30th June 2023. Out of this amount, major portion 90% is 'liabilities to any other entities', most of them are by nature current liabilities and remaining 10% belongs to other liabilities to GoB. which are current liabilities in nature. The financial statement shows that LP Gas does not hold any liabilities related to GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). Thus, LP Gas is less likely to poses cause fiscal risk for GoB.

21.4 The composition of assets in FY 2022-234:



According to the Financial Statement of LP Gas in FY 2022-23 total assets was BDT 1,813.05 million. Out of these assets major portion 44% is PPE, followed by 37% other non-current assets, cash & cash equivalent 8%, advances 5%, receivables 4% and finally 1% inventories. The statement shows that 81% of total assets is covered by long-term assets and remaining 19 % is current assets.

21.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that equity covers 83% followed by non-current liabilities 4%, other current liabilities 7%, payables 4% and 2% provision for income tax. So, LP Gas's growth is highly financed by equity compared to assets and it is unlikely to cause fiscal risk for GoB.

21.6 Fiscal risk from LP Gas Limited (LPG) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – LPG

Particular	Result	Risk	Score
Cost recovery	1.19	Moderate	3
Return on Equity (ROE)	4.95%	Moderate	3

Table – 3: Liquidity Ratio – LPG

Particular	Result	Risk	Score
Current ratio	1.42	Moderate	3
Creditor turnover days	59	Low	2

Table – 4: Solvency Ratio – LPG

Particular	Result	Risk	Score
Debt to total assets	0.17	Very Low	1
Debt to EBITDA	2.74	Moderate	3
Total score			15
Average score			2.5
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Moderate

21.7 The ratio analysis shows that LPG's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. LPG 's cost recovery ratio is 1.19 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.19 LPG poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. LPG 's ROE is 4.95% and according to threshold value it fits moderate-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 4.95 %, LPG poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of LPG is 1.42 appears to be not healthy and as per threshold value table it matches with moderate-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.42, LPG poses **moderate** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 59 days, LPG poses **low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. LPG's debt to assets ratio is 0.17 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 matches very low risk category. With debt to assets ratio of 0.17, LPG carry **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. LPG's debt to EBITDA ratio is 2.74 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 2.74, LPG poses **moderate** risk for GoB.

21.8 According to the records, LP Gas Limited (LPG) did not involve in any quasi-fiscal activities in FY 2022-23.

21.9 According to the records, no statutory obligation and no lawsuit are pending against LPG. So, no Contingent Liabilities is foreseen for LPG in FY 2022-23.

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22. Eastern Lubricants Blenders Limited (ELBL)

22.1 Eastern Lubricants Blenders Limited is a subsidiary of the government-owned Bangladesh Petroleum Corporation. The company had officially started operations in 1960. Eastern Lubricants Blenders Limited started production in 1963 as the East Pakistan Lubricants Blenders Limited in Chittagong; it was owned by Burmah Oil Company. In 1972 the company's name was changed to Eastern Lubricants Blenders Limited. In 1977, ELBL became a subsidiary company of Bangladesh Petroleum Corporation (BPC). Presently BPC holds 51% shares and remaining 49% share are held by public and private institutions. The main activities of the company are blending of Lubricating oil and Greases on behalf of Petroleum marketing companies, trading Base Oil with Petroleum marketing companies and marketing of Batteries.

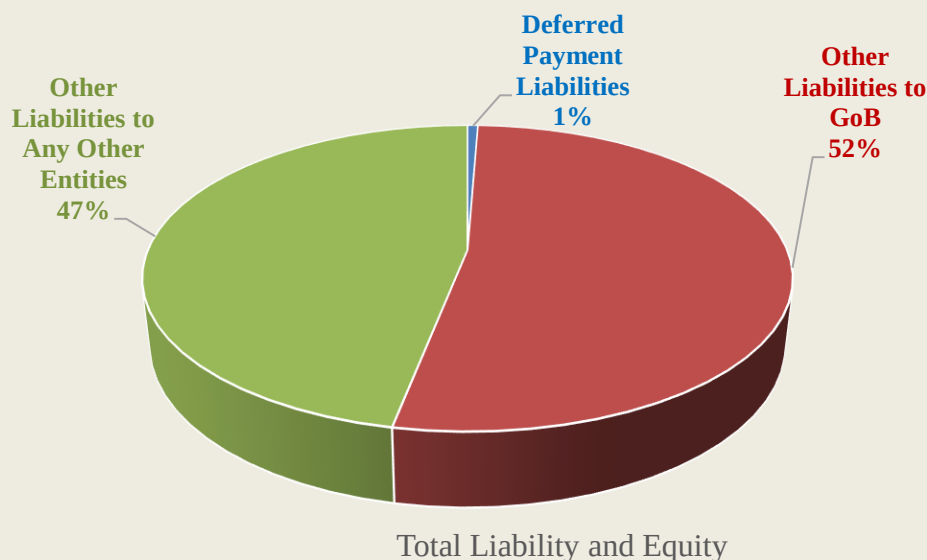
22.2 The following Table-1 presents the statement of debt of Eastern Lubricants Blenders Limited (ELBL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

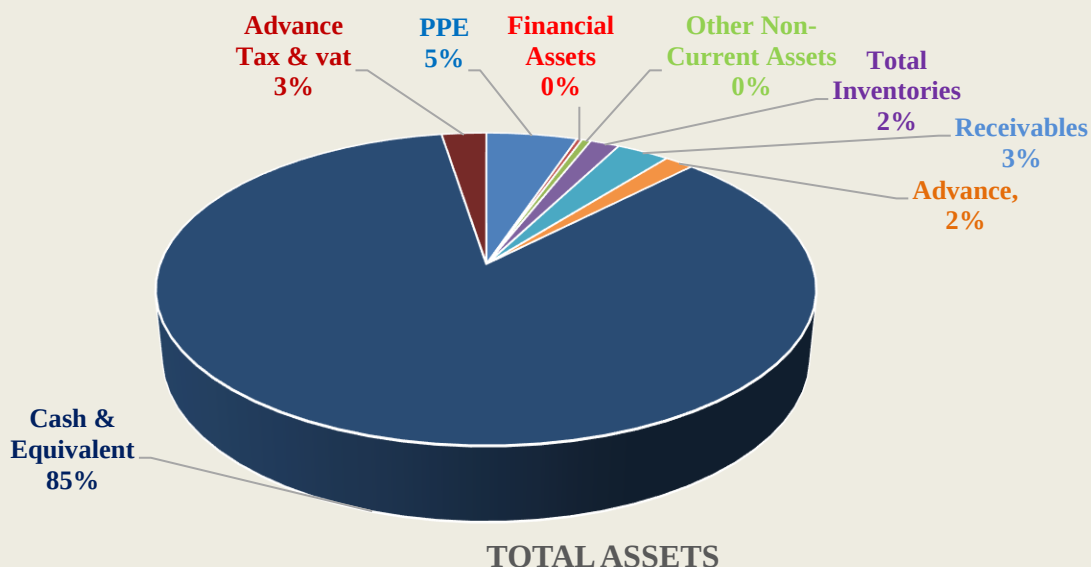
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	763,000.00	2,129,000.00	179.03%	763,000.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	49,355,000.00	180,730,000.00	266.18%	49,355,000.00
15	Any Other Liabilities to Any Other Entities	159,848,000.00	161,578,000.00	1.08%	159,848,000.00
16	Other Debt and liabilities (12+13+14+15)	209,203,000.00	342,308,000.00	63.62%	209,203,000.00
17	Total Debt and liabilities(3+7+8+11+16)	209,966,000.00	344,437,000.00	64.04%	209,966,000.00
18	Debt and liabilities to GoB (3+14)	49,355,000.00	180,730,000.00	266.18%	49,355,000.00
19	Debt and liabilities to Entities other than GoB (17-18)	160,611,000.00	163,707,000.00	1.93%	160,611,000.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee.	0.00	0.00	0.00%	0.00

22.3 Statement of liabilities and equity in FY 2022-23:



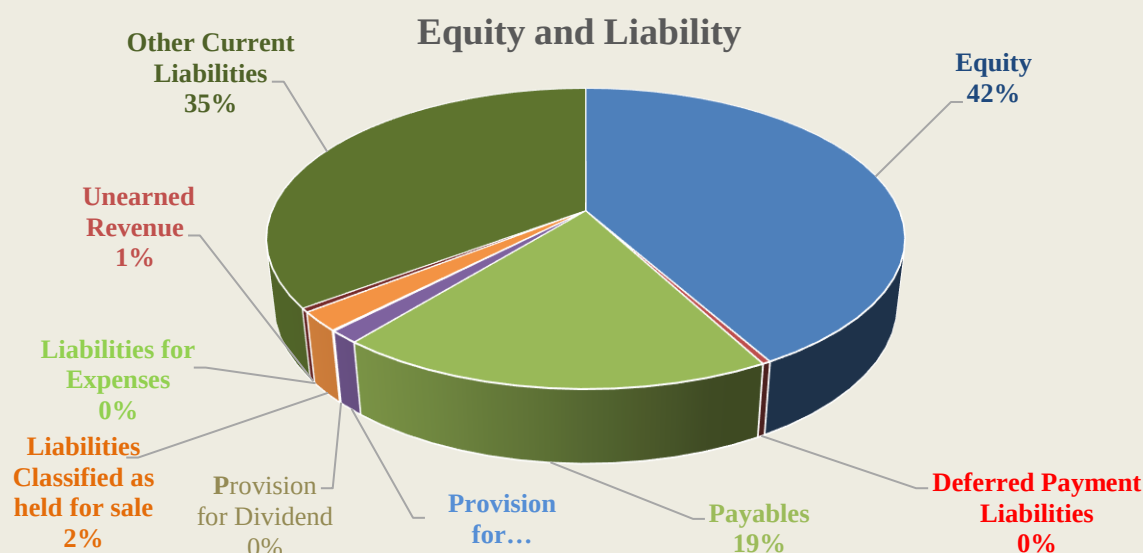
According to the financial statement of Eastern Lubricants Blenders Limited (ELBL), the total debt is BDT 344.44 million as of 30th June 2023. Out of this amount, major portion 52% is other liabilities to GoB (tax payables & other current liabilities) followed by 'other liabilities to any other entities' which are current liabilities and finally 1% deferred payment liabilities which are non-current liabilities. According to the financial statement ELBL does not hold long term liabilities related to GoB under Subsidiary Loan Agreement and Loan Agreement. Thus, ELBL less likely to cause fiscal risk for GoB.

22.4 The composition of assets in FY 2022-243:



According to the financial statement of ELBL total assets in FY 2022-23 was BDT 591.92 million. Out of these amounts major portion 85% is cash & cash equivalent followed by PPE 5%, receivables 3%, advance VAT and Tax 3%, inventories 2% and finally 2% advances / prepaids. Besides financial assets and other non-current assets hold insignificant amount which has shown as 0% in pie chart.

22.5 The composition of equity and liability in FY 2022-23



The composition of equity and liability shows that equity cover major portion 42% followed by other current liabilities 35%, payables 19%, liabilities classified as held for sales 2%, provision for income tax 1% and finally 1% unearned revenue. Based on the composition of equity and liability, the growth of ELBL is mostly financed by equity compared to long-term liability which less than 1% of total equity and liability. Thus, ELBL less likely to cause fiscal risk for GoB.

22.6 Fiscal risk from Bangladesh Energy Regulatory Commission (ELBL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – ELBL

Particular	Result	Risk	Score
Cost recovery	1.07	Moderate	3
Return on Equity (ROE)	11.55%	Low	2

Table – 3: Liquidity Ratio – ELBL

Particular	Result	Risk	Score
Current ratio	1.63	Low	2
Creditor turnover days	73	Moderate	3

Table – 4: Solvency Ratio – ELBL

Particular	Result	Risk	Score
Debt to total assets	0.58	Moderate	3
Debt to EBITDA	8.54	Very High	5
Total score			18
Average Score			3
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Moderate

22.8 The ratio analysis shows that ELBL's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. ELBL 's cost recovery ratio is 1.07 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.07, ELBL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. ELBL 's ROE is 11.55% and according to threshold value it fits low-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 11.55 %, ELBL poses **low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of ELBL is 1.63 appears to be not healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.63 ELBL poses **low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 73 days, ELBL poses **moderate** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. ELBL's debt to assets ratio is 0.58 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.58, ELBL carry **moderate** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. ELBL's debt to EBITDA ratio is 8.54 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 8.54, ELBL poses **very high** risk for GoB. In this connection, ELBL argue that under construction project increase loan / debt amount while produce no cash flow which in turn increases Debt to EBITDA ratio. Moreover, debt in power sector is long term with grace period and repayment period is like 10 to 25 years. Besides, it has public service delivery obligation.

22.9 According to the records, ELBL did not involve in any quasi-fiscal activities in FY 2022-23.

22.10 According to the records, no statutory obligation and no lawsuit are pending against ELBL. So, no Contingent Liabilities is foreseen for ELBL in FY 2022-23.

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23. Bangladesh Petroleum Exploration and Production Company Limited

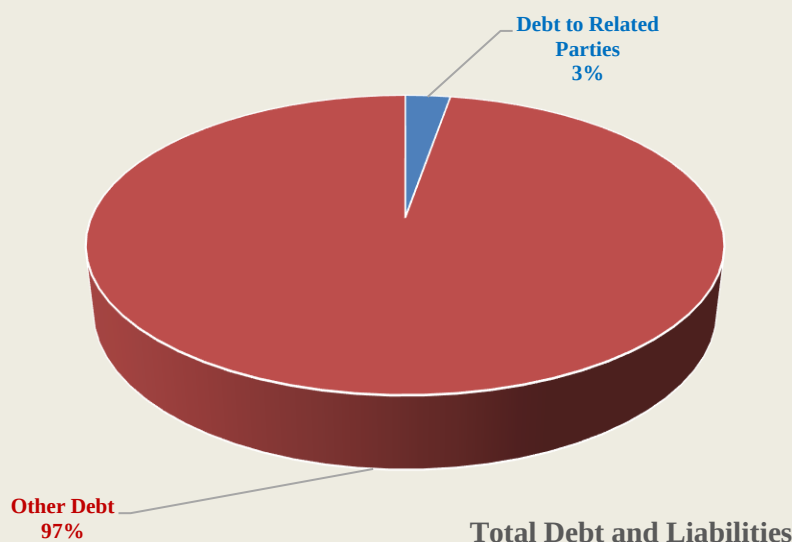
23.1 Bangladesh Petroleum Exploration and Production Company Limited was established in 1989 by the Government of Bangladesh through dissolving the Exploration Directorate of Petrobangla . It has been incorporated in the Office of Registrar of Joint Stock Companies on 23rd April 2002. The main activities of the Company are to carry out Geological and Geophysical Survey, Investigation and Drilling for Exploration, Development, and Production of Hydrocarbon Resources by taking different schemes and projects duly approved by the Government from time to time.

23.2 The following Table–1 presents the statement of debt Debt & Liabilities of Bangladesh Petroleum Exploration and Production Company Limited (BAPEX) for the FY 2022-23 which has been prepared on the basis of the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt Debt & Liabilities

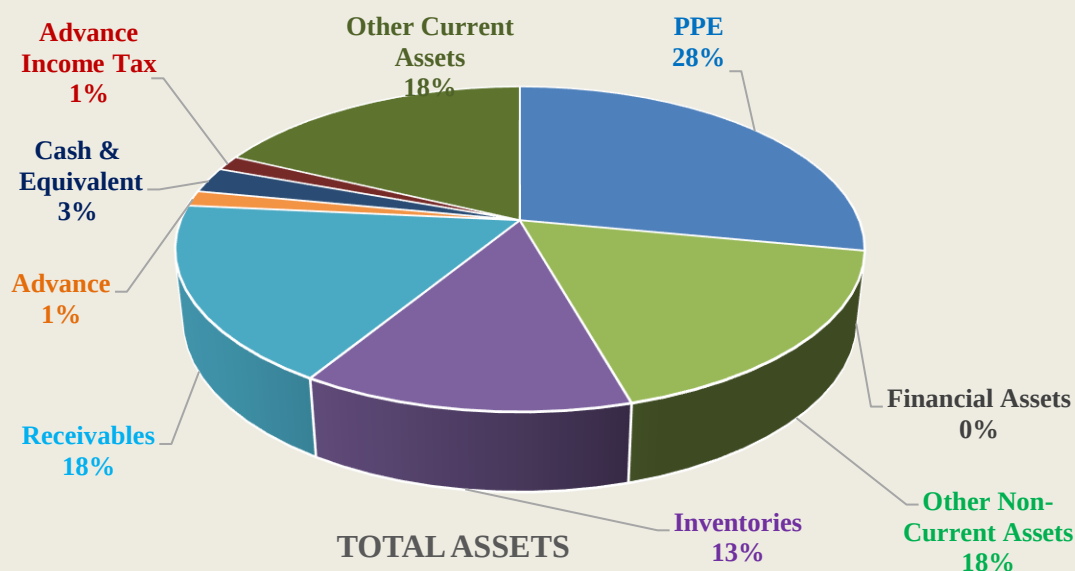
Amount in BDT					
Serial No	Particulars of Debt & Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	1,671,830,136.97	1,488,900,000.00	-10.94%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	1,671,830,136.97	1,488,900,000.00	-10.94%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	37,028,521,070.53	44,348,375,108.77	19.77%	0.00
14	Other Liabilities to GoB	525,952,162.27	221,667,271.79	-57.85%	0.00
15	Any Other Liabilities to Any Other Entities	7,064,625,918.81	8,597,185,724.96	21.69%	0.00
16	Other Debt and liabilities (12+13+14+15)	44,619,099,151.61	53,167,228,105.52	19.16%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	46,290,929,288.58	54,656,128,105.52	18.07%	0.00
18	Debt and liabilities to GoB (3+14)	525,952,162.27	221,667,271.79	-57.85%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	45,764,977,126.31	54,434,460,833.73	18.94%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

23.3 Statement of Debt and Liabilities in FY 2022-23



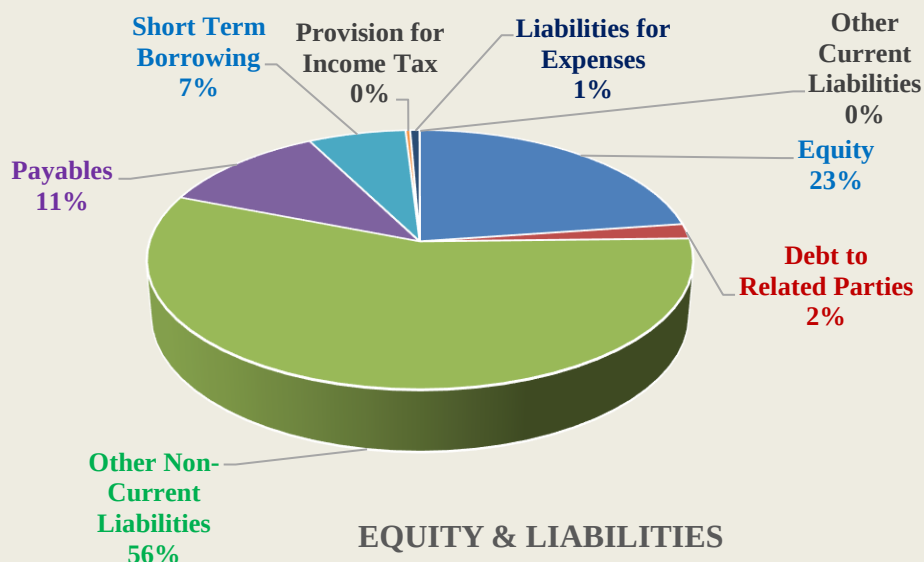
As per the financial statement of Bangladesh Petroleum Exploration and Production Company Limited (BAPEX), the total debt is BDT 54,656.13 million as of 30th June, 2023. Out of this amount, Liability to related party is only 3% and major portion 97% belongs to other sources. Importantly BAPEX does not hold any liability under Subsidiary Loan Agreements (SAL) and Loan Agreement (LA). The debt and Liability composition indicates that poses low fiscal risk to Gob.

23.4 The composition of Assets in FY 2022-23.



The asset composition shows that major portion 28% of total assets belongs to PPE followed by 18% other non-current assets. This two types of assets combinedly occupy 46% of total assets and by nature these are noncurrent assets. The remaining 54% assets are current asset that includes Receivables 18%, other current assets 18%, inventories 13%, and cash & cash equivalent 3% of total assets.

23.5 The composition of Equity and Liability:



The composition of equity and liabilities in FY 2022-23 shows that a major portion of total equity and liability is other non-current liabilities that cover 56% followed by equity at 23%, payables at 11%, short-term borrowing at 7%, debt to related parties 2%, and finally 1% liabilities for expenses. The composition shows that long-term liabilities are 58% compared to equity at 23% which indicates that BAPEX's growth is driven by liabilities. However, these long-term liabilities are outside of GoB, so BAPEX poses a low fiscal risk for GoB.

23.6 Fiscal risk from Bangladesh Petroleum Exploration and Production Company Limited (BAPEX) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following Tables.

Table – 2: Profitability Ratio – BAPEX

Particular	Result	Risk	Score
Cost recovery	1.15	Moderate	3
Return on Equity (ROE)	3.21%	Moderate	3

Table – 3: Liquidity Ratio – BAPEX

Particular	Result	Risk	Score
Current ratio	2.85	Very Low	1
Creditor turnover days	2878	Very High	5

Table – 4: Solvency Ratio – BAPEX

Particular	Result	Risk	Score
Debt to total assets	0.77	High	4
Debt to EBITDA	25.37	Very High	5
Total Score			21
Average Score			4(3.50)
Overall Risk Rating			High

23.7 The ratio analysis shows that Bangladesh Petroleum Exploration and Production Company Limited (BAPEX)'s risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. BAPEX 's cost recovery ratio is 1.15 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio of 1.0 to below 1.25 falls under moderate risk category. With cost recovery ratio 1.15 BAPEX poses moderate fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BAPEX 's ROE is 3.21% and according to the threshold value, it fits the moderate-risk category. ROE value between 0% to less than 8% is considered a moderate-risk category. With an ROE of 3.21 %, BAPEX poses a moderate fiscal risk to GoB;
- (iii) The current ratio measures a company's ability to pay short-term obligations or those due within one year. The current ratio of BAPEX is 1.92 appears to be good and as per the threshold value table, it fits the low-risk category. A current ratio of 2.0 and above is considered a very low-risk category. So, having a current ratio of 2.85 BAPEX poses a low for GoB;
- (iv) Creditor Turnover Days measures the speed an SOE pays its suppliers. According to the threshold value, creditors with turnover days of 120 and above are considered a very high-risk category. With a Creditor Turnover Days of 2878 days, BAPEX poses a very high risk to GoB. In response to very high creditor turnover days, BAPEX appealed that it had long pending receivables to the Government organization that led to long pending payables. It argued that if government organizations pay regularly the creditor turnover days will reduce sharply;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BAPEX's debt-to-assets ratio is 0.77 and according to the threshold value, it fits under the moderate risk category. Considering the threshold value, debt to assets ratio between 0.75 to less than 1.0 falls under high-risk category. With a debt to assets ratio of 0.77, BAPEX carry **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. BAPEX's debt to EBITDA ratio is 25.37 and according to the threshold value it fits under the very high-risk category. Considering the threshold value, the debt to EBITDA ratio of 5.0 and above belongs to the very high-risk category. Securing an EBITDA ratio of 25.37, BAPEX poses a **very high** risk for GoB. In response to the very high debt-to-EBITDA ratio, BAPEX revealed that long-term liability (such as 15 15-year loan repayment schedule) causes a high EBITDA ratio which is acceptable to the energy sector. BAPEX also reported that in FY 2022-23, it experienced a huge operating loss which has contributed to the high debt to EBITDA ratio.

23.8 According to the records, BAPEX did not involve in any quasi-fiscal activities in FY 202-23.

23.9 According to the records, no statutory obligation but 36 million USD is pending litigation against BAPEX. So, Contingent Liabilities is foreseen for BAPEX. BAPEX revealed that the amount of contingent liability can even increase in FY 2022-23.

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24. Bangladesh Gas Fields Company Limited (BGFCL)

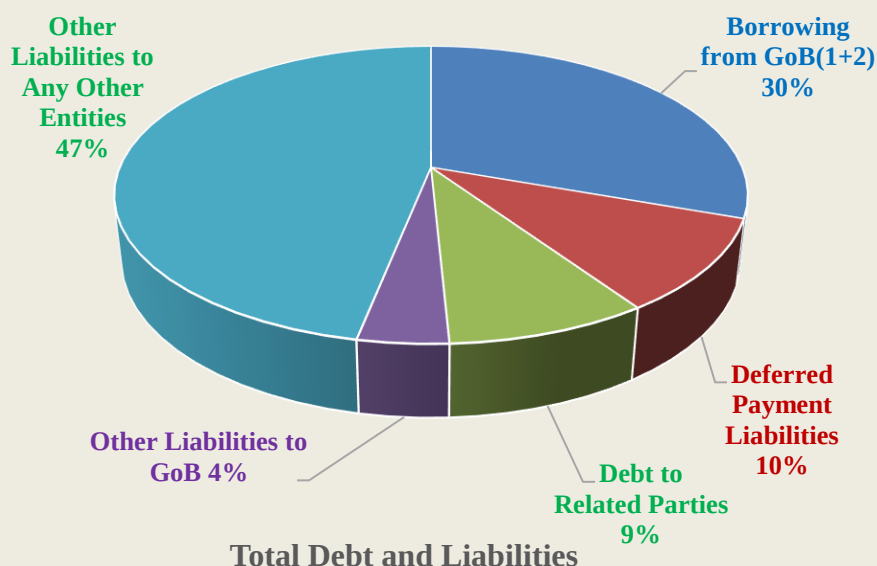
24.1 Bangladesh Gas Fields Company Limited (BGFCL) is a Public Limited Company owned by Petrobangla on behalf of Bangladesh Government. The company carries out production of natural gas within the eastern part of Bangladesh. A small quantity of condensate is also produced as by-product. The company has consolidated with its own financial statements those of ongoing projects. The purposes of these projects are to drilling of new wells, work over/recompletion of existing wells, installation of gas process plants and installation of gas compressor to increase wellhead gas pressure in line with the gas transmission pipeline pressure. As of June 2024, BGFCL contributes 22% of total gas production.

24.2 The following Table-1 presents the statement of debt of Bangladesh Gas Fields Company Limited (BGFCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

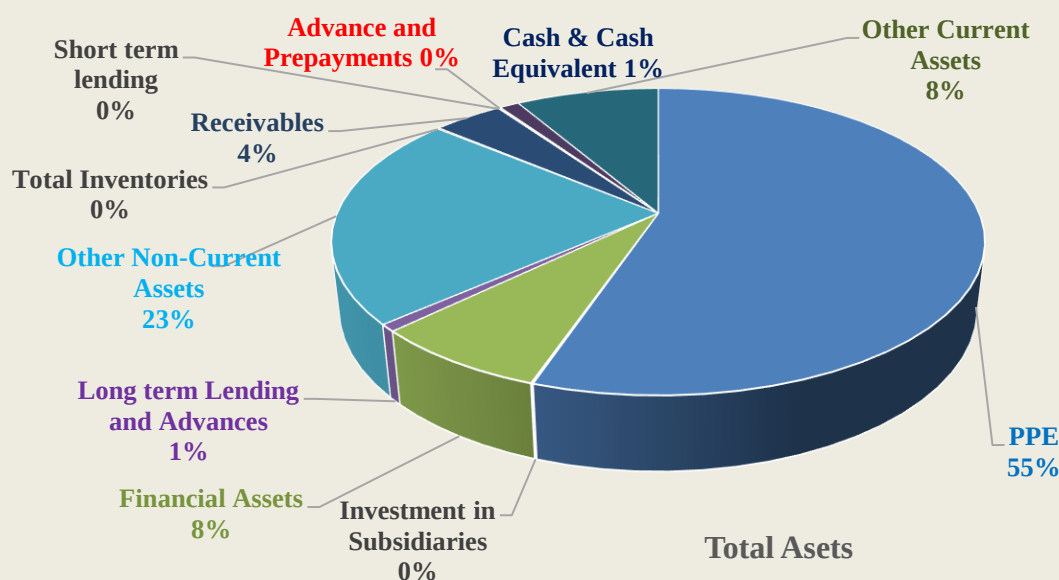
Amount in BDT					
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	13,302,513,505.89	15,480,781,724.48	16.37%	0.00
2	Debt and Liabilities related to GoB under LA	6,422,159,366.13	5,868,294,399.78	-8.62%	0.00
3	Debt and Liabilities related to GoB(1+2)	19,724,672,872.02	21,349,076,124.26	8.24%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	7,239,797,584.00	7,060,288,017.00	-2.48%	0.00
9	Debt and Liabilities related to Related Parties	7,181,530,359.98	6,115,168,843.74	-14.85%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	7,181,530,359.98	6,115,168,843.74	-14.85%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,597,984,472.00	2,741,523,910.00	71.56%	0.00
15	Any Other Liabilities to Any Other Entities	30,184,776,967.00	32,869,063,547.00	8.89%	0.00
16	Other Debt and liabilities(12+13+14+15)	31,782,761,439.00	35,610,587,457.00	12.04%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	65,928,762,255.00	70,135,120,442.00	6.38%	0.00
18	Debt and liabilities to GoB (3+14)	21,322,657,344.02	24,090,600,034.26	12.98%	0.00
19	Debt to Entities other than GoB (17-18)	44,606,104,910.98	46,044,520,407.74	3.22%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

24.3 Statement of Debt and Liabilities in FY 2022-23



According to the financial statement of BGFCL, the total debt and liability is BDT 70,135.12 million BDT as of 30th June '2023. Out of this amount, major portion 47% belong to other liabilities Borrowing from GoB 30% under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). Beside BGFCL has deterred liability 10%, Other liabilities to GoB 4% and these are by nature current liability. If BGFCL failed to make repayment of debt, it will create fiscal risk for GoB.

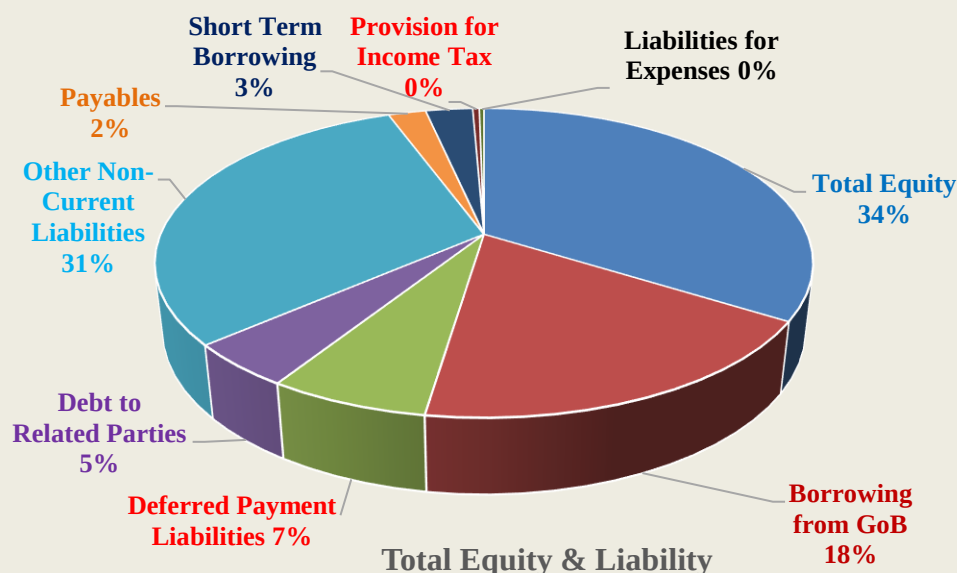
24.4 The composition of Assets for FY 2022-23:



According to the Financial Statement total assets in FY 2022-23 was BDT 106,036.80 million. Out of this amount, major portion 55% is PPE followed by other non-current assets 23% and financial assets 8%. It means that total non-

current assets are 86% of total assets and remaining 14% is current assets. Current assets consist of 4% receivables, other current assets 8% and cash and cash equivalent 1%.

24.5 The composition of Equity and Liabilities in FY 2022-23:



The Equity and Liability composition shows that major portion 34% is equity followed by other non-current liability 31%, Borrowing from GoB 18% under SLA & LA, Deferred Payment liability 7%, Debt to related party 5%, payables 2% and 3 finally 3 % short term borrowing. The equity and liability composition further shows that equity is 43% compared to long-term liabilities over 60%, which means that BGFCL's growth is liability-driven and therefore BGFCL poses fiscal risk for GoB.

24.6 Fiscal risk from BGFCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BGFCL

Particular	Result	Risk	Score
Cost recovery	0.85	High	4
Return on Equity (ROE)	-2.55%	High	4

Table – 3: Liquidity Ratio – BGFCL

Particular	Result	Risk	Score
Current ratio	2.49	Very Low	1
Creditor turnover days	178	Very High	5

Table – 4: Solvency Ratio – BGFCL

Particular	Result	Risk	Score
Debt to total assets	0.66	moderate	3
Debt to EBITDA	36.07	Very High	5
Total Score			22
Average Score			4 (3.67)
Overall Risk Rating			High

24.7 The ratio analysis shows that BGFCL's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. BGFCL 's cost recovery ratio is 0.85 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio 0.75 to below 1.0 falls under high-risk category. With cost recovery ratio 0.85 BGFCL poses high fiscal risk to GoB;
- ii. Return on equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BGFCL 's return on Equity is -2.55% and as per threshold table it falls under high-risk category. Considering threshold value ROE below 0% to -10.0% fits under high-risk category. Securing ROE value of -2.55%, BGFCL poses high fiscal risk for GoB. In response to negative ROE, BGFL revealed that over BDT 103.0 crore exchange loss has directed to negative net;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BGFCL is 2.49 appears to be very healthy and as per threshold value table it fits low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.49 BGFCL poses very low for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of 120 and above considered as very high-risk category. With creditor turnover days of 178, BGFCL poses very high risk to GoB. To explain high creditor turnover day BGFCL argues that receivables are long pending to government organization that led to long pending payable which in turn give high creditor turnover days;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BGFCL's debt to assets ratio is 0.66 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio between 0.50 to less than 0.75 is moderate risk category. Having debt to assets ratio of 0.66, BGFCL carry **moderate** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BGFCL 's EBITDA is negative, hence BGFCL may be unable to make repayment of its debt by its own. With negative EBITDA, BGFCL poses **very high** risk for GoB.

24.8 According to the records, BGFCL did not involve in any quasi-fiscal activities in FY 2022-23.

24.9 According to the records, statutory obligation BDT 2,345.18 million and spending litigation (Tax and Acquired land) BDT 7,547.34 million is Contingent Liabilities is foreseen for BGFCL in FY 2022-23.

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25. Sylhet Gas field limited (SGFL)

25.1 Sylhet Gas Fields Limited (SGFL), A Company of Bangladesh Oil, Gas and Mineral Corporation (Petrobangla) under the Ministry of Power, Energy and Mineral Resources is the pioneer in discovery and production of Natural Gas, Condensate, NGL and petroleum products such as Octane, Petrol (RON 89), Kerosene, Diesel and LPG in the country. Customers of Natural Gas are Jalalabad Gas Transmission & Distribution System Limited (JGTDSL), Bakhrabad Gas Distribution Company Limited (BGDCL), Paschimanchal Gas Company Limited (PGCL) and Karnaphuli Gas Distribution Company Limited (KGDCL).

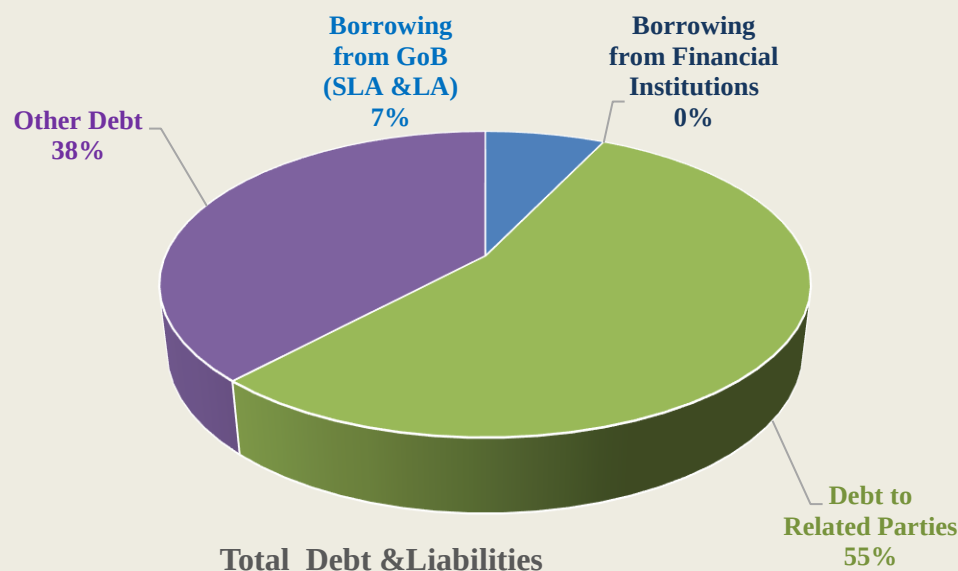
25.2 The following Table–1 presents the statement of debt of Sylhet Gas field limited (SGFL) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

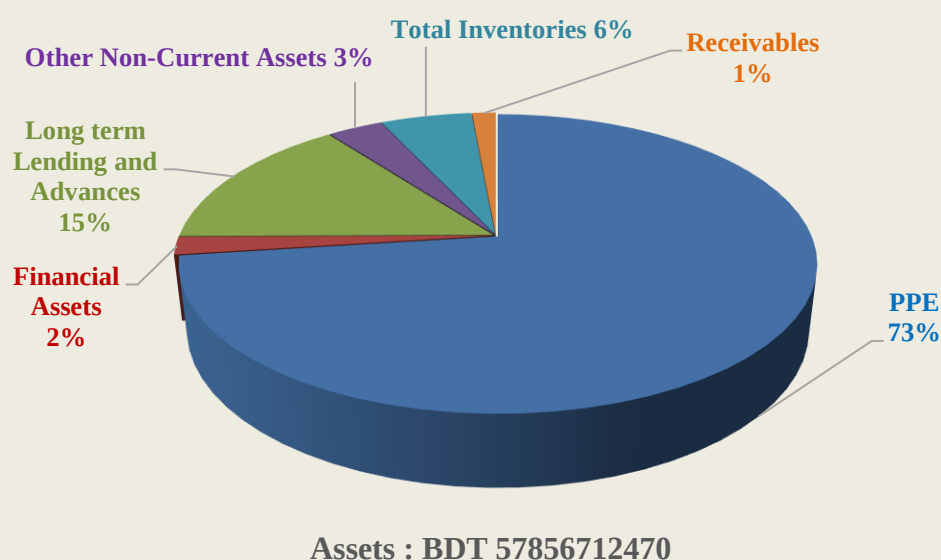
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	338,796,776.00	301,152,690.00	-11.11%	0.00
2	Debt and Liabilities related to GoB under LA	912,505,558.00	811,116,051.00	-11.11%	0.00
3	Debt and Liabilities related to GoB(1+2)	1,251,302,334.00	1,112,268,741.00	-11.11%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	8,413,799,484.00	8,583,139,851.00	2.01%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	8,413,799,484.00	8,583,139,851.00	2.01%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	2,008,199,934.00	2,661,861,683.00	32.55%	0.00
15	Any Other Liabilities to Any Other Entities	3,605,737,743.00	3,298,204,064.00	-8.53%	0.00
16	Other Debt and liabilities(12+13+14+15)	5,613,937,677.00	5,960,065,747.00	6.17%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	15,279,039,495.00	15,655,474,339.00	2.46%	0.00
18	Debt and liabilities to GoB (3+14)	3,259,502,268.00	3,774,130,424.00	15.79%	0.00
19	Debt to Entities other than GoB (17-18)	12,019,537,227.00	11,881,343,915.00	-1.15%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

25.3 Statement of Debt and Liabilities in FY 2022-23



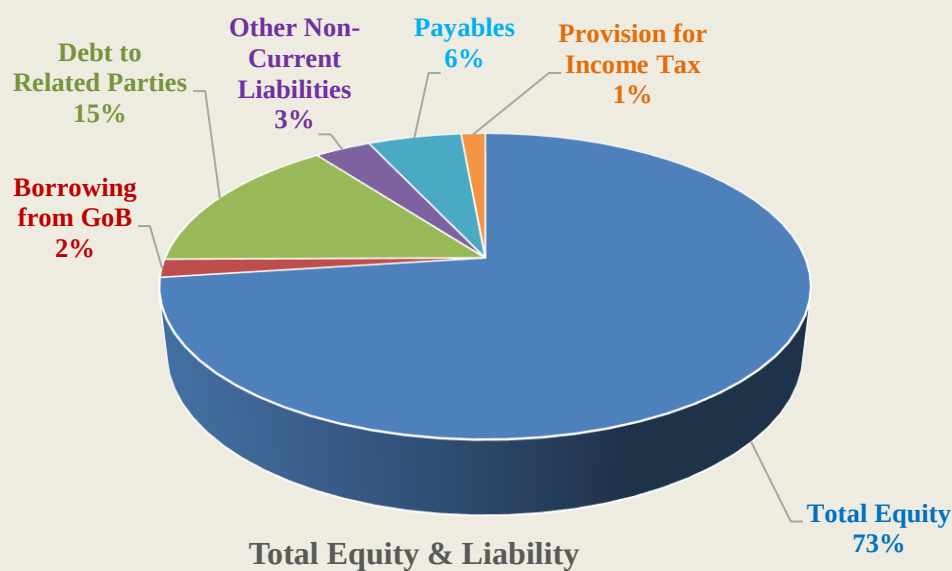
According to the financial statement of SGFL, the total debt is BDT 15,655.48 million BDT as of 30th June, 2023. Out of this amount, major chunk 55% is debt to related party followed by other debt 38% and borrowing from GoB is 7% of total debt and liabilities. Borrowing from GoB is under Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). The statement of debt and liability shows that if SGFL failed make repayment of debt it will create fiscal risk for GoB.

25.4 The composition of total Assets:



According to the Financial statement total assets in FY 2022-23 was BDT 5785.67 million majority of these assets 73% are PPE which are non-current assets. Other noncurrent assets are Financial Assets 2%, Long Term lending and advanced 15% and other non -current liabilities 3% which led to total non-current assets of 93%. The remaining 7 5 current assts includes 6% inventories and 1% receivables.

25.5 The composition of Equity and Liability in FY 202-23



The composition of equity and liability shows that equity alone cover 73% share followed by debt to related party 15% which is non- current liability. Total liability covers 27 % comprising of 20% noncurrent and 7 % current liabilities that includes 6% payables and 1% provision for income tax. The equity and liability composition further shows that growth of SGFL is equity-driven which is very positive for organization. Having equity driven growth SGFL poses low fiscal risk for GoB

25.6 Fiscal risk from SGFL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table- 2: Profitability Ratio – SGFL

Particular	Result	Risk	Score
Cost recovery	1.29	Low	2
Return on Equity (ROE)	5.18%	Moderate	3

Table- 3: Liquidity Ratio – SGFL

Particular	Result	Risk	Score
Current ratio	3.55	Very Low	1
Creditor turnover days	114	High	4

Table- 4: Solvency Ratio – SGFL

Particular	Result	Risk	Score
Debt to total assets	0.27	Low	2
Debt to EBITDA	3.72	High	4
Total score			16
Average score			3 (2.67)
Overall Risk Rating			Moderate
Last Year's Overall Risk rating			Moderate

25.7 The ratio analysis shows that SGFL's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. SGFCL 's cost recovery ratio is 1.29 and according to threshold value it goes under low fiscal risk category. Considering the threshold value, cost recovery ratio between 1.25 to less than 1.5 falls under very low-risk category. With cost recovery ratio 1.29 SGFCL poses **low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. SGFCL 's ROE is 5.18% and according to threshold value it fits moderate-risk category. ROE value between 0 % to less than 8% is considered as moderate-risk category. With ROE 5.18 %, SGFCL poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of SGFCL is 3.55 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 3.55 SGFCL poses **very low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days between 90 to less than 120 considered as high-risk category. With creditor turnover days of 114, SGFCL poses **high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. SGFCL's debt to assets ratio is 0.27 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.27, SGFCL carry **low** risk for GoB; and
- (vi) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. SGFCL's debt to EBITDA ratio is 3.72 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 3.72, SGFCL poses **high** risk for GoB.

25.8 According to the records, Sylhet Gas field limited (SGFL) did not involve in any quasi-fiscal activities in FY 2022-23.

25.9 According to the records, no statutory obligation and no lawsuit is pending against SGFL It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for SGFCL in FY 2022-23.

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26. Gas Transmission Company Limited (GTCL)

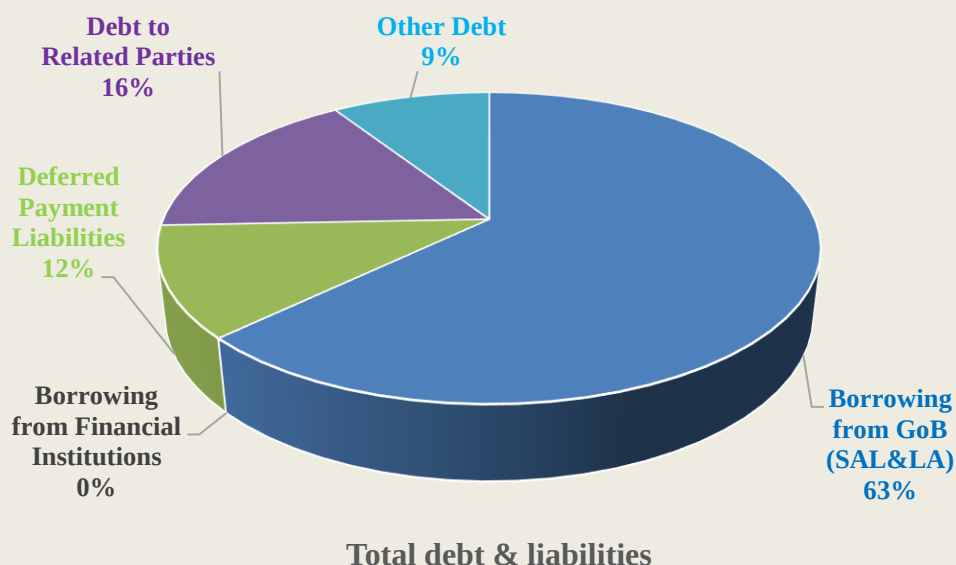
26.1 Gas Transmission Company Limited (GTCL), a company owned by Petrobangla was registered as a public limited company on 14 December 1993 under the Companies Act 1913. As per decision of Government of Bangladesh, GTCL was formed with the principal objective of establishing a balanced and reliable natural 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. GTCL Commenced its formal operation through holding the first meeting of the Board of Directors on 23 January 1994 and subsequently embarked on commercial business upon receipt of certificate of commencement of business from the Registrar of Joint Stock Companies and Firms on 31 July 1994. The other objectives for which the Company was established is to construct, operate and maintain high pressure gas/LNG/condensate pipelines to transmit natural gas/LNG/condensate from different gas fields, LNG Liquefaction Plants and delivering the gas/LNG/condensate to the marketing companies operating in Bangladesh. In FY 2022-23 GTCL has delivered total 2,176.90 Crore Cubic Meters, gas to Titas gas, Bakhrabad gas, Karnaphuli gas, Jalalabad gas, Parchimanchal gas and Sundarban gas companies .

26.2 The following Table–1 presents the statement of debt and liabilities of Gas Transmission Company Limited (GTCL) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

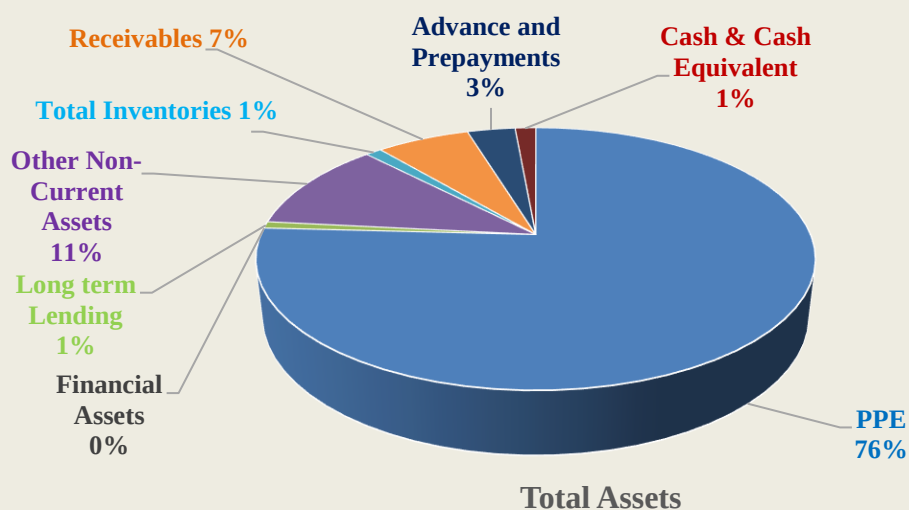
Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	40,110,112,291.00	47,338,675,729.00	18.02%	1,508,596,160.25
2	Debt and Liabilities related to GoB under LA	30,413,040,954.00	33,816,407,395.00	11.19%	1,661,586,235.00
3	Debt and Liabilities related to GoB(1+2)	70,523,153,245.00	81,155,083,124.00	15.08%	3,170,182,395.25
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	13,401,197,140.00	14,849,701,965.00	10.81%	0.00
9	Debt and Liabilities related to Related Parties	23,358,880,866.00	21,236,707,624.00	-9.09%	278,941.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	23,358,880,866.00	21,236,707,624.00	-9.09%	278,941.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	4,392,490,731.00	4,475,654,993.00	1.89%	0.00
15	Any Other Liabilities to Any Other Entities	2,849,255,583.00	7,369,690,983.00	158.65%	0.00
16	Other Debt and liabilities(12+13+14+15)	7,241,746,314.00	11,845,345,976.00	63.57%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	114,524,977,565.00	129,086,838,689.00	12.72%	3,170,461,336.25
18	Debt and liabilities to GoB (3+14)	74,915,643,976.00	85,630,738,117.00	14.30%	3,170,182,395.25
19	Debt to Entities other than GoB (17-18)	39,609,333,589.00	43,456,100,572.00	9.71%	278,941.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

26.3 Statement of debt and liabilities for FY 2022-23:



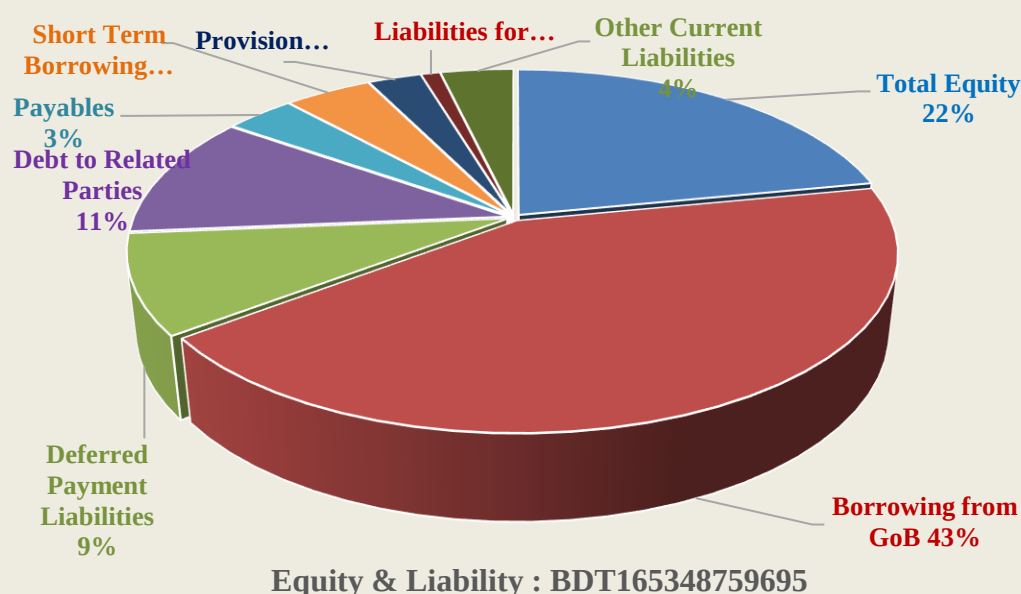
According to the financial statement of GTCL, the total debt is BDT 129,086.84 million BDT as of 30th June 2023. Out of this amount, major portion 63% are borrowing from GoB under Subsidiary Loan Agreement (SLA) and Loan Agreement followed by 16% debt to related parties which is long term liabilities. Besides, GTCL holds 9% other liabilities and 12% Deferred payment liabilities. As 63% of total debt and liabilities is under SLA and LA, if GTCL fails to make repayment of its liability it will cause fiscal risk for GoB.

26.4 Composition of Assets in FY 2022-23:



According to Financial statement total assets in FY 2022-23 was BDT 165,348.76 million. Amongst this amount major portion 73% is PPE followed by 11% other non-current assets and 1% long term lending. So total non-current liabilities reached at 85% and remaining 15% current liabilities includes 7% receivables, 3% prepayment and 1% inventories.

26.5 Composition of Equity and Liability in FY 2022-23:



The composition of equity & liability shows that major portion 43% is borrowing from GoB which is under SLA and LA followed by 22% equity. Then comes 11% Debt to related party followed by 9% Deferred payment liabilities which are non-current liabilities. So total non-current liability is 63% compared to 15% current liability. Therefore, and growth of GTCL is equity driven and poses fiscal risk for GoB.

26.6 Fiscal risk from Gas Transmission Company Limited (GTCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – GTCL

Particular	Result	Risk	Score
Cost recovery	0.51	Very High	5
Return on Equity (ROE)	-33.43	Very High	5

Table – 3: Liquidity Ratio – GTCL

Particular	Result	Risk	Score
Current ratio	0.80	Very High	5
Creditor turnover days	Trade Payable is 0 ('Zero')	Very Low	1

Table – 4: Solvency Ratio – GTCL

Particular	Result	Risk	Score
Debt to total assets	0.78	High	4
Debt to EBITDA	EBITDA is negative.	Very High	5
Total Score			25
Average Score			4(4.17)
Overall risk Rating			High
Previous Year's Overall Risk Rating			Moderate

- 26.7 The ratio analysis shows that Gas Transmission Company Limited (GTCL)'s risk rating is based on:
- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. GTCL 's cost recovery ratio is 0.51 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio 0.75 and below falls under very high-risk category. With cost recovery ratio 0.51 GTCL poses **very high** fiscal risk to GoB;
 - ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. GTCL's return on Equity is -33.43% and as per threshold table it falls under very high-risk category. Considering threshold value ROE below -10.0% fits under very High-risk category With ROE value -33.43%, GTCL poses **very high** fiscal risk for GoB;
 - iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of GTCL is 8.0 appears to be poor and as per threshold value table it fits very high -risk category. A current ratio of 1.0 and below is considered as very high-risk category. So, having current ratio of 2.49 GTCL poses **very high** for GoB;
 - iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil (0) creditor turnover ratio, GTCL poses **very low** risk to GoB;
 - v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. GTCL's debt to assets ratio is 0.78 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of less than 1.0 and above is very high-risk category. With debt to assets ratio of 0.78, GTCL carry **high** risk for GoB; and
 - vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. GTCL's net income is negative, hence GTCL may be unable to make repayment of its debt by its own. With negative net income, GTCL poses **very high** risk for GoB.
- 26.8 According to the records, GTCL did not involve in any quasi-fiscal activities in FY 2022-23.
- 26.9 According to the records, there is a pending litigation of BDT 8,616.15 million against GTCL. So Contingent Liabilities is foreseen from pending litigation for GTC in FY 2022-23.

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27. Titas Gas Transmission and Distribution Company Limited

27.1 Titas Gas Transmission and Distribution Company Limited (TGTDCL) was established in the 1964 and after independence it has been nationalized under 'Pertobangla'. The company has offloaded 25% of its share in the stock market and Petrobangla hold 75% of the Company's paid up share capital.

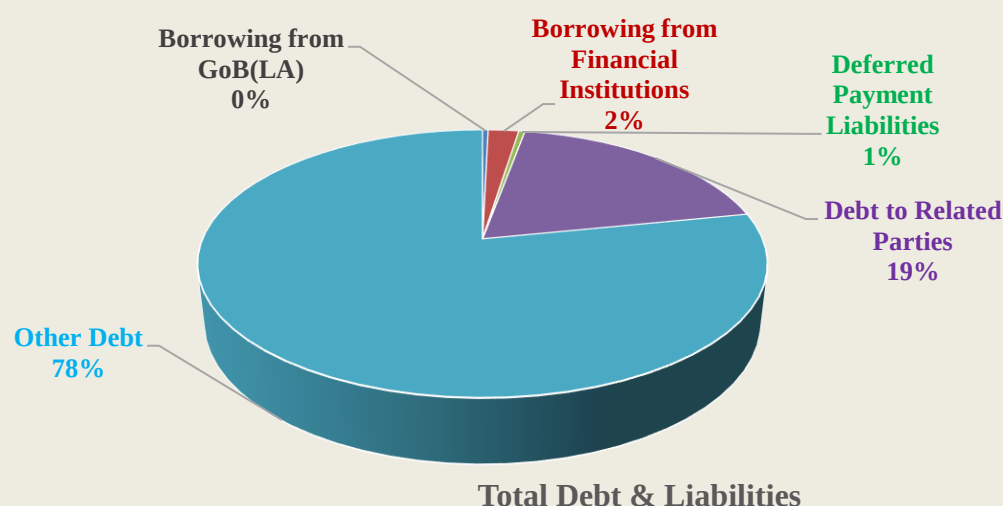
The aim and objectives of the Company is to transmit natural gas from the gas fields to different areas to distribute the same to the consumers in power, fertilizer, industrial, commercial, captive power, feed gas for CNG and domestic categories. The company since its inception has been developing its activities day by day and at present it has a gas pipeline network about 13391.32 km and a total connection of gas customer is 28,27,757.

27.2 The following Table-1 presents the statement of debt and liabilities of Titas Gas Transmission and Distribution Company Limited (TGTDCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

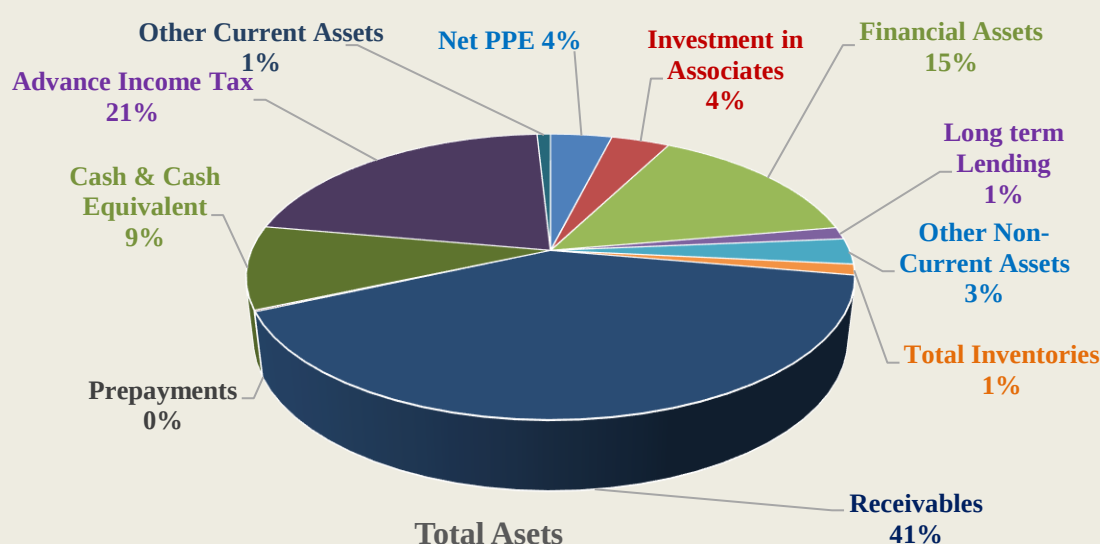
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and Liabilities related to GoB under LA	559,785,473.00	669,588,908.00	19.62%	0.00
3	Debt and Liabilities related to GoB(1+2)	559,785,473.00	669,588,908.00	19.62%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	3,468,750,984.00	3,625,760,661.00	4.53%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	3,468,750,984.00	3,625,760,661.00	4.53%	0.00
8	Deferred Payment Liabilities	855,465,929.00	727,823,489.00	-14.92%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	29,180,502,177.00	33,174,045,024.00	13.69%	0.00
11	Debt and liabilities to Related Parties (9+10)	29,180,502,177.00	33,174,045,024.00	13.69%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	32,806,140,841.00	32,681,635,525.00	-0.38%	0.00
15	Any Other Liabilities to Any Other Entities	46,630,493,786.00	104,073,438,635.00	123.19%	0.00
16	Other Debt and liabilities (12+13+14+15)	79,436,634,627.00	136,755,074,160.00	72.16%	0.00
17	Total Debt and Liabilities (3+7+8+11+16)	113,501,139,190.00	174,952,292,242.00	54.14%	0.00
18	Debt and Liabilities to GoB (3+14)	33,365,926,314.00	33,351,224,433.00	-0.04%	0.00
19	Debt to Entities other than GoB (17-18)	80,135,212,876.00	141,601,067,809.00	76.70%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

27.3 Statement of Debt and Liabilities in FY 2022-23



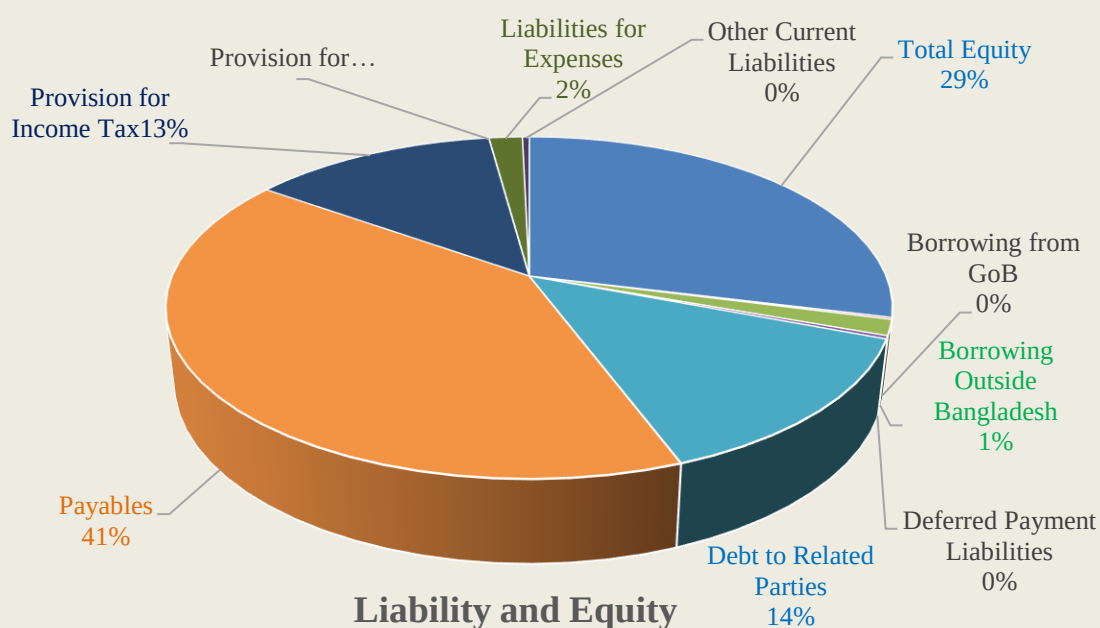
According to the financial statement of TGTDCCL in FY 2022-23 the total debt is BDT 174,952.29 million as of 30th June, 2023. Out of this amount, major portion 78% other Debt which are current liabilities to GoB and to any other entities, followed by debt to related parties 19%, borrowing from financial institution 2% and finally 1% deferred payment liabilities. TGTDCCL does not hold long term liability related to GoB under SLA and LA The composition shows that long-term liabilities are 22% of total liabilities. If TGTDCCL fails to make repayment, it may cause fiscal risk for GoB.

27.4 The composition of total assets in FY 2022-23:



According to the Financial statement major portion 41% is assets is receivables followed by Advanced Income Tax 21% and then come Financial Assets 15%. Other significant assets are Cash and Cash equivalent 9%, PPE 4%, Investment in associates 4%, Other non-current assets 3%, long term lending 1% and 1% total inventories. The Assets composition reveals issue of receivables accumulation.

27.5 . The composition of Equity and Liability in FY 2022-23:



The composition of liability and equity shows that major portion 41% is payables, followed by equity 29%, debt to related party 14%, provision for income tax 13%, liabilities for expense 2%, and finally 1% borrowing from outside of Bangladesh. The composition of equity & liability shows that long term liabilities is 15% compared to equity 29%. Therefore, the growth of GTTDCL is equity driven and poses low fiscal risk for GoB.

27.6 Fiscal risk from TGTDCCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – TGTDCCL

Particular	Result	Risk	Score
Cost recovery	0.99	High	4
Return on Equity (ROE)	-2.33%	High	4

Table – 3: Liquidity Ratio – TGTDCCL

Particular	Result	Risk	Score
Current ratio	1.32	Moderate	3
Creditor turnover days	138	Very High	5

Table – 4: Solvency Ratio – TGTDCCL

Particular	Result	Risk	Score
Debt to total assets	0.71	Moderate	3
Debt to EBITDA	EBITDA is negative.	Very High	5
Total score			24
Average Score			4
Overall Risk Rating			High

27.7 The ratio analysis shows that TGTDCCL's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. TGTDCCL's cost recovery ratio is 0.99 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 to less than 1.0 falls under high-risk category. With cost recovery ratio 0.99 TGTDCCL poses **high** fiscal risk to GoB. In response to low-cost recovery, TGTDCCL appealed that distribution margin has dropped from 0.55 to 0.25 which in turn causes low-cost recovery ratio;
- (ii) Return on equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. TGTDCCL's ROE is -2.33 % which falls under high-risk category. According to the threshold value, ROE between less than 0% to -10.0% falls under high-risk category. Securing ROE -2.33, TGTDCCL poses **high** fiscal risk to GoB. TGTDCCL argues that with increased prices of gas COGS has also increased which resulted in negative income;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of TGTDCCL is 1.32 and as per threshold value it fits moderate-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.32 TGTDCCL poses **moderate** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of 120 and above considered as very high-risk category. With creditor turnover days of 138, TGTDCCL poses **very high** risk to GoB. In response to high creditor turnover days, TGTDCCL reported that it does not receive timely payment from government organization like PDB that creates long pending payable;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. TGTDCCL's debt to assets ratio is 0.71 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio between 0.5 to less than 0.75 is moderate risk category. With debt to assets ratio of 0.71, TGTDCCL carries **moderate** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. TGTDCCL's EBITDA is negative, which means that organization does not have earnings to cover its debt. With negative EBITDA, TGTDCCL poses **very high** risk for GoB. GTDCCL argues that drop off distribution margin and increase in COGS has contributed to negative net income.

27.8 According to the records, TGTDCCL did not involve in any quasi-fiscal activities in FY 2022-23

27.9 According to the records, there is Pending Litigation of BDT. 20524.5 million for financial year 2022-23. So TGTDCCL possess a Contingent Liabilities of BDT. 20,524.5 million for GoB in FY 2022-23.

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28. Bakhrabad Gas Distribution Company Limited (BGDCL)

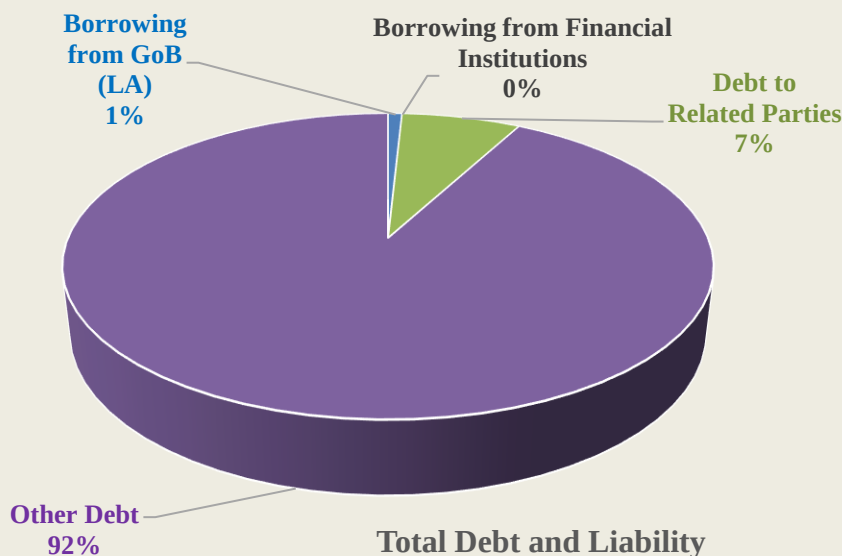
28.1 The Company started its function since 7 June, 1980 in the name of Bakhrabad Gas Systems Limited (BGSL) with the responsibilities of gas production, transmission and distribution. Afterward, the company handed over its production activities to Bangladesh Gas Fields Company Limited (BGFCL). Presently BGDCL involved in gas distribution and marketing only. BGDCL provide services in greater Noakhali, Cumilla and Chandpur area that cover consumer base of 2,39,635 as of June 2023.

28.2 The following Table-1 presents the statement of debt of Bakhrabad Gas Distribution Company Limited (BGDCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

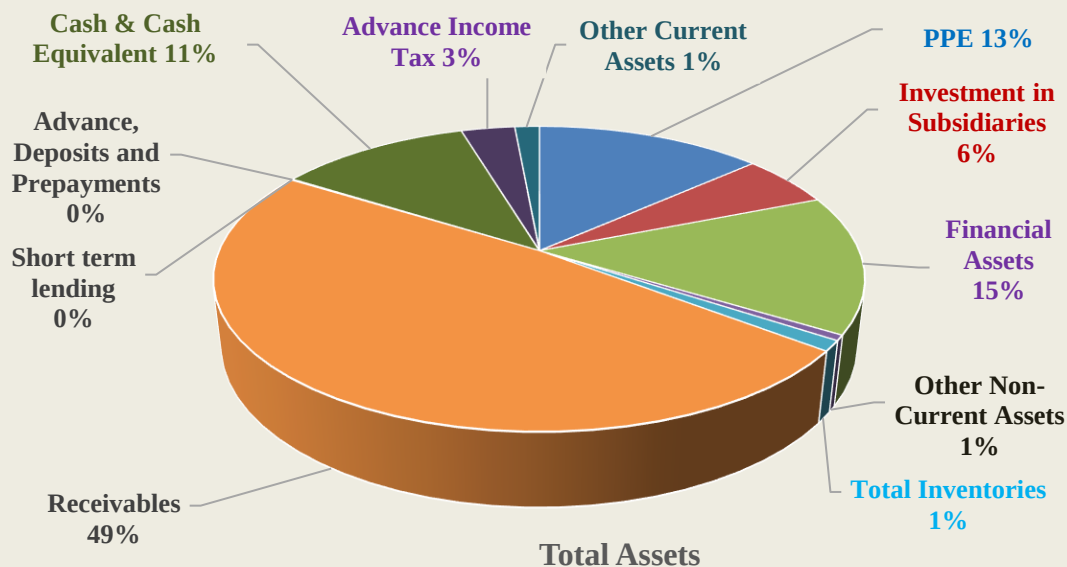
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and Liabilities related to GoB under LA	246,121,875.00	215,157,875.00	-12.58%	0.00
3	Debt and Liabilities related to GoB(1+2)	246,121,875.00	215,157,875.00	-12.58%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	1,737,421,709.00	1,837,354,510.00	5.75%	0.00
11	Debt and liabilities to Related Parties (9+10)	1,737,421,709.00	1,837,354,510.00	5.75%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	8,380,080,210.00	23,965,644,887.00	185.98%	0.00
16	Other Debt and liabilities (12+13+14+15)	8,380,080,210.00	23,965,644,887.00	185.98%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	10,363,623,794.00	26,018,157,272.00	151.05%	0.00
18	Debt and liabilities to GoB (3+14)	246,121,875.00	215,157,875.00	-12.58%	0.00
19	Debt to Entities other than GoB (17-18)	10,117,501,919.00	25,802,999,397.00	155.03%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

28.3 Statement of debt and liabilities in FY 2022-23



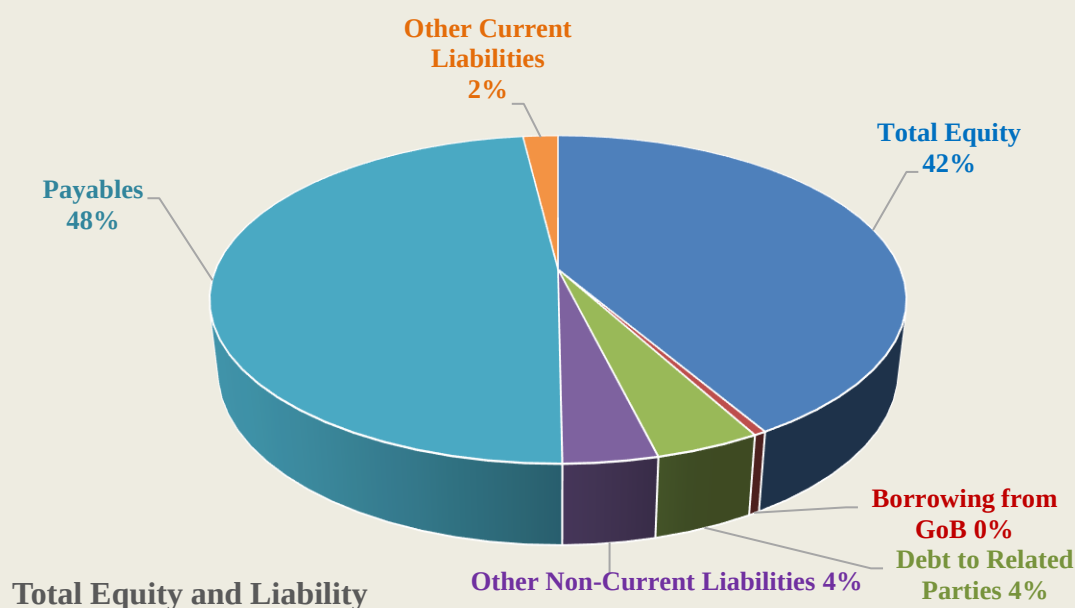
According to the financial statement of BGDCL, the total debt and liability is BDT 26,018.16 million as of 30th June 2023. Out of this amount, the major portion 92% is other debt which are current liabilities to any other entities followed by 7% debt to related parties which are long term liability and remaining 1% belongs to borrowing related to GoB under Loan Agreement (LA). Other debt that covers 92% are expected to be settled within financial year as these are current liabilities. Since BGDCL's debt and liability related to GoB is 1% of total liability, it poses low fiscal risk for GoB.

28.4 The composition of assets in FY 2022-23:



According to the financial statement total assets in FY 2022-23 was BDT 44,494.87 million. Out of this amount major portion of assets 49% is receivables followed by financial assets 15% and then comes PPE 13% following cash and cash equivalent 11%. Other significant assets include investment in subsidiaries 6%, Advance income tax 3%, Other non-current assets 1%, inventories 1% and 1% other current assets. The asset composition shows issue of receivables accumulation.

28.5 The composition of Equity and Liability in FY 2022-23



The composition of equity and liability shows that major portion 48% is payables followed by equity 42 % and then comes 4% debt to related parties, 4% other non-current liabilities and remaining 2% other current liabilities. There exists less than 1% liability related to GoB under Lian Agreement (LA). The composition further shows that BGDCL's growth is equity-driven which is a good sign for organization. Since Debt and liability related to GoB is less than 1%, BGDCL is less likely to be a potential source of fiscal risk for GoB.

28.6 Fiscal risk from BGDCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BGDCL

Particular	Result	Risk	Score
Cost recovery	1.00	Moderate	3
Return on Equity (ROE)	-2.03%	Moderate	3

Table – 3: Liquidity Ratio – BGDCL

Particular	Result	Risk	Score
Current ratio	1.22	High	4
Creditor turnover days	202	Very High	5

Table – 4: Solvency Ratio – BGDCL

Particular	Result	Risk	Score
Debt to total assets	0.58	Moderate	3
Debt to EBITDA	53.84	Very High	5
Total Score			23
Average score			4 (3.83)
Overall Risk Rating			High
Previous year's Overall Risk Rating			Moderate

28.7 The ratio analysis shows that BGDCL's risk rating is based on:

- i. Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. BGDCL 's cost recovery ratio is 1.0 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.0 BGDCL poses moderate fiscal risk to GoB;
- ii. Return on equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BGDCL 's return on Equity is -2.03% and as per threshold table it falls under high-risk category. Considering threshold value ROE between less than 0% to -10.0% fits under high-risk category. With ROE value -2.03%, BGDCL poses high fiscal risk for GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BGDCL is 1.22 and as per threshold value table it fits moderate risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.22 BGDCL poses **high** fiscal risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of 120 and above considered as very high-risk category. With creditor turnover days of 202, BGDCL poses **very high** risk to GoB. BDGCL argues that long pending receivables from government organization causes payable accumulation which led to high creditor turnover days;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BGDCL's debt to assets ratio is 0.58 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio of between 0.5 to less than 0.75 is moderate risk category. With debt to assets ratio of 0.58, BGDCL carries **moderate** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. BGDCL's debt to EBITDA ratio is 53.84 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 53.84, BGDCL poses **very high** risk for GoB.

28.8 According to the records, BGDCL did not involve in any quasi-fiscal activities in FY 2022-23.

28.9 According to the records, there are pending litigation regarding tax (Assessment Year 2009-10 to 2014-15, 2017-2018) of BDT 320.75 million. So, BGDCL's Contingent Liabilities is BDT 320.75 million in FY 2022-23.

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29. Jalalabad Gas transmission & Distribution System Limited

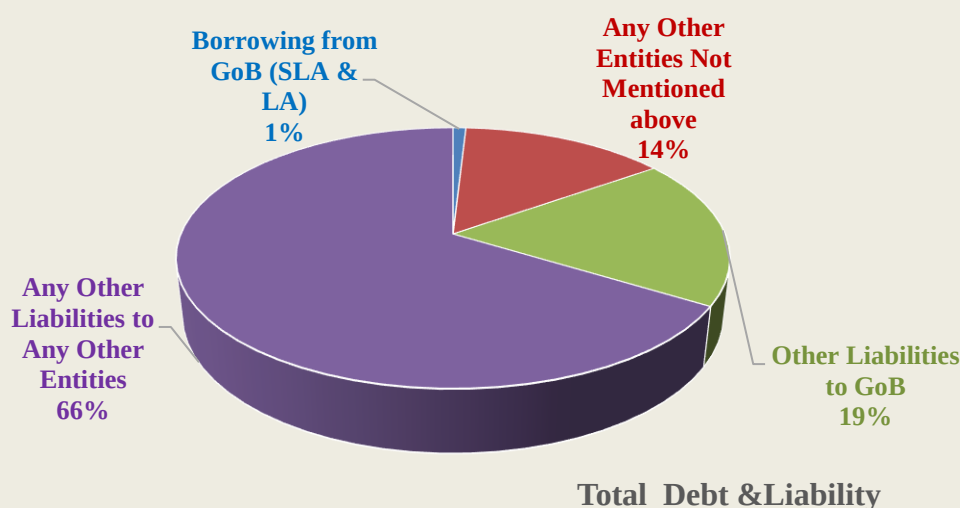
29.1 Jalalabad Gas Transmission and Distribution System Limited (JGTDSL) is a public limited company, owned by Petrobangla. It was registered as a company with the Register of Joint Stock Companies and Firm (RJSC) on 1st December 1986 under the Companies Act, 1913. The other objectives for which the 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' operation in Bangladesh.

29.2 The following Table-1 presents the statement of debt and liabilities of Jalalabad Gas Transmission and Distribution System Limited (JGTDSL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs..

Table – 1: Statement of Debt and Liabilities

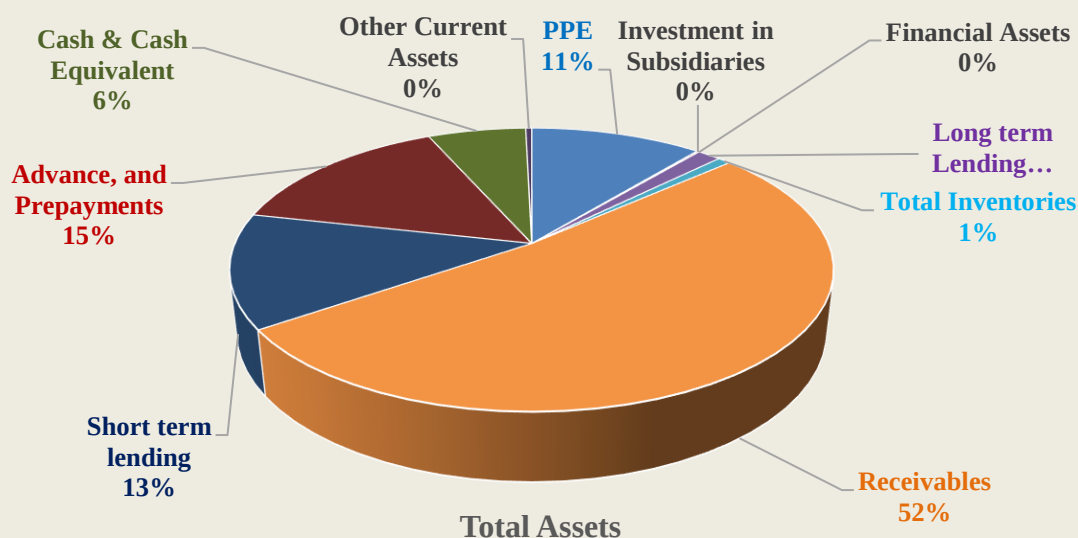
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	199,578,898.00	199,578,898.00	0.00%	0.00
2	Debt and Liabilities related to GoB under LA	240,552,806.00	201,368,806.00	-16.29%	0.00
3	Debt and Liabilities related to GoB(1+2)	440,131,704.00	400,947,704.00	-8.90%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	5,815,462,463.00	6,392,692,900.00	9.93%	0.00
14	Other Liabilities to GoB	7,619,611,742.00	8,251,381,721.00	8.29%	0.00
15	Any Other Liabilities to Any Other Entities	7,260,058,218.00	29,584,446,316.00	307.50%	0.00
16	Other Debt and liabilities (12+13+14+15)	20,695,132,423.00	44,228,520,937.00	113.71%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	21,135,264,127.00	44,629,468,641.00	111.16%	0.00
18	Debt and liabilities to GoB (3+14)	8,059,743,446.00	8,652,329,425.00	7.35%	0.00
19	Debt to Entities other than GoB (17-18)	13,075,520,681.00	35,977,139,216.00	175.15%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

29.3 Statement of Debt and Liability in FY 2022-23



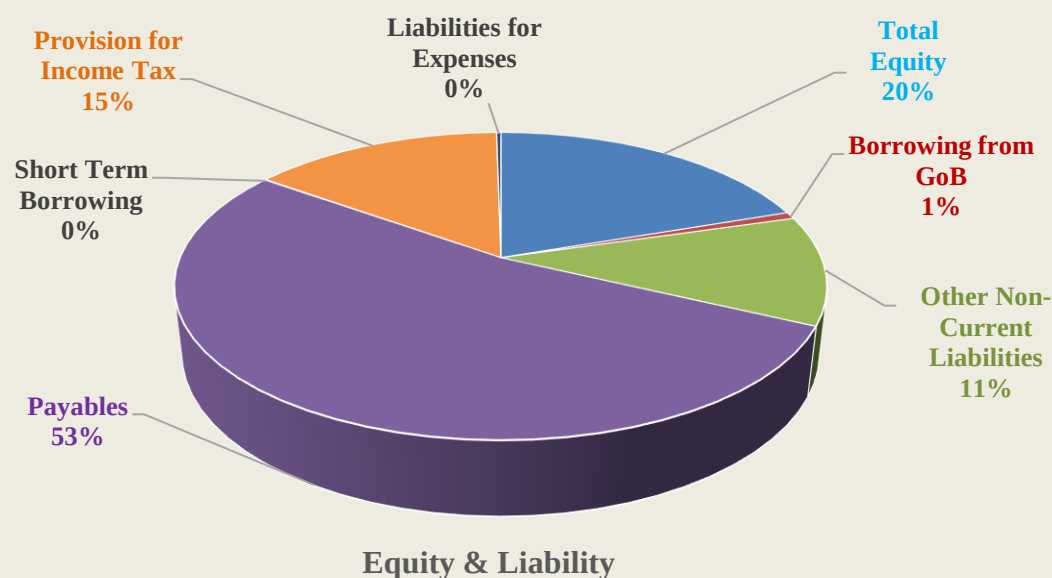
According to the financial statement of JGTDSL, the total debt is BDT 44,629.47 million as of 30th June, 2023. Out of this amount, major portion 66% is other liabilities to any other entities (payables and other current liability) followed by 19% Other liabilities to GoB which are current liabilities, 14% other liability not related to GoB and Financial Institute which are long term liabilities and finally 1% debt and liabilities related to GoB under SAL and LA. The financial statement shows that long term liability is 15% of total liability and short-term liabilities are remaining 85% which are expected to be settled within financial year. Thus, if JGTDSL failed to make repayment of these long-term liabilities, it will create fiscal risk for GoB

29.4 the composition of Assets in FY 2022-23



According to financial statement total assets in FY 2022-23 was BDT 55,646.90 million. Amongst this asset major portion 52% is receivables followed by 'advance and prepayment' 15% and then comes PPE 11% and 6% cash and cash equivalent. Besides JGTDSL holds long term lending 2% and inventories 1%. The composition of assets shows receivables accumulation issue.

29.5 The Composition of Equity and Liability in FY 2022-23



The Composition of Equity and Liability reveal that payables occupy major portion 53% followed by equity 20%, provision for income tax 15%, other non-current liabilities 11% and finally 1% debt and liabilities related to GoB under SLA and LA. The composition revealed that long term liability is 12% compared to 20% equity. Having 1% long term liability related to GoB, JGSDTL less likely to poses fiscal risk for GoB.

29.6 Fiscal risk from JGTDSL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – JGTDSL

Particular	Result	Risk	Score
Cost recovery	1.05	Moderate	3
Return on Equity (ROE)	14.76 %	Low	2

Table – 3: Liquidity Ratio – JGTDSL

Particular	Result	Risk	Score
Current ratio	1.28	Moderate	3
Creditor turnover days	205	Very High	5

Table – 4: Solvency Ratio – JGTDSL

Particular	Result	Risk	Score
Debt to total assets	0.80	High	4
Debt to EBITDA	17.17	Very High	5
Total Score			22
Average score			4 (3.67)
Overall Risk Rating			High
Last year's Overall Risk Rating			Low

29.7 The ratio analysis shows that JGTDSL's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. JGTDSL's cost recovery ratio is 1.05 and according to threshold value it goes under moderate fiscal risk category. Consistent with the threshold value, cost recovery ratio 0.75 and below falls under very high-risk category. With cost recovery ratio 1.05 JGTDSL poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. JGTDSL's ROE is 14.76% and according to threshold value it fits low-risk category. Consistent with the threshold value, ROE value of 15.0% and above is considered as very low-risk category. With ROE 14.76 %, JGTDSL poses **low** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of JGTDSL is 1.28 appears to be not healthy and as per threshold value table it fits moderate-risk category. Consistent with the threshold value, a current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.28 JGTDSL poses **moderate** fiscal for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 205 days, JGTDSL poses **very high** risk to GoB. JGTDSL argues that long pending receivables to government organization like power sector SOEs led to accumulation of payable which in turn cause higher creditors turnover days;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. JGTDSL's debt to assets ratio is 0.80 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.80, JGTDSL carry **high** risk for GoB; and
- vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. JGTDSL's debt to EBITDA ratio is 17.17 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 17.17, JGTDSL poses **very high** risk for GoB. In response to high EBITDFA JGTDSL argues that it has a 15-year loan repayment period, a debt-to-EBITDA ratio of 15 would be a more suitable benchmark.

29.8 According to the records, JGTDSL did not involve in any quasi-fiscal activities in FY 2022-23.

29.9 According to the records, there is Pending Litigation of BDT. 5229.06 million for financial year 2022-23. So JGTDSL possess a Contingent Liabilities of BDT 5229.06 million for JGTDSL in FY 2022-23.

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30. Pashchimanchal Gas Company Limited (PGCL)

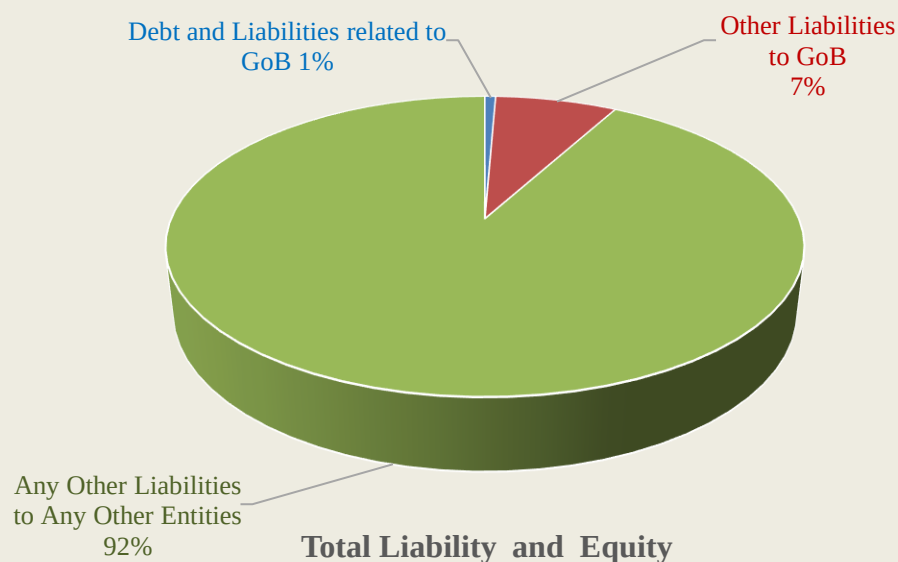
30.1 Pashchimanchal Gas Company Limited (PGCL) was formed on 29th November 1999 as a gas marketing company under Petrobangla and started its commercial journey on 23rd April 2000 to develop socio-economic condition through industrial growth by supplying natural gas to the north-western region of the country. The principal business of the company is to buy natural gas from the gas fields located in the Eastern Zone of Bangladesh and sell gas to power generating companies, industry, domestic, commercial and CNG customers located in the western side of the Bangabandhu Multipurpose Bridge. Total subscribers are 1,26,088 and installed pipelines 1,686.222 km as of May, 2024. It has Authorized Capital of Tk. 300.00 (Three Hundred) Crore and paid-up capital of Tk. 92.90 Crore.

30.2 The following Table-1 presents the statement of debt of Pashchimanchal Gas Company Limited (PGCL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

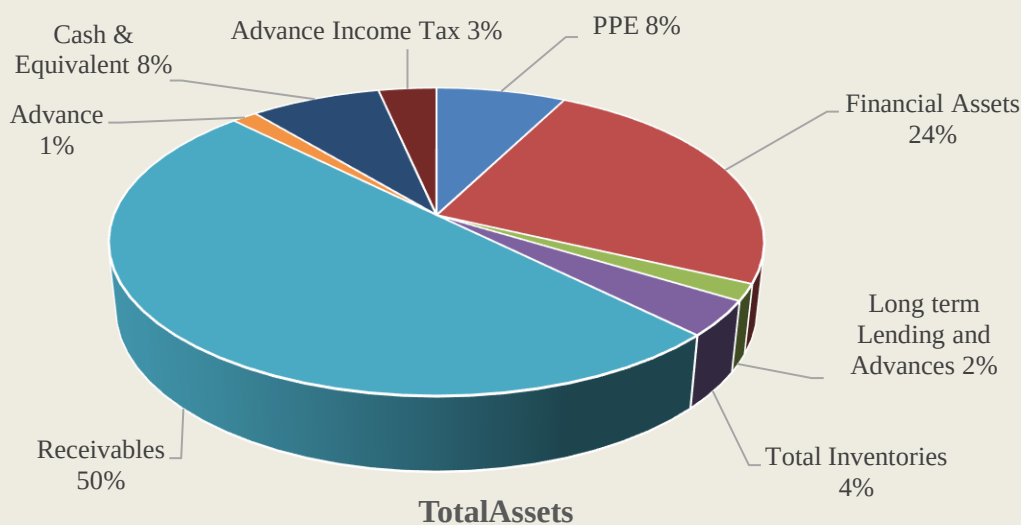
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	72,182,556.00	44,468,236.00	-38.39%	0.00
2	Debt and Liabilities related to GoB under LA	25,956,957.00	16,648,063.00	-35.86%	0.00
3	Debt and Liabilities related to GoB(1+2)	98,139,513.00	61,116,299.00	-37.73%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	919,355,832.00	692,045,721.00	-24.72%	0.00
15	Any Other Liabilities to Any Other Entities	3,489,102,095.00	8,638,726,868.00	147.59%	0.00
16	Other Debt and liabilities (12+13+14+15)	4,408,457,927.00	9,330,772,589.00	111.66%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	4,506,597,440.00	9,391,888,888.00	108.40%	0.00
18	Debt and liabilities to GoB (3+14)	1,017,495,345.00	753,162,020.00	-25.98%	0.00
19	Debt to Entities other than GoB (17-18)	3,489,102,095.00	8,638,726,868.00	147.59%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

30.3 Statement of Debt and Liability in FY 2022-23



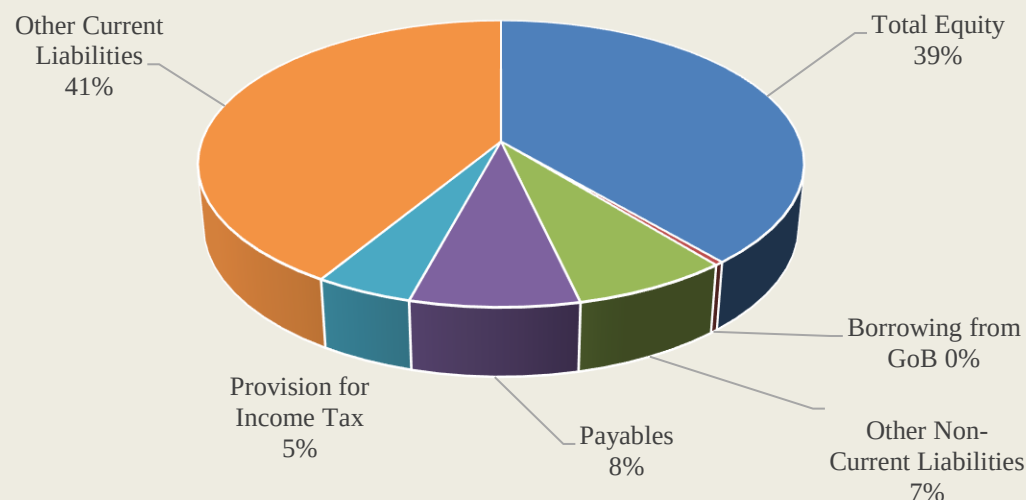
According to the financial statement of PGCL, the total debt is BDT 9,391.89 million as of 30th June, 2023. Out of this amount, major portion 92% is other liability to another entity that are current liability by nature followed by other liability to GoB which are current liability too and finally 1% debt and liabilities related to GoB under SLA and LA. It shows that total long-term liability related to GoB is 1% of total liabilities. Thus having 1% long term liabilities related to GoB, PGCL may pose low fiscal risk for GoB

30.4 The composition of Assets in FY 2022-23



According to the Financial Statement total assets of PGCL in FY 2022-23 was BDT 15,333.35 million. Out of these assets major portion 50% is receivables followed by financial assets 24% and after that comes PPE 8% as well as 8% cash and cash equivalent. Besides there exists inventories 4%, advanced income tax 3%, long term lending 2% and 1% advances. So total non-current assets are 36 % of total assets and statement shows accumulation of receivable issue.

30.5 The composition of Equity & Liabilities in FY 2022-23



The composition of equity and liability shows that major portion is other current liabilities 41% followed by equity 39% and then third major share belongs to payables 8%. After those non-current liabilities occupy 7% following that provision of income tax cover 5% and liabilities related to GoB insignificant portion depicted as 0% in pie chart. The statement shows equity contributed major portion of PSCL growth and non-current liability cover less than 8% of total equity and liability. Having 39% equity and more importantly no long-term liability related to GoB, PSCL less likely to pose fiscal risk for GoB.

30.6 Fiscal risk from PGCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – PGCL

Particular	Result	Risk	Score
Cost recovery	1.09	Moderate	3
Return on Equity (ROE)	16.27%	Very Low	1

Table – 3: Liquidity Ratio – PGCL

Particular	Result	Risk	Score
Current ratio	1.23	High	4
Creditor turnover days	1	Very Low	1

Table – 4: Solvency Ratio – PGCL

Particular	Result	Risk	Score
Debt to total assets	0.61	Moderate	3
Debt to EBITDA	5.98	Very High	5
Total Score			17
Average Score			3(2.83)
Overall Risk Rating			Moderate
Previous year's overall Risk Rating			Low

30.7 The ratio analysis shows that PGCL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. PGCL 's cost recovery ratio is 1.09 and according to threshold value it goes under moderate fiscal risk category. Consistent with the threshold value, cost recovery ratio 0.75 and below falls under very high-risk category. With cost recovery ratio 1.09 PGCL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. PGCL 's ROE is 16.27% and according to threshold value it fits very low-risk category. Consistent with the threshold value, ROE value of 15.0% and above is considered as very low-risk category. With ROE 16.27 %, PGCL poses **very low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of PGCL is 1.24 appears to be not healthy and as per threshold value table it fits high-risk category. Consistent with the threshold value, a current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.23 PGCL poses **high** fiscal for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 1 day, PGCL poses **very low** risk to GoB. In response to higher creditor turnover days, PGCL argues that long pending receivables to government organization led to accumulation of payable which in turn cause higher creditors turnover days;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. PGCL's debt to assets ratio is 0.61 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.61, PGCL carry **moderate** risk for GoB; and
- (vi) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. PGCL's debt to EBITDA ratio is 5.98 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 5.98, PGCL poses **very high** risk for GoB. In response to high EBITDFA, PGCL claimed that it has a 10 to 15-year loan repayment period, a debt-to-EBITDA ratio of 15 would be a more suitable benchmark.

30.8 According to the records, PGCL did not involve in any quasi-fiscal activities in FY 2022-23.

30.9 According to the records, no statutory obligation and no lawsuit is pending against PGCL. It has not issued any guarantee yet. So Contingent Liabilities is not foreseen for PGCL.

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31. Karnaphuli Gas Distribution Company Limited (KGDCL)

31.1 Initially Energy and Mineral Resources Division issued a notification on 11 November 2008 to reorganize the Bakhraabad Gas System Ltd and created Karnaphuli Gas Distribution Company (KGDCL) with an aim to develop the gas sector and increase the quality service to the customers. Later on, Karnaphuli Gas Distribution Company Ltd was incorporated as a Public Limited Company on 08 February 2010 under the Companies Act 1994. With an Authorized Capital of TK 10,000,000,000 dividend into 1,000,000,000 ordinary shares of TK 10 each. The Prime objective of KGDCL is uninterrupted distribution of natural gas to the customers of company. Energy and Mineral Resources Division, The Ministry of Power, Energy & Mineral Resources has the oversight responsibility for KGDCL. As of June 2024, it serves 6,02,397 consumers. Karnaphuli Gas Distribution Company Ltd (KGDCL) mainly performs the following functions:

- Purchase natural gas from gas Producing Companies and other gas suppliers.
- Sales natural gas to different categories customers as per Gas Act 2010.
- Provides training to create efficient manpower in this sector.
- Installation of pre-paid meters.

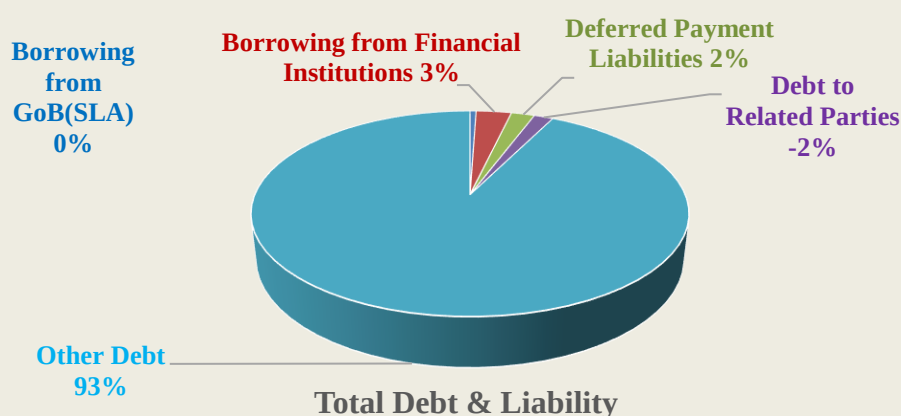
31.2 The following Table-1 presents the statement of debt and liabilities of Karnaphuli Gas Distribution Company Limited (KGDCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and Liabilities related to GoB under SLA	133,516,036.00	125,127,435.00	-6.28%	0.00
2	Debt and Liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and Liabilities related to GoB(1+2)	133,516,036.00	125,127,435.00	-6.28%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	769,130,754.00	722,919,732.00	-6.01%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	769,130,754.00	722,919,732.00	-6.01%	0.00
8	Deferred Payment Liabilities	347,426,410.00	476,308,150.00	37.10%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	(391,853,208.00)	(391,850,999.00)	0.00%	0.00
11	Debt and liabilities related to Related Parties (9+10)	(391,853,208.00)	(391,850,999.00)	0.00%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Other Liabilities to GoB	8,042,024,316.00	6,537,060,362.00	-18.71%	0.00
14	Any Other Liabilities to Any Other Entities	14,610,377,193.00	14,962,957,890.00	2.41%	0.00

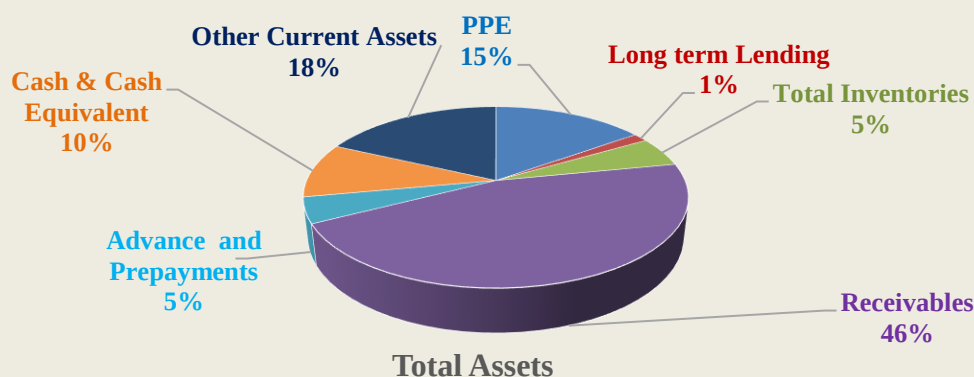
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
15	Other Debt and liabilities (12+13+14+15)	22,652,401,509.00	21,500,018,252.00	-5.09%	0.00
16	Total Debt and liabilities (3+7+8+11+16)	23,510,621,501.00	22,432,522,570.00	-4.59%	0.00
17	Debt and liabilities to GoB (3+14)	8,175,540,352.00	6,662,187,797.00	-18.51%	0.00
18	Debt and liabilities to Entities other than GoB (17-18)	15,335,081,149.00	15,770,334,773.00	2.84%	0.00

31.3 Statement of Debt and liabilities in FY 2022-23



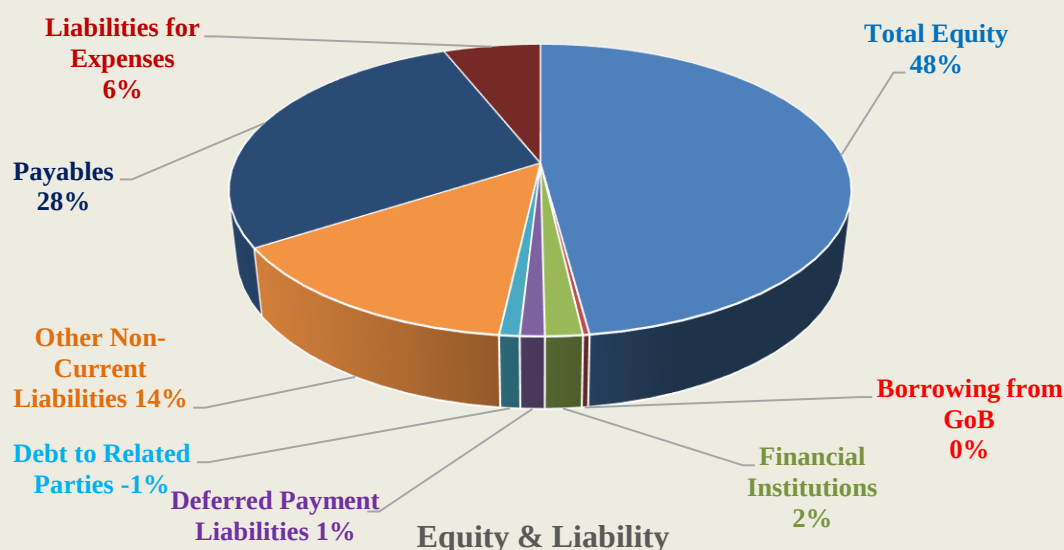
According to the financial statement of Karnaphuli Gas Distribution Company Limited (KGDCL) the total debt was BDT 22,432.52 million as of 30th June, 2022. Out of this amount, major portion 93% is other debt (other liabilities to GoB and other liabilities to any entities) which are current liabilities followed by borrowing from financial institution 3%, following that debt to related parties 2%. The composition shows that long-term liabilities is only 5% of total debt and liabilities. Having no long-term liabilities related to GoB, KGDCL less likely to pose fiscal risk for GoB.

31.4 The composition of Assets in FY 2022-23



To the financial statement total assets in FY 2022-23 was BDT 43,783. 72 million. Out of this amount major share is receivables that covers 46% followed by other current assets 18% then comes PPE 10% . In addition, other current assets are inventories 5%, advance and prepayment 5% and finally 1% is long term lending. The assets composition shows that noncurrent assets occupy only 16% of total assets and also indicates receivables accumulation issues.

31.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of equity and liabilities, equity occupies 48% followed by payables 28% and then comes other non-current liabilities 14% and following that 6% is liability for expenses. Besides, other liabilities are Deferred payment liabilities 1%, liabilities related to Financial Institution 2% and finally liabilities related to GoB less than 1% which exhibited as 0% in pie chart. The composition shows that equity is major contributor of KGDCL's growth, which reduce likelihood to fiscal risk exposure for GOB.

31.6 Fiscal risk from Karnaphuli Gas Distribution Company Limited (KGDCL)'s is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following table:

Table – 2: Profitability Ratio – KGDCL

Particular	Result	Risk	Score
Cost recovery	1.08	Moderate	3
Return on Equity (ROE)	9.25%	Low	2

Table – 3: Liquidity Ratio – KGDCL

Particular	Result	Risk	Score
Current ratio	2.40	Very Low	1
Creditor turnover days	92	High	4

Table – 4: Solvency Ratio – KGDCL

Particular	Result	Risk	Score
Debt to total assets	0.51	Moderate	3
Debt to EBITDA	5.07	Very High	5
Total Score			18
Average Score			3.00
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Very Low

31.7 The ratio analysis shows that KGDCL's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. KGDCL 's cost recovery ratio is 1.08 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above and below falls under very low-risk category. With cost recovery ratio 1.08 KGDCL poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. KGDCL 's ROE is 9.25% and according to threshold value it fits low-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 9.25 %, KGDCL poses **low** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of KGDCL is 2.4 appears to be healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.40 KGDCL poses **very low** for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 92 days, KGDCL poses **high** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. KGDCL's debt to assets ratio is 0.51 and according to threshold value it fits under moderate risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.51, KGDCL carry **moderate** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. KGDCL's debt to EBITDA ratio is 5.07 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 5.07, KGDCL poses **very high** risk for GoB.

31.8 According to the records, KGDCL did not involve in any quasi-fiscal activities in FY 2022-23.

31.9 According to the records, no lawsuit is pending against it. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for KGDCL in FY 2022-23.

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32. Sundarban Gas Company Limited (SGCL)

32.1 Sundarban Gas Company Limited was incorporated in Bangladesh on 23rd November 2009 as public limited company under the Companies Act, 1994. Sundarban Gas Company Limited (SGCL) is a Bangladesh government owned gas company under Petro Bangla responsible for gas supply in Barisal Division, Khulna Division, and the greater Faridpur region. The main responsibilities of this Company are to construct distribution pipelines, provide gas connections and post connection services in its franchise area.

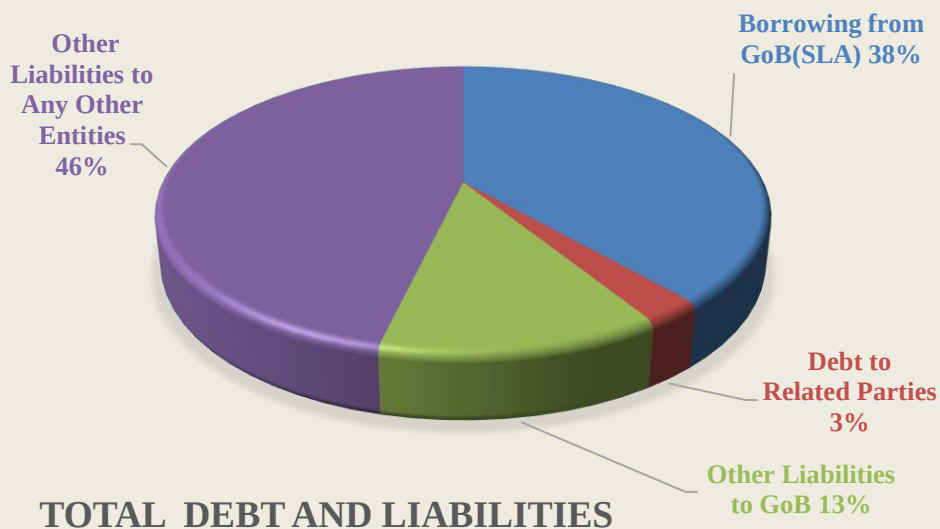
32.2 The following Table-1 presents the statement of debt of Sundarban Gas Company Limited (SGCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

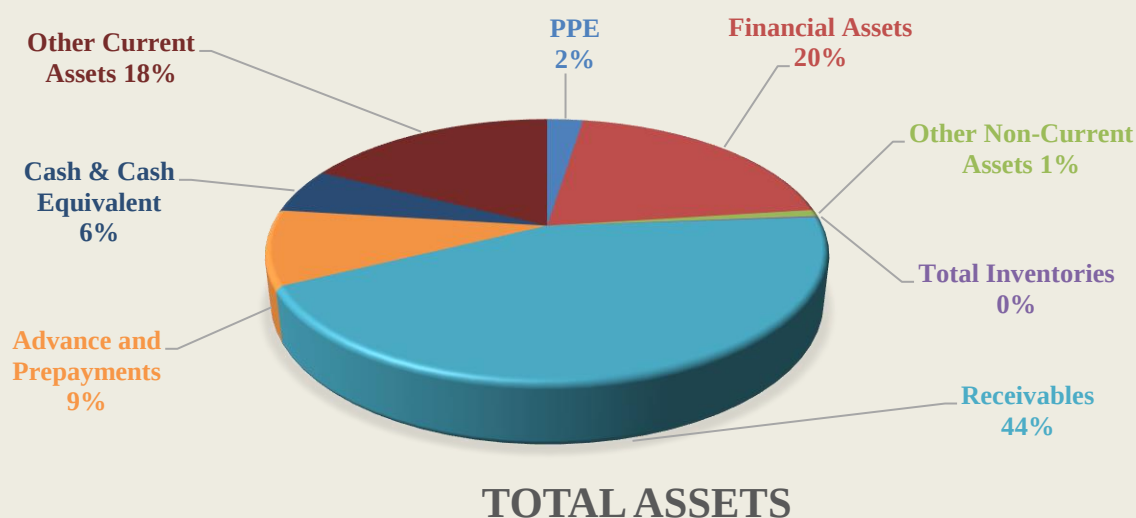
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	4,427,499,844.00	4,427,937,027.00	0.01%	4,427,499,844.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	4,427,499,844.00	4,427,937,027.00	0.01%	4,427,499,844.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	334,190,921.00	297,167,318.00	-11.08%	334,190,921.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	334,190,921.00	297,167,318.00	-11.08%	334,190,921.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,187,074,487.00	1,450,058,018.00	22.15%	1,187,074,487.00
15	Any Other Liabilities to Any Other Entities	1,325,029,031.00	5,320,914,096.00	301.57%	1,325,029,031.00
16	Other Debt and liabilities (12+13+14+15)	2,512,103,518.00	6,770,972,114.00	169.53%	2,512,103,518.00
17	Total Debt and liabilities(3+7+8+11+16)	7,273,794,283.00	11,496,076,459.00	58.05%	7,273,794,283.00
18	Debt to GoB (3+14)	5,614,574,331.00	5,877,995,045.00	4.69%	5,614,574,331.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,659,219,952.00	5,618,081,414.00	238.60%	1,659,219,952.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee.	0.00	0.00	0.00%	0.00

32.3 Statement of total debt and liabilities:



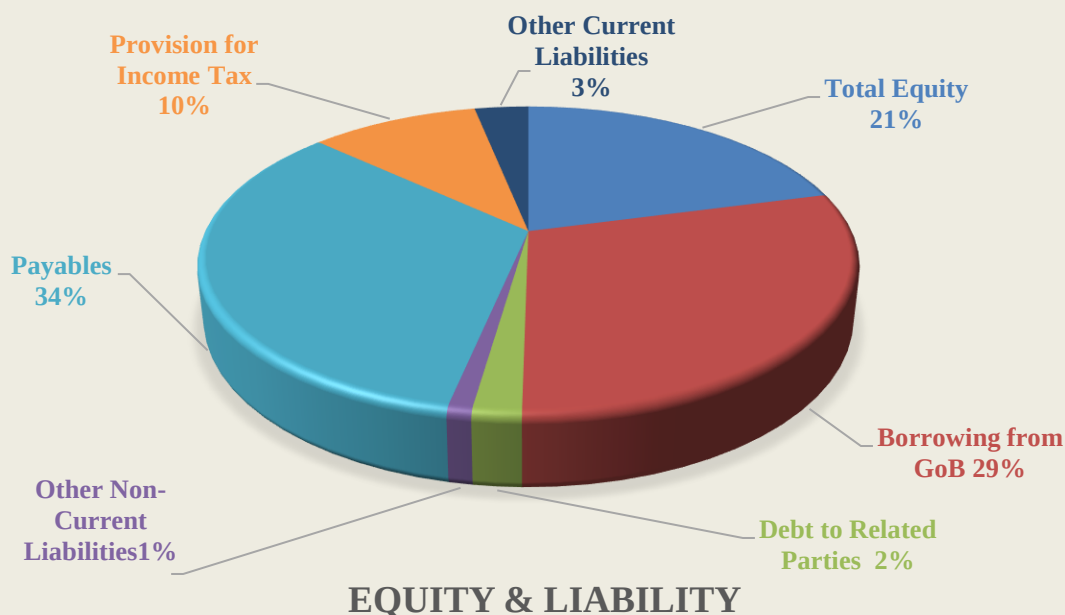
According to the financial statement of SGCL, the total debt is BDT 11,496.08 million as of 30th June 2023. Out of this amount, the major portion 46% is liabilities to any other entities, followed by 38% liabilities related to GoB under the Subsidiary Loan Agreement (SLA), other liabilities to GoB 13% and finally 3% debt to related parties, which is noncurrent liabilities. If SGCL fails to make repayment of its liabilities related to GoB, it will create fiscal risk for GoB.

32.4 The composition of assets in FY 2022-23



According to the financial statement, total assets in FY 2022–23 were BDT 145292.29 million. Out of these assets, the major portion 44% is receivables, followed by financial assets 20%, other current assets 18%, prepayments (9%, cash and cash equivalent 6%, PPE 2% and other noncurrent assets 1% of total assets. Based on asset composition, 23% are non-current assets, and the remaining 76% are current assets.

32.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that the major portion is payables 34% followed by liabilities related to GoB 29%, equity 21%, provision for income tax 10%, other current liabilities 3%, debt to related party 2% and finally 1% other noncurrent liabilities. The share of equity is 21% compared to total noncurrent liability of about 32%, which means that SGCL's growth is liability driven. Thus, SGCL poses fiscal risk for GoB.

32.6 Fiscal risk from SGCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – SGCL

Particular	Result	Risk	Score
Cost recovery	1.14	Moderate	3
Return on Equity (ROE)	22.86%	Very Low	1

Table – 3: Liquidity Ratio – SGCL

Particular	Result	Risk	Score
Current ratio	1.63	Low	2
Creditor turnover days	261	Very High	5

Table – 4: Solvency Ratio – SGCL

Particular	Result	Risk	Score
Debt to total assets	0.79	High	4
Debt to EBITDA	9.63	Very High	5
Total			20
Average Score			3 (3.33)
Overall Risk Rating			Moderate
Previous Year's Overall Risk rating			Low

32.7.1 The ratio analysis shows that SGCL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, the cost recovery ratio ranges from 1 to 1.25 in the moderate-risk category. SGCL's cost recovery ratio is 1.14, and according to the threshold value, it goes under the moderate fiscal risk category. With a cost recovery ratio of 1.14, SGCL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 15% and above is considered a very low-risk category. SGCL's ROE is 22.86%, and according to the threshold value, it fits the very low-risk category. With a ROE of 22.86%, SGCL poses **very low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio of 1.50 to 2.0 is considered as low-risk category. Current ratio of SGCL is 1.63 appears to be not healthy and as per the threshold value table it matches with very moderate-risk category. So, having a current ratio of 1.63, SGCL poses **low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to the threshold value, creditors turn over days of 120 and above considered a very high-risk category. With a Creditor Turnover Days of 261 days, SGCL poses **very high** risk to GoB. In response to higher creditor turnover days, SGCL argues that long pending receivables to government and other organizations led to accumulation of payables that caused higher creditor payables days;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of 0.75 to 1 is high risk category. SGCL's debt to assets ratio is 0.79, and according to the threshold value, it fits under the high-risk category. With a debt to assets ratio of 0.79, SGCL carries high risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to the very high-risk category. SGCL's debt to EBITDA ratio is 9.42, and according to the threshold value it fits under the very high-risk category. With an EBITDA ratio of 9.42, SGCL poses very high risk for GoB. SGCL claimed that since it has a long loan repayment period, such as 15 years, a debt to EBITDA ratio of 15 or so would be a more suitable benchmark.

32.8 According to the records, SGCL was not involved in any quasi-fiscal activities in FY 2022-23.

32.9 According to the records, no statutory obligation and no lawsuit is pending against SGCL. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for SGCL in FY 2022-23.

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33. Rupantarita Prakritik Gas Company Limited (RPGCL)

33.1 An entity named ‘Compressed Natural Gas Company Ltd’ was formed on 01 January 1987 with a view to ensure multi-dimensional use of natural gas. Later, due to expansion of its activities, the name of the Company was changed to ‘Rupantarita Prakritik Gas Company Limited (RPGCL)’ on 09 February 1991. RPGCL played the positive role in building the CNG fuel-based infrastructure in the transport sector of the country and thereby supervising, monitoring and expanding its commercial operation. NGL-Condensate are being processed by RPGCL to produce MS, Diesel and LPG and marketing of the same.

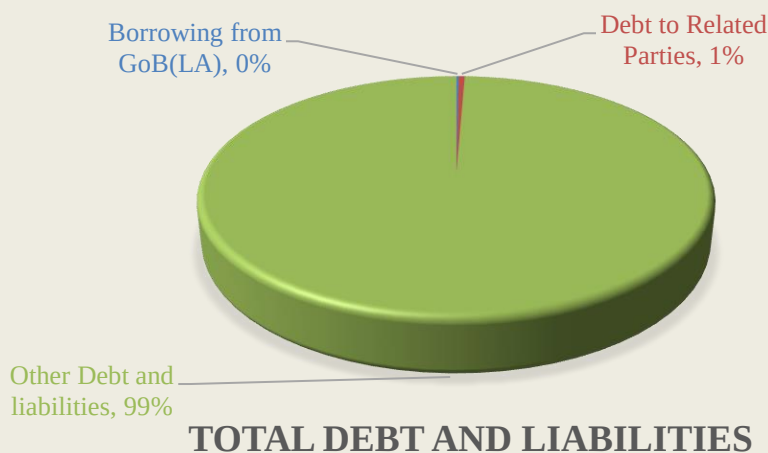
33.2 The following Table-1 presents the statement of debt and liabilities of Rupantarita Prakritik Gas Company Limited (RPGCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	11,206,312	1,964,728	-82.47%	0.00
3	Debt and liabilities related to GoB (1+2)	11,206,312	1,964,728	-82.47%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	4,678,179	5,225,177	11.69%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	4,678,179	5,225,177	11.69%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	1,141,430,212	1,119,425,523	-1.93%	0.00
16	Other Debt and liabilities(12+13+14+15)	1,141,430,212	1,119,425,523	-1.93%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,157,314,703	1,126,615,428	-2.65%	0.00
18	Debt and liabilities to GoB (3+14)	11,206,312	1,964,728	-82.47%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,146,108,391	1,124,650,700	-1.87%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

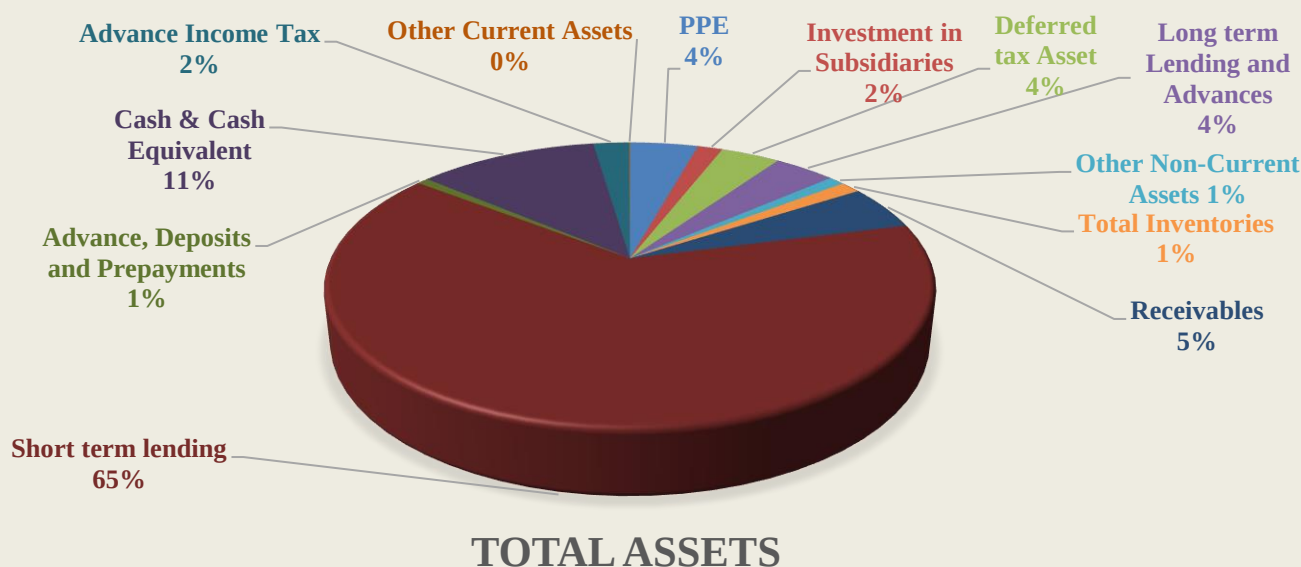
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

33.3 Statement of debt and liabilities in FY 202-23



According to the financial statement of RPGCL, the total debt is BDT 1,126,62 million as of 30th June, 2023. Out of this amount, major portion 99 % is other debt and liabilities, which are by nature current liabilities. The remaining 1% is debt to related parties and 0% borrowing from GoB, which are noncurrent liabilities. Having less than 1% liabilities related to GoB, RPGCL is less likely to cause fiscal risk exposure for GoB.

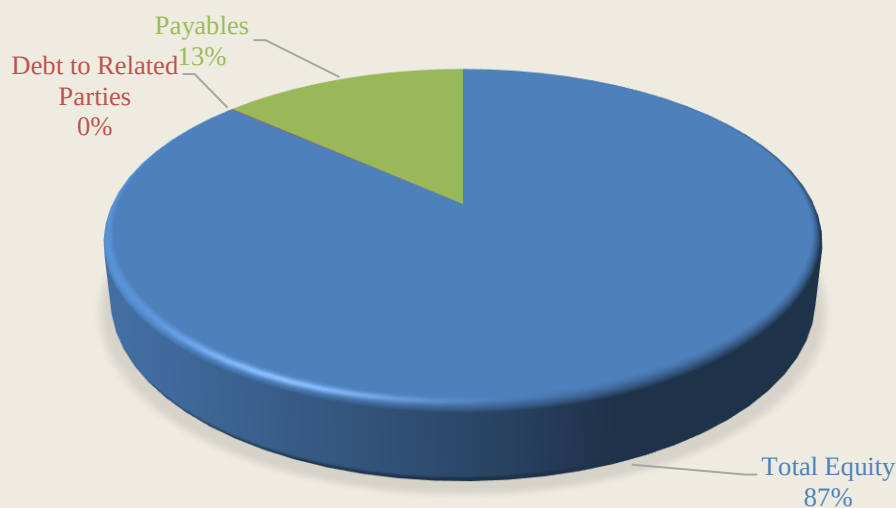
33.4 The composition of assets in FY 2022-23:



According to the financial statement, total assets in FY 2022–23 were BDT 8,394.42 million. Out of these assets, the major portion is 65% short-term lending, followed by cash and cash equivalent 11%, receivables 5%, PPE 4%,

deferred tax assets 4%, and 4% long term lending. The composition shows that noncurrent assets are about 15% of total assets.

33.5 The composition of equity and liabilities in FY 2022-23:



EQUITY & LIABILITY

The composition of equity and liabilities reveals that equity covers 87% and the remaining 13% belongs to payables, which are current liabilities. More importantly, RPGCL does not hold liabilities related to GoB under the Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). It also shows that RPGCL's growth is highly contributed by equity, and accordingly, RPGCL is less likely to lead fiscal risk for GoB.

33.6 Fiscal risk from RPGCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – RPGCL

Particular	Result	Risk	Score
Cost recovery	1.72	Very Low	1
Return on Equity (ROE)	3.66%	Moderate	3

Table – 3: Liquidity Ratio – RPGCL

Particular	Result	Risk	Score
Current ratio	6.39	Very Low	1
Creditor turnover days	3564	Very High	5

Table – 4: Solvency Ratio – RPGCL

Particular	Result	Risk	Score
Debt to total assets	0.13	Very Low	1
Debt to EBITDA	2.39	Moderate	3
Total Score			14
Average Score			2 (2.33)
Overall Risk Rating			Low

33.7 The ratio analysis shows that RPGCL's risk rating is based on:

- i. Cost Recovery ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1.5 and above falls under the very low-risk category. RPGCL's cost recovery ratio is 1.72, and according to the threshold value, it goes under the very low fiscal risk category. With a cost recovery ratio of 1.72, RPGCL poses **very low** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of zero to 8% is considered a very moderate category. RPGCL's ROE is 3.66%, and according to the threshold value, it fits the moderate risk category. With ROE 3.66%, RPGCL poses **moderate** risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligations or those due within one year. A current ratio of 2.0 and above is considered a very low-risk category. The current ratio of RPGCL is 6.39, which appears to be very healthy, and as per the threshold value table, it matches the very low-risk category. So, having a current ratio of 6.39, RPGCL poses **very low** for GoB;
- iv. Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to the threshold value, creditors turn over days of 120 and above considered a very high-risk category. With a Creditor Turnover Days of 3564 days, RPGCL poses **very high** risk to GoB. In response to higher creditor turnover days, RPGCL argues that long pending receivables to government and other organizations led to accumulation of payables that caused higher creditor Turnover days;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of less than 0.25 is a very low risk category. RPGCL's debt to assets ratio is 0.13, and according to the threshold value, it fits under the very low risk category. With debt to assets ratio of 0.13, RPGCL carries **very low** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 2.0 to 3.0 belongs to the moderate-risk category. RPGCL's debt to EBITDA ratio is 2.39 and according to the threshold value, it fits under the moderate-risk category. With Debt to EBITDA ratio of 2.39, RPGCL poses **moderate** risk for GoB. RPGCL claimed that since it has a long loan repayment period such as 15 years, a debt-to-EBITDA ratio of 15 or so would be a more suitable benchmark.

33.8 According to the records RPGCL was not involved in any quasi-fiscal activities in FY 2022-23.

33.9 According to the records, the statutory obligation is BDT 20.00 million and no lawsuit is pending against RPGCL. So, Contingent Liabilities is foreseen for BDT 20.00 million against statutory obligation of RPGCL in FY 2022-23.

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34. Barapukuria Coal Mining Company Limited (BCMCL)

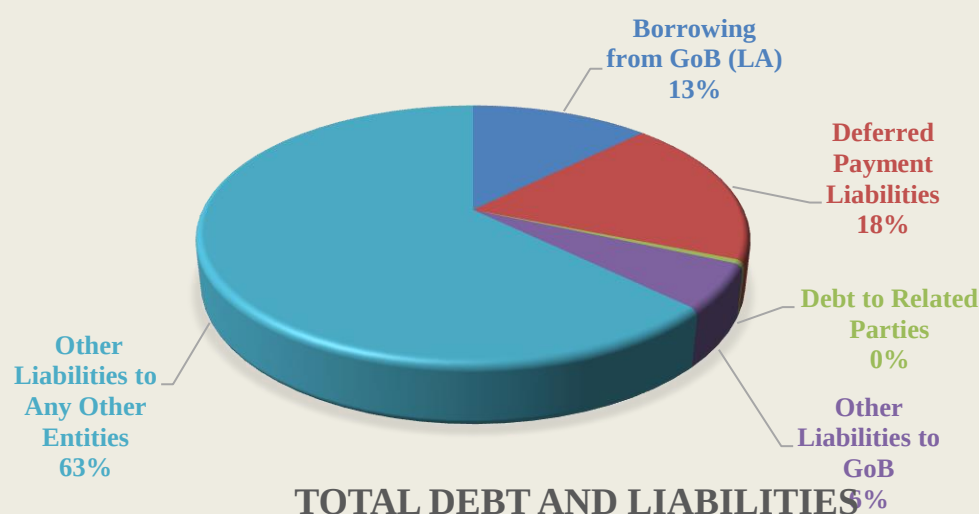
34.1 Barapukuria Coal Mining Company Limited (BCMCL) is a Bangladesh government owned coal mining company. It was established and incorporated on 04 August 1998 under the Companies Act, 1994 as a public limited company; limited by shares. The company has started its commercial operation from 10 September 2005. The company is primarily involved in coal mining, selling and marketing coal and its by-products to commercial power plants and other domestic users. Bangladesh Power Development Board (BPDB) is one of the major customers of the company.

34.2 The following Table-1 presents the statement of debt and liabilities of Barapukuria Coal Mining Company Limited (BCMCL) for the FY 2022-23, which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

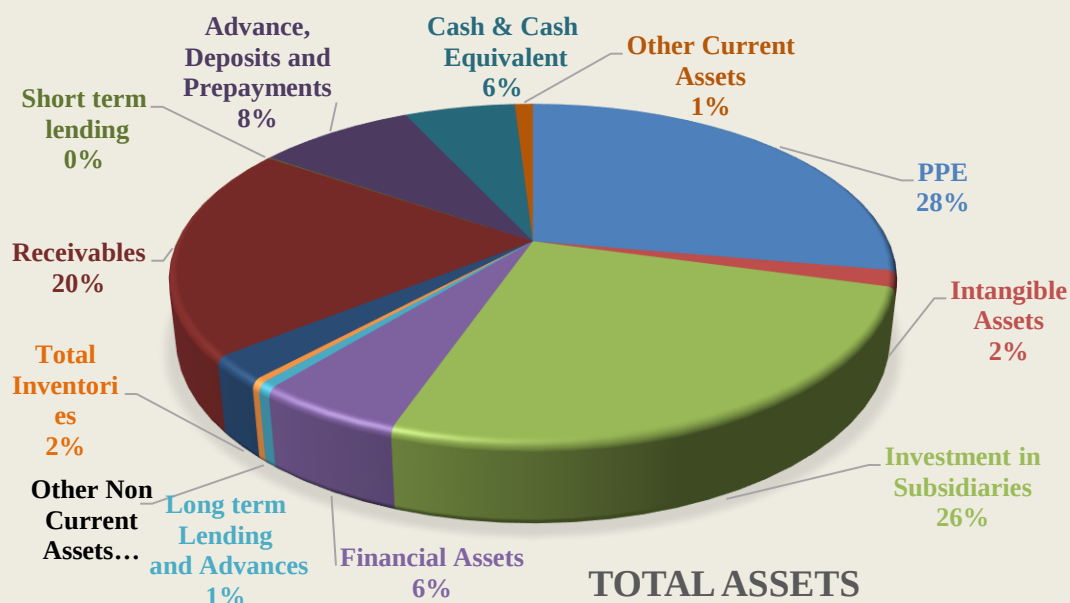
					Amount in BDT
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	1,261,042,394.00	1,261,042,394.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	1,261,042,394.00	1,261,042,394.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	1,585,058,335.00	1,859,464,057.00	17.31%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	47,474,894.00	47,474,894.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	47,474,894.00	47,474,894.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	75,874,106.00	563,680,082.00	642.91%	0.00
15	Any Other Liabilities to Any Other Entities	4,315,886,598.00	6,281,661,068.00	45.55%	0.00
16	Other Debt and liabilities (12+13+14+15)	4,391,760,704.00	6,845,341,150.00	55.87%	0.00
17	Total Deb and liabilities (3+7+8+11+16)	7,285,336,327.00	10,013,322,495.00	37.44%	0.00
18	Debt and liabilities to GoB (3+14)	1,336,916,500.00	1,824,722,476.00	36.49%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	5,948,419,827.00	8,188,600,019.00	37.66%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

34.3 Statement of Debt and Liabilities in FY 2022-23:



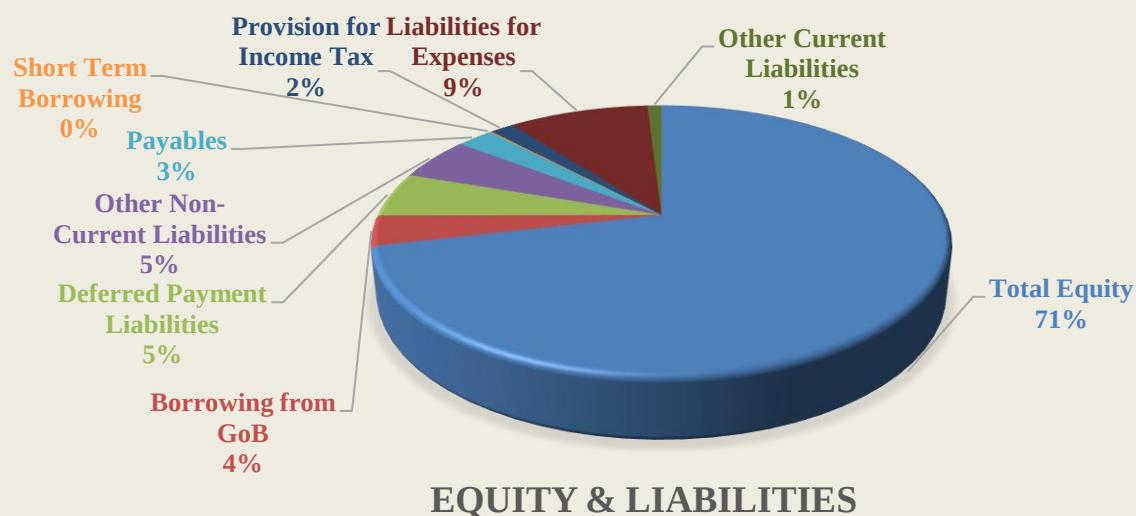
According to the financial statement of BCMCL, the total debt is BDT 10,013.32 million as of 30th June 2023. Out of this amount, major portion 63% belongs to 'other liabilities to any other entities' followed by Deferred payment liabilities 18%, then borrowing from GoB 13% and finally other liabilities to GoB 6% of total debt and liabilities. The statement shows that total long-term liabilities is 31% (including LA 13%) and if BCMCL failed to make repayment it will create fiscal risk for GoB.

34.4 The composition of Assets in FY 2022-23:



According to the financial statement, total assets in FY 2022-23 were BDT 34,927.19 million. Out of these assets major portion 28% is PPE, followed by 26% investment in subsidiary, prepayments 8%, Cash & Cash equivalent 6%, financial assets 6%, intangible assets 2%, inventories 2%, other current assets 1% and 1% long term lending. The composition shows that total long-term assets cover 27% and remaining 73% are current assets.

34.5 The composition of Equity and liabilities in FY 2022-23:



The composition of equity and liability shows that major portion of 'equity and liability 71% is equity followed by liabilities for expense 9%, deferred payment liabilities 5%, Other non-current assets 5%, liabilities related to GoB 4%, payables 3%, provision for income tax 2% and finally 1% other current liabilities. Total long-term liabilities are 14% compared to equity 71%. Thus, the growth of BCMCL is highly financed by equity which in turn reduces fiscal risk for GoB.

34.6 Fiscal risk from Barapukuria Coal Mining Company Limited (BCMCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BCMCL

Particular	Result	Risk	Score
Cost recovery	1.42	Low	2
Return on Equity (ROE)	12.09	Low	2

Table – 3: Liquidity Ratio – BCMCL

Particular	Result	Risk	Score
Current ratio	2.61	Very Low	1
Creditor turnover days	31	Low	2

Table – 4: Solvency Ratio – BCMCL

Particular	Result	Risk	Score
Debt to total assets	0.29	Low	2
Debt to EBITDA	1.84	Low	2
Total Score			11
Average Score			2 (1.83)
Overall Risk Rating			Low
Previous Year's Overall Risk Rating			Low

34.7 The ratio analysis shows that Barapukuria Coal Mining Company Limited (BCMCL)'s risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1.25 to falls under low-risk category. BCMCL's cost recovery ratio is 1.42, and according to the threshold value it goes under low fiscal risk category. With a cost recovery ratio 1.42, BCMCL poses **low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 8% to 15% is considered as low-risk category. BCMCL's ROE is 12.09% and according to the threshold value it fits low-risk category. With a ROE of 12.09%, BCMCL poses **low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligations or those due within one year. A current ratio of 2.0 and above is considered a very low-risk category. Current ratio of BCMCL is 2.61 appears to be healthy and as per the threshold value table, it matches the very low-risk category. So, having a current ratio of 2.61 BCMCL poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to the threshold value, creditors turn over days of 30 to 60 days considered a low-risk category. With a Creditor Turnover Days of 31 days, BCMCL poses **low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of 0.25 to .50 is low risk category. BCMCL's debt to assets ratio is 0.29 and according to threshold value it fits under low-risk category. With a debt to assets ratio of 0.29, BCMCL carries **low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 1.50 to 2.00 belongs to low-risk category. BCMCL's debt to EBITDA ratio is 1.84 and according to threshold value it fits under low-risk category. With a debt to EBITDA ratio of 1.84, BCMCL poses **low** risk for GoB.

34.8 According to the records, BCMCL was not involved in any quasi-fiscal activities in FY 2022-23.

34.9 According to the records, no statutory obligation and no lawsuit is pending against BCMCL. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for BCMCL in FY 2022-23.

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35. Maddhapara Granite Mining Company Limited (MGMCL)

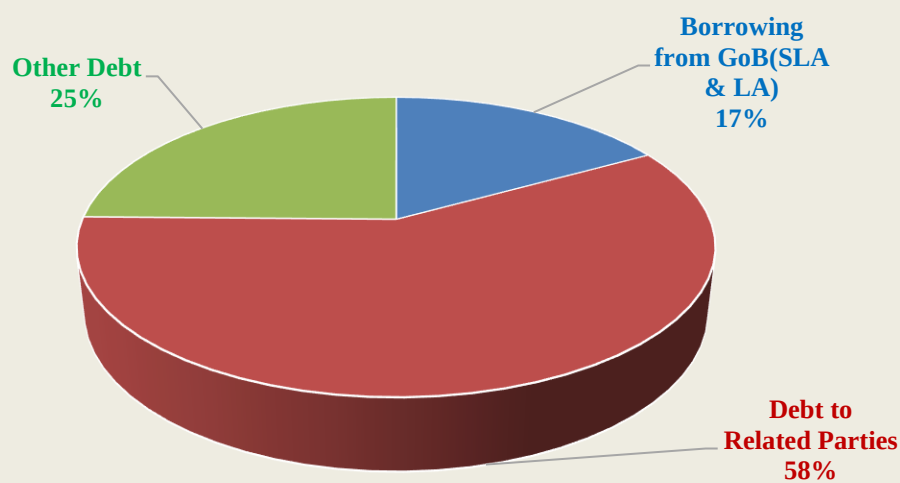
35.1 Maddhapara Granite Mining Company Limited (MGMCL) is a Bangladesh Government granite mining company owned by Petrobangla. It was incorporated on 4th August, 1988 under Company Act, 1994 as a public limited company. The company has started its commercial operation from May 2002. The principal activities of the company are to develop underground hard rock mine and extraction and sale thereof.

35.2 The following Table-1 presents the statement of debt of Maddhapara Granite Mining Company Limited (MGMCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	9,066,000.00	9,066,000.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	2,475,699,125.00	2,475,699,125.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	2,484,765,125.00	2,484,765,125.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	8,558,400,506.00	8,538,209,313.00	-0.24%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	8,558,400,506.00	8,538,209,313.00	-0.24%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	4,220,333,286.00	3,621,139,365.00	-14.20%	0.00
16	Other Debt(12+13+14+15)	4,220,333,286.00	3,621,139,365.00	-14.20%	0.00
17	Total Debt (3+7+8+11+16)	15,263,498,917.00	14,644,113,803.00	-4.06%	0.00
18	Debt to GoB (3+14)	2,484,765,125.00	2,484,765,125.00	0.00%	0.00
19	Debt to Entities other than GoB (17-18)	12,778,733,792.00	12,159,348,678.00	-4.85%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

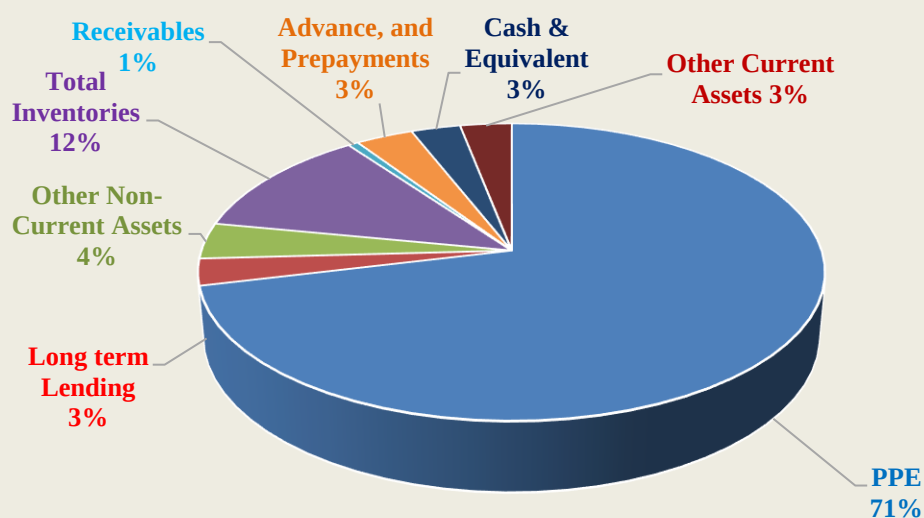
35.3 Statement of debt and liabilities in FY 2022-23:



Total debt and liabilities

According to the financial statement of MGMCL, the total debt is BDT 14, 644.11 million as of 30th June, 2023. Out of this amount, major portion 58% is debt to related parties followed by other debt 25% (such as current liabilities to GoB and any other entities) and finally liabilities related to GoB 17% under subsidiary Loan agreement (SLA) and Loan Agreement (LA). If MGMCL fails to make repayment of SLA and LA, it will cause fiscal risk for GoB

35.4 The composition of Assets in FY 2022-23 :

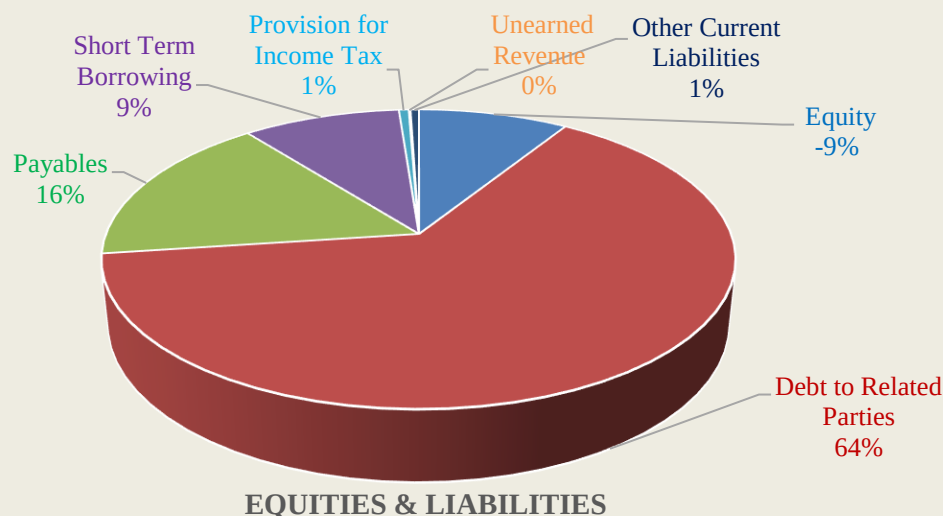


TOTAL ASSETS

According to the financial statement total assets in FY 2022-23 was BDT 13442.24 million. Out of these assets, major portion 71% is PPE followed by inventories 12%, Other non-current assets 4%, long term lending 3%, prepayment 3%, cash & equivalent 3%, other current assets 3% and finally 1% receivables. The composition

shows that long term assets occupy 78% and remaining 22% is current assets.

35.5 The composition of debt and liabilities in FY 2022-23:



The composition of equity and liabilities shows that equity is negative 9%, which means that MCL's total liability has already exceeded its total assets. Following that major portion is debt to related party that make up 64% followed by 16% payables, 9% short term borrowing, 1% provision for income tax and finally 1% other current assets. Besides, unearned revenue holds insignificant amount which has shown as 0% in pie chart. Having negative equity, MGMCL increases likelihood of fiscal risk for GoB.

35.6 Fiscal risk from MGMCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – MGMCL

Particular	Result	Risk	Score
Cost recovery	1.12	Moderate	3
Return on Equity (ROE)	-14.40 %	Very High	5

Table – 3: Liquidity Ratio – MGMCL

Particular	Result	Risk	Score
Current ratio	0.82	Very High	5
Creditor turnover days	538	Very High	5

Table – 4: Solvency Ratio – MGMCL

Particular	Result	Risk	Score
Debt to total assets	1.09	Very High	5
Debt to EBITDA	23.81	Very High	5
Total Score			28

Average Score	5 (4.67)
Overall Risk Category	Very High

35.7 The ratio analysis shows that MGMCL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. MGMCL's cost recovery ratio is 1.12. According to threshold value of 1 to 1.25% is considered as moderate fiscal risk category. The cost recovery ratio 1.12 fits under moderate fiscal risk category. With cost recovery ratio 1.12 MGMCL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. MGMCL's ROE is -14.40 % and according to threshold value it fits very high-risk category. ROE value of -10.0 and below is considered as very high-risk category. With ROE -14.40%, MGMCL poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of MGMCL is 0.82 appears to be very poor and as per threshold value table it fits very high-risk category. A current ratio of 1.0 and below is considered as very high-risk category. So, having current ratio of 0.82 MGMCL poses **very high** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 538 days, MGMCL poses **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. MGMCL's debt to assets ratio is 1.09 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 1.09, MGMCL carry **very high** risk for GoB; and
- (vi) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. MGMCL's debt to EBITDA ratio is 23.81 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 23.81, MGMCL poses **very high** risk for GoB.

35.8 According to the records, MGMCL did not involve in any quasi-fiscal activities in FY 2022-23.

35.9 According to the records, there is no Pending Litigation for financial year 2022-23. So MGMCL does not poses Contingent Liabilities for GoB in FY 2022-23.

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36. Bangladesh Energy Regulatory Commission (BERC)

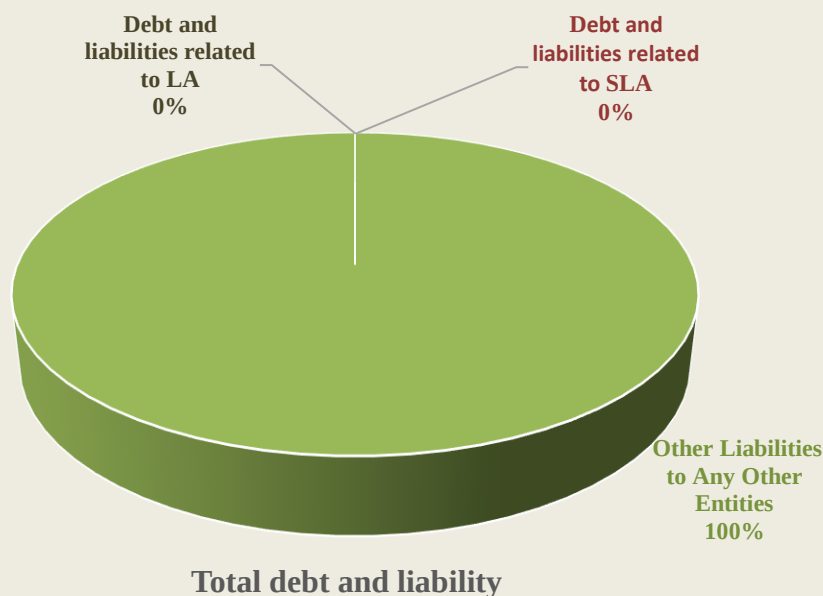
36.1 The Bangladesh Energy Regulatory Commission was established on March 13, 2003 through a legislative Act of the Government of Bangladesh. The commission became effective on April 27, 2004 with the appointment of two, of the five-member commission including the chairman. The commission has the mandate to regulate Electricity, Gas and Petroleum products for the whole of Bangladesh. BERC is responsible for setting tariffs, issuing licenses, and resolving disputes within the industry to ensure transparency, protect consumer rights, and maintain fair pricing. Besides, BERC's approval is needed for any changes of electricity price.

36.2 The following Table–1 presents the statement of debt and liabilities of The Bangladesh Energy Regulatory Commission (BERC) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

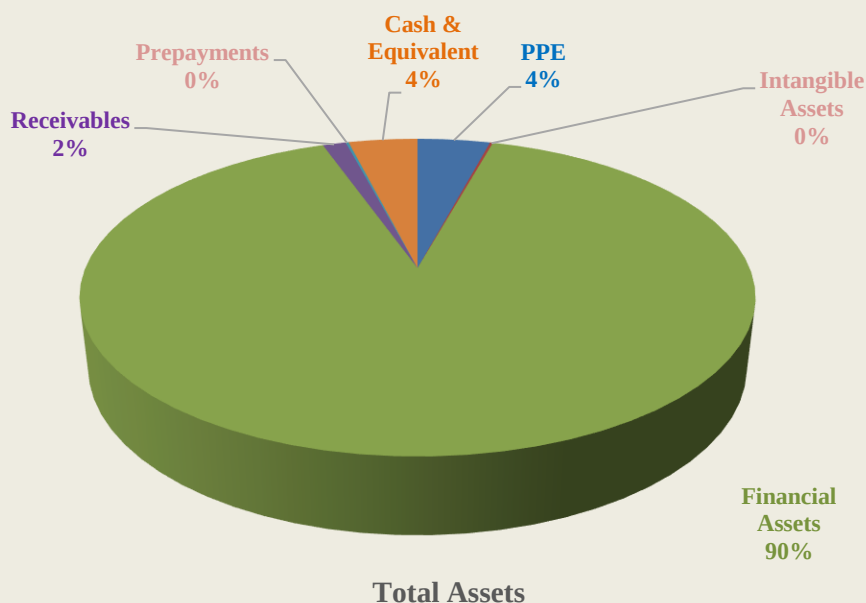
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	1,057,177.00	4,541,358.00	329.57%	0.00
16	Other Debt(and liabilities 12+13+14+15)	1,057,177.00	4,541,358.00	329.57%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,057,177.00	4,541,358.00	329.57%	0.00
18	Debt and liabilities to GoB (3+14)	0.00	0.00	0.00%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,057,177.00	4,541,358.00	329.57%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee.	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee.	0.00	0.00	0.00%	0.00

36.3 Statement of debt and liabilities in FY 2022-23



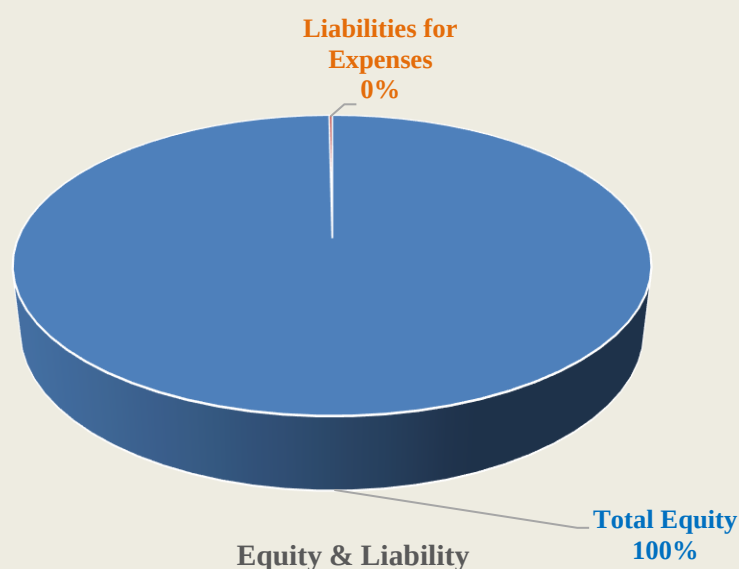
According to the financial statement of Bangladesh Energy Regulatory Commission (BERC)'s total debt and liability is BDT 4.54 million as of 30th June, 2023. Out of this amount 100% is covers by other liabilities to any other entities which are current liability by nature. The financial statement shows that BERC does not hold any liabilities related to Gob under Subsidiary Loan agreement (SLA) and Loan Agreement (LA) in FY 2022-23. Based on the statement of debt and liabilities, BERC is less likely to cause fiscal risk for GoB.

36.4 The composition of assets in FY 2022-23:



According to financial statement of BERC total assets in FY 2022-23 was BDT 2373.25 million. Out of these assets major portion 90% is financial assets followed by 4% PPE, cash & cash equivalent 4% and finally 2% is receivables. Besides prepayments and intangibles assets hold insignificant amount and has shown as 0% in pie chart. The statement shows BERC that about 94% assets belong to long-term assets which poses low risk for GoB.

36.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liability shows that 100% is occupied by equity, So BERC's growth is driven by equity and there exists no long-term liabilities to GoB. So BERC is less likely to pose fiscal risk for GoB.

36.6 Fiscal risk from Bangladesh Energy Regulatory Commission (BERC) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BERC

Particular	Result	Risk	Score
Cost recovery	1.97	Very Low	1
Return on Equity (ROE)	11.99%	Low	2

Table – 3: Liquidity Ratio – BERC

Particular	Result	Risk	Score
Current ratio	28.41	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero).	Very Low	1

Table – 4: Solvency Ratio – BERC

Particular	Result	Risk	Score
Debt to total assets	0	Very Low	1
Debt to EBITDA	0.02	Very Low	1
Total score			7
Overall Score			1 (1.16)
Overall Risk Rating			Very Low
Previous Year's Overall Risk Rating			Very Low

36.7 The ratio analysis shows that BERC's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BERC 's cost recovery ratio is 1.97 and according to threshold value it goes under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.97 BERC poses **very low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BERC 's ROE is 11.99% and according to threshold value it fits low-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 11.99 %, BERC poses **low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BERC is 28.41 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 28.41 BERC poses **very low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 0 days, BERC poses **very low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BERC's debt to assets ratio is 0 and according to threshold value it fits under very low risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0, BERC carry **very low** risk for GoB; and
- (vi) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. BERC's debt to EBITDA ratio is 0.02 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to EBITDA ratio of below 1.50 belongs to very low-risk category. With EBITDA ratio of 0.02, BERC poses **very low** risk for GoB.

36.8 According to the records, BERC did not involve in any quasi-fiscal activities in FY 2022-23.

36.9 According to the records, no statutory obligation and no lawsuit are pending against BERC. So, no Contingent Liabilities is foreseen for BERC in FY 2022-23.

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37. Bangladesh Chemical Industries Corporation (BCIC)

37.1 Bangladesh Chemical Industries Corporation (BCIC), fully owned by the Government, was established in July, 1976 by a presidential Order. The Corporation is now managing 13 large and medium size industrial enterprises engaged in producing a wide range of products like Urea, TSP, DAP, Paper, Cement, Glass sheet, Hardboard, Sanitary ware & Insulator etc. BCIC came into existence on 1st July 1976 through merger of three erstwhile corporations viz Bangladesh Fertilizer, Chemical and Pharmaceutical Corporation (BFCPC), Bangladesh Paper and Board Corporation (BPBC) and Bangladesh Tanneries Corporation (BTC). Bangladesh Chemical Industries Corporation is entrusted with the task of supervision, co-ordination & control of the enterprises under its management & for developing new industries in the Chemical & allied Sector

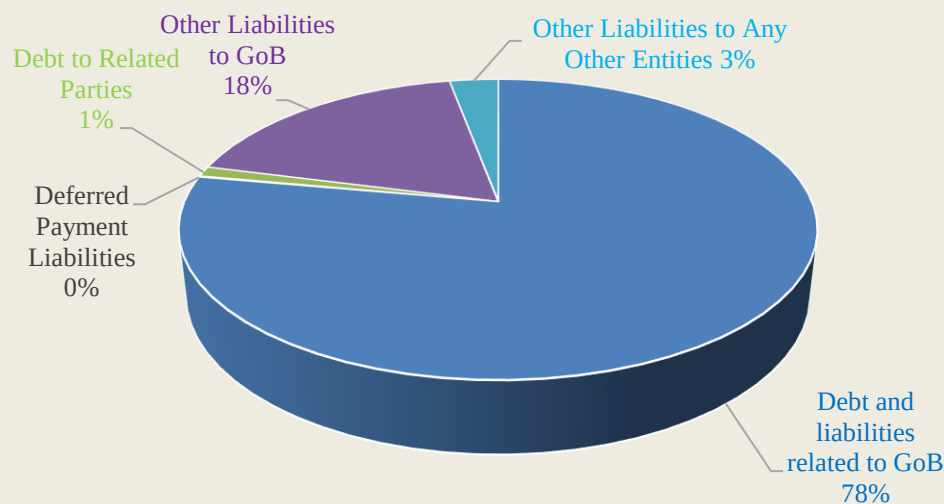
37.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Chemical Industries Corporation (BCIC) for the FY 2021-22 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	161,703,290,570.00	169,703,060,337.00	4.95%	0.00
2	Debt and liabilities related to GoB under LA	31,603,198,800.00	38,597,537,200.00	22.13%	0.00
3	Debt and liabilities related to GoB(1+2)	193,306,489,370.00	208,300,597,537.00	7.76%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	327,794,002.00	327,794,002.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	1,278,885,705.00	1,278,885,705.00	0.00%	0.00
10	Other Liabilities to Related Parties	1,610,957,252.00	1,610,957,252.00	0.00%	0.00
11	Debt and liabilities and liabilities to Related Parties(9+10)	2,889,842,957.00	2,889,842,957.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	44,521,815,433.00	48,330,825,834.00	8.56%	0.00
15	Any Other Liabilities to Any Other Entities	5,370,584,262.00	7,873,685,357.00	46.61%	0.00
16	Other Deb and liabilities t(12+13+14+15)	49,892,399,695.00	56,204,511,191.00	12.65%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	246,416,526,024.00	267,722,745,687.00	8.65%	0.00
18	Debt and liabilities to GoB (3+14)	237,828,304,803.00	256,631,423,371.00	7.91%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	8,588,221,221.00	11,091,322,316.00	29.15%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

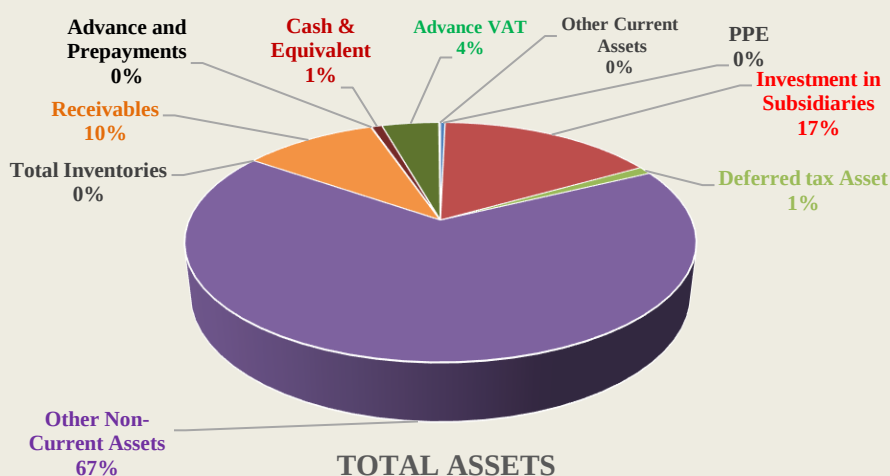
37.3 Statement of debt and liability in FY 2022-23:



Total debt and liabilities

According to the financial statement of BCIC, the total debt is BDT 267722.75 million as of 30th June, 2023. Out of this amount, major portion 78% belongs to liabilities related to GoB under subsidiary loan agreement (SLA) and loan agreement (LA) followed by other liabilities to GoB 18% which are current liability, 3% other liability to any other entities and finally 1% debt to related parties. If BCIC failed to make repayment of its liabilities related to GoB (SLA & LA) it will cause fiscal risk for GoB.

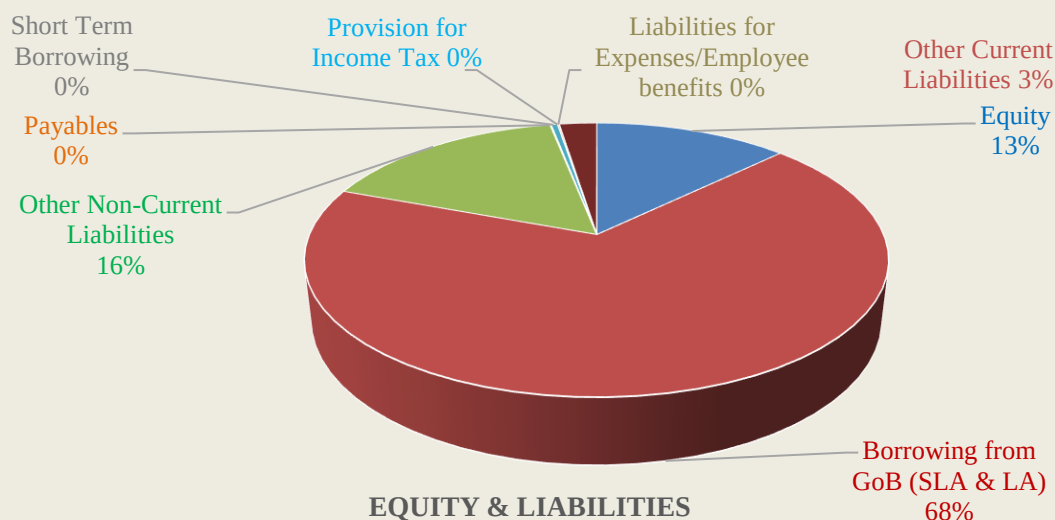
37.4 The composition of total assets in FY 2022-23:



According to the financial statement of BCIC total assets in FY 2022-23 was BDT 307036. 42 million. Out of these assets major portion 76% is other non-current assets followed by 17% investment in subsidiaries, 4% advance VAT,

10% receivables and finally 1% cash & cash equivalent. Based on composition of assets 84% is long term assets and remaining 16% is current assets.

37.5 The composition of equity and liabilities inn FY 2022-23:



According to the composition of equity and liabilities, major portion 68% is long-term liabilities related to GoB (SLA & LA) followed by other non-current liabilities 16%, equity 13% and finally 3 % other current assets. The composition revealed that long-term liabilities is 80% compared to equity 13% which shows that BCIC is highly financed by liabilities rather than equity. Besides Liabilities for Expenses/Employee, Benefits, Provision for Income Tax, Short-Term Borrowing and Payables hold insignificant amount and has shown as 0% in pie chart. Hence BICI can cause fiscal liabilities for GoB.

37.6 Fiscal risk from BCIC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BCIC

Particular	Result	Risk	Score
Cost recovery	1.03	Moderate	3
Return on Equity (ROE)	Net Income is '0' (Zero).	Moderate	3

Table – 3: Liquidity Ratio – BCIC

Particular	Result	Risk	Score
Current ratio	4.98	Very Low	1
Creditor turnover days	78	Moderate	3

Table – 4: Solvency Ratio – BCIC

Particular	Result	Risk	Score
Debt to total assets	0.87	High	4

Debt to EBITDA	3551.45	Very High	5
Total Score			19
Average Score			3 (3.17)
Overall Risk Rating			Moderate

37.7 The ratio analysis shows that BCIC's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BCIC 's cost recovery ratio is 1.03 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.03, BCIC poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BCIC 's ROE is 00% and according to threshold value it fits moderate-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 0.0 %, BCIC poses **moderate** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BCIC is 4.98 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 4.98, BCIC poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 78 days, BCIC poses **moderate** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BCIC's debt to assets ratio is 0.87 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 0.87, BCIC carry **high** risk for GoB; and
- vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. BCIC's debt to EBITDA ratio is 3551.45 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 3551.45, BCIC poses **very high** risk for GoB. BCIC argued that liabilities of all closed factories are accounted for under BCIC which led to higher debt to EBITDA ratio. Moreover, BCIC is a regulatory body which doesn't generate cash flow rather collect levies from subsidiaries.

37.8 According to the records, Bangladesh Chemical Industries Corporation (BCIC) did not involve in any quasi-fiscal activities in FY 2022-23.

37.9 According to the records, no statutory obligation and no lawsuit is pending against BCIC. So Contingent Liabilities is not foreseen for Bangladesh Chemical Industries Corporation(BCIC) in FY 2022-23.

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38. Shahjalal Fertilizer Company Limited (SFCL)

38.1 Shahjalal Fertilizer Company Limited (SFCL) is an enterprise of Bangladesh Chemical Industries Corporation (BCIC) and was incorporated as a Public Company Limited with the Registrar of Joint stock Companies and Firms vide Registration No. C-129391/2016 dated 6th March, 2016. The factory office of SFCL is situated at Fenchuganj, Sylhet. The principal activities of the company are manufacturing and marketing of Urea Fertilizer.

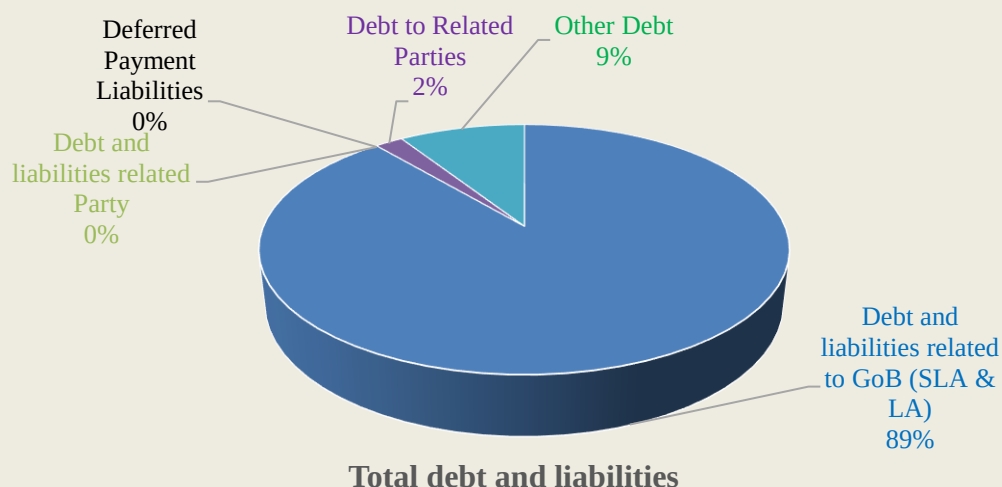
38.2 The following Table-1 presents the statement of debt and liabilities of Shahjalal Fertilizer Company Limited (SFCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

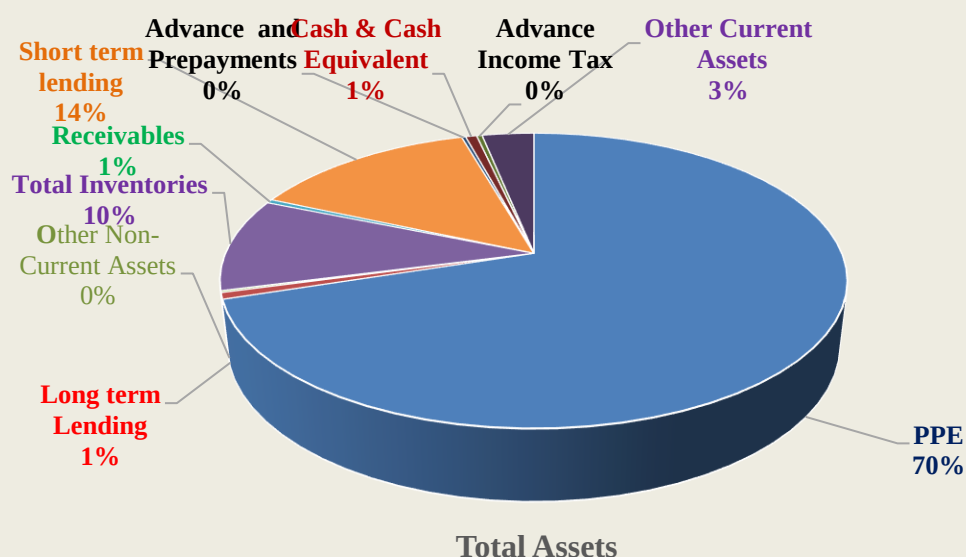
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	37,772,964,233.00	42,800,471,109.00	13.31%	0.00
2	Debt and liabilities related to GoB under LA	6,902,093,476.00	7,135,795,871.00	3.39%	0.00
3	Debt and liabilities related to GoB(1+2)	44,675,057,709.00	49,936,266,980.00	11.78%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	6,700,000.00	6,700,000.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	1,324,331,263.00	1,146,039,029.00	-13.46%	0.00
11	Debt to Related Parties (9+10)	1,324,331,263.00	1,146,039,029.00	-13.46%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	46,244,557.00	206,409,154.00	346.34%	46,244,557.00
15	Any Other Liabilities to Any Other Entities	876,235,322.00	4,945,069,884.00	464.35%	876,235,322.00
16	Other Debt and liabilities (12+13+14+15)	922,479,879.00	5,151,479,038.00	458.44%	922,479,879.00
17	Total Debt and liabilities (3+7+8+11+16)	46,928,568,851.00	56,240,485,047.00	19.84%	922,479,879.00
18	Debt and liabilities to GoB (3+14)	44,721,302,266.00	50,142,676,134.00	12.12%	46,244,557.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,207,266,585.00	6,097,808,913.00	176.26%	876,235,322.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee.	0.00	0.00	0.00%	0.00

38.3 Statement of debt and liabilities of FY 2022-23:



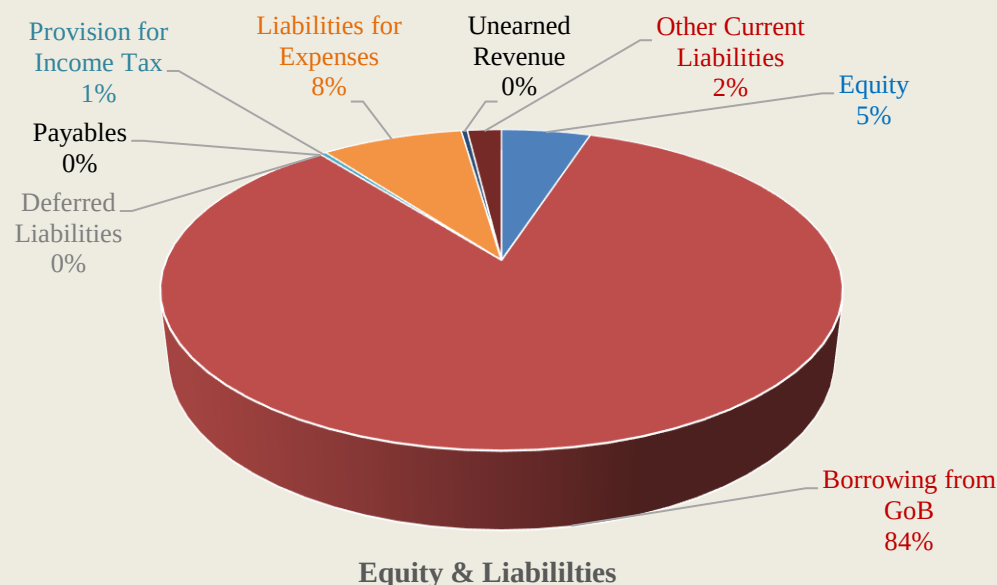
According to the financial statement of Shahjalal Fertilizer Company Limited (SFCL) the total debt was BDT 56,240.49 million as of 30th June, 2023. Out of this amount, major portion 89% is Debt and liabilities related to GoB under SLA and LA followed by other debt 9% which are current liabilities and finally 2% debt to related parties. Besides deferred payment liabilities and debt to related party hold insignificant amount and has shown as 0% in pie chart. If SFCL fails to make repayment of liabilities related to GoB under SLA and LA, it will create fiscal risk for GoB.

38.4 The composition of total assets in FY 2022-23:



According to the financial statement of SFCL in FY 2022-23 total assets was BDT 59,222. 53 million. Out of these assets major portion 70% is PPE followed by short-term lending 14%, inventories 10%, other current assets 3%, long-term lending 1% and finally% cash and cash equivalent. The composition shows that long-term assets 71% long-term assets and remaining 29% is current assets.

38.5 The composition of equity and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that major portion 84% is Debt and liabilities related to GoB followed by liabilities for expenses 8%, equity 5%, other current liabilities 2% and finally 1% provision for tax. The composition revealed that growth of SFCL is highly driven by liabilities (84% long- term debt) rather than equity 5%. Based on the composition of equity and liabilities, SFCL may cause fiscal risk for GoB.

38.6 Fiscal risk from Shahjalal Fertilizer Company Limited (SFCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following table.

Table – 2: Profitability Ratio – SFCL

Particular	Result	Risk	Score
Cost recovery	0.69	Very High	5
Return on Equity (ROE)	-128.51	Very High	5

Table – 3: Liquidity Ratio – SFCL

Particular	Result	Risk	Score
Current ratio	2.73	Very Low	1
Creditor turnover days	0.01	Very Low	1

Table – 4: Solvency Ratio – SFCL

Particular	Result	Risk	Score
Debt to total assets	0.95	High	4
Debt to EBITDA	78.85	Very High	5
Total score			21
Average Score			4 (3.5)
Overall Risk Rating			High

38.7 The ratio analysis shows that SFCL's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. SFCL's cost recovery ratio is 0.69 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio 0.75 and below falls under very high-risk category. With cost recovery ratio 0.69 SFCL poses **very high** fiscal risk to GoB. SFCL argued that it sales fertilizer lower than production rate (government fixed rate) which cause lower cost recovery ratio. Besides cost of gas has increased from BDT 4.45/ cft to BDT 16.0 /cft which has also worsen cost recovery ratio;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. SFCL's Return on equity ratio (ROE) is -128.51 which falls under very high-risk category. According to the threshold value table ROE value below-10.0 considered as very high-risk category. With ROE value -128.51, SFCL poses **very high** fiscal risk for GoB;
- iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of SFCL is 2.73 appears to be healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 2.73 SFCL poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low risk category. With Creditor Turnover Days of 0.01 days, SFCL poses **very low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. SFCL's debt to assets ratio is 0.95 appears to be poor and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 0.95, SFCL carry **high** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. SFCL's EBITDA is negative, hence SFCL may be unable to make repayment of its debt by its own. With negative EBITDA, SFCL poses **very high** risk for GoB. SFCL argued that due to exchange rate fluctuation (USD exchange rate shifted from 71.18 to 118.0 BDT/USD) the amount of debt in local currency has increased significantly. They also argued that SFCL average loan repayment period is 15 years and accordingly debt to EBITDA ratio 15 and above will be rational one for SFCL.

38.8 According to the records, SFCL has conducted quasi-fiscal activities of BDT 1,872.614 million during FY 2022-23.

38.9 According to the records, no lawsuit is pending against SFCL. So, no Contingent Liabilities is foreseen for Shahjalal Fertilizer Company Limited (SFCL) in FY 2022-23.

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39. Chittagong Urea Fertilizer Limited (CUFL)

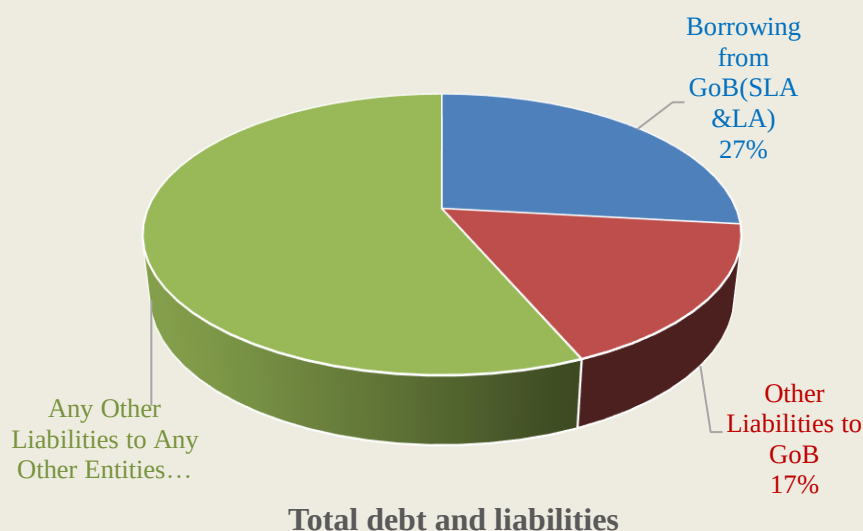
39.1 Chittagong Urea Fertilizer Limited (CUFL) was incorporated on November 22, 1980 as a private company limited by shares and registered under the Companies Act 1917 (since repealed by the Companies Act 1994) with the Registrar of Joint Stock Companies. It is operated under the supervision of Bangladesh Chemical Industries Corporation (BCIC). The principal activities of the company are manufacturing and marketing of Urea and Ammonia (Intermediary product).

39.2 The following Table-1 presents the statement of debt and liabilities of Chittagong Urea Fertilizer Limited (CUFL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

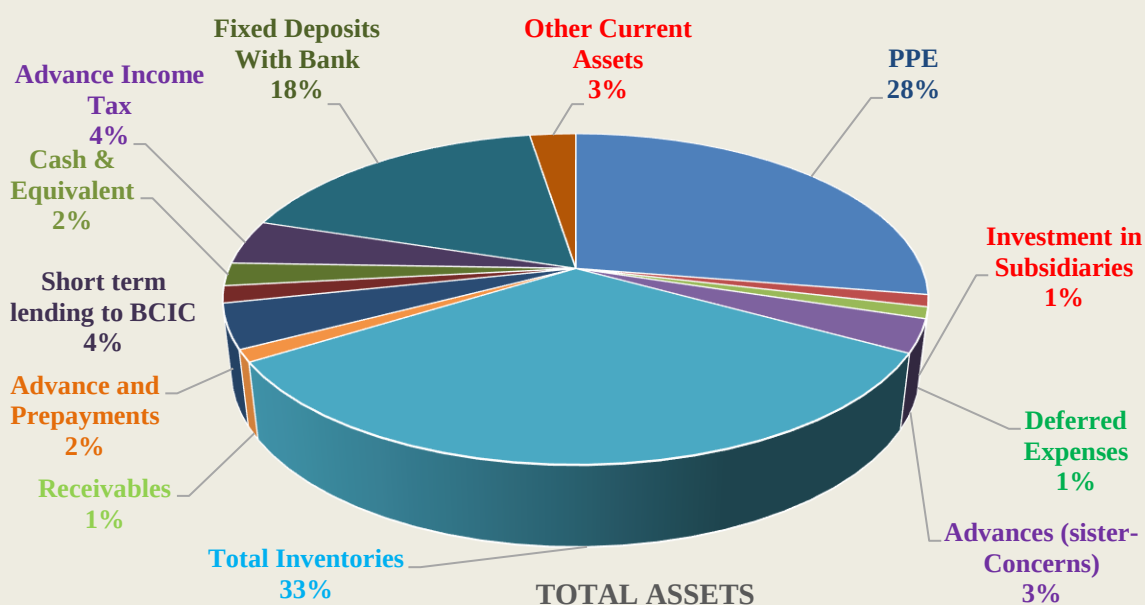
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	2,197,366,720.00	2,177,366,720.00	-0.91%	0.00
2	Debt and liabilities related to GoB under LA	4,500,000.00	4,500,000.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	2,201,866,720.00	2,181,866,720.00	-0.91%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,339,008,236.00	1,366,441,101.00	2.05%	0.00
15	Any Other Liabilities to Any Other Entities	1,950,271,746.00	4,597,904,932.00	135.76%	0.00
16	Other Debt and liabilities (12+13+14+15)	3,289,279,982.00	5,964,346,033.00	81.33%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	5,491,146,702.00	8,146,212,753.00	48.35%	0.00
18	Debt and liabilities to GoB (3+14)	3,540,874,956.00	3,548,307,821.00	0.21%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,950,271,746.00	4,597,904,932.00	135.76%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

39.3 Statement of debt and liabilities in FY 2022-23:



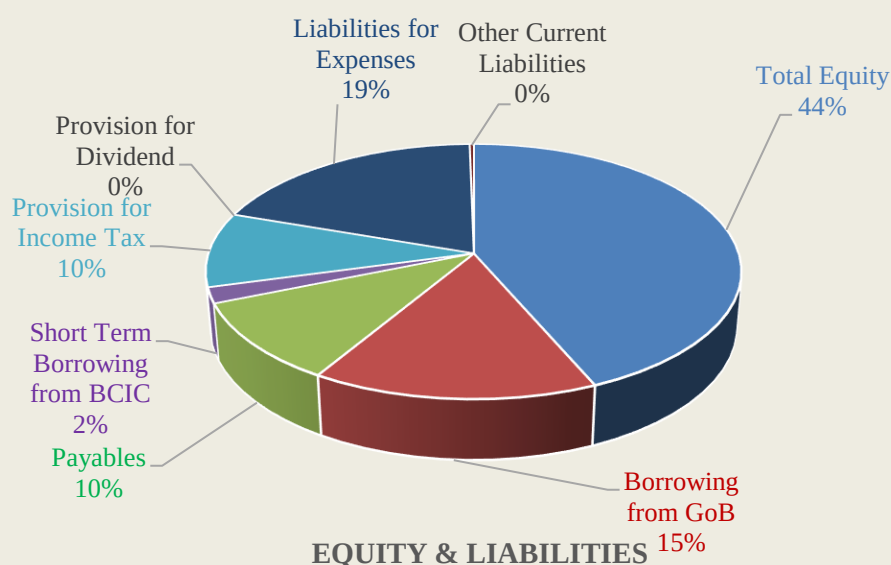
According to the financial statement of CUFL, the total debt is BDT 8,145.21 million BDT as of 30th June, 2023. Out of this amount, major portion 56% is any other liabilities to any other entities which are by nature current liabilities followed by 27% borrowing from GoB under SLA and LA which are long-term liabilities and finally other liabilities to GoB 17% which are also current liabilities. If CUFL fails to payback its liabilities related to GoB under SLA and LA, it may cause fiscal risk for GoB.

39.4 The composition of total assets in FY 2022-23:



According to the financial statement of in FY 2022-23 CUFL's total assets was BDT 14,416.86 million. Out of these assets, major portion opening balance of principal 33% inventories following that PPE 28%, fixed deposit with bank 18%, advance income tax 4%, short term lending to BCIC 4%, advances to sister concerns 3%, other current assets 2%, cash and cash equivalent 2%, advances & prepayment 2%, deferred expenses 1% and finally 1% receivables. The assets composition shows that long-term assets is 49% of total assets and 51% current assets.

39.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liability in FY 2022-23 shows that equity cover major portion 44% followed by liabilities for expenses 19%, borrowing from GoB 15%, provision for income tax 10%, payables 10% and finally 2% short -term liability from BCIC. Besides provision for dividend and other current liability hold insignificant amount and has shown as 0% in pie chart. The composition also shows that equity 44% compared to long-term liability 15%. Thus, the growth of CUFL is equity driven and this situation may reduce likelihood of fiscal risk for GoB.

39.6 Fiscal risk from CUFL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – CUFL

Particular	Result	Risk	Score
Cost recovery	0.90	High	4
Return on Equity (ROE)	-8.50	High	4

Table – 3: Liquidity Ratio – CUFL

Particular	Result	Risk	Score
Current ratio	1.62	Low	2
Creditor turnover days	72	Moderate	3

Table – 4: Solvency Ratio – CUFL

Particular	Result	Risk	Score
Debt to total assets	0.57	Moderate	3
Debt to EBITDA	EBITDA is Negative	Very High	5
Total Score			21
Average Score			4 (3.50)
Overall Risk Rating:			High
Previous Year's Overall Risk Rating			Low

39.7 The ratio analysis shows that CUFL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of CUFL is 0.90 and according to the threshold table CUFL fits under high-risk category. A cost recovery ratio between 0.75 to less than 1.0 considered as high-risk category. With cost recovery ratio of 0.90, CUFL poses high fiscal risk to GoB;
- (ii) Return on equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. CUFL's Return on equity ratio (ROE) is -8.50 which falls under high-risk category. According to the threshold value ROE between less than 0% to -10.0% is considered as high-risk category. With ROE -8.50, CUFL poses high fiscal risk to GoB;
- (iii) Current Ratio measures an SOE's ability to meet short-term liabilities (those falling due within 12 months) from liquidating short-term assets. Current ratio of CUFL is 1.62 and according to threshold value it fits under low-risk category. Current ratio of 2.0 and above is considered as very low risk for GoB. With current ratio of 1.62, CUFL poses low risk to GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. Creditor Turnover days of CUFL is 72 and according to threshold value table it goes under Moderate risk category. Credit Turnover Days between 60 to less than 90 is considered as moderate risk category. With 72 creditor turnover days, CUFL poses **moderate** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Debt to Assets ratio of CUFL is 0.57 and according to the threshold value table it fits under moderate risk category. Debt to asset ratio between 0.5 to less than 0.75 is benchmarked as moderate risk category. Holding debt to assets ratio of 0.57, CUFL poses **moderate** risk to GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. CUFL's EBITDA is negative; hence CUFL may be unable to make repayment of its debt by its own. With negative EBITDA, CUFL pose **very high** risk for GoB.

39.8 According to the records, CUFL has carried out quasi-fiscal activities of BDT 727.235 million in FY 2022-23.

39.9 According to the records, no statutory obligation and no lawsuit are pending against Chittagong Urea Fertilizer Limited (CUFL). So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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40. Jamuna Fertilizer Company Limited (JFCL)

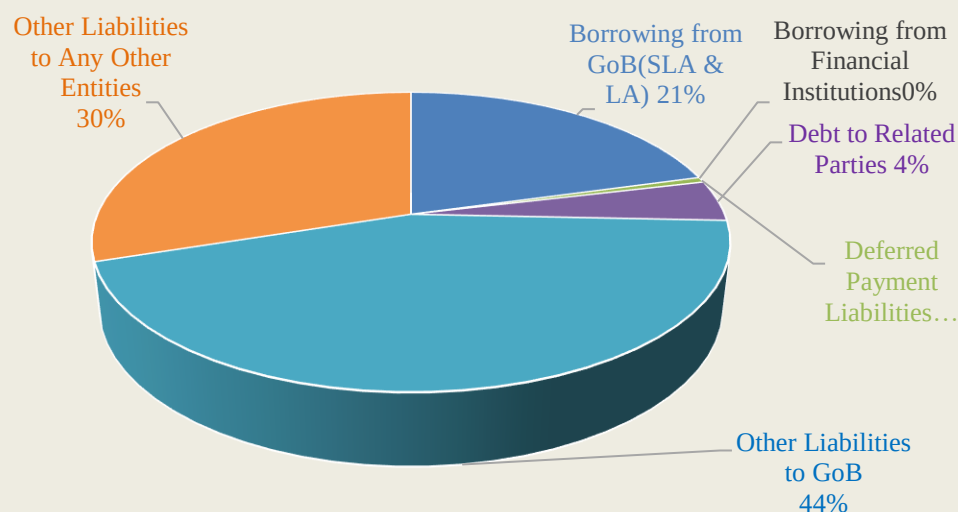
40.1 Jamuna Fertilizer Company Limited was established in 1991 by Bangladesh Chemical Industries Corporation based in Jamalpur District. It is incorporated as a Public Company Limited with the Registrar of Joint stock Companies. The principal activities of the company are manufacturing and marketing of Urea Fertilizer.

40.2 The following Table–1 presents the statement of debt and liabilities of Jamuna Fertilizer Company Limited (JFCL) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	547,404,217.00	547,404,217.00	0.00%	547,404,217.00
2	Debt and liabilities related to GoB under LA	1,831,718,930.00	1,887,083,140.00	3.02%	1,831,718,930.00
3	Debt and liabilities related to GoB(1+2)	2,379,123,147.00	2,434,487,357.00	2.33%	2,379,123,147.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	623,787.00	65,432,253.00	10389.52%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	587,042,676.00	517,641,637.00	-11.82%	0.00
11	Debt and liabilities to Related Parties(9+10)	587,042,676.00	517,641,637.00	-11.82%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	4,940,650,985.00	5,211,408,258.00	5.48%	4,936,827,806.00
15	Any Other Liabilities to Any Other Entities	1,528,444,092.00	3,527,746,268.00	130.81%	0.00
16	Other Debt and liabilities related (12+13+14+15)	6,469,095,077.00	8,739,154,526.00	35.09%	4,936,827,806.00
17	Total Debt and liabilities (3+7+8+11+16)	9,435,884,687.00	11,756,715,773.00	24.60%	7,315,950,953.00
18	Debt and liabilities to GoB (3+14)	7,319,774,132.00	7,645,895,615.00	4.46%	7,315,950,953.00
19	Debt and liabilities related to Entities other than GoB (17-18)	2,116,110,555.00	4,110,820,158.00	94.26%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

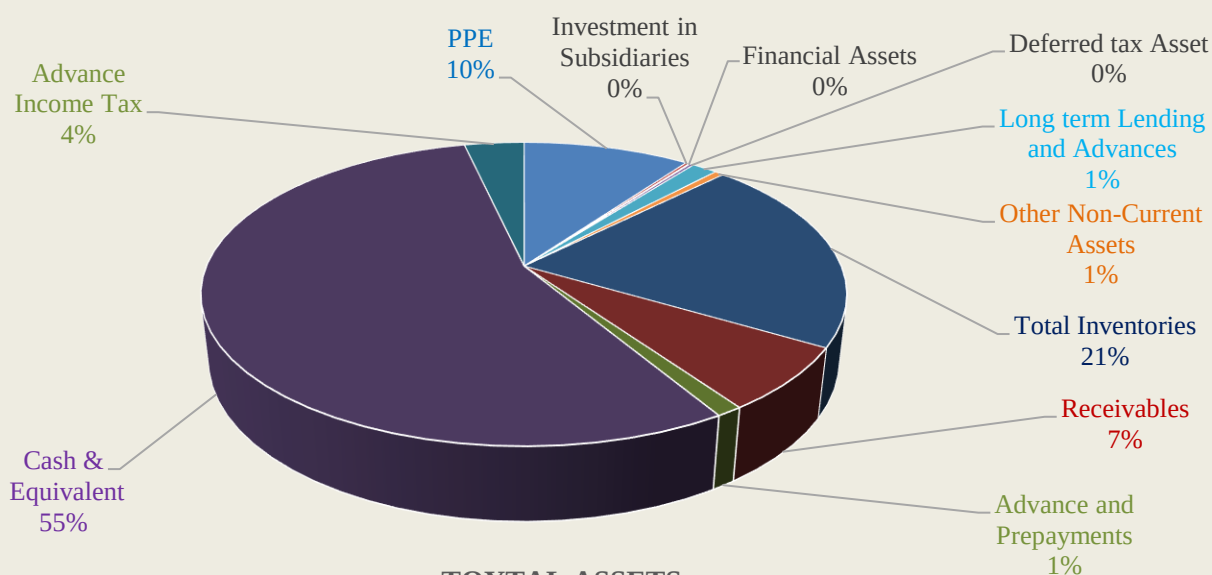
40.3 Statement of debt and liabilities in FY 2022-23:



Total debt and liabilities

According to the financial statement of JFCL, the total debt is BDT 11756.72 million as of 30th June, 2023. Out of this amount, major portion 44% other liabilities to GoB are current liabilities followed by 30% other liabilities to any other entities, 21% debt and liabilities related to GOB under SLA & LA which are long-term liabilities, 4% debt to related parties and finally 1% deferred payment liabilities. Total long-term liabilities are 26% of total liabilities and if JFCL unable to payback these long-term liabilities it may cause fiscal risk for GoB.

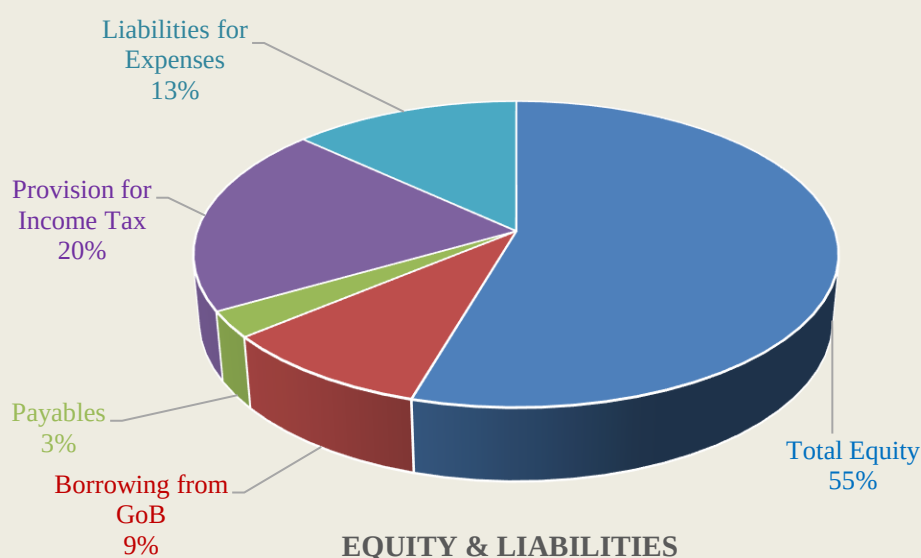
40.4 The composition of assets in FY 2022-23:



TOYTAL ASSETS

According to the financial statement of JFCL in FY 2022-23 total assets was BDT 25,856.22 million. Out of these assets, major portion 55% is occupied by cash & cash equivalent followed by PPE 10%, receivables 7%, advance income tax 4%, prepayments 1%, other non-current assets 1% and finally 1% long term lending.

40.5 The composition of total equity and liabilities in FY 2022-23:



According to the composition of total equity and liabilities major portion 55% is covered by equity followed by 20% provision for income tax, 13 liabilities for expense, 9% debt and liabilities related to GoB under SLA & LA and finally 3% payables. The composition revealed that growth of JFCL is driven by equity which makes JFCL less likely to expose fiscal risk for GoB.

40.7 Fiscal risk from JFCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – JFCL

Particular	Result	Risk	Score
Cost recovery	0.90	High	4
Return on Equity (ROE)	-4.46%	High	4

Table – 3: Liquidity Ratio – JFCL

Particular	Result	Risk	Score
Current ratio	2.43	Very Low	1
Creditor turnover days	9	Very Low	1

Table – 4: Solvency Ratio – JFCL

Particular	Result	Risk	Score
Debt to total assets	0.45	Low	2
Debt to EBITDA	EBITDA is negative	Very High	5
Total score			17
Average Score			3(2.83)
Overall risk Rating			Moderate

40.8 The ratio analysis shows that JFCL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. JFCL's cost recovery ratio is 0.90 and according to threshold value table it goes under high-risk category. Cost recovery ratio between 0.75 to 1.0 is considered as high risk. With cost recovery ratio of 0.90, JFCL poses high fiscal risk to GoB. In response to this situation JFCL claimed that as per government decision, Natural Gas Supply in Jamuna Fertilizer Company Ltd has been reduced from 15-01-2024 and production has been stopped since then. For that reason, JFCL cannot generate adequate revenue and ultimately incurred net loss. Besides, it also revealed that because of corrosive nature, minimum gas has to be used in JFCL to routine maintenance of machine. However, gas used in this process do not produce fertilizer. JFCL has been making payment of minimum gas charge on a regular basis.
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. JFCL's Return on equity ratio (ROE) is -4.46% which fits under high-risk category. According to the threshold value ROE between less than 0% to -10% is considered as high-risk category. With ROE -4.46%, JFCL poses high fiscal risk for GoB.
- (iii) Current Ratio measures an SOE's ability to meet short-term liabilities (those falling due within 12 months) from liquidating short-term assets. JFCL's current ratio is 2.43 and as per threshold value it fits under very low risk category. Current ratio of 2.0 and above considered as very low risk. With current ratio of 2.43, JFCL poses very low risk to GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value creditor turnover days of below 30 is consider as very low risk. So, with creditor turnover days of 9, JFCL possess very low risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. JFCL's debt to assets ratio is 0.45 and as per threshold value it fits under low-risk category. The debt to assets ratio of below 0.25 is considered as very low risk. With debt to assets ratio of 0.45, JFCL poses Low risk to GoB;
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. JFCL's EBITDA is negative, hence JFCL may be unable to make repayment of its debt by its own. With negative EBITDA, JFCL poses very high risk for GoB. JFCL argued that as per government decision, Natural Gas Supply in Jamuna Fertilizer Company Ltd has been reduced from 15-01-2024 and production has been stopped since then. For that reason, JFCL cannot generate adequate revenue and ultimately incurred net loss and negative EBITDA. It also claimed that if Government ensures adequate gas supply, then JFCL can make production of urea as per its capacity, which will lead high sales and make positive net income in the coming years.

40.9 According to the records, Jamuna Fertilizer Company Limited (JFCL) carried out quasi-fiscal activities of BDT 1,020.52 million in FY 2022-23.

40.10 According to the records, no statutory obligation and no lawsuit is pending against JFCL. So Contingent Liabilities is not foreseen JFCL in FY 2022-23.

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41. Ashuganj Fertilizer and Chemical Company Limited (FCCL)

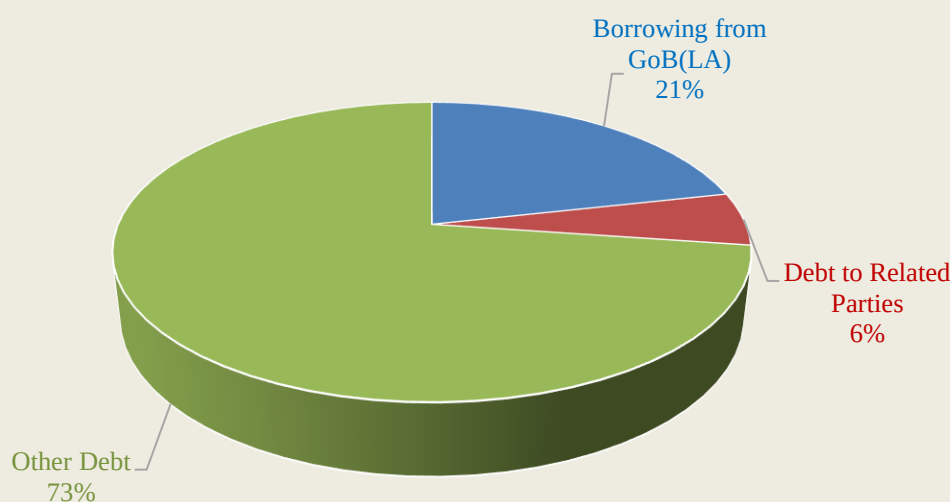
41.1 The construction of a Fertilizer plant at Ashuganj was first examined in 1969-70 and following a feasibility study, the project was approved in 1975. The project was eventually handed over to the state-owned Bangladesh Chemical Industries Corporation (BCIC) on 1st December, 1983 as per decision of Government. Since then, the factory, Ashuganj Fertilizer & Chemical Company Limited (AFCCL) has been operating as an enterprise of BCIC. Commercial production of the company was started from 1st July, 1983. Production Capacity of Ammonia 900 MT/year and Urea 528,000 MT/year

41.2 The following Table-1 presents the statement of debt and liabilities of Ashuganj Fertilizer and Chemical Company Limited (AFCCL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities to GoB under LA	1,441,673,780.00	1,485,904,160.00	3.07%	0.00
3	Debt and liabilities to GoB(1+2)	1,441,673,780.00	1,485,904,160.00	3.07%	0.00
4	Debt and liabilities to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities to Related Parties	311,177,069.00	395,821,385.00	27.20%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	311,177,069.00	395,821,385.00	27.20%	0.00
12	Debt and liabilities to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	97,511,171.00	125,497,441.00	28.70%	0.00
15	Any Other Liabilities to Any Other Entities	1,617,115,697.00	4,900,041,477.00	203.01%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,714,626,868.00	5,025,538,918.00	193.10%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	3,467,477,717.00	6,907,264,463.00	99.20%	0.00
18	Debt and liabilities to GoB (3+14)	1,539,184,951.00	1,611,401,601.00	4.69%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,928,292,766.00	5,295,862,862.00	174.64%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

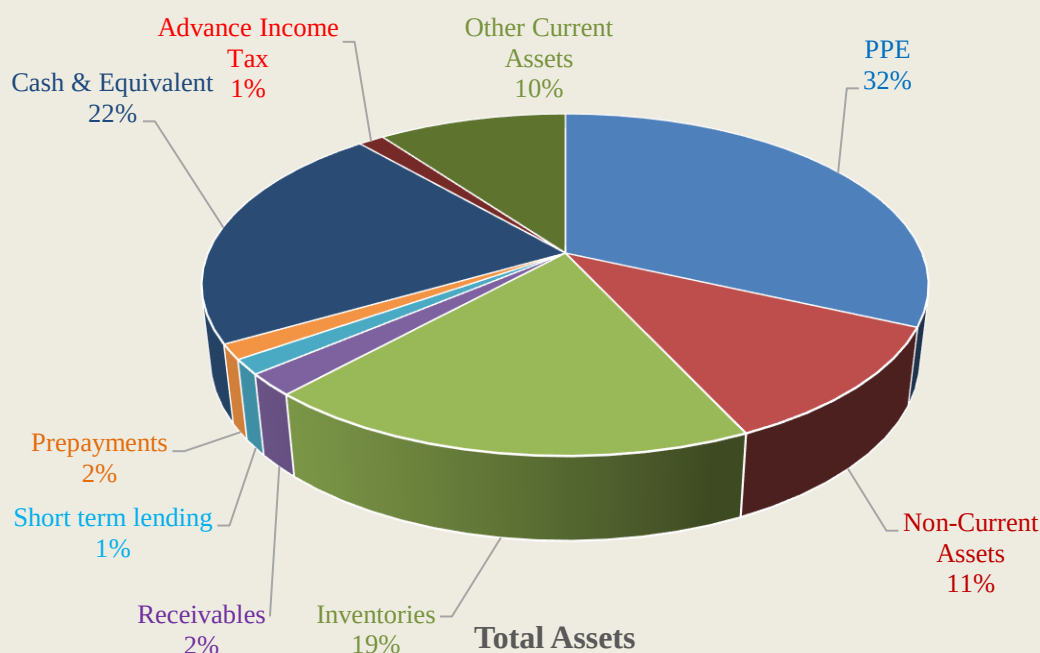
41.3 Statement of Debt and liabilities in FY 2022-23:



Total Debt and Liabilities

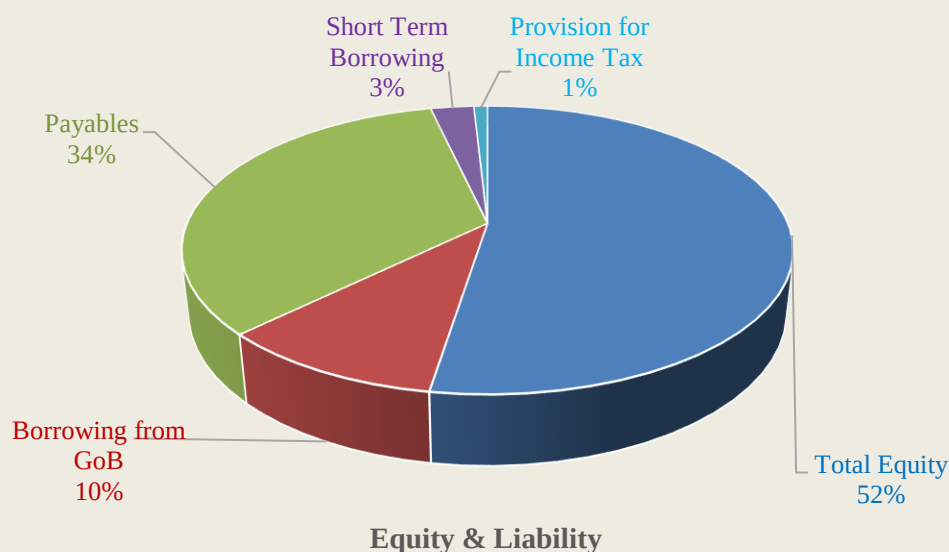
According to the financial statement of AFCCL, the total debt was BDT 6,907.26 million as of 30th June, 2023. Out of this amount, major portion 73% is other debt which are current liabilities to GoB and any other entities followed by 21% Debt and liabilities to GoB under loan agreement (LA) and finally 6% debt to related parties. If AFCCL fails to make repayment of liabilities related to GoB it will create fiscal risk for GoB.

41.4 The composition of Assets in FY 2022-23:



According to the financial statement of AFCCL in FY 2022-23 total assets was BDT 14,550.47 million. Out of these assets major portion 32% PPE followed by cash & equivalent 22%, inventories 19%, other non-current assets 11%, other current assets 10%, prepayment 2%, receivables 2%, short-term lending 1% and finally 1% advance income tax. The composition revealed that 43% of total assets is long term assets and remaining 57% current assets.

41.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of total equity and liabilities major portion 52% is equity followed by payables 34%, Debt and liabilities to GoB 10%, short-term borrowing 3% and finally 1% provision for income tax. The composition shows that long-term liabilities is 10% compared to equity 52%, which demonstrates that AFCCL 's growth is equity driven. Therefore, AFCCL may poses low fiscal risk for GoB.

41.6 Fiscal risk from Ashuganj Fertilizer and Chemical Company Limited (AFCCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – AFCCL

Particular	Result	Risk	Score
Cost recovery	0.63	Very high	5
Return on Equity (ROE)	-36.07%	Very high	5

Table – 3: Liquidity Ratio – AFCCL

Particular	Result	Risk	Score
Current ratio	1.53	Low	2
Creditor turnover days	13	Very Low	1

Table – 4: Solvency Ratio – AFCCL

Particular	Result	Risk	Score
Debt to total assets	0.47	Low	2
Debt to EBITDA	EBITDA Negative	Very High	5
Total Score			20
Average Score			3 (3.33)
Overall Risk Rating			Moderate
Previous year's overall risk Rating			Moderate

41.7 The zratio analysis shows that Ashuganj Fertilizer and Chemical Company Limited (AFCCL)'s risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. AFCCL 's cost recovery ratio is 0.63 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 to less than 1.0 falls under high-risk category. With cost recovery ratio 0.63, AFCCL poses very high fiscal risk for GoB.
- (ii) Return on equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. AFCCL's Return on equity ratio (ROE) is -36.07%, which fits under very high-risk category. According to the threshold value ROE below -10% is considered as Very high-risk category. With ROE value -36.07%, AFCCL poses very high fiscal risk for GoB.
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of AFCCL is 1.53 appears to be good and as per threshold value value it matches with low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.53, AFCCL poses low risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low-risk category. With creditor turnover days of 13, AFCCL poses **very low** risk to GoB
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. AFCCL's debt to assets ratio is 0.47 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio between 0.25 to less than 5.0 falls under low-risk category. With debt to assets ratio of 0.47, AFCCL carries **low** risk for GoB.
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. AFCCL's EBITDA is negative, hence AFCCL may be unable to make repayment of its debt on its own revenue. Having negative EBITDA, AFCCL poses **very high** risk for GoB.

41.8 According to the records, AGCCL has carried out quasi-fiscal activities of BDT 851.232 million in FY 2022-23.

41.9 According to the records, no statutory obligation and no lawsuit are pending against AFCCL. So, no Contingent Liabilities is foreseen for AFCCL in FY 2022-23.

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42. Triple Super Phosphate Complex Limited (TSP)

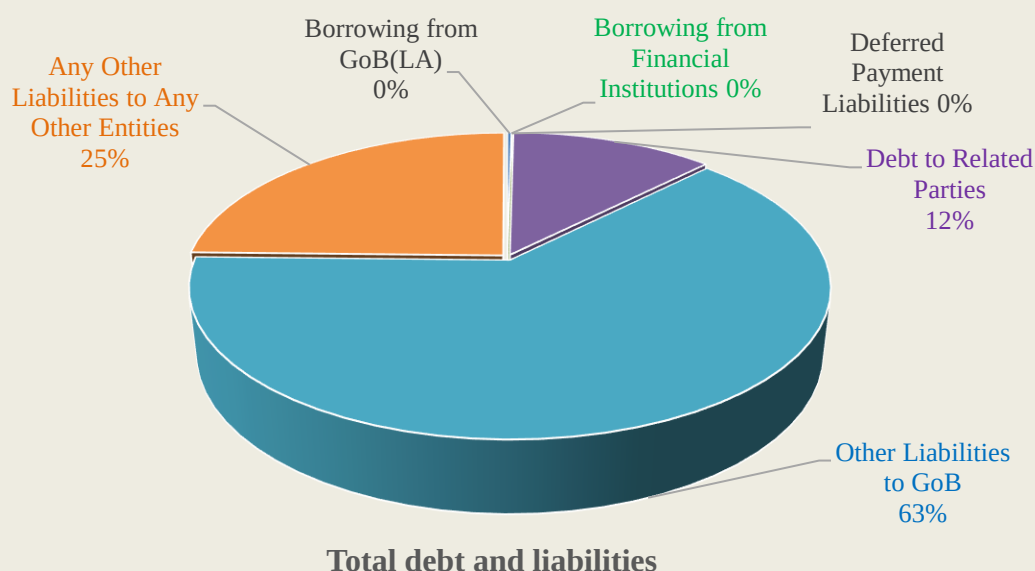
42.1 Triple Super Phosphate Complex Limited or TSP Complex Limited is a government owned fertilizer company in Bangladesh. It is under supervision of Bangladesh Chemical Industries Corporation (BCIC). It primarily produces phosphate fertilizers. The factory complex consists of 2 units of TSP fertilizer producing facility with installed capacity of 1,52,000 MT. The principal activities of the company throughout the year were manufacturing and marketing of TSP, Lump Sulphur, Gypsum and Intermediary product – Sulfuric Acid, Phosphoric Acid .

42.2 The following Table-1 presents the statement of debt of Triple Super Phosphate Complex Limited (TSP) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

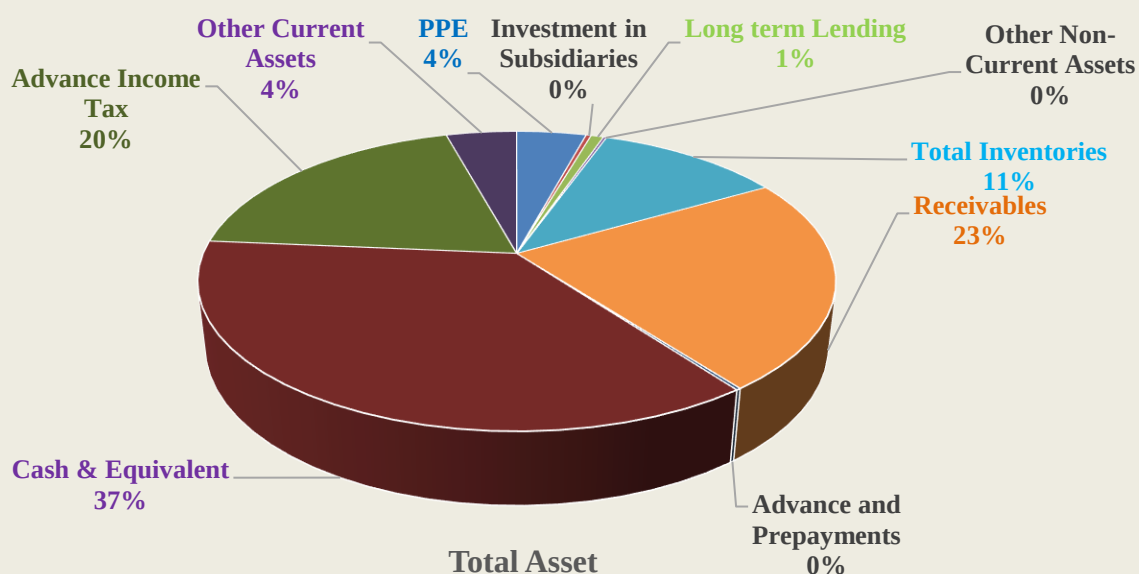
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities to GoB under LA	6,200,000.00	6,200,000.00	0.00%	0.00
3	Debt and liabilities to GoB(1+2)	6,200,000.00	6,200,000.00	0.00%	0.00
4	Debt and liabilities to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	276,321,151.00	493,542.00	-99.82%	0.00
9	Debt and liabilities to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	255,902,424.00	336,698,329.00	31.57%	0.00
11	Debt and liabilities to Related Parties (9+10)	255,902,424.00	336,698,329.00	31.57%	0.00
12	Debt and liabilities to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,557,558,737.00	1,730,479,017.00	11.10%	0.00
15	Any Other Liabilities to Any Other Entities	538,024,319.00	678,434,052.00	26.10%	0.00
16	Other Debt and liabilities (12+13+14+15)	2,095,583,056.00	2,408,913,069.00	14.95%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	2,634,006,671.00	2,752,304,944.00	4.49%	0.00
18	Debt and liabilities to GoB (3+14)	1,563,758,737.00	1,736,679,017.00	11.06%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,070,247,934.00	1,015,625,927.00	-5.10%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

42.3 Statement of debt and liabilities in FY 2022-23:



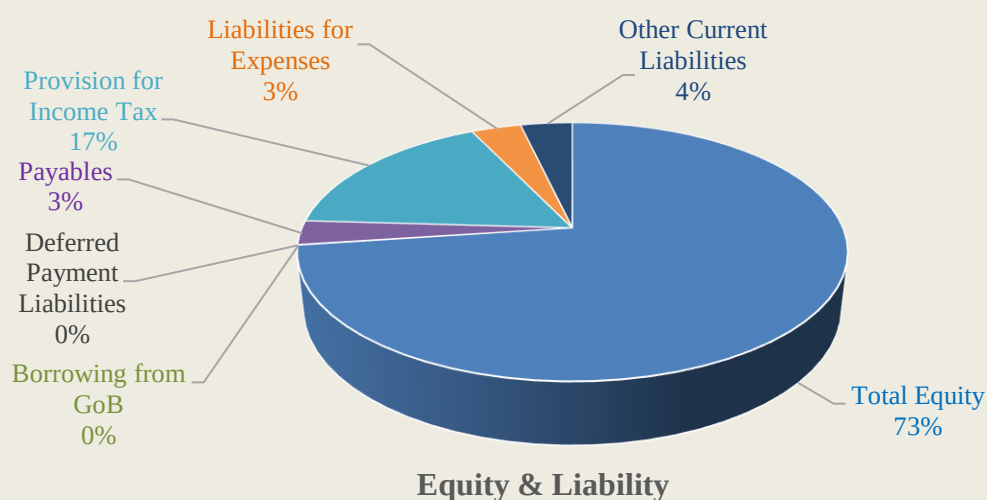
According to the financial statement of TSP, the total debt is BDT 2,752.30 million as of 30th June' 2023. Out of this amount, major portion 63% is other liabilities to GoB which are current liabilities by nature followed by 25% any other liabilities to any other entities which is also current liabilities and finally 12% debt to related parties which are long-term liabilities. More importantly TSP does not hold any liabilities related to GoB under SLA & LA as well as liabilities related to financial institutions. The composition shows that long term liability is 12% and remaining 88% is current liabilities which are expected to settled within financial year. Thus, TSP is less likely to pose fiscal risk for GoB.

42.4 The composition of total assets in FY 2022-23:



According to the financial statements of TSP in FY 2022-23 total assets was BDT 10,134.98 million. Out of these assets major portion 37% is cash and cash equivalent followed by 23% receivables, 20% advances income tax, 11% inventories, 4% other current assets, 4% PEE and finally 1% long-term lending. The financial statement shows that long-term assets is 5% of total assets.

42.5 The composition of total equity and liabilities:



The composition of equity and liabilities shows that major portion 73% is equity followed by 17% provision for income tax, 4% current liabilities, 3% payables and finally 3% liabilities for expenses. The composition revealed that growth of TSP fertilizer company is equity driven which poses low risk for GoB.

42.6 Fiscal risk from Triple Super Phosphate Complex Limited (TSP) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – TSP

Particular	Result	Risk	Score
Cost recovery	1.09	Moderate	3
Return on Equity (ROE)	6.22%	Moderate	3

Table – 3: Liquidity Ratio – TSP

Particular	Result	Risk	Score
Current ratio	3.49	Very Low	1
Creditor turnover days	17	Very Low	1

Table – 4: Solvency Ratio – TSP

Particular	Result	Risk	Score
Debt to total assets	0.27	Low	2
Debt to EBITDA	3.76	High	4
Total Score			14
Average Score			2(2.33)
Overall Risk Rating			Low
Previous Year's overall Risk Rating			Low

42.7 The ratio analysis shows that Triple Super Phosphate Complex Ltd (TSP)'s risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. TSP 's cost recovery ratio is 1.09 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio of 1.0 to below 1.25 falls under moderate risk category. With cost recovery ratio 1.09, TSP poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. TSP 's ROE is 6.22% and according to threshold value it fits moderate risk category. ROE value of 0% to below 8% is considered as moderate risk category. With ROE 6.22% TSP poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of TSP is 3.49 appears to be healthy and as per threshold value it falls under very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 3.49, TSP poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low risk category. With creditor turnover days of 17, TSP poses **very Low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. TSP's debt to assets ratio is 0.27 appears to be healthy and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.27, TSP carry **low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. TSP's debt to EBITDA ratio is 3.76 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. Securing debt to EBITDA ratio of 3.76, TSP poses **high** risk for GoB.

42.8 According to the records, TSP complex Ltd has carried out quasi fiscal activities of BDT 4,642. 02 million in FY 2022-23.

42.9 According to the records, no lawsuit is pending against ABL. So, no Contingent Liabilities is foreseen for Triple Super Phosphate Complex Limited (TSP) in FY 2022-23.

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43. Chhatak Cement Company Limited (CCCL)

43.1 Chhatak Cement Factory is the first and oldest cement factory in Bangladesh, that is located on the bank of Surma River in Chhatak Upazila of Sylhet. It was established in 1941 as Assam Bengal Cement Company. It was established in 1937 as a private company when it was named Assam Bengal Cement Company. from 1 July 1982 , it came under the control of the BCIC. Chhatak Cement Company Limited (CCCL) which is fully owned by the Government of the People's Republic of Bangladesh and operated under the management of Bangladesh Chemical Industries Corporation (BCIC). The principal activities of the company are to produce Portland Cement, CEM-1, Rapid Hardening Portland Cement, Sulphate Resisting Portland cement and sale the same cement as per market demand

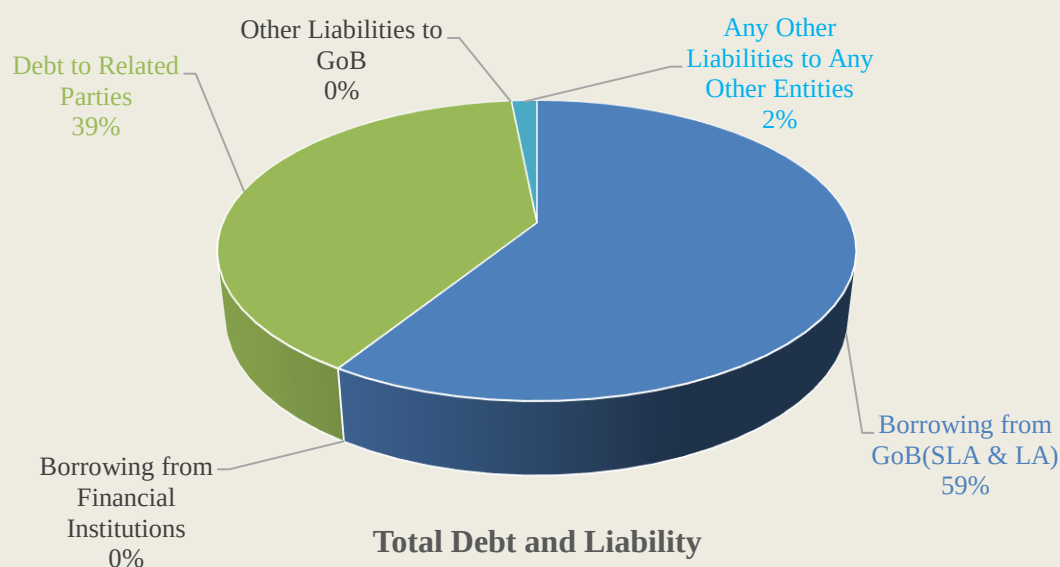
43.2 The following Table–1 presents the statement of debt and liabilities of Chhatak Cement Company Limited (CCCL) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

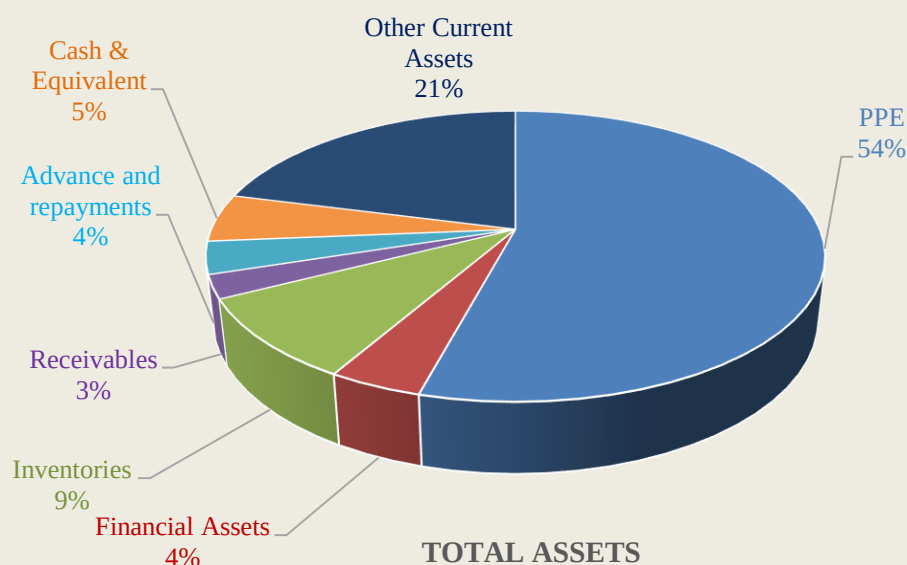
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2026)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	2,544,267,339.00	2,751,126,719.00	8.13%	0.00
2	Debt and liabilities related to GoB under LA	1,777,862,454.00	1,810,424,204.00	1.83%	0.00
3	Debt and liabilities related to GoB(1+2)	4,322,129,793.00	4,561,550,923.00	5.54%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	2,718,426,530.00	3,022,972,642.00	11.20%	0.00
10	Other Liabilities to Related Parties	33,677,913.00	33,814,442.00	0.41%	0.00
11	Debt to Related Parties (9+10)	2,752,104,443.00	3,056,787,084.00	11.07%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	5,142,307.00	808,743.00	-84.27%	0.00
15	Any Other Liabilities to Any Other Entities	289,446,178.00	118,995,012.00	-58.89%	0.00
16	Other Debt and liabilities (12+13+14+15)	294,588,485.00	119,803,755.00	-59.33%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	7,368,822,721.00	7,738,141,762.00	5.01%	0.00
18	Debt and liabilities to GoB (3+14)	4,327,272,100.00	4,562,359,666.00	5.43%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	3,041,550,621.00	3,175,782,096.00	4.41%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

43.3 The statement of debt and liabilities in FY 2022-23:



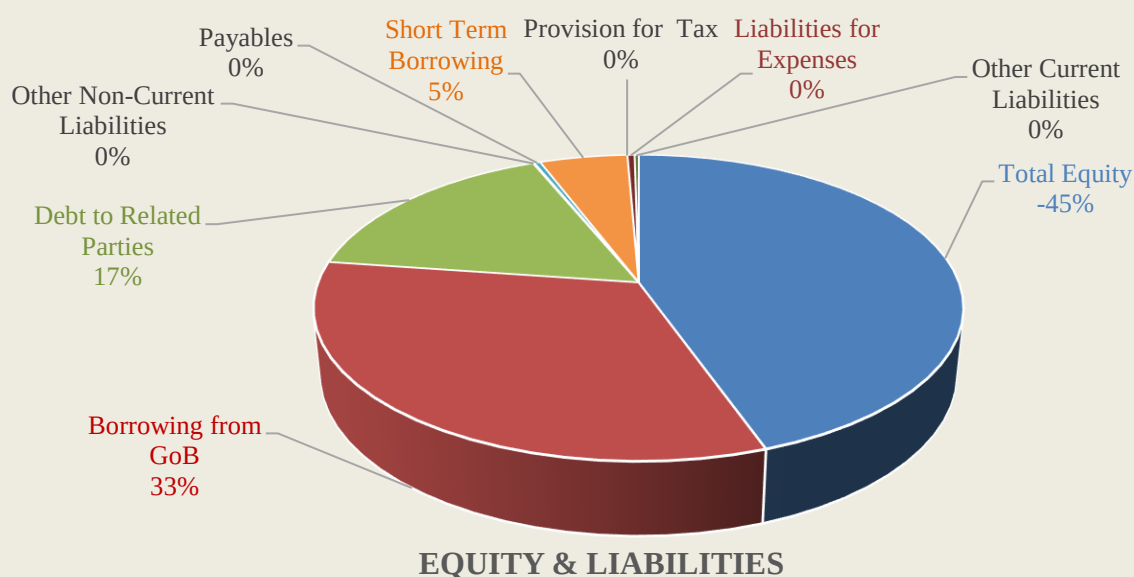
According to the financial statement of CCCL, the total debt is BDT 7,738.14 million as of June 30, 2023. Of these liabilities major portion 59% is borrowing from GoB under SLA & LA followed by 39% debt to related parties which is long term liabilities and finally 2% any other liabilities to any other entities. Besides borrowing from financial institutions and other liabilities to GoB hold insignificant amount which has shown as 0% in pie chart. The financial statement shows that long-term liability is about 98% of total liability. If CCCL fails to make repayment of these liabilities, it will cause fiscal risk for GoB

43.4 The composition of total assets in FY 2022-23:



According to the financial statement of CCCL in FY 2022-23 total assets was BDT 1,516.91 million. Out of these assets major portion 54% is PPE followed by 21% other current assets, 9% inventories, 5% cash and cash equivalent, advance & prepayment 4%, Financial assets 4% and finally 3% receivables. The composition shows that long term assets is 57% of total assets.

43.5 The composition of total equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that equity is negative which covered 45% of total equity and liabilities. After that major portion 33% borrowing from GoB followed by 17% debt to related parties and finally 5% short-term borrowing. Negative equity means that CCCL's total liabilities exceed its total assets. Having negative equity along with long-term liabilities under SLA and LA, CCCL poses fiscal risk for GoB.

43.6 Fiscal risk from CCCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – CCCL

Particular	Result	Risk	Score
Cost recovery	0.03	Very High	5
Return on Equity (ROE)	Net Income & Equity both are Negative.	Very High	5

Table – 3: Liquidity Ratio – CCCL

Particular	Result	Risk	Score
Current ratio	0.74	Very High	5
Creditor turnover days	3	Very Low	1

Table – 4: Solvency Ratio – CCCL

Particular	Result	Risk	Score
Debt to total assets	5.10	Very High	5
Debt to EBITDA	EBITDA is negative, ratio is very high.	Very High	5
Total Score			26
Overall Score			4(4.33)
Overall Risk Rating			High
Previous Year's Overall Risk Rating			High

43.7 The ratio analysis shows that CCCL's risk rating is based on:

- i. Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. CCCL's cost recovery ratio is 0.03 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.03 CCCL poses very high fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. CCCL's net income is negative and equity is negative too, which indicate that CCCL is struggling financially and may be unable to make repayment of its debt by its own. Having both negative net income and equity, CCCL poses very high fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of CCCL is 0.74 appears to be poor and as per threshold value it falls under very high-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 0.74, CCCL poses very high risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days below 30 considered as very low risk category. With Creditor Turnover Days of 3 days, CCCL poses **very low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. CCCL's debt to assets ratio is 5.10 appears to be healthy and according to threshold value it falls under very high-risk category. Considering the threshold value, debt to assets ratio of 5.0 and above is very high-risk category. With debt to assets ratio of 5.10, CCCL carry **very high** fiscal risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. CCCL's EBITDA is negative, hence CCCL may be unable to make repayment of its debt on its own revenue. Having negative EBITDA, CCCL poses **very high** risk for GoB.

43.8 According to the records, CCCL did not involve in any quasi-fiscal activities in FY 2022-23.

43.9 According to the records, no lawsuit is pending against CCCL, but there is a statutory obligation of BDT 268.35 million. So Contingent Liabilities is foreseen from statutory obligation for Chhatak Cement Company Limited (CCCL) in FY 2022-23.

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44. Usmania Glass Sheet Factory Limited (UGSFL)

44.1 Usmania Glass Sheet Factory Limited is a Bangladesh government owned glass manufacturing company. Usmania Glass Sheet Factory Limited was established on 30 June 1959 in Kalurghat Industrial Area, Chittagong as a private limited company. On 27 October 1963, the company was turned into a public limited company. After the Independence of Bangladesh, the company was nationalized by the government of Bangladesh in 1972 through the Bangladesh Industrial Enterprises (Nationalization) order. The company off loaded its 49% shares to the General Public and employees of the company in 1987. The shares of the company are listed in both the Dhaka Stock Exchange Limited and Chattogram Stock.

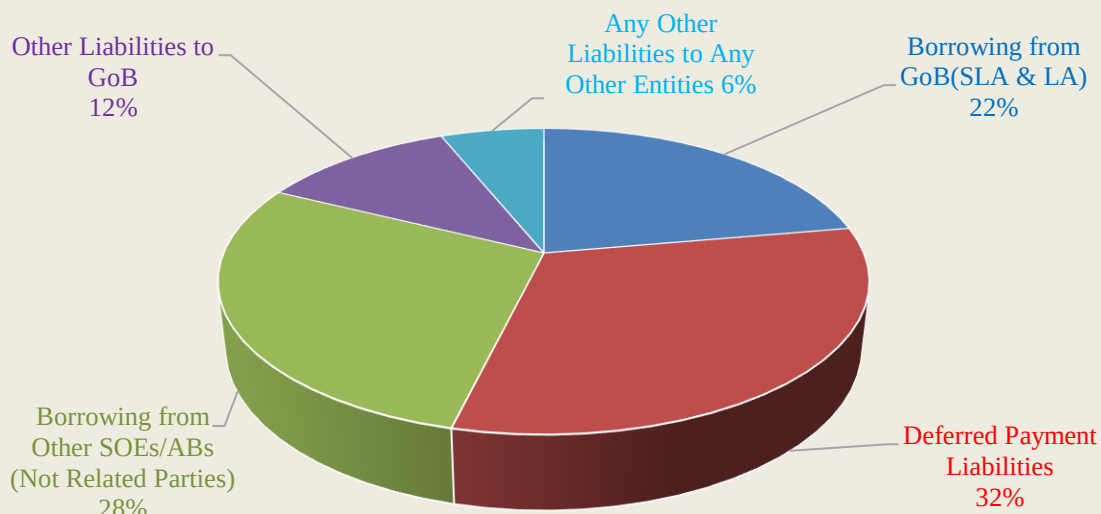
44.2 The following Table-1 presents the statement of debt and liabilities of Usmania Glass Sheet Factory Ltd (UGSFL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	226,840,499.00	231,169,981.00	1.91%	0.00
3	Debt and liabilities related to GoB(1+2)	226,840,499.00	231,169,981.00	1.91%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	328,064,147.00	327,907,730.00	-0.05%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	196,733,826.00	296,186,242.00	50.55%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	116,362,659.00	120,155,795.00	3.26%	0.00
15	Any Other Liabilities to Any Other Entities	85,465,347.00	63,639,068.00	-25.54%	0.00
16	Other Debt and liabilities (12+13+14+15)	398,561,832.00	479,981,105.00	20.43%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	953,466,478.00	1,039,058,816.00	8.98%	0.00
18	Debt and liabilities to GoB (3+14)	343,203,158.00	351,325,776.00	2.37%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	610,263,320.00	687,733,040.00	12.69%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

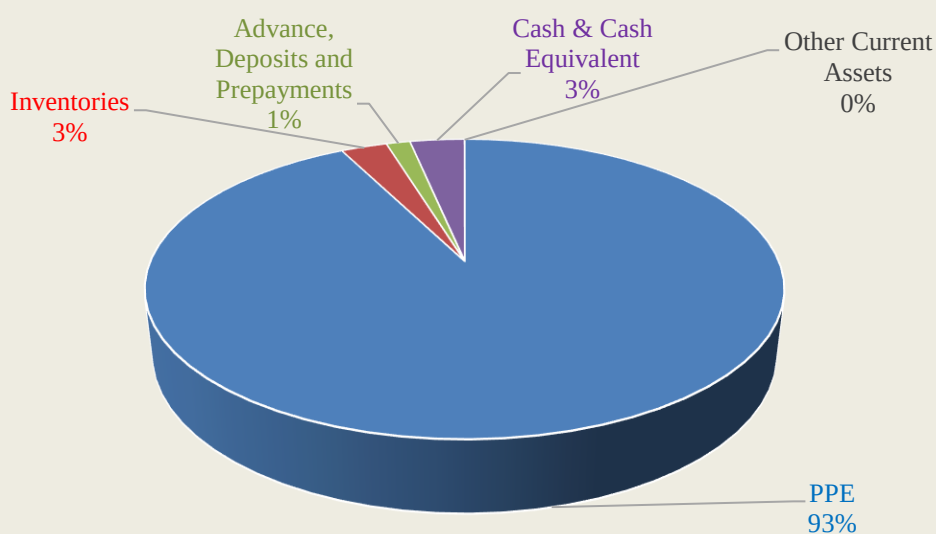
44.3 Statement of Debt and liabilities in FY 2022-23:



Debt and Liabilities

As per the financial statement of UGSFL, the total debt is BDT 1,039.06 million as of June 30, 2023. Of these liabilities major portion 32% is deferred payment liabilities which are long-term liabilities followed by 28% borrowing from other SOEs (not related parties) which are long-term liabilities, 22% borrowing from GoB under SLA & LA and finally 12% other liabilities to GoB which are current liabilities. The financial statement revealed that long-term liabilities is 88% of total debt and liabilities. If UGSFL fails to make repayment it will create fiscal risk for GoB.

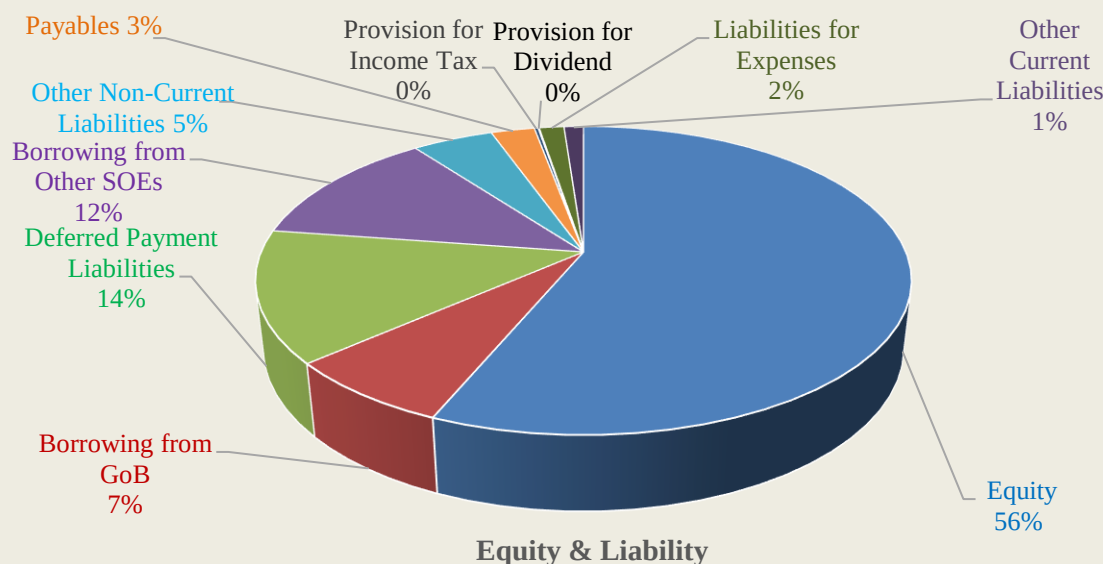
44.4 The composition of assets in FY 2022-23:



Total Asset

According to the financial statement of UGSFL in FY 2022-23 total assets was BDT 2,379.23 million. Out of these assets major portion 93% is PPE followed by 3% cash & cash equivalent, 3% inventories and finally 1% advances and prepayments. The composition also shows that long term assets is 93% of total assets.

44.5 The composition of equity and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that major portion 56% is equity followed by 14% deferred payment liabilities, 12% borrowing from other SOEs, 7% borrowing from GoB, 5% other non-current liabilities, 3% payables, liabilities for expenses 2% and finally 1% other current liabilities. The composition shows that long-term liability is 38% compared to 56% equity. So, UGSFL's growth is driven by both equity and liability, which may pose fiscal risk for GoB.

44.6 Fiscal risk from UGSFL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – UGSFL

Particular	Result	Risk	Score
Cost recovery	0.75	High	4
Return on Equity (ROE)	-7.71	High	4

Table – 3: Liquidity Ratio – UGSFL

Particular	Result	Risk	Score
Current ratio	1.38	Moderate	3
Creditor turnover days	2	Very Low	1

Table – 4: Solvency Ratio – UGSFL

Particular	Result	Risk	Score
Debt to total assets	0.44	Low	2
Debt to EBITDA	EBITDA is negative .	Very High	5
Total score			19
Average Score			3 (3.17)
Overall Risk Rating			Moderate
Previous Year's overall risk rating			Moderate

44.7 The ratio analysis shows that UGSFL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. UGSFL's cost recovery ratio is 0.75 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio 0.75 to below 1.0 falls under high-risk category. Having cost recovery ratio 0.75, UGSFL poses high fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. UGSFL's Return on equity ratio (ROE) is -7.71 which fits under high-risk category. According to threshold value ROE below 0% to -10.0% is considered as high-risk category. With ROE value -7.71, UGSFL poses high fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of UGSFL is 1.38 appears to be poor and as per threshold value table it falls under moderate fiscal risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 1.38 UGSFL poses moderate risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low risk category. Having Creditor Turnover Days of 2 days, UGSFL poses very low risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. UGSFL's debt to assets ratio is 0.44 appears to be healthy and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. Having debt to assets ratio of 0.44, UGSFL carry low risk for Gob, and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. UGSFL's EBITDA is negative, meaning that UGSFL may be unable to make repayment of its debt on its own revenue. With negative EBITDA, UGSFL poses very **high** risk for GoB.

44.8 According to the records, Usmania Glass Sheet Factory Limited (UGSFL) did not involve in any quasi-fiscal activities during financial year 2022-23.

44.9 According to the records, Pending Litigation against VAT & Tax related claim were BDT 63.93 million. So Contingent Liabilities is foreseen from law suit (VAT & Tax related claim) for GoB in FY 2022-23.

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45. DAP Fertilizer Company Limited

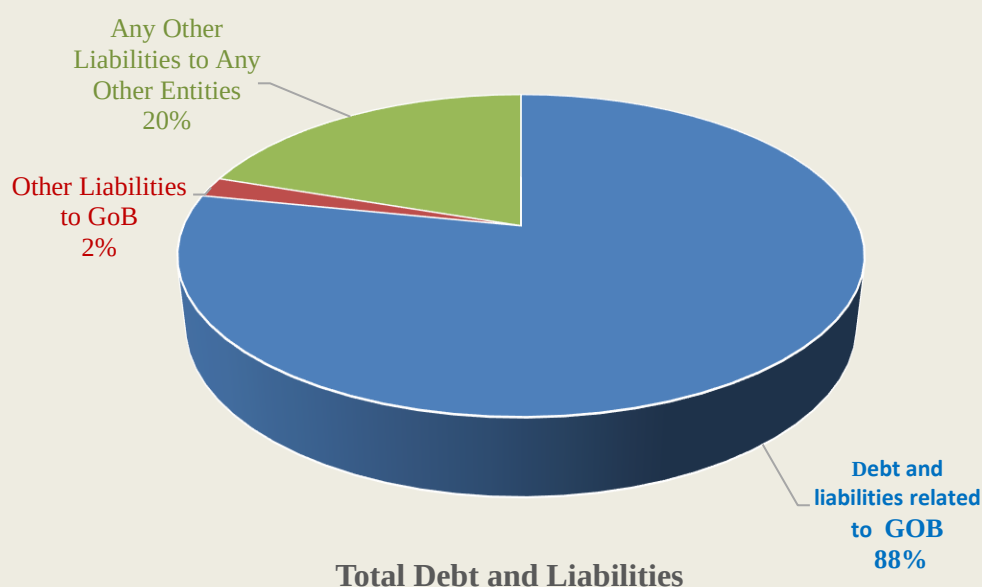
45.1 DAP Fertilizer Company Limited is an enterprise of Bangladesh Chemical Industries Corporation (BCIC) and was incorporated as a Public Limited Company limited by shares under the Companies Act. on 28th August 2006. The Company is fully owned by the Government of the Peoples' Republic of Bangladesh. The principal activities of the company are manufacturing and marketing of DAP Fertilizer.

45.2 The following Table–1 presents the statement of debt and liabilities of DAP Fertilizer Company Limited for the FY which has been prepared on the basis of the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

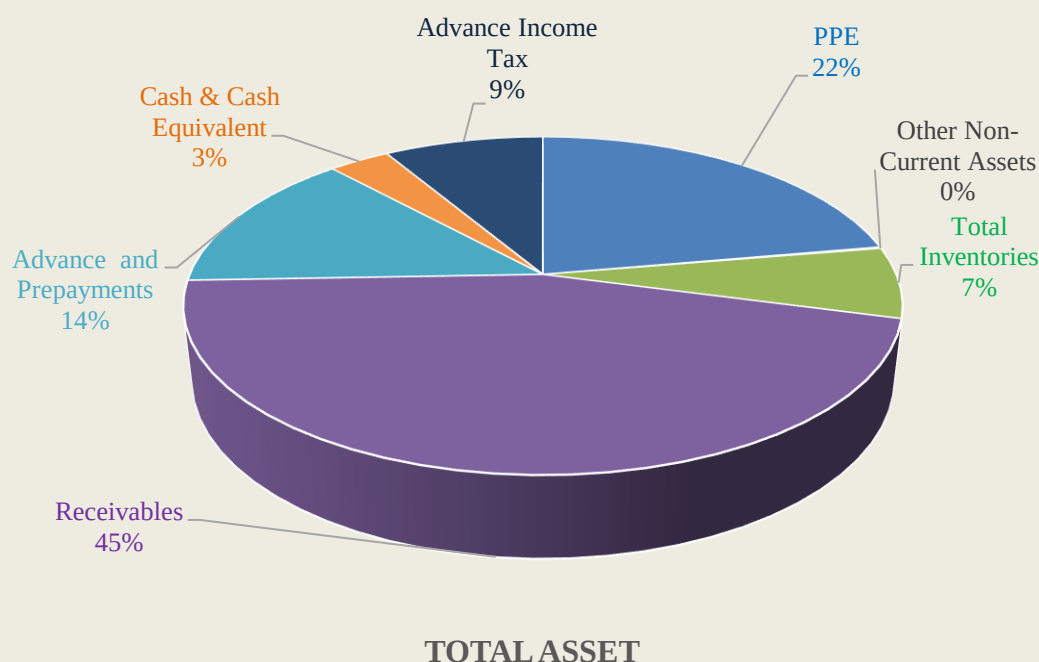
					Amount in BDT
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	6,708,585,154.20	4,378,679,788.20	-34.73%	0.00
2	Debt and liabilities related to GoB under LA	312,090,000.00	321,360,000.00	2.97%	0.00
3	Debt and liabilities related to GoB(1+2)	7,020,675,154.20	4,700,039,788.20	-33.05%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	131,360,261.43	119,219,939.15	-9.24%	0.00
15	Any Other Liabilities to Any Other Entities	2,118,842,389.47	1,190,111,385.75	-43.83%	0.00
16	Other Debt and liabilities (12+13+14+15)	2,245,202,645.90	1,309,331,324.90	-41.81%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	9,270,877,805.10	6,009,371,113.10	-35.18%	0.00
18	Debt and liabilities to GoB (3+14)	7,152,035,415.63	4,819,259,727.35	-32.62%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,118,842,389.47	1,190,111,385.75	-43.83%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

45.3 Statement of debt and liabilities in FY 2022-23:



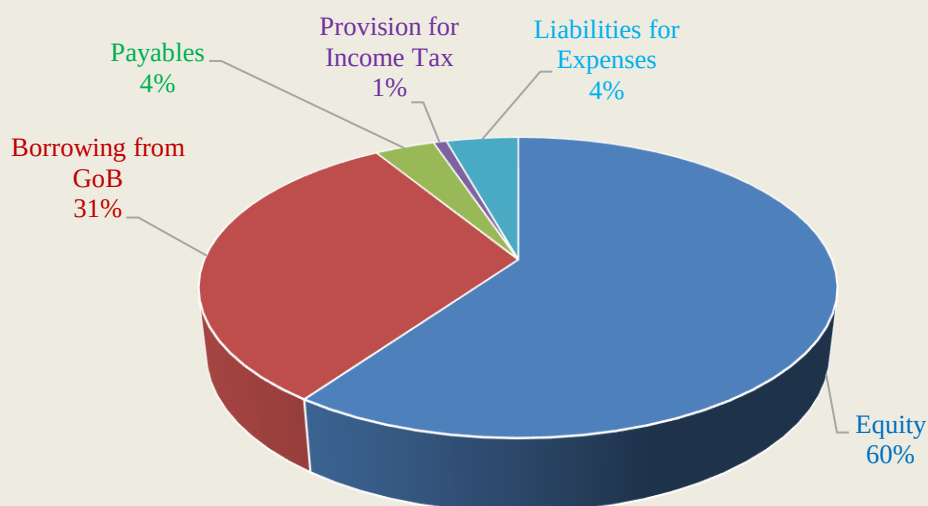
According to the financial statement of DAP, the total debt is BDT 6,009.31 million as of June 30, 2023. Out of these liabilities major portion 78% is Debt and liabilities related to GoB under SLA & LA which are long term liability, followed by 20% any other liabilities to any other entities which are current liabilities and finally 2% other liabilities to GoB which are current liabilities. The composition revealed that long term liabilities are 78% of total liability. If DAP fails to make repayment of these long-term liabilities under GoB, it will cause fiscal risk for GoB.

45.4 The composition of assets in FY 2022-23:



The entity has only 3% of asset as Cash & Cash Equivalent. It has only 7% of asset as PPE. A large portion (45% of its asset) of its asset is account receivable.

45.5 The composition of equity and liabilities in FY 2022-23:



Equity and Liabilities

The composition of total equity and liabilities shows that major portion 60% is equity followed by 31% borrowing from GoB under SLA & LA, 4% payables, 4% provision for income tax and finally 1% liabilities for expenses. The composition revealed that growth of DAP is equity driven which is less likely to pose fiscal risk for GoB.

45.6 Fiscal risk from DAP is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – DAP

Particular	Result	Risk	Score
Cost recovery	1.01	Moderate	3
Return on Equity (ROE)	Net Income is '0' (zero).	Moderate	3

Table – 3: Liquidity Ratio – DAP

Particular	Result	Risk	Score
Current ratio	8.87	Very Low	1
Creditor turnover days	12	Very Low	1

Table – 4: Solvency Ratio – DAP

Particular	Result	Risk	Score
Debt to total assets	0.40	Low	2
Debt to EBITDA	8.70	Very high	5
Total Score			15
Average Score			3 (2.5)
Overall Risk Rating			Moderate
Previous Year's overall risk rating			Low

45.7 The ratio analysis shows that DAP Fertilizer Company Limited's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. DAP 's cost recovery ratio is 1.01 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 to less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.01 DAP poses moderate fiscal risk to GoB. In response to moderate risk DAP explained that its sells under product cost and government provide subsidy for the trade gap;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. DAP 's ROE is 0% and according to threshold value it classified as moderate risk category. ROE value between 0% to less than 8% is considered as moderate risk category. Having ROE 0 %, DAP poses moderate fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of DAP is 8.87 appears to be very healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, holding current ratio of 8.87 DAP poses very low risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low risk category. With creditor turnover days of 12, DAP poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. DAP's debt to assets ratio is 0.42 appears to be healthy and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio between 0.25 to less than 0.50 is low risk category. With debt to assets ratio of 0.40, DAP carry **low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. DAP's debt to EBITDA ratio is 8.70 and according to threshold value it falls under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. Securing debt to EBITDA ratio of 8.70, DAP poses **very high** risk for GoB. DAP argued that due to low net income (selling at government fixed price) debt to EBIDTA ratio is very high which is acceptable considering public service obligation.

45.8 According to the records, DAP Fertilizer Complex has carried out quasi fiscal activities of BDT 12,594.34 million in FY 2022-23.

45.9 According to the records, no statutory obligation but BDT 410.31 million lawsuit is pending against DAP. So, no Contingent Liabilities is foreseen for DAP Fertilizer Company Ltd. in FY 2022-23.

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46. Dhaka Leather Company Limited (DLCL)

46.1 Dhaka Leather Company Limited (here in after referred to as the "Company") was incorporated on 4 February 1996 vide ND-C 30240 (1466)/96 as a Public Limited Company under the Companies Act (#18) 1994. The Dhaka Leather Company Ltd. is located at Nayarhat, Savar, Dhaka. The company was established to carry on the business of manufacturing finished leather, various leather goods including shoes and by products of all kinds.

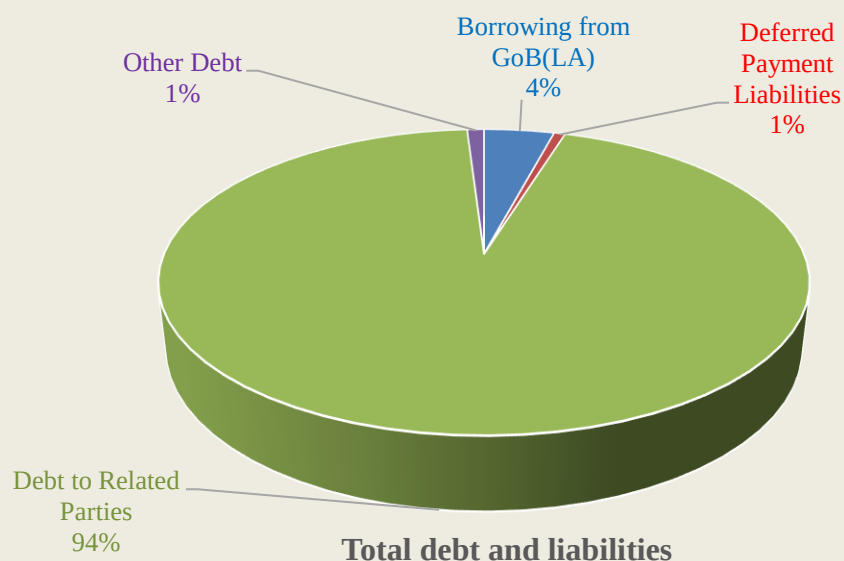
46.2 The following Table-1 presents the statement of debt and liabilities of Dhaka Leather (DLCL)'s for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

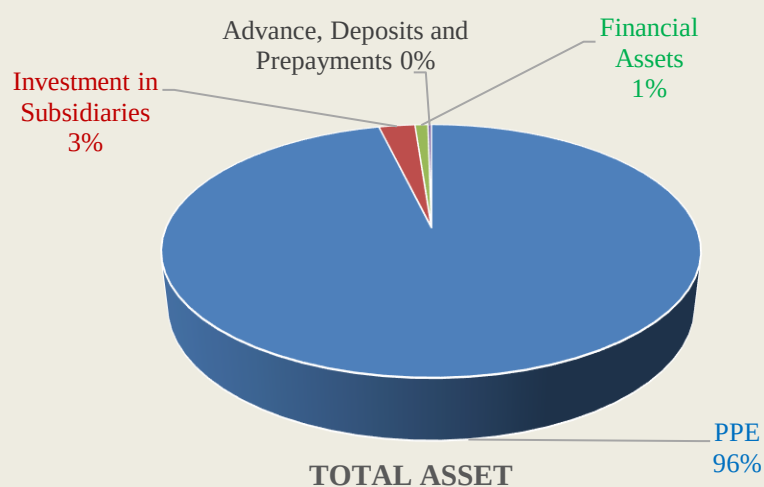
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	49,565,766.00	50,217,541.00	1.31%	0.00
3	Debt and liabilities related to GoB(1+2)	49,565,766.00	50,217,541.00	1.31%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	7,465,107.00	7,924,267.00	6.15%	0.00
9	Debt and liabilities related to Related Parties	636,064,696.00	651,678,576.00	2.45%	0.00
10	Other Liabilities to Related Parties	485,454,022.00	485,454,022.00	0.00%	0.00
11	Debt to Related Parties(9+10)	1,121,518,718.00	1,137,132,598.00	1.39%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	10,092,512.00	12,080,522.00	19.70%	0.00
16	Other Debt and liabilities (12+13+14+15)	10,092,512.00	12,080,522.00	19.70%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	1,188,642,103.00	1,207,354,928.00	1.57%	0.00
18	Debt and liabilities to GoB (3+14)	49,565,766.00	50,217,541.00	1.31%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,139,076,337.00	1,157,137,387.00	1.59%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

46.3 Statement of debt and liabilities in FY 2022-23:



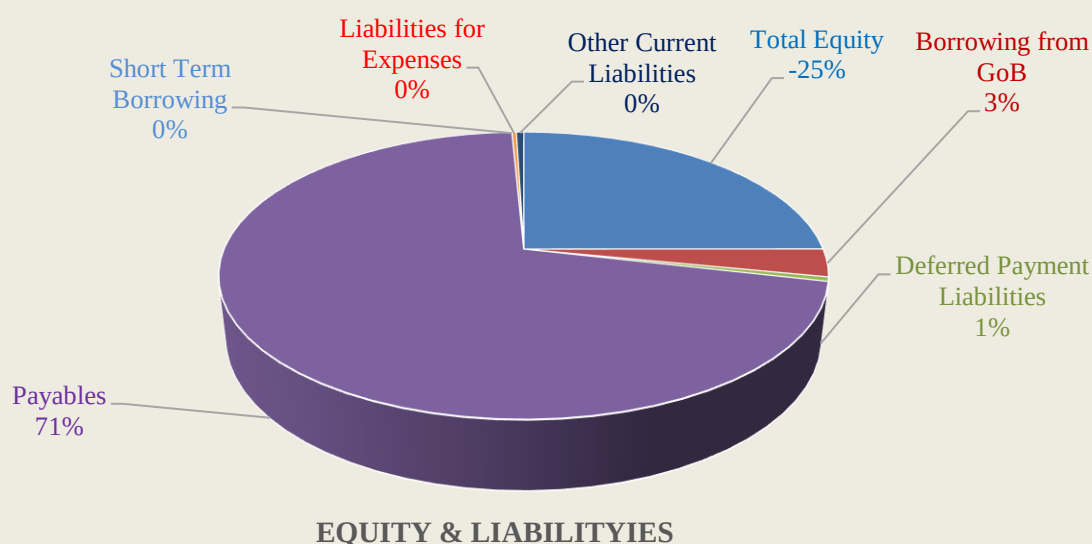
According to the financial statement of DLCL, the total debt is BDT 1,207.35 million as of 30th June, 2023. Out of this amount, major portion 94% is debt to related parties followed by 4% borrowing from GoB, deferred liabilities 1% and finally 1% other debt. The statement shows that long-term liabilities are about 99% of total debt and liabilities. If DLCL failed to make repayment of these liabilities, it will create fiscal risk for GoB.

46.4 The composition of total assets in FY 202-23:



According to the financial statement total assets in FY 2022-23 was BDT 805.303 million. Out of these assets major portion 96% belongs to PPE followed by 3% investment in subsidy and finally 1% financial assets. The composition of assets shows that 100% assets is long-term assets and if DLCL failed to make repayment it will cause fiscal risk for GoB.

46.5 The composition of total equity and liabilities:



The financials statement shows that equity is negative which make up 25% of equity and liabilities. Following that major portion 71% is payables followed by 3% borrowing from GoB under loan agreement (LA) and 1% deferred liabilities. Besides short-term liabilities, liabilities for expenses and other current liabilities hold insignificant portion that has shown as 0% in pie chart. Negative equity means that DLCL's liability has exceeded its total assets. Having negative equity along with long term liabilities DLCL poses fiscal risk for GoB.

46.6 Fiscal risk from DLCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – DLCL

Particular	Result	Risk	Score
Cost recovery	No Production & No Retained Earning, So the ratio of Cost Recovery is very high.	Very High	5
Return on Equity (ROE)	Net Income & Equity both are Negative, So the Return on Equity ratio is very high.	Very high	5

Table – 3: Liquidity Ratio – DLCL

Particular	Result	Risk	Score
Current ratio	0.03	Very High	5
Creditor turnover days	9386	Very High	5

Table – 4: Solvency Ratio – DLCL

Particular	Result	Risk	Score
Debt to total assets	1.50	Very high	5
Debt to EBITDA	EBITDA is Negative.	Very high	5
Gross total			30
Average Total			5
Overall Risk Rating			Very High

46.7 The ratio analysis shows that Dhaka Leather (DLCL)'s risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. DLCL 's cost recovery ratio is 0 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio 0.75 and below falls under very high-risk category. With cost recovery ratio 0 DLCL poses **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. DLCL's net income is negative and equity is negative too, which indicate that DLCL is struggling financially and may be unable to make repayment of its debt by its own revenue. With negative net income, DLCL poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of DLCL is 0.03 appears to be very poor and as per threshold value table it fits very high-risk category. A current ratio of 1.0 and below is considered as very high-risk category. So, having current ratio of 0.03, DLCL poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very high-risk category. With Creditor Turnover Days of 9386 days, DLCL poses **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. DLCL's debt to assets ratio is 1.59 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 1.50, DLCL carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. DLCL's EBITDA is negative, hence DLCL may be unable to make repayment of its debt by its own. With negative EBITDA, DLCL poses **very high** risk for GoB. Production of DLCL is closed long time which led to negative EBITDA.

46.8 According to the records, Dhaka Leather (DLCL) did not engage in any quasi-fiscal activities in FY 2022-23.

46.9 According to the records, no statutory obligation and no lawsuit is pending against DLCL. So Contingent Liabilities is not foreseen for Dhaka Leather (DLCL) in FY 2022-23.

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47. Training Institute for Chemical Industries (TICI)

47.1 Training institute for chemical industries (TICI) is the central training institute of Bangladesh chemical industries corporation (BCIC). It is a multi-discipline training institute which was established with the technical and financial assistance of the government of Netherlands. The objective was to promote industrial productivity by developing technical knowledge, skill and efficiency of manpower working in industries and technical organizations. New recruits are also offered long courses on different fields of industrial technology.

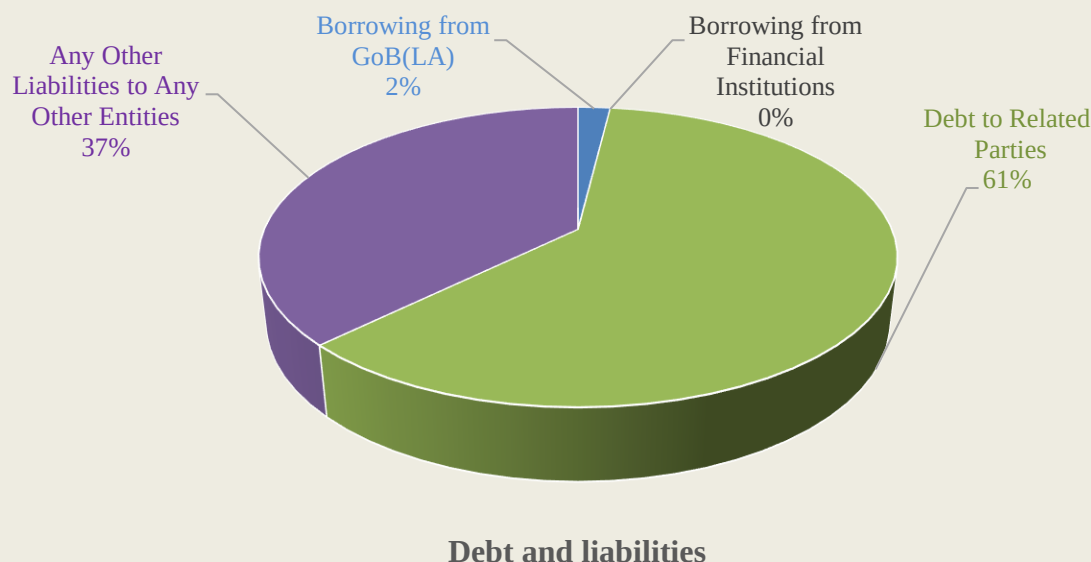
47.2 The following Table-1 presents the statement of debt and liabilities of Training Institute for Chemical Industries (TICI) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

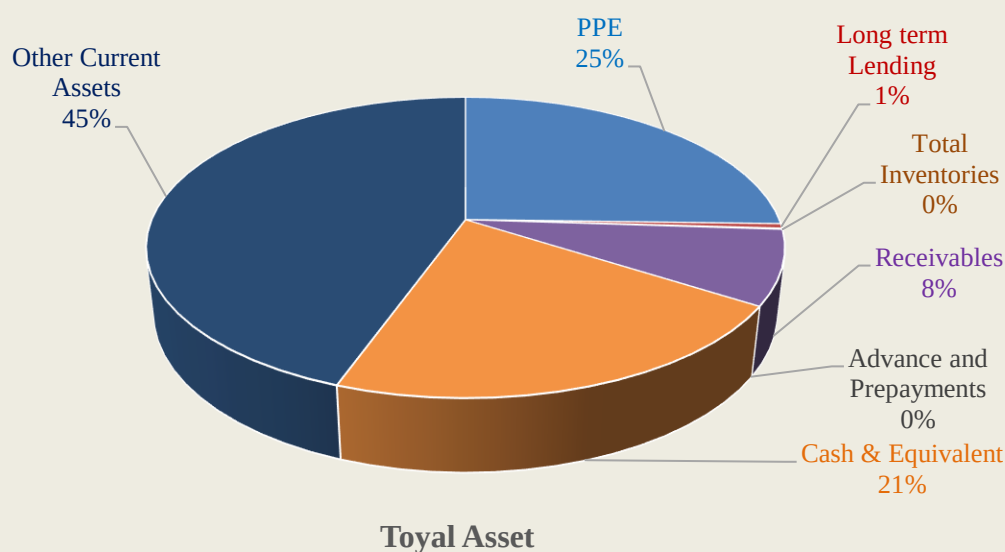
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and Liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and Liabilities related to GoB under LA	600,000.00	600,000.00	0.00%	0.00
3	Debt and Liabilities related to GoB(1+2)	600,000.00	600,000.00	0.00%	0.00
4	Debt and Liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and Liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and Liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and Liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and Liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	12,898,251.00	18,781,978.00	45.62%	0.00
11	Debt to Related Parties(9+10)	12,898,251.00	18,781,978.00	45.62%	0.00
12	Debt and Liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and Liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	12,010,814.00	11,525,957.00	-4.04%	0.00
16	Other Debt(12+13+14+15)	12,010,814.00	11,525,957.00	-4.04%	0.00
17	Total Debt (3+7+8+11+16)	25,509,065.00	30,907,935.00	21.16%	0.00
18	Debt to GoB (3+14)	600,000.00	600,000.00	0.00%	0.00
19	Debt to Entities other than GoB (17-18)	24,909,065.00	30,307,935.00	21.67%	0.00
20	Debt Incurred Because of Losses Arising from Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

47.3 Statement of Debt and Liabilities in FY 2022-23:



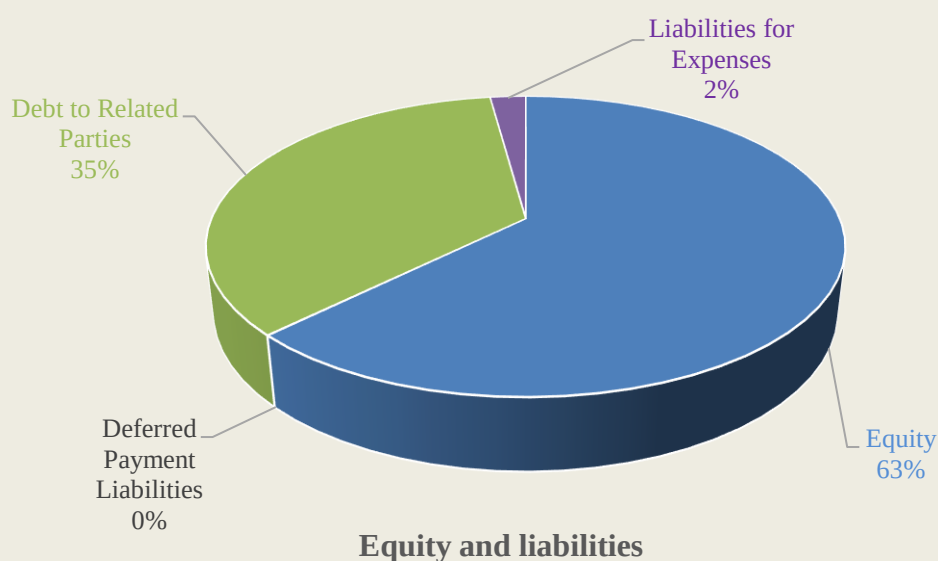
According to the financial statement of Training institute for chemical industries (TICI), the total debt is BDT 30.91 million as of 30th June 2023. Out of this amount major portion 61% is debt to related party followed by 37% any other liabilities to any other entities which are mostly current liabilities and finally 2% borrowing from GoB under LA which are long-term liabilities. The financial statement shows that long-term liabilities are 63% of total liabilities. If TICL fails to make repayment of these liabilities it will cause fiscal risk for GoB.

47.4 The composition of assets in FY 2022-23:



According to the financial statement of TICL in FY 2022-23 total assets was BDT 1,411.06 million. Out of these assets major portion 45% is other current liabilities followed by PPE 25%, cash and cash equivalent 21%, receivables 8% and finally 1% long term lending. The financial statement shows that long term assets is 26% of total assets.

47.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities of FY 2022-23 shows that equity cover major portion 63% followed by debt to related parties 35% which are long-term liabilities and finally 2% liabilities for expenses. The composition revealed that growth of TICL is equity driven which may reduce fiscal risk exposure for GoB.

47.6 Fiscal risk from Training Institute for Chemical Industries (TICI) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – TICL

Particular	Result	Risk	Score
Cost recovery	0.83	High	4
Return on Equity (ROE)	-3.60	High	4

Table – 3: Liquidity Ratio – TICL

Particular	Result	Risk	Score
Current ratio	13.76	Very Low	1
Creditor turnover days	Trade Payable is '0' 'Zero'.	Very Low	1

Table – 4: Solvency Ratio – TICL

Particular	Result	Risk	Score
Debt to total assets	0.04	Very Low	1
Debt to EBITDA	EBITDA is negative.	Very High	5
Total Score			16
Average Score			3(2.67)
Overall Risk Rating			Moderate

- 47.7 The ratio analysis shows that Training Institute for Chemical Industries (TICI)'s risk rating is based on:
- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. TICI 's cost recovery ratio is 0.83 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio less than 0.75 falls under very high-risk category. With cost recovery ratio 0.83 TICI poses **high** fiscal risk to GoB. TICI argues that it receives levies (charges) from fertilizer companies to meet cost of services;
 - ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. TICI 's ROE is -3.60% and according to threshold value it fits high risk category. ROE value of -10.0% and below is considered as very high-risk category. With ROE (3.60 %), TICI poses **high** fiscal risk to GoB;
 - iii. Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of TICI is 13.6 appears to be healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 13.76 TICI poses **very low** risk for GoB;
 - iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low risk category. With Creditor Turnover Days of 0 days, TICI pose very Low risk to GoB;
 - v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. TICI's debt to assets ratio is 0.04 appears to be healthy and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0, TICI carry **very low** risk for GoB; and
 - vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. TICI's debt to EBITDA ratio is -1.14 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio less than 1.50 belongs to very low-risk category. With EBITDA negative, So the ratio of TICI poses **very high** risk for GoB.
- 47.8 According to the records, Training Institute for Chemical Industries did not involve in any quasi-fiscal activities in FY 2022-23.
- 47.9 According to the records, no statutory obligation but lawsuit is pending BDT 1.26 million against TICI. So Contingent Liabilities is foreseen for GoB in FY 2022-23.

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48. Bangladesh Sugar and Food Industries Corporation (BSFIC)

48.1 Bangladesh Sugar Mills Corporation and Bangladesh Food and Allied Industries Corporations were established under President's Order No. 27 of 1972. Subsequently these two corporations were amalgamated under the name of Bangladesh Sugar & Food Industries Corporation (BSFIC) in pursuance of Government Order no. 25 of July, 1976. There are 15 (fifteen) Sugar Mills under this Corporation. The major activities of BSFIC are procurement of sugar cane as raw materials for production of sugar and allied products, promotion, marketing of products.

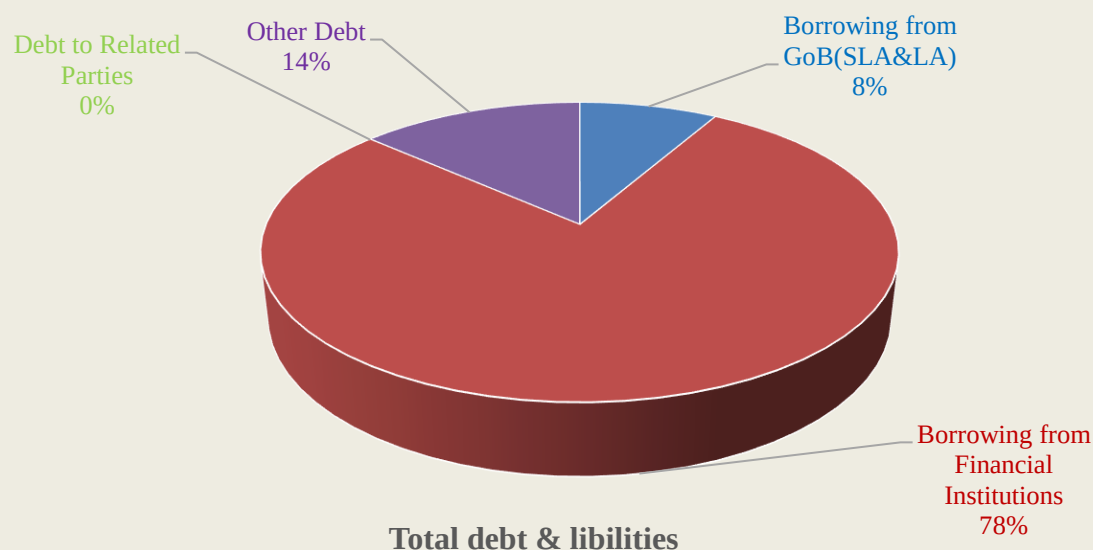
48.2 The following Table-1 presents the statement of debt and liabilities of The Bangladesh Sugar & Food Industries Corporation (BSFIC) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

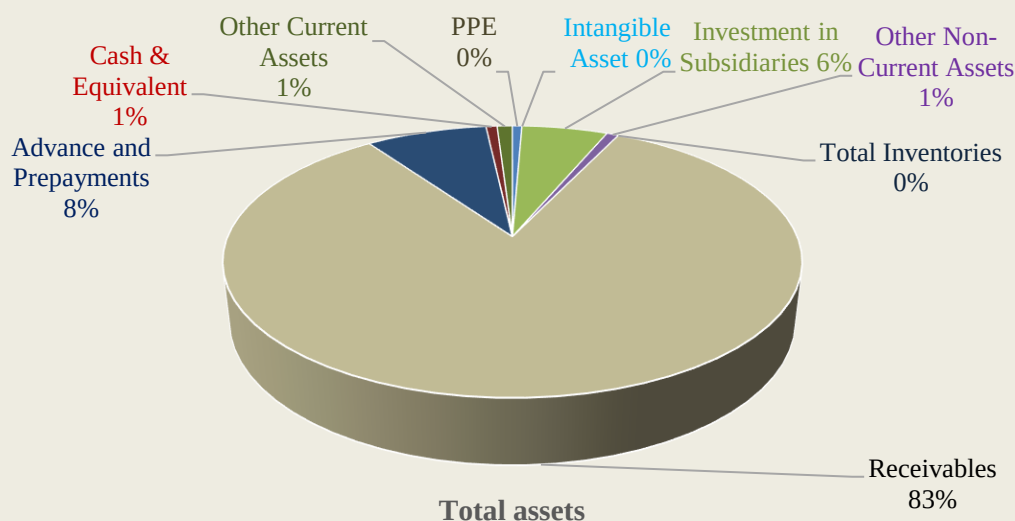
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	523,519,397.00	523,519,397.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	2,728,040,607.00	3,379,864,555.00	23.89%	0.00
3	Debt and liabilities related to GoB(1+2)	3,251,560,004.00	3,903,383,952.00	20.05%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	38,489,023,063.00	36,473,689,569.00	-5.24%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	38,489,023,063.00	36,473,689,569.00	-5.24%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	9,852,245.00	9,852,245.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	9,852,245.00	9,852,245.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	283,221,894.00	283,221,894.00	0.00%	0.00
14	Other Liabilities to GoB	3,260,754.00	3,260,754.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	5,246,704,247.00	6,005,373,971.00	14.46%	0.00
16	Other Debt and liabilities (12+13+14+15)	5,533,186,895.00	6,291,856,619.00	13.71%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	47,283,622,207.00	46,678,782,385.00	-1.28%	0.00
18	Debt and liabilities to GoB (3+14)	3,254,820,758.00	3,906,644,706.00	20.03%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	44,028,801,449.00	42,772,137,679.00	-2.85%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

48.3 Statement of debt and liabilities in FY 2022-23:



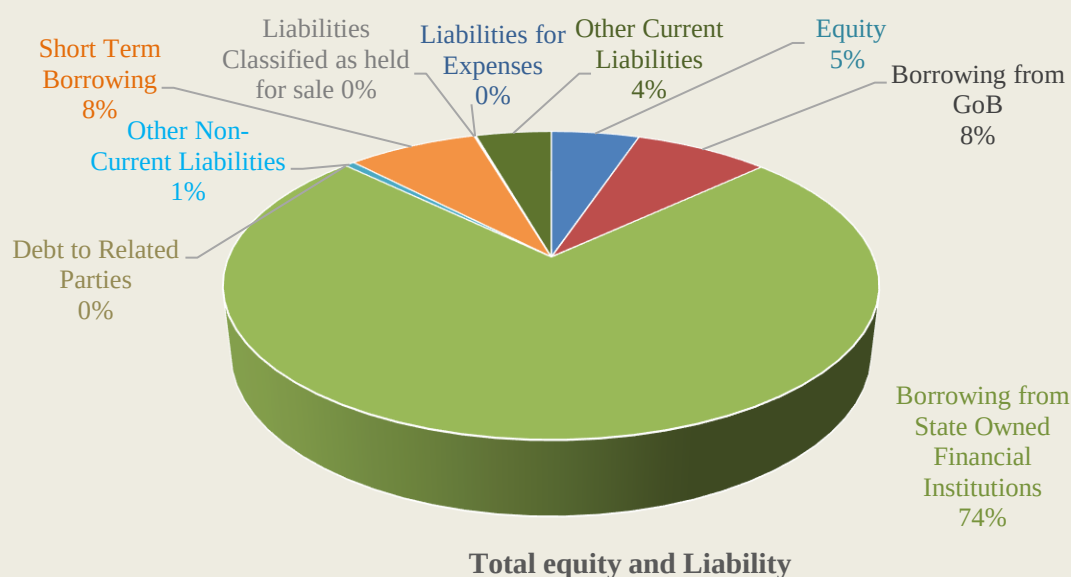
As per the financial statement of Bangladesh Sugar & Food Industries Corporation (BSFIC), the total debt is BDT 46,678.78 million BDT as of 30th June, 2023. Out of this amount, major portion 78% liabilities related to financial institution followed by 14% from other debt which are current liabilities and finally 8% liabilities related to GoB under subsidiary loan agreement and loan agreement (LA). Financial statement shows that long term liabilities are 86% of total debt and if BSFIC fails to make repayment of these liabilities it will create fiscal risk for GoB.

48.4 The composition of total assets in FY 2022-23:



According to the financial statements of BSFIC, total assets in FY 2022-23 was 49225.84 million. Out of these assets major portion 83% is receivables followed by advance and prepayment 8%, investment in subsidiaries 6%, other non-current assets 1%, current assets 1% and finally 1% cash & cash equivalent. The composition shows that 93% of total assets belong to current assets and remaining 7 % long-term assets.

48.5 The composition of debt and equity in FY 2022-23:



The composition shows that major portion 74% is borrowing from financial institute which are long term liabilities followed by borrowing from Gob 8%, short-term borrowing 8%, Equity 5%, other current liabilities 4% and finally 1% other non-current liabilities. According to the composition total long-term liabilities is 83% compared to equity only 5% which means that growth of BSFIC is highly liability driven. Therefore, BSFIC poses fiscal risk for GoB.

48.6 Fiscal risk from Bangladesh Sugar & Food Industries Corporation (BSFIC) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BSFIC

Particular	Result	Risk	Score
Cost recovery	1	Moderate	3
Return on Equity (ROE)	0%	Moderate	3

Table – 3: Liquidity Ratio – BSFIC

Particular	Result	Risk	Score
Current ratio	7.60	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero),	Very Low	1

Table – 4: Solvency Ratio – BSFIC

Particular	Result	Risk	Score
Debt to total assets	0.95	High	4
Debt to EBITDA	2350.12	Very High	5
Total Score			17
Average Score			3 (2.83)
Overall Risk Rating			Moderate

48.7 The ratio analysis shows that BSFIC's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BSFIC 's cost recovery ratio is 1.0 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.0 BSFIC poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BSFIC 's ROE is 0 % and according to threshold value it fits moderate-risk category. ROE value between 0% and 8% is considered as moderate-risk category. With ROE 0 %, BSFIC poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BSFIC is 7.6 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 7.6, BSFIC poses **very Low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 0 days, BSFIC poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BSFIC's debt to assets ratio is 0.95 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very low risk category. With debt to assets ratio of 0.95, BSFIC may cause **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BSFIC's debt to EBITDA ratio is 2350 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With debt to EBITDA ratio of 2350, BSFIC poses **very high** risk for GoB.

48.8 According to the records, BSFI did not involve in any quasi-fiscal activities in FY 2022-23

48.9 According to the records, no statutory obligation and no lawsuit are pending against BSFIC. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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49. Panchagarh Sugar Mills Ltd. Panchagarh (PSM)

49.1 The construction Panchagarh Sugar Mills started in 1965 and was completed in 1969 and sugar production started in 1969-70. After independence, in 1972, the Bangladesh government declared the institution as a national institution. The mill has been incorporated in Bangladesh as a Public Limited Company, under the companies Act.1913 (Now Companies Act. 1994). The principal activities of the Company are production of Sugar & Molasses from locally purchased sugarcane.

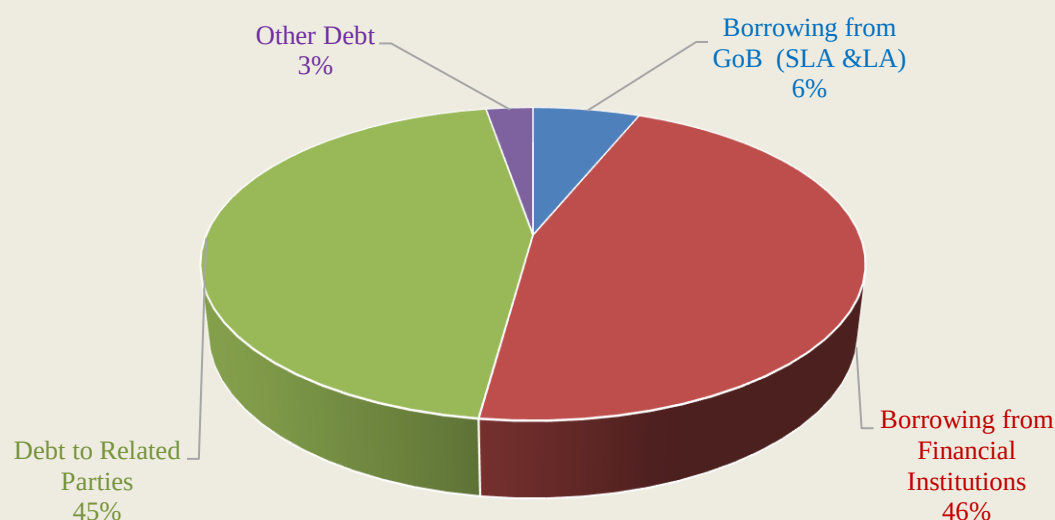
49.2 The following Table-1 presents the statement of debt and liabilities of Panchagarh Sugar Mills Limited (PSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	108,722,888.00	111,181,871.00	2.26%	109,043,799.00
2	Debt and liabilities related to GoB under LA	185,611,198.00	264,046,236.00	42.26%	185,121,022.31
3	Debt and liabilities related to GoB(1+2)	294,334,086.00	375,228,107.00	27.48%	294,164,821.31
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	683,483.00	720,098.00	5.36%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,460,004,088.00	2,642,482,547.00	7.42%	2,460,004,087.00
6	Debt and liabilities related to Domestic Other Financial Institutions	162,796,785.00	136,927,648.00	-15.89%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	2,623,484,356.00	2,780,130,293.00	5.97%	2,460,004,087.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	2,785,552,359.00	2,728,358,591.00	-2.05%	0.00
11	Debt and liabilities to Related Parties(9+10)	2,785,552,359.00	2,728,358,591.00	-2.05%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	160,504.00	160,504.00	0.00%	720,832.71
15	Any Other Liabilities to Any Other Entities	205,051,212.00	164,552,218.00	-19.75%	328,002,968.38
16	Other Debt and liabilities (12+13+14+15)	205,211,716.00	164,712,722.00	-19.74%	328,723,801.09
17	Total Debt and liabilities (3+7+8+11+16)	5,908,582,517.00	6,048,429,713.00	2.37%	3,082,892,709.40
18	Deb and liabilities t to GoB (3+14)	294,494,590.00	375,388,611.00	27.47%	294,885,654.02
19	Debt and liabilities to Entities other than GoB (17-18)	5,614,087,927.00	5,673,041,102.00	1.05%	2,788,007,055.38
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

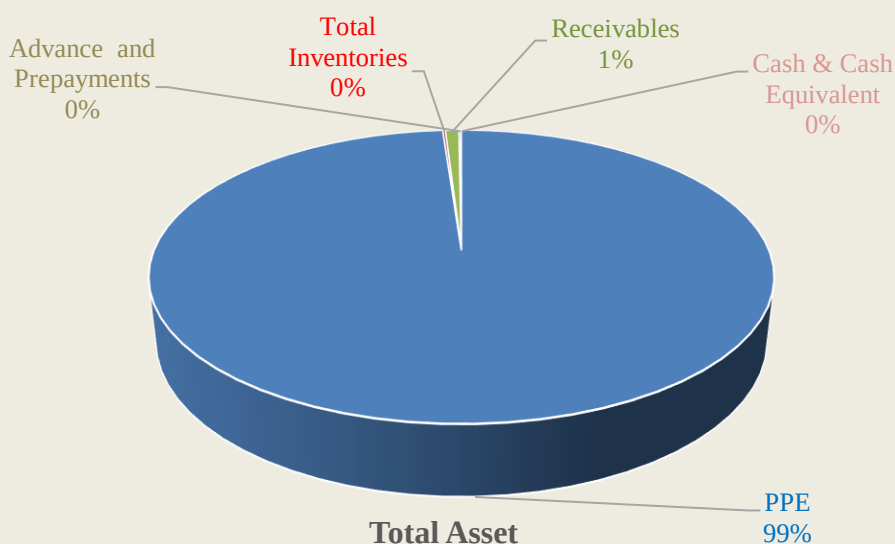
49.3 Statement of debt and liabilities in FY 2022-23:



Total Debt & liabilities

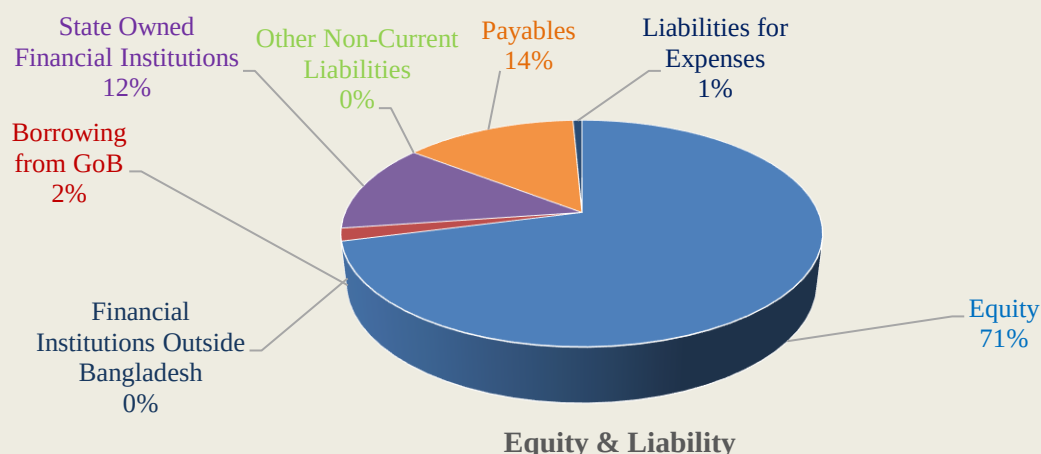
According to the financial statement of Panchagarh Sugar Mills Limited (PSM), the total debt is BDT 6,048.43 million as of 30th June, 2023. Out of this amount, major portion 46% is borrowing from financial institution followed by debt to related parties 45%, borrowing from GoB 6% and finally 3% other debt. which are current liabilities. If PSM fails to make repayment its long-term liability, it will create fiscal risk for GoB.

49.4 The composition of assets in FY 2022-23:



According to the financial statement of PSM in FY 2022-23 was BDT 20,834.35 million. out of these assets major portion 99% is is PPE which are long-term assets and remaining 1% receivables. Besides inventory and cash & cash equivalent is insignificant amount which has shown as 0% in pie chart.

49.5 The composition of equity and liabilities in FY 202-23:



The composition shows that major portion 71% belongs to equity followed by payables 14%, borrowing from state-owned financial institution 12%, borrowing from GoB 2% and finally 1% liabilities for expenses. Besides other non-current liability and borrowing from financial institution outside Bangladesh is insignificant amount and has shown as 0% in pie chart. The composition shows that growth of PSM is equity driven which poses low fiscal risk for GoB..

49.6 Fiscal risk from PSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – PSM

Particular	Result	Risk	Score
Cost recovery	0.05	Very High	5
Return on Equity (ROE)	-1.71	High	4

Table – 3: Liquidity Ratio – PSM

Particular	Result	Risk	Score
Current ratio	0.08	Very High	5
Creditor turnover days	134946	Very High	5

Table – 4: Solvency Ratio – PSM

Particular	Result	Risk	Score
Debt to total assets	0.29	Low	2
Debt to EBITDA	EBITDA is negative	Very High	5
Total Score			26
Average Score			4 (4.33)
Overall Risk Rating			High

- 49.7 The ratio analysis shows that PSM's risk rating is based on:
- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of PSM is 0.05 and according to the threshold value it belongs to very high-risk category. A ratio of less than 0.75 considered as very high-risk category as per standard derived from threshold value. With cost recovery ratio 0.05 PSM poses **very high** fiscal risk to GoB;
 - ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. PSM's Return on equity ratio (ROE) is -1.71% which fits under **high-risk** category. According to threshold value table ROE value below -10.0% is considered as very high-risk category;
 - iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of PSM is 0.08 and according to the threshold value it belongs to very high-risk category. Current ratio of below 1.0 is considered as very high-risk category as per threshold value. So, with current ratio of 0.08, PSM poses **very high** risk for GoB;
 - iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value creditors turnover days of 120 days and above is considered as very high-risk category. With creditor turnover days 134,946, PSM poses **very high** risk to GoB;
 - v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Debt to total Asset's ratio of PSM is 0.29 and according to the threshold value it belongs to low-risk category. A ratio of below 0.25 considered as very low-risk category as per standard derived from threshold value. With debt to Asset's ratio 0.29, PSM poses **low** risk to GoB; and
 - vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. PSM's EBITDA is negative, hence PSM may be unable to make repayment of its debt by its own. With negative EBITDA, PSM poses **very high** risk for GoB.
- 49.8 According to the records, Panchagarh Sugar Mills Limited did not involve in any quasi-fiscal activities in FY 2022-23
- 49.9 According to the records, no statutory obligation and no lawsuit is pending against PSM. So, no Contingent Liabilities is foreseen for Panchagarh Sugar Mills Limited (PSM) in FY 2022-23.

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50. Thakurgaon Sugar Mill Limited (TSM)

50.1 Thakurgaon Sugar Mills Ltd (TSM) started its factory construction work on May 31, 1956. The trial production of the establishment started on December 20, 1958, and commercial production started on November 20, 1959. The establishment was registered in accordance with the Companies Act of 1913 and currently under the Companies Act of 1994. The principal activities of the company are manufacturing and sales of sugar & molasses from sugarcane locally purchased and produced in mills. Both sugar and molasses are sold in the local market.

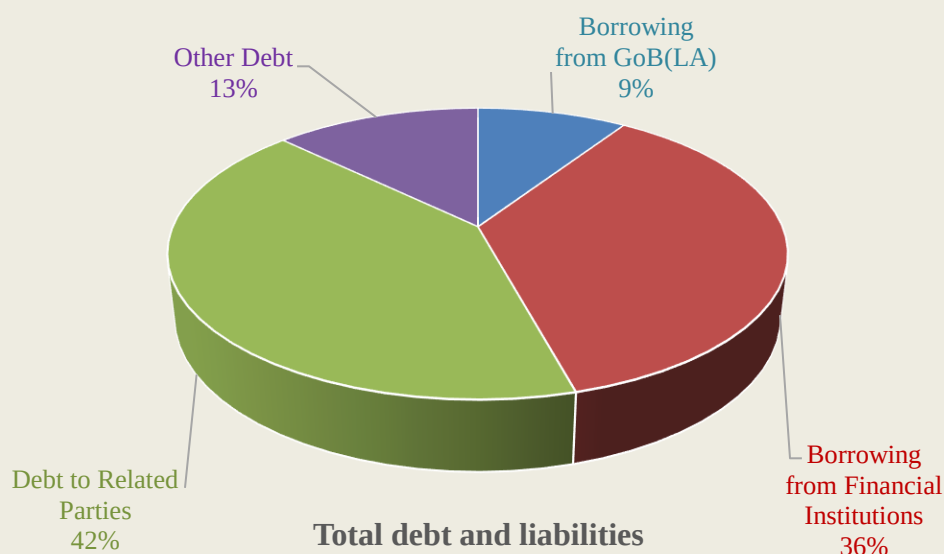
50.2 The following Table-1 presents the statement of debt and liabilities of Thakurgaon Sugar Mills Ltd (TSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

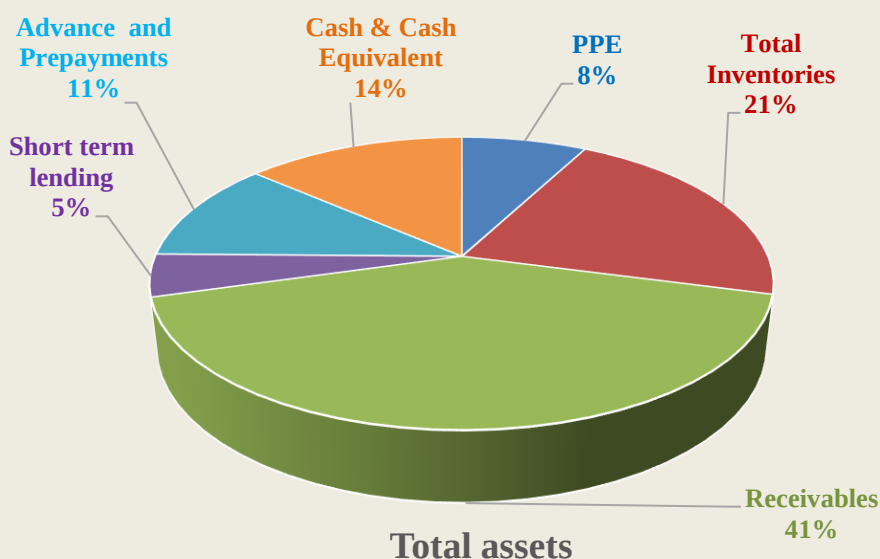
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	389,887,942.00	836,541,369.00	114.56%	0.00
3	Debt and liabilities related to GoB(1+2)	389,887,942.00	836,541,369.00	114.56%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	140,496,708.00	143,906,039.00	2.43%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,915,488,399.00	3,125,324,225.00	7.20%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	3,055,985,107.00	3,269,230,264.00	6.98%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	3,894,425,554.00	3,719,795,130.00	-4.48%	0.00
11	Debt and liabilities to Related Parties(9+10)	3,894,425,554.00	3,719,795,130.00	-4.48%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	1,140,433,486.00	1,149,440,915.00	0.79%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,140,433,486.00	1,149,440,915.00	0.79%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	8,480,732,089.00	8,975,007,678.00	5.83%	0.00
18	Debt and liabilities to GoB (3+14)	389,887,942.00	836,541,369.00	114.56%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	8,090,844,147.00	8,138,466,309.00	0.59%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

50.3 Statement of debt and liabilities in FY 2022-23:



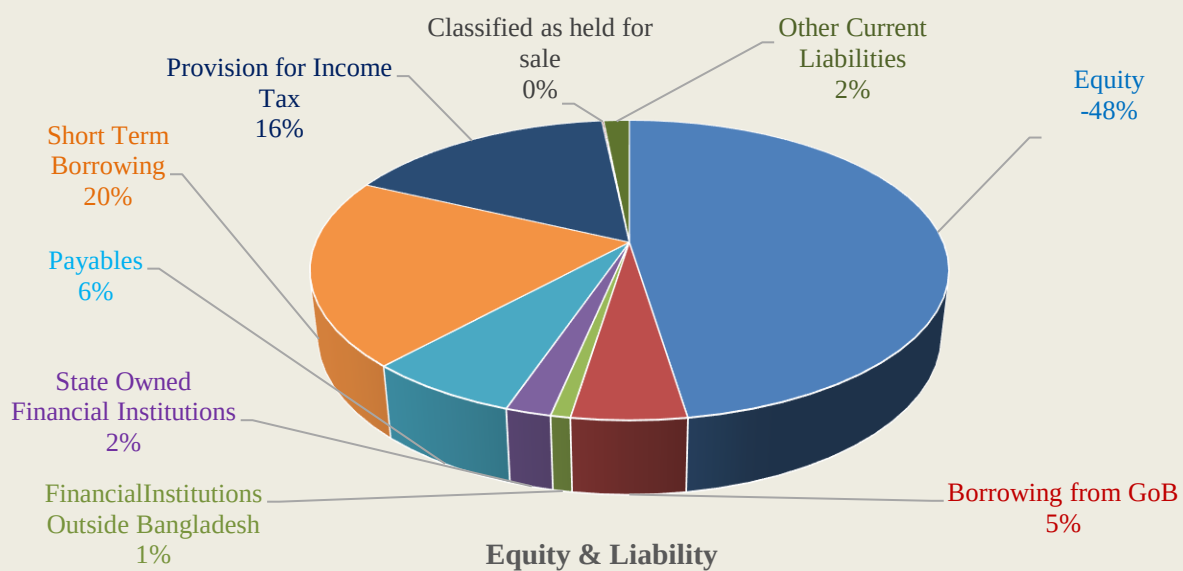
According to the financial statement of Thakurgaon Sugar Mills Ltd (TSM), the total debt and liabilities is BDT 8975.00 million as of 30th June 2023. Out of this amount, major portion 42% is debt to related liabilities followed by borrowing from financial institution 36%, borrowing from GoB under loan agreement (LA) 9% and finally 13% belongs to other debt. If TSM fails to make repayment of its long-term liabilities, it will create fiscal risk to GoB.

50.4 The composition of assets in FY 2022-23



According to the financial statement of TSM in FY 2022-23 total assets was BDT 833.67 million. Out of these assets major portion 41% is receivables following that 21% inventories, 14% cash & cash equivalent, 11% prepayment, 8% PPE and finally 5% short-term lending. The composition shows that 95% of total assets are current assets and only 8% is long-term assets.

50.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that equity in negative which cover major portion -48% followed by short-term borrowing 20%, provision for income tax 16%, payables 6%, borrowing from GoB 5%, other current liabilities 2%, liabilities related to financial institution 2% and finally 1% liabilities related to financial institution outside Bangladesh. The negative equity means that TSM's liabilities exceeds its assets which may cause fiscal risk for GoB. Having negative equity along with long-term liability TMS poses fiscal risk for GoB.

50.6 Fiscal risk from TSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – TSM

Particular	Result	Risk	Score
Cost recovery	0.54	Very High	5
Return on Equity (ROE)	Net income & equity both are negative.	Very High	5

Table – 3: Liquidity Ratio – TSM

Particular	Result	Risk	Score
Current ratio	0.10	Very High	5
Creditor turnover days	23	Very Low	1

Table – 4: Solvency Ratio – TSM

Particular	Result	Risk	Score
Debt to total assets	10.77	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total			26
Average Score			4(4.33)
Overall Risk Rating			High

50.7 The ratio analysis shows that TSM's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. TMS's cost recovery ratio is 0.54 which fits under very high fiscal risk category. Considering the threshold value, cost recovery ratio of 0.75 and below is very high risk. With cost recovery ratio 0.54 TMS poses **very high** fiscal risk to GoB. TSM argued that 50-60% of production cost is due interest of bank loan and if these interests are written-off cost recovery ratio will be over 1.0. TMS also claimed that product diversification can improve operating and net income;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. TSM 's net income and equity both are negative which indicate that TSM is struggling financially and may be unable to make repayment of its debt by its own. With negative net income, TSM poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of TSM is 0.10 and as per threshold value table it fits very high-risk category. A current ratio of 1.0 and below considered as very high-risk category. So, having current ratio 0.10, TSM poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low risk category. With Creditor Turnover Days of 23, TSM poses **very Low** risk to GoB.
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. TMS's debt to assets ratio is 10.77 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high risk for GoB. With debt to assets ratio of 10.77, TSM may cause **very high** risk to GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. TSM 's EBITDA is negative, hence TMS may be unable to make repayment of its debt by its own. With negative EBITDA, TSM poses **very high** risk for GoB.

50.8 According to the records, TSM did not involve in any quasi-fiscal activities in FY 2022-23.

50.9 According to the records, no statutory obligation and no lawsuit is pending against TSM. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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51. Sitabganj Sugar Mills Ltd. (SSM)

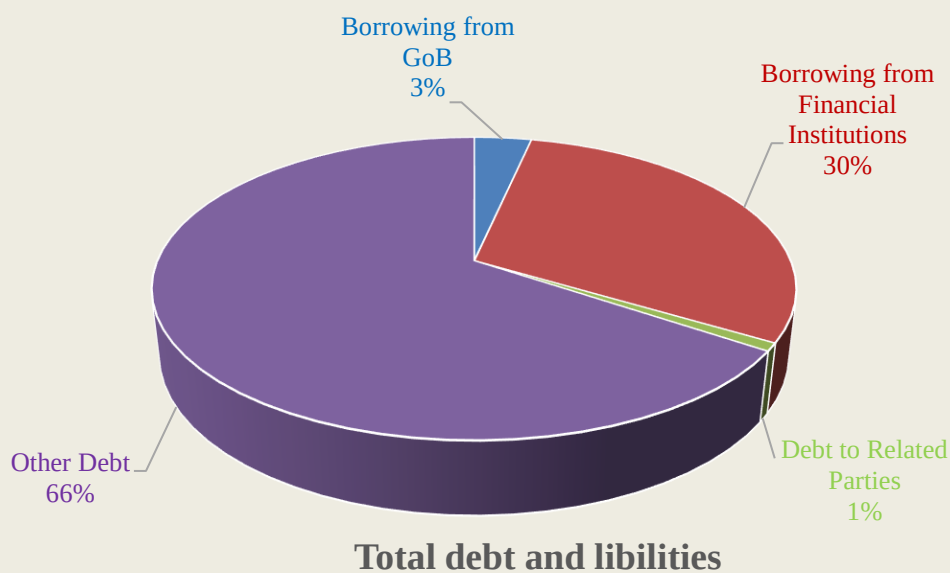
51.1 Setabganj Sugar Mills Limited (SSM) is a Public Limited Company incorporated in 1981. Its production center is located in Dinajpur district. The company was nationalized under the Nationalization Order of 1972 and subsequently placed under the Bangladesh Sugar and Food Industries Corporation (BSFIC) for its control, supervision, and direction. The main activity of the company was the production of sugar from sugarcane and molasses as by-products All over Bangladesh; sugar is sold a price fixed by the Ministry of Industry.

51.2 The following Table-1 presents the debt and liabilities statement of Setabganj Sugar Mills Limited (SSM) for the FY 2022-23 based on the data collected through Form-1 of the Procedure for controlling Debts and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

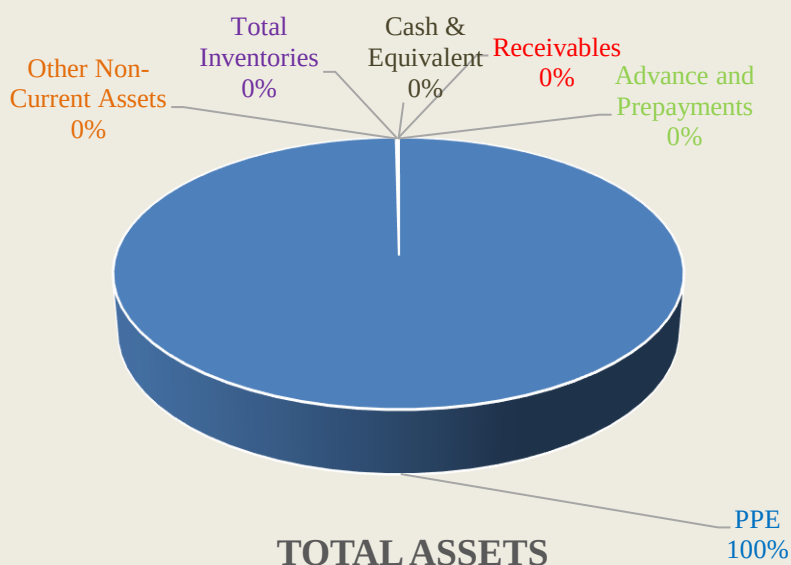
Amount in BDT					
Serial No	Particulars of Debt and Labializes	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e =((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	2,666,168.00	2,666,168.00	0.00%	2,666,168.00
2	Debt and liabilities related to GoB under LA	237,772,209.00	237,772,209.00	0.00%	237,772,209.00
3	Debt and liabilities related to GoB(1+2)	240,438,377.00	240,438,377.00	0.00%	240,438,377.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,115,419,615.00	2,115,894,615.00	0.02%	2,115,419,615.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	2,115,419,615.00	2,115,894,615.00	0.02%	2,115,419,615.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	37,433,855.00	59,604,872.00	59.23%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	37,433,855.00	59,604,872.00	59.23%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	12,665,181.00	12,665,181.00	0.00%	12,883,663.00
15	Any Other Liabilities to Any Other Entities	4,600,076,981.00	4,600,076,981.00	0.00%	0.00
16	Other Debt(12+13+14+15)	4,612,742,162.00	4,612,742,162.00	0.00%	12,883,663.00
17	Total Debt (3+7+8+11+16)	7,006,034,009.00	7,028,680,026.00	0.32%	2,368,741,655.00
18	Debt to GoB (3+14)	253,103,558.00	253,103,558.00	0.00%	253,322,040.00
19	Debt to Entities other than GoB (17-18)	6,752,930,451.00	6,775,576,468.00	0.34%	2,115,419,615.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

51.3 Statement of debt and liabilities in FY 202-23:



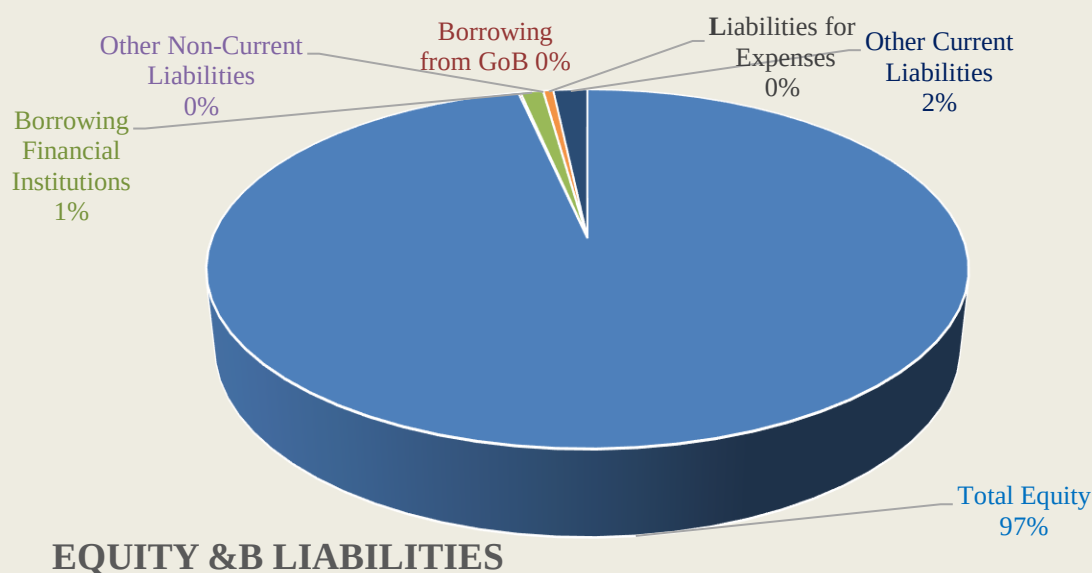
As per the financial statement of Setabganj Sugar Mills Ltd. (SSM), the total debt is BDT 7028.68 million as of 30th June 2023. Out of this amount, major portion 66% other debt which are current liabilities to GOB and any other entities followed by Debt and liabilities related to financial institution 30% which are long-term liabilities, Debt and liabilities related to GoB under SLA and LA and finally 1% debt to related parties. The financial statement further shows that long-term liabilities is 34% of total liabilities and if SSM fails to make repayment of these liabilities it will create fiscal risk for GoB.

51.4 The composition of assets in FY 2022-23:



According to the financial statements of SSM in the FY 2022-23, the total assets were BDT 203,003.71 million of total assets, 100% is PPE which is a long-term asset.

51.5 The composition of equity and liabilities in FY 2022/23:



The composition of equity and liabilities indicates that 97% consists of equity, followed by 2% in other current liabilities, and only 1% in long-term liabilities borrowed from financial institutions. The growth of SSM is predominantly driven by equity (97%), with minimal reliance on long-term liabilities from financial institutions (1%). Given this strong equity base and low level of external borrowing, SSM poses low fiscal risk to the Government of Bangladesh (GOB).

51.6 The financial risk from SSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. The ratio and associated risk results using data FY 2022-23 are presented in the following tables:

Table – 2: Profitability Ratio – SSM

Particular	Result	Risk	Score
Cost recovery	0.48	Very High	5
Return on Equity (ROE)	-0.06	High	4

Table – 3: Liquidity Ratio – SSM

Particular	Result	Risk	Score
Current ratio	0.04	Very High	5
Creditor turnover days	6834	Very High	5

Table – 4: Solvency Ratio – SSM

Particular	Result	Risk	Score
Debt to total assets	0.03	Very Low	1
Debt to EBITDA	EBITDA is negative.	Very High	5
Total			25
Average Score			4 (4.17)
Overall Risk Rating			High

51.7 The ratio analysis shows that SSM's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate sufficient revenue to cover operating expenses. SSM's cost recovery ratio is 0.48 and as per threshold value, it falls under the very high-risk category. Considering the threshold value, cost recovery ratio below 0.75 falls into the very high-risk category. SSM's cost recovery ratio of 0.48 poses a **very high** financial risk for GoB. SSM rational machines are too old (e.g., 50 to 70 years old) and cannot thresh sugarcane efficiently reducing production. SSM is not in production now but collecting or consuming high fixed costs which has led to a low-cost recovery ratio;
- (ii) Return on equity (ROE) ratio measures a company's ability to generate profit from the capital invested by shareholders.-SSM's ROE is -0.06%, placing it in the high-risk category, as ROE below -10.0% is considered a very high-risk according to the threshold value table. With its current ROE of -0.06%, SSM poses a **high** financial risk to the Government of Bangladesh. The production shutdown at SSM has resulted in ongoing losses, which have contributed to its negative equity. Without operational revenue, SSM continues to face financial strain, further deepening its negative equity position;
- (iii) The Current ratio measures a company's ability to pay its short-term obligations within a year. SSM's current ratio of 0.04 is extremely poor, as per the threshold value table placing it in the very high-risk category, where a current ratio below 1.0 is considered high-risk . Therefore, with this low current ratio of 0.04, SSM poses a **very high** risk to the Government of Bangladesh (GoB);
- (iv) The Creditor Turnover Days measures how quickly a state-owned enterprise (SOE) pays its suppliers. According to the threshold values, a turnover day below 30 is considered very low-risk. With a Creditor Turnover Days of 6834 days, SSM poses **very high** risk to the Government of Bangladesh (GOB) in terms of its ability to settle its supplier obligations;
- (v) The debt-to-asset ratio measures the proportion of a company's assets that are financed by liabilities. SSM's debt-to-asset ratio is 0.03, according to threshold value placing it in the very low-risk category, as a ratio below 0.25 is considered very low risk according to the threshold value. With this low debt-to-asset ratio of 0.03, SSM poses **very low** risk to the Government of Bangladesh (GOB); and
- (vi) The debt-to-EBITDA ratio measures a company's ability to service its debt using its earnings before interest, taxes, depreciation, and amortization. SSM's negative EBITDA indicates that it may be unable to repay its debt independently. Consequently, with this negative EBITDA, SSM poses a **very high** risk to the Government of Bangladesh (GOB).

51.8 According to the records, SSM did not involve in any quasi-fiscal activities in FY 2022-23.

51.9 According to the records, there are no statutory obligations or pending lawsuits against SSM. As a result, no Contingent Liabilities are foreseen for SSM in FY 2022-23.

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52. Shyampur Sugar Mills Limited (SSM)

52.1 Shyampur Sugar Mills Limited (SSM) was incorporated on May 14, 1970 under RJSC Registration No C-3434 as a Public Limited Company in accordance with the Company Act I913. The Company is listed on the Dhaka Stock Exchange (DSE). During the audit year, its primary business activity was producing sugar from sugarcane, with molasses as a by-product. Both sugar and molasses were sold locally to farmers, employees, the Ministry of Defense, and other buyers.

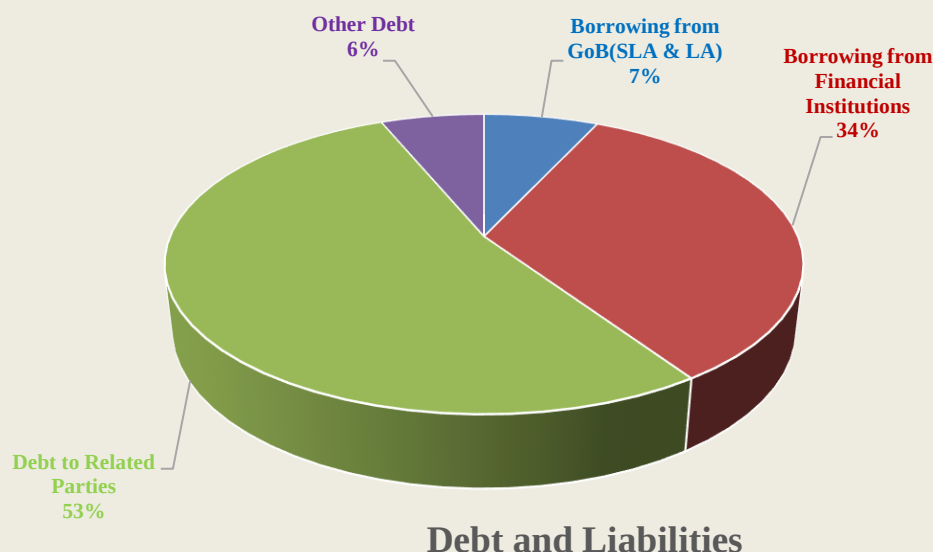
52.2 The following Table-1 Debt and liabilities statement of Sugar Mills Limited (SSM) for the FY 2022-23 has been compiled using data gathered through Form-1 of The Procedure for Controlling Debt and Contingent Liabilities of State-Owned Enterprises (SOEs) and Autonomous Bodies (ABs).

Table – 1: Statement of Debt and liabilities

Amount in BDT

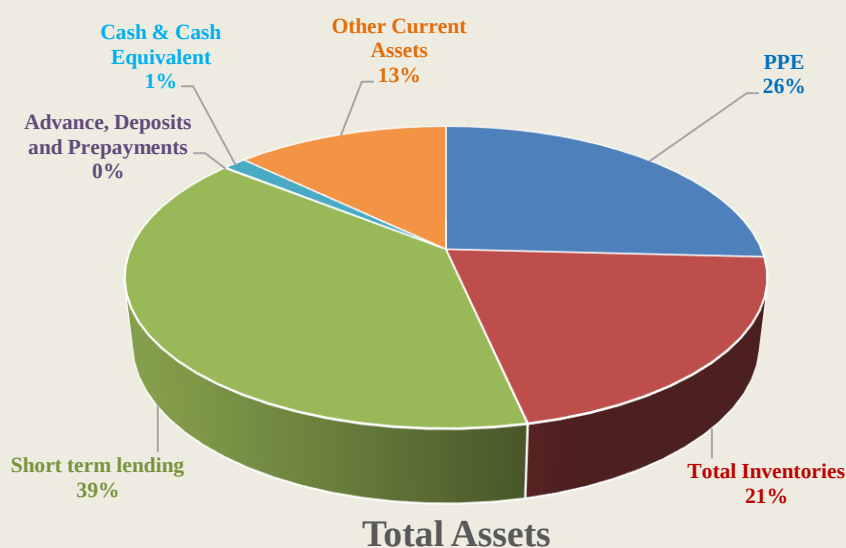
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,258,931,435.00	2,419,708,057.00	7.12%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	2,258,931,435.00	2,419,708,057.00	7.12%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	3,232,174,548.00	3,332,895,467.00	3.12%	0.00
11	Debt and liabilities to Related Parties (9+10)	3,232,174,548.00	3,332,895,467.00	3.12%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	6,380,485.00	6,425,739.00	0.71%	0.00
15	Any Other Liabilities to Any Other Entities	573,563,669.00	508,091,969.00	-11.41%	0.00
16	Other Debt and liabilities (12+13+14+15)	579,944,154.00	514,517,708.00	-11.28%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	6,071,050,137.00	6,267,121,232.00	3.23%	0.00
18	Debt and liabilities to GoB (3+14)	6,380,485.00	6,425,739.00	0.71%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	6,064,669,652.00	6,260,695,493.00	3.23%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

52.3 Statement of debt and liabilities in FY 2022-23:



As per the financial statement of Shyampur Sugar Mills Limited (SSM), the total debt amounted to BDT 6,267.12 million as of June 30, 2023. Of this, 55% is debt owed to related parties, followed by 34% in debt and liabilities to financial institutions, 7% in debt and liabilities related to the Government of Bangladesh (GoB) under Subsidiary Loan Agreements (SLA) and Loan Agreements (LA), and 6% in other current liabilities owed to the GoB and any other entities. The financial statements also indicate that long-term liabilities, including SLAs and LAs constitute 94% of the total liabilities. Consequently, if SSM fails to meet its repayment obligations, it could pose a fiscal risk to the GoB.

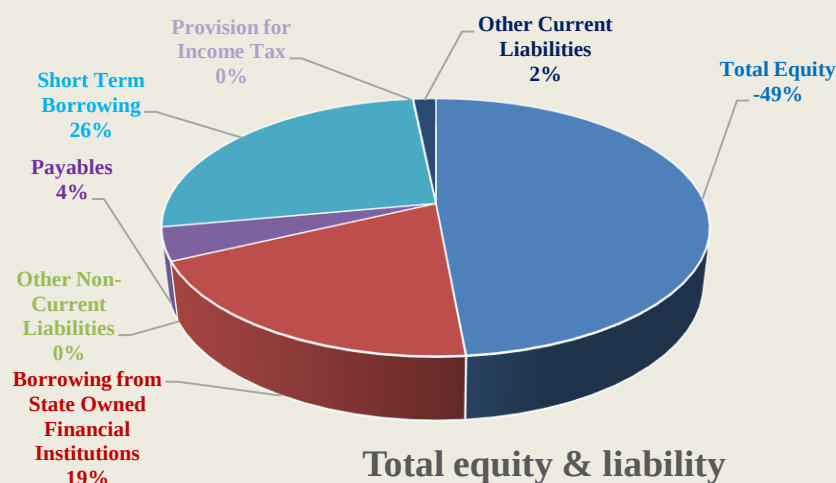
52.4 The composition of Assets in FY 2022-23:



As per the financial statement of SSM for FY 2022-23, total assets ~~were~~ amounted to BDT 211.09 million. The largest portion of these assets, 39%, was short-term lending, followed by property, plant, and equipment (PPE) at

26%, inventories at 21%, other current assets at 13%, and cash and cash equivalents at 1%. The asset composition shows that current assets make up 74% of the total assets.

52.5 The composition equity and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that equity is negative, making up 49% of the total. Following this, 26% consists of short-term debt, 19% is debt and liabilities to state-owned financial institutions, 4% is payables and 2% is other current liabilities. Negative equity indicates that SSM's total liabilities exceed its total assets. This financial imbalance, combined with significant long-term liabilities, could create a financial risk for the Government of Bangladesh (GoB).

52.6 The fiscal risk posed by SSM is further examined through the analysis of its Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Based on the data from FY 2022-23, the results of these ratios and associated risks are outlined in the following tables:

Table – 2: Profitability Ratio – SSM

Particular	Result	Risk	Score
Cost recovery	0.03	Very High	5
Return on Equity (ROE)	Net income and equity both negative.	Very High	5

Table – 3: Liquidity Ratio – SSM

Particular	Result	Risk	Score
Current ratio	0.04	Very High	5
Creditor turnover days	32928	Very High	5

Table – 4: Solvency Ratio – SSM

Particular	Result	Risk	Score
Debt to total assets	29.69	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total Score			30
Average Score			5
Overall Risk Rating			Very High

52.7 The ratio analysis shows that SSM's risk rating is based on:

- (i) The Cost Recovery Ratio measure the ability to generate adequate revenue to cover operating expenses. SSM's cost recovery ratio is 0.03 placing it in the very high fiscal risk category according to the threshold values. A ratio below 0.75 is considered very high-risk. With a cost recovery ratio of 0.03, SSM presents a **very high** fiscal risk to the Government of Bangladesh (GoB). SSM has attributed its low-cost recovery ratio to several factors. The mill is required to sell sugar at government- mandated prices and it face substantial interest costs, which account for nearly 80% of production expenses. Additionally, the outdated machinery, some of which is 50 to 70 years old, is inefficient in crushing sugarcane, leading to reduced production. These factors contribute to the mill's low-cost recovery ratio;
- (ii) The Return on Equity Ratio (ROE) measures a firm's ability to generate profits from the capital invested by its shareholders. SSM's net income is negative, which indicates that SSM is struggling financial difficulties and may not be able to independently repay its debts. This negative net income poses a **very high** fiscal risk to the Government of Bangladesh (GoB). Furthermore, the consecutive years of negative net income have resulted in negative equity, largely due to production shutdowns;
- (iii) The Current Ratio measures a company's ability to pay short-term obligations or those due within one year. SSM's current ratio of 0.04 is extremely poor and falls into the very high-risk category as per the threshold values, where a ratio -below 1.0 is considered very high-risk. With such a low current ratio of 0.04, SSM poses a **very high** risk to the Government of Bangladesh (GoB);
- (iv) The Creditor Turnover Days measure how quickly a State-Owned Enterprise (SOE) pays its suppliers. According to threshold values, a creditor turnover period of 120 days or more is considered as a very high-risk category. With a Creditor Turnover Days of 32,982 days, SSM poses a **very high** risk to the Government of Bangladesh (GoB), indicating severe delays in paying its suppliers;
- (v) The Debt-to-Assets ratio measures the proportion of a company's financing derived from liabilities. SSM's debt-to-assets ratio is 29.69, placing it in the very high-risk category, as any ratio above 1.0 is considered extremely risky based on threshold values. With such a high ratio of 29.68, SSM poses a **very high** risk to the Government of Bangladesh (GoB). SSM has argued that an assets revaluation could improve its debt-to-assets ratio, potentially reducing this risk; and
- (vi) The Debt to EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) ratio measure a company's ability to service its debt. SSM's EBITDA is negative, meaning SSM may be unable to repay its debt on its own. With negative EBITDA, SSM poses a **very high** risk to the Government of Bangladesh (GoB).

52.8 According to the records, SSM did not engage in any quasi-fiscal activities in FY 2022-23.

52.9 According to the records, there are no statutory obligations or pending lawsuits against SSM. So, no Contingent Liabilities-are foreseen for SSM in FY 2022-23.

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53. Rangpur Sugar Mills Limited (RSM)

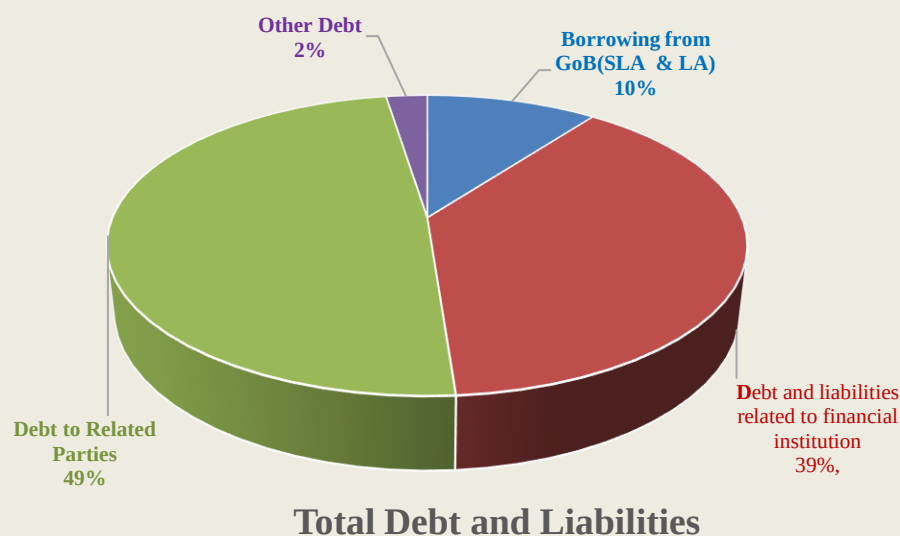
53.1 Rangpur Sugar Mills Limited (RSM) is a public Limited company incorporated in 1957 and started Commercial Operation in the year 1959 having Installed crushing capacity of 1000 TCD (Tons of Cane per Day), and subsequently increase to 1500 TCD The Company was nationalized as per P.O 27 of 1972 and was Placed under Bangladesh Sugar Food Industries Corporation (BSFIC) for its control, supervision and direction. The main activities of the company to produce sugar from sugarcane and molasses as by-product. Both sugar and molasses were sold out in the local market to growers, employees, Ministry of defense and others.

53.2 The following Table-1 presents the statement of debt and liabilities of Rangpur Sugar Mills Limited (RSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

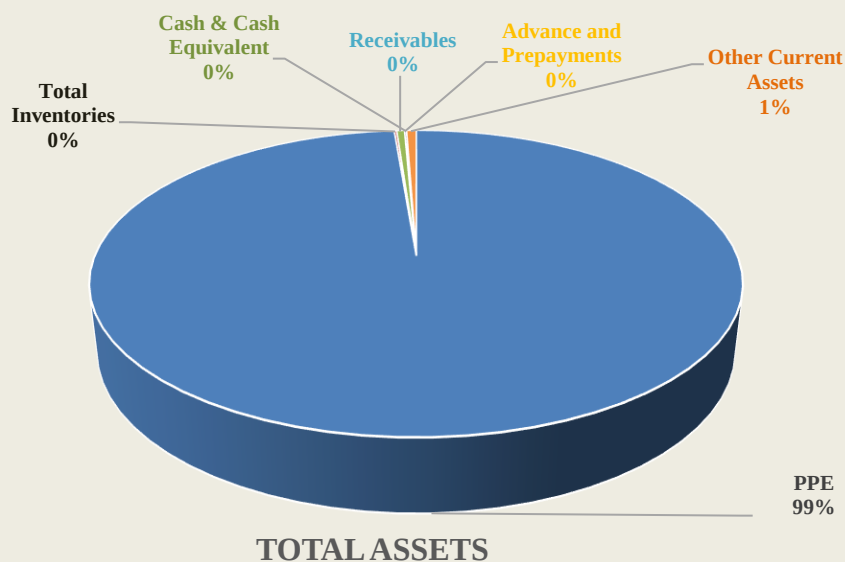
Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	C	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	160,516,162.00	160,516,162.00	0.00%	2,130,042,403.00
2	Debt and liabilities related to GoB under LA	415,386,114.00	449,956,802.00	8.32%	415,386,114.00
3	Debt and liabilities related to GoB(1+2)	575,902,276.00	610,472,964.00	6.00%	2,545,428,517.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	160,516,162.00
5	Debt and liabilities related to State Owned Financial Institutions	2,130,042,405.00	2,280,292,863.00	7.05%	2,130,042,405.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	2,130,042,405.00	2,280,292,863.00	7.05%	2,290,558,567.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	2,925,542,605.00	2,884,282,176.00	-1.41%	2,925,542,605.00
11	Debt to Related Parties (9+10)	2,925,542,605.00	2,884,282,176.00	-1.41%	2,925,542,605.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	58,191,455.00	43,269,811.00	-25.64%	58,191,455.00
15	Any Other Liabilities to Any Other Entities	110,409,364.00	103,489,123.00	-6.27%	110,409,364.00
16	Other Debt and liabilities (12+13+14+15)	168,600,819.00	146,758,934.00	-12.95%	168,600,819.00
17	Total Debt and liabilities (3+7+8+11+16)	5,800,088,105.00	5,921,806,937.00	2.10%	7,930,130,508.00
18	Debt and liabilities related to GoB (3+14)	634,093,731.00	653,742,775.00	3.10%	2,603,619,972.00
19	Debt and liabilities related to to Entities other than GoB (17-18)	5,165,994,374.00	5,268,064,162.00	1.98%	5,326,510,536.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

53.3 Statement of debt and equity in FY 2022-23:



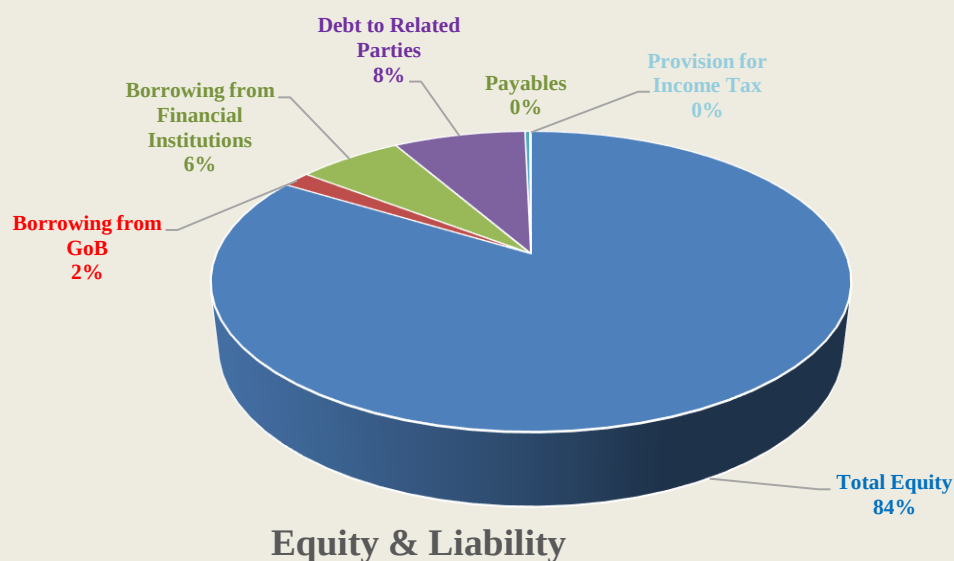
According to the financial statement of Rangpur Sugar Mills Limited (RSM) the total debt is BDT 5,905.19 million as of 30th June 2023. Out of this amount, major portion 49% debt to related party followed by debt and liabilities related to financial institution 39%, debt and liabilities related to GoB under SLA and LA 10% and finally 2% other debt which are current liabilities to GoB and any other entities. If RSM fails to make repayment of these liabilities it will create fiscal risk for GoB.

53.4 The composition of assets in FY 2022-23:



According to the financial statements of RSM in FY 2022-23 total assets was BDT 362,64.94 million. Out of these assets major portion PPE cover 99% and remaining 1% is other current assets. RSM argued that machine is very old like 70 to 80 years old that cannot crush sugarcane efficiently.

53.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that equity occupies major portion 84% followed by debt to related parties 8%, borrowing from financial institution 6% and finally 2% borrowing from GoB. The statement shows that growth of RSM is highly equity driven and this situation may reduce likelihood of fiscal risk for GoB.

53.6 Fiscal risk from RSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – RSM

Particular	Result	Risk	Score
Cost recovery	0.06	Very High	5
Return on Equity (ROE)	-0.66	High	4

Table – 3: Liquidity Ratio – RSM

Particular	Result	Risk	Score
Current ratio	0.09	Very High	5
Creditor turnover days	Cost of Goods Sold is negative	Very High	5

Table – 4: Solvency Ratio – RSM

Particular	Result	Risk	Score
Debt to total assets	0.16	Very Low	1
Debt to EBITDA	EBITDA is negative	Very High	5
Total Score			25
Average Score			4 (4.17)
Overall Risk Rating			High

53.7 The ratio analysis shows that RSM's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. RSM 's cost recovery ratio is 0.06 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.06 RSM poses **very high** fiscal risk to GoB. Rangpur Sugar Mill argued that Mills has to sale sugar at price fixed by government and there exits huge interest cost that cover about 60% to 80% of production cost. Besides machines are very old (like 50 to 70 years) which cannot crush sugarcane efficiently and reduce production. All these factors led to low-cost recovery ratio;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. RSM's net income is negative which indicate that RSM is struggling financially and may be unable to make repayment of its debt by its own. With negative net income, RSM poses **high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of RSM is 3.62 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 0.09, RSM poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to the income statement cost of goods sold for RSM is negative (BDT. 10,19,839.00). According to threshold value, creditors turn over days of below 30 considered as very low-risk category. With negative COGS , RSM poses **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. RSM's debt to assets ratio is 0.16 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 0.16, RSM carry **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. RSM's EBITDA is negative, hence RSM may be unable to make repayment of its debt on its own revenue. With negative EBITDA, RSM poses **very high** risk for GoB.

53.8 According to the records, RSM did not involve in any quasi-fiscal activities in FY 2022-23.

53.9 According to the records, no statutory obligation and no lawsuit is pending against RSM. So, no Contingent Liabilities are foreseen for RSM in FY 2022-23.

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54. Joypurhat Sugar Mills Limited (JSM)

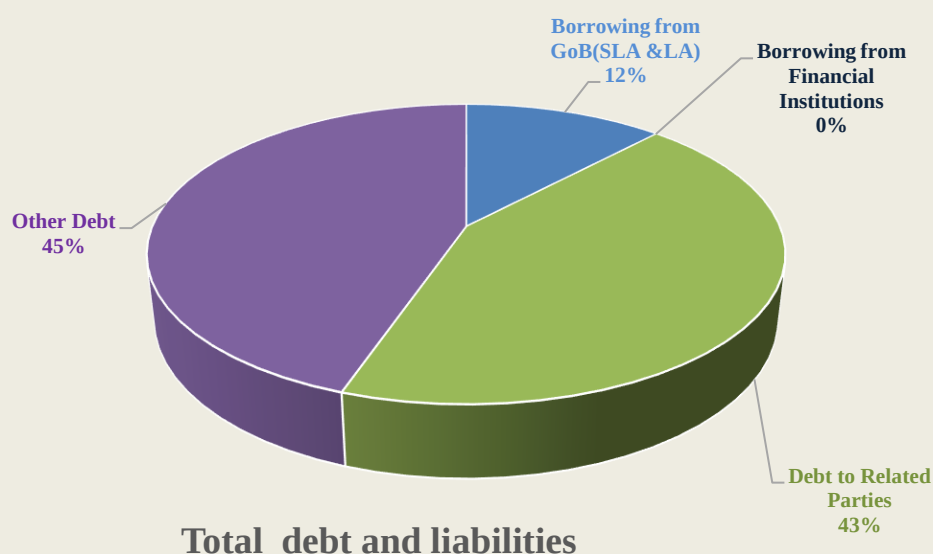
54.1 Joypurhat Sugar Mills Limited (JSM) is a company under the Bangladesh Sugar and Food Industries Corporation (BSFIC) established under the provision of article 4 of Bangladesh Industries Order, 1972 P.O-27. The registration number of the company is 4-R3040. Certificate of Incorporation Nurnberg of the company is C-495 dated 26.06. 1968. Government Equity & Grant were Taka 3,63,45,361.00. The business activities of the company are to produce sugar as main product and Molasses as a by-product and sell them out in the local market, to the Employees and to the Ministry of Defense.

54.2 The following Table-1 presents the debt and liabilities statement of Joypurhat Sugar Mills Limited (JSM) for the FY 2022-23 based on data collected through Form-1 of The Procedure for Controlling Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

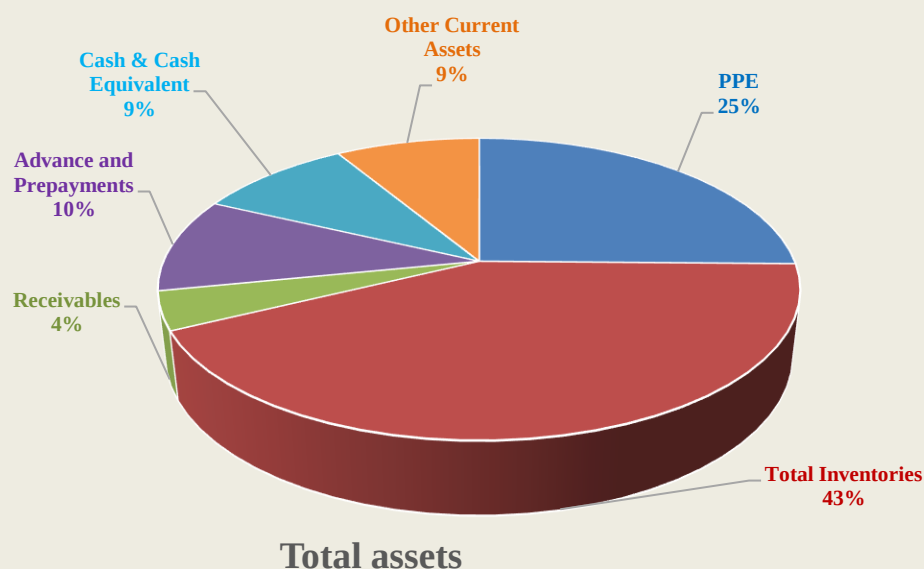
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Amount in BDT	
				Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	20,728,551.00	21,177,471.00	2.17%	0.00
2	Debt and liabilities related to GoB under LA	611,312,094.00	910,537,214.00	48.95%	0.00
3	Debt and liabilities related to GoB(1+2)	632,040,645.00	931,714,685.00	47.41%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	55,585,905.00	57,416,046.00	3.29%	0.00
10	Other Liabilities to Related Parties	3,374,611,547.00	3,282,627,979.00	-2.73%	0.00
11	Debt and liabilities to Related Parties (9+10)	3,430,197,452.00	3,340,044,025.00	-2.63%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	4,558,550.00	4,665,700.00	2.35%	0.00
14	Other Liabilities to GoB	28,107,114.00	43,237,045.00	53.83%	0.00
15	Any Other Liabilities to Any Other Entities	3,080,955,223.00	3,404,248,868.00	10.49%	0.00
16	Other Debt and liabilities (12+13+14+15)	3,113,620,887.00	3,452,151,613.00	10.87%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	7,175,858,984.00	7,723,910,323.00	7.64%	0.00
18	Debt and liabilities related to GoB (3+14)	660,147,759.00	974,951,730.00	47.69%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	6,515,711,225.00	6,748,958,593.00	3.58%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

54.3 Statement debt and liabilities in FY 2022-23:



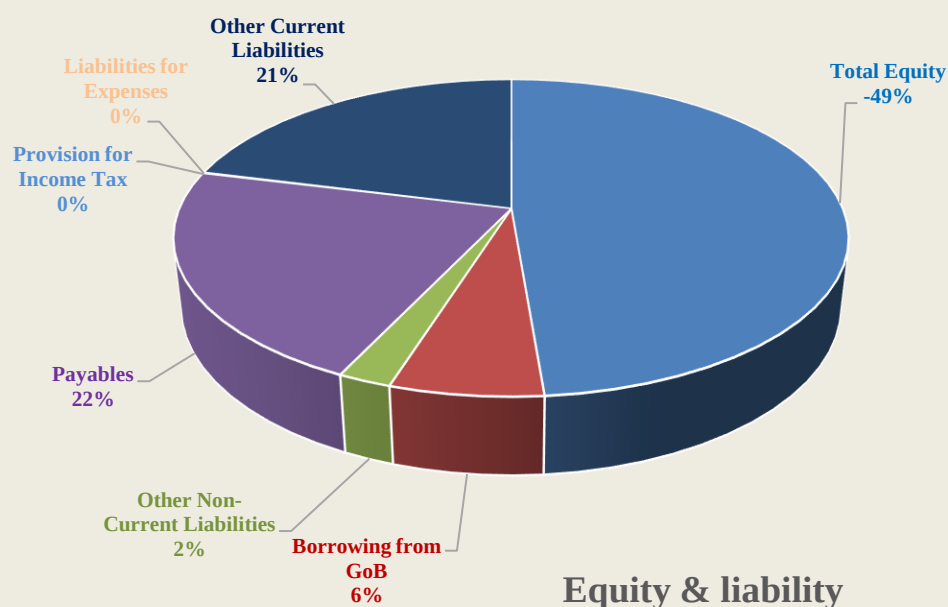
According to the financial statement of Joypurhat Sugar Mills Limited (JSM)), the total debt is BDT 7,723.91 million as of 30th June 2023. Out of this amount, the major portion is 45% other debt which is current liabilities to GoB and any other entities, followed by debt to related parties at 43%, and finally 12% Debt and liabilities related to GoB under SLA and LA which are long-term liabilities. The statement shows that a long-term liability is 55% of total liabilities and if JSM fails to make repayment of these liabilities it will create fiscal risk for GoB.

54.4 Composition of assets in FY 2022-23:



According to the financial statement of JSM in FY 2022-23, total assets were BDT 391.61 million. Out of these assets major portion is 43% inventory followed by PPE 25%, advance & prepayment 10%, cash & equivalent 9%, other current assets 9% and finally 4% receivables. The statement revealed that long-term assets are only 25% of total assets.

54.5 Composition of total equity and liabilities in FY 2022-23:



The composition of equity and liability shows that equity is negative which covers 49% of total equity and liabilities. After equity, major portion is 22% payables followed by other current liabilities at 21%, borrowing from GoB at 6% and finally 2% other non-current liabilities. The equity is negative which means that JSM's total liabilities exceed total assets. Having negative equity along with long-term liabilities, JSM poses fiscal risk for GoB.

54.6 The financial risk from JSM is further analyzed from the perspective of profitability ratio, liquidity ratio, and solvency ratio. The ratio and associated risk results using data for FY 2022-23 are presented in the following table:

Table – 2: Profitability Ratio – JSM

Particular	Result	Risk	Score
Cost recovery	0.20	Very High	5
Return on Equity (ROE)	Net income & Equity both are negative.	Very high	5

Table – 3: Liquidity Ratio – JSM

Particular	Result	Risk	Score
Current ratio	0.05	Very High	5
Creditor turnover days	42	Low	2

Table – 4: Solvency Ratio – JSM

Particular	Result	Risk	Score
Debt to total assets	19.72	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total score			27
Average Score			4 (4.50)
Overall Risk Rating			Very High

54.7 Ratio analysis shows that based on JSM's risk rating:

- (i) The cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. JSM's cost recovery ratio is 0.20 and according to the threshold value, it goes under very high fiscal risk category. Considering the threshold value, a cost recovery ratio below 0.75 falls under the very high-risk category. With a cost recovery ratio 0.20 JSM poses a **very high** fiscal risk to GoB. Sugar Mill argued that Mills had to sell sugar at a price fixed by the government and there exists a huge interest cost that covers about 80% of production cost. Besides machines are very old (like 50 to 70 years old) which cannot crush sugarcane efficiently and reduce production. All these factors led to low-cost recovery ratio;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. JSM's both net income and equity are negative which indicate that JSM is struggling financially and may be unable to make repayment of its debt by its own. With negative net income, JSM pose **very high** fiscal risk to GoB. Consecutives negative net income has led to negative equity. Product diversification can help this sugar mill to be profitable;
- (iii) The current ratio measures a company's ability to pay short term obligation or those dues within one year. A current ratio of JSM is 0.05 appears to be extremely poor and as per the threshold value table it matches the very high-risk category. A current ratio of below 1.0 is considered a very high-risk category. So, having a current ratio of 0.05, JSM poses a **very high** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to the threshold value, creditors' turnover days of below 30 considered a very low-risk category. With 42 creditor turnover days, JSM poses a **low** risk to GoB.
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. JSM's debt-to-assets ratio is 19.72 and according to the threshold value, it fits under the very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches' very high-risk category. With debt-to-assets ratio of 19.72, JSM carries **very high** risk for GoB. JSM argues that asset revaluation can improve debt-to-assets ratio; and
- (vi) Debt to EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) measures a company's ability to service any debt. JSM's EBITDA is negative, so JSM may be unable to repay its debt on its own revenue. With negative EBITDA, JSM poses a **very high** risk to GoB. In response to negative EBITDA, JSM appealed for trade gap and loan interest to be written off to make its operation profitable. It also appealed for government investment in sugar mills.

54.8 As per records, JSM wasn't involve in any quasi-financial activities during FY 2022-23.

54.9 According to the records, no statutory obligation and no lawsuits are pending against JSM. So, no Contingent Liabilities are foreseen for GoB in FY 2022-23.

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55. Rajshahi Sugar Mills Limited (RJSM)

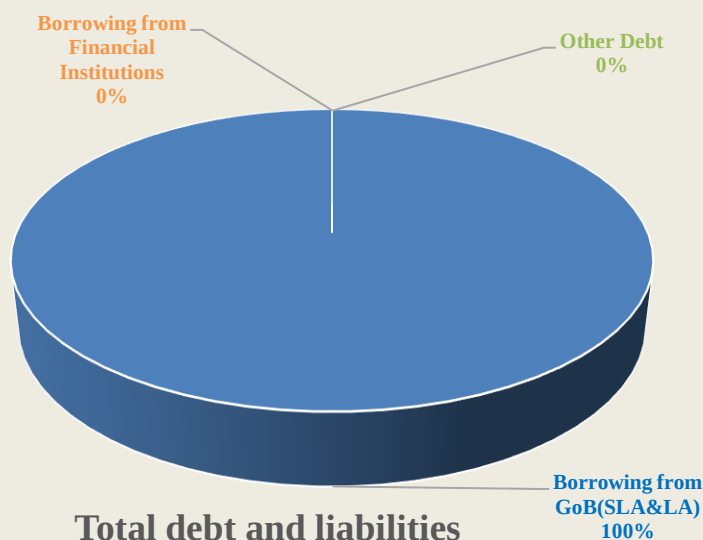
55.1 Rajshahi Sugar Mills Limited (RJSM) operates under the Bangladesh Sugar and Food Industries Corporation (BSFIC) and was established under Article 4 of the Bangladesh Industries Order, 1972 (Presidential Order No. 27). The company is registered with the registration number 4-R3040 and received its certificate of Incorporation (No. C-495) on June 26, 1968. Government Equity & Grant were Taka 3,63,45,361.00. RJSM's primary business is the production of sugar, with molasses as a by-product. These products are sold locally, distributed to the Employees and supplied to the Ministry of Defense.

55.2 The following Table-1 presents the statement of debt and liabilities of Rajshahi Sugar Mills Limited (RJSM) for the This statement has been prepared based on the data collected through Form-1 as outlined in The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and Autonomous Bodies (ABs).

Table-1: Statement of Debt and Liabilities

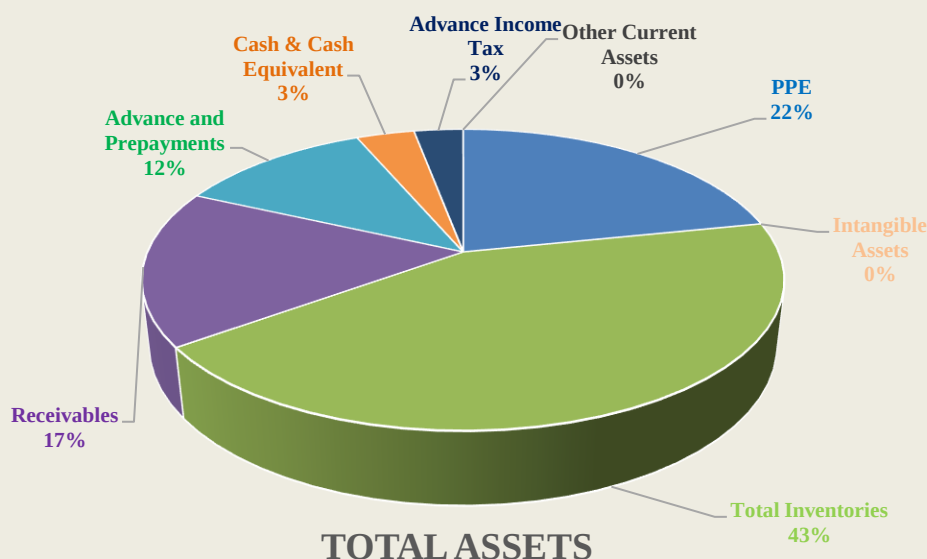
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e=((d-c)/c)%	f
1	Borrowing from GoB under SLA	1,289,304,472.00	1,330,750,022.00	3.21%	0.00
2	Borrowing from GoB under LA	277,715,480.00	283,618,504.00	2.13%	0.00
3	Borrowing from GoB(1+2)	1,567,019,952.00	1,614,368,526.00	3.02%	0.00
4	Borrowing from Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Borrowing from State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Borrowing from Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Borrowing from Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Borrowing from Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Borrowing from Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Borrowing from Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	0.00	0.00	0.00%	0.00
16	Other Debt(12+13+14+15)	0.00	0.00	0.00%	0.00
17	Total Debt (3+7+8+11+16)	1,567,019,952.00	1,614,368,526.00	3.02%	0.00
18	Debt to GoB (3+14)	1,567,019,952.00	1,614,368,526.00	3.02%	0.00
19	Debt to Entities other than GoB (17-18)	0.00	0.00	0.00%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

55.3 Statement of debt and liabilities in FY 2022-23:



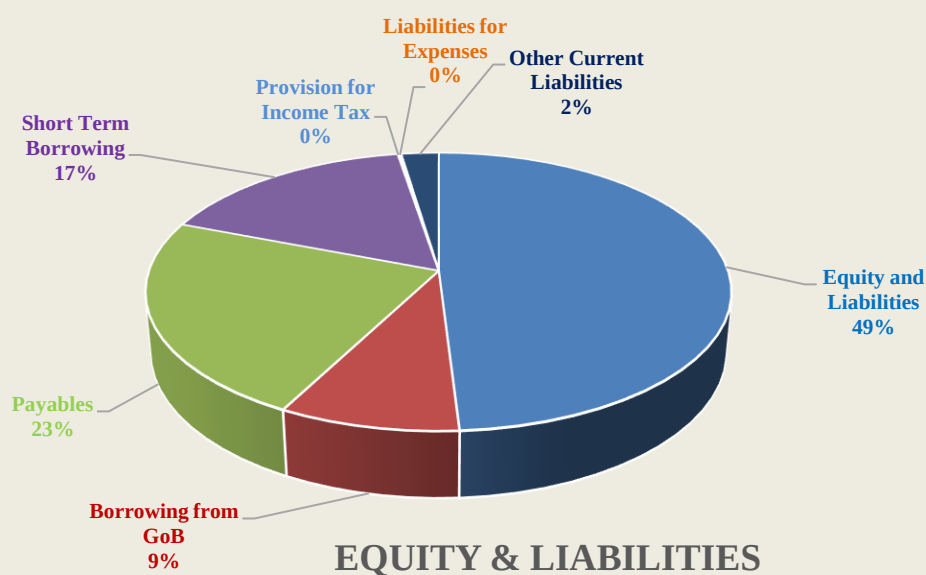
According to the financial statement of Rajshahi Sugar Mills Limited (RJSM), the total debt amounts is to BDT 1,614.37 million as of June 30, 2023. This debt was fully borrowed from the Government of Bangladesh (GoB) through a subsidiary loan agreement (SLA) and loan agreement (LA). Any failure by RJSM to meet its repayment obligations on these liabilities could pose a fiscal risk for the GoB.

55.4 The composition of total assets in FY 2022-23:



According to the financial statement of RJSM in FY 2022-23 total assets **were** BDT 362.58 million. Out of these assets, major portion **is** 43% inventories followed by PPE 22%, receivables 17%, advance & prepayment 12%, advance income tax 3% and finally 3% cash & cash equivalent. The statement shows that current assets are 78% of total assets.

55.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that equity is negative which covers 49% of total equity and liabilities. After equity, a major portion is 23% of payables followed by 17% short-term borrowing and 9% borrowing from GoB under SLA and LA which are long-term liabilities. According to the financial statement equity is negative, which means that RJSM's total liabilities exceed its total assets. Having negative equity along with 100% long-term liabilities RJSM poses fiscal risk for GoB.

55.6 Fiscal risk from RJSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – RJSM

Particular	Result	Risk	Score
Cost recovery	0.28	Very High	5
Return on Equity (ROE)	Net income and Equity both are negative.	Very High	5

Table – 3: Liquidity Ratio – RJSM

Particular	Result	Risk	Score
Current ratio	0.04	Very High	5
Creditor turnover days	33	Low	2

Table – 4: Solvency Ratio – RJSM

Particular	Result	Risk	Score
Debt to total assets	26.18	Very High	5
Debt to EBITDA	EBITDA is negative.	Very High	5
Total Score			27
Average Score			5 (4.50)
Overall Risk Rating			Very High

55.7 The ratio analysis shows that RJSM's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. RJSM's cost recovery ratio is 0.28 and according to the threshold value it goes under the very high fiscal risk category. Considering the threshold value, a cost recovery ratio below 0.75 falls under the very high-risk category. With a cost recovery ratio of 0.28 RJSM poses a **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. RJSM's net income and equity both are negative which indicates that RJSM is struggling financially and may be unable to make repayment of its debt on its own. With a negative net income, RJSM poses a **very high** fiscal risk to GoB;
- (iii) The current ratio measures a company's ability to pay short-term obligations or those due within one year. The current ratio of RJSM is 0.04 appears to be extremely poor and as per threshold value table it matches with a very high-risk category. The current ratio of below 1.0 is considered as a very high-risk category. So, having the current ratio of 0.04, RJSM poses a **very high** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to the threshold value, creditors with turnover days between 30 and 60 days is considered low-risk category. With creditor turnover days 33, RJSM pose a **low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. RJSM's debt to assets ratio is 26.18 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 26.18, RJSM carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. RJSM's EBITDA is negative; hence RJSM may be unable to make repayment of its debt on its own revenue. Securing negative EBITDA, RJSM poses a **very high**-risk for GoB.

55.8 According to the records, Rajshahi Sugar Mills Limited (RJSM) was not involved in any quasi-fiscal activities in FY 2022-23.

55.9 According to the records, no statutory obligation and no lawsuits are pending against RJSM. So, no Contingent Liabilities is foreseen for Rajshahi Sugar Mills Limited (RJSM) in FY 2022-23.

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56. Natore Sugar Mills Limited (NTSM)

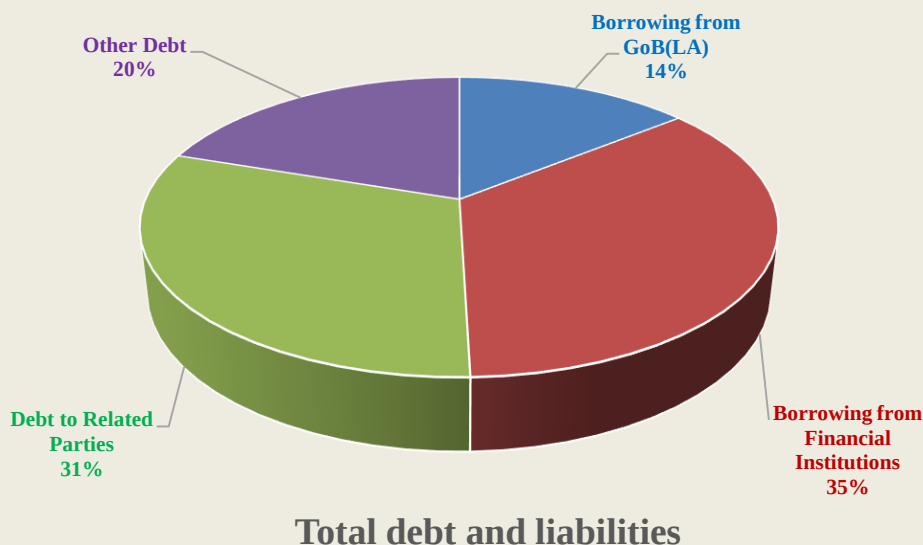
56.1 Nator Sugar Mills Limited was established as a Bangladesh Sugar and Food Industries Corporation (BSFIC) project between 1982 and 1984 and began production in the 1984-85 financial year. The mill has a production capacity of 1500 tons of cane per day (TCD). The mill was incorporated as a public Limited company on May 30, 1987, under the Companies Act of 1913, with the objective of taking over the assets and liabilities of the Nator Sugar Mills Project. The main activities of Natore Sugar Mills are to produce sugar as the main product and molasses as a by-product from locally grown sugarcane.

56.2 The following Table-1 presents the debt and liabilities statement of Natore Sugar Mills Limited (NTSM) for the FY 2022-23. This statement is based on data collected through Form-1, as outlined in The Procedure to Regulate the Debt and Contingent Liabilities of State-Owned Enterprises (SOEs) and Autonomous Bodies (ABs).

Table – 1: Statement of Debt and Liabilities

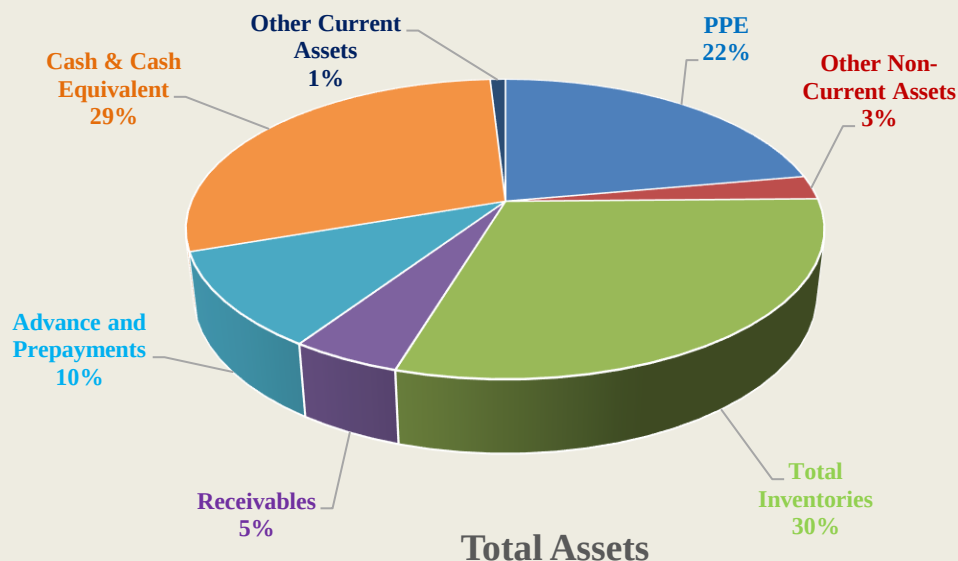
Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
A	b	c	d	$e = ((d - c) / c) \%$	f
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	878,834,087.00	1,321,059,193.00	50.32%	0.00
3	Debt and liabilities related to GoB(1+2)	878,834,087.00	1,321,059,193.00	50.32%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	3,037,014,848.00	3,275,920,410.00	7.87%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	3,037,014,848.00	3,275,920,410.00	7.87%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	3,047,191,136.00	2,839,941,579.00	-6.80%	0.00
11	Debt to Related Parties (9+10)	3,047,191,136.00	2,839,941,579.00	-6.80%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	22,069,346.00	23,594,061.00	6.91%	0.00
15	Any Other Liabilities to Any Other Entities	1,135,764,277.00	1,817,333,432.00	60.01%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,157,833,623.00	1,840,927,493.00	59.00%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	8,120,873,694.00	9,277,848,675.00	14.25%	0.00
18	Debt and liabilities related to GoB (3+14)	900,903,433.00	1,344,653,254.00	49.26%	0.00
19	Debt and liabilities related to to Entities other than GoB (17-18)	7,219,970,261.00	7,933,195,421.00	9.88%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

56.3 The statement of debt and liabilities in FY 2022-23:



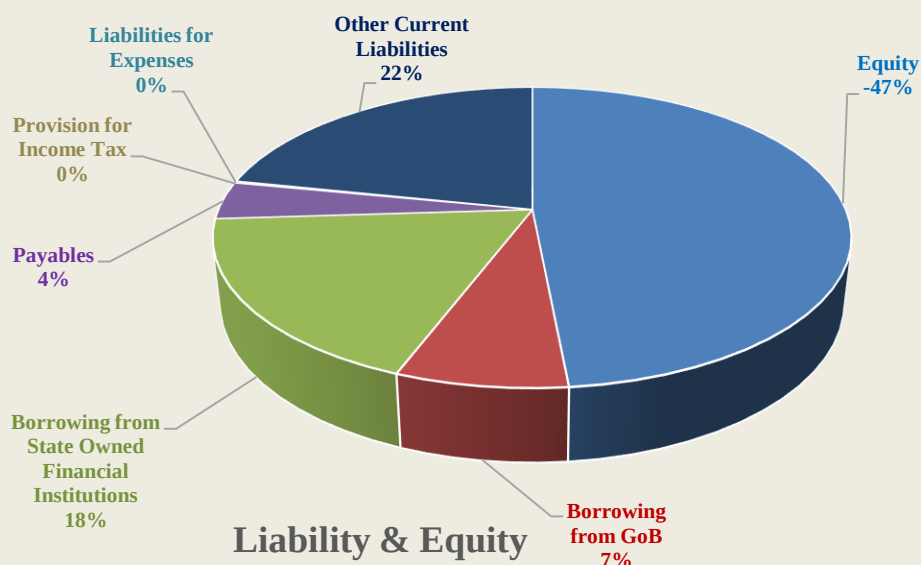
According to the financial statement of Natore Sugar Mills Limited (NTSM), the company's total debt amount to BDT 9,277.85 million as of June 30, 2023. This debt consists of: 33% borrowed from financial institutions, 31% owed to a related party, 20% in other debt, which includes current liabilities owed to the Government of Bangladesh (GoB) and other entities, and 14% borrowed from the GoB under a loan agreement. The statement further reveals that long-term liabilities make up 80% of the total liabilities. If NTSM fails to repay its debt, it could pose a fiscal risk to the GoB.

56.4 The composition of total assets in FY 2022-23:



According to the financial statement of NTSM for FY 2022-23, the company's total assets amounted to BDT 54,622.28 million. These assets are primarily composed of: 30% in inventories, 29% in cash & cash equivalent, 22% in property, plant, and equipment (PPE), 10% in advances and prepayments, 5% in receivables, and 1% in other current assets. The statement also indicates that long-term assets account for only 22% of NTSM's total assets.

56.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of equity and liabilities of NTSM indicates that equity is negative, comprising 47% of the total. After equity, the major components of other liabilities include: 22% in other current liabilities, 18% in borrowings from financial institutions, 7% in borrowings from the Government of Bangladesh (GoB) under loan agreements, and 4% in payables. According to the composition long term liabilities represent 25% of the total equity and liabilities. The negative equity suggests that NTSM's total liabilities exceed its total assets. With negative equity along with long-term liabilities, there is a considerable risk of fiscal impact on the GoB.

56.6 Fiscal risk from NTSM can be further analyzed through the Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Based on the data from FY 2022-23, the results of these ratios and the associated risks are presented in the following tables:

Table – 2: Profitability Ratio – NTSM

Particular	Result	Risk	Score
Cost recovery	0.41	Very High	5
Return on Equity (ROE)	Net income and equity negative	Very High	5

Table – 3: Liquidity Ratio – NTSM

Particular	Result	Risk	Score
Current ratio	0.09	Very High	5
Creditor turnover days	446	Very High	5

Table – 4: Solvency Ratio – NTSM

Particular	Result	Risk	Score
Debt to total assets	16.99	Very High	5
Debt to EBITDA	20.85	Very High	5
Total score			30
Average Score			5
Overall risk rating			Very High

56.7 The ratio analysis shows that NTSM's risk rating is based on:

- (i) The Cost Recovery Ratio measures the ability of a company to generate adequate revenue to cover its operating expenses. Natore Sugar Mills Limited (NTSM) has a Cost Recovery Ratio of 0.41, which categorizes it under the **very high** fiscal risk category, as it falls below the threshold value of 0.75. This low ratio indicates that NTSM is unable to recover its operating costs adequately, thereby posing a significant fiscal risk to the Government of Bangladesh (GoB);
- (ii) The Return on Equity (ROE) ratio measures a firm's ability to generate profits using the capital invested by its shareholders. NTSM's has a negative net income which indicates that the company is facing financial difficulties and may struggle to repay its debts independently. This negative performance suggests a **very high** fiscal risk to the Government of Bangladesh (GoB).;
- (iii) The Current ratio measures a company's ability to pay short term obligations that are due within one year. NTSM has a Current Ratio of 0.09, which is extremely poor. According to the threshold value table, this ratio falls into the very high-risk category, as a Current Ratio below 1.0 is considered indicative of very high-risk category. Therefore, with a Current Ratio of 0.09, NTSM poses a **very high** risk to the Government of Bangladesh (GoB);
- (iv) The Creditor Turnover Days measures the speed at which a State-Owned Enterprise (SOE) pays its suppliers. According to the threshold value, creditor's turnover days of 120 or above are considered indicative of a very low-risk category. With a Creditor Turnover Days of 446 days, NTSM demonstrates significant delays in payment to suppliers, thereby posing a **very high** risk to the Government of Bangladesh (GoB);
- (v) The Debt-to-Assets ratio measures the extent to which a company's assets are financed by debt. NTSM's has a Debt-to-Assets Ratio of 16.99, placing it in the **very high**-risk category, as per threshold values where a ratio of 1.0 or above is considered very high risk. This high ratio indicates that NTSM is heavily reliant on debt financing, which presents a substantial fiscal risk to the Government of Bangladesh (GoB); and
- (vi) The debt-to-EBITDA ratio assesses a company's ability to service its debt using its earnings before interest, taxes, depreciation, and amortization (EBITDA). Natore Sugar Mills Limited (NTSM) has a debt to EBITDA ratio 20.85, which falls under very high-risk category. According to threshold value debt to EBITDA ratio of 5.0 and above is considered a very high-risk category. Having 20.85 debt to EBITDA, NTSM poses a **very high** fiscal risk to the Government of Bangladesh (GoB).

56.8 According to the records, Natore Sugar Mills Limited (NTSM) has not engaged in any quasi-fiscal activities in FY 2022-23.

56.9 According to available records, Natore Sugar Mills Limited (NTSM) has no pending statutory obligations or lawsuits. Therefore, no contingent liabilities are anticipated for the Government of Bangladesh (GoB) in FY 2022-23.

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57. North Bengal Sugar Mills Ltd (NBSM)

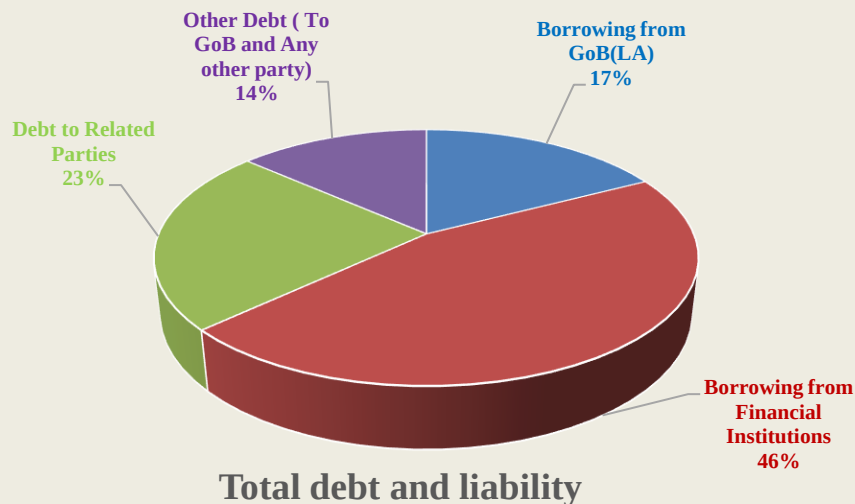
57.1 North Bengal Sugar Mills Limited (NBSM) is a public limited company established in 1933, with commercial operations beginning in 1934. Initially, it had an installed crushing capacity of 1,220 tons of cane per day (TCD), later increased to 1,500 TCD. The company was nationalized under P.O-27 of 1972 and has since been managed by the Bangladesh Sugar and Food Industries Corporation (BSFIC), which oversees its operations and strategic direction. NBSM spans a total land area of 5,495.0375 acres, which includes: 7 commercial farms totaling 4,670.76 acres, 1 experimental farm covering 199.00 acres, Subzone office and purchase center on 15.37 acres, the residential area of 42.15 acres, and Factory and office building occupying 24.00 acres. Nature of Business: The Company primarily engages in the production of sugar from sugarcane, with molasses as a by-product. Both sugar and molasses are sold in the local market.

57.2 The following Table-1 provides the debt and liabilities statement of North Bengal Sugar Mills Limited (NBSM) for FY 2022-23. This statement has been prepared using data collected through Form-1, as outlined in The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and Autonomous Bodies (ABs).

Table – 1: Statement of Debt and liabilities

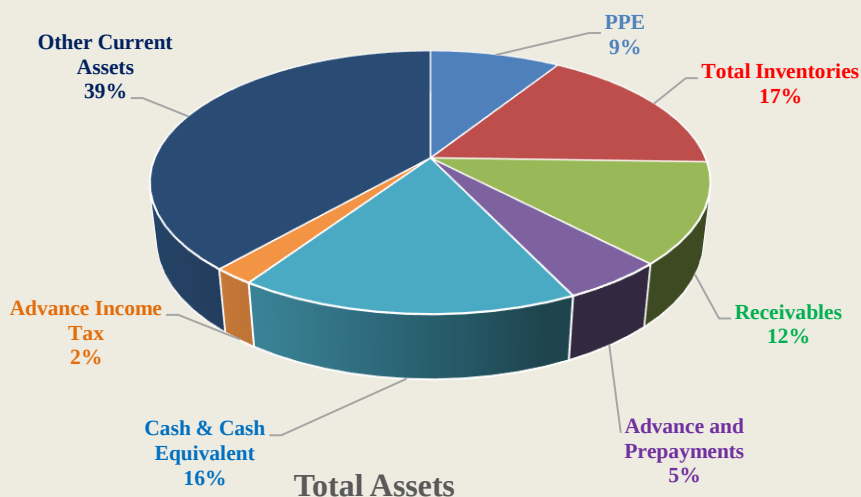
Amount in BDT					
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities GoB under SLA	44,149,410.00	45,227,005.00	2.44%	44,149,410.00
2	Debt and liabilities GoB under LA	1,069,375,352.00	1,535,068,511.00	43.55%	1,069,375,352.00
3	Debt and liabilities GoB(1+2)	1,113,524,762.00	1,580,295,516.00	41.92%	1,113,524,762.00
4	Debt and liabilities Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities State Owned Financial Institutions	4,496,305,561.00	4,874,493,950.00	8.41%	4,496,305,561.00
6	Debt and liabilities Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities Financial Institutions(4+5+6)	4,496,305,561.00	4,874,493,950.00	8.41%	4,496,305,561.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	0.00	0.00	0.00%	0.00
16	Other Debt and liabilities (12+13+14+15)	0.00	0.00	0.00%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	5,609,830,323.00	6,454,789,466.00	15.06%	5,609,830,323.00
18	Debt and liabilities t to GoB (3+14)	1,113,524,762.00	1,580,295,516.00	41.92%	1,113,524,762.00
19	Debt and liabilities to Entities other than GoB (17-18)	4,496,305,561.00	4,874,493,950.00	8.41%	4,496,305,561.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

57.3 Statement of debt and liabilities in FY 2022-23:



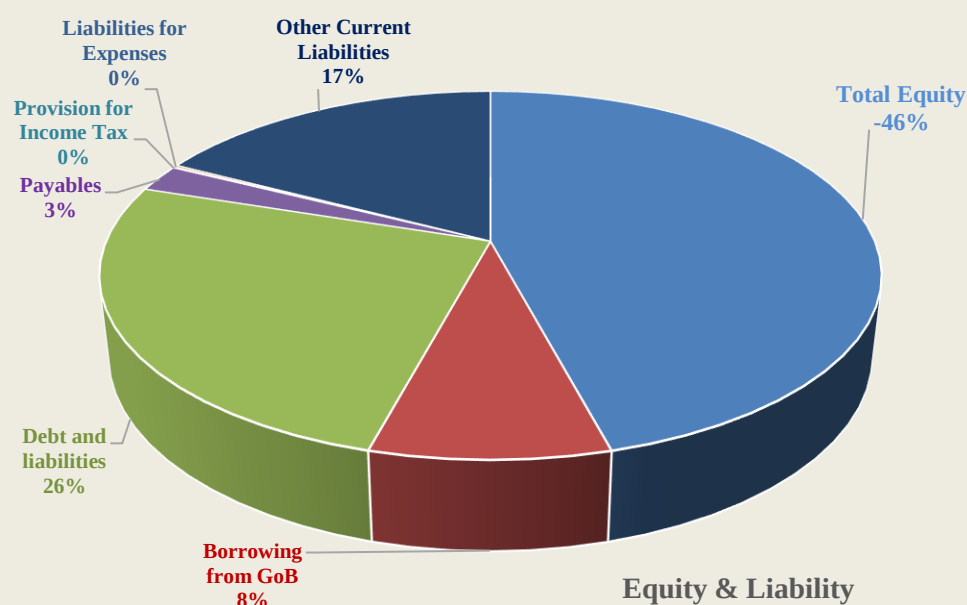
As per the financial statement of North Bengal Sugar Mills Limited (NBSM), the total debt is BDT 10,230.87 million as of June 30, 2023. Out of this amount, major portion 66% Debt and liabilities financial institution followed by 23% debts to related party, 17% borrowing from GoB under LA and finally 14% other debt that are current liability to GoB and any other party. If NBSM fails to make repayment of these long-term liabilities it will create fiscal risk for GoB.

57.4 The composition of total assets in FY 2022-23:



According to the financial statements of NBSM in FY 2022-23 total assets was BDT 1,572.60 million. Out of these assets major portion is 39% other current assets followed by inventories 17%, receivables 17%, cash & equivalent 16%, receivables 12%, PPE 9% and finally 2% advance income tax. The composition shows that current liabilities is 91% of total assets.

57.5 The composition of total equity and liabilities in FY 202-23:



The composition of total equity and liabilities shows that equity is negative which occupies 46% of equity and liabilities. After equity, major portion 25% short-term borrowing followed by other current liabilities 17%, borrowing from GoB 9%, liabilities held for sale 2% and finally 1% liability for expenses payables. Besides payables amount is insignificant portion which has shown as 0% in pie chart. The negative equity means that NBSM's total liabilities exceeds its total assets. Having negative equity along with long term liabilities can cause fiscal risk for GoB.

57.6 Fiscal risk from North Bengal Sugar Mills Limited (NBSM) can be further analyzed through the Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Based on the data from FY 2022-23, the results of these ratios and their associated risks are presented in the following tables:

Table – 2: Profitability Ratio – NBSM

Particular	Result	Risk	Score
Cost recovery	0.62	Very High	5
Return on Equity (ROE)	Both Net income & equity are negative,	Very High	5

Table – 3: Liquidity Ratio – NBSM

Particular	Result	Risk	Score
Current ratio	0.17	Very High	5
Creditor turnover days	0.13	Very Low	1

Table – 4: Solvency Ratio – NBSM

Particular	Result	Risk	Score
Debt to total assets	6.51	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total Score			26
Average Score			4 (4.33)
Overall Risk Rating			High

57.7 The ratio analysis shows that NBSM's risk rating is based on:

- (i) The Cost Recovery Ratio measures a company's ability to generate sufficient revenue to cover its operating expenses. North Bengal Sugar Mills Limited (NBSM) has a Cost Recovery Ratio of 0.62, which categorizes it under the moderate fiscal risk category. According to the threshold values, a Cost Recovery Ratio below 0.75 is classified as very high risk. Therefore, with a Cost Recovery Ratio of 0.62, NBSM poses a **very high** fiscal risk to the Government of Bangladesh (GoB);
- (ii) The Return on Equity (ROE) ratio measures a firm's ability to generate profits using the capital invested by its shareholders. North Bengal Sugar Mills Limited (NBSM) has negative values for both net income and equity, indicating significant financial struggles. This situation suggests that NBSM is highly unlikely to independently repay its debt. Given these negative indicators, NBSM poses a **very high** fiscal risk to the Government of Bangladesh (GoB);
- (iii) The Current Ratio measures a company's ability to pay short-term obligations due within one year. North Bengal Sugar Mills Limited (NBSM) has a Current Ratio of 0.17, which is extremely poor. According to the threshold values, a Current Ratio below 1.0 is categorized as very high risk. Therefore, with a Current Ratio of 0.17, NBSM poses a **very high** risk to the Government of Bangladesh (GoB);
- (iv) The Creditor Turnover Days measures how quickly a state-owned enterprise (SOE) pays its suppliers. According to the threshold values, creditor turnover days of 30 or below are considered a very low-risk category. With a Creditor Turnover Days of nil (indicating that NBSM has not been making payments), NBSM poses a **very low** risk to the Government of Bangladesh (GoB);
- (v) The debt-to-assets Ratio measures the proportion of a company's financing that comes from liabilities. North Bengal Sugar Mills Limited (NBSM) has a Debt to Assets Ratio of 6.51, which places it in the very high-risk category. According to the threshold values, a debt to assets Ratio above 1.0 indicates a very high risk. Therefore, with a Debt to Assets Ratio of 6.51, NBSM carries a **very high** risk for the Government of Bangladesh (GoB); and
- (vi) The Debt-to-EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) ratio measures a company's ability to service its debt. North Bengal Sugar Mills Limited (NBSM) has a negative EBITDA, indicating that the company may struggle to repay its debt independently. With negative EBITDA, NBSM poses a **very high** risk to the Government of Bangladesh (GoB).

57.8 According to the records, North Bengal Sugar Mills Limited (NBSM) was not involved in any quasi-fiscal activities during FY 2022-23.

57.9 According to the records, North Bengal Sugar Mills Limited (NBSM) is not facing any statutory obligations or pending lawsuits. Therefore, no contingent liabilities are anticipated for NBSM in FY 2022-23.

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58. Kustia Sugar Mill Ltd (KSM)

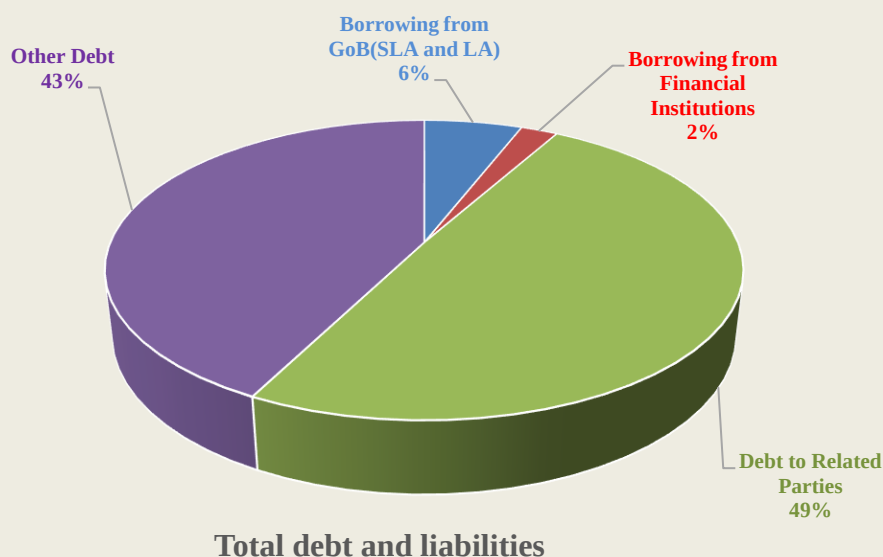
58.1 Kustia Sugar Mills Limited (KSM) (the Company or the Mill) was established in the year 1962 and vested to the EPIDC after incorporating as Public Limited Company in 1970 under the Companies Act 1913 and subsequently placed under the management and control of Bangladesh Sugar and Food Industries Corporation (BSFIC) after Liberation of the Country. KSM started production during the financial year 1966-67. The main product of the Company is plantation white sugar and by product is molasses produce from sugar cane. Sugar is sold in the local market at selling price fixed by the Government and molasses are sold in the market through press tender.

58.2 The following Table-1 presents the statement of debt and liabilities of Kustia Sugar Mills Limited (KSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

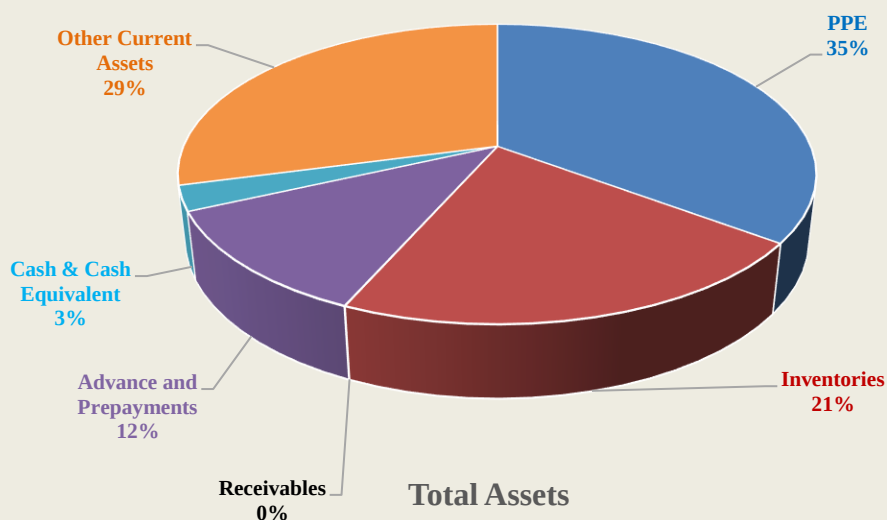
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e=((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	39,052,280.00	39,289,820.00	0.61%	0.00
2	Debt and liabilities related to GoB under LA	321,715,121.00	373,027,542.00	15.95%	0.00
3	Debt and liabilities related to GoB(1+2)	360,767,401.00	412,317,362.00	14.29%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	155,275,802.00	155,275,802.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	155,275,802.00	155,275,802.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	3,489,298,572.00	3,436,977,839.00	-1.50%	0.00
11	Debt and liabilities to Related Parties(9+10)	3,489,298,572.00	3,436,977,839.00	-1.50%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	2,385,637,289.00	2,579,338,980.00	8.12%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	419,599.00	603,411.00	43.81%	0.00
15	Any Other Liabilities to Any Other Entities	346,446,119.00	374,040,458.00	7.96%	0.00
16	Other Debt and liabilities (12+13+14+15)	2,732,503,007.00	2,953,982,849.00	8.11%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	6,737,844,782.00	6,958,553,852.00	3.28%	0.00
18	Debt and liabilities related to GoB (3+14)	361,187,000.00	412,920,773.00	14.32%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	6,376,657,782.00	6,545,633,079.00	2.65%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

58.3 Statement of debt and liabilities in FY 2022-23:



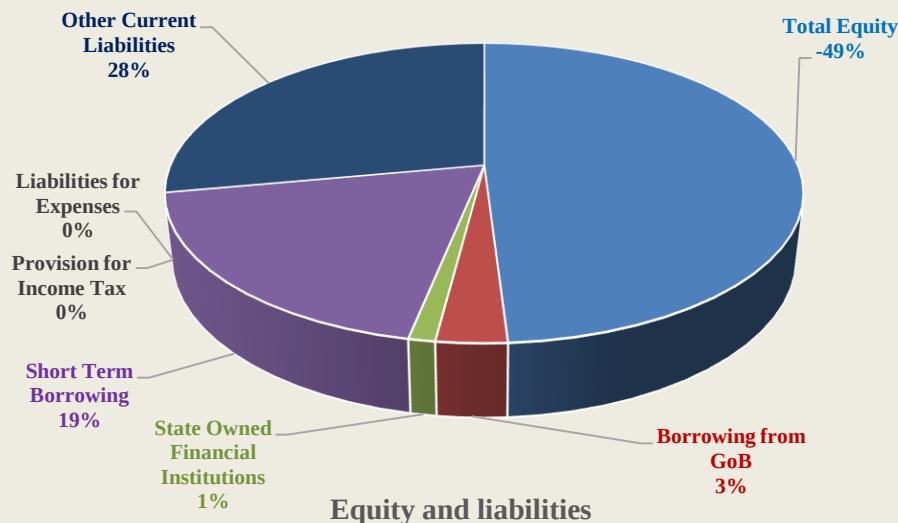
According to the financial statement of Kustia Sugar Mills Limited (KSM), the total debt is BDT 6,958.53 million as of 30th June, 2023. Out of this amount, major portion 49% debt to related parties which are long-term liabilities followed by 43% other debt which are current liabilities to GoB and any other entities, Debt and liabilities related to GoB 6% under loan agreement (LA) and finally 2% Debt and liabilities related to financial institutions. The statement further shows that long-term liabilities is 57% of total liabilities and if KSM fails to make repayment of these long-term liability it will create fiscal risk for GOB.

58.4 The composition of assets in FY 2022-23:



According to the financial statement of KSM in FY 2022-23 total assets was BDT 268.46 million. Out of these assets major portion 35% PPE followed by other current assets 29%, inventories 12%, advance and prepayment 12% and finally 2% cash & cash equivalent. The statement shows that current assets cover 65% of total assets.

58.5 The composition of debt and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that equity is negative which occupies 49% of total equity and liabilities of KSM. After equity, major portion 28% other current liabilities, 19% short term borrowing, borrowing from Gob 3% and finally 1% debt and liabilities related to state owned financial institutions. The negative equity means that KSM's total liabilities exceeds its total assets. Having negative equity along with long term liabilities, KSM poses fiscal risk for GoB.

58.6 Fiscal risk from KSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – KSM

Particular	Result	Risk	Score
Cost recovery	0.11	Very High	5
Return on Equity (ROE)	Net income & Equity both negative.	Very High	5

Table – 3: Liquidity Ratio – KSM

Particular	Result	Risk	Score
Current ratio	0.03	Very High	5
Creditor turnover days	Cost of Goods Sold is negative.	Very High	5

Table – 4: Solvency Ratio – KSM

Particular	Result	Risk	Score
Debt to total assets	25.92	Very High	5
Debt to EBITDA	EBITDA is negative.	Very High	5
Total Score			30
Average Score			5
Overall risk rating			Very High

58.7 The ratio analysis shows that KSM's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. KSM's cost recovery ratio is 0.11 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.11 KSM poses **very high** fiscal risk to GoB. KSM argued that Mills has to sale sugar at price fixed by government and there exits huge interest cost that cover about 80% of production cost. Besides machines are very old (like 50 to 70 years old) which cannot crush sugarcane efficiently and reduce production. All these factors led to low-cost recovery ratio;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. KSM's net income as well as Equity both are negative which indicate that KSM is struggling financially and may be unable to make repayment of its debt by its own. With negative net income, KSM poses **very high** fiscal risk to GoB. Continues losses has cause negative equity;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of KSM is 0,03 appears to be extremely poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 0.03, KSM poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With negative Creditor Turnover Days days, KSM poses **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. KSM's debt to assets ratio is 25.92 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 25.92, KSM carry **very high** risk for GoB. KSM argued that assets revaluation will improve this ratio; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. KSM's EBITDA is negative, hence KSM may be unable to make repayment of its debt by its own. With negative EBITDA, KSM poses **very high** risk for GoB. In response to negative EBITDA, KSM argued that Production or crushing time short like 2-3 months, fixed cost is very high and sale price fixed by Govt has led to negative EBITDA. KSM appealed for trade gap and loan interest be written off.

58.8 KSM did not involve in any Quasi-fiscal activities in FY 2022-23.

58.9 According to the records, no statutory obligation and no lawsuit is pending against KSM. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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59. Mobarakganj Sugar Mills Limited (MSM)

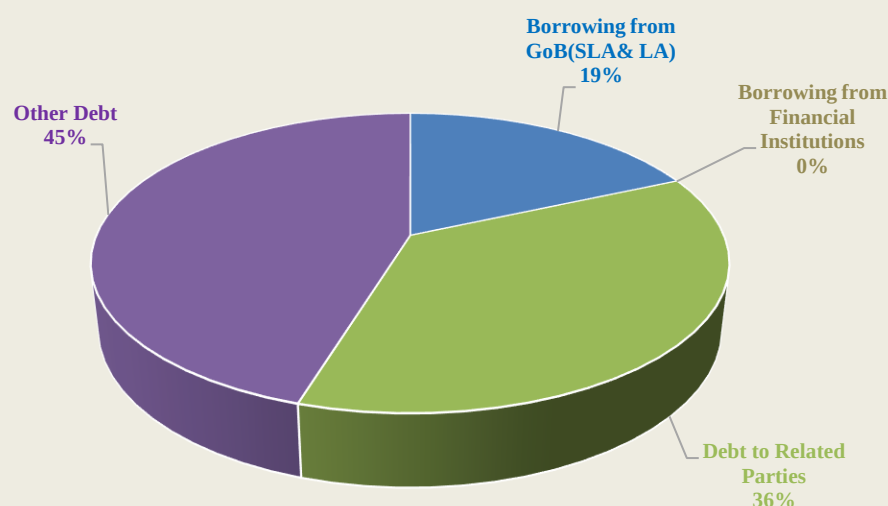
59.1 Mobarakganj Sugar Mills Limited (MSM) is a public limited company incorporated in 1964 and started commercial operation in the year 1959 having installed crushing capacity of 1,000 TCD (Ton Can per Day). The company was nationalized as per P.O-27 of 1972 and was placed under Bangladesh Sugar and Food Industries Corporation (BSFIC) for its control, supervision and direction. The main activities of the company are to produce sugar from sugarcane and molasses as by products. Both sugar and molasses were sold out in the local market.

59.2 The following Table-1 presents the statement of debt and liabilities of Mobarakganj Sugar Mills Limited (MSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

					Amount in BDT
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	212,770,878.00	218,142,095.00	2.52%	212,770,878.00
2	Debt and liabilities related to GoB under LA	963,874,711.00	1215026372.00	26.06%	800,755,565.00
3	Debt and liabilities related to GoB(1+2)	1176645589.00	1,433,168,467.00	21.80%	1,013,526,443.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	62,715,965.00	62,715,965.00	0.00%	62,715,965.00
5	Debt and liabilities related to State Owned Financial Institutions	3,060,182,234.00	3,135,702,570.00	2.47%	3,060,182,234.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	3,122,898,199.00	3,198,418,535.00	2.42%	3,122,898,199.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	7,689,398.00	5,478,673.00	-28.75%	9,900,123.00
15	Any Other Liabilities to Any Other Entities	0.00	0.00	0.00%	0.00
16	Other Debt and liabilities (12+13+14+15)	7,689,398.00	5,478,673.00	-28.75%	9,900,123.00
17	Total Debt and liabilities (3+7+8+11+16)	4,307,233,186.00	4,637,065,675.00	7.66%	4,146,324,764.00
18	Debt and liabilities related to GoB (3+14)	1,184,334,987.00	1,438,647,140.00	21.47%	1,023,426,566.00
19	Debt and liabilities to Entities other than GoB (17-18)	3,122,898,199.00	3,198,418,535.00	2.42%	3,122,898,199.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

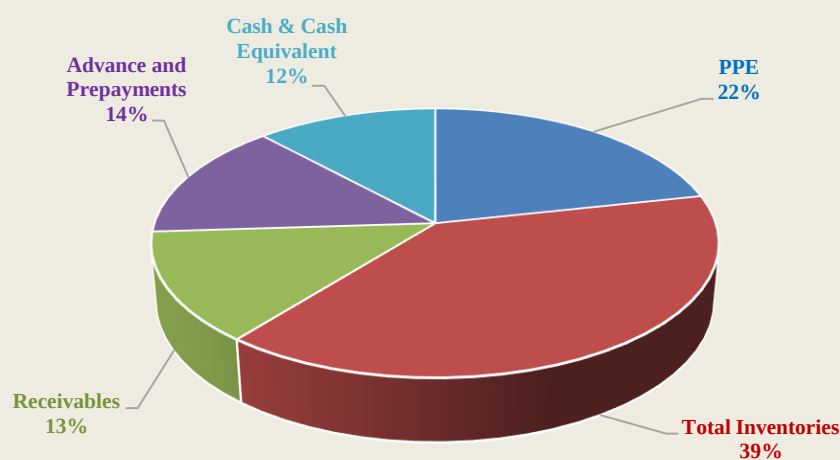
59.3 Statement of debt and liabilities in FY 2022-23 :



Total Debt and liabilities

According to the financial statement of Mobarakganj Sugar Mills Limited (MSM) for FY 2022-23, the total debt is BDT 4,637.06 million as of June 30, 2023. Of this, 45% is composed of other short-term liabilities, followed by 36% in debt to related parties, and 19% in long-term borrowing from the Government of Bangladesh (GoB) under SLA and LA agreements. The statement reveals that long-term liabilities constitute 55% of total liabilities, and any failure by MSM to meet repayment obligations could pose a fiscal risk for the GoB.

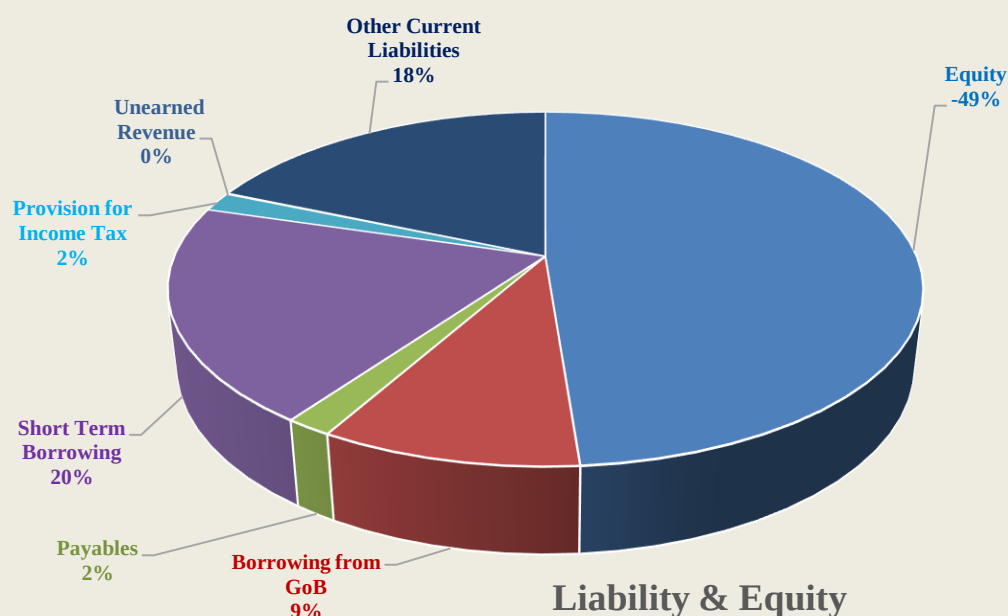
59.4 The composition of total assets in FY 2022-23



Total Asset

According to the financial statement of MSM for FY 2022-23, total assets were BDT 388.61 million. Of these, inventories make up the largest portion at 39%, followed by property, plant, and equipment (PPE) at 22%, advances and prepayments at 14%, receivables at 13%, and cash and cash equivalents at 12%. This composition reveals that current assets constitute 87% of total assets, while the remaining 13% are long-term assets. MSM has stated that an asset revaluation would increase the total asset value.

59.5 The composition of equity and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that equity is negative which occupies 49% of equity and liabilities. After equity, major portion 20% short -term borrowing followed by 18% other current liabilities, 9% borrowing from GoB under SLA and LA, Provision for expenses 2% and finally 2% payables. Besides unearned revenue holds insignificant portion and has shown as 0% in pie chart. The negative equity means that MSM's total liabilities exceeds its total assets. Negative equity along with long term liabilities can cause fiscal risk for GoB.

59.6 Fiscal risk from MSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – MSM

Particular	Result	Risk	Score
Cost recovery	0.38	Very High	5
Return on Equity (ROE)	Net income & Equity are negative.	Very High	5

Table – 3: Liquidity Ratio – MSM

Particular	Result	Risk	Score
Current ratio	0.05	Very High	5
Creditor turnover days	190	Very High	5

Table – 4: Solvency Ratio – MSM

Particular	Result	Risk	Score
Debt to total assets	20.94	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total Score			30
Average Score			5
Overall Risk Rating			Very High

59.7 The ratio analysis shows that MSM's risk rating is based on:

- (i) The Cost Recovery Ratio measures MSM's ability to generate adequate revenue to cover its operating expenses. MSM's cost recovery ratio stands at 0.38, which, based on the threshold value, falls into the **very high** fiscal risk category (as ratios below 0.75 are classified as high risk). With a cost recovery ratio of 0.38, MSM poses a significant fiscal risk to the Government of Bangladesh (GoB). MSM has explained that it must sell sugar at government-fixed prices and bears substantial interest costs, amounting to nearly 80% of production costs. Additionally, the machinery is extremely outdated (50 to 70 years old), which reduces sugarcane crushing efficiency and production capacity. These factors have contributed to the low-cost recovery ratio;
- (ii) The Return on Equity (ROE) ratio evaluates a company's ability to generate profits from the capital invested by its shareholders. MSM's negative net income indicates financial struggles, suggesting that it may be unable to repay its debt independently. With this negative net income, MSM poses a **very high** fiscal risk to the Government of Bangladesh (GoB);
- (iii) The current ratio measures a company's ability to pay short-term obligations within one year. MSM's current ratio is 0.05, which is extremely poor and falls into the **very high**-risk category according to the threshold (where ratios below 1.0 are considered very high risk). With a current ratio of 0.05, MSM poses a significant fiscal risk for the Government of Bangladesh (GoB);
- (iv) The Creditor Turnover Days measures the speed at which an SOE pays its suppliers. According to the threshold, creditor turnover days of 120 or more are classified as a very high-risk category. With a Creditor Turnover Days of 190 days, MSM poses a **very high** fiscal risk to the Government of Bangladesh (GoB);
- (v) The Debt-to-assets Ratio measures the proportion of a company's financing derived from liabilities. MSM's debt-to-assets ratio is 20.94, which places it in the very high-risk category according to the threshold value (where a ratio above 1.0 is classified as very high risk). With a debt-to-assets ratio of 20.94, MSM carries a **very high** risk for the Government of Bangladesh (GoB). MSM has claimed that asset revaluation could help improve its debt-to-assets ratio; and
- (vi) The Debt to EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) ratio measures a company's ability to service its debt. MSM's EBITDA is negative, indicating that the company may struggle to repay its debt independently. With negative EBITDA, MSM poses a **very high** risk to the Government of Bangladesh (GoB). MSM has argued that the production or crushing period is only 2-3 months, resulting in high fixed costs, and that it must sell at government-fixed prices. MSM has requested the waiver of trade gaps and loan interest to improve its debt to EBITDA ratio.

59.8 According to the records, Mobarakganj Sugar Mills Limited (MSM) was not involved in any quasi-fiscal activities during FY 2022-23.

59.9 According to the records, there are no statutory obligations or pending lawsuits against MSM. Therefore, no contingent liabilities are anticipated for Mobarakganj Sugar Mills Limited (MSM) in FY 2022-23.

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60. Pabna Sugar Mill Limited (PBSM)

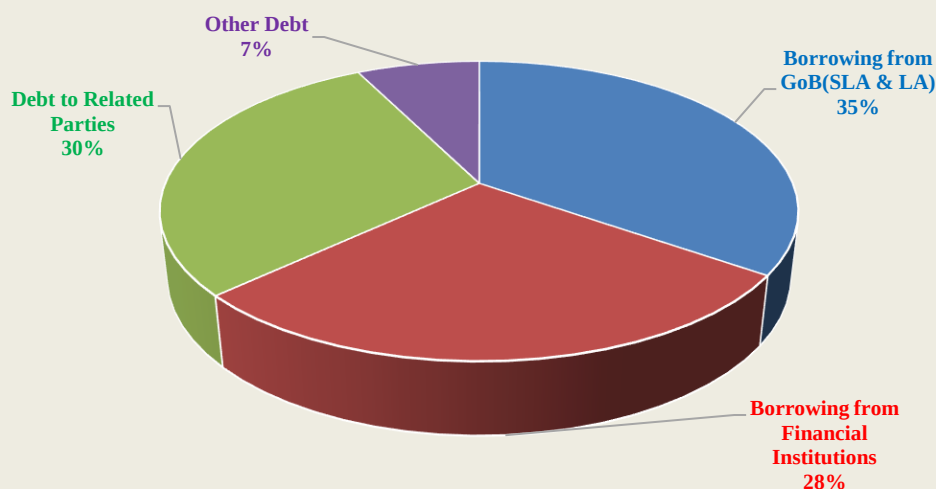
60.1 Pabna Sugar Mills Ltd. (PBSM) is a Public Limited company under the companies Act, 1913 (Now companies Act, 1994). The principal activities of the company are manufacturing and sales of sugar & molasses from sugarcane that are locally purchased and produced in mills. Both sugar and molasses are sold in the local market.

60.2 The following Table-1 presents the statement of debt and liabilities of Pabna Sugar Mills Ltd. (PBSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Serial No	Particulars of Debt and Liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	1,746,851,600.00	2,103,734,981.00	20.43%	0.00
2	Debt and liabilities related to GoB under LA	739,274,058.00	790,411,739.00	6.92%	0.00
3	Debt and liabilities related to GoB(1+2)	2,486,125,658.00	2,894,146,720.00	16.41%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,191,977,639.00	2,375,461,045.00	8.37%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	2,191,977,639.00	2,375,461,045.00	8.37%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	2,555,166,388.00	2,460,955,826.00	-3.69%	0.00
11	Debt and liabilities to Related Parties(9+10)	2,555,166,388.00	2,460,955,826.00	-3.69%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	25,089,231.00	27,473,873.00	9.50%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	3,196,340.00	2,158,026.00	-32.48%	0.00
15	Any Other Liabilities to Any Other Entities	611,992,478.00	589,884,888.00	-3.61%	0.00
16	Other Debt and liabilities (12+13+14+15)	640,278,049.00	619,516,787.00	-3.24%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	7,873,547,734.00	8,350,080,378.00	6.05%	0.00
18	Debt and liabilities related to GoB (3+14)	2,489,321,998.00	2,896,304,746.00	16.35%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	5,384,225,736.00	5,453,775,632.00	1.29%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

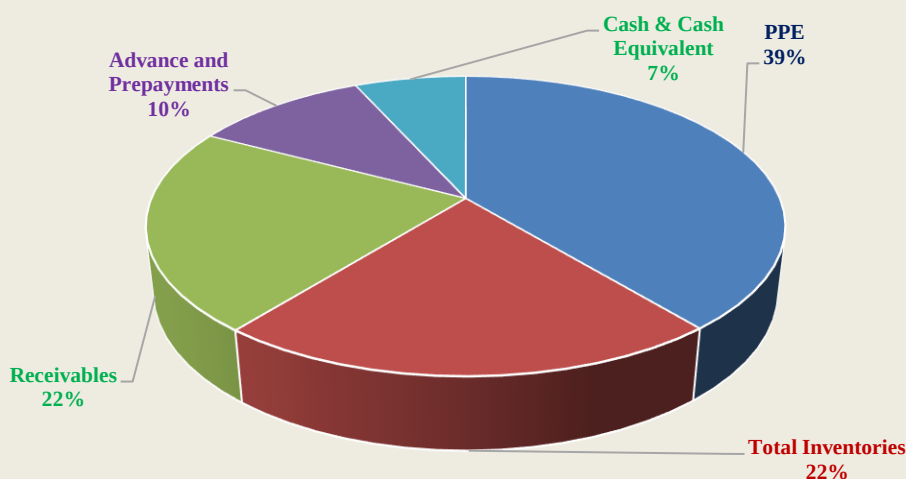
60.3 Statement of debt and liabilities in FY 2022-23:



Total debt and liabilities

According to the financial statement of Pabna Sugar Mills Ltd. (PBSM), the total debt is BDT 8,350.08 million as of 30th June, 2023. Out of this amount, major portion 35% borrowing from GOB under SLA and LA followed by debt to related parties 30%, borrowing from financial institutions 28% and finally 7% other debt which are current liabilities by nature. If TSM fails to make repayment of its long-term borrowing, it will create fiscal risk for GoB.

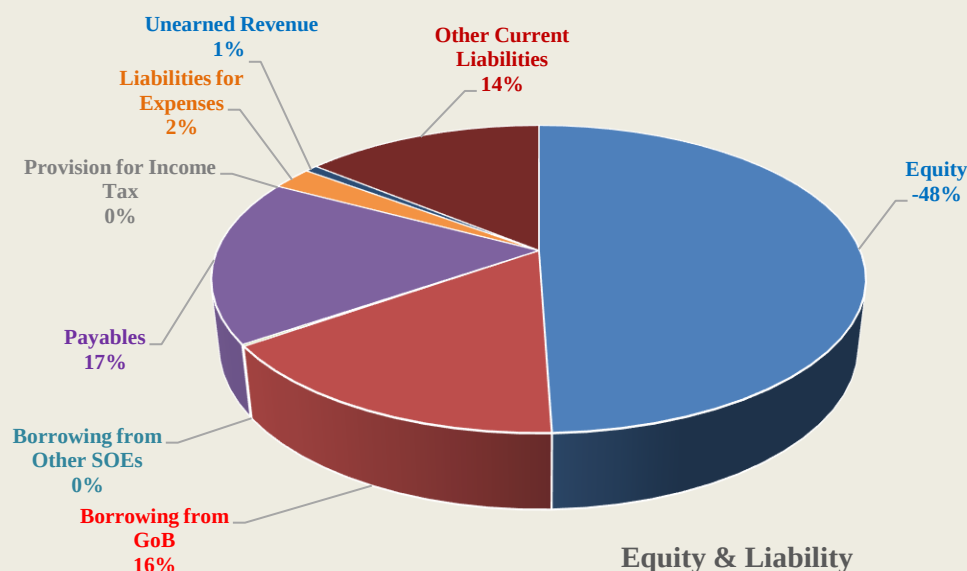
60.4 The composition of assets in FY 2022-23:



Total assets

According to the financial statement of PBSM in FY 2022-23 total assets was BDT 172.95 million. Out of these assets major portion 39% PPE followed by 22% inventories, 22% receivables, 10% advance & prepayments and finally 7% cash & equivalent. The composition shows that 39% of total assets is long-term assets and remaining 61% is current assets.

63.5 The composition of total equity and liabilities in FY 2022-23:



The composition of equity and liability shows that equity is negative which cover 48% followed by payables 17%, borrowing from GoB under SLA and LA 16%, other current liabilities 14% , liabilities for expense 2% and finally 1% unearned revenue. Besides provision for income tax and borrowing from SOEs are insignificant in amount and shown as 0% in pie chart. Negative equity of PBSM means that its liabilities exceed its assets. PBSM holds liabilities related to GoB under SLA and LA and if PBSM fails to make repayment of these liabilities it will cause fiscal risk for GoB.

60.6 Fiscal risk from PBSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – PBSM

Particular	Result	Risk	Score
Cost recovery	0.02	Very High	5
Return on Equity (ROE)	Net Income & Equity both are negative	Very High	5

Table – 3: Liquidity Ratio – PBSM

Particular	Result	Risk	Score
Current ratio	0.02	Very High	5
Creditor turnover days	29297	Very High	5

Table – 4: Solvency Ratio – PBSM

Particular	Result	Risk	Score
Debt to total assets	48.28	Very High	5
Debt to EBITDA	EBITDA is Negative.	Very high	5
Overall score			30
Average Score			5.0
Overall Risk Rating			Very High

60.7 The ratio analysis shows that PBSM's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. PBSM 's cost recovery ratio is 0.02 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.02 PBSM poses **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. PBSM's net income is negative which indicate that PBSM is struggling financially and may be unable to make repayment of its debt by its own. With negative net income, PBSM poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of PBSM is 0,02 appears to be extremely poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 0.02, PBSM poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With 1 Creditor Turnover Days of 29297, PBSM poses **very high** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. PBSM's debt to assets ratio is 48.28 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 48.28, PBSM carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. PBSM's EBITDA is negative, hence PBSM may be unable to make repayment of its debt by its own. With negative EBITDA, PBSM poses **very high** risk for GoB.

60.8 According to the records, PBSM did not involve in any quasi-fiscal activities during FY 2022-23.

60.9 According to the records, no statutory obligation and no lawsuit is pending against PBSM. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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61. Carew & Company (Bangladesh) Ltd (CCBL)

61.1 Carew and Company (Bangladesh Ltd) has been established in the year 1938 and incorporated with the Registrar of joint stock companies in 1962. After the independence of Bangladesh, the company was declared an abandoned property. Under P.O 27 of 1972 the Government nationalized the Carew & Company (Bangladesh) Ltd and transferred the Company to Bangladesh Sugar and Food Industries Corporation (BSFIC) for management and control.

The Company produces & sells sugar, sprit, liquor, industrial alcohol and pharmaceutical products and agro- crops such as cane seed, dhanicha seed, mustard seed, organic bio-fertilizer etc. the main objective of the company is to produce the quality sugar, diversification of by- products and expand marketing to add productivity in economic activities of the country. The Ministry of Industries has the oversight responsibility for Carew and Company (Bangladesh) Ltd.

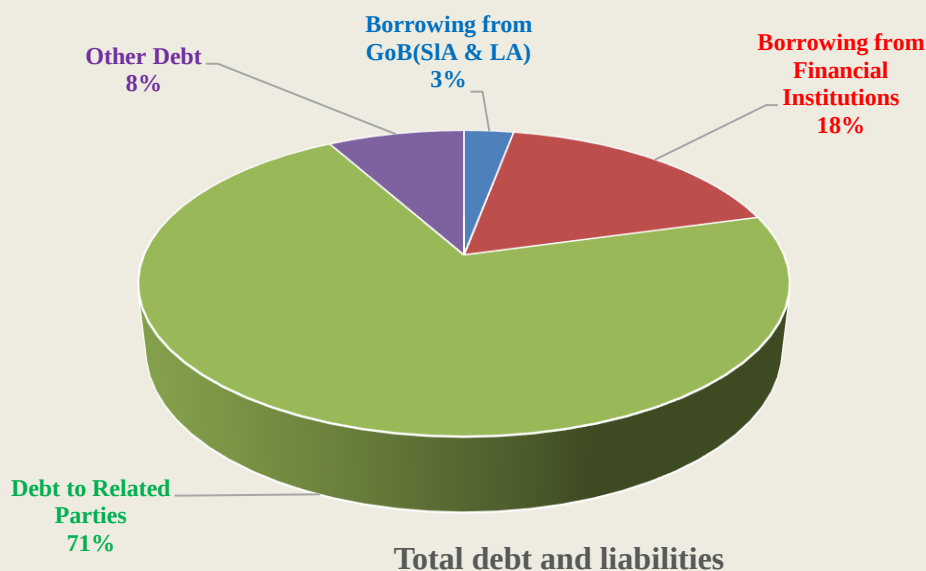
During FY 2022-23 Carew & Company (Bangladesh) Ltd. Produced sugar 2,381.50 M. Ton & molasses 1,857.59 M. Ton. Besides in FY 2022-23 the company produced spirits & Liquor 81.89 Lac proof liter and bio-fertilizer 2,200.00 M. Ton. The main activities of Carew & Company (Bangladesh) Ltd is to produces and sells Sugar, Spirit, Liquor, industrial alcohol and pharmaceutical products etc. Besides it produces cane seed, dhanicha seed, mustard seed, organic Biofertilizer etc.

61.2 The following Table-1 presents the statement of debt and liabilities of Carew & Company (Bangladesh) Ltd (CCBL) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

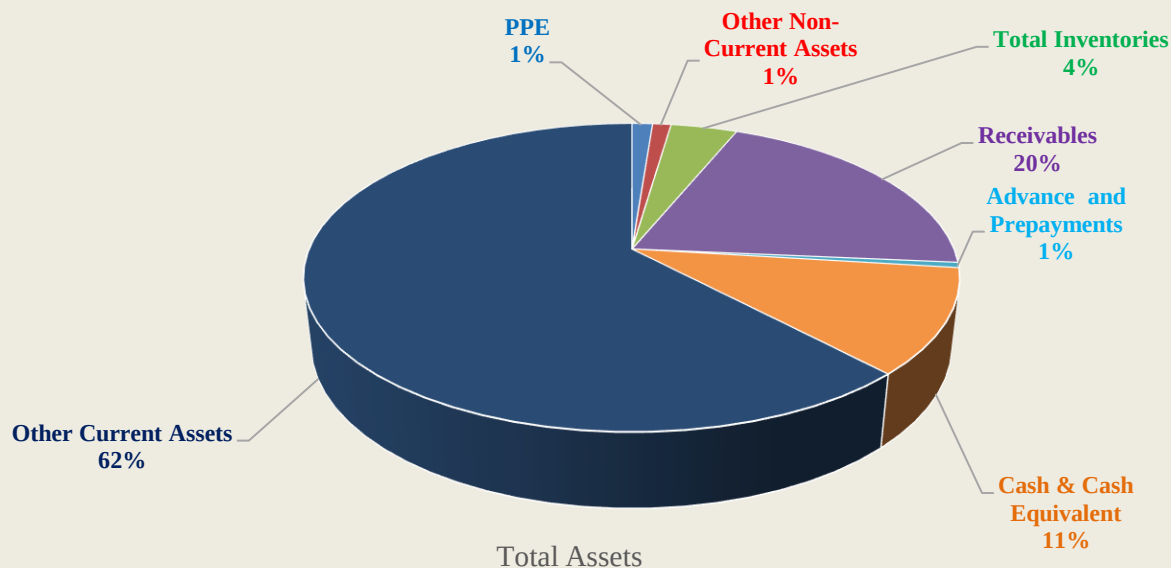
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	39,177,498.00	39,177,498.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	364,955,330.00	404,863,805.00	10.94%	0.00
3	Debt and liabilities related to GoB(1+2)	404,132,828.00	444,041,303.00	9.88%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,538,825,518.00	2,680,769,782.00	5.59%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	2,538,825,518.00	2,680,769,782.00	5.59%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	9,617,350,589.00	10,747,086,154.00	11.75%	0.00
11	Debt and liabilities to Related Parties(9+10)	9,617,350,589.00	10,747,086,154.00	11.75%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	196,345,951.00	218,727,918.00	11.40%	0.00
15	Any Other Liabilities to Any Other Entities	993,739,117.00	1,003,785,498.00	1.01%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,190,085,068.00	1,222,513,416.00	2.72%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	13,750,394,003.00	15,094,410,655.00	9.77%	0.00
18	Debt and liabilities related to GoB (3+14)	600,478,779.00	662,769,221.00	10.37%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	13,149,915,224.00	14,431,641,434.00	9.75%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

61.3 Total debt and liabilities in FY 2022-23:



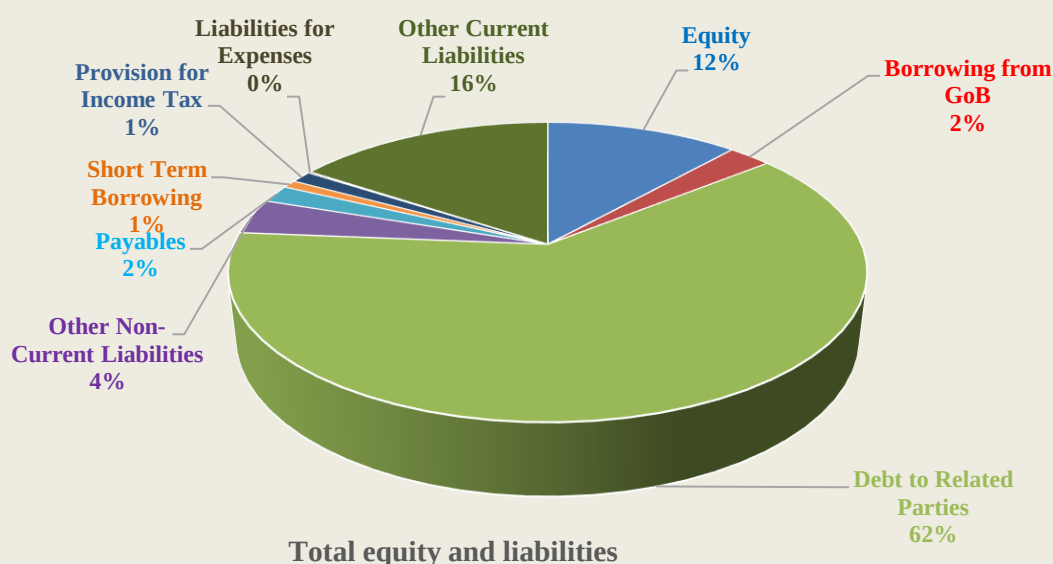
According to the financial statement of Carew & Company (Bangladesh) Ltd (CCBL), the total debt is BDT 15,094.41 million as of 30th June, 2023. Out of this amount, major portion 71% debt to related parties followed by 18% borrowing from financial institutions, 8% other debts which are current liabilities by nature and finally 3% borrowing from GoB under SLA & LA. According to the financial statement long-term liability is 92 % of total debt and liabilities and if CCBL fails to make repayment of these long-term liabilities it will cause fiscal risk for GoB.

61.4 The composition of total Assets in FY 2022-23:



According to the financial statement of CCBL in FY 2022-23 total assets was BDT 17,084.11 million. Out of these amount 62% other current assets following that 20% is receivables, cash & cash equivalent 11%, inventories 4%, PPE 1% and finally 1% other non-current assets. The composition revealed that out of total assets 2% is long-term assets and remaining 98% is current assets.

61.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities of CCBL in FY 2022-23 shows that major portion 62% debt to related parties which are long-term liabilities followed by other current liabilities 16%, equity 12%, other non-current liabilities 4%, payables 2%, borrowing from GOB 2%, provision for income tax 1% and finally 1% short-term borrowing. Besides liability for expenses hold insignificant amount which has shown as 0% in pie chart. The composition also revealed that long-term liabilities cover 67% of total equity and liability. Based on composition growth of CCBL is driven by liabilities rather than equity and therefore CCBL poses fiscal risk for GoB.

61.6 Fiscal risk from CCBL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – CCBL

Particular	Result	Risk	Score
Cost recovery	1.34	Low	2
Return on Equity (ROE)	32.42%	Very Low	1

Table – 3: Liquidity Ratio – CCBL

Particular	Result	Risk	Score
Current ratio	4.92	Very low	1
Creditor turnover days	8	Very Low	1

Table – 4: Solvency Ratio – CCBL

Particular	Result	Risk	Score
Debt to total assets	0.88	High	4
Debt to EBITDA	12.61	Very High	5
Total Score			14
Average Score			2 (2.33)
Overall Risk Rating			Low

61.7 The ratio analysis shows that CCBL's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of CCBL is 1.34 and according to the threshold table cost recovery ratio between 1.25 and less than 1.5 falls under **low**-risk category. With Cost recovery ratio of 1.34, CCBL poses low risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. According to threshold table ROE ratio above 15% is considered as a very low risk category. ROE of CCBL's is 32.42% which falls under very a low-risk category and thus CCBL poses **very low** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current Ratio of CCBL is 4.92 and according to threshold value it belongs to Very low-risk category. According to threshold value a current ratio 2.0 and above considered as Very low risk category. So, the current ratio of 4.92, CCBL poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an entity pays its suppliers. According to threshold table below 30 days considered as Very Low risk for GoB. With creditor turnover days of 8 CCBL poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. CCBL's debt to assets ratio is 0.88 and according to threshold table debt to assets ratio between 0.75 and less than 1.0 belongs to high-risk category. With debt to Asset's ratio value 0.88, CCBL poses **high** fiscal risk to GoB; and
- (vi) Debt to EBITDA (Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) ratio measure the ability of a company to service any debt it holds. Debt to EBITDA ratio of CCBL is 12.61 and according to threshold table debt to EBITDA ratio of 5.0 and above considered as a very high-risk category. Having EBITDA ratio 12.61, CCBL poses **very high** risk for GoB.

61.8 According to the records, CCBL did not involve in any quasi-fiscal activities in FY 2022-23.

61.9 According to the records, no statutory obligation and no lawsuit is pending against CCBL. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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62. Faridpur Sugar Mills Limited (FSM)

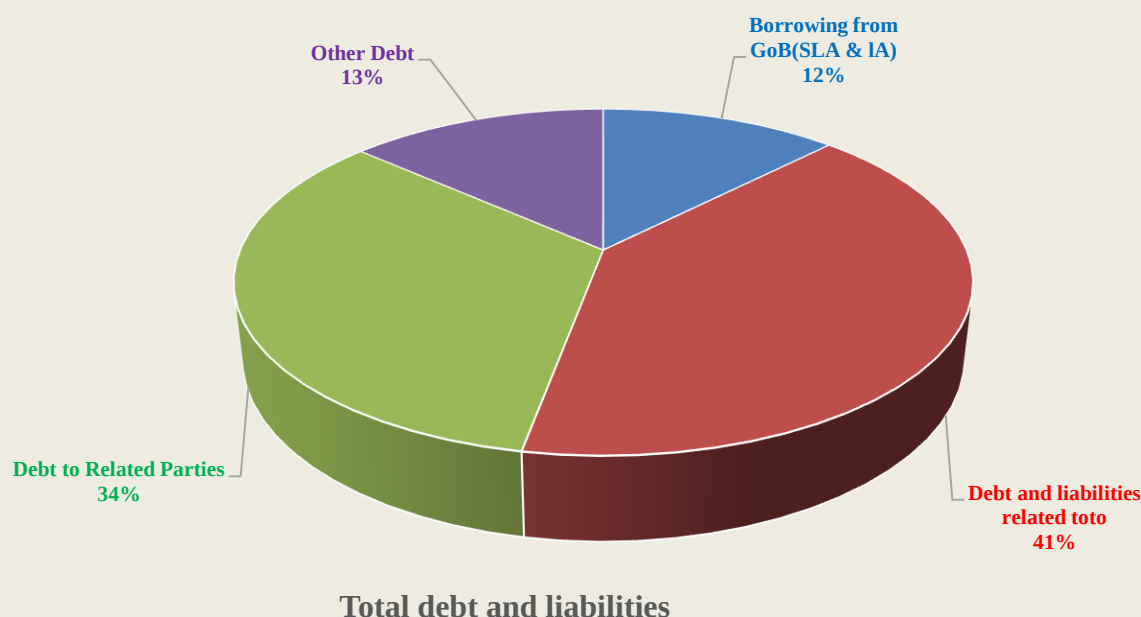
62.1 Faridpur Sugar Mills Limited (FSM), a Company limited by Shares, was incorporated in Bangladesh under the companies Act, 1994. The registration No: E-67580488 of 1978-1979. The crushing capacity of the mills in 1016 tons of cane Per day. The principal activity of the company is to produce planted white sugar as main product from sugar cane and molasses as by product. Sugar sales to enlisted dealers, employees, cane growers and ministry of defiance at the price fixed by the government. Molasses is sold in the local market through press tender.

62.2 The following Table-1 presents the statement of debt and liabilities of Faridpur Sugar Mills Limited (FSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

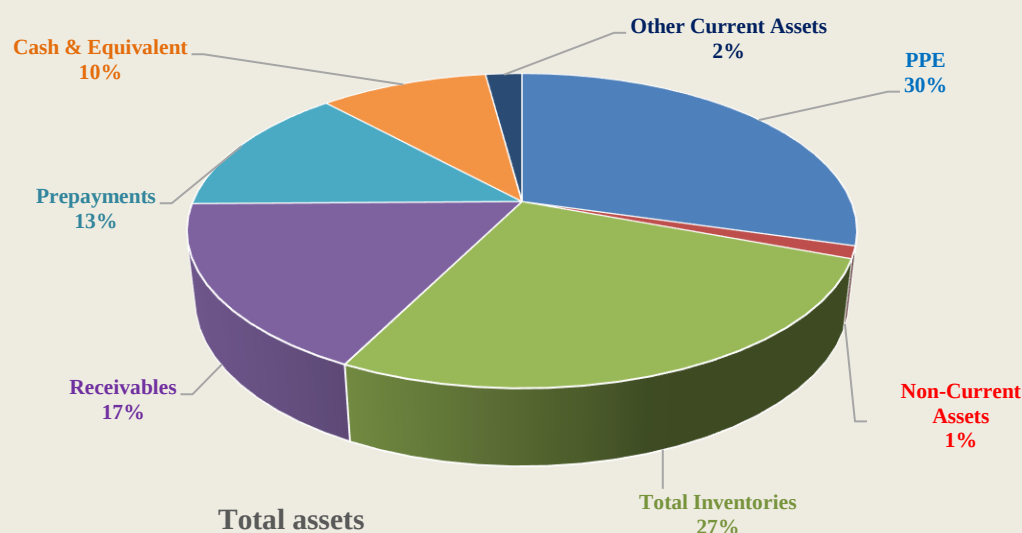
Serial No	Particulars of Debt and liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e=((d-c)/c)%	f
1	Debt and liabilities related toto GoB under SLA	144,013,306.00	144,013,306.00	0.00%	0.00
2	Debt and liabilities related toto GoB under LA	491,949,958.00	758,371,270.00	54.16%	0.00
3	Debt and liabilities related toto GoB(1+2)	635,963,264.00	902,384,576.00	41.89%	0.00
4	Debt and liabilities related toto Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related toto State Owned Financial Institutions	2,720,310,566.00	2,942,152,733.00	8.16%	0.00
6	Debt and liabilities related toto Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related toto Financial Institutions (4+5+6)	2,720,310,566.00	2,942,152,733.00	8.16%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related toto Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	2,469,600,742.00	2,438,265,260.00	-1.27%	0.00
11	Debt to Related Parties (9+10)	2,469,600,742.00	2,438,265,260.00	-1.27%	0.00
12	Debt and liabilities related toto Other SOEs/ABs (Not Related Parties)	2,017,883.00	2,017,883.00	0.00%	0.00
13	Debt and liabilities related toto Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	20,850,594.00	23,175,690.00	11.15%	0.00
15	Any Other Liabilities to Any Other Entities	946,427,549.00	954,115,931.00	0.81%	0.00
16	Other Debt and liabilities (12+13+14+15)	969,296,026.00	979,309,504.00	1.03%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	6,795,170,598.00	7,262,112,073.00	6.87%	0.00
18	Deb and liabilities t to GoB (3+14)	656,813,858.00	925,560,266.00	40.92%	0.00
19	Debt and liabilities related to Entities other than GoB (17-18)	6,138,356,740.00	6,336,551,807.00	3.23%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

62.3 Statement of debt and liabilities in FY 2022-23:



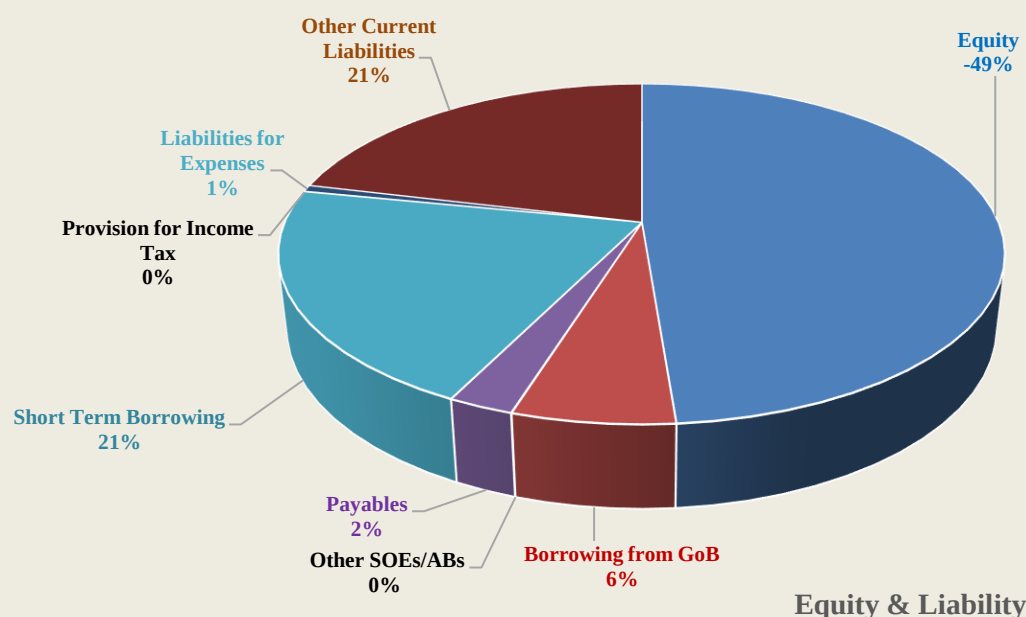
According to the financial statement of Faridpur Sugar Mills Limited (FSM), the total debt was BDT 7,262.11 million as of 30th June, 2023. Out of this amount, major portion 41% Debt and liabilities related to financial institutions followed by debt to related parties 34%, other debt 13% which are current liabilities by nature and finally 12% debt and liabilities related to GoB under SLA and LA which are long-term liabilities. If FSML fails to payback these long-term liabilities, it will create fiscal risk for GoB.

62.4 The composition of total assets in FY 2022-23:



According to the financial statement of 2022-23 total assets were BDT 355.94 million. Out of these assets, major portion 30% PPE, followed by 27% inventory, receivables 17%, prepayments 13%, cash and cash equivalent 10%, other current assets 2%, and finally 1% other non-current assets. The composition shows that long-term assets are 31% of total assets and the remaining 69% are current assets.

62.5 The composition of total equity and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that equity is negative which cover 49% followed by other current liabilities 21%, short-term liabilities 21%, borrowing from GoB 6% which are long term liability, payables 2% and finally 1% liabilities for expenses. Besides borrowing from other SOEs /ABs hold insignificant amount which has shown as 0% in pie chart. The equity is negative which means that FSML's total liabilities exceeds its total assets. Having negative equity along with long term-liability, FSML pose fiscal risk for GoB.

62.6 Fiscal risk from FSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – FSM

Particular	Result	Risk	Score
Cost recovery	0.30	Very High	5
Return on Equity (ROE)	Net Income & Equity both are negative	Very High	5

Table – 3: Liquidity Ratio – FSM

Particular	Result	Risk	Score
Current ratio	0.04	Very High	5
Creditor turnover days	40	Low	2

Table – 4: Solvency Ratio – FSM

Particular	Result	Risk	Score
Debt to total assets	20.40	Very High	5
Debt to EBITDA	EBITDA is Negative.	Very High	5
Total Score			27
Average Score			5 (4.5)
Overall risk rating:			Very High

62.7 The ratio analysis shows that FSM's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. FSM's cost recovery ratio is 0.30 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio of 0.75 and below is very high risk. With cost recovery ratio 0.30 FSM poses **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. FMS's net income and equity both are negative which indicate that FMS is struggling financially and may be unable to make repayment of its debt by its own. With negative net income and negative equity , FMS poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of FSM is 0.04 appears to be very poor and as per threshold value table it fits very high-risk category. A current ratio of 1.0 and below considered as very high-risk category. Having current ratio of 0.04, FSM poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low risk category. With Creditor Turnover Days of 40, FSM poses **low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. FSM's debt to assets ratio is 20.40 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high risk for GoB. With debt to assets ratio of 20.40, FSM carry **very high** risk to GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. As FMS's EBITDA is negative, FMS may be unable to make repayment of its debt by its own. With negative EBITDA, FMS poses **very high** risk for GoB.

62.8 According to the records, Faridpur Sugar Mills Limited (FSM) did not involve in any quasi-fiscal activities in FY 2022-23.

62.9 According to the records, no statutory obligation and no lawsuit is pending against Faridpur Sugar Mills Limited (FSM). So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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63. Zeal Bangla Sugar Mills Ltd. (ZBSM)

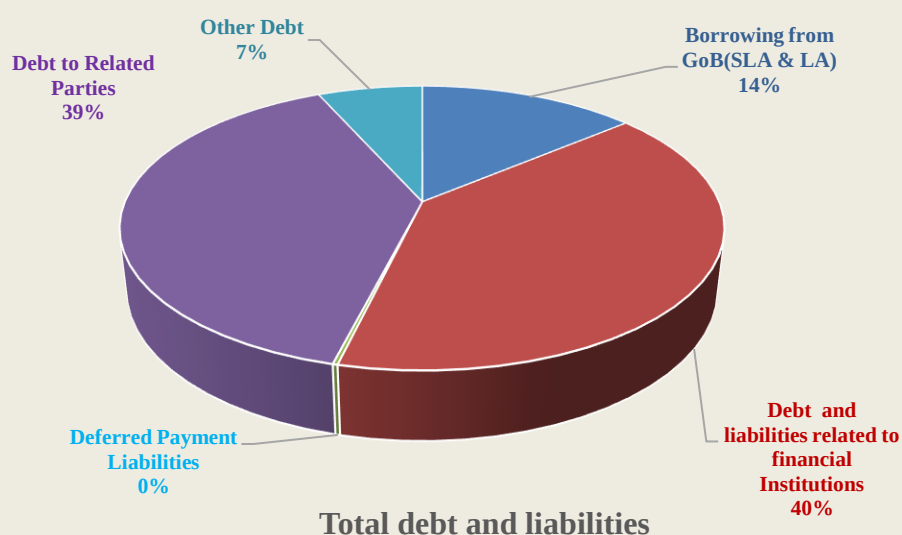
63.1 Zeal Bangla Sugar Mills Ltd. (ZBSM) was incorporated on May 16 1965 with RJSC Reg. Number C-1913 in the year 1965 as a Pub Limited Company Act 1913. The Company is Listed with the Dhaka Stock Exchange (DSE). The main activities of the company are to produce sugar from sugarcane and molasses as by-product. Both sugar and molasses were sold out in the market to growers, employees, Ministry of defense and others.

63.2 The following Table-1 presents the statement of debt and liabilities of Zeal Bangla Sugar Mills Ltd. (ZBSM) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

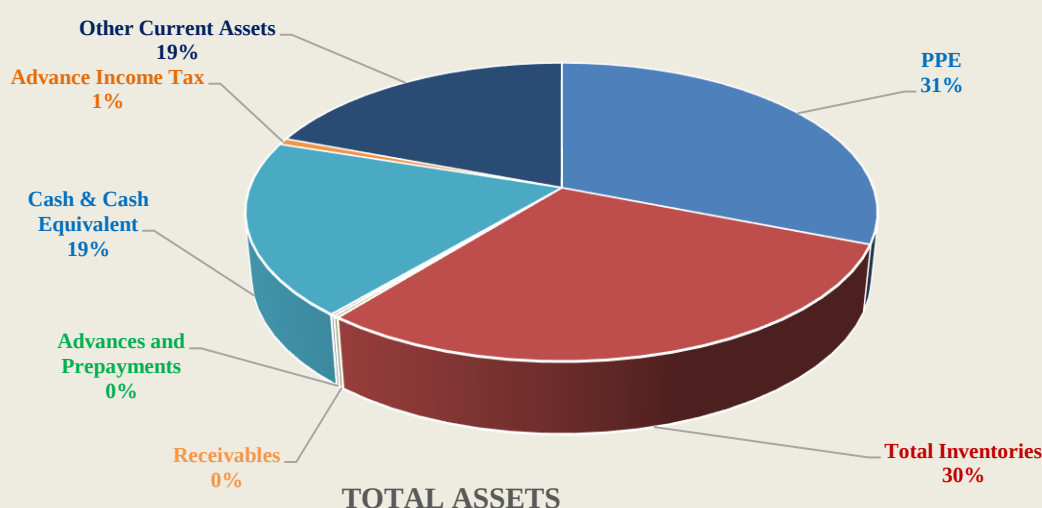
Amount in BDT					
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	634,959,035.00	891,010,370.00	40.33%	0.00
3	Debt and liabilities related to GoB(1+2)	634,959,035.00	891,010,370.00	40.33%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,317,536,541.00	2,493,076,189.00	7.57%	2,317,536,541.00
6	Debt and liabilities related to Domestic Other Financial Institutions	59,554,096.00	59,554,096.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	2,377,090,637.00	2,552,630,285.00	7.38%	2,317,536,541.00
8	Deferred Payment Liabilities	13,693,258.00	14,058,632.00	2.67%	13,693,258.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	2,448,697,186.00	2,521,350,736.00	2.97%	0.00
11	Debt and liabilities to Related Parties(9+10)	2,448,697,186.00	2,521,350,736.00	2.97%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	566,470.00	566,470.00	0.00%	0.00
14	Other Liabilities to GoB	16,759,476.00	17,598,756.00	5.01%	0.00
15	Any Other Liabilities to Any Other Entities	337,349,124.00	409,505,338.00	21.39%	0.00
16	Other Debt and liabilities (12+13+14+15)	354,675,070.00	427,670,564.00	20.58%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	5,829,115,186.00	6,406,720,587.00	9.91%	2,331,229,799.00
18	Debt and liabilities to GoB (3+14)	651,718,511.00	908,609,126.00	39.42%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	5,177,396,675.00	5,498,111,461.00	6.19%	2,331,229,799.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

65.3 Statement of debt and liabilities in FY 2022-23:



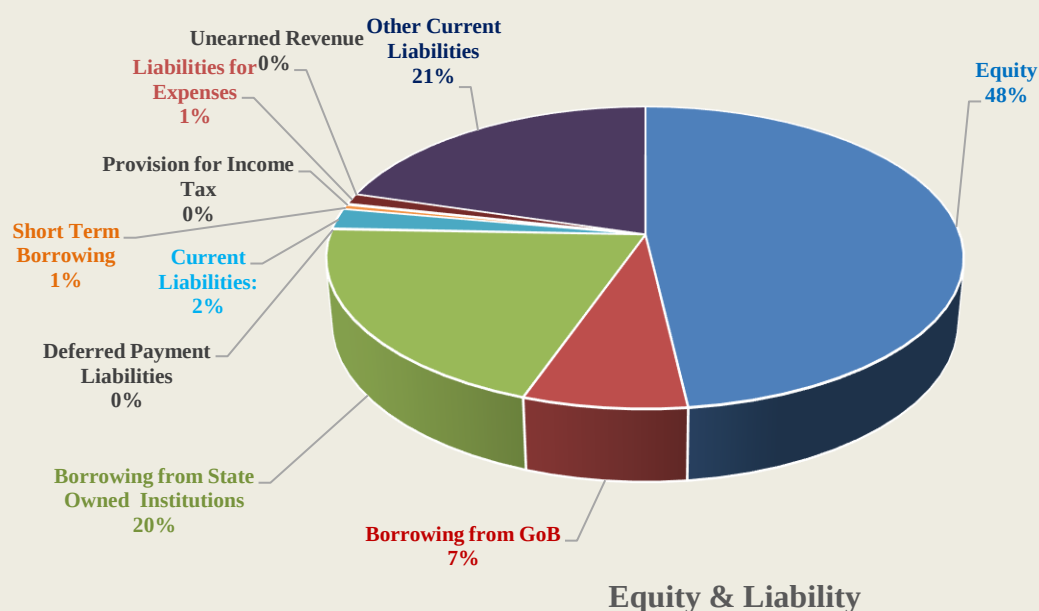
As per the financial statement of Zeal Bangla Sugar Mills Ltd. (ZBSM), the total debt is BDT 6,406.72 million as of 30th June, 2023. Out of this amount major portion 40% Debt and liabilities related to financial institution which are long term liabilities followed by debt to related parties 39%, debt and liabilities related to GoB (under SLA & LA) 14% and finally 7% other debt which are current liabilities related to GoB and to any other entities. If ZBSM fails to make repayment of its long-term liabilities it will cause fiscal risk for GoB.

63.4 The composition of total assets in FY 2022-23:



According to the financial statement of ZBSM in FY 2022-23 total assets was BDT 454.27 million. Out of these assets major portion 31% PPE followed by inventories 30%, other non-current assets 19%, cash & cash equivalent 19%, and finally 1% advance income tax. The composition shows that 69% of total assets are current assets and remaining 31% is long-term assets.

63.5 The composition of total equity and liabilities in FY 2022-23:



According to the composition of total equity and liabilities equity is major portion and negative which covers 48% followed by borrowing from state owned financial institution 20%, borrowing from GoB (under SLA and LA) 7%, current liabilities 2% and finally 1% provision for income tax. The financial statement shows that ZBSM's equity is negative which means that its liabilities exceed its total assets. Having negative equity along with long term liability ZBSM may cause fiscal risk for GoB.

63.6 Fiscal risk from ZBSM is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – ZBSM

Particular	Result	Risk	Score
Cost recovery	0.40	Very High	5
Return on Equity (ROE)	Net Income & Equity Both are Negative.	Very High	5

Table – 3: Liquidity Ratio – ZBSM

Particular	Result	Risk	Score
Current ratio	0.10	Very High	5
Creditor turnover days	23	Very Low	1

Table – 4: Solvency Ratio – ZBSM

Particular	Result	Risk	Score
Debt to total assets	14.10	Very High	5
Debt to EBITDA	EBITDA in negative	Very High	5
Total Score:			26
Average Score			5 (4.33)
Overall Risk Rating			High

63.7 The ratio analysis shows that ZBSM's risk rating is based on:

- (i) Cost Recovery Ratio measure's ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of ZBSM is 0.40 and according to threshold table this value fall under very high-risk category. According to threshold value cost recovery ratio below 0.75 considered as very high-risk category. With cost recovery ratio 0.40, ZBSM poses **very high** risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. ZBSM's net income and equity are negative which indicate that ZBSM is struggling financially and may be unable to make repayment of its debt by its own. With negative net income and negative equity , ZBSM poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current Ratio of ZBSM is 0.10 and according to threshold value it belongs to Very high-risk category. Current ratio of 2.0 and above consider low risk and current ratio value below 0.75 considered as Very high-risk category. So, the current ratio of 0.10, ZBSM which poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold table below 30 days considered as Very Low risk for GoB. With creditor turnover days of 23, ZBSM poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. ZBSM 's debt to assets ratio is 14.10 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 14.10, ZBSM carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. ZBSM's EBITDA is negative, hence ZBSM may be unable to make repayment of its debt by its own. With negative EBITDA, ZBSM poses **very high** risk for GoB.

63.8 According to the records, ZBSM did not involve in any quasi-fiscal activities in FY 2022-23.

63.9 According to the records, no statutory obligation and no lawsuit is pending against ZBSM. So, no Contingent Liabilities is foreseen for ZBSM in FY 2022-23.

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64. Renwick, Jajneswar & Co.(BD) Limited (RJCL)

64.1 Renwick Jajneswar & Co Limited is a Bangladesh government owned company that manufactures machines and parts for sugar mills. Renwick Jajneswar & Co Limited was established in 1881. It is located on a 37-acre site in Kushtia. The government of Bangladesh owns 51% of the shareholders while the rest are held by the general public. BRB cables has bought 26.89% of the shares of the company from the stock market.

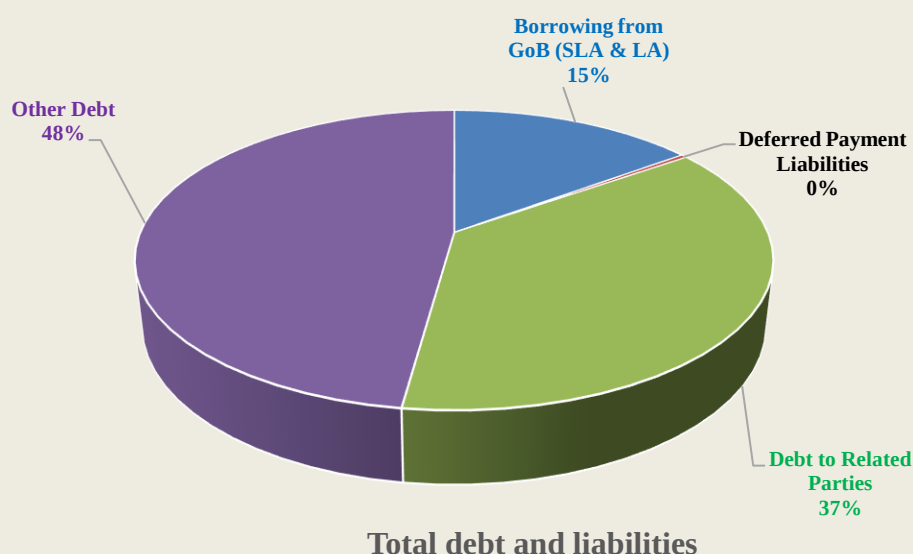
64.2 The following Table-1 presents the statement of debt and liabilities of Renwick, Jajneswar & Co.(BD) Limited (RJCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

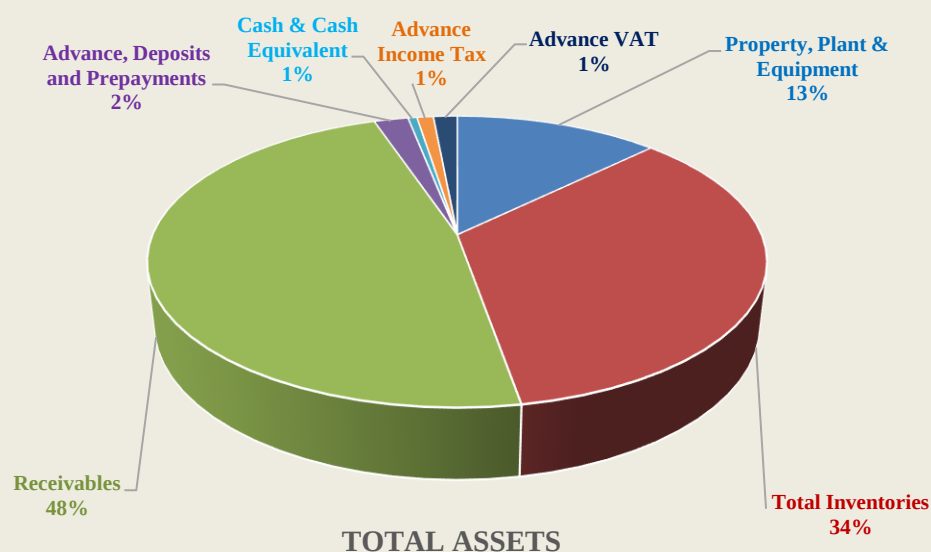
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	12,516,717.00	12,818,134.00	2.41%	12,215,299.00
2	Debt and liabilities related to GoB under LA	64,976,100.00	65,821,100.00	1.30%	64,131,100.00
3	Debt and liabilities related to GoB(1+2)	77,492,817.00	78,639,234.00	1.48%	76,346,399.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	1,272,828.00	1,845,874.00	45.02%	1,476,756.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	148,534,685.00	194,957,723.00	31.25%	105,586,566.00
11	Debt and liabilities to Related Parties(9+10)	148,534,685.00	194,957,723.00	31.25%	105,586,566.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	28,405,427.00	26,723,448.00	-5.92%	27,960,855.00
15	Any Other Liabilities to Any Other Entities	236,360,001.00	225,609,083.00	-4.55%	215,839,181.00
16	Other Debt and liabilities (12+13+14+15)	264,765,428.00	252,332,531.00	-4.70%	243,800,036.00
17	Total Debt and liabilities (3+7+8+11+16)	492,065,758.00	527,775,362.00	7.26%	427,209,757.00
18	Debt and liabilities to GoB (3+14)	105,898,244.00	105,362,682.00	-0.51%	104,307,254.00
19	Debt and liabilities to Entities other than GoB (17-18)	386,167,514.00	422,412,680.00	9.39%	322,902,503.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

64.3 Statement of total Debt and liabilities in FY 2022-23:



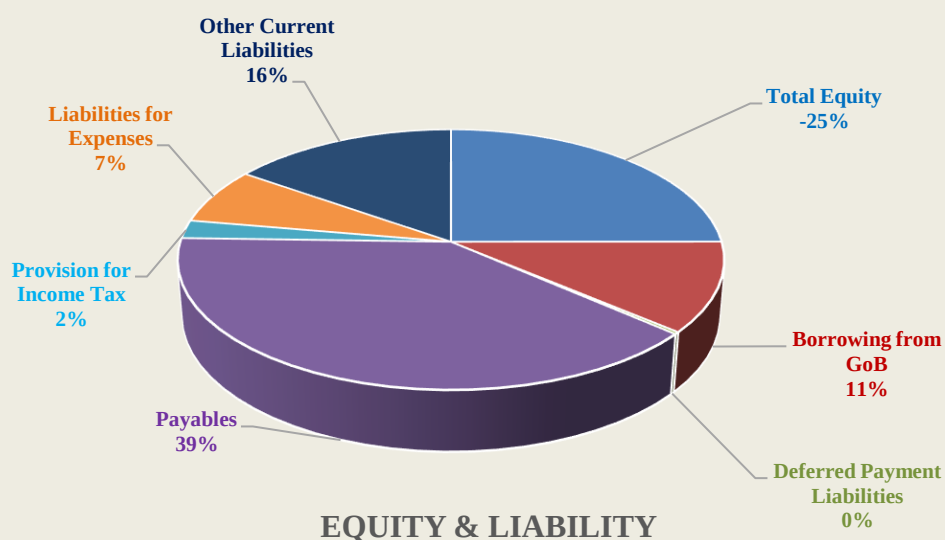
According to the financial statement of RJCL, the total debt is BDT 527.78 million BDT as of 30th June, 2022. Out of this amount, major portion other debt 48% which are current liabilities followed by debt to related party 37% and finally 15% debt and liabilities related to GoB under SLA and LA which are long-term liabilities. Based on the composition total long-term liability is 52% and if RJCL fails to make repayment of these long-term liabilities it may cause fiscal risk for GoB.

64.4 The composition of total assets in FY 2022-23:



According to the financial statement of RJCL in FY 2022-23 total assets was BDT 352.02 million. Out of these assets major portion 48% receivables following that inventory 34%, PPE 13%, advances & prepaid 2%, cash & cash equivalent 1%, advance income tax 1% and finally 1% advance VAT. The composition shows that 87% of total assets is current assets and 13% is long-term assets.

64.5 The composition of total equity and liabilities:



The composition of equity and liabilities shows that equity is negative which cover 25%. The major portion of equity and liabilities is payables which occupied 39% followed by 11% borrowing from GoB which are long-term liabilities, 7% liabilities for expenses and finally 2% provision for income tax. The negative equity means that RJCL's total liabilities exceeds its total assets which may cause fiscal risk for GoB.

64.6 Fiscal risk from RJCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – RJCL

Particular	Result	Risk	Score
Cost recovery	0.58	Very High	5
Return on Equity (ROE)	Net Income & Equity both are negative	Very High	5

Table – 3: Liquidity Ratio – RJCL

Particular	Result	Risk	Score
Current ratio	0.69	Very High	5
Creditor turnover days	523	Very High	5

Table – 4: Solvency Ratio – RJCL

Particular	Result	Risk	Score
Debt to total assets	1.50	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total score			30
Average Score			5.0
Overall risk rating			Very High
Previous Year's Overall Risk Rating			Very High

64.7 The ratio analysis shows that RJCL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. RJCL's cost recovery ratio is 0.58 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.58 RJCL poses **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. RJCL's net income is negative as well as equity is negative, which indicate that RJCL is struggling financially and may be unable to make repayment of its debt by its own. With negative net income and negative equity, RJCL poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of RJCL is 0.69 appears to be extremely poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very high-risk category. So, having current ratio of 0.69, RJCL poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days days of 523, RJCL poses **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. RJCL's debt to assets ratio is 1.50 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 1.50, RJCL carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. RJCL's EBITDA is negative, hence RJCL may be unable to make repayment of its debt by its own. With negative EBITDA, RJCL poses **very high** risk for GoB.

64.8 Renwick, Jajneswar & Co. (BD) Limited (RJCL) did not involve in any quasi-fiscal activities in FY 2022-23.

64.9 According to the records, no statutory obligation and no lawsuit is pending against JCL. So, no Contingent Liabilities is foreseen for RJCL in 2022-23.

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65. Atlas Bangladesh Limited (ABL)

65.1 Atlas Bangladesh Limited (ABL) was incorporated as a private Limited Company in 1966 and thereafter as per Government's decision it was converted into a public limited company in 1987. The Company assembles motor cycle and imports spare parts. The shares of the Company are listed in Dhaka Stock Exchange Limited, Bangladesh. The registered office of the Company is situated at 265-267 Tongi Industrial Area, Tongi, Gazipur.

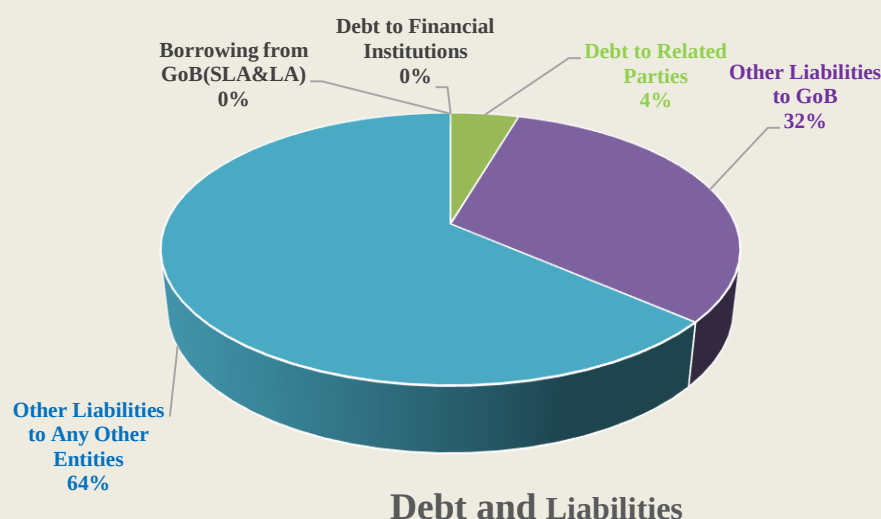
65.2 The following Table–1 presents the statement of debt and liabilities of Atlas Bangladesh Limited (ABL) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

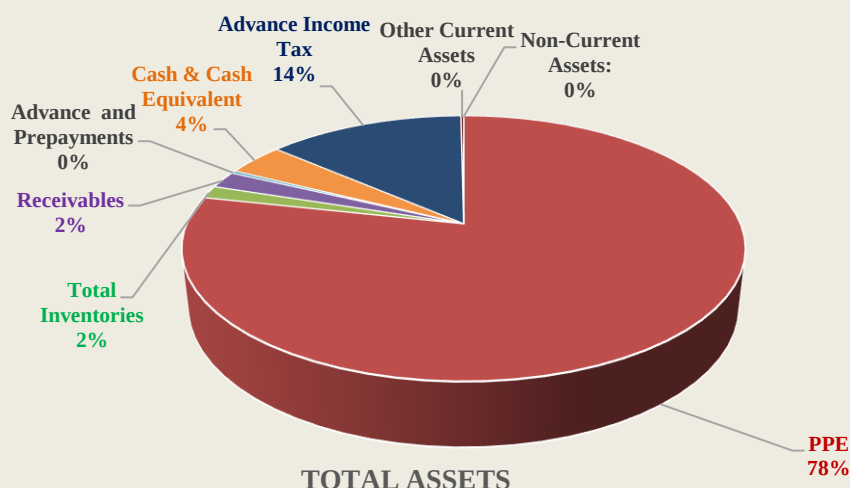
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	2,184,296.00	2,184,296.00	0.00%	0.00
10	Other Liabilities to Related Parties	28,466,221.00	43,670,304.00	53.41%	0.00
11	Debt and liabilities to Related Parties(9+10)	30,650,517.00	45,854,600.00	49.60%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	321,039,544.00	321,256,002.00	0.07%	0.00
15	Any Other Liabilities to Any Other Entities	493,743,154.00	641,384,517.00	29.90%	0.00
16	Other Deb and liabilities t(12+13+14+15)	814,782,698.00	962,640,519.00	18.15%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	845,433,215.00	1,008,495,119.00	19.29%	0.00
18	Debt and liabilities to GoB (3+14)	321,039,544.00	321,256,002.00	0.07%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	524,393,671.00	687,239,117.00	31.05%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

65.3 Statement of debt and liabilities in FY 2022-23:



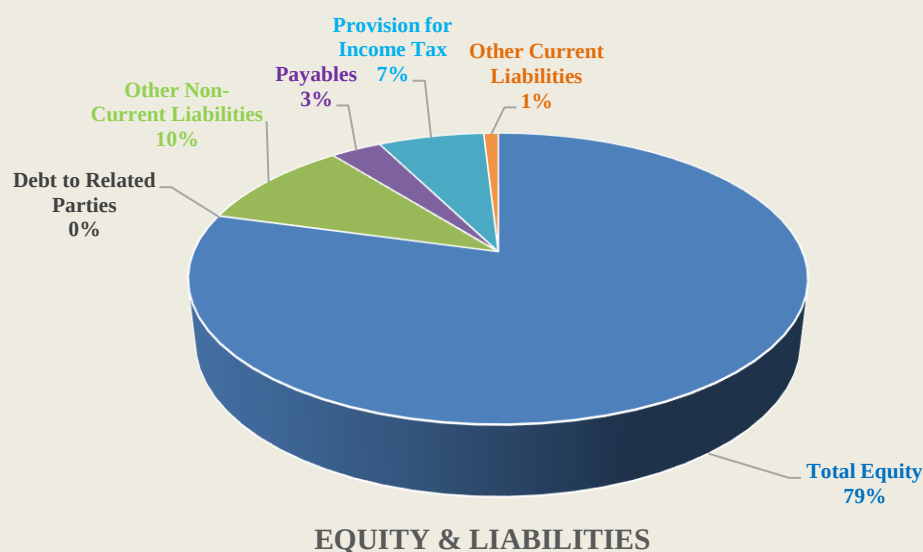
According to the financial statement of ABL, the total debt is BDT 1008.5 million as of 30th June' 2023. Out of this amount, major portion 64% is other liabilities to any other entities which are by nature current liabilities following that 32% other liabilities to GoB (such as VDS & TDS) and finally 4% is debt to related parties. ABL does not hold any long-term liabilities related to Gob under subsidiary loan agreement (SLA) and loan agreement (LA). The financial statement shows that 94% liabilities are current liabilities which is expected to settled within the year. So ABL is less likely to cause fiscal risk for GoB. BDT 321.26 million (31.86%) were Debt and liabilities related to GoB and the rest amount of BDT 687.24 million (68.14 %) were from other sources. Both the operating income and net income of ABL is negative. Besides its equity is negative which means ABL owes more money to investors than its assets can cover and ABL is incurring loss for long time. Considering the net income and negative equity, ABL is highly unlikely to make repayment of its debt by its own.

65.4 The composition of assets in FY 2022-23 :



According to the financial statements of ABL in FY 2022-23 total assets was BDT 4,867.02 million. out of these assets major portion 78% is PPE following that 14% advance income tax, 4% cash & cash equivalent, 2% receivables and finally 2% is receivables. The statement shows that 78% assets is long term assets and 22% is current assets.

65.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that majority portion 79% belongs to equity following that 10% other noncurrent liabilities, 7% provision for income tax, 3% payables and finally 1% other current liabilities. Based on composition of equity and liability growth of ABL is vastly financed by equity. The growth of ABL is equity driven which may cause less fiscal risk for GoB.

65.6 Fiscal risk from Atlas Bangladesh Limited (ABL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – ABL

Particular	Result	Risk	Score
Cost recovery	0.23	Very High	5
Return on Equity (ROE)	-2.51%	High	4

Table – 3: Liquidity Ratio – ABL

Particular	Result	Risk	Score
Current ratio	2.02	Very Low	1
Creditor turnover days	411	Very High	5

Table – 4: Solvency Ratio – ABL

Particular	Result	Risk	Score
Debt to total assets	0.21	Very Low	1
Debt to EBITDA	EBITDA is Negative.	Very High	5
Total score:			22
Average Score			4(3.66)
Overall Risk Rating			High

65.7 The ratio analysis shows that Atlas Bangladesh Limited (ABL)'s risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. ABL 's cost recovery ratio is 0.23 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio less than 0.75 is very high risk. With cost recovery ratio 0.23 ABL poses **very high** fiscal risk to GoB. ABL argued that due to government restriction foe vehicle purchase sale has dropped which has led to low-cost recovery ratio;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. ABL's Return on equity ratio (ROE) is -2.51 which fits high risk category. According to threshold value ROE between less than 0% and -10% is considered as high-risk category. With ROE -2.51%, ABL poses **high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of ABL is 2.02 appears to be very good and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above considered as very low-risk category. So, the current ratio of 2.02 which poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 and above considered as very high-risk category. With Creditor Turnover Days of 411 days, ABL poses **very high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. ABL 's debt to assets ratio is 0.21 which considered as very healthy and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of less than 0,25 is very low risk category. With debt to assets ratio of 0.21, ABL carry **very low** risk to GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. ABL's EBITDA is negative, hence ABL may be unable to make repayment of its debt by its own. With negative EBITDA, ABL poses **very high** risk for GoB. In this connection ABL stated that there are no sales in 2022-23 and cost includes pay and allowances of staff which has caused net EBITDA.

65.8 According to the records, ABL did not involve in any quasi-fiscal activities in FY 2022-23.

65.9 According to the records, no lawsuit is pending against ABL. So, no Contingent Liabilities is foreseen for ABL in FY 2022-23.

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66. Gazi Wires Limited (GWL)

66.1 Gazi Wires Limited (GWL) was registered as S. Gazi & co. Ltd. In 1963 under Company Act 1913. In 1972 Government of Bangladesh take over the company by exercising powers conferred by clause (7) of Article 10 of the Bangladesh Industrial Enterprise (Nationalization) Order, 1972. As per decision of The Government of Bangladesh, Gazi Wires Limited (GWL) the Company is controlled and managed by The Bangladesh Steel and Engineering Corporation (BSEC) under the Ministry of Industries. The company's principal activities are the manufacturing and supplying of super enamel copper wire.

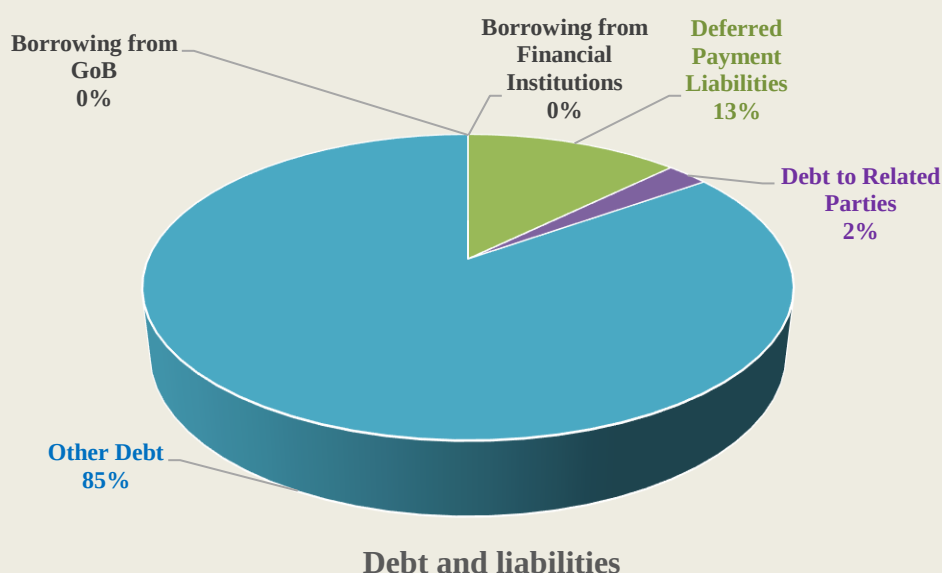
66.2 The following Table-1 presents the statement of debt and liabilities of Gazi Wires Limited (GWL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

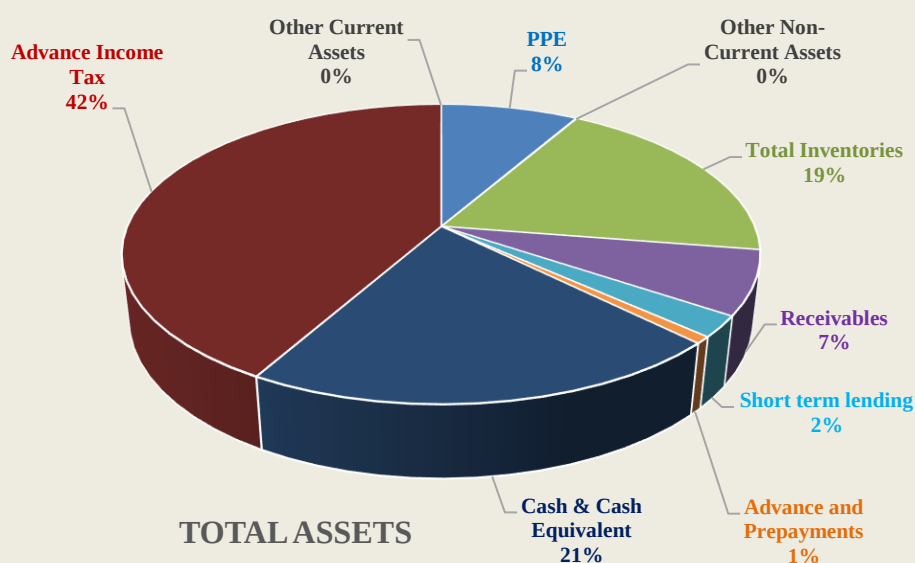
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	97,383,244.00	65,569,115.33	-32.67%	0.00
9	Debt and liabilities related to Related Parties	12,962,936.00	12,962,936.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	12,962,936.00	12,962,936.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	346,232,749.00	346,917,284.43	0.20%	0.00
15	Any Other Liabilities to Any Other Entities	110,188,986.00	91,017,024.24	-17.40%	0.00
16	Other and liabilities related to Debt (12+13+14+15)	456,421,735.00	437,934,308.67	-4.05%	0.00
17	Total and liabilities related to Debt (3+7+8+11+16)	566,767,915.00	516,466,360.00	-8.88%	0.00
18	Debt and liabilities to GoB (3+14)	346,232,749.00	346,917,284.43	0.20%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	220,535,166.00	169,549,075.57	-23.12%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

66.3 Statement of debt and liabilities



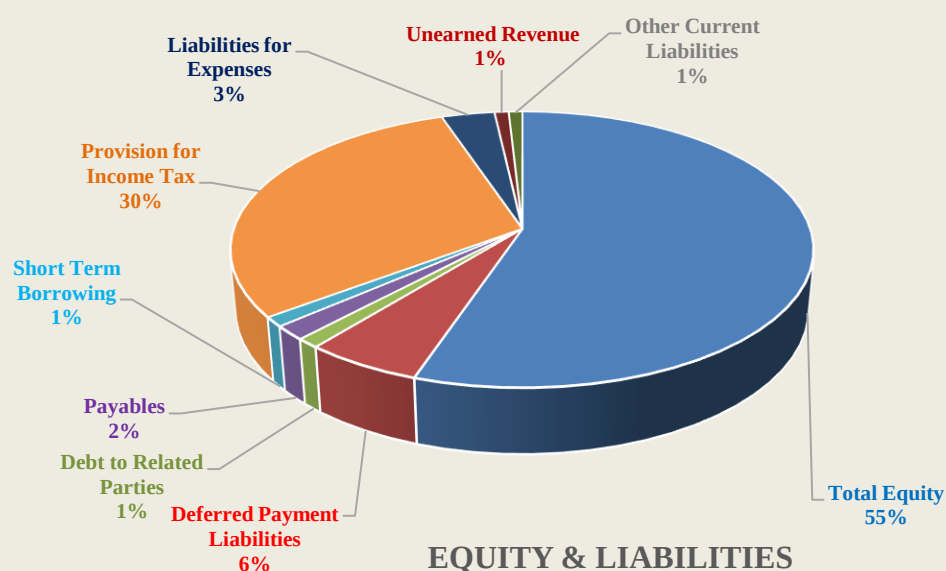
According to the financial statement of Gazi Wires Limited (GWL), the total debt is BDT 516.47 million as of 30th June 2023. Out of this amount, major portion 85% belongs to other debt that include current liabilities to GoB and any other liabilities to any other entities followed by deferred payment liabilities 13% and finally 2% debt to related parties. Notably GWL does not hold any liabilities related to GoB under SLA and LA. If GWL fails to make repayment of its long-term liability it will pose fiscal risk for GoB. However, about 85% liabilities are short-term liabilities which are expected to be settled within financial year.

66.4 The composition of assets in FY 2022-23:



According to the financial statement major portion 42% is advance income tax followed by cash and cash equivalent 21%, inventories 19%, PPE 8%, receivables 7%, short-term lending 2% and finally 1% advance & prepayment. The composition shows that long-term assets is only 8% of total assets.

66.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that major portion 55% belong to equity followed by provision for income tax 30%, deferred payment liabilities 6%, liabilities for expenses 3%, payables 2%, debt to related parties 1%, short-term borrowing 1%, unearned revenue 1% and 1% finally other current liabilities. The composition also revealed that funding by long-term liabilities is only 7% compared to equity 55%. So, the growth of GWL is driven by equity, which reduces fiscal risk for GoB.

66.6 Fiscal risk from Gazi Wires Limited (GWL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following Tables:

Table – 2: Profitability Ratio – GWL

Particular	Result	Risk	Score
Cost recovery	1.01	Moderate	3
Return on Equity (ROE)	0.16%	Moderate	3

Table – 3: Liquidity Ratio – GWL

Particular	Result	Risk	Score
Current ratio	2.41	Very Low	1
Creditor turnover days	30	Very Low	1

Table – 4: Solvency Ratio – GWL

Particular	Result	Risk	Score
Debt to total assets	0.45	Low	2
Debt to EBITDA	70.21	Very high	5
Gross total			15
Average Score			3 (2.50)
Overall Risk Rating			Moderate
Previous Year's overall Risk Rating			Moderate

- 66.7 The ratio analysis shows that Gazi Wires Limited (GWL)'s risk rating is based on:
- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. GWL 's cost recovery ratio is 1.01 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.01 GWL poses **moderate** fiscal risk to GoB;
 - (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. GWL 's ROE is 1.16% and according to threshold value it fits moderate-risk category. ROE value of between 0% and less than 8% is considered as moderate-risk category. With ROE 1.16 %, GWL poses **moderate** risk to GoB;
 - (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of GWL is 2.41 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.41, GWL poses **very Low** risk for GoB;
 - (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 30 days, GWL poses **very low** risk to GoB;
 - (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. GWL's debt to assets ratio is 0.45 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of below 0. matches very low risk category. With debt to assets ratio of 0.45, GWL carry **low** risk for GoB; and
 - (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. GWL's debt to EBITDA ratio is 70.21 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 70.21, GWL poses **very high** risk for GoB.
- 66.8 According to the records, Gazi Wires Limited (GWL) did not involve in any quasi-fiscal activities in FY 2022-23.
- 66.9 According to the records, no Statutory Obligation of Gazi Wires Limited (GWL) but BDT 1.50 million of lawsuit is pending against GWL. So, the Contingent Liabilities BDT 1.50 million is foreseen for GWL.

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67. National Tubes Limited (NTL)

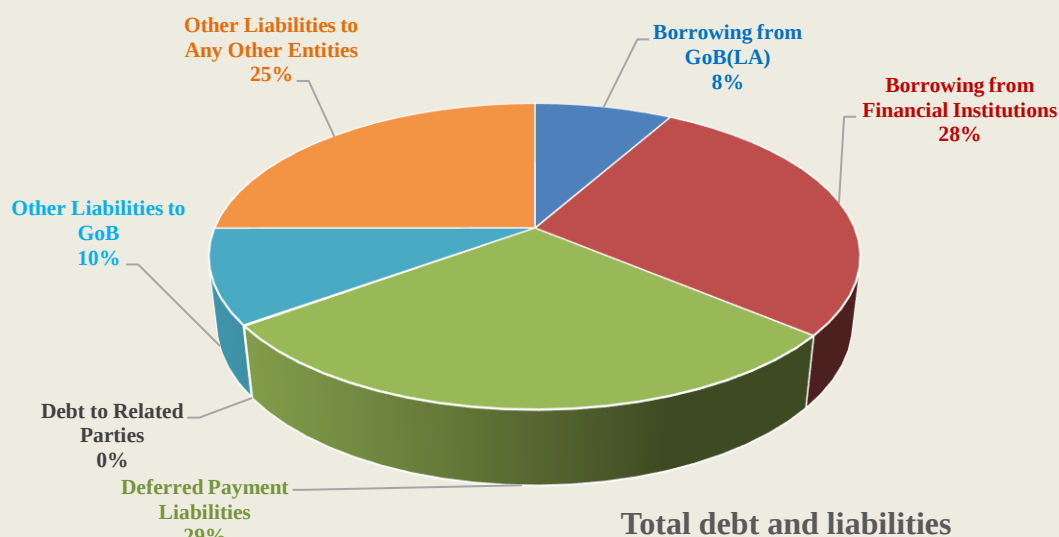
67.1 National Tubes Limited is first & largest pipe manufacturing company in Bangladesh, was established in 1964 in the private sector. It was nationalized and placed under Bangladesh Steel & Engineering Corporation (BSEC) in 1972. It is the only Govt owned steel pipe producer in Bangladesh. In 1989 the enterprise was transformed into a public limited company by off-loading 49 percent shares to the general public. Now a sovereign Board of Directors manages the company. The Company manufactures G.I, P.I & M.S Pipe ranging from ½” to 8” dia. NTL's main customer is Gas Transmission and Distribution Companies under Petrobangla, such as Titas Gas Transmission & Distribution Company Ltd., Jalalabad Gas Transmission & Distribution System Ltd., Bakhrabad Gas Distribution Company Ltd. Pachimanchal Gas, BAPEX, Fire Hydrant Company, Sugar Mills, WASA, Manufacturing Industries and Real Estate Company etc.

67.2 The following Table-1 presents the statement of debt and liabilities of National Tubes Ltd(NTL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

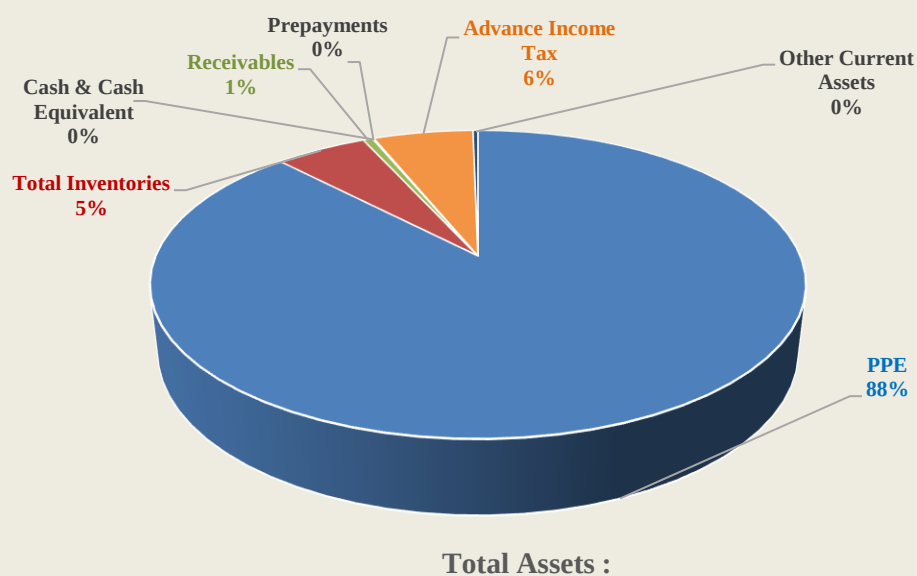
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount in BDT
					Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	59,469,473.00	59,469,473.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	59,469,473.00	59,469,473.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	245,096,555.00	202,979,707.00	-17.18%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	245,096,555.00	202,979,707.00	-17.18%	0.00
8	Deferred Payment Liabilities	210,294,463.00	209,765,522.00	-0.25%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	676,782.00	730,268.00	7.90%	0.00
11	Debt and liabilities to Related Parties (9+10)	676,782.00	730,268.00	7.90%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	73,116,774.00	72,358,134.00	-1.04%	0.00
15	Any Other Liabilities to Any Other Entities	172,514,501.00	181,958,220.00	5.47%	0.00
16	Other Debt and liabilities (12+13+14+15)	245,631,275.00	254,316,354.00	3.54%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	761,168,548.00	727,261,324.00	-4.45%	0.00
18	Debt and liabilities to GoB (3+14)	132,586,247.00	131,827,607.00	-0.57%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	628,582,301.00	595,433,717.00	-5.27%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

67.3 Statement of debt and liabilities in FY 2022-23:



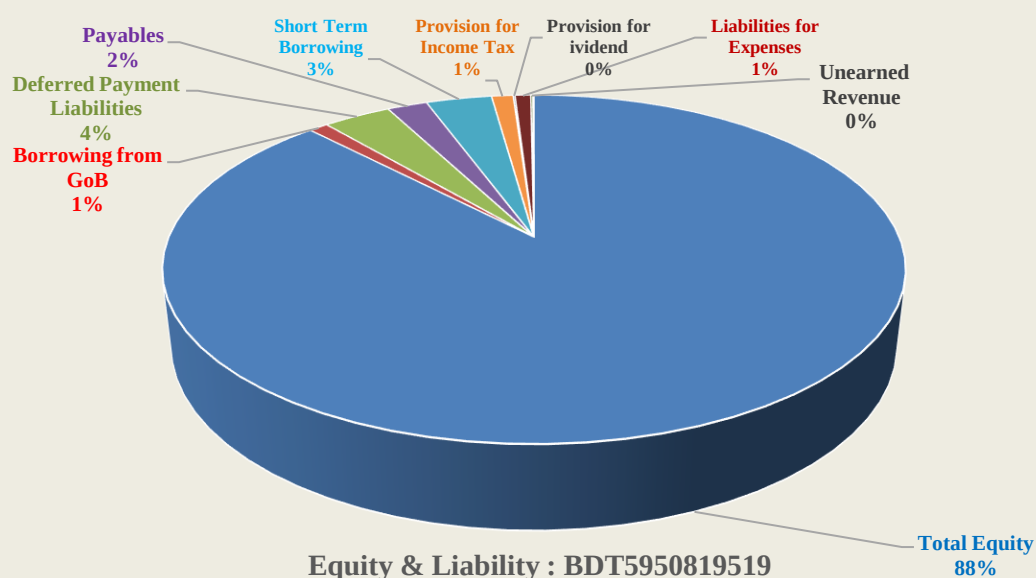
According to the financial statement of National Tubes Limited (NTL), the total debt is BDT 727.26 million as of 30th June, 2023. Out of this amount, major portion 29% is deferred payment liabilities followed by borrowing from financial institution 28%, other liabilities to any other entities 25% (current liability), other liabilities to GoB 10% and 8% borrowing from GoB under Loan Agreement (LA). The statement shows that long term liabilities are 65 % and remaining 34% current liabilities. If NTL fails to make repayment its long-term debt it will create fiscal risk for GoB.

67.4 The composition of assets in FY 2022-23:



According to the financial statement in FY 2022-23 total assets was BDT 5950.82 million. Out of these assets major portion 88% belongs to PPE followed by advance income tax 6% , inventories 5% and finally 1% receivables.

67.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of debt and liabilities major portion 88% is covered by equity followed by 4% deferred payment liabilities, 2% short-term borrowing, payables 2%, provision for income tax 1% and finally 1% borrowing from GoB. The composition shows that 8 NTL's growth is equity driven which reduce fiscal risk exposure for GoB.

67.6 Fiscal risk from National Tubes Limited (NTL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – NTL

Particular	Result	Risk	Score
Cost recovery	0.95	High	4
Return on Equity (ROE)	-0.35 %	High	4

Table – 3: Liquidity Ratio – NTL

Particular	Result	Risk	Score
Current ratio	1.59	Low	2
Creditor turnover days	Trade Payable is '0' 'Zero'	Very Low	1

Table – 4: Solvency Ratio – NTL

Particular	Result	Risk	Score
Debt to total assets	0.12	Very Low	1
Debt to EBITDA	53.14	Very high	5
Total Score			17
Overall score			3 (2.83)
Overall Risk Rating			Moderate

67.7 The ratio analysis shows that National Tubes Limited (NTL)'s risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. NTL 's cost recovery ratio is 0.95 which appears to be pore and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.95 NTL poses **high** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. NTL's Return on equity ratio (ROE) is -0.35 which falls under high-risk category. According to threshold value table ROE between less than 0% and -10.0 % is considered as high-risk category. Having Roe value of -0.35, NTL poses **high** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of NTL is 1.59 and as per threshold value table it fits Low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 1.59 NTL poses **low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low risk category. With Creditor Turnover Days of nil, NTL poses **very Low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. NTL's debt to assets ratio is 0.12 appears to be very healthy and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.12, NTL carry **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. NTL's EBITDA is negative; hence NTL may be unable to make repayment of its debt by its own. With negative EBITDA, NTL poses **very high** risk for GoB. In this connection, NTL argues that most of consumers are government organization and only 2-3% are private organization. Due to government restriction regarding purchase sales has dropped and resulted in negative EBITDA. Withdrawal of government restriction will cause positive income and profitable debt to EBITDA ratio.

67.8 According to the records, NTL did not involve in any quasi-Fiscal activities in FY 2022-23.

67.9 According to the records, no Statutory Obligation and no lawsuit is pending against NTL. So, no Contingent Liabilities is foreseen for National Tubes Limited (NTL) in FY 2022-23.

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68. Pragoti Industries Limited (PIL)

68.1 Pragoti Industries Limited (PIL) is a Bangladeshi car assembling and car parts manufacturing company headquartered in Chittagong with a manufacturing plant in Barabkunda. Founded in 1966, it is the country's largest car assembling plant and it has assembled and marketed more than 50,000 vehicles such as cars, SUVs, buses, trucks, pickups, ambulances, tractors of multiple models by importing CKD (Complete Knocked Down) kits from overseas. The principal activities of the company throughout the year assembling Bus, Mini-Bus, Truck, Mini-Truck, Jeep, Car and other vehicles as per requirements of the purchases.

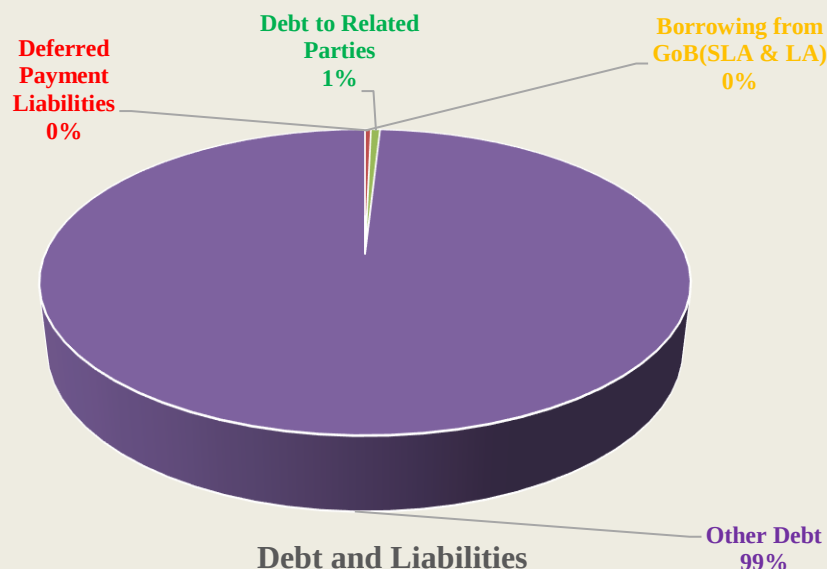
68.2 The following TPILe-1 presents the statement of debt and liabilities of Pragoti Industries Limited (PIL) for the FY 2022-23 which has been prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

TPILe – 1: Statement of Debt and liabilities

Amount in BDT

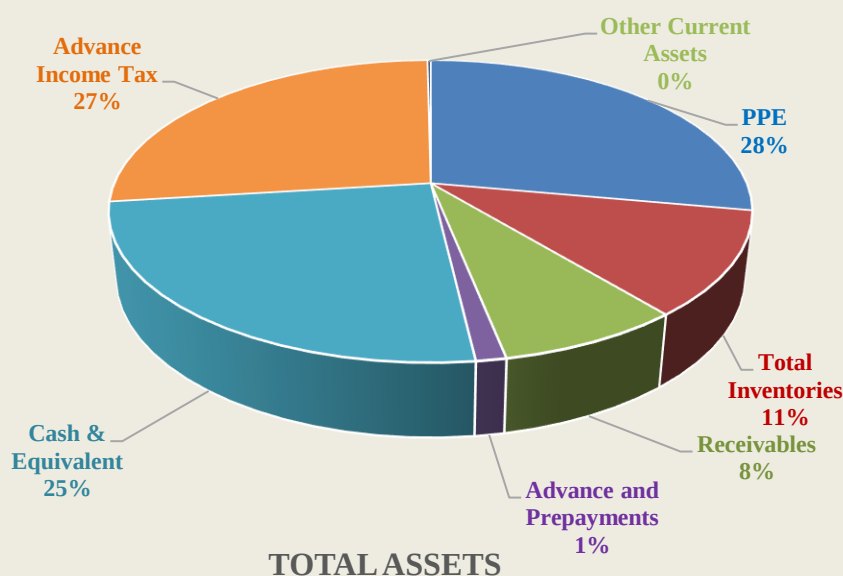
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	2,981,890.00	15,075,913.00	405.58%	0.00
9	Debt and liabilities related to Related Parties	23,523,194.00	23,523,194.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and to Related Parties(9+10)	23,523,194.00	23,523,194.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	2,467,509,007.00	2,517,011,286.00	2.01%	0.00
15	Any Other Liabilities to Any Other Entities	2,814,872,768.00	1,775,563,265.00	-36.92%	0.00
16	Other Debt and liabilities (12+13+14+15)	5,282,381,775.00	4,292,574,551.00	-18.74%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	5,308,886,859.00	4,331,173,658.00	-18.42%	0.00
18	Debt and liabilities to GoB (3+14)	2,467,509,007.00	2,517,011,286.00	2.01%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,841,377,852.00	1,814,162,372.00	-36.15%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

68.3 Statement of debt and liabilities in FY 2022-23:



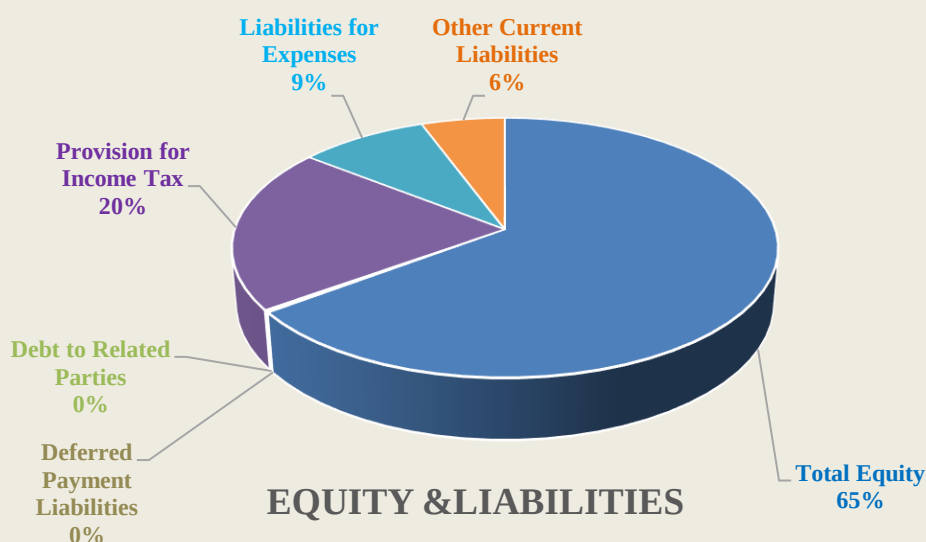
According to the financial statement of Pragoti Industries Limited (PIL), the total debt was BDT 4,331.17 million as of 30th June, 2023. Out of this amount major portion 99% belong to 'other debt' which are current liabilities to Gob and any other liabilities to any other entities and remaining 1% deferred payment liabilities which is long-term liabilities. The statement of financial statement of PIL shows that it does not hold any long-term liabilities related to GoB under Sla and LA. So PIL is less likely to cause fiscal risk for GoB.

68.4 The composition of Assets in FY 2022-23:



According to the financial statement of PIL in FY 2022-23 total assets was BDT 12,301.22 million. Out of these assets major portion 28% is PPE followed by advance income tax 27%, cash & cash equivalent 25%, inventories 11%, receivables 8% and finally 1% advances & prepayment. The financial statement shows that long-term assets is only 28% of total assets.

68.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that major portion 65% is equity, followed by 20% provision for income tax, liabilities for expenses 9% and finally 6% other current liabilities. The composition of equity and liabilities shows that PIL's growth is financed by equity rather than liabilities. The growth of PIL is highly equity driven which reduces fiscal risk for GoB.

68.6 Fiscal risk from Pragoti Industries Limited (PIL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

TPILe – 2: Profitability Ratio – PIL

Particular	Result	Risk	Score
Cost recovery	1.23	Moderate	3
Return on Equity (ROE)	1.64%	Moderate	3

TPILe – 3: Liquidity Ratio – PIL

Particular	Result	Risk	Score
Current ratio	2.07	Very Low	1
Creditor turnover days	100	High	4

TPILe – 4: Solvency Ratio – PIL

Particular	Result	Risk	Score
Debt to total assets	0.35	Low	2
Debt to EBITDA	19.53	Very high	5
Total Score			18
Average Score			3.00
Overall Risk Rating			Moderate
Previous Year's Overall Risk Rating			Moderate

68.7 The ratio analysis shows that Pragoti Industries Limited (PIL)'s risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. PIL 's cost recovery ratio is 1.23 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.23 PIL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. PIL 's ROE is 1.64% and according to threshold value it fits moderate risk category. ROE value between 0% and less than 8% is considered as moderate risk category. With ROE 1.64%, PIL poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of PIL is 2.07 appears to be healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 2.07 PIL poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days between 90 and less than 120 is considered as high-risk category. With Creditor Turnover Days of 100 days, PIL poses High risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. PIL's debt to assets ratio is 0.35 appears to be healthy and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.35, PIL carry **low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. PIL's debt to EBITDA ratio is 19.53 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 19.53, PIL poses **very high** risk for GoB.

68.8 According to the records, Pragoti Industries Limited (PIL) did not involve in any quasi-fiscal activities in FY 2022-23.

68.9 According to the records, no Statutory Obligation and no lawsuit is pending against PIL. So, no Contingent Liabilities is foreseen for Pragoti Industries Limited (PIL) in FY 2022-23.

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69. General Electric Manufacturing Company Limited (GEMCOL)

69.1 General Electric Manufacturing Company Limited (GEMCOL), an enterprise of Bangladesh Steel & Engineering Corporation under Ministry of Industries (GOB). GEMCOL was established in 1978 and it was emerged as a public limited company in 1979. It is today the largest engineering and manufacturing enterprise of its kind in Bangladesh. GEMCOL produce the different capacities of Power Transformer along with other Electrical Equipment to cater the demand of the country.

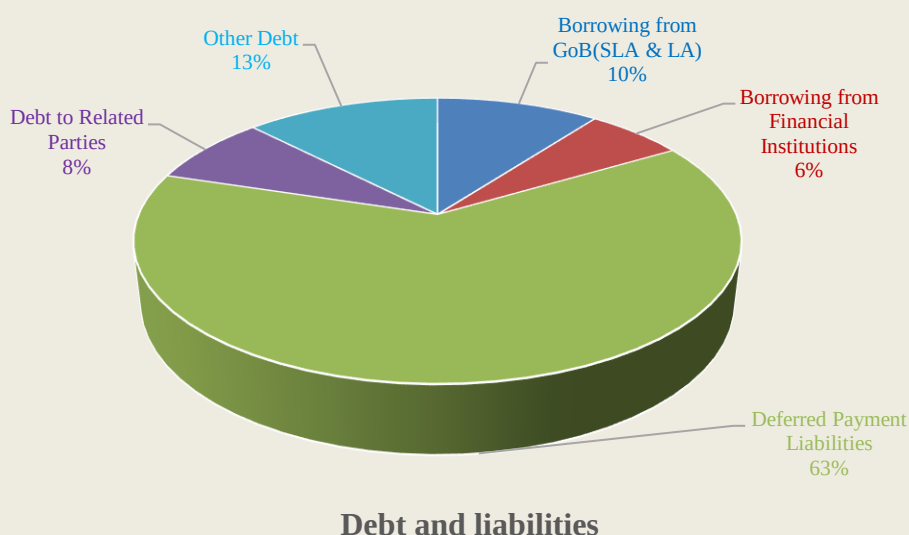
69.2 The following Table-1 presents the statement of debt and liabilities of General Electric Manufacturing Company Limited (GEMCOL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and liabilities

Amount in BDT

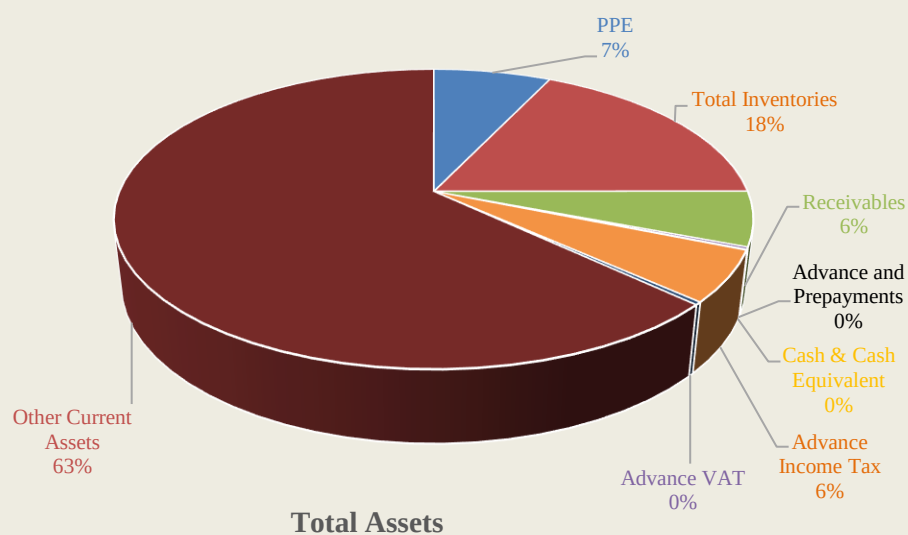
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	6,420,932.00	6,420,932.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	469,764,826.00	471,744,826.00	0.42%	0.00
3	Debt and liabilities related to GoB (1+2)	476,185,758.00	478,165,758.00	0.42%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	129,479,000.00	129,479,000.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	157,535,682.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	129,479,000.00	287,014,682.00	121.67%	0.00
8	Deferred Payment Liabilities	2,927,783,536.00	2,927,859,834.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	305,231,235.00	364,459,717.00	19.40%	0.00
11	Debt and liabilities to Related Parties (9+10)	305,231,235.00	364,459,717.00	19.40%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	32,295,905.00	35,918,490.00	11.22%	0.00
15	Any Other Liabilities to Any Other Entities	660,652,961.00	535,266,806.00	-18.98%	0.00
16	Other Debt and liabilities (12+13+14+15)	692,948,866.00	571,185,296.00	-17.57%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	4,531,628,395.00	4,628,685,287.00	2.14%	0.00
18	Debt to GoB and liabilities (3+14)	508,481,663.00	514,084,248.00	1.10%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	4,023,146,732.00	4,114,601,039.00	2.27%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

69.3 Statement of debt and liabilities in FY 2022-23:



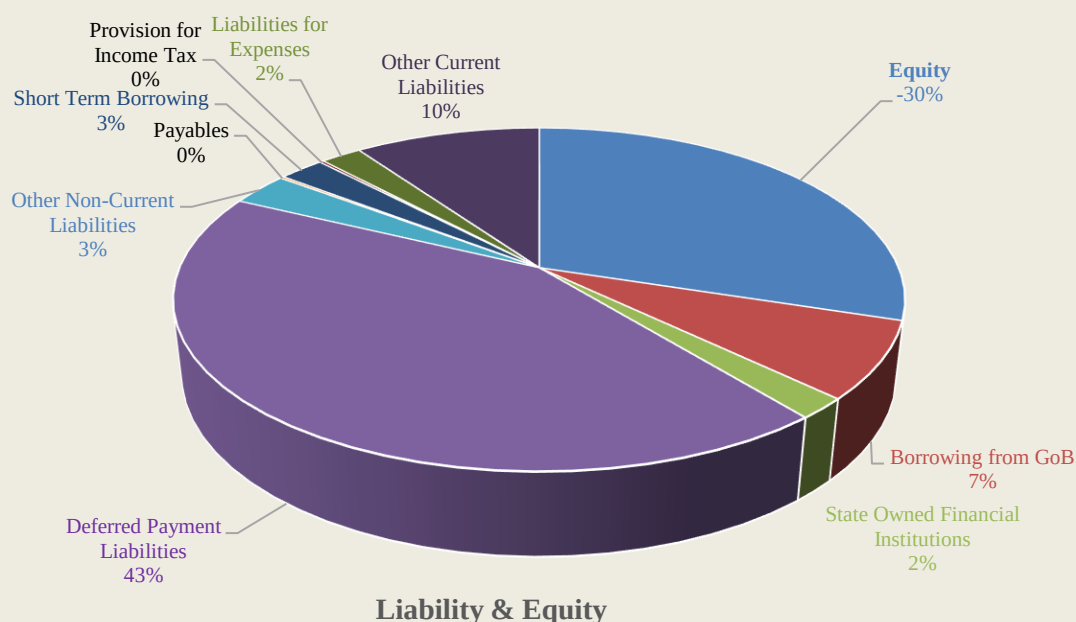
According to the financial statement of General Electric Manufacturing Company Limited (GEMCOL), the total debt is BDT 4,628.69 million as of 30th June 2023. Out of this amount, major portion 63% deferred payment liabilities which are long-term liabilities followed by 13% other debt which are current assets to GoB and other liabilities to any other entities, Debt and liabilities related to GoB under SLA and LA, debt to related parties 8% and finally 6% Debt and liabilities related to financial institutions. The financial statement shows that long-term liability is 87% of total liabilities. If GEMCOL fails to make repayment of these long-term liabilities, it will cause fiscal risk for GoB.

69.4 The composition of assets in FY 2022-23:



According to the financial statement of GEMCOL in FY 2022-23 total assets was BDT 265.93 million. Out of these assets major portion 63% is other current assets followed by inventory 18%, PPE 7%, receivables 6% and finally 6% advance income tax. The financial statement shows that current assets cover 93% of total assets.

69.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of equity and liabilities in FY 2022-23 equity is negative that cover 30% of total equity and liabilities. The major portion 43% is deferred payment liabilities following that 10% other current liabilities, 7% debt and liabilities related to GoB, 3% other non-current liabilities, 3% short-term borrowing, 2% debt and liabilities related to financial institutions, 2% debt and liabilities related to state owned financial institutions and finally 2% from liabilities for expenses. The composition shows that long term liabilities is 53% of total equity and liabilities and thus GEMCOL's growth is liabilities driven. Having negative equity along with long-term liabilities, GEMCO poses fiscal risk for GoB.

69.6 Fiscal risk from GEMCOL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – GEMCOL

Particular	Result	Risk	Score
Cost recovery	1.14	Moderate	3
Return on Equity (ROE)	-1.87%	High	4

Table – 3: Liquidity Ratio – GEMCOL

Particular	Result	Risk	Score
Current ratio	2.54	Very Low	1
Creditor turnover days	16	Very Low	1

Table – 4: Solvency Ratio – GEMCOL

Particular	Result	Risk	Score
Debt to total assets	1.74	Very High	5
Debt to EBITDA	58.54	Very High	5
Total			19
Average Score			3 (3.17)
Overall Risk Rating			Moderate

69.7 The ratio analysis shows that GEMCOL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. GEMCOL's cost recovery ratio is 1.14 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 to less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.14 GEMCOL poses moderate fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. GEMCOL's ROE is -1.87% and according to threshold value it fits high risk category. ROE value between loss than 0% to -10.0 % is considered as high-risk category. With ROE -1.87%, GEMCOL poses high fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of GEMCOL is 2.54 appears to be very healthy and as per threshold value table it fits very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.07 GEMCOL poses very low risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low risk category. With creditor turnover days of 16, GEMCOL pose **very Low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. GEMCOL's debt to assets ratio is 1.74 appears to be poor and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 1.74, GEMCOL carry **very high** for GoB. GEMCOL argued that revelation is under progress and after revaluation of assets debt to assets ratio will fall under low-risk category; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. GEMCOL's debt to EBITDA ratio is 58.54 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 58.54, GEMCOL poses **very high** risk for GoB.

69.8 According to the records, General Electric Manufacturing Company Limited (GEMCOL) did not involve in any quasi-fiscal activities in FY 2022-23.

69.9 According to the records, no statutory obligation and no lawsuit is pending against GEMCOL. So Contingent Liabilities is not foreseen for General Electric Manufacturing Company Limited (GEMCOL)/GoB in FY 2022-23.

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70. Dhaka Steel Works Limited (DSWL)

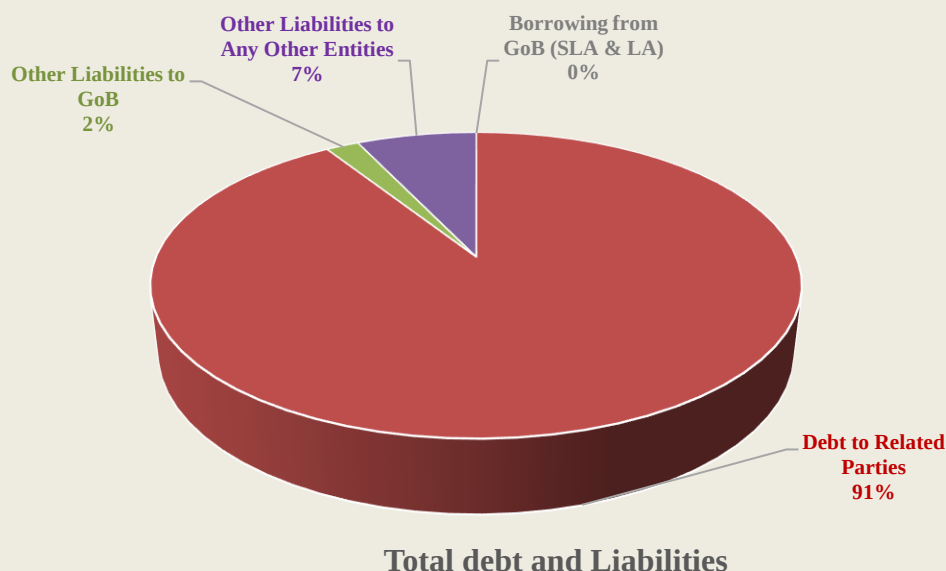
70.1 Dhaka Steel Works Limited (DSWL) was established in 1968 and nationalized in 1972. It was registered under the Companies Act, 1913 vide registration no C-2L45 as a Public Limited company incorporated with the Registrar of joint Stock Companies. DSWL is an enterprise under Bangladesh Steel & Engineering Corporation under the Ministry of Industries (GOB). The company's main activities are manufacturing of various kinds of iron, steel and allied products including manufacturing of machineries, boiler, steel converters and so on.

70.2 The following Table-1 presents the statement of debt and liabilities of Dhaka Steel Works Limited (DSWL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

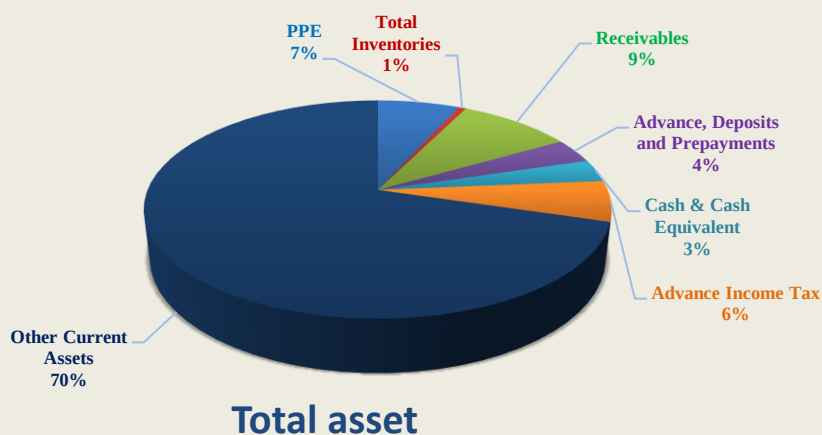
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	27,452,026.00	27,452,026.00	0.00%	0.00
10	Other Liabilities to Related Parties	512,799,064.00	521,186,462.00	1.64%	0.00
11	Debt and liabilities to Related Parties (9+10)	540,251,090.00	548,638,488.00	1.55%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	10,587,688.00	11,766,979.00	11.14%	0.00
15	Any Other Liabilities to Any Other Entities	40,161,994.00	42,842,125.00	6.67%	0.00
16	Other Debt and liabilities (12+13+14+15)	50,749,682.00	54,609,104.00	7.60%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	591,000,772.00	603,247,592.00	2.07%	0.00
18	Debt and liabilities to GoB (3+14)	10,587,688.00	11,766,979.00	11.14%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	580,413,084.00	591,480,613.00	1.91%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

70.3 Statement of debt and liabilities in FY 2022-23:



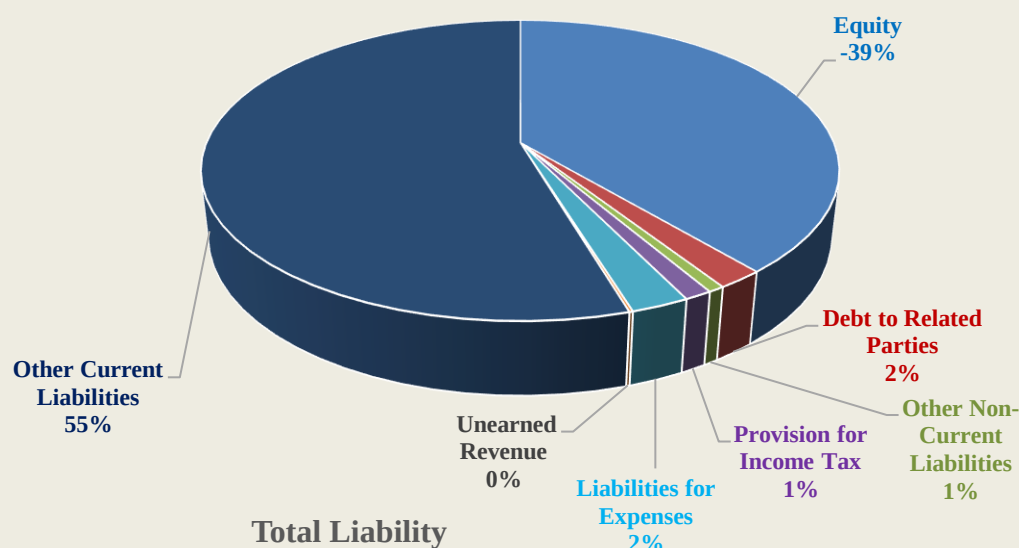
According to the financial statement of Dhaka Steel Works Limited (DSWL), the total debt is BDT 603.28 million as of 30th June 2023. Out of this amount, major portion 91% is 'debt to related parties' following that 7% 'other liabilities to any other entities (current liabilities)' and finally 2% other liabilities to GoB which are by nature current liabilities. The statement shows that DWSL does not hold any liabilities related to GoB under SLA and LA. Hence DWSL less likely to cause fiscal risk for GoB.

70.4 The composition of assets in FY 2022-23:



According to the financial statement of DSWL in FY 2022-23 total assets was BDT 220.60 million. Out of these assets major portion 70% current liabilities following that 9% receivables, 7% PPE, 6% advance income tax, 4% advance and prepayments, 3% cash and cash equivalent and finally 1% inventories. The statement shows that long-term assets is 7% and remaining 93% is current assets.

70.5 The composition of equity and liabilities in FY 2022-23:



The financial statement shows that equity is negative that make up 39% of equity and liability. Following that, major portion 55% is other current liabilities, 2% debt to related parties, 2% liabilities for expense and finally 1% provision for income tax. The equity is negative which means that DWSL's total liability has already exceeded its total assets. Securing negative equity and long-term liability DWSL pose fiscal risk for GoB.

70.7 Fiscal risk from Dhaka Steel Works Limited (DWSL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – DWSL

Particular	Result	Risk	Score
Cost recovery	1.14	Moderate	3
Return on Equity (ROE)	-0.81%	High	4

Table – 3: Liquidity Ratio – DWSL

Particular	Result	Risk	Score
Current ratio	1.54	Low	2
Creditor turnover days	Trade Payable is 'o'	Very Low	1

Table – 4: Solvency Ratio – DWSL

Particular	Result	Risk	Score
Debt to total assets	2.73	Very High	5
Debt to EBITDA	41.92	Very High	5
Total score			20
Average score			3 (3.33)
Overall Risk Rating			Moderate

70.8 The ratio analysis shows that DSWL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. DSWL's cost recovery ratio is 1.14 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 to less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.14 DSWL poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. DSWL's ROE is -0.81% and according to threshold value it fits high-risk category. ROE value of less than 0% to -10.0% is considered as high-risk category. With ROE -0.81 %, DSWL poses **high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of DSWL is 1.54 and as per threshold value table it matches with low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.54, DSWL poses **low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low-risk category. With nil (0) creditor turnover ratio, DSWL poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. DSWL's debt to assets ratio is 2.73 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of above 1.0 matches very high-risk category. With debt to assets ratio of 2.73, DSWL carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. DSWL's debt to EBITDA ratio is 41.92 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 41.92, DSWL poses **very high** risk for GoB. In this connection DSWL argues that due to loss in previous period net income is negative. However last five years it is on profit and will cover negative net income in future.

70.9 According to the records, DSWL did not involve in any quasi-fiscal activities in FY 2022-23.

70.10 According to the records, no Statutory Obligation and no lawsuit is pending against DSWL. So, no Contingent Liabilities is foreseen for Dhaka Steel Works Limited (DSWL). However, there is a litigation regarding ownership of this company in FY 2022-23.

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Ministry of Housing and Public Works



71. Khulna Development Authority (KDA)

71.1 Khulna Development Authority (KDA) is an autonomous service organization under the control of the Ministry of Housing and Public Works. The organization was created on January 21, 1971, with the promise of planned urbanization and modern Khulna. Since its inception, the KDA Ordinance 1971 has empowered the organization to work on urban planning, development participation, and control of unplanned development. Apart from urban planning, KDA has made a significant contribution in building a modern and planned Khulna city. Development of a significant number of planned residential, commercial and industrial areas, construction of roads, construction of markets, construction of bus terminals, construction of community centers, construction of children's parks etc.

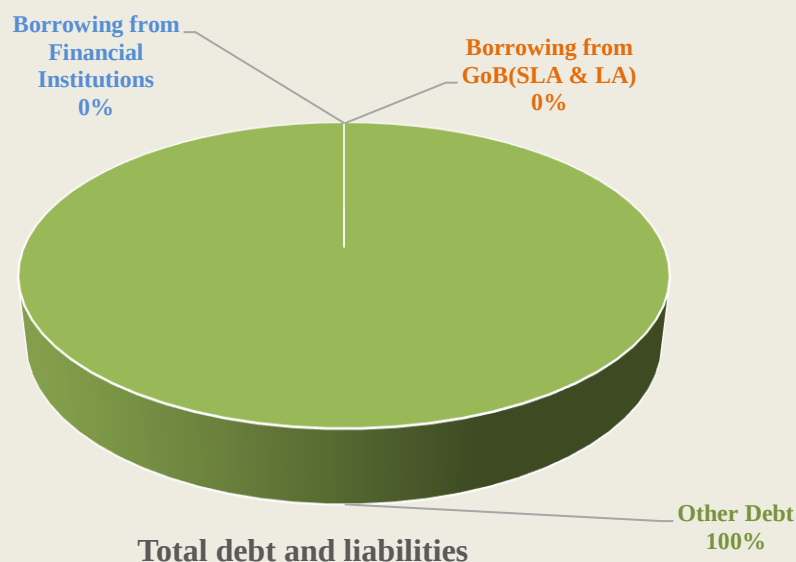
71.2 The following Table–1 presents the statement of debt of Khulna Development Authority (KDA) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

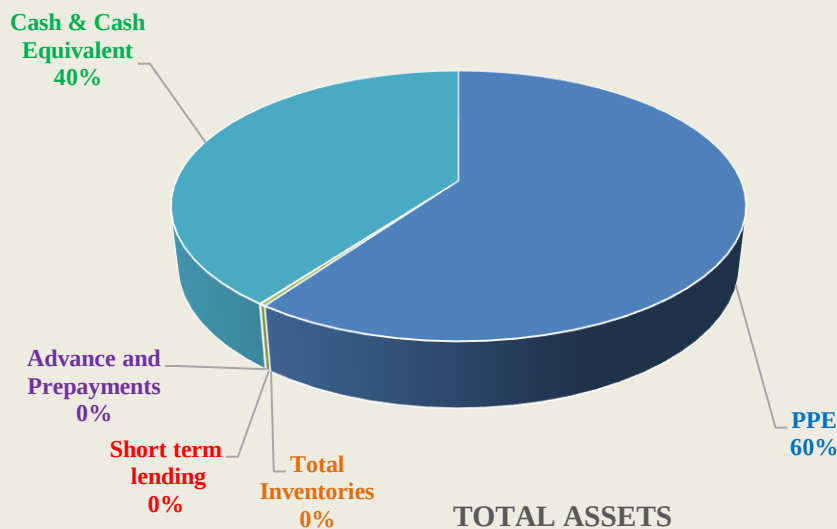
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Borrowing from GoB under SLA	0.00	0.00	0.00%	0.00
2	Borrowing from GoB under LA	0.00	0.00	0.00%	0.00
3	Borrowing from GoB(1+2)	0.00	0.00	0.00%	0.00
4	Borrowing from Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Borrowing from State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Borrowing from Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Borrowing from Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Borrowing from Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Borrowing from Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Borrowing from Any Other Entities Not Mentioned above	93,566,523.08	893,821,976.46	855.28%	0.00
14	Other Liabilities to GoB	28,775,403.80	28,775,403.80	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	295,584,937.22	325,549,610.19	10.14%	0.00
16	Other Debt(12+13+14+15)	417,926,864.10	1,248,146,990.45	198.65%	0.00
17	Total Debt (3+7+8+11+16)	417,926,864.10	1,248,146,990.45	198.65%	0.00
18	Debt to GoB (3+14)	28,775,403.80	28,775,403.80	0.00%	0.00
19	Debt to Entities other than GoB (17-18)	389,151,460.30	1,219,371,586.65	213.34%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

71.3 Statement of total debt and liabilities in FY 2022-23:



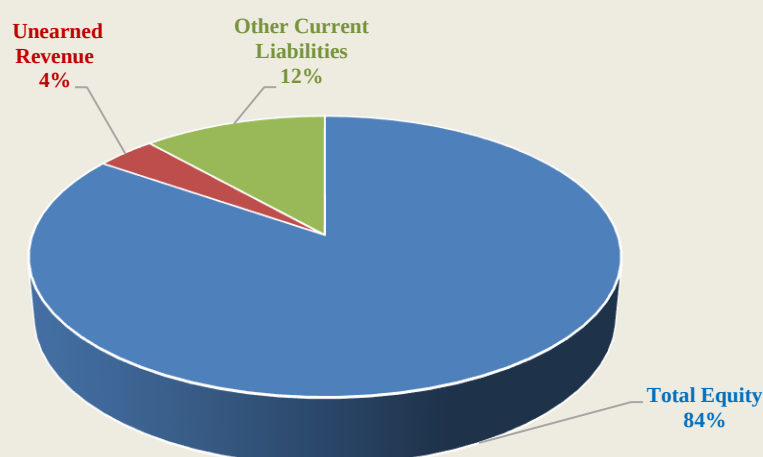
According to the financial statement of Khulna Development Authority (KDA) the total debt is BDT 1,248.15 million as of 30th June 2023. The financial statement shows that 100% liabilities belong to 'debt debt' which are current liabilities to GoB and any other liabilities to any other entities. More importantly KDA does not hold any long-term liabilities related to GoB like SAL and LA. Having no long-term liabilities KDA is less likely to cause fiscal risk for GoB.

71.4 The composition of total assets in FY 2022-23:



According to the financial statements of KDA in FY 2022-23 total assets was BDT 8,092.74 million. Out of these assets, major portion 60% PPE and remaining 40% is cash & cash equivalent. KDA holds enough liquid assets to meet short term liabilities.

71.5 The composition of total equity and liabilities in FY 2022-23:



EQUITY & LIABILITY

The composition of total equity and liabilities shows that major portion 84% occupied by equity followed by other current liabilities 12% and finally 4% unearned revenue. The composition revealed that growth of MPA is highly driven by equity. This situation has makes MPA less likely to cause fiscal risk for GoB.

71.6 Fiscal risk from Khulna Development Authority (KDA) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – KDA

Particular	Result	Risk	Score
Cost recovery	1.42	Low	2
Return on Equity (ROE)	1.77%	Moderate	3

Table – 3: Liquidity Ratio – KDA

Particular	Result	Risk	Score
Current ratio	2.60	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero).	Very Low	1

Table – 4: Solvency Ratio – KDA

Particular	Result	Risk	Score
Debt to total assets	0.15	Very Low	1
Debt to EBITDA	7.84	Very High	5
Total			13
Average Score			2 (2.17)
Overall Risk Rating			Low

71.7 The ratio analysis shows that KDA's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. KDA 's cost recovery ratio is 1.42 and according to threshold value it goes under low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above and below falls under very low-risk category. With cost recovery ratio 1.42 KDA poses **low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. KDA 's ROE is 1.77% and according to threshold value it fits moderate-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 1.77 %, KDA poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of KDA is 2.60 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.60, KDA poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil creditor turnover days, KDA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. KDA's debt to assets ratio is 0.15 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 0.15, KDA carry **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. KDA's debt to EBITDA ratio is 7.84 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 7.84, KDA poses **very high** risk for GoB.

71.8 According to the records, KDA did not involve in any quasi-fiscal activities in FY 2022-23.

71.9 According to the records, no statutory obligation and no lawsuit are pending against KDA. So, no Contingent Liabilities is foreseen for KDA in FY 2022-23.

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72. Chattogram Development Authority (CDA)

72.1 Chittagong Development Authority (CDA) was established under Ordinance 1959 (Ordinance No. LI of 1959) and subsequently changed the name as per approval of the parliament of the government of the People's Republic of Bangladesh under additional gazette notification by enacting Law No. 31 of 2018; Date: 29.07.2018, as Chittagong Development Authority. Objective: The authority was established for the development, improvement and expansion of the Chattogram Town and certain areas in its vicinity.

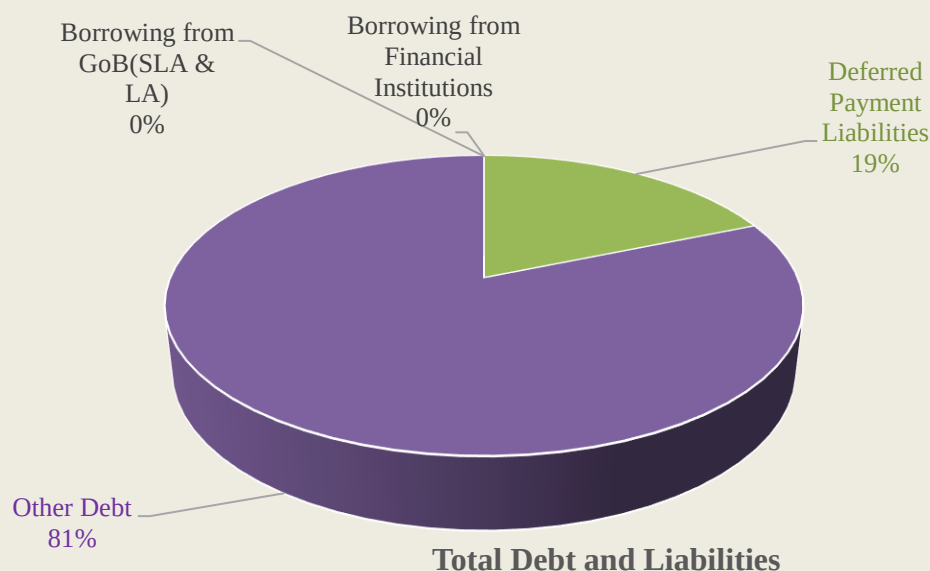
72.2 The following Table–1 presents the statement of debt and liabilities of Chattogram Development Authority (CDA), for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

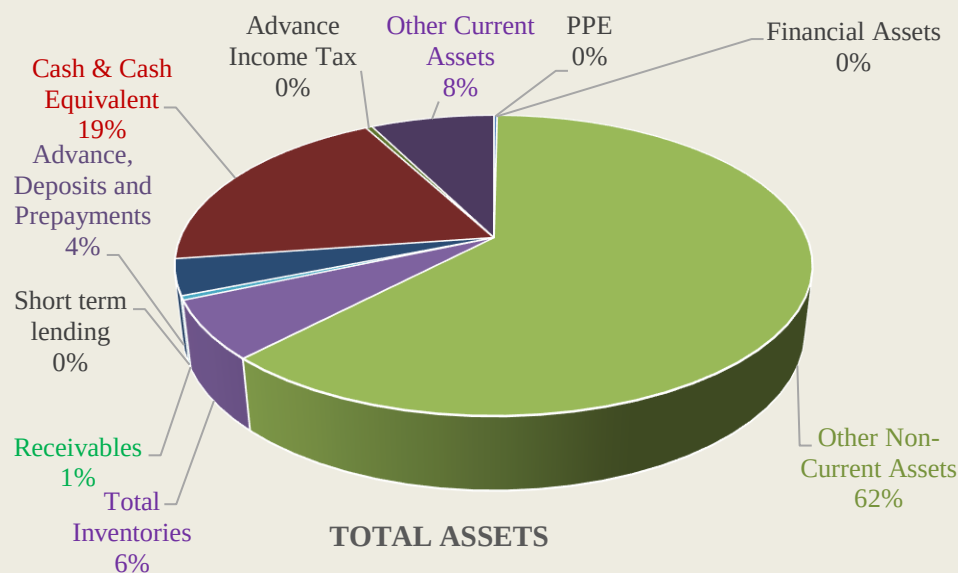
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Borrowing from GoB under SLA	0.00	0.00	0.00%	0.00
2	Borrowing from GoB under LA	0.00	0.00	0.00%	0.00
3	Borrowing from GoB(1+2)	0.00	0.00	0.00%	0.00
4	Borrowing from Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Borrowing from State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Borrowing from Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Borrowing from Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	4,090,624,382.54	7,163,616,157.90	75.12%	0.00
9	Borrowing from Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Borrowing from Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Borrowing from Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	23,204,231,372.98	31,054,674,192.21	33.83%	3,931,753,748.19
16	Other Debt (12+13+14+15)	23,204,231,372.98	31,054,674,192.21	33.83%	3,931,753,748.19
17	Total Debt (3+7+8+11+16)	27,294,725,768.52	38,218,290,350.11	40.02%	3,931,753,748.19
18	Debt to GoB (3+14)	0.00	0.00	0.00%	0.00
19	Debt to Entities other than GoB (17-18)	27,294,725,768.52	38,218,290,350.11	40.02%	3,931,753,748.19
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

72.3 Statement of debt and liabilities in FY 2022-23:



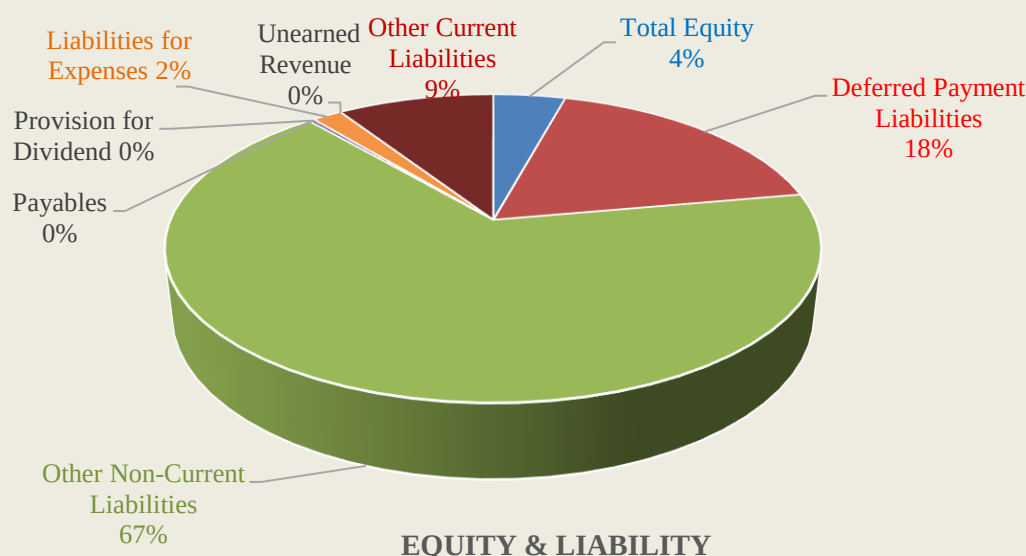
According to the financial statement of Chattogram Development Authority (CDA) the total debt in FY 2022-23 was BDT 38,218.29 million as of 30th June 2023. Out of this amount major portion 81% is 'other debt' which are current liabilities to any other entities and remaining 19% is debt to related parties which are long-term liabilities. The current liabilities are expected to be settled within financial year. CDA does not hold any long-term liabilities related to GoB and financial institutes. Thus, CDA is less likely to cause fiscal risk for GoB.

72.4 The composition of assets in FY 2022-23:



According to the financial statement total assets of CDA in FY 2022-23 was BDT 39,911.17 million. Out of these amounts major portion 62% is non-current assets followed by cash & cash equivalent 19%, other current assets 8%, inventories 6% advance and prepayment 4% and finally 1% receivables. Having 62% non-current assets CDA is less likely to cause fiscal risk for GoB.

72.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of total equity and liabilities major portion 67% is other non-current liabilities followed by deferred payment liabilities 18%, other current liabilities 9%, equity 4% and finally 2% liabilities for expenses. The composition of equity and liabilities shows that total long-term liabilities 72% compared to 4% equity. It shows that growth of CDA is highly driven by liabilities and therefore CDA poses fiscal risk for GoB.

72.6 Fiscal risk from Chattogram Development Authority (CDA) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – CDA

Particular	Result	Risk	Score
Cost recovery	1.62	Very Low	1
Return on Equity (ROE)	12.07%	Low	2

Table – 3: Liquidity Ratio – CDA

Particular	Result	Risk	Score
Current ratio	3.35	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero).	Very Low	1

Table – 4: Solvency Ratio – CDA

Particular	Result	Risk	Score
Debt to total assets	0.96	High	4
Debt to EBITDA	132.14	Very High	5
Total Score			14
Average Score			2 (2.33)
Overall Risk Rating			Low

72.7 The ratio analysis shows that CDA's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. CDA 's cost recovery ratio is 1.62 and according to threshold value it goes under low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above and below falls under very low-risk category. With cost recovery ratio 1.62 CDA poses **very low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. CDA 's ROE is 12.07% and according to threshold value it fits low-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 12.07 %, CDA poses **low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of CDA is 3.35 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 3.35, CDA poses very Low risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil creditor turnover days, CDA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. CDA's debt to assets ratio is 0.96 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio 1.0 and above match's very high-risk category. With debt to assets ratio of 0.96, CDA carry **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. CDA's debt to EBITDA ratio is 132.14 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 132.14, CDA poses **very high** risk for GoB. CDA argued that its long-term liabilities have 12 to 15 years repayment period and debt to EBITDA ratio of 15 would be reasonable for CDA.

72.8 According to the records, CDA did not involve in any quasi-fiscal activities in FY 2022-23.

72.9 According to the records, no statutory obligation and no lawsuit are pending against CDA. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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73. Rajshahi Development Authority (RDA)

73.1 Rajshahi Development Authority (RDA) was established in October, 1976 as an autonomous body under the Ministry of Works vide Ordinance No: LXXVIII (Act No. 03 of the 2018) with the aim and objects of Development of Rajshahi Town. The organization has been working towards solving, mainly the residential problems of Rajshahi Town & for Construction of Roads and Sewerages, Markets, Bus Terminal etc.

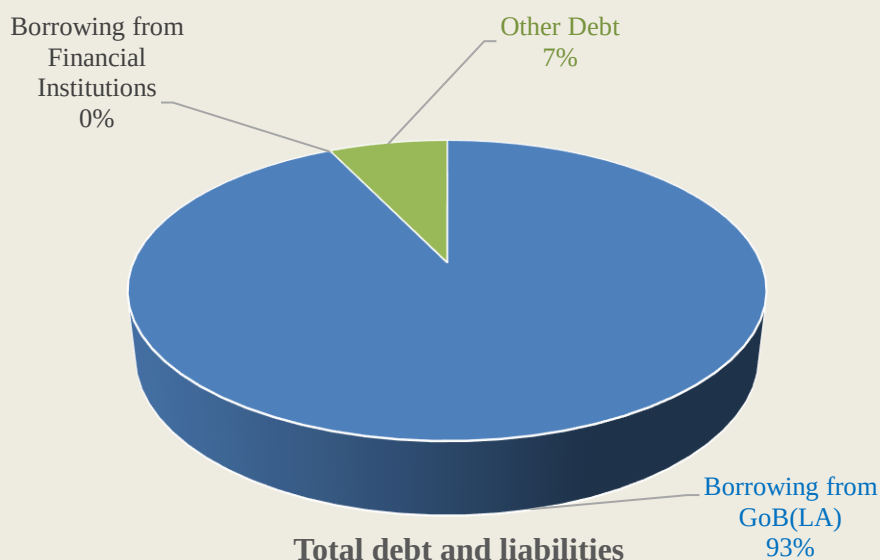
73.2 The following Table–1 presents the statement of debt of Rajshahi Development Authority (RDA), for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

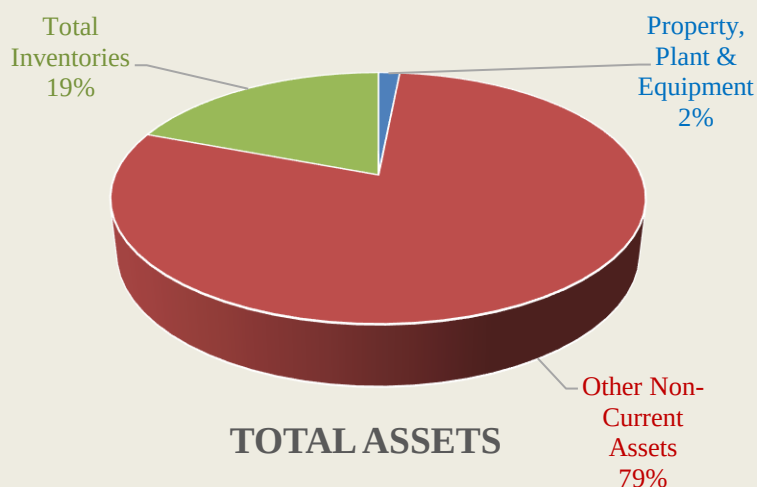
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Borrowing from GoB under SLA	0.00	0.00	0.00%	0.00
2	Borrowing from GoB under LA	1,603,759,716.00	1,802,109,176.00	12.37%	0.00
3	Borrowing from GoB(1+2)	1,603,759,716.00	1,802,109,176.00	12.37%	0.00
4	Borrowing from Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Borrowing from State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Borrowing from Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Borrowing from Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Borrowing from Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Borrowing from Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Borrowing from Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	152,000.00	200,000.00	31.58%	0.00
15	Any Other Liabilities to Any Other Entities	129,783,334.00	139,073,766.00	7.16%	0.00
16	Other Debt(12+13+14+15)	129,935,334.00	139,273,766.00	7.19%	0.00
17	Total Debt (3+7+8+11+16)	1,733,695,050.00	1,941,382,942.00	11.98%	0.00
18	Debt to GoB (3+14)	1,603,911,716.00	1,802,309,176.00	12.37%	0.00
19	Debt to Entities other than GoB (17-18)	129,783,334.00	139,073,766.00	7.16%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

73.3 Statement of debt and liabilities in FY 2022-23:



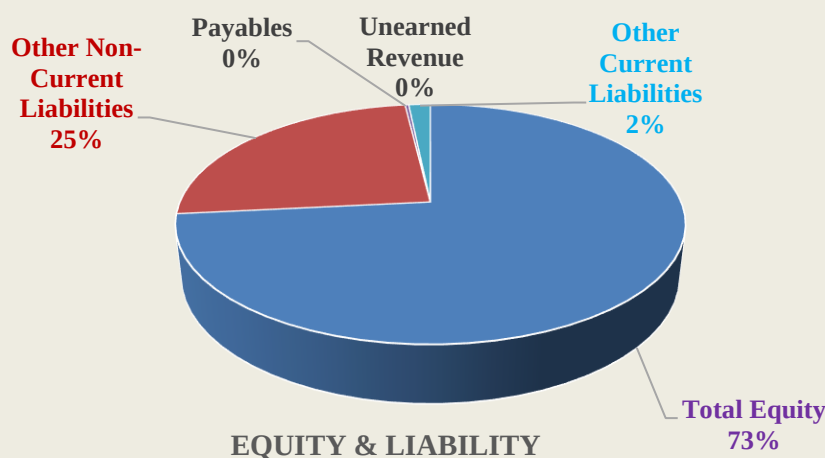
According to the financial statement of RDA, the total debt is BDT 1914.38 million BDT as of 30th June '2023. Out of this amount, borrowing from GoB under loan agreement is 93% and remaining 7% is other debt which are current liability to any other entities. If RDA failed to make repayment of liabilities related to GoB under loan agreement it will create fiscal risk to GoB.

73.4 The composition of total assets in FY 2022-23:



According to the financial statement of RDA in FY 2022-23 total assets was BDT 7,300.99 million. Out of these assets major portion 79% other non-current assets followed by inventories 19% and finally 2% PPE.

73.5 The composition of equity and liabilities in FY 202-23:



The composition of total equity and liability of RDA in FY 2022-23 shows that major portion 73% is equity followed by other non-current liabilities 25% and finally 2% current liabilities. The composition shows that growth of RDA is driven by equity and thus RDA is less likely to cause fiscal risk for GoB.

73.6 Fiscal risk from Rajshahi Development Authority (RDA) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – RDA

Particular	Result	Risk	Score
Cost recovery	1.46	Low	2
Return on Equity (ROE)	0.61%	Moderate	3

Table – 3: Liquidity Ratio – RDA

Particular	Result	Risk	Score
Current ratio	10.09	Very Low	1
Creditor turnover days	Trade Payable & Cost of Goods sold both are Zero.	Very Low	1

Table – 4: Solvency Ratio – RDA

Particular	Result	Risk	Score
Debt to total assets	0.27	Low	2
Debt to EBITDA	35.86	Very High	5
Total			14
Average Score			2 (2.33)
Overall Risk Rating			Low

73.7 The ratio analysis shows that RDA's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. RDA 's cost recovery ratio is 1.46 and according to threshold value it goes under low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.46 RDA poses **low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. RDA 's ROE is 0.61% and according to threshold value it fits moderate-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 0.61 %, RDA poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of RDA is 10.09 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 10.09, RDA poses **very Low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil creditor turnover days, RDA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. RDA's debt to assets ratio is 0.27 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 0.27, RDA carry **low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. RDA's debt to EBITDA ratio is 35.86 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 35.86, RDA poses **very high** risk for GoB.

73.8 According to the records, no statutory obligation and no lawsuit are pending against RDA. So, no Contingent Liabilities is foreseen for RDA.

73.9 According to the records, no statutory obligation and no lawsuit are pending against RDA. So, no Contingent Liabilities is foreseen for RDA in FY 2022-23.

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Local Government Division



74. Dhaka Water Supply and Sewerage Authority (DWASA)

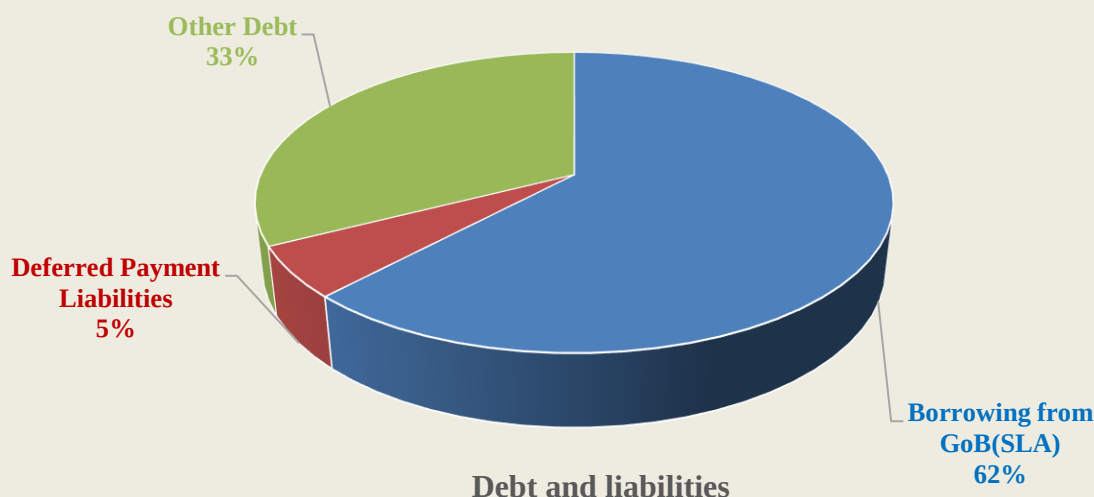
74.1 Dhaka Water Supply and Sewerage Authority (DWASA/Authority) is an autonomous body domiciled in Bangladesh. DWASA was established in the year 1963 as an independent organization, under the WASA Ordinance No. XIX of 1963. At present DWASA operates under the Water Supply and Sewerage Authority Act 1996. The drainage system of Dhaka city was handed over to DWASA from the Department of Public Health & Engineering (the “DPHE”) during the year 1989 and the water, drainage and sanitation services of Narayangonj city was also handed over to DWASA in the year 1990 but in the year 2020-2021 the drainage system has been transferred to Dhaka City Corporation. Nature of business DWASA is primarily involved in the following activities through its ten Maintenance, Operation, Distribution and Services (MODS) zones and eleven Revenue zones and other divisions and offices: (a) to construct, develop and maintain necessary infrastructure for lifting, purifying and preserving water for supplying to public for residential, commercial, community, official and industrial purposes; (b) to construct, design and operate sewerage facilities and maintain the system in a pollution free way; and (c) to construct, develop and maintain drainage of flooded water through drainage facilities within Dhaka and Narayangonj cities. (d) Switching to surface water from underground extraction due to rapid depletion of the ground water level.

74.2 The following Table-1 presents the statement of debt of Dhaka WASA for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and liabilities

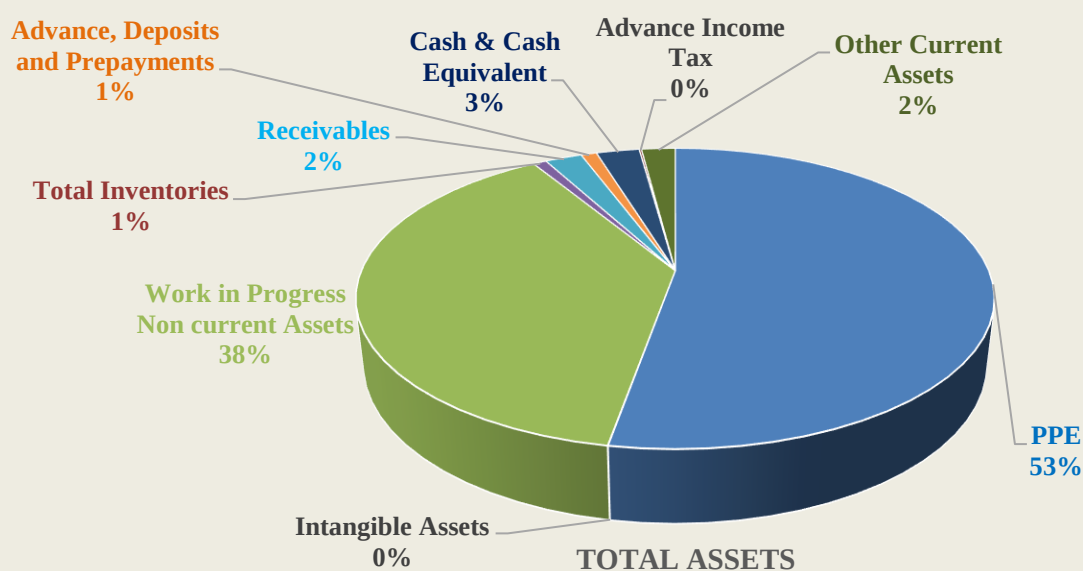
					Amount in BDT
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	128,778,498,482.00	149,820,280,547.00	16.34%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	128,778,498,482.00	149,820,280,547.00	16.34%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	5,595,342,115.00	13,218,881,162.00	136.25%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	67,124,315,672.00	74,830,439,159.00	11.48%	0.00
14	Other Liabilities to GoB	120,074,736.00	326,129,811.00	171.61%	0.00
15	Any Other Liabilities to Any Other Entities	3,567,098,694.00	3,288,890,880.00	-7.80%	0.00
16	Other Debt and liabilities (12+13+14+15)	70,811,489,102.00	78,445,459,850.00	10.78%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	205,185,329,699.00	241,484,621,559.00	17.69%	0.00
18	Debt and liabilities to GoB (3+14)	128,898,573,218.00	150,146,410,358.00	16.48%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	76,286,756,481.00	91,338,211,201.00	19.73%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

74.3 Statement of Debt and Liabilities in FY 2022-23:



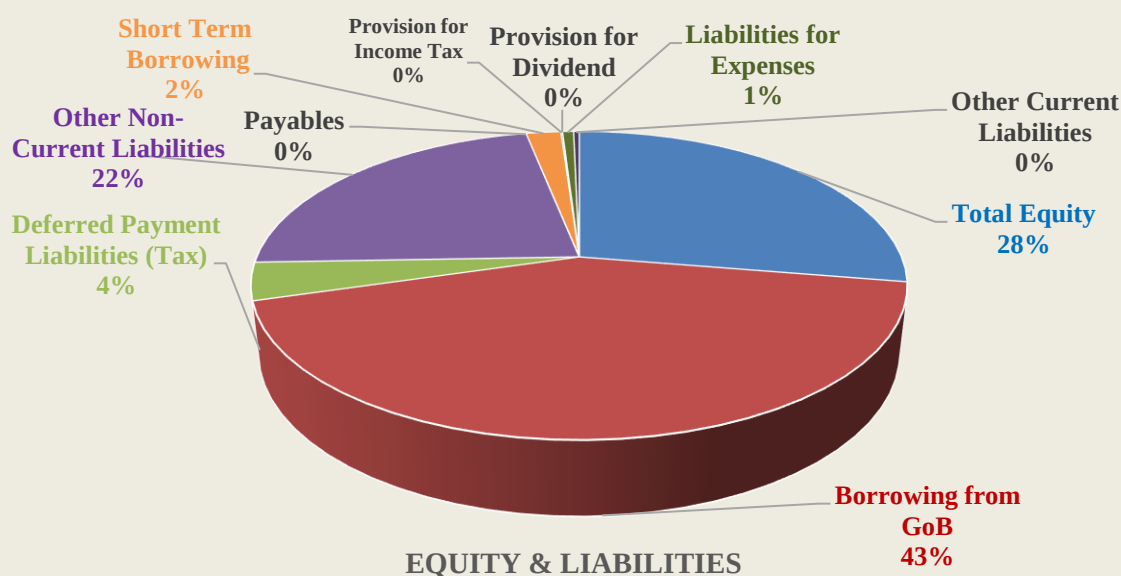
According to the financial statement of DWASA, the total debt in FY 2022-23 was BDT 241,484.62 million as of 30th June 2023. Out of this amount, the major portion 62% borrowing from GoB under a subsidiary loan agreement (SLA) followed by 33% 'other debt' which are current liabilities to GoB and any other liabilities to any other entities and finally 5% deferred payment liabilities which are long term liabilities. The financial statement shows that 67% of total liabilities are long-term liabilities. If DWASA fails to make repayment, it will create fiscal risk for GoB.

74.4 The composition of total assets in FY 2022-23:



According to the financial statement of DWASA in FY 2022-23 total assets was BDT 29,181.054 million. Out of these assets major portion 53% is PPE followed by 38% work in progress non-current assets, 3% cash & cash equivalent, 2% other non-current assets, 2% receivables, 1% prepayment and 1% inventories. Besides intangible assets hold insignificant amount which has shown as 0% in pie chart. The statement shows that long-term assets are 93% of total assets.

74.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities in FY 2022-23 shows that major portion 43% borrowing from GoB under SLA followed by equity 28%, other non-current liabilities 22%, deferred payment liabilities 4%, short-term borrowing 2% and finally 1% liabilities for expenses. The composition shows that long-term liabilities are 69% compared to 28% equity. Therefore, the growth of DWASA is liability driven which may pose fiscal risk for GoB.

74.6 Fiscal risk from DWASA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – DWASA

Particular	Result	Risk	Score
Cost recovery	0.88	High	4
Return on Equity (ROE)	-5.71%	High	4

Table – 3: Liquidity Ratio – DWASA

Particular	Result	Risk	Score
Current ratio	2.80	Very Low	1
Creditor turnover days	0.03	Very Low	1

Table – 4: Solvency Ratio – DWASA

Particular	Result	Risk	Score
Debt to total assets	0.72	Moderate	3
Debt to EBITDA	127.36	Very High	5
Total Score			18
Average Score			3.0
Overall Risk Rating			Moderate

74.7 The ratio analysis shows that DWASA's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. According to the threshold value cost recovery ratio between 0.75 and less than 1.0 is considered as high-risk category. With cost recovery ratio of 0.88, DWASA poses **high** fiscal risk to GoB. DWASA stated that because of public service obligation it has to provide water at government fix rate;
- (ii) Return on Equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. Return on Equity (ROE) of DWASA is -5.71% which fits under high-risk category. According to the threshold value ROE between less than 0% and -10.0% is considered as high-risk category. With value ROE of -5.71%, DWASA represents **high** fiscal risk for GoB;
- (iii) Current Ratio measures an SOE's ability to meet short-term liabilities (those falling due within 12 months) from liquidating short-term assets. Current ratio of DWASA is 2.80 and according to threshold value it fits under very low risk category. A current ratio to 2.0 and above is considered as very low risk category. So, with current ratio of 2.80, DWASA poses **very low** risk to GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. Creditors turnover days of below 30 is considered as very low risk category. With 0.03 creditor turnover days, DWASA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. According to the threshold value debt to assets ratio of 1.0 and above is considered as very high risk for GoB. With debt to assets ratio of 0.72, DWASA poses **moderate** risk to GoB; and
- (vi) Debt to EBITDA ratio measure the ability of a firm to service any debt it holds. The indicator indicates, at the current rate of cash generation, the number of years it would take for the company to generate sufficient cash to pay off all its debt. According to the threshold value debt to EBITDA ratio of 5.0 and above considered as very high-risk category. So, with Debt to EBITDA ratio of 127.36, DWASA poses **very High** risk for GoB. DWASA argued that due to exchange rate loss (increase of dollar from 78 TK to 118 TK) its loan amount has increased significantly. Besides Loan under SLA has 12 to 15 years of repayment period that causes higher EBITDA.

74.8 According to the records, DWASA did not involve in any quasi-fiscal activities in FY 2022-23.

74.9 According to the records, no statutory obligation and no lawsuit are pending against DWASA. So, no Contingent Liabilities is foreseen for DWASA in FY 2022-23.

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75. Khulna Water and Sewerage Authority (KWASA)

75.1 Khulna is the third largest city as well as industrial and port city of the country. Since 1984 overall management of the water supply including its development, operation, maintenance, and revenue collection from the water sector was entrusted to Khulna City Corporation. Due to industrialization, trade, and rapid urbanization in Khulna city the population of the city steadily increasing. Because of that city corporations could not be able to meet the demand for required water for the growing population. To meet the long-term needs of the people of Khulna City, the government established the Khulna Water Supply and Sewerage Authority (Khulna WASA) on March 02, 2008, under the power given in section 3 of the Water Supply and Sewerage Authority Act 1996 (Act No 6 of 1996). Khulna WASA aims to supply safe drinking water and provide an environment-friendly sewerage system for the citizens of Khulna City. At present water supply coverage of Khulna WASA is 64% from surface water and the rest 36% from groundwater sources. Local Government Division, The Ministry of Local Government, Rural Development & Co-operative has oversight responsibility for KWASA. Khulna WASA mainly performs the following functions:

- Water Production for providing safe drinking water to residential, office, industrial, and commercial customers.
- Develop, operate, and maintain the infrastructure required for water storage and supply.
- Adopt a proper and realistic plan for long-term water supply and develop a sewerage system.
- Ensure quality customer service by increasing institutional competence.
- Digitalize the revenue collection system.
- Install digital meter for customers.

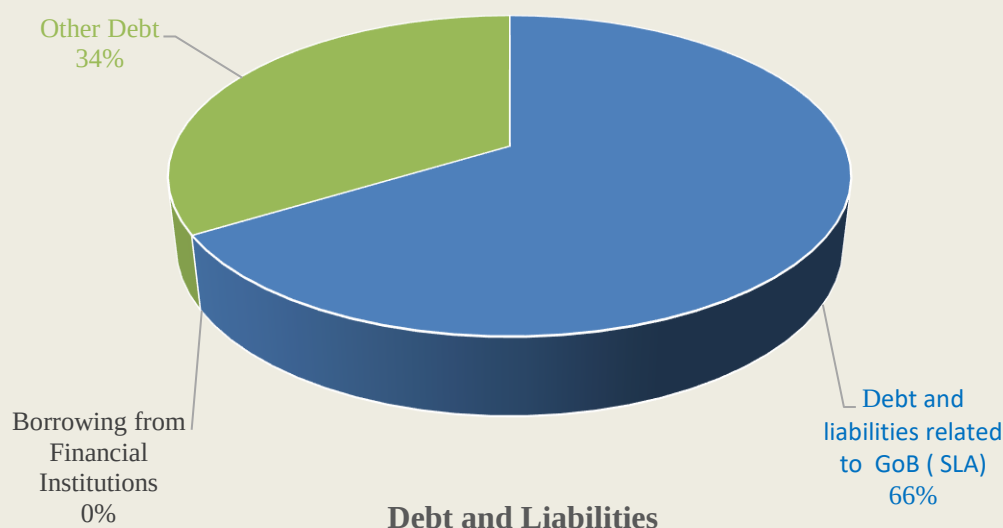
75.2 The following Table-1 presents the statement of debt of Khulna WASA for the FY 2022-23 which has been prepared based on the data collected through Form – 1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT					
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	10,998,439,203.00	13,458,414,890.00	22.37%	0.00
2	Debt and liabilities related to GoB under LA	3,754,287,000.00	3,754,287,000.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	14,752,726,203.00	17,212,701,890.00	16.67%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00

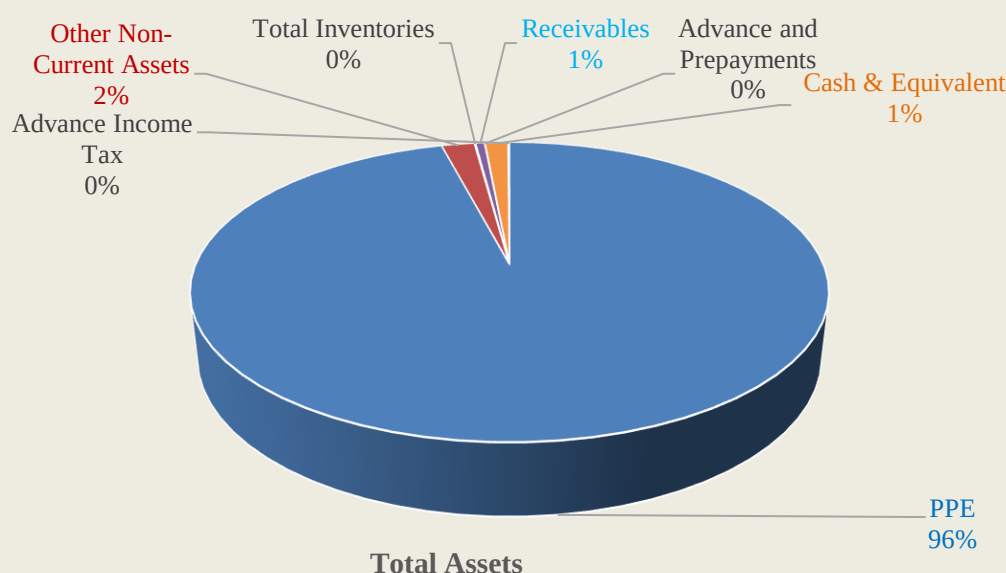
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	3,661,220.00	8,752,502,891.00	238959.74%	0.00
16	Other Debt and liabilities (12+13+14+15)	3,661,220.00	8,752,502,891.00	238959.74%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	14,756,387,423.00	25,965,204,781.00	75.96%	0.00
18	Debt and liabilities to GoB (3+14)	14,752,726,203.00	17,212,701,890.00	16.67%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	3,661,220.00	8,752,502,891.00	238959.74%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

75.3 Statement of debt and liabilities in FY 2022-23



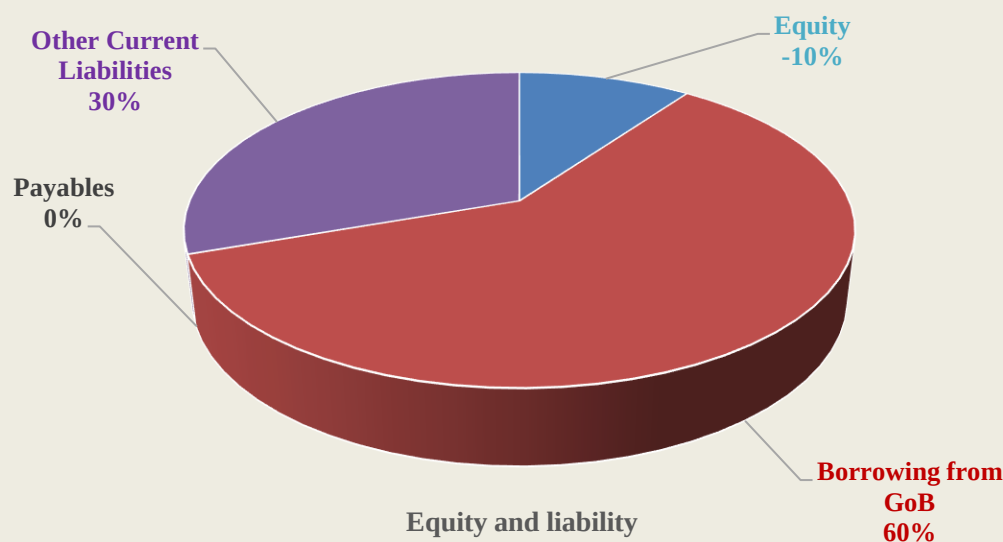
According to the financial statement of Khulna WASA, the total debt in FY 2022-23 was BDT 25,965.20 million as of 30th June 2023. Out of this amount the major portion 66% belongs to debt and liabilities related to GoB under SLA which are long-term liabilities and the remaining 34% is other debt which includes current liabilities to GoB and any other liabilities to any other entities. Besides, borrowing from financial institutions holds an insignificant amount and is shown as 0% in a pie chart. If KWASA fails to make repayment of these long-term liabilities under GoB, it will create fiscal risk for GoB.

75.4 The composition of assets in FY 2022-23:



According to the financial statement of Kahlua WASA in FY 2022-23 total assets BDT 23102.57 million. Out of these assets major portion 96% is PPE followed by other non-current assets 2%, cash & cash equivalent 1% and finally 1% receivables. Besides inventories and advance income tax hold insignificant amount which has shown as 0% in pie chart. The composition of assets shows that long-term assets is 98% of total assets.

75.5 The composition of equity and liabilities in FY 2022-23:



The composition shows that equity is negative that cover 10% of equity and liabilities. The major portion 60% is borrowing from GoB under SLA and reimaging 30% is other current liabilities. Besides payable hold insignificant amount which has shown as 0% in pie chart. Having negative equity along with long-term liabilities Khulna WASA poses fiscal risk for GoB.

75.6 Fiscal risk from Khulna WASA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – Khulna WASA

Particular	Result	Risk	Score
Cost recovery	0.10	Very High	5
Return on Equity (ROE)	Net Income & Equity both are Negative	Very High	5

Table – 3: Liquidity Ratio – Khulna WASA

Particular	Result	Risk	Score
Current ratio	0.06	Very High	5
Creditor turnover days	1	Very Low	1

Table – 4: Solvency Ratio – Khulna WASA

Particular	Result	Risk	Score
Debt to total assets	1.12	Very High	5
Debt to EBITDA	200.05	Very High	5
Total			26
Average Score			4.33
Overall Risk Rating			High

75.7 The ratio analysis shows that Khulna WASA's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. Cost recovery ratio of Khulna WASA is 0.10 which fits under very high-risk category. According to threshold value cost recovery ratio between 0.75 and less than 1.0 is considered as high-risk category. With cost recovery ratio of 0.10, Khulna WASA poses Very High fiscal risk to GoB. Khulna WASA claimed that it provides public services through government grants which led low-cost recovery ratio. Besides there are many unmetered connections of Khulna WASA which also contribute to lower cost recovery ratio;
- (ii) Return on Equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. Khulna WASA's Net Income & Equity both are negative, which means that Khulna WASA will not be able to make repayment on its revenue. Therefore, having negative net income and negative equity, Khulna WASA represents a very high fiscal risk for GoB;
- (iii) Current Ratio measures an SOE's ability to meet short-term liabilities (those falling due within 12 months) from liquidating short-term assets. Current ratio of Khulna WASA is 0.06 which fits under very high-risk category. According to the threshold value current ratio below 1.0 is considered as very high-risk category. With current ratio of 0.06 Khulna WASA poses Very High risk to GoB;
- (iv) Creditor Turnover Days measure the speed an SOE pays its suppliers. According to the threshold value, creditors' turnover days of below 30 is considered a very low-risk category Having creditor turnover days of 01, Khulna WASA poses a Very Low risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. This ratio helps to assess whether the company is solvent and the size of the debt burden on the entity. Debt to assets ratio of Khulna KSA is 1.22 which falls under very high-risk category According to threshold value debt to assets ratio 1.0 and above is considered as very high-risk category. With debt to assets ratio of 1.12, Khulna WASA poses Very High risk to GoB; and
- (vi) Debt to EBITDA ratio measure the ability of a firm to service any debt it holds. Debt to EBITDA ratio of

Khulna WASA is 200.50 which fits under very high-risk category. According to threshold value debt to EBITDA ratio above 5.0 is considered as very high-risk category. With Debt to EBITDA ratio of 200.50, Khulna WASA poses very High risk for GoB.

75.8 According to the records, Khulna WASA did not involve in any quasi-fiscal activities in FY 2022-23.

75.9 According to the records, no statutory obligation and no lawsuit are pending against Khulna WASA. So, no Contingent Liabilities is foreseen for Khulna WASA in FY 2022-23.

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76. Rajshahi Water and Sewerage Authority (Rajshahi WASA)

76.1 Initially Public Health and Engineering Directorate took a project to improve the water supply management in Rajshahi City in 1996. Later, the government established the Rajshahi Water Supply and Sewerage Authority (Rajshahi WASA) on 01 August 2010 under the power given in section 3 of the “Water Supply and Sewerage Authority Act 1996 (Act No.6 of 1996). The prime objective of Rajshahi WASA is to supply safe drinking water and provide an environment-friendly modern sewerage management system for the population of Rajshahi City. At present water supply coverage of Rajshahi WASA is 87.58% from groundwater and 9% from surface water sources. Local Government Division, The Ministry of Local Government, Rural Development & Co-operative has oversight responsibility for RWASA. Rajshahi WASA mainly performs the following functions:

- Improvement of water supply and sewerage management
- Strengthening good governance and reform activities.
- Inspection and evaluation of offices under Rajshahi WASA
- Improve management, planning, and capacity building.
- Installation of digital meters

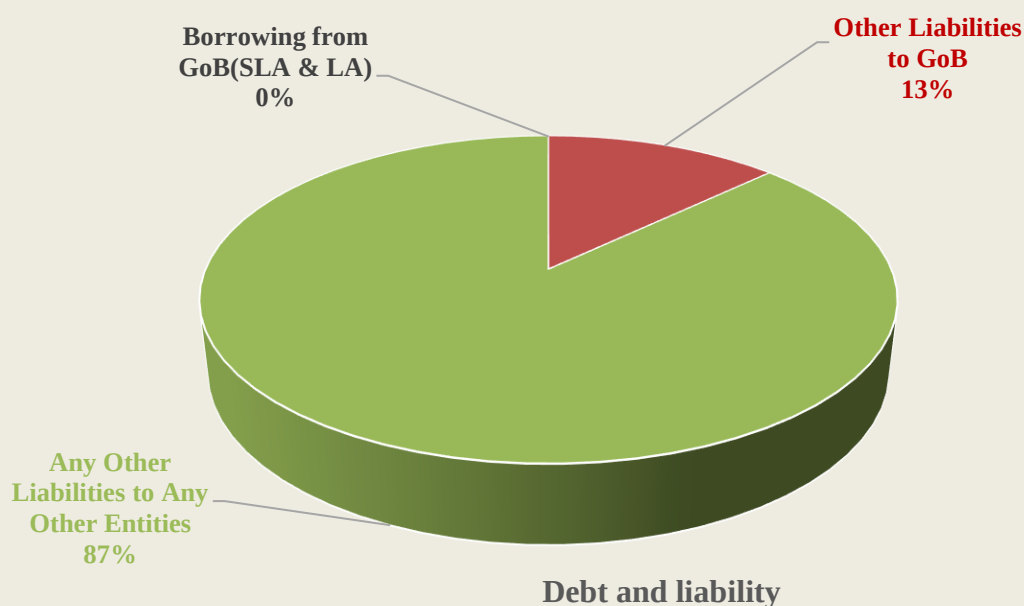
76.2 The following Table-1 presents the statement of debt of Rajshahi WASA for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Serial No	Particulars of Debt	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00

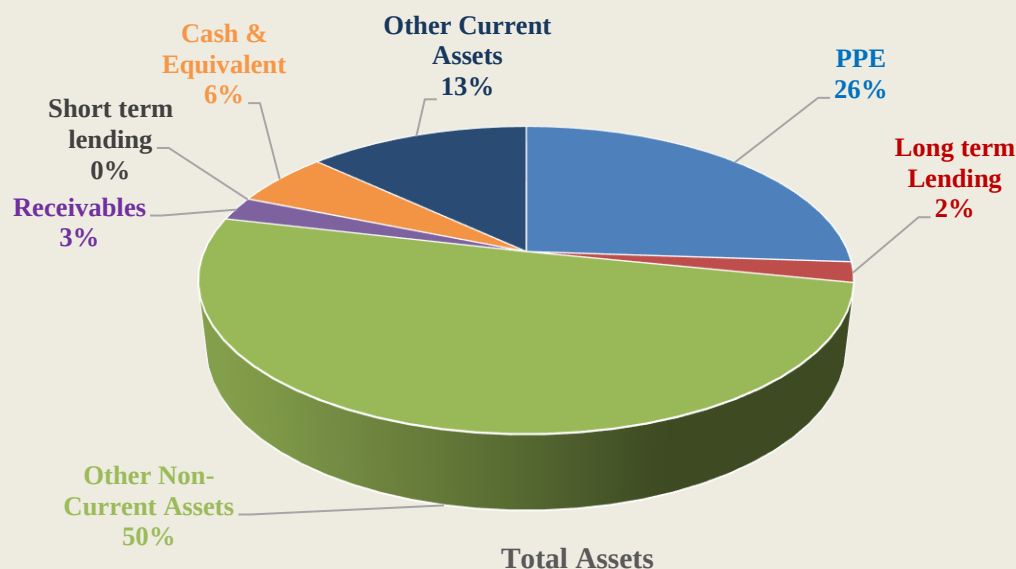
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	7,253,291.00	10,270,034.00	41.59%	0.00
15	Any Other Liabilities to Any Other Entities	28,504,241.00	69,083,163.00	142.36%	0.00
16	Other Debt and liabilities (12+13+14+15)	35,757,532.00	79,353,197.00	121.92%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	35,757,532.00	79,353,197.00	121.92%	0.00
18	Debt and liabilities to GoB (3+14)	7,253,291.00	10,270,034.00	41.59%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	28,504,241.00	69,083,163.00	142.36%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

76.3 The statement debt and liabilities in FY 202-23:



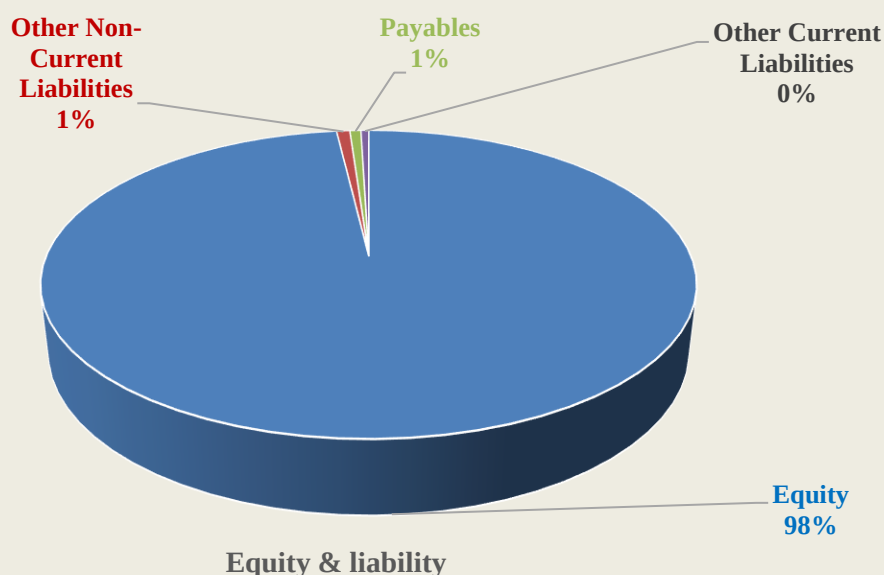
As per the financial statement of RAJSHAHI WASA, the total debt is in FY 2022-23 was BDT 79.35 million as of 30th June, 2023. Out of this amount major portion 87% belong to any other liabilities to any other entities which are mostly current liabilities by nature and remaining 13% other liabilities to GoB which are current liabilities like VDS, TDS and so on. More importantly Rajshahi WASA does not holds any liabilities related to GoB under SLA and LA. The current liabilities are expected to settled within the financial year. Having no long-term liabilities related to GoB, Rajshahi WASA is less likely to poses fiscal risk for GoB.

76.4 The composition of total assets in FY 2022-23:



According to the financial statement of Rajshahi WASA in FY 2022-23 total assets was BDT 4,190.59 million. Out of these assets major portion 50% other non-current assets followed by PPE 26%, other current assets 13%, cash & equivalent 6%, receivables 3% and finally 2% long-term lending. The financial statement shows that long-term assets is 78% of total assets which can help to reduce fiscal risk exposure for GoB.

76.5 The composition of total equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that a major portion 98% is equity followed by 1% of other non-current liabilities and finally 1% of payables. The composition shows that the growth of Rajshahi WASA is highly equity driven which makes it less likely to cause fiscal risk for GoB

76.6 Fiscal risk from RAJSHAHI WASA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – RAJSHAHI WASA

Particular	Result	Risk	Score
Cost recovery	0.66	Very High	5
Return on Equity (ROE)	2.12%	Moderate	3

Table – 3: Liquidity Ratio – RAJSHAHI WASA

Particular	Result	Risk	Score
Current ratio	19.10	Very Low	1
Creditor turnover days	150	Very High	5

Table – 4: Solvency Ratio – RAJSHAHI WASA

Particular	Result	Risk	Score
Debt to total assets	0.02	Very Low	1
Debt to EBITDA	EBITDA is Negative.	Very High	5
Total			20
Average Score			3(3.33)
Overall Risk Rating			Moderate
Previous Year's overall Risk Rating			Low

76.7 The ratio analysis shows that RAJSHAHI WASA's risk rating is based on:

- Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. The cost recovery ratio of Rajshahi WASA is 0.66 which fits under high-risk category. According to threshold value, cost recovery ratio below 0.75 is considered as very high risk. With cost recovery ratio of 0.66, RAJSHAHI WASA poses **Very High** fiscal risk to GoB;
- Return on Equity (ROE) measure the ability of a firm to generate profits using the capital its shareholders have invested in the company. Return on Equity (ROE) of Rajshahi WASA 2.12% which falls under moderate risk category. According to threshold value ROE value 15% and above considered as very low risk category. With value ROE of 2.12%, RAJSHAHI WASA represents **Moderate** fiscal risk for GoB;
- Current Ratio measures an SOE's ability to meet short-term liabilities (those falling due within 12 months) from liquidating short-term assets. Rajshahi WASA's current ratio is 19.10 which falls under very low risk category. According to threshold value current ratio of 2.0 and above is considered as very low risk category. With current ratio of 19.10, RAJSHAHI WASA poses **Very Low** risk to GoB;
- Creditor Turnover Days measure the speed with which an SOE pays its suppliers. A high ratio indicates that the SOE pays its suppliers more slowly and may indicate the buildup of arrears or worsening financial condition. With 150 creditor turnover days, RAJSHAHI WASA poses **Very High** risk to GoB;
- Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Debt to asset ratio of Rajshahi WASA is 0.02 which fits under very low risk category. According to threshold value

debt to asset ratio less than 0.25 is considered as very low risk category. With debt to assets ratio of 0.02, RAJSHAHI WASA poses **Very Low** risk to GoB; and

- (vi) Debt to EBITDA ratio measure the ability of a firm to service any debt it holds. EBITDA of Rajshahi WASA is negative which means that Rajshahi WASA will not be able to make repayment of its debt on its revenue. Therefore, having negative EBITDA Rajshahi WASA poses **very high** fiscal risk for GoB.

76.8 According to the records, Rajshahi WASA did not involve in any quasi-fiscal activities in FY 2022-23.

76.9 According to the records, no statutory obligation and no lawsuit are pending against Rajshahi WASA. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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Ministry of Shipping



77. Chittagong Port Authority (CPA)

77.1 “East Pakistan Chittagong Port Trust” was formed in 1960. After the independence of Bangladesh, the government promulgated Chittagong Port Authority Ordinance No. 52 in 1976 and renamed the Chittagong Port Trust as Chittagong Port Authority (CPA). Recently CPA ordinance 1976 was replaced by Chittagong Port Authority Act, 2022. CPA is the main sea port in Bangladesh. The entity plays important role in the development of Bangladesh. It handles more than 92% of sea-born trade of Bangladesh. CPA is assigned to develop, maintain and modernize the Port. CPA is also responsible for all the works relating to Chittagong Port including supervision and control of the movements of ship in berth area. During FY 2022-23, Chittagong Port handled 118.30 million tons cargo and 4,253 ships. Chittagong Port Authority (CPA) mainly performs the following functions:

- Manage, maintain, improve and develop the port;
- Provide efficient port services and facilities to the stakeholders;
- Provide berthing facilities of international standard;
- Ensure safety of the port and its adjacent areas;
- Handle the export and import cargo of sea-borne trade efficiently;
- Train up the efficient manpower for Port operation;
- Supply fuel/water to vessels.
- Responsible for safe ship movement in the Karnapuli river channel;
- Responsible for dredging the port regularly;
- Regulate and control berthing and movement of vessels and navigation within the port area.

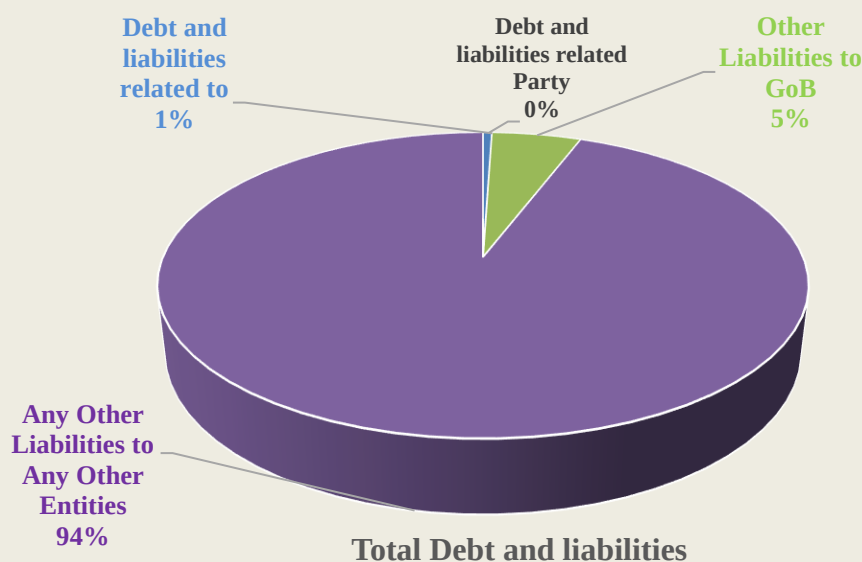
77.2 The following Table-1 presents the statement of debt and liabilities of Chittagong Port Authority (CPA) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Serial No	Particulars of Debt and liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	386,292,472.00	585,619,684.00	51.60%	0.00
3	Debt and liabilities related to GoB(1+2)	386,292,472.00	585,619,684.00	51.60%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	5,570,663,658.00	5,907,303,504.00	6.04%	0.00
15	Any Other Liabilities to Any Other Entities	101,475,252,519.00	105,049,049,972.00	3.52%	0.00
16	Other Debt and liabilities (12+13+14+15)	107,045,916,177.00	110,956,353,476.00	3.65%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	107,432,208,649.00	111,541,973,160.00	3.83%	0.00
18	Debt and liabilities to GoB (3+14)	5,956,956,130.00	6,492,923,188.00	9.00%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	101,475,252,519.00	105,049,049,972.00	3.52%	0.00

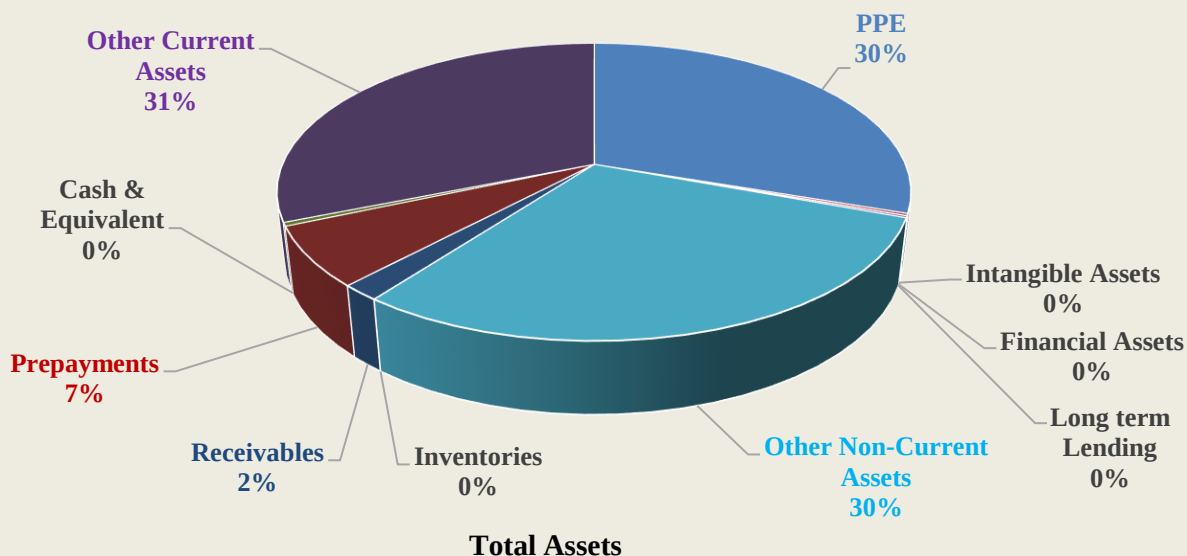
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

77.3 Statement of debt and liabilities in FY 2022-23



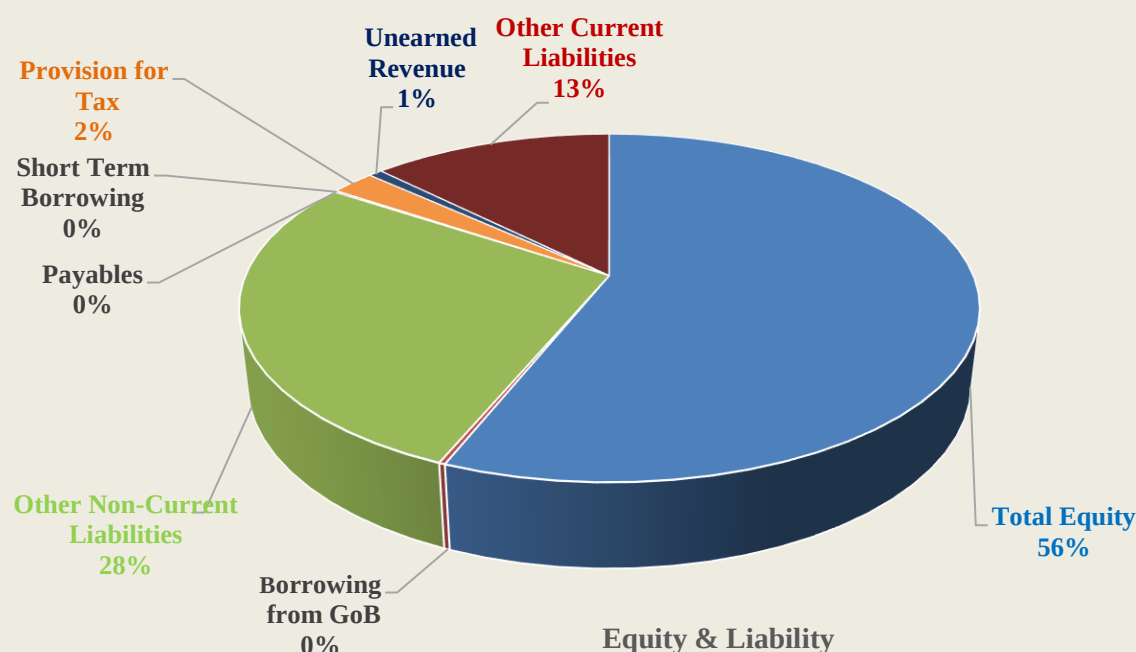
According to the financial statement of Chittagong Port Authority (CPA) the total debt was BDT 111,541.97 million as of 30th June, 2023. Out of this amount, a major portion 94% is any other liabilities to any other entities which are by nature current liabilities followed by other liabilities to GoB (current liabilities like VDS& TDS), and finally 1% debt and liabilities related to GoB under the loan agreement (LA). If CPA fails to make repayment of its long-term liabilities it will cause fiscal risk for GoB.

77.4 The composition of total assets in FY 2022-23:



According to the financial statement of CPA in FY 2022-23 total assets was BDT 254,042.08 million. Out of these assets major portion 31% other current assets followed by PPE 30%, other non-current assets 30%, prepayment 7% and finally 2% receivables. The composition shows that non-current assets is 60 % of total assets.

77.5 The composition of total equity and liabilities in FY 2022-23:



According to the composition of equity and liabilities major portion 56% equity followed by other non-current liabilities 28%, other current liabilities 13%, provision for income tax 2% and finally 1% unearned revenue. The composition shows that growth of CPA is equity- driven. Thus, CPA poses low fiscal risk for GoB.

77.6 Fiscal risk from Chittagong Port Authority (CPA)'s is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following table.

Table – 2: Profitability Ratio – CPA

Particular	Result	Risk	Score
Cost recovery	2.08	Very Low	1
Return on Equity (ROE)	12.09%	Low	2

Table – 3: Liquidity Ratio – CPA

Particular	Result	Risk	Score
Current ratio	2.53	Very low	1
Creditor turnover days	8	Very Low	1

Table – 4: Solvency Ratio – CPA

Particular	Result	Risk	Score
Debt to total assets	0.44	Low	2
Debt to EBITDA	4.77	High	4
Total Score			11
Average Score			2 (1.83)
Overall Risk Rating			Low

77.7 The ratio analysis shows that Chittagong Port Authority (CPA)'s risk rating based on:

- (I) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. CPA 's cost recovery ratio is 2.08 and according to threshold value it goes under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above and below falls under very low-risk category. With cost recovery ratio 2.08 CPA poses **very low** fiscal risk to GoB;
- (II) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. CPA 's ROE is 12.09% and according to threshold value it fits low-risk category. ROE value between 8% and less than 15% is considered as low-risk category. With ROE 12.09% CPA poses **low** fiscal risk to GoB;
- (III) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of CPA is 2.53 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 2.53, CPA poses **very low** risk for GoB;
- (IV) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With creditor turnover days of 8, CPA poses **very low** risk to GoB;
- (V) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. CPA's debt to assets ratio is 0.44 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio between 0.25 and 0.5 falls under low-risk category. With debt to assets ratio of 0.44, CPA carry **low** for GoB; and
- (VI) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. CPA's debt to EBITDA ratio is 4.77 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to EBITDA ratio between 3.0 and 5.0 belongs to high-risk category. With debt to EBITDA ratio of 4.77, CPA poses **high** risk for GoB.

77.8 According to the record, CPA did not involve in any quasi-fiscal activities in FY 2022-23.

77.9 According to the record no lawsuit is pending against CPA. So, no Contingent Liabilities is foreseen from lawsuit for CPA in FY 2022-23.

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78. Bangladesh Shipping Corporation (BSC)

78.1 Bangladesh Shipping Corporation (BSC) was established under President's Order (PO) No 10 of 05 February 1972. Later on, Bangladesh Shipping Corporation Act, 2017 was enacted on 21 March 2017. Based on Bangladesh Shipping Corporation Act-2017, authorized capital of the corporation has increased to Taka 10,000,000,000 (one thousand Crore) divided into 1,000,000,000 ordinary shares of Tk. 10 each. Paid up capital of BSC as on 30 June 2023 stand Tk. 1, 525,350,400 out of which GOB holds 52.10% and Public 47.90%. During FY 2022-23 BSC operated 7 (seven) Ships. Bangladesh Shipping Corporation is the only national flag carrier of Bangladesh in the international sea route. During FY 2022-23 BSC carried crude oil 1.08 million MT, fertilizer 2.04 million MT and bulk products 0.37 million MT. Bangladesh Shipping Corporation (BSC) mainly performs the following functions:

- Carry all kinds of imported goods;
- Create efficient manpower in maritime sector;
- Provide all kinds of Ship repairing service at its Marine workshop;
- Carries imported food grain and fertilizer from abroad to ensure food safety;
- BSC carries imported fuel and provides lighterage service that helps to ensure energy security of the country;

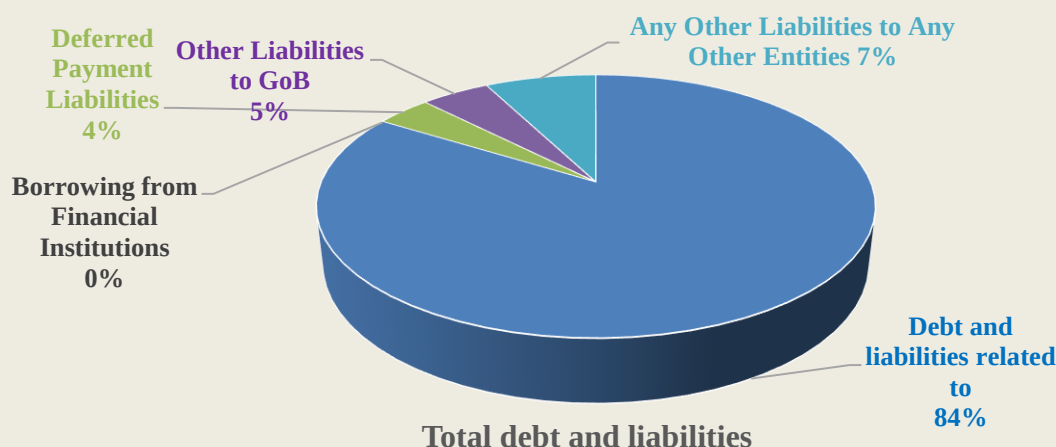
78.2 The following Table–1 presents the statement of debt and liabilities of BSC for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Serial No	Particulars of Debt and liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	16,907,987,961.00	17,358,146,961.00	2.66%	0.00
2	Debt and liabilities related to GoB under LA	259,503,422.00	261,047,677.00	0.60%	0.00
3	Debt and liabilities related to GoB(1+2)	17,167,491,383.00	17,619,194,638.00	2.63%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	827,112,265.00	801,777,784.00	-3.06%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	549,887,492.00	999,382,210.00	81.74%	0.00
15	Any Other Liabilities to Any Other Entities	1,446,738,706.00	1,613,680,470.00	11.54%	0.00
16	Other Debt and liabilities and liabilities (12+13+14+15)	1,996,626,198.00	2,613,062,680.00	30.87%	0.00
17	Total Debt (3+7+8+11+16)	19,991,229,846.00	21,034,035,292.00	5.22%	0.00
18	Debt and liabilities related to GoB (3+14)	17,717,378,875.00	18,618,576,848.00	5.09%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,273,850,781.00	2,415,458,444.00	6.23%	0.00

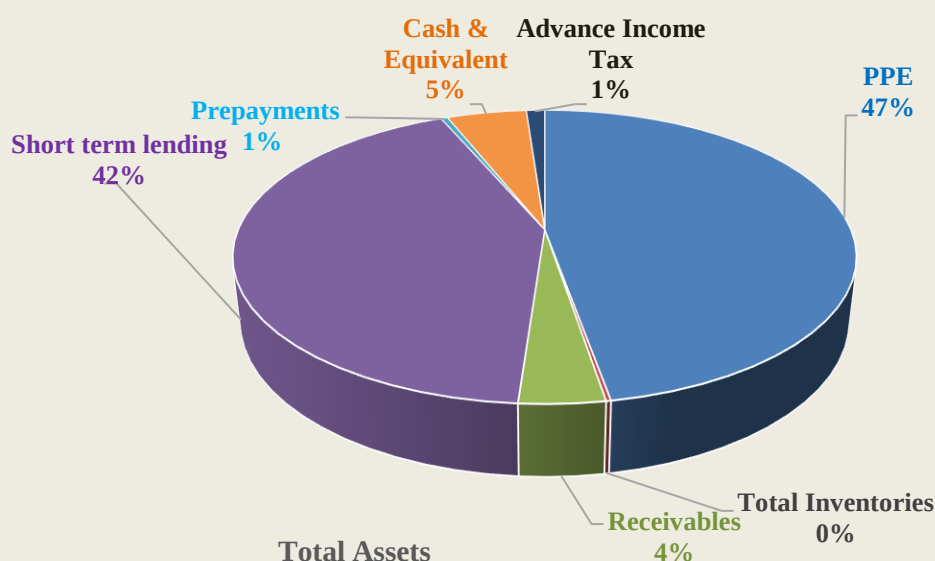
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

78.3 Statement of debt and liabilities in FY 2022-23:



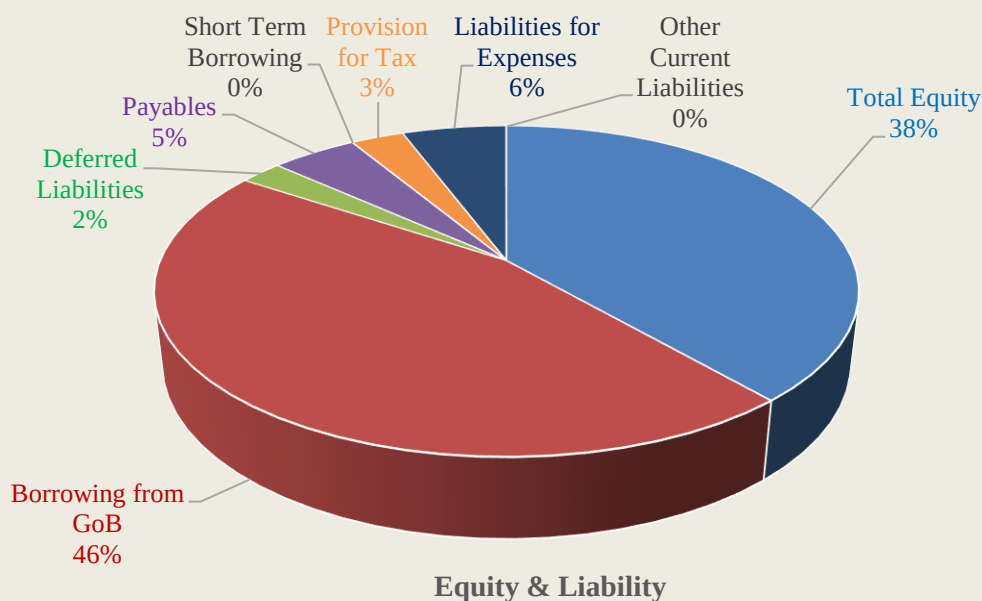
As per the financial statement of BSC, the total debt is BDT 21,034.04 million as of 30th June, 2023. Out of these amounts major portion 84% Debt and liabilities related to GoB under SLA and LA followed by other current liabilities 7%, other liabilities to GoB (current liabilities) 5% and finally 4% deferred payment liabilities which are long-term liabilities. The composition revealed that long-term liabilities related to GoB are 84% of total liabilities. If BSC fails to make repayment of these long-term liabilities it will create fiscal risk for GoB.

78.4 The composition of total assets in FY 2022-23:



According to the financial statement of BSC in FY 2022-23 total assets was BDT 34254.40 million. Out of these assets major portion PPE 47% followed by short-term lending 42%, cash & cash equivalent 5%, receivables 4%, advance income tax 1% and finally 1% prepayments. The financial statement shows that current liabilities are 53% of total assets.

78.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of equity and liabilities major portion 46% borrowing from GoB under SLA and LA followed by equity 38%, liabilities for expenses 6%, payables 5% and finally 3% provision for tax. The composition of equity and liabilities revealed that growth of BSC is liability driven especially long-term liabilities related to GoB. Thus, BSC may cause fiscal risk for GoB.

78.6 Fiscal risk from BSC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BSC

Particular	Result	Risk	Score
Cost recovery	1.78	Very Low	1
Return on Equity (ROE)	18.63%	Very Low	1

Table – 3: Liquidity Ratio – BSC

Particular	Result	Risk	Score
Current ratio	3.96	Very Low	1
Creditor turnover days	22	Very Low	1

Table – 4: Solvency Ratio – BSC

Particular	Result	Risk	Score
Debt to total assets	0.61	Moderate	3
Debt to EBITDA	5.43	Moderate	5
Total			12
Average Score			2.0
Overall risk rating			Low
Previous Year's Overall Risk Rating			Low

78.7 The ratio analysis shows that BSC's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BSC 's cost recovery ratio is 1.78 and according to threshold value it goes under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 1.78 BSC poses **very low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BSC 's ROE is 18.63% and according to threshold value it fits very low-risk category. ROE value of 15% and above is considered as very low-risk category. With ROE 18.63 %, BSC poses **very low** fiscal risk to GoB.;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BSC is 3.96 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 3.96, BSC poses **very Low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 22 days, BSC poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BSC's debt to assets ratio is 0.61 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very low risk category. With debt to assets ratio of 0.61, BSC carry **moderate** risk for GoB; and
- (vi) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. BSC's debt to EBITDA ratio is 5.43 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 5.43, BSC poses **very high** risk for GoB.

78.9 According to the records, Bangladesh Shipping Corporation (BSC) did not involve in any quasi-fiscal activities in FY 2022-23.

78.8 According to the records, no statutory obligation and no lawsuit is pending against BSC. It has not issued any guarantee yet. So, no Contingent Liabilities is foreseen for Bangladesh Shipping Corporation (BSC) in FY 2022-23.

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79. Mongla Port Authority (MPA)

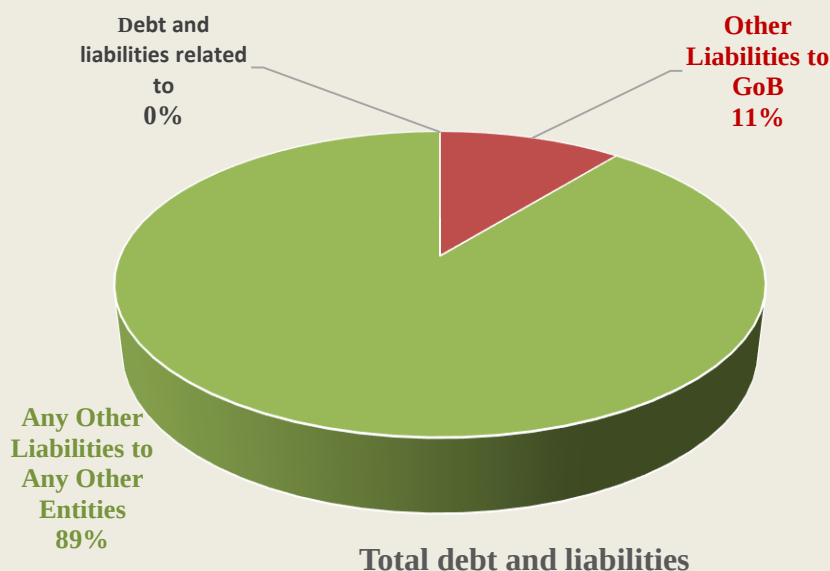
79.1 Mongla Port Authority is an autonomous organization responsible for Mongla Port and is located in Mongla, Bangladesh. This port started journey as Chalna Port on 11 December 1950. Since 1950, Chalna Port started to function as Government Directorate and in May 1977, the directorate was converted to an autonomous organization called Chalna Port Authority. The Chalna Port Authority was again renamed as "Mongla Port Authority" on 8th March 1987. Mongla Port is situated on the South Western Part of Bangladesh at the confluence of Passur River and Mongla Nulls about 45 Km south of Khulna City. All activities of the port are controlled by the Ministry of shipping and monitoring by high powered parliamentary & Advisory Committees.

79.2 The following Table-1 presents the statement of debt and liabilities of Mongla Port Authority (MPA) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and Liabilities

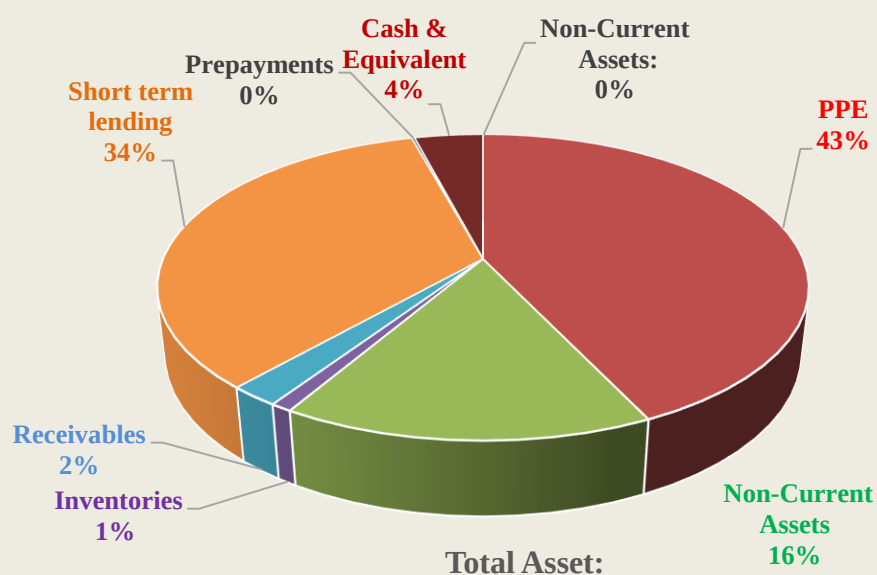
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	332,320,729.00	185,206,012.00	-44.27%	0.00
15	Any Other Liabilities to Any Other Entities	1,362,254,046.00	1,520,816,817.00	11.64%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,694,574,775.00	1,706,022,829.00	0.68%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,694,574,775.00	1,706,022,829.00	0.68%	0.00
18	Debt and liabilities to GoB (3+14)	332,320,729.00	185,206,012.00	-44.27%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,362,254,046.00	1,520,816,817.00	11.64%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

79.3 Statement of debt and liabilities in FY 2022-23:



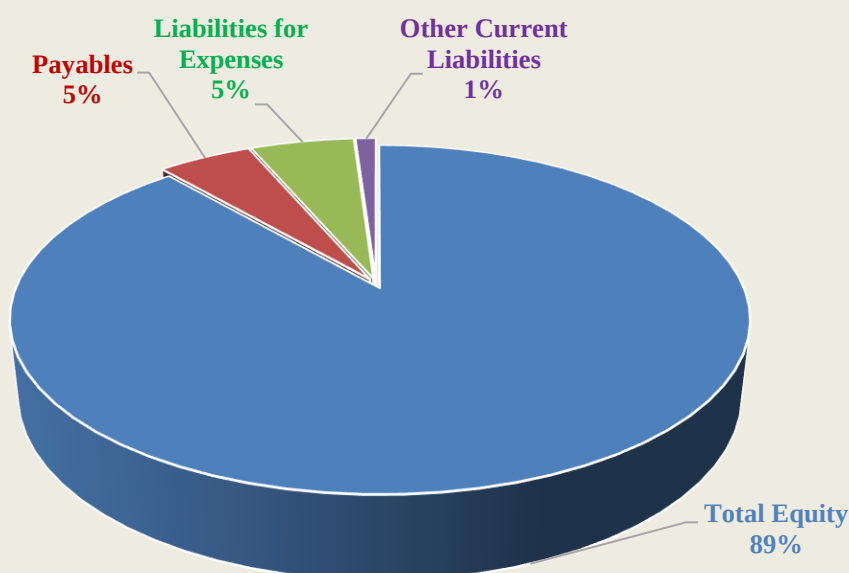
According to the financial statement of MPA, the total debt is BDT 1,706.62 million BDT as of 30th June 2023. Out of this amount, a major portion 89% is 'any other liabilities to any other entities' that includes accounts payables and other current liabilities, and remaining 11% other liabilities related to GoB which are current liabilities by nature. More importantly, MPA does not hold any long-term liabilities to GoB and any financial institutions. All liabilities are current liabilities that are expected to be settled within financial years. So not having long-term liabilities MPA is less likely to cause fiscal risk for GoB.

79.4 The composition of total assets in FY 2022-23:



According to the financial statement of MPA in FY 2022-23 total assets was BDT 14,961.04 million. Out of these amounts major portion 43% PPE followed by 34% short-term lending, non-current assets 16%, cash & cash equivalent 4%, receivables 2% and finally 1% inventories. The composition shows that long-term assets is 59% of total assets.

79.5 The composition of equity and liabilities in FY 2022-23



Equity & Liability : BDT 14961037126

The composition of total equity and liabilities major portion 89% covers equity followed by 5% liabilities for expenses, 5% payables, and finally 1% other current liabilities. The financial statement revealed that the growth of MPA is highly equity-driven rather than liabilities. Based on the composition of equity and liabilities MPA is less likely to cause fiscal risk for GoB

79.6 Fiscal risk from MPA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio - MPA

Particular	Result	Risk	Score
Cost recovery	1.23	Moderate	3
Return on Equity (ROE)	0.75%	Moderate	3

Table – 3: Liquidity Ratio-MPA

Particular	Result	Risk	Score
Current ratio	3.64	Very Low	1
Creditor turnover days	Trade Payables is '0' (Zero),	-	1

Table – 4: Solvency Ratio - MPA

Particular	Result	Risk	Score
Debt to total assets	0.11	Very Low	1
Debt to EBITDA	1.43	Very Low	1
Total Score			10
Average Score			2 (1.67)
Overall Risk Rating			Low

79.7 The ratio analysis shows that MPA's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. MPA 's cost recovery ratio is 1.13 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.13 MPA poses **moderate** fiscal risk to GoB. MPA claimed that because of Ukraine war, dollar crisis and pandemic situation less ships have arrived in Mongla Port which led to lower cost recovery ratio. The MPA argues that from now onwards it will make more profit and will make cost recovery ratio gin very low risk category;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. MPA 's ROE is 0.75% and according to threshold value it fits moderate category. ROE value between 0% and less than 8% is considered as moderate-risk category. With ROE 0.75 %, MPA poses **moderate** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of MPA is 3.64 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 3.64, MPA poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With creditor turnover days of 0, MPA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. MPA's debt to assets ratio is 0.11 and according to threshold value it fits under l very ow-risk category. Considering the threshold value, debt to assets ratio 0.25 and below matches very high-risk category. With debt to assets ratio of 0.11, MPA carry **very low** for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. MPA's debt to EBITDA ratio is 1.43 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to EBITDA ratio of below 1.5 belongs to very high-risk category. With EBITDA ratio of 1.43, MPA poses **very low** risk for GoB.

79.8 According to the records, Mongla Port Authority (MPA) did not involve in any quasi-fiscal activities in FY 2022-23.

79.9 According to the records, pending statutory obligation about income tax is BDT 257.81 million against MPA. So Contingent Liabilities is foreseen from statutory obligation of income tax for Mongla Port Authority (MPA) in FY 2022-23.

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80. Bangladesh Inland Water Transport Authority (BIWTA)

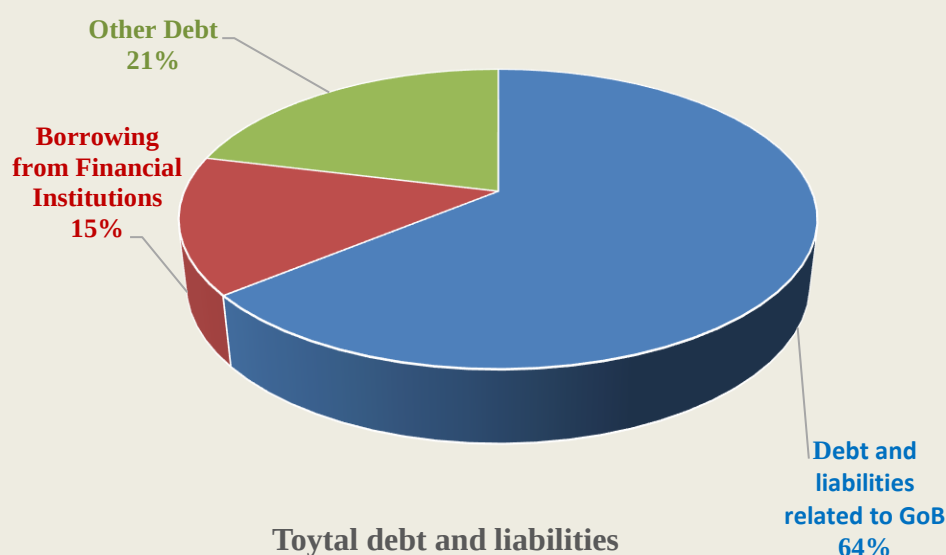
80.1 The Bangladesh Inland Water Transport Authority also known as BIWTA is the authority which controls the inland water transport in Bangladesh. It's also responsible for managing development and maintenance of inland water transport system. The department was first established in 1958 by the former East Pakistan government as East Pakistan Inland Water Transport Authority (EPIWTA). After independence of Bangladesh this department was named as Bangladesh Inland Water Transport Authority.

80.2 The following Table-1 presents the statement of debt of Bangladesh Inland Water Transport Authority (BIWTA) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and liabilities

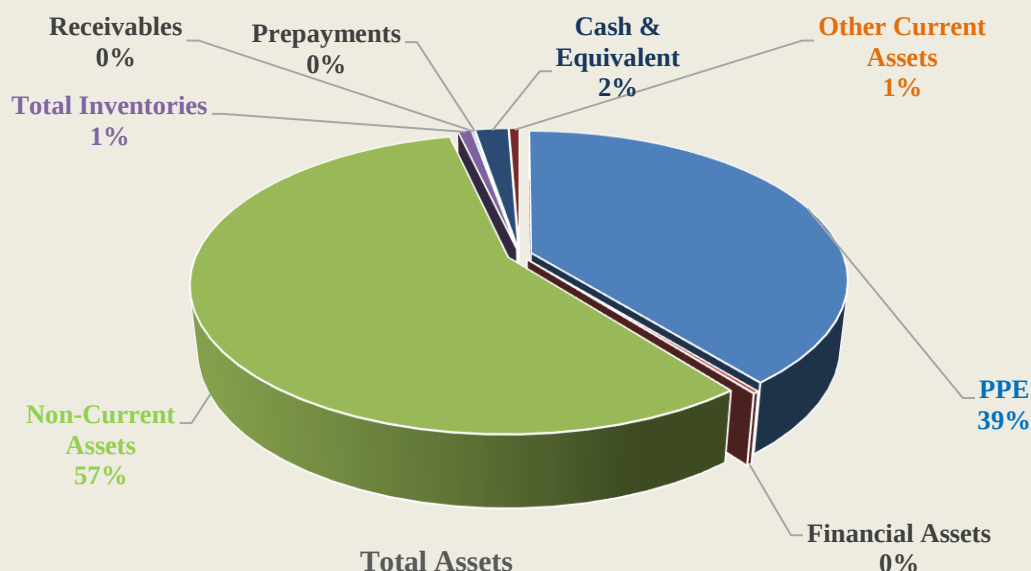
					Amount in BDT
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	6,539,261,739.17	6,663,249,398.87	1.90%	0.00
2	Debt and liabilities related to GoB under LA	3,941,431,079.04	4,011,858,984.37	1.79%	0.00
3	Debt and liabilities related to GoB(1+2)	10,480,692,818.21	10,675,108,383.24	1.85%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	2,469,176,500.00	2,469,176,500.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	2,469,176,500.00	2,469,176,500.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	1,540,810,000.00	1,540,810,000.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	11,480,439.79	1,088.00	-80.80%	0.00
14	Other Liabilities to GoB	6,409,354.00	105,165.47	-98.36%	0.00
15	Any Other Liabilities to Any Other Entities	2,095,015,513.78	1,986,892,147.38	-5.16%	0.00
16	Other Debt and liabilities (12+13+14+15)	3,653,715,307.57	3,527,808,400.85	-3.45%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	16,603,584,625.78	16,672,093,284.09	0.41%	0.00
18	Debt and liabilities to GoB (3+14)	10,487,102,172.21	10,675,213,548.71	1.79%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	6,116,482,453.57	5,806,879,735.38	-1.96%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

80.3 The statement of debt and liability in FY 2022-23:



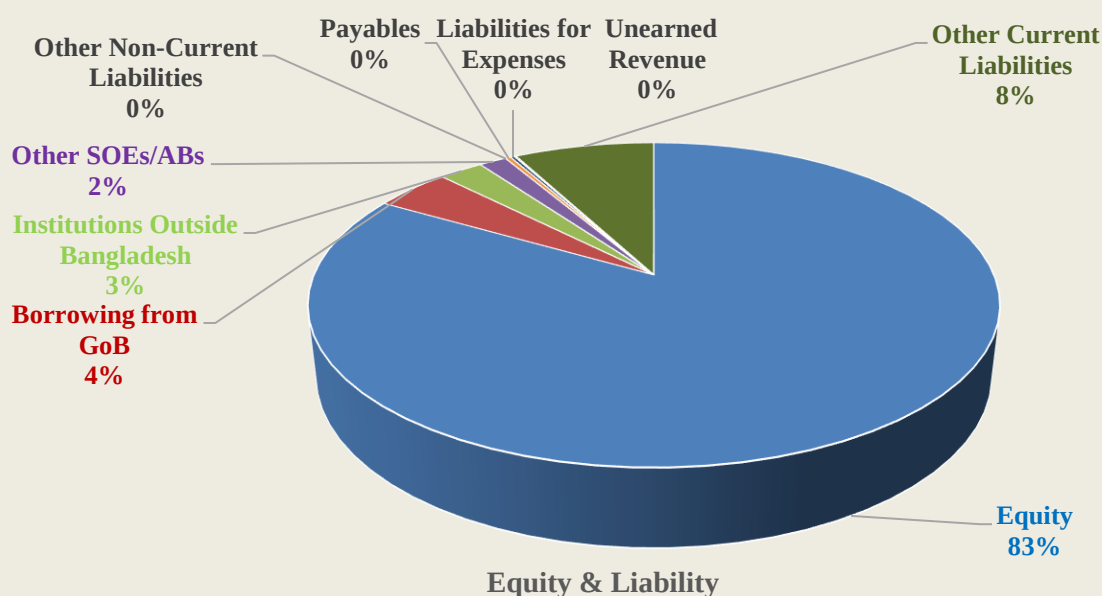
According to the financial statement of BIWTA, the total debt is BDT 16,672.09 million as of 30th June, 2023. Out of this amount, major portion 64% debt to related parties which are long-term liabilities followed by other debt which are current liabilities to GoB and to any other entities and finally borrowing from GoB under SLA and LA which are long-term liabilities. The financial statement revealed that long-term liabilities are 79% of total liabilities. If BIWTA fails to make repayment of these liabilities it will create fiscal risk for GoB.

80.4 The composition of assets in FY 2022-23:



According to the financial statement of BITWA in FY 2022-23 total assets was BDT 80,835.07 million. out of these assets, major portion 57% non-current assets followed by PPE 39%, cash & cash equivalent 1%, inventories 1% and finally 1% other current assets. The financial statement revealed that long-term assets is 96% of total assets.

80.5 The composition of total equity and liabilities in FY 2022-23:



The composition of equity and liabilities in FY 2022-23 shows that major portion 83% is equity followed by other current liabilities 8%, borrowing from GoB 4%, borrowing from financial institutions outside Bangladesh 3%, and finally borrowing from other state-owned enterprise 2% which are long-term liabilities. The composition reveal that long-term liabilities are 9% while equity covers 83% of total equity & liability. The growth of BIWTA equity is equity driven which help to reduce fiscal risk for GoB.

80.6 Fiscal risk from BIWTA is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BIWTA

Particular	Result	Risk	Score
Cost recovery	0.34	Very High	5
Return on Equity (ROE)	-1.48%	High	4

Table – 3: Liquidity Ratio – BIWTA

Particular	Result	Risk	Score
Current ratio	0.43	Very High	5
Creditor turnover days	0.02	Very Low	1

Table – 4: Solvency Ratio – BIWTA

Particular	Result	Risk	Score
Debt to total assets	0.17	Very Low	1
Debt to EBITDA	EBITDA is negative	Very High	5
Total			21
Average Score			4 (3.50)
Overall Risk Rating			High

80.7 The ratio analysis shows that BIWTA's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BIWTA's cost recovery ratio is 0.34 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.34 BIWTA poses **very high** fiscal risk to GoB. BIWTA argued that due to existence of Padma Bridge revenue has dropped sharply while the of cost dredging river and maintaining river channel remain same. Moreover, its public service obligation of BIWTA to service the river channels;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BIWTA's Return on equity ratio (ROE) is -1.48 % which fits under high-risk category. According to the threshold value table ROE below -10.0% is considered as very high-risk category. With ROE -1.48%, BIWTA poses **high** fiscal risk to GoB. Due to Padma bridge revenue has dropped keeping the operating cost unchanged which led to negative equity;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BIWTA is 0.43 appears to be very poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 0.43, BIWTA poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil Creditor Turnover Days days, BIWTA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BIWTA's debt to assets ratio is 0.17 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of below 0.25 matches very low risk category. With debt to assets ratio of 0.17, BIWTA carry **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BIWTA's o EBITDA is negative, hence BIWTA may be unable to make repayment of its debt by its own. With negative EBITDA, BIWTA poses **very high** risk for GoB. To offer public service like keeping channel navigable BIWTA is experiencing negative income which led to negative EBITDA.

80.8 According to the records, BIWTA did not involve in any quasi-fiscal activities in FY 2022-23.

80.9 According to the records, no pending statutory obligation and no law suit is pending against BIWTA. So Contingent Liabilities is foreseen for BIWTA in FY 2022-23.

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81. Bangladesh Inland Water Transport Corporation (BIWTC)

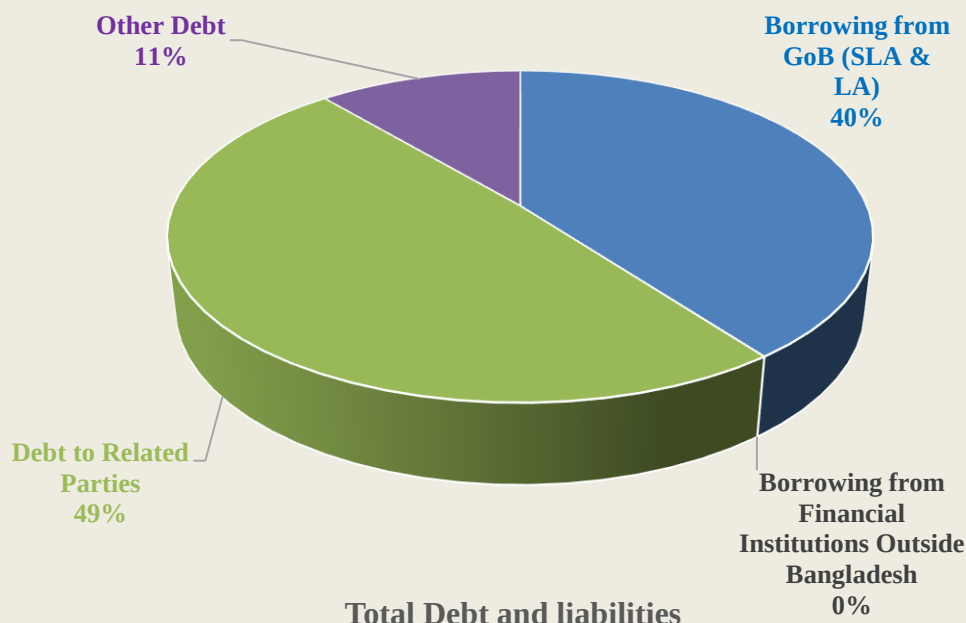
81.1 The Bangladesh Inland Water Transport Corporation is a government-owned company that owns and operates inland vessels and ports in Bangladesh. The company was founded in 1972 after the Liberation of Bangladesh. It was placed in charge of through the nationalization of East Pakistan Shipping Corporation and other private shipping corporations. The organization gains the majority of its revenue by operating ferry services. It also offers coastal passenger services, container and cargo services, ship repair and breaking services.

81.2 The following Table-1 presents the statement of debt of Bangladesh Inland Water Transport Corporation (BIWTC) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and liabilities

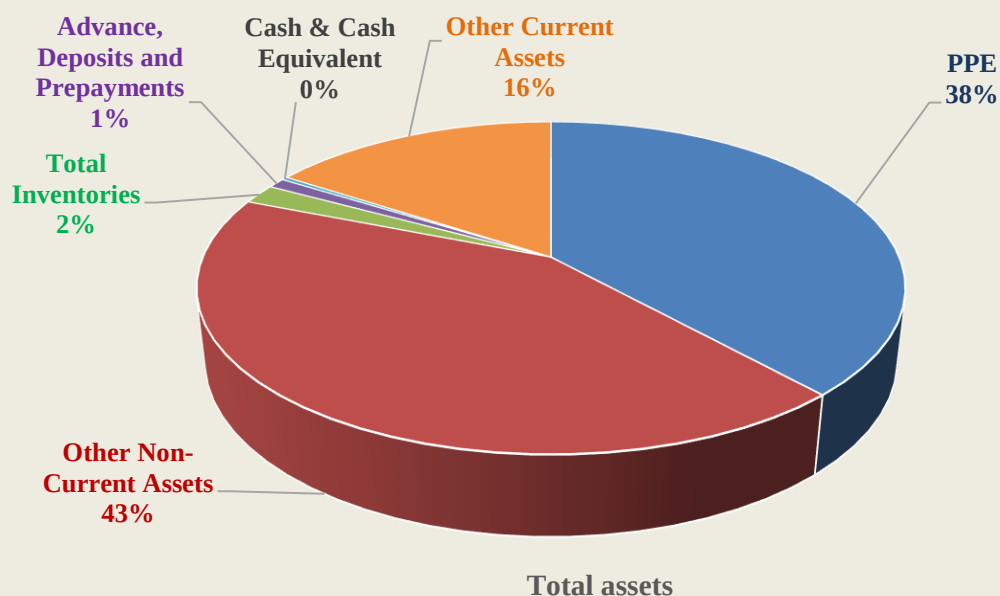
Amount in BDT					
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	1,786,584,337.88	1,807,785,148.77	1.19%	0.00
2	Debt and liabilities related to GoB under LA	5,128,540,609.18	5,131,815,633.99	0.06%	0.00
3	Debt and liabilities related to GoB(1+2)	6,915,124,947.06	6,939,600,782.76	0.35%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	1,009,815.59	1,009,815.59	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	1,009,815.59	1,009,815.59	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	9,900,456,445.60	10,321,400,275.70	4.25%	0.00
11	Debt and liabilities to Related Parties (9+10)	9,900,456,445.60	10,321,400,275.70	4.25%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	270,267,694.13	275,060,912.85	1.77%	0.00
15	Any Other Liabilities to Any Other Entities	379,168,545.06	306,786,676.51	-19.09%	0.00
16	Other Debt and liabilities (12+13+14+15)	649,436,239.19	581,847,589.36	-10.41%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	17,466,027,447.44	17,843,858,463.41	2.16%	0.00
18	Debt and liabilities to GoB (3+14)	7,185,392,641.19	7,214,661,695.61	0.41%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	10,280,634,806.25	10,629,196,767.80	3.39%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

81.3 Statement of debt and liabilities in FY 2022-23



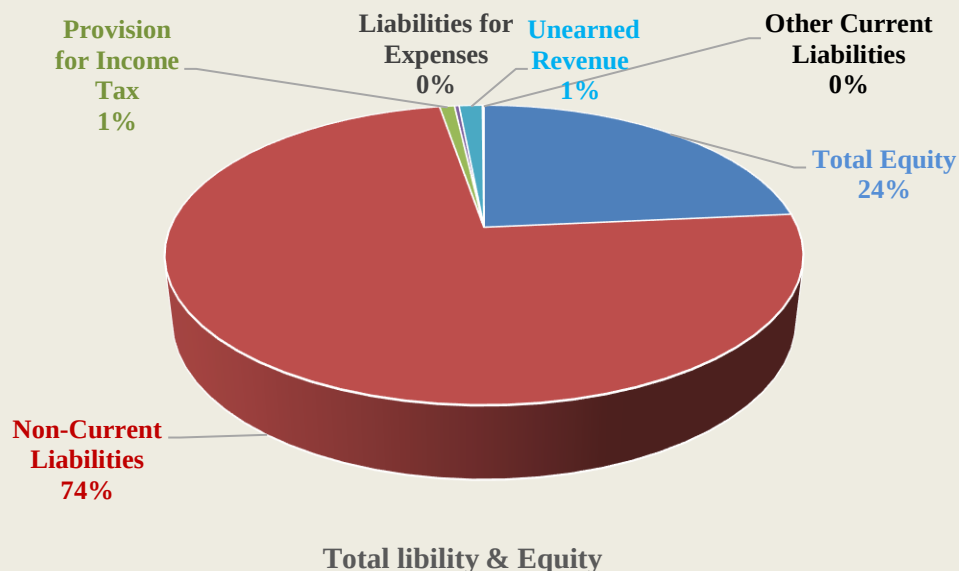
As per the financial statement of BIWTC, the total debt is BDT 17,843.86 million as of 30th June, 2023. Out of this amount, major portion debt to related parties 49% which are long-term liabilities followed by borrowing from GoB under SLA & LA and finally other debt 11% which are long-term liabilities. The financial statement shows that long-term liabilities are 89% of total liabilities. If BIWTC fails to make repayment of these long-term liabilities it will cause fiscal risk for GoB.

81.4 The composition of assets in FY 2022-23:



According to the financial statements of BIWTC in FY 2022-23 total assets was BDT 23,352.41 million. Out of these amount, major portion 43% noncurrent assets followed by PPE 38%, other current assets 16%, inventories 2% and finally 1% advance & prepayment. The financial statement revealed that long-term assets is 81% of total assets.

81.5 The composition of equity and liabilities in FY 2022-23:



The composition of liability and equity shows that the major portion of non-current assets 74% followed by equity 24%, provision for income tax 1% and finally 1% unearned revenue. The composition of equity and liability revealed that growth of BITWC is liability-driven and may cause fiscal risk for GoB.

81.6 Fiscal risk from BIWTC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BIWTC

Particular	Result	Risk	Score
Cost recovery	0.90	High	4
Return on Equity (ROE)	-6.74%	High	4

Table – 3: Liquidity Ratio – BIWTC

Particular	Result	Risk	Score
Current ratio	1.05	High	4
Creditor turnover days	Trade Payables & Cost of Goods Sold both are '0' (Zero),	-	1

Table – 4: Solvency Ratio – BIWTC

Particular	Result	Risk	Score
Debt to total assets	0.75	Moderate	3
Debt to EBITDA	EBITDA is negative	Very High	5
Total			21
Average Score			4 (3.5)
Overall Risk Rating			High

81.7 The ratio analysis shows that BIWTC's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BIWTC 's cost recovery ratio is 0.90 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.90 BIWTC poses **high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BIWTC's Return on equity ratio (ROE) -6.74 % which under high-risk category. According to the threshold value table ROE between less than 0% and -10.0% is considered as high-risk category. With ROE -6.74%, BIWTC poses **high** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BIWTC is 1.05 appears to be poor and as per threshold value table it matches with high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 1.05, BIWTC poses **high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil Creditor Turnover Days, BIWTC poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BIWTC's debt to assets ratio is 0.75 and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio below 0.25 matches very low risk category. With debt to assets ratio of 0.75, BIWTC carry **moderate** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BIWTC's EBITDA is negative, hence BIWTC may be unable to make repayment of its debt by its own. With negative EBITDA, BIWTC poses **very high** risk for GoB.

81.8 According to the records, BIWTC did not involve in any quasi-fiscal activities in FY 2022-23.

81.9 According to the records, no pending statutory obligation and no law suit is pending against BIWTC. So Contingent Liabilities is foreseen for BIWTC in FY 2022-23.

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Ministry of Roads and Highways



82. Bangladesh Bridge Authority (BBA)

82.1 “Jamuna Multipurpose Bridge Authority” was formed by President’s Ordinance No.34 of 1985. Later on, it was renamed as “Bangladesh Bridge Authority (BBA)” under the Act No. 56 of 2009 and afterwards it was replaced by Bangladesh Bridge Authority Act, 2016. BBA is assigned to operate, construct, and maintain the bridges with the length of 1500 meters or more, Toll Roads, Flyovers, Expressways, Tunnel, Causeways, Ring Road etc. within the country. Bridges Division, Ministry of Road Transport and Bridges has the oversight responsibility for BBA. Main functions of Bangladesh Bridge Authority (BBA):

- Undertake feasibility studies for the establishment of bridges, tunnels, flyover, expressways, elevated expressways, causeways etc.;
- Construction, operation and maintenance of all bridges in the country having a length of 1500 meters or more, ring/link roads, flyover, expressway, etc.;
- Fix and collect toll from different types of vehicles for using bridges, tunnel, elevated expressways etc.;
- Ensure security of bridges and other structures of adjacent areas;
- Assist the relevant agencies for uninterrupted and integrated transportation system within the country.

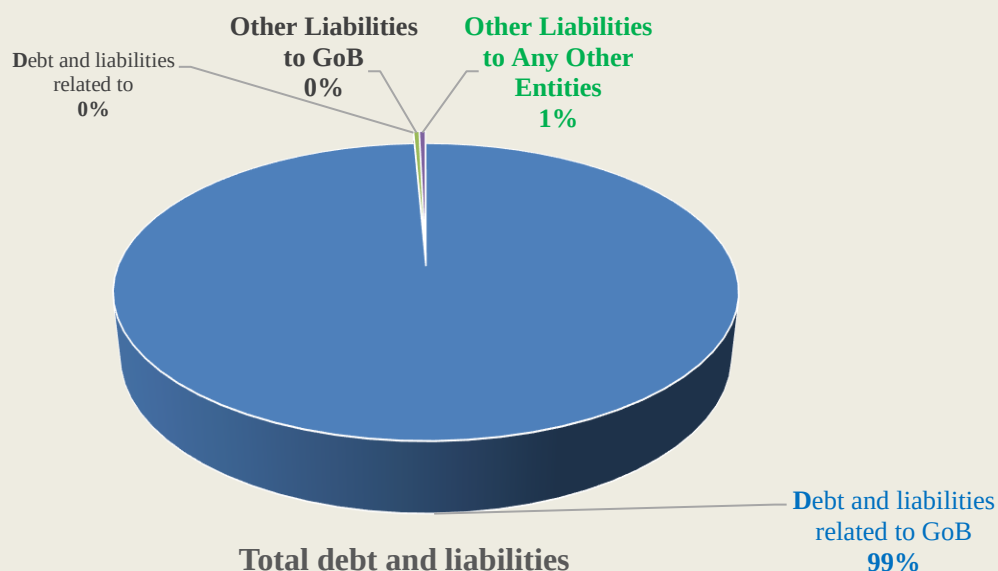
82.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Bridge Authority (BBA) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	6,675,162,528.00	9,829,734,632.00	47.26%	6,675,162,528.00
2	Debt and liabilities related to GoB under LA	0.00	295,940,800,000.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	6,675,162,528.00	305,770,534,632.00	4480.72%	6,675,162,528.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,166,935,715.00	1,038,677,505.00	-10.99%	1,166,935,715.00
15	Any Other Liabilities to Any Other Entities	274,795,697.00	1,138,500,499.00	314.31%	274,795,697.00
16	Other Debt and liabilities (12+13+14+15)	1,441,731,412.00	2,177,178,004.00	51.01%	1,441,731,412.00
17	Total Debt and liabilities (3+7+8+11+16)	8,116,893,940.00	307,947,712,636.00	3693.91%	8,116,893,940.00

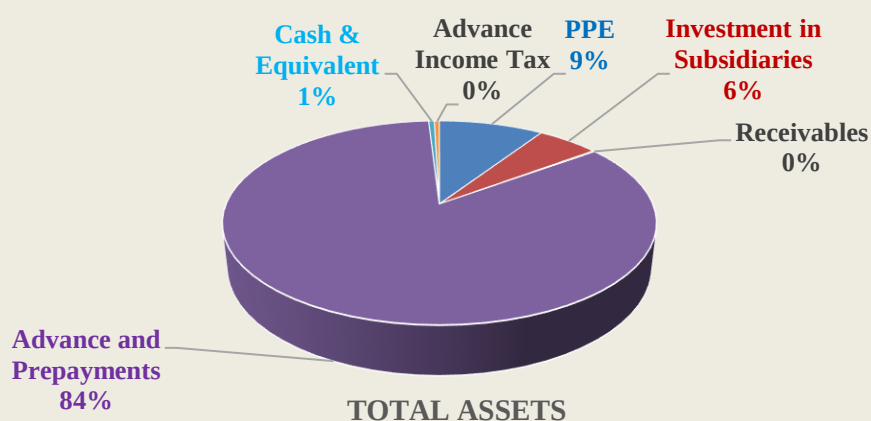
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
18	Debt and liabilities to GoB (3+14)	7,842,098,243.00	306,809,212,137.00	3812.34%	7,842,098,243.00
19	Debt and liabilities to Entities other than GoB (17-18)	274,795,697.00	1,138,500,499.00	314.31%	274,795,697.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

82.3 Statement of debt and liabilities in FY 2022-23:



According to the financial statement of Bangladesh Bridge Authority (BBA) the total debt was BDT 307,947.71 million as of 30th June, 2023. Out of this amount, major portion 99% belongs to liabilities related to GoB under Subsidiary Loan Agreement (SLA) and loan agreement (LA) which are long-term liabilities followed by 1% other liabilities to GoB. If BBA fails to make repayment of these long-term liabilities, it will create fiscal risk for GoB.

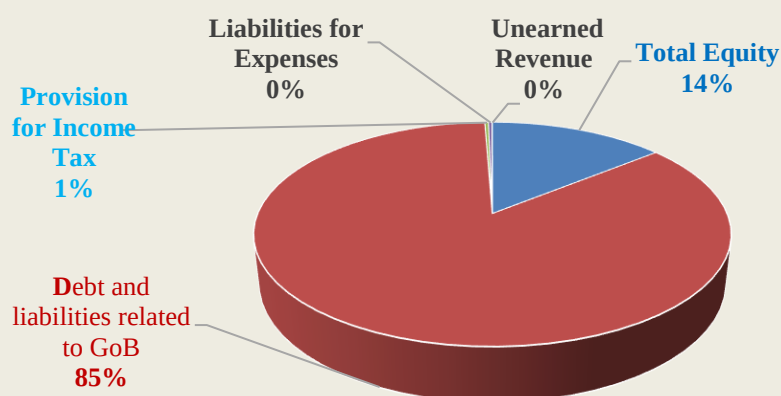
82.4 The composition of assets in FY 2022-23:



According to the financial statement of BBA total assets in FY 2022-23 was BDT 358,780.7 million. out of these

assets major portion 84% belongs to advances and prepayments followed by 9% PPE, 6% investment in subsidiaries, and 1% cash and cash equivalent. The composition shows that long-term assets is only 15% of its total assets.

82.5 The composition of equity and liabilities in FY 2022-23:



EQUITY & LIABILITY

The composition shows that major portion 85% is Debt and liabilities related to GoB under SLA and LA followed by 14% equity and finally provision for income tax 1% of total equity and liabilities. The statement further shows that growth of BBA is liability driven rather than equity. This situation may cause fiscal risk for GoB.

82.6 Fiscal risk from Bangladesh Bridge Authority (BBA) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following table:

Table – 2: Profitability Ratio – BBA

Particular	Result	Risk	Score
Cost recovery	1.35	Low	2
Return on Equity (ROE)	5.98%	Moderate	3

Table – 3: Liquidity Ratio – BBA

Particular	Result	Risk	Score
Current ratio	140	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero), The the Credit Turnover Ratio is very low.	Very Low	1

Table – 4: Solvency Ratio – BBA

Particular	Result	Risk	Score
Debt to total assets	0.86	High	4
Debt to EBITDA	26.62	Very High	5
Total Score			16
Average Score			3 (2.67)
Overall Risk Rating:			Moderate

82.7 The ratio analysis shows that Bangladesh Bridge Authority (BBA)'s risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BBA 's cost recovery ratio is 1.35 and according to threshold value it goes under low fiscal risk category. Considering the threshold value, cost recovery ratio between 1.25 and less than 1.5 falls under low-risk category. With cost recovery ratio 1.35 BBA poses **low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BBA 's ROE is 5.98% and according to threshold value it fits moderate-risk category. ROE value of between 0% and less than 8% is considered as moderate-risk category. With ROE 5.98 %, BBA poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BBA is 140.45 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 140.45 BBA poses **very low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With nil creditor turnover ratio, BBA poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BBA's debt to assets ratio is 0.86 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of greater than 1.0 is very high-risk category. With debt to assets ratio of 0.86, BBA carry **high** risk for GoB; and
- (vi) Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. BBA's debt to EBITDA ratio is 26.26 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 26.26, BBA poses **very high** risk for GoB.

82.8 According to the records Bangladesh Bridge Authority (BBA) did not involve in any quasi-fiscal activities in FY 2022-23.

82.9 According to the records, no statutory obligation and no lawsuit is pending against BBA. So Contingent Liabilities is not foreseen for Bangladesh Bridge Authority (BBA) in 2022-23.

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83. Dhaka Mass Transit Company Limited (DMTCL)

83.1 Dhaka Mass Transit Company Limited, commonly known as DMTCL, is a government-owned company responsible for operating Dhaka Metro Rail, a mass rapid transit system in Dhaka and adjoining areas. The company was established on 3 June 2013 under the Companies Act 1994, a law that governs companies in Bangladesh. The main objective of the Company is to establish, operate and maintain including planning, designing, development, construction, and financing of Mass Rapid Transit (MRT) system in and around Dhaka city so as to meet the Urban Transport needs of Dhaka and its neighboring areas.

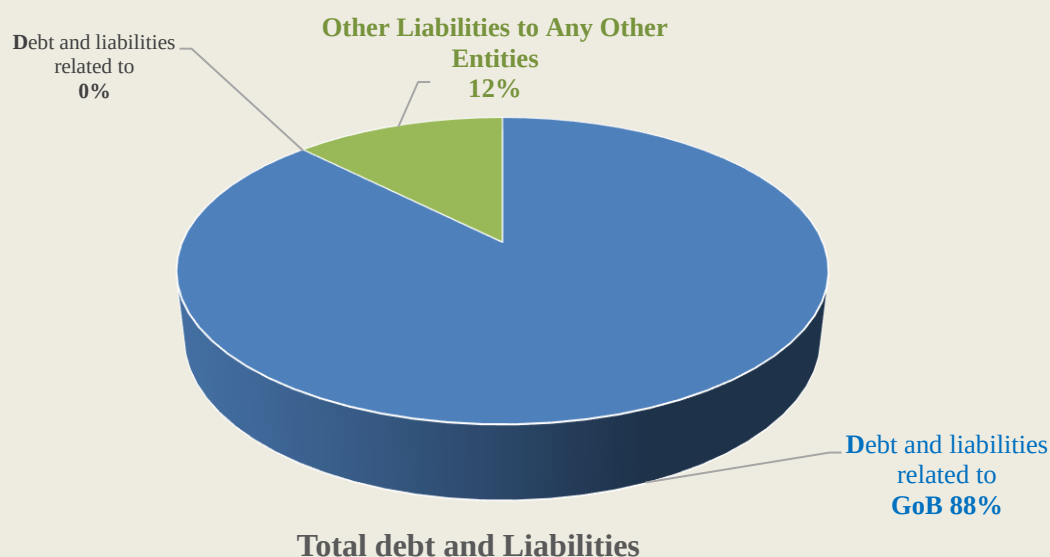
83.2 The following Table-1 presents the statement of Debt and liabilities of Dhaka Mass Transit Company Limited (DMTCL) for the FY 2021-22 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and Liabilities

Amount in BDT

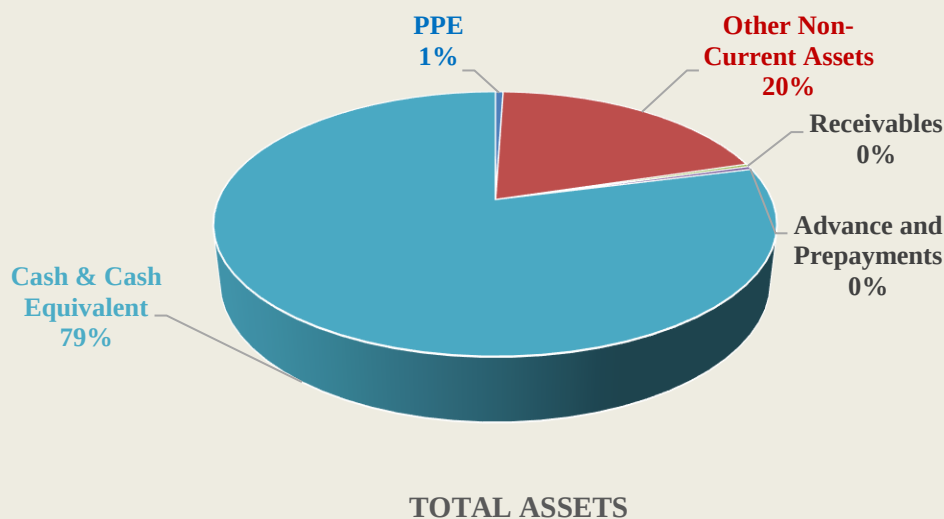
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to under LA	0.00	1,507,500,000.00	0.00%	0.00
3	Debt and liabilities related to (1+2)	0.00	1,507,500,000.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	1,351,070.00	214,679,391.00	15789.58%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,351,070.00	214,679,391.00	15789.58%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,351,070.00	1,722,179,391.00	127367.81%	0.00
18	Debt and liabilities to GoB (3+14)	0.00	1,507,500,000.00	0.00%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,351,070.00	214,679,391.00	15789.58%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

83.3 Statement of debt and liabilities in FY 2022-23:



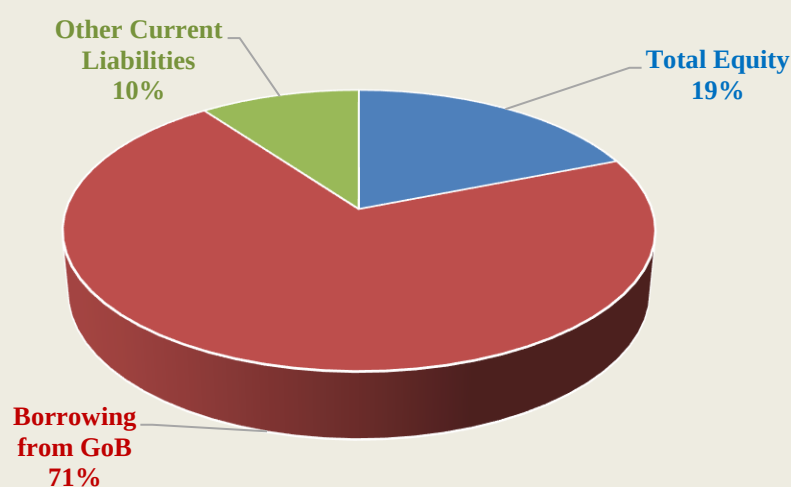
According to the financial statement of Dhaka Mass Transit Company Limited (DMTCL), the total debt as of 30th June, 2023 was BDT 1,722.18 million. Out of these amounts major portion 88% belongs to liabilities related to GoB under loan agreement (LA) and remaining 12% is other liabilities to any other entities which are current liabilities. If DMTCL fails to make repayment of liabilities related to GoB it will create fiscal risk for GoB.

83.4 The composition of assets in FY 2022-23:



According to the FY of DMTCL in 2022-23 total assets was BDT 2126.03 million. Out of these assets major portion 79 % is cash and cash equivalent followed by followed by 12% other non-current assets and finally 1% PPE. The statement shows that long-term assets are only 21% compared to 78% current assets, which may cause fiscal risk for GoB.

83.5 The composition of equity and liabilities in FY 2022-23:



EQUITY & LIABILITY

The composition of equity and liabilities shows that major portion 71% is liabilities related to GoB under loan agreement following that equity 19% and other current liabilities are 10%. The composition further shows that equity is only 19% compared to 81% long-term liability. Therefore, the growth of DMTCL is highly liability-driven and this situation may cause fiscal risk for GoB.

83.6 Fiscal risk from DMTCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio-DMTCL

Particular	Result	Risk	Score
Cost recovery	Total Revenue & Total Expenses both are '0' (Zero), So the Cost Recovery ratio is Nil.	Nil	-
Return on Equity (ROE)	Retained Earnings is '0' (Zero),	Moderate	3

Table – 3: Liquidity Ratio-DMTCL

Particular	Result	Risk	Score
Current ratio	7.89	Very Low	1
Creditor turnover days	Trade Payable & Cost of Goods Sold both are '0' (Zero),	Very Low	1

Table – 4: Solvency Ratio-DMTCL

Particular	Result	Risk	Score
Debt to total assets	0.81	High	4
Debt to EBITDA	928.24	Very High	5
Total score			14
Average Score			3 (2.8)
Overall Risk Rating			Moderate
Previous Year's Risk Rating			Moderate

83.7 The ratio analysis shows that Dhaka Mass Transit Company Limited (DMTCL)'s risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. DMTCL's total revenue & total expenses both are '0' (Zero). Therefore, cost recovery ratio is beyond calculation and this ratio has been excluded to calculate total and average score;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. DMTCL 's ROE is 0% and according to threshold value it fits moderate-risk category. ROE value between 0% to 8% is considered as moderate-risk category. With ROE 0 %, DMTCL poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of DMTCL is 7.8 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 7.8 DMTCL poses **very low** fiscal risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of below 30 is considered as very low-risk category. With nil creditor turnover days, DMTCL poses **very low** fiscal risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. DMTCL's debt to assets ratio is 0.81 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 0.75 to less than 1.0 is classified as moderate-risk category. With debt to assets ratio of 0.81, DMTCL carry **high** fiscal risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. DMTCL's debt to EBITDA ratio is 928.24 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 928.24, DMTCL poses **very high** risk for GoB;

83.8 According to the records Dhaka Mass Transit Company Limited (DMTCL) did not involve in any quasi-fiscal activities in FY 2022-23.

83.9 According to the records, no statutory obligation and no lawsuit is pending against DMTCL. So, no Contingent Liabilities is foreseen for Dhaka Mass Transit Company Limited (DMTCL) in FY 2022-23.

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84. Bangladesh Road Transport Corporation (BRTC)

84.1 Road Transport Corporation was established in 1966. After independence of Bangladesh the government Promulgated Bangladesh Road Transport Corporation Ordinance No:7 in 1972 and renamed the Bangladesh Road Transport Corporation (BRTC). Recently the Bangladesh Road Transport Corporation (BRTC) Ordinance 1972 is repealed and replaced by Bangladesh Road Transport Corporation Act 2020. The aim of corporation is to develop safe and modern road transport system in the country. The entity now provides inter-district and city services by its bus and truck. The Corporation plays an important role to ensure a fast, comfortable, modern and safe road transport system with fare control in the country. Road and Highway Division, Ministry of Road Transport and Bridges has the oversight responsibility for BRTC. Bangladesh Road Transport Corporation (BRTC) performs the following function:

- Transportation of passengers and goods with safety and reliability;
- Repair and maintenance of vehicles through own repair center/ workshop;
- Provides passenger and goods transportation services on domestic and international routes;
- Provides special road transport services in special situations and state emergency;
- Establish and operate training institutes and centers to create skilled manpower in this sector;
- Based on specific policies operate passenger buses and goods trucks on temporary lease basis;
- Arrange to procure pollution free vehicles for BTRC fleet;
- Procure the necessary number of buses and trucks for providing passenger and goods services;
- Acquire, develop, and transfer the movable and immovable property of the corporation.

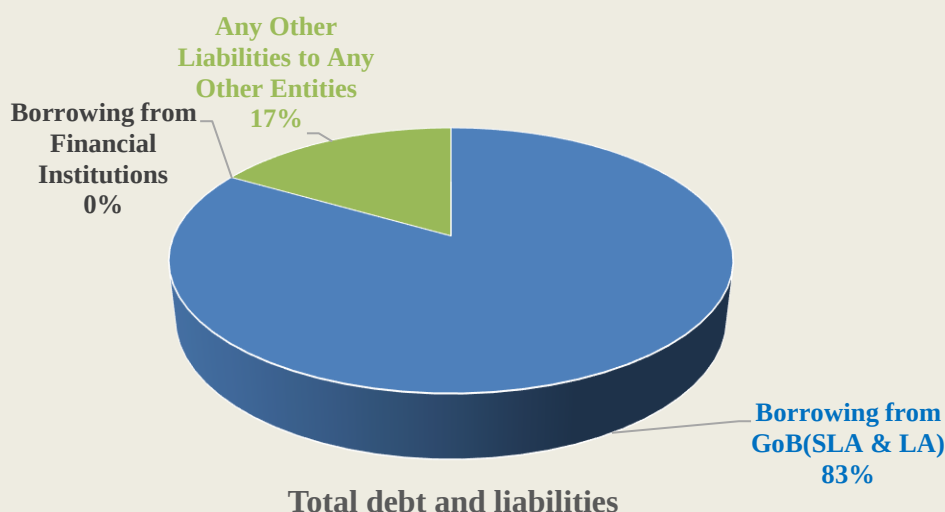
84.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Road Transport Corporation (BRTC) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT					
Serial No	Particulars of Debt add Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	6,391,839,760.00	6,717,946,512.00	5.10%	0.00
2	Debt and liabilities related to GoB under LA	17,698,969,049.00	18,140,208,201.00	2.49%	0.00
3	Debt and liabilities related to GoB(1+2)	24,090,808,809.00	24,858,154,713.00	3.19%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00

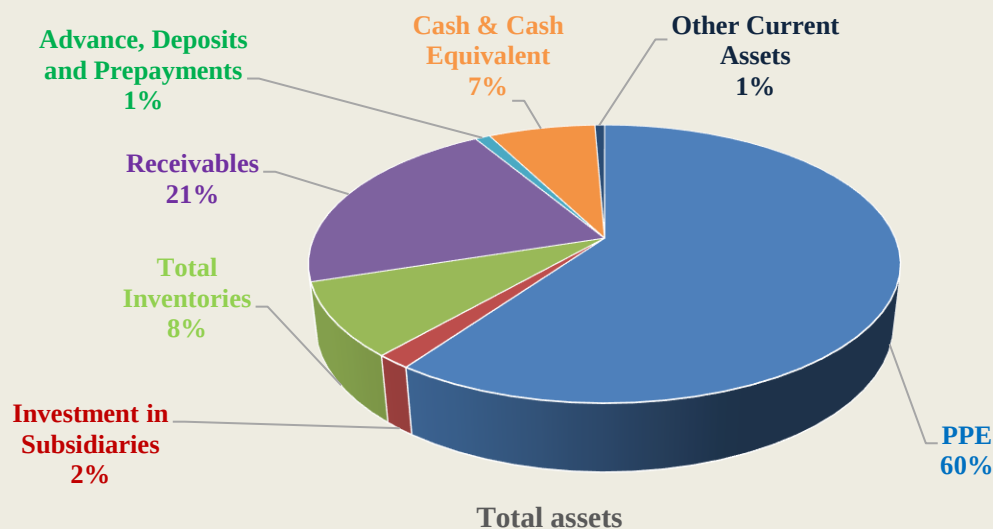
Serial No	Particulars of Debt add Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	6,084,774,214.00	4,975,127,030.00	-18.24%	0.00
16	Other Debt and liabilities (12+13+14+15)	6,084,774,214.00	4,975,127,030.00	-18.24%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	30,175,583,023.00	29,833,281,743.00	-1.13%	0.00
18	Debt and liabilities to GoB (3+14)	24,090,808,809.00	24,858,154,713.00	3.19%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	6,084,774,214.00	4,975,127,030.00	-18.24%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00

84.3 Statement of debt and liabilities in FY 2022-23:



According to the financial statement of BRTC, the total debt is BDT 29,833.28 million as of June 30, 2023. Of these liabilities major portion 83% is liabilities related to GoB under subsidiary loan agreement (SLA) and loan agreement (LA) and remaining 17% is other liabilities to any other entities which are current liabilities by nature. If BRTC fails to make repayment of liabilities related to GoB it will create fiscal risk for GOB

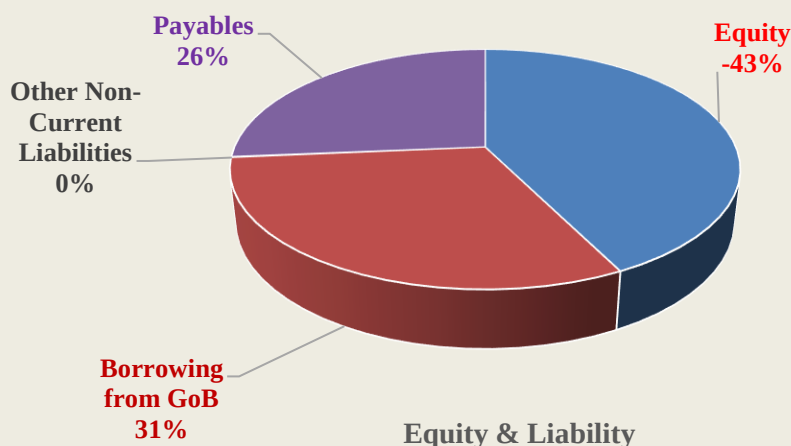
84.4 The composition of assets in FY 2022-23:



According to the financial statement of BRTC in FY 2022-23 was BDT 7,706.74 million. Out of these assets major

portion 60% is PPE following that, receivables 21%, inventories 8% , cash & cash equivalent 7%, investment in subsidiaries 2% and finally 1% belongs to other current assets. The composition shows that 62% of total assets is long-term assets and remaining 38% is current liabilities.

84.5 The composition of equity and liabilities in FY 2022-23:



The financial statement shows equity is negative that make up 43% of equity and liabilities. After equity major portion 31% is borrowing from GoB under SLA and LA and remaining 26% in payables. Besides other non-current liability holds insignificant amount which has been shown as 0% in pie chart. The negative equity means that BRTC is losing for long time and its liabilities has exceeded its total assets. Having negative equity along with long term-liabilities, BRTC poses fiscal risk for GoB.

84.6 Fiscal risk from BRTC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table-2: Profitability Ratio – BRTC

Particular	Result	Risk	Score
Cost recovery	0.85	High	4
Return on Equity (ROE)	Net Income & Equity both are Negative,	Very High	5

Table-3: Liquidity Ratio – BRTC

Particular	Result	Risk	Score
Current ratio	0.22	Very High	5
Creditor turnover days	1886	Very High	5

Table-4: Solvency Ratio – BRTC

Particular	Result	Risk	Score
Debt to total assets	3.87	Very High	5
Debt to EBITDA	EBITDA in negative .	Very High	5
Total			29
Average Score			5 (4.83)
Overall Risk Rating:			Very High

84.7 The ratio analysis shows that BRTC's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BRTC 's cost recovery ratio is 0.85 and according to threshold value it goes under high fiscal risk category. Considering the threshold value, cost recovery ratio 0.75 to less than 1.0 falls under high-risk category. With cost recovery ratio 0.85 BRTC poses high fiscal risk for GoB.
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BRTC's net income is negative which indicate that BRTC is struggling financially and may be unable to make repayment of its debt on its own revenue. With negative net income, BRTC poses very high fiscal risk for GoB.
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BRTC is 0.22 appears to be poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 0.22 BRTC poses very high risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of . Considering the threshold value, cost recovery ratio between less than 0% to -10% falls under high-risk category 120 and above is considered as very high-risk category. With 1886 Creditor Turnover Days days, BRTC poses very high risk to GoB
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BRTC's debt to assets ratio is 3.87 and according to threshold value it fits under very -risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 3.87, BRTC carry very high risk for GoB.
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BRTC's EBITDA is negative, hence BRTC highly unlikely to make repayment of its debt on its own revenue. With negative EBITDA, BRTC poses very high risk for GoB. BRTC argued that for public service obligation it experiences loss.

84.8 According to the records, BRTC did not involve in any quasi-fiscal activities in FY 2022-23.

84.9 According to the records, statutory obligation is BDT 6.06 million and Pending lawsuit is BDT 1,417.89 million against BRTC. So, in total BDT 1423.95 million Contingent Liabilities is foreseen for GoB.

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Ministry of Post and Telecommunication



85. Bangladesh Telecommunication Regulatory Commission (BTRC)

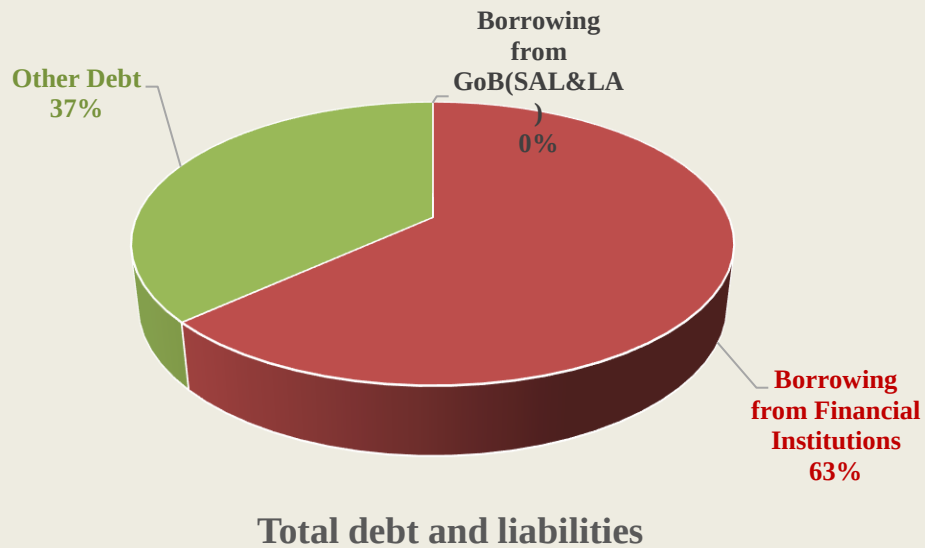
85.1 Bangladesh Telecommunication Regulatory Commission (BTRC) an independent Regulatory Commission established under the Bangladesh Telecommunication Act, 2001, (Act no 18 of 2001). BTRC started his journey from 31st January 2002 to establishing, operating, regulating, maintaining telecommunication establishments and providing various telecom services in the country. Besides, fixing charges on the subscribers, ensuring the services for the subscribers and to ensure people's right are also tasks of BTRC. The social and economic behavioral pattern of the telecom service providers are also monitored by the BTRC to ensure that the users are not subjected to harassment and not indifferent in nature.

85.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Telecommunication Regulatory Commission (BTRC) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

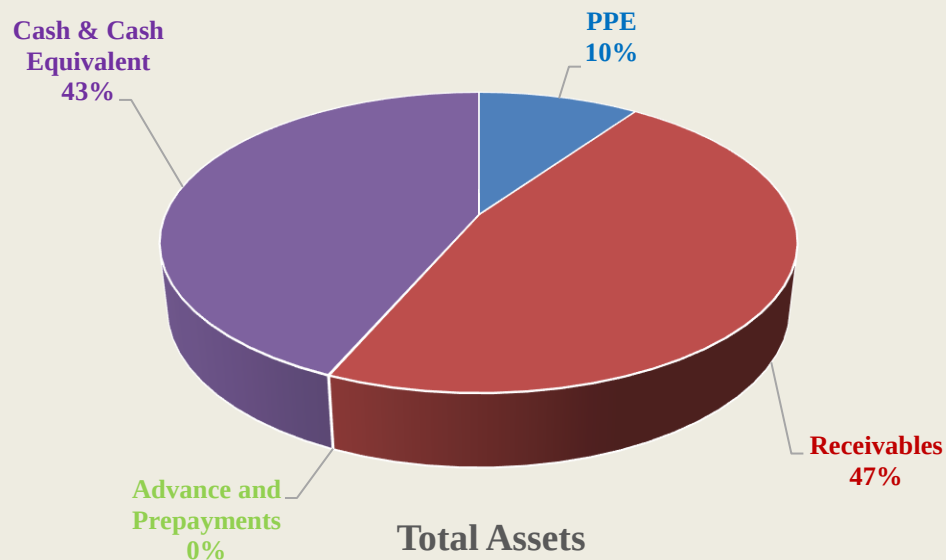
Amount in BDT					
Serial No	Particulars of Debt add Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	9,157,683,770.00	9,130,829,293.00	-0.29%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	9,157,683,770.00	9,130,829,293.00	-0.29%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	10,768,598,227.00	5,162,394,808.00	52.06%	0.00
15	Any Other Liabilities to Any Other Entities	116,306,742.00	137,633,434.00	18.34%	0.00
16	Other Debt and liabilities (12+13+14+15)	10,884,904,969.00	5,300,028,242.00	51.31%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	20,042,588,739.00	14,430,857,535.00	28.00%	0.00
18	Debt and liabilities to GoB (3+14)	10,768,598,227.00	5,162,394,808.00	52.06%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	9,273,990,512.00	9,268,462,727.00	-0.06%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

85.3 Statement of debt and liabilities in FY 2022-23:



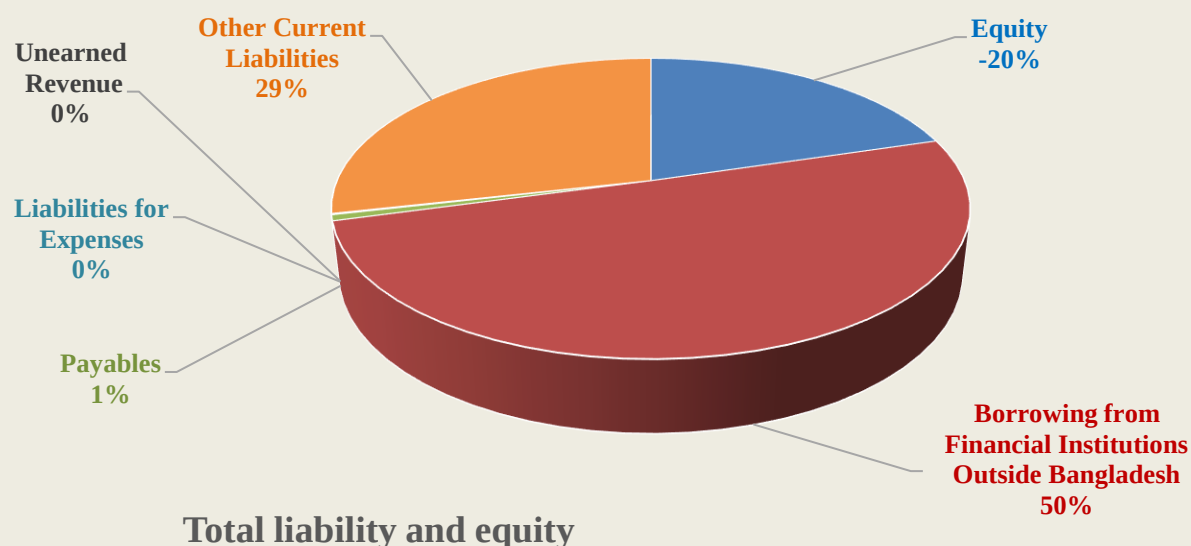
According to the financial statement of BTRC, the total debt is BDT 14,430.85 million as of 30th June 2023. Out of this amount, a major portion 63% is borrowing from financial institutions, and the remaining 37% is other debt, which are current liabilities to GoB and any other entities. BTRC does not hold liabilities related to GoB under subsidiary loan agreements (SLA) and loan agreements (LA). The statement shows that long-term liabilities are 63%, and if BTRC fails to make repayment, it will create fiscal risk for GoB

85.4 The composition of total assets:



According to the financial statements of BTRC, total assets in FY 2022–23 were BDT 10,744.64 million. Out of these assets, the major portion 47% is receivables followed by cash and cash equivalent 43% and finally 10% PPE. The statement shows that 90% of total assets are current assets and only 10% are long-term assets.

85.5 The composition of total equity and liabilities in FY 2022-23:



The composition of total equity and liabilities of BTRC shows that a major portion 50% belongs to 'borrowing from Financial Institution outside Bangladesh' followed by other current liabilities 29%, equity -20%, and finally 1% payables. Negative equity means that BTRC's liabilities exceeds its total assets. Having negative equity along with a major portion of long-term liability BTRC poses fiscal risk for GoB

85.6 Fiscal risk from Bangladesh Telecommunication Regulatory Commission (BTRC) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table-2: Profitability Ratio – BTRC

Particular	Result	Risk	Score
Cost recovery	13.24	Very Low	1
Return on Equity (ROE)	-1040.67%	Very High	5

Table – 3: Liquidity Ratio – BTRC

Particular	Result	Risk	Score
Current ratio	1.83	Low	2
Creditor turnover days	13	Very Low	1

Table – 4: Solvency Ratio – BTRC

Particular	Result	Risk	Score
Debt to total assets	1.34	Very High	5
Debt to EBITDA	0.37	Very Low	1
Total			15
Average Score			3 (2.5)
Overall Risk Rating			Moderate

85.7 The ratio analysis shows that BTRC's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1.50 or above falls under the very low-risk category. BTRC's cost recovery ratio is 13.24, and according to the threshold value, it goes under the very low fiscal risk category. With a cost recovery ratio of 13.24 BTRC, it poses **very low** fiscal risk for GoB. BTRC argued that because of public service obligation such as to prevent monopoly in road transport sector cost recovery ratio is low;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of -10% or above is considered a very high-risk category. BTRC's ROE is -1040.67%, and according to the threshold value, it fits the very high-risk category. With ROE -1040.67%, BTRC poses **very high** fiscal risk for GoB. BTRC argued that due to consecutive loss its equity is negative;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio of 1.5 to 2 considered as low-risk category. The current ratio of BTRC is 1.83, which appears to be low, and as per the threshold value table, it matches the low-risk category. So, having a current ratio of 1.83 BTRC poses **low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 or below considered as very low-risk category. With a Creditor Turnover Days of 13 days, BTRC poses **very low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of 1 or above is very high-risk category. BTRC's debt to assets ratio is 1.34 and according to the threshold value it fits under the very high-risk category. With a debt to assets ratio of 1.34, BTRC carries **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 1.5 or below belongs to the very high-risk category. BTRC 's debt to EBITDA ratio is 0.37 and according to the threshold value it fits under very low-risk category. With a Debt to EBITDA ratio of 0.36, BTRC poses **very low** risk for GoB.

85.8 According to the records, BTRC did not involve any Quasi-Fiscal activities on behalf of Government.

85.9 According to the records, no statutory obligation and no lawsuit are pending against BTRC. So, no Contingent Liabilities is foreseen for BTRC in FY 2022-23.

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86. Bangladesh Telecommunication Company Ltd. (BTCL)

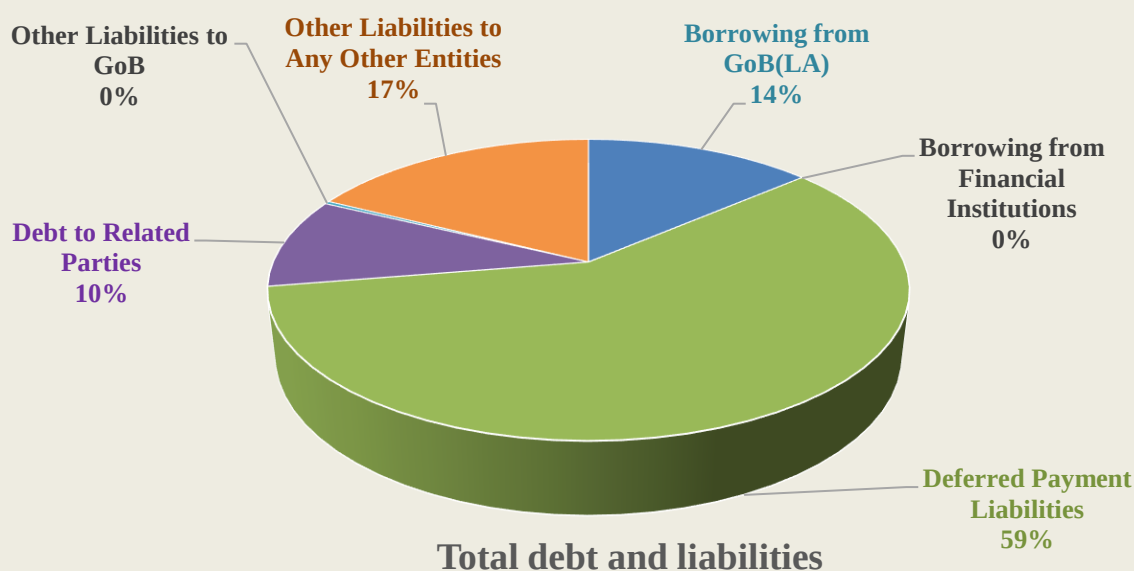
86.1 The Telegraph Branch under the Posts and Telegraph Department was created in 1853 in the then British India and was regulated afterwards under the Telegraph Act of 1885. The Telegraph branch was reconstructed in 1918 in Pakistan as Pakistan Telegraph and Telephone Department. After the independence of the People's Republic of Bangladesh in 1971, the Bangladesh Telegraph and Telephone Department was set up under the Ministry of Posts and Telecommunications to run the telecommunications services in Bangladesh. This was converted into a corporate body named “Telegraph and Telephone Board” by promulgation of the Telegraph and Telephone Board Ordinance, 1975, which was again converted to “Bangladesh Telegraph and Telephone Board (BTTB)” on 24 February 1979, as a government body. Finally, Bangladesh Telegraph & Telephone Board (BTTB) was converted into Bangladesh Telecommunications Company Limited (BTCL) on 1 July with 100 shares owned by the government and 9 directors, headed by the secretary of the ministry. BTCL provides the most reliable landline telephone, Internet with telephone service through optical fiber, copper cable-based Internet with telephone, and others.

86.2 The following Table-1 presents the statement of debt of BTCL for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table-1: Statement of Debt and liabilities

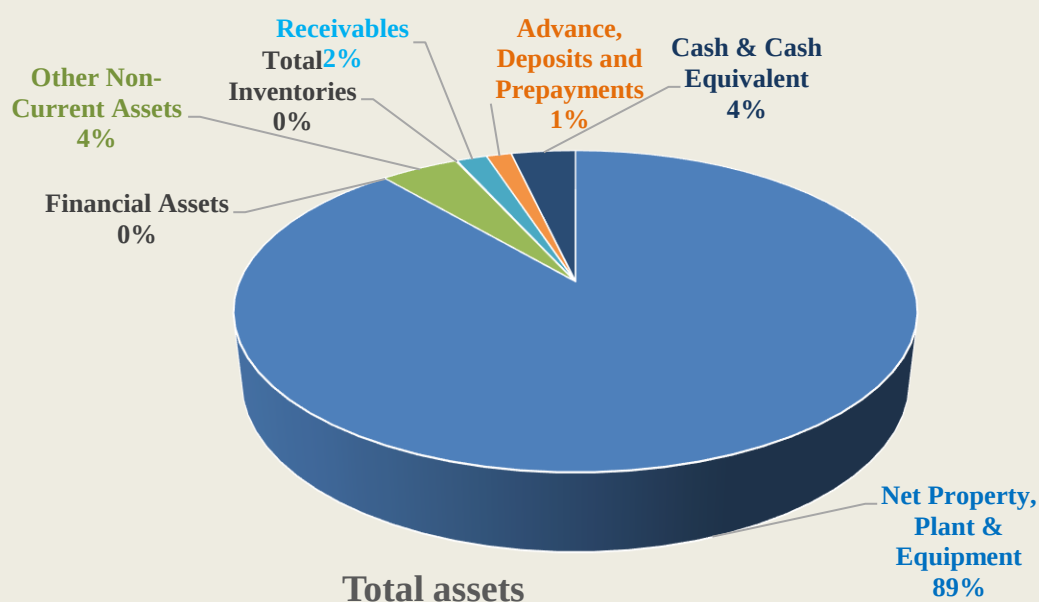
Amount in BDT					
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	10,591,278,673.00	18,478,572,244.00	74.47%	0.00
3	Debt and liabilities related to GoB(1+2)	10,591,278,673.00	18,478,572,244.00	74.47%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	79,105,342,336.00	79,106,865,162.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	13,708,600,000.00	13,86,600,000.00	-4.38%	0.00
11	Debt and liabilities to Related Parties (9+10)	13,708,600,000.00	13,86,600,000.00	-4.38%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	176,886,840.00	419,046,507.00	136.90%	0.00
15	Any Other Liabilities to Any Other Entities	22,709,967,575.00	23,662,454,470.00	4.19%	0.00
16	Other Debt and liabilities (12+13+14+15)	22,886,854,415.00	24,081,500,977.00	5.22%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	126,292,075,424.00	134,775,538,383.00	6.72%	0.00
18	Debt and liabilities to GoB (3+14)	10,768,165,513.00	18,897,618,751.00	75.50%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	115,523,909,911.00	115,877,919,632.00	0.31%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

86.3 The Statement of debt and liabilities in FY 2022-23:



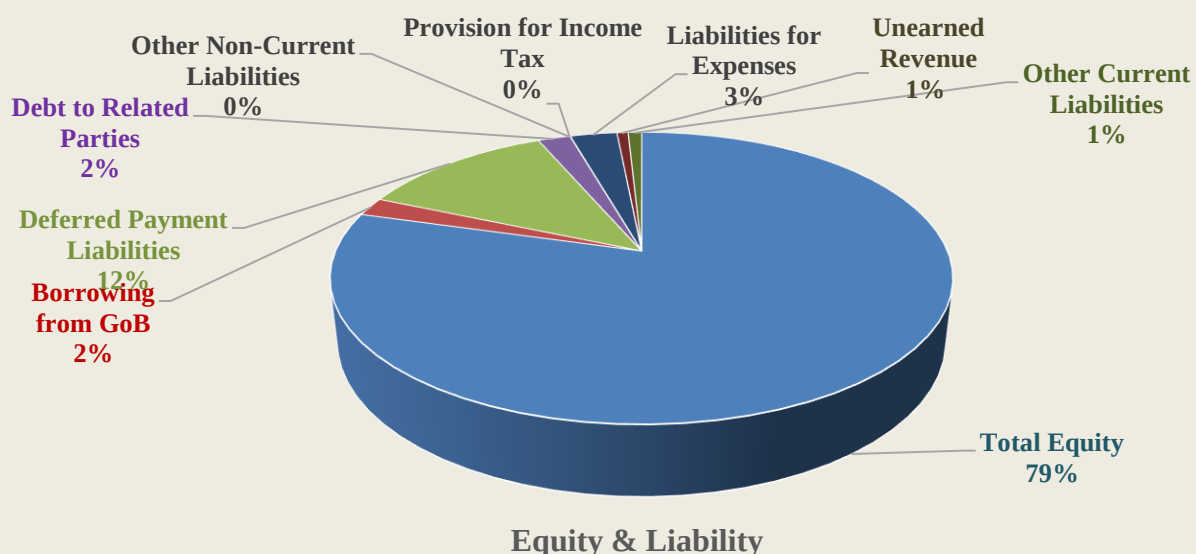
According to the financial statement of Bangladesh Telecommunication Company Ltd. (BTCL), the total debt is BDT 134,775.54 million as of 30th June, 2023. Out of this amount, a major portion 59% deferred payment liabilities, followed by 17% other liabilities to any other entity, which are by nature current liabilities, borrowing from GoB under a loan agreement (LA) and finally 10% debt to related parties (long-term liabilities). If BTCL fails to make repayment of these long-term liabilities, it will create fiscal risk for GoB.

86.4 The composition of total assets in FY 2022-23:



According to the financial statement of BTCL, total assets in FY 2022–23 were BDT 654,046.43 million. Out of these assets, the major portion 89% is PPE, followed by 4% other non-current assets, 4% cash and cash equivalent, 2% receivables, and finally 1% prepayments. The composition of assets shows that long-term assets are 93% and current assets are only 7%.

86.5 The composition of total equity and liabilities in FY 202-23:



The composition of total equity and liabilities shows that the major portion of 79% is equity, followed by deferred payment liabilities at 12%, liabilities for expenses at 3%, borrowing from GoB at 2%, unearned revenue at 1%, and finally 1% other non-current liabilities. The composition further shows that long-term liabilities are 16% compared to 79% equity. Hence the growth of BTCL is highly equity driven which makes BTCL less likely to cause fiscal risk for GoB.

86.6 Fiscal risk from BTCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BTCL

Particular	Result	Risk	Score
Cost recovery	1.02	Moderate	3
Return on Equity (ROE)	0.03%	Moderate	3

Table – 3: Liquidity Ratio – BTCL

Particular	Result	Risk	Score
Current ratio	1.53	Low	2
Creditor turnover days	2611	Very high	5

Table – 4: Solvency Ratio – BTCL

Particular	Result	Risk	Score
Debt to total assets	0.21	Very Low	1
Debt to EBITDA	61.70	Very High	5
Total			19
Average Score			3 (3.16)
Overall risk rating			Moderate

86.7.1 The ratio analysis shows that BTCL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1 or less than 1.25 falls under the moderate-risk category. BTCL's cost recovery ratio is 1.02, and according to the threshold value, it goes under the moderate fiscal risk category. With a cost recovery ratio of 1.02 BTCL, it poses **moderate** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE ratio of 0% to 8% considered as moderate-risk category. The ROE ratio of BTCL is 0.03%, which appears to be moderate, and as per the threshold value table, it matches the moderate-risk category. So, having a current ratio of 0.03% BTCL poses **moderate** risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio of 1.5 to 2 considered as low-risk category. The current ratio of BTCL is 1.53, which appears to be low, and as per the threshold value table, it matches the-low-risk category. So, having a current ratio of 1.53 BTCL poses **low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value creditors turnover days of 120 and above is considered as very high-risk category. With creditor turnover days 2611, BTCL pose **very high** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of 0.25 or below is very low risk category. BTCL's debt to assets ratio is 0.21 and according to the threshold value it fits under the very low-risk category. With a debt to assets ratio of 0.21, BTCL carries **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 5 or above belongs to the very high-risk category. BTCL 's debt to EBITDA ratio is 61.70 and according to the threshold value it fits under very high-risk category. With a Debt to EBITDA ratio of 61.70, BTCL poses **very high** risk for GoB.

86.8 Contingent Liabilities is foreseen for BTCL did not involve in any quasi-fiscal activities in 2022-23.

86.9 According to the records, no statutory obligation and no lawsuit is pending against BTCL. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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87. Bangladesh Submarine Cable Company Limited (BSCCL)

87.1 Bangladesh Submarine Cables PLC(BSCLC) is a fiber optic submarine cable telecommunications company and telecommunications service provider (IIG and ISP) based in Bangladesh. Emerging in July 2008 BSCPLC presently handles Bangladesh's two submarine cables as a member of the SEA-ME-WE 4 and SEA-ME-WE 5 international submarine cable consortiums.

BSCPLC is providing the vital telecommunications infrastructure for the country by connecting Bangladesh with the global information super high way through its submarine Cable system. The company also providing quality bandwidth for international data and voice communication. Posts, Telecommunications Division, The Ministry of Posts, Telecommunications & Information Technology has oversight responsibility for BSCPLC. Bangladesh Submarine Cables PLC (BSCPLC) mainly performs the following functions:

- One stop service for circuit provisioning with efficient operations and maintenance;
- Provides customer service through International Internet Gateway (IIG) network operation center and operation monitoring center of submarine cable landing station;
- Provides co-location services to customers from various establishments of BSCPLC;
- The entity should undertake necessary measures to improve the professional skills of the officers and employee of the company;
- Carry out various social welfare activities from CSR funds of the company;
- Provides International Private Lease Circuit (IPLC) and IP transit services to International Internet Gateway (IIG) companies;
- Provides IPLC services to International Voice Gateway (IGW) companies

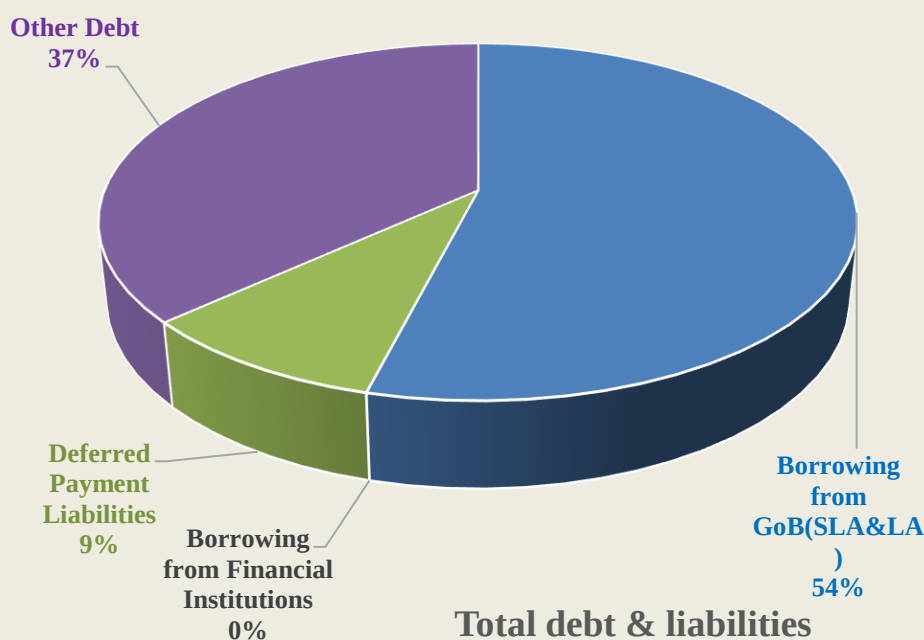
87.2 The following Table-1 presents the statement of debt and liabilities of Bangladesh Submarine Cable Company Limited (BSCCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	2,283,965,486.00	2,085,948,756.00	-8.67%	0.00
2	Debt and liabilities related to GoB under LA	500,400,000.00	1,586,900,000.00	217.13%	0.00
3	Debt and liabilities related to GoB(1+2)	2,784,365,486.00	3,672,848,756.00	31.91%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	613,107,389.00	629,158,656.00	2.62%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00

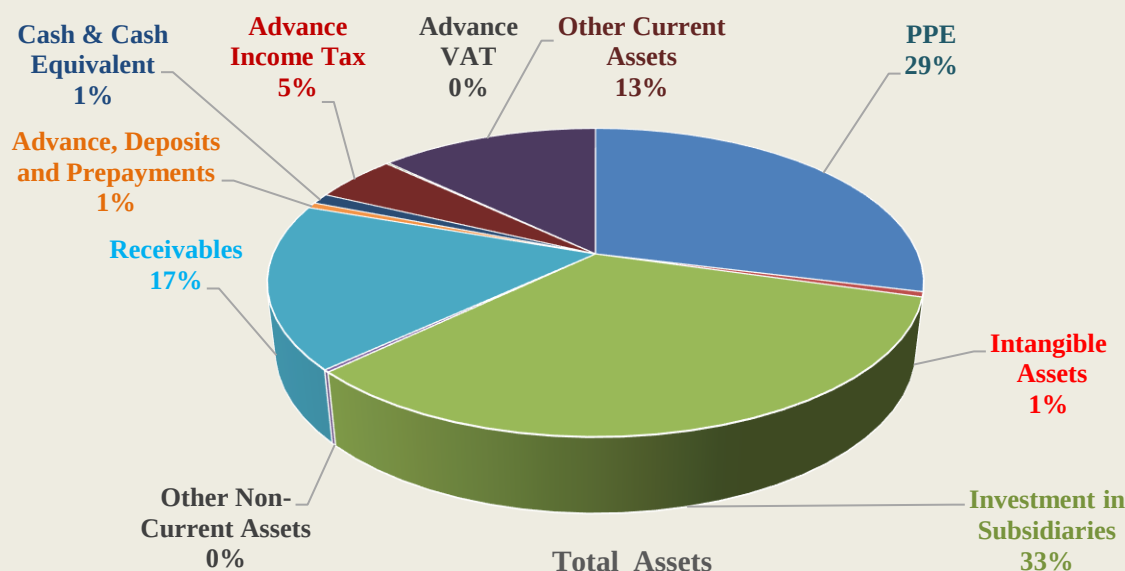
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	821,805,495.00	960,269,166.00	16.85%	0.00
15	Any Other Liabilities to Any Other Entities	2,043,958,245.00	1,541,415,664.00	-24.59%	74,693,754.00
16	Other Debt and liabilities (12+13+14+15)	2,865,763,740.00	2,501,684,830.00	-12.70%	74,693,754.00
17	Total Debt and liabilities (3+7+8+11+16)	6,263,236,615.00	6,803,692,242.00	8.63%	74,693,754.00
18	Debt to GoB (3+14)	3,606,170,981.00	4,633,117,922.00	28.48%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,657,065,634.00	2,170,574,320.00	-18.31%	74,693,754.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

87.3 Statement of debt and liabilities in FY 2022-23:



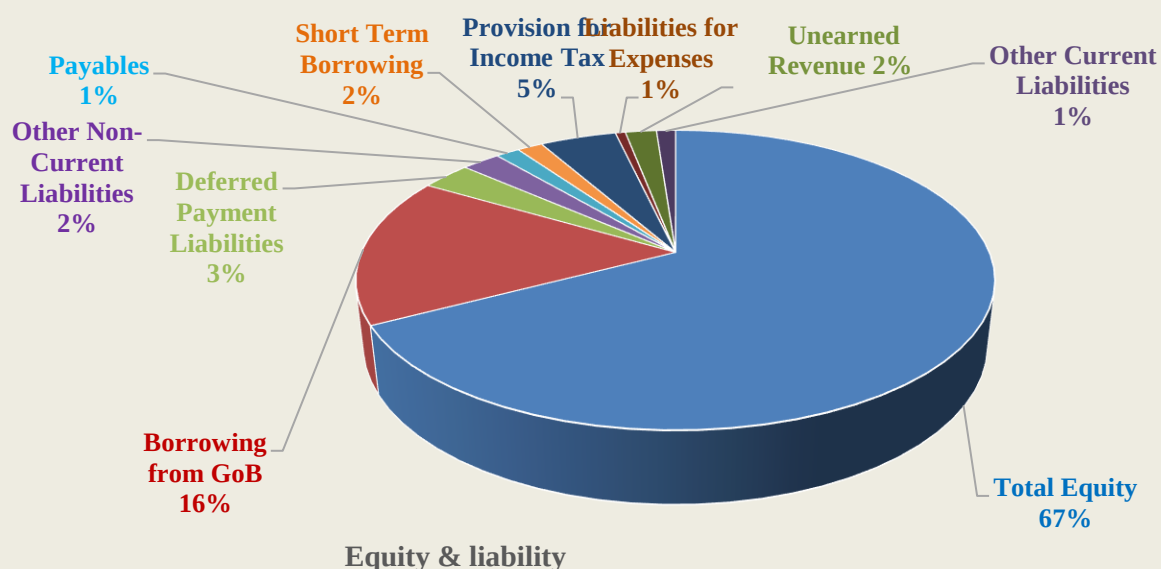
According to the financial statement of BSCCL, the total debt is BDT 6,803.69 million as of 30 June 2023. Out of this amount, the major portion 54% is borrowing from GoB under subsidiary loan agreements and loan agreements (LA), followed by other debt (current liabilities to GoB and any other entities), and finally 9% deferred payment liabilities. If BSCCL fails to make repayment of liabilities related to GoB under SLA and LA, it will cause fiscal risk for GoB.

87.4 The composition of assets in FY 2022-23:



According to the financial statement of BSCCL, total assets in FY 2022–23 were BDT 20829.20 million. Out of these assets, the major portion 33% is investment in subsidiaries followed by PPE 29%, receivables 17%, other current assets 13%, advance income tax 5%, cash & cash equivalent 1%, prepayment 1%, and finally 1% intangible assets. The composition shows that long term assets are 63% of total assets.

87.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that major portion 67% is equity followed by liabilities related to GoB under SLA & LA 16%, provision for income tax 5%, deferred payment liabilities 3%, other non-current liabilities 2%, unearned revenue 2%, short-term borrowing 2%, other current liabilities 1% and payables 1% of total equity and liabilities. The composition revealed that growth of BSCCL is heavily driven by equity rather than liability. Therefore, BSCCL poses low fiscal risk for GoB.

87.6 Fiscal risk from BSCCL is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BSCCL

Particular	Result	Risk	Score
Cost recovery	3.34	Very Low	1
Return on Equity (ROE)	19.89%	Very Low	1

Table – 3: Liquidity Ratio – BSCCL

Particular	Result	Risk	Score
Current ratio	3.29	Very Low	1
Creditor turnover days	125	Very High	5

Table – 4: Solvency Ratio – BSCCL

Particular	Result	Risk	Score
Debt to total assets	0.33	Low	2
Debt to EBITDA	1.56	Low	2
Total Score			12
Average Score			2.0
Overall Risk Rating:			Low
Previous Year's Overall Risk Rating			Low

87.7 The ratio analysis shows that BSCCL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1.50 or above falls under the very low-risk category. BSCCL's cost recovery ratio is 3.34, and according to the threshold value, it goes under the very low fiscal risk category. With a cost recovery ratio of 3.34 BSCCL, it poses **very low** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 15% or above is considered a very low-risk category. BSCCL's ROE is 19.89%, and according to the threshold value, it fits the very low-risk category. With ROE 19.89%, BSCCL poses **very low** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio 2 or above considered as very low-risk category. The current ratio of BSCCL is 3.29, which appears to be low, and as per the threshold value table, it matches the very low-risk category. So, having a current ratio of 13.29 BSCCL poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 120 or above considered as very high-risk category. With a Creditor Turnover Days of 125 days, BSCCL poses **very high** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio 0.25 to 0.5 is low risk category. BSCCL's debt to assets

ratio is 0.33 and according to the threshold value it fits under the low-risk category. With a debt to assets ratio of 0.33, BSCCL carries **low** risk for GoB; and

- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 1.5 to 2 belongs to the low-risk category. BSCCL 's debt to EBITDA ratio is 1.56 and according to the threshold value it fits under low-risk category. With a Debt to EBITDA ratio of 1.56, BSCCL poses **low** risk for GoB.

87.8 According to the records, BSCCL has not involved in any quasi-fiscal activities in FY 2022-23.

87.9 According to the records, Contingent Liabilities Others (BTCL has charged office rent to BSCCL) BDT 6.74 million is pending against BSCCL L. So, BDT 6.74 million Contingent Liabilities is foreseen from lawsuit for BSCCL in FY 2022-23.

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88. Telephone Shilp Sangstha Limited (TSSL)

88.1 Telephone Shilpa Sangstha (TSS) Ltd. was initially established in the year 1967 with the nomenclature of “**Telephone Industries Corporation**” under a joint venture agreement between the then Government of Pakistan and M/S Siemens AG, West Germany. After the independence, Telephone Industries Corporation named “Telephone Shilpa Sangstha Limited (TSS)” on 24/04 1973 under the Companies Act, 1913, and under a fresh agreement with the other part of the joint venture M/S Siemens AG, West Germany in the year 24/04/1973.

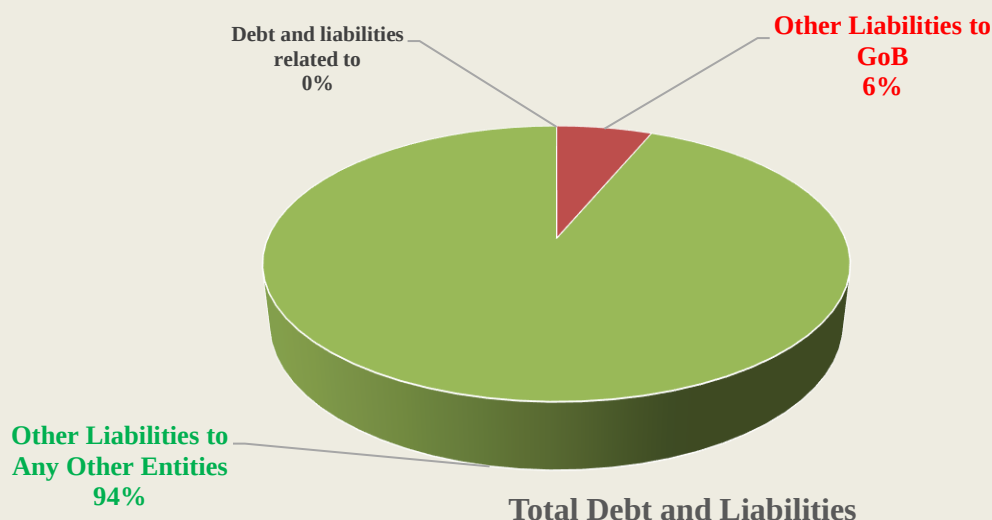
In the post-independence period, TSS was producing and setting up EMD telephone exchanges, analog PABX, fax machines, DP / CT boxes, cabinets, and telephone sets to meet the demand of the country’s telephone sector. From there, TSS has been transformed into a digital device manufacturing/integration company. The principal activities of the company are manufacturing/ assembling Telephone sets, DOEL brand Laptop, Desktops, notebooks, tabs, biometric devices, multimedia projectors, sound boxes, smart pre-paid energy meters, and other digital devices that have been added to the TSS product line.

88.2 The following Table-1 presents the statement of debt and liabilities of Telephone Shilpa Sangstha Limited (TSSL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

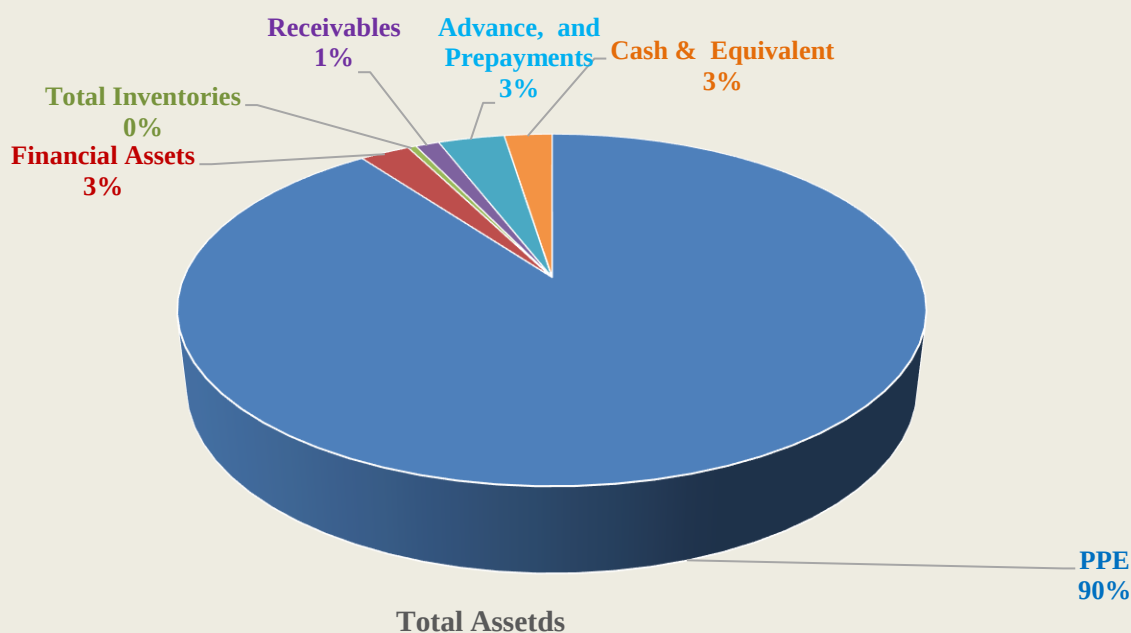
Amount in BDT					
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	31,258,059.00	33,165,640.00	6.10%	29,321,634.00
15	Any Other Liabilities to Any Other Entities	1,083,051,334.00	494,768,428.00	-54.32%	329,180,042.00
16	Other Debt and liabilities (12+13+14+15)	1,114,309,393.00	527,934,068.00	-52.62%	358,501,676.00
17	Total Debt (3+7+8+11+16)	1,114,309,393.00	527,934,068.00	-52.62%	358,501,676.00
18	Debt and liabilities to GoB (3+14)	31,258,059.00	33,165,640.00	6.10%	29,321,634.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,083,051,334.00	494,768,428.00	-54.32%	329,180,042.00

88.3 Statement of debt and liabilities in FY 2022-23



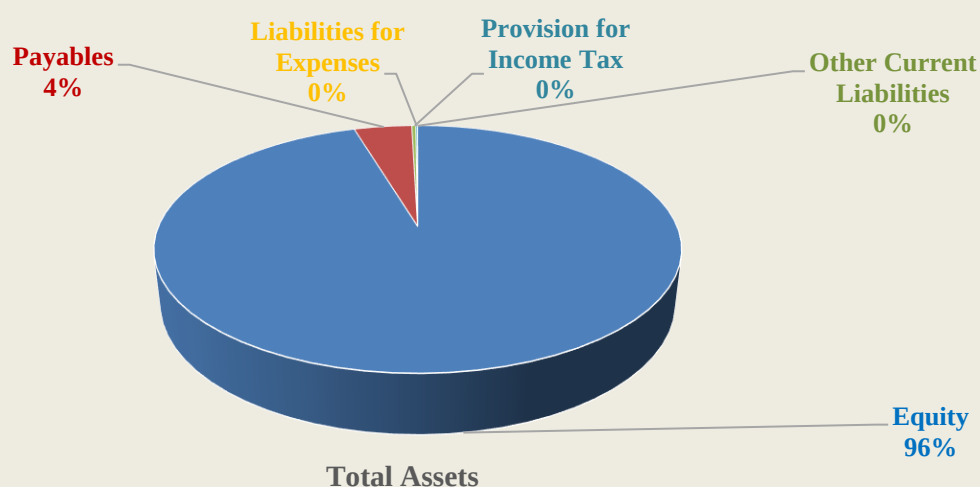
According to the financial statement of TSSL, the total debt is BDT 527.93 million as of 30th June, 2023. Out of this amount, major portion 94% is 'other liabilities to any other entities' and remaining 6% is other liabilities to GoB which are by nature current liabilities. The statement also shows that all liabilities that TSSL holds are current liabilities which are expected to settled within financial year. As TSSL does not hold long-term liabilities related to GoB like SLA and LA and therefore less likely to cause fiscal risk for GoB.

88.4 The composition of total assets in FY 2022-23:



According to the financial statement of TSSL total assets in FY 2022-23 was BDT 11,351.76 million. Out of these assets, major portion 90 % is PPE followed by 3% advances and prepayment, 3% cash and cash equivalent, 3% financials assets and finally 1% receivables. The composition shows that 93% assets are long term assets and only 7% is current assets.

88.5 The composition of total equity and liabilities in FY 2022-23:



The composition of total equity and liabilities shows that major portion 96% makes up equity and the remaining 4% is payables. The composition further shows that growth of TSSL is highly equity driven. Hence TSSL is less likely to cause fiscal risk for GoB.

88.6 Fiscal risk from Telephone Shilpa Sangstha Limited (TSSL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – TSSL

Particular	Result	Risk	Score
Cost recovery	0.90	High	4
Return on Equity (ROE)	-0.65	High	4

Table – 3: Liquidity Ratio – TSSL

Particular	Result	Risk	Score
Current ratio	1.62	Low	2
Creditor turnover days	45	Low	2

Table – 4: Solvency Ratio – TSSL

Particular	Result	Risk	Score
Debt to total assets	0.05	Very Low	1
Debt to EBITDA	EBITDA is negative	Very High	5
Total			18
Average Score			3.0
Overall risk rating:			Moderate
Previous Year's Overall Risk Rating			High

88.7 The ratio analysis shows that Telephone Shilpa Sangstha Limited (TSSL)'s risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 0.75 to 1 considered as under the high-risk category. TSSL 's cost recovery ratio is 0.90 and according to threshold value it goes under high fiscal risk category. With cost recovery ratio 0.90 TSSL poses **high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of -10% to 0 considered high-risk category. TSSL's ROE is -0.65%, and according to the threshold value, it fits the high-risk category. With ROE -0.65%, TSSL poses **high** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio 1.5 to 2 considered as low-risk category. The current ratio of TSSL is 1.62, which appears to be low, and as per the threshold value table, it matches the low-risk category. So, having a current ratio of 1.62 TSSL poses **low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 to 60 considered as low-risk category. With a Creditor Turnover Days of 45 days, TSSL poses **low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio below 0.25 is very low risk category. TSSL's debt to assets ratio is 0.05 and according to the threshold value it fits under the very low-risk category. With a debt to assets ratio of 0.05, TSSL carries **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 5 or above belongs to the very high-risk category. TSSL 's EBITDA is negative and according to the threshold value it fits under very high-risk category. With a negative EBITDA, TSSL poses **very high** risk for GoB.

88.8 According to records, TSSL did not involve in any quasi-fiscal activities in FY 2022-23.

88.9 According to the records, Performance Guarantee BDT 538.84 million is pending against TSSL. So Contingent Liabilities BDT 538.84 million is foreseen from Performance Guarantee for TSSL in FY 2022-23.

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89. Bangladesh Cable Shilpa Limited (BCSL)

89.1 Bangladesh Cable Shilpa Limited, Khulna is an industrial organization under the Posts & Telecommunications Division, Govt. of the People's Republic of Bangladesh. It was established in 1967 in Khulna with the collaboration of the then-Pakistan Govt. and M/s. Siemens A.G., West Germany. Since starting commercial production in 1972, this organization has been meeting up 100% demand for telephone copper cables in the country maintaining the quality of international standards. BCSL has set up a sophisticated Optical Fiber Cable (OFC) Manufacturing Plant which started its commercial production in July 2011. Besides it has established a HDPE Silicon Core Duct Manufacturing Plant which started commercially in 2016.

Principal activities of the Company throughout the year are manufacturing and marketing of Telephone Copper cable, Optical Fiber Cable (OFC), Duct & Electrical overhead conductor (EOC) cables, etc.

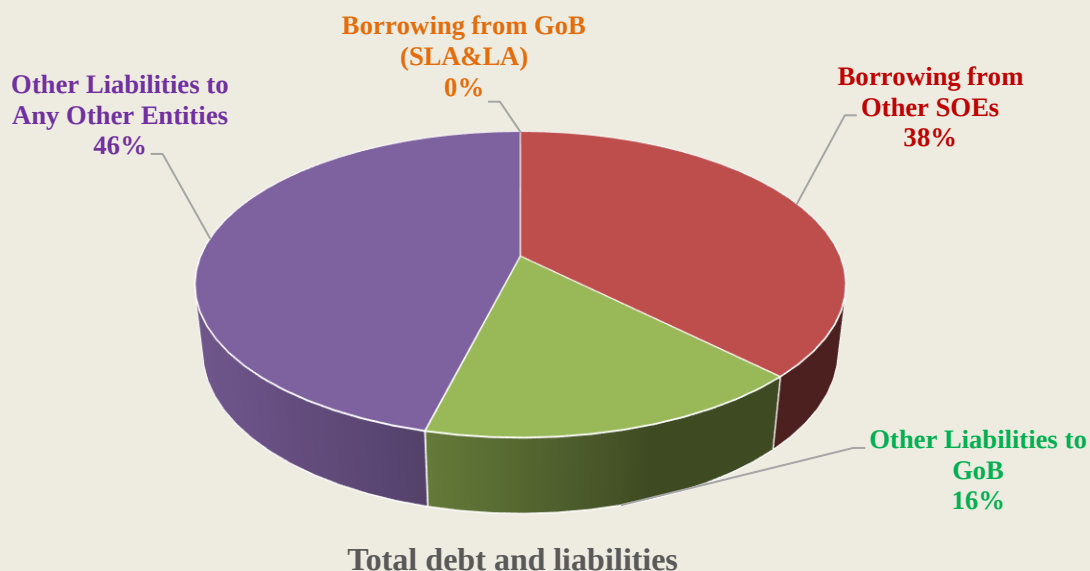
89.2 The following Table-1 presents the statement of debt of Bangladesh Cable Shilpa Limited (BCSL) for FY 2022–23, which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

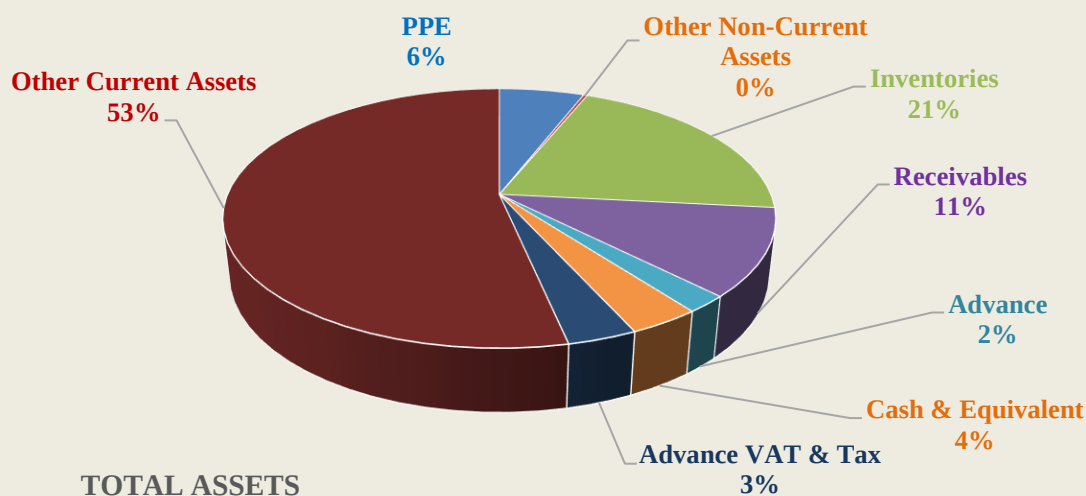
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	634,127,773.00	373,269,473.00	-41.14%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	132,090,293.00	162,969,467.00	23.38%	0.00
15	Any Other Liabilities to Any Other Entities	602,617,711.00	458,127,214.00	-23.98%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,368,835,777.00	994,366,154.00	-27.36%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,368,835,777.00	994,366,154.00	-27.36%	0.00
18	Debt and liabilities to GoB (3+14)	132,090,293.00	162,969,467.00	23.38%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	1,236,745,484.00	831,396,687.00	-32.78%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00

89.3 Statement of debt and liabilities:



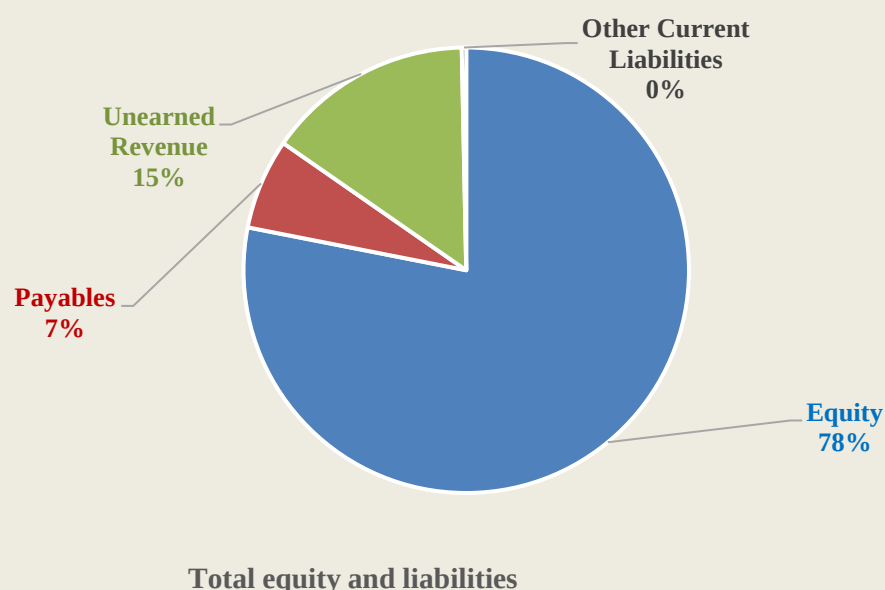
According to the financial statement of Bangladesh Cable Shilpa Limited (BCSL), the total debt is BDT 994.37 million as of June 30, 2023. Out of this amount, the major portion 46% is other liabilities to any other entities' which are current liabilities followed by 38% borrowing from other SOEs and finally 16% other liabilities to GoB. BCSL does not hold long-term liabilities related to GoB like SLA and LA. So BCSL is less likely to cause fiscal risk for GoB.

89.4 The composition of assets in FY 202-23:



According to the financial statement of BCSL in FY 2022–23, total assets were BDT 4,537.53 million. Out of these assets, the major portion 53% belongs to other current assets, followed by 21% inventories, 11% receivables, 6% PPE, 4% cash and equivalent, 3% advance tax, and finally 2% advances and prepaids. The statement shows that long-term assets are 6% of total assets, and the remaining 94% are current assets.

89.5 The composition of total debt and equity in FY 2022-23:



The composition of total equity and liabilities shows that equity make up 78%, followed by 15% unearned revenue, and finally payables 7% of total equity and liabilities. The composition further shows that growth of BCSL is highly equity driven rather than liabilities. Hence BCSL is less likely to cause fiscal risk for GoB.

89.6 Fiscal risk from Bangladesh Cable Shilpa Limited (BCSL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BCSL

Particular	Result	Risk	Score
Cost recovery	1.39	Low	2
Return on Equity (ROE)	10.73%	Low	2

Table – 3: Liquidity Ratio – BCSL

Particular	Result	Risk	Score
Current ratio	4.28	Very Low	1
Creditor turnover days	8	Very Low	1

Table – 4: Solvency Ratio – BCSL

Particular	Result	Risk	Score
Debt to total assets	0.22	Very Low	1
Debt to EBITDA	1.62	Low	2
Total			9
Average Score			2 (1.5)
Overall Risk Rating			Low
Previous Year's Overall Risk Rating			Low

89.7 The ratio analysis shows that BCSL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1.25 to 1.5 is considered the low-risk category. BSCL's cost recovery ratio is 1.39, and according to the threshold value, it goes under the low fiscal risk category. With a cost recovery ratio of 1.39 BSCL, it poses **low** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 8% to 15% is consider low-risk category. BSCL's ROE is 10.73%, and according to the threshold value, it fits the low-risk category. With ROE 10.73%, BSCL poses **low** fiscal risk for GoB.
- (iii) Current ratio measures a company's ability to pay short-term obligations or those due within one year. A current ratio of 2 or above is considered a very low-risk category. The current ratio of BSCL is 4.28, which appears to be very low, and as per the threshold value table, it matches the very low-risk category. So, having a current ratio of 4.28 BSCL poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to the threshold value, creditors turn over days of 30 or below considered a very low-risk category. With a Creditor Turnover Days of 8 days, BSCL poses **very low** risk for GoB.
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio 0.25 or below is very low risk category. BSCL's debt to assets ratio is 0.22 and according to the threshold value it fits under the very low-risk category. With a debt to assets ratio of 0.22, BSCL carries **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 1.5 to 2 belongs to the low-risk category. BSCL's debt to EBITDA ratio is 1.62, and according to the threshold value, it fits under the low-risk category. With a Debt to EBITDA ratio of 1.62, BSCL poses **low** risk for GoB.

89.8 According to the records, BCSL did not involve in any quasi-fiscal activities in FY 2022-23.

89.9 Records show that there is no statutory duty and no active legal action against BCSL. Therefore, there are no anticipated contingent liabilities for GoB in FY 2022-23.

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90. Bangladesh-Satellite Company Limited (BSCL)

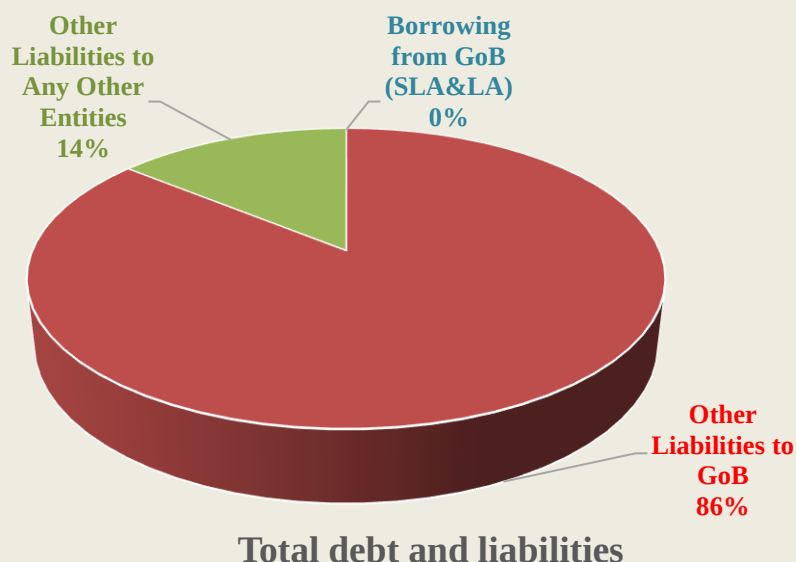
90.1 Bangladesh Satellite Company Limited (BSCL) is a state-owned company. It has been established to perform post-launching activities of Bangabandhu Satellite-1, controlling the satellite from the ground stations, marketing and sales services, etc. The company started its journey with the resolution of the 1st meeting of the Board of Directors held on 10th August 2017. The company initially registered as Bangladesh Communication Satellite Company Limited. The company was incorporated in Bangladesh as a public limited company under the Company Act 1994 on 7 August 2017 via Registration No. C-139192 with an authorized capital of Taka 5,00,00,00,000.00 divided into 5,00,00,00,000.00 shares of each 10 taka. The main activities of the company are to engage in business of satellite transponder segmentation and service of the launched satellite.

90.2 The following Table–1 presents the statement of debt of Bangladesh-Satellite Company Limited (BSCL) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

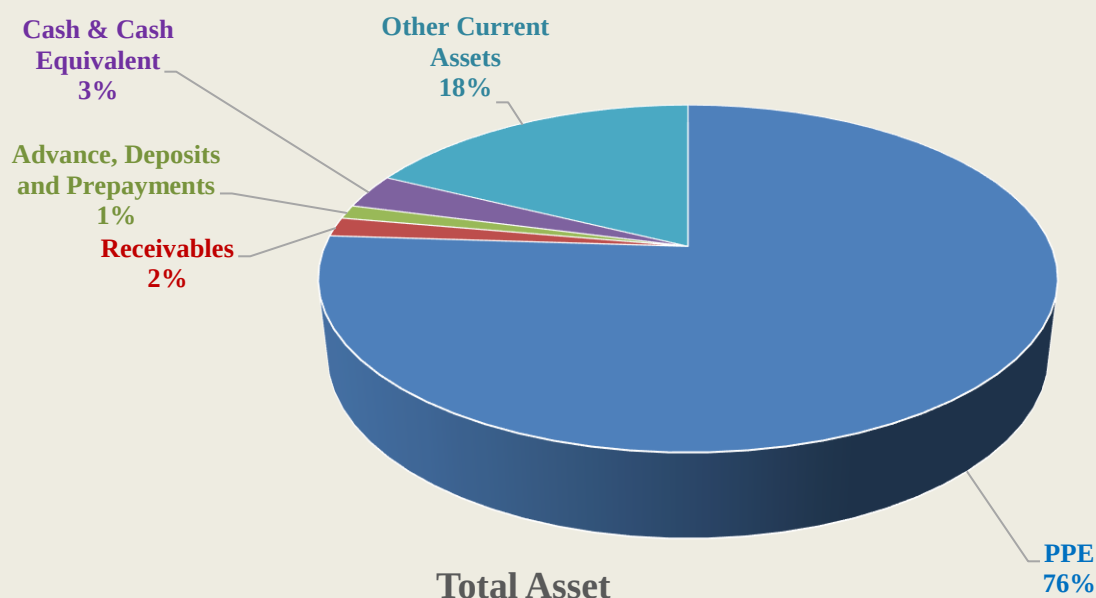
Amount in BDT					
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	1,094,611,041.00	1,043,236,731.00	-4.69%	0.00
15	Any Other Liabilities to Any Other Entities	175,701,207.00	171,843,178.00	-2.20%	0.00
16	Other Debt and liabilities (12+13+14+15)	1,270,312,248.00	1,215,079,909.00	-4.35%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	1,270,312,248.00	1,215,079,909.00	-4.35%	0.00
18	Debt and liabilities related to GoB (3+14)	1,094,611,041.00	1,043,236,731.00	-4.69%	0.00
19	Debt and liabilities related to Entities other than GoB (17-18)	175,701,207.00	171,843,178.00	-2.20%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

90.3 Statement of debt and liabilities in FY 2022-23:



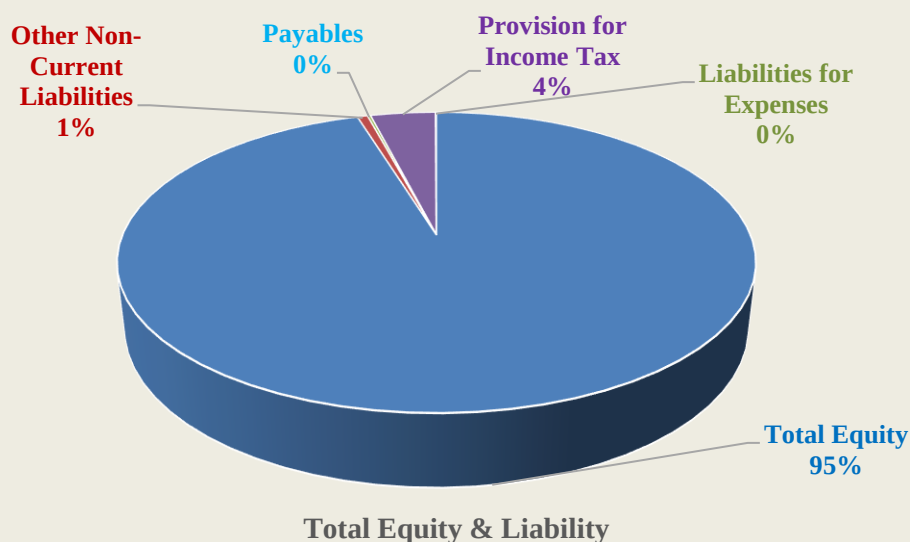
According to the financial statement of Bangladesh Satellite Company Limited's (BSCL), its total debt is BDT 1215.08 million as of 30 June 2023. Out of this amount, a major portion 86% belongs to other liabilities to GoB, and the remaining 14% is other liabilities to any other entities. More importantly, BSCL does not hold any long-term liabilities related to GoB like SLA and LA. All the liabilities of BSCL are current liabilities that are expected to settle within the financial year. Based on the composition, BSCL is less likely to cause fiscal risk for GoB.

90.4 The composition of assets in FY 2022-23:



According to the financial statement of BSCL in FY 2022–23, total assets were BDT: 25396.05 million. Out of these assets, 76% are PPE, followed by other non-current assets 18%, cash and cash equivalents 3%, receivables 2%, and finally 1% advance and prepayments. The composition reveals that long-term assets are 76% of total assets.

90.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of total equity and liabilities, 95% is covered by equity, followed by 4% provision for income tax, and the remaining 1% is other non-current liabilities. BSCL does not hold any long-term liabilities related to GoB, like subsidiary loan agreements (SLA) and loan agreements (LA). More importantly, all liabilities are current liabilities, which are expected to settle with the financial year. Having no long-term liabilities, BSCL is less likely to cause fiscal risk for GoB.

90.6 Fiscal risk from Bangladesh-Satellite Company Limited (BSCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BSCL

Particular	Result	Risk	Score
Cost recovery	0.70	Very High	5
Return on Equity (ROE)	-3.04%	High	4

Table – 3: Liquidity Ratio – BSCL

Particular	Result	Risk	Score
Current ratio	5.76	Very Low	1
Creditor turnover days	Trade Payable is “Zero”	Very Low	1

Table – 4: Solvency Ratio – BSCL

Particular	Result	Risk	Score
Debt to total assets	0.05	Very Low	1
Debt to EBITDA	1.06	Very Low	1
Total			13
Average Score			2.17
Overall Risk Rating			Low

90.7 The ratio analysis shows that BSCL's risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio of 0.75 or below falls under the very high-risk category. BSCL's cost recovery ratio is 0.70, and according to the threshold value, it goes under the very high fiscal risk category. With a cost recovery ratio of 0.70, BSCL poses a very high high fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of -10% to less than 0% is considered high-risk category. BSCL's ROE is -3.04%, and according to the threshold value, it fits the high-risk category. With ROE -3.04%, BSCL poses **high** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short-term obligations or those due within one year. A current ratio of 2 or above is considered a very low-risk category. The current ratio of BSCL is 5.76, which appears to be low, and as per the threshold value table, it matches the very low-risk category. So, having a current ratio of 5.76 BSCL poses **very low** risk for GoB;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 is considered as very low-risk category. With a Creditor Turnover Days of '0' days, BSCL poses **very low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio of 0.25 or below is considered a very low-risk category. BSCL's debt to assets ratio is 0.05, and according to the threshold value, it fits under the very low-risk category. With a debt to assets ratio of 0.05, BSCL carries **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio of 1.5 or below is in the low-risk category. BSCL's debt to EBITDA ratio is 1.06, and according to the threshold value, it fits under the very low-risk category. With a Debt to EBITDA ratio of 1.06, BSCL poses **very low** risk for GoB.

90.8 According to the records, Bangladesh-Satellite Company Limited (BSCL) did not involve in any quasi-fiscal activities in FY 2022-23.

90.9 According to the records, no statutory obligation and no lawsuit are pending against BSCL. So, no Contingent Liabilities is foreseen for Bangladesh-Satellite Company Limited (BSCL).

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Ministry of Commerce



91. National Tea Company Limited (NTCL)

91.1 National Tea Company Limited is a Bangladeshi state owned tea company based in Dhaka. National Tea Company was established in East Pakistan by the Adamjee Group of Companies and was nationalized by the government of Bangladesh after liberation. The modern-day National Tea Company Limited was established in 1978 with the government of Bangladesh being the majority shareholder. It is the first tea company in Bangladesh jointly owned by the government and the public. National Tea Company Limited carries on the business of plantation, cultivation, manufacturing and selling of tea and rubber.

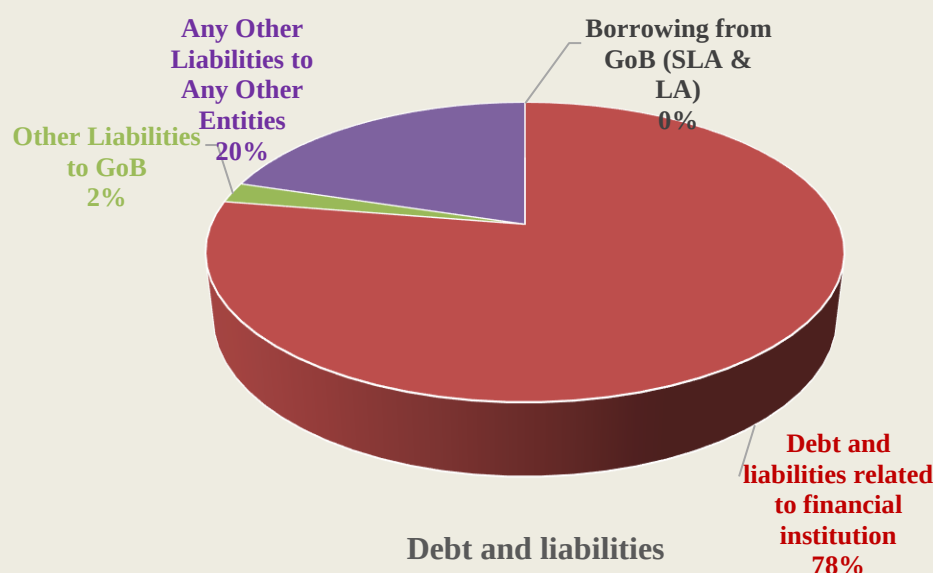
91.2 The following Table–1 presents the statement of debt and liabilities of National Tea Company (NTCL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

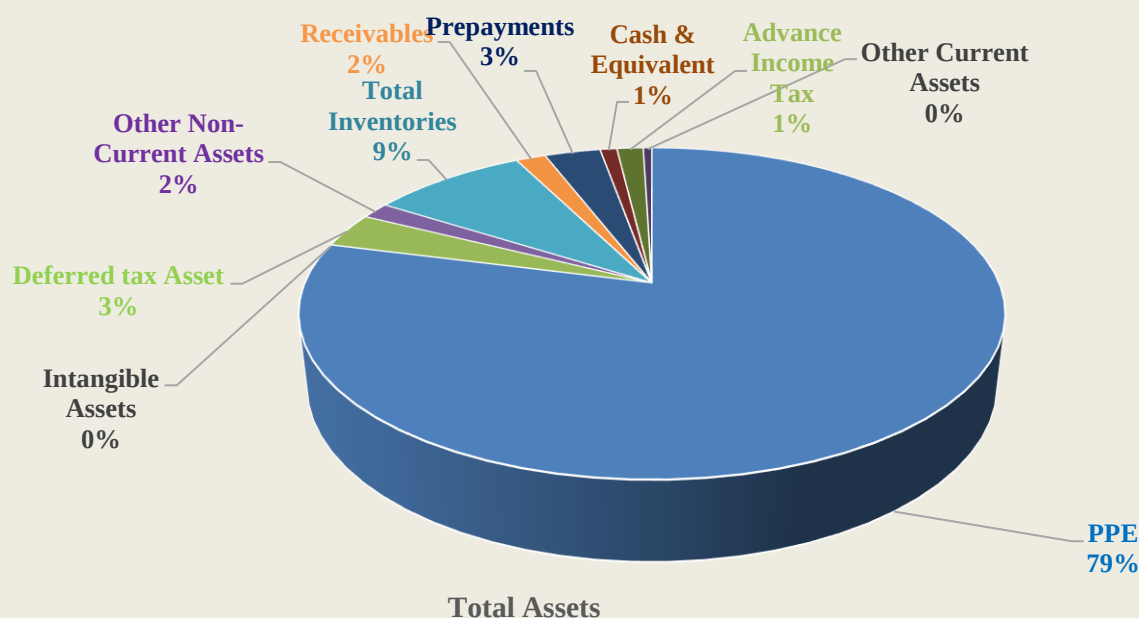
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	2,152,200,675.00	2,839,388,902.00	31.93%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	2,152,200,675.00	2,839,388,902.00	31.93%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	73,964,136.00	80,151,735.00	8.37%	0.00
15	Any Other Liabilities to Any Other Entities	507,220,984.00	740,693,088.00	46.03%	0.00
16	Other Debt and liabilities (12+13+14+15)	581,185,120.00	820,844,823.00	41.24%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	2,733,385,795.00	3,660,233,725.00	33.91%	0.00
18	Debt and liabilities to GoB (3+14)	73,964,136.00	80,151,735.00	8.37%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	2,659,421,659.00	3,580,081,990.00	34.62%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

91.3 Statement of debt and liabilities in FY 2022-23:



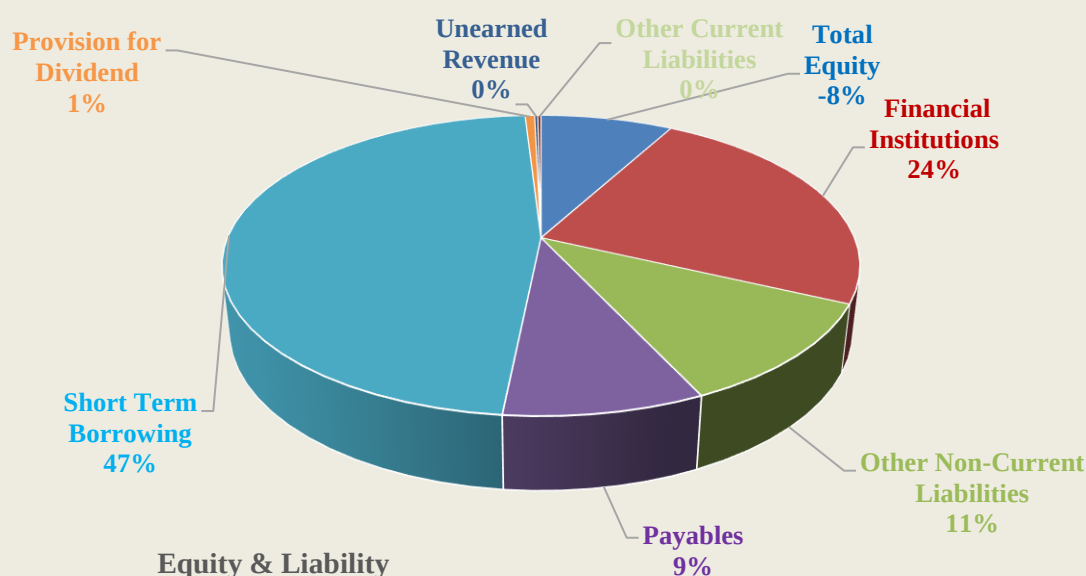
According to the financial statement of NTCL, the total debt was BDT 3,660.23 million as of 30th June, 2023. Out of this amount major portion 78% is debt and liabilities related to financial institution which are long-term liabilities followed by 20% any other liabilities to any other entities which are by nature current liabilities and finally 2% other liabilities to GOB which are current liabilities. However, NTCL does not holds any long-term liabilities related to GoB. The financial statement further shows that long-term liabilities are 78% of total liabilities which may cause fiscal risk for GoB.

91.4 The composition of total assets in FY 2022-23:



According to financial statement of NTCL in FY 202-23 total assets is BDT 3,342.16 million. out of these assets major portion 79% is PPE followed by 9% inventory, 3% deferred tax assets, 3% prepayments, 2% receivables, 2% other non-current assets, 1% cash and cash equivalent and finally 1% advance income tax. The long-term assets are 79% of total assets which may reduce fiscal risk for GoB.

91.5 The composition of equity and liability in FY 2022-23:



According to the composition of equity and liabilities in FY 2022-23, equity is negative which covered 8% of equity and liabilities. Negative equity means that total liabilities of NTCL exceed its total assets. According to financial statement total long-term liability is 35% compared to 48% of non-current liabilities. Having negative equity along with long-term liability NTCL may cause fiscal risk for GoB.

91.6 Fiscal risk from National Tea Company Limited (NTCL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – NTCL

Particular	Result	Risk	Score
Cost recovery	0.59	Very High	5
Return on Equity (ROE)	Net Income & Equity both are Negative.	Very High	5

Table – 3: Liquidity Ratio – NTCL

Particular	Result	Risk	Score
Current ratio	0.24	Very High	5
Creditor turnover days	100	High	4

Table – 4: Solvency Ratio – NTCL

Particular	Result	Risk	Score
Debt to total assets	1.10	Very High	5
Debt to EBITDA	EBITDA is negative.	Very High	5
Gross total			29
Average score			5 (4.83)
Overall risk Rating			Very High

91.7 The ratio analysis shows that National Tea Company Limited (NTCL)'s risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. NTCL 's cost recovery ratio is 0.59 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio below 0.75 falls under very high-risk category. With cost recovery ratio 0.59 NTCL poses **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. NTCL's net income is negative and equity is negative too, which indicate that NTCL is struggling financially and may be unable to make repayment of its debt by its own. With negative net income, NTCL poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of NTCL is 0.24 appears to be extremely poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 0.24, NTCL poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days between 90 and less than 120 is considered as high-risk category. With Creditor Turnover Days days of 100, NTCL poses **high** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. NTCL's debt to assets ratio is 1.10 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 1.10 NTCL carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. NTCL's EBITDA is negative; hence NTCL may be unable to make repayment of its debt by its own. With negative EBITDA, NTCL poses **very high** risk for GoB.

91.8 According to the records, NTCL did not involve any quasi-fiscal activities in FY 2022-23.

91.8 According to the records, no statutory obligation and no lawsuit is pending against NTCL. So, no Contingent Liabilities is foreseen for NTCL in FY 2022-23.

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92. Trading Corporation of Bangladesh (TCB)

92.1 Trading Corporation of Bangladesh (TCB) was established through Presidential Order No. 68/1972. After its establishment on January 1, 1972, to tackle the shortage of food and resources in Bangladesh following the Bangladesh Liberation War in 1971. TCB is working as a pioneer of business and commerce in this country. It is through TCB that foreign commercial activities are started in the country through the import of daily necessities to industrial raw materials and the export of jute, ready-made garments, etc. TCB is also the pioneer of the huge role that garment exports are playing in the economy today. The main mission of TCB is to maintain a buffer stock of some selected essential commodities and sell them to stabilize the market price.

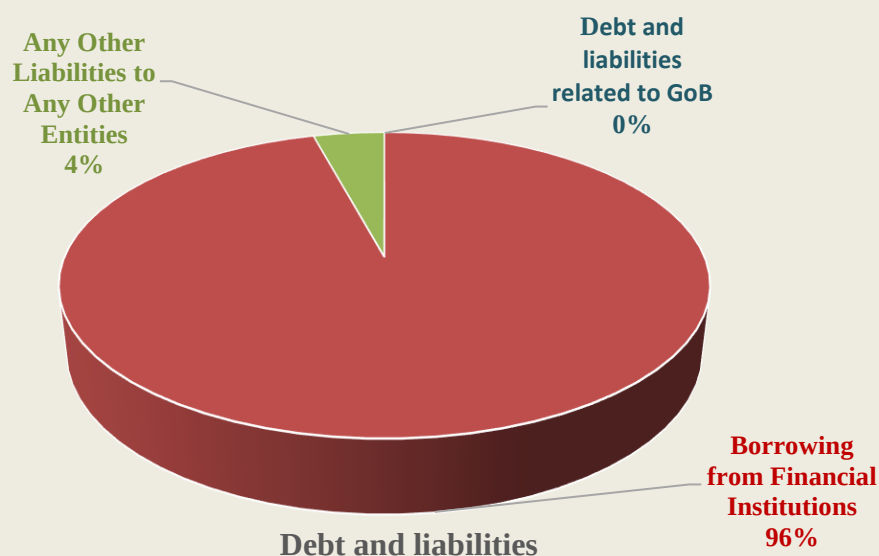
92.2 The following Table-1 presents the statement of debt of Trading Corporation of Bangladesh (TCB) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

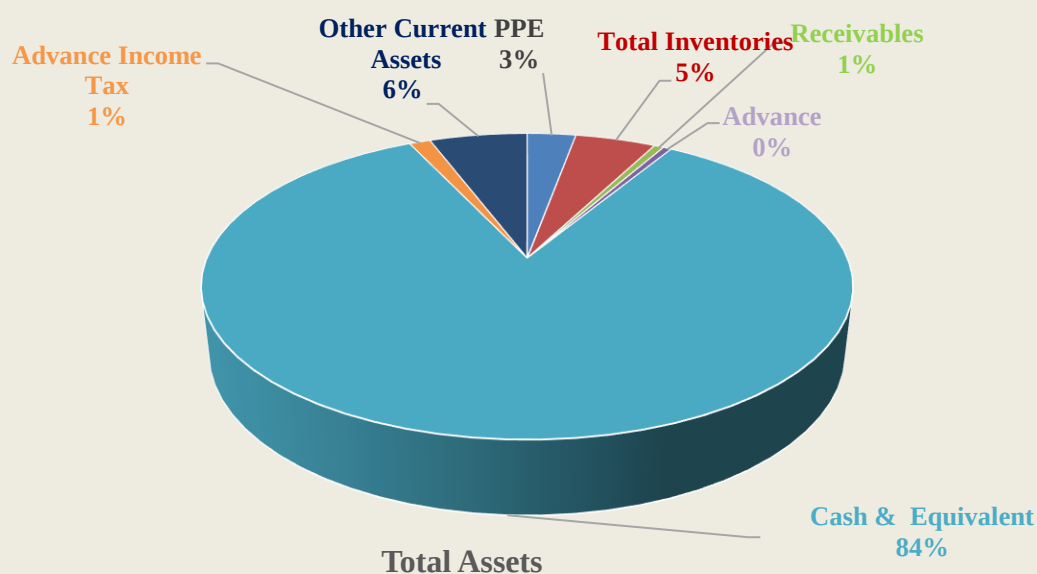
Serial No	Particulars of Debt	Opening Balance 1 st July, 2022	Ending Balance 30 th June, 2023	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	10,743,572,476.00	36,148,410,838.00	236.47%	37,048,270,891.00
6	Debt and liabilities related to Domestic Other Financial Institutions	4,032,832,486.00	0.00	-100.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	14,776,404,962.00	36,148,410,838.00	144.64%	37,048,270,891.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	676,573,806.00	1,586,902,621.00	134.55%	588,710,041.00
16	Other Debt and liabilities (12+13+14+15)	676,573,806.00	1,586,902,621.00	134.55%	588,710,041.00
17	Total Debt and liabilities (3+7+8+11+16)	15,452,978,768.00	37,735,313,459.00	144.19%	37,636,980,932.00
18	Debt and liabilities to GoB (3+14)	0.00	0.00	0.00%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	15,452,978,768.00	37,735,313,459.00	144.19%	37,636,980,932.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	14,973,788,389.00	37,048,270,891.00	147.42%	37,048,270,891.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

92.3 Statement of debt and liabilities in FY 2022-23:



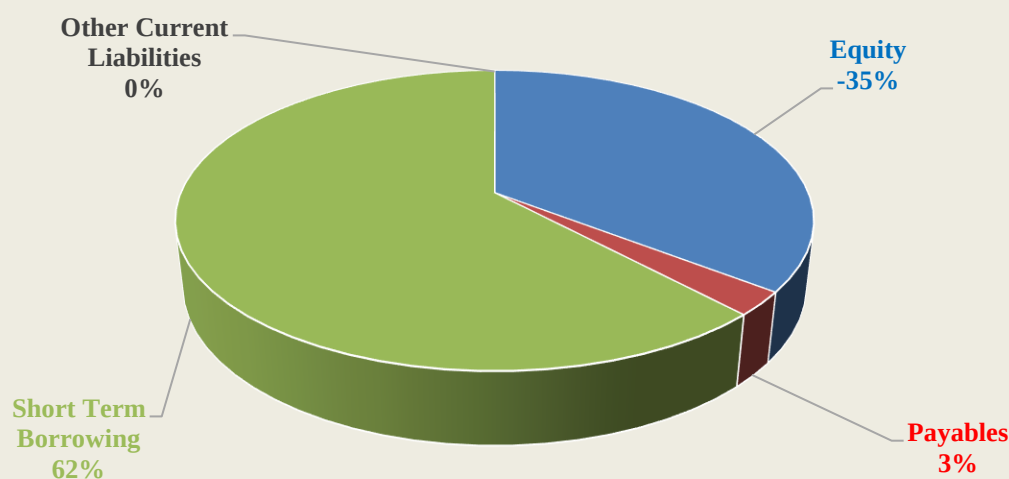
According to the financial statement of Trading Corporation of Bangladesh (TCB), the total debt was BDT 37,735.31 million as of 30th June 2023. Out of these amounts major portion 96% is debt and liabilities related to financial institutions which are short-term liabilities (known as LTR with banks) and the remaining 4% is any other liabilities to any other entities. However, during FY 2022-23, TCB did not borrow any amount from GoB under the Subsidiary Loan Agreement (SLA) and Loan Agreement (LA). All liabilities of TCB are by nature current liabilities that are expected to be settled within the financial year. If TCB fails to make a repayment of its LTR with the bank then it may cause fiscal risk for GoB.

92.4 The composition of assets in FY 2022-23:



According to the financial statement in FY 2022-23 total liabilities is BDT 17,005.50 million. Out of these assets major portion 84% is cash and cash equivalent followed by other current assets 6%, inventories 5%, PPE 3%, receivables 1% and finally 1% income tax.

92.5 The composition of equity and Liabilities in FY 2022-23:



Equity and Liability

The composition of equity and liabilities shows that equity is negative and cover 35%. Negative equity means that TCB's total liabilities has exceeded its total assets. The composition shows that all the liabilities are current liabilities which are expected to settled within financial year. Having negative equity TCB poses fiscal risk for GoB.

92.6 Fiscal risk from Trading Corporation of Bangladesh (TCB)'s is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following Tables.

Table – 2: Profitability Ratio – TCB

Particular	Result	Risk	Score
Cost recovery	0.56	Very High	5
Return on Equity (ROE)	Net Income & Equity both are Negative.	Very High	5

Table – 3: Liquidity Ratio – TCB

Particular	Result	Risk	Score
Current ratio	0.44	Very High	5
Creditor turnover days	5	Very Low	1

Table – 4: Solvency Ratio – TCB

Particular	Result	Risk	Score
Debt to total assets	2.22	Very High	5
Debt to EBITDA	EBITDA is negative	Very High	5
Total score			26
Average score			4(4.33)
Overall Risk Rating			High
Previous Year's Overall Risk Rating			Moderate

92.7 The ratio analysis shows that Trading Corporation of Bangladesh (TCB)'s risk rating based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. TCB 's cost recovery ratio is 0.56 and according to threshold value it goes under very high fiscal risk category. Considering the threshold value, cost recovery ratio between 0.75 and less than 1.0 falls under high-risk category. With cost recovery ratio 0.56 TCB poses **very high** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. TCB's net income is negative and equity is negative too, which indicate that TCB is struggling financially and may be unable to make repayment of its debt by its own revenue. With negative net income, TCB poses **very high** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of TCB is 0.44 appears to be extremely poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very High-risk category. So, having current ratio of 0.44, TCB poses **very high** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of 30 and below considered as very low-risk category. With Creditor Turnover Days of 05 , TCB poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. TCB's debt to assets ratio is 2.22 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very high-risk category. With debt to assets ratio of 2.22, TCB carry **very high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. TCB's EBITDA is negative, hence TCB may be unable to make repayment of its debt by its own. With negative EBITDA, TCB poses **very high** risk for GoB.

92.8 According to the records, TCB has carried out quasi fiscal activities of BDT 32,219.70 million during FY 2022-23.

92.9 According to the record, there are Pending Litigation amounting BDT 1,046.01 million against TCB. So Contingent liability is anticipated from Pending Litigation for TCB/GoB in FY 2022-23.

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Ministry of Civil Aviation and Tourism



93. Civil Aviation Authority of Bangladesh

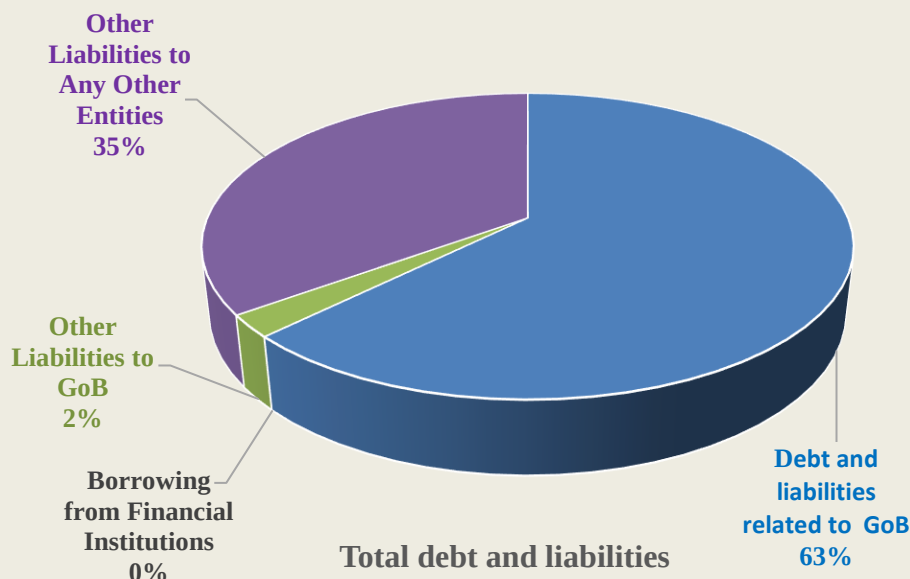
93.1 Civil Aviation Authority of Bangladesh (CAAB) functions as the regulatory body for all aviation related activities in Bangladesh and operating under the Ministry of Civil Aviation & Tourism. All nine operational airports (three international and six domestic) are operated by the CAAB. After independence Department of Civil Aviation (DCA) was established. Before independence, a limited company named Airports Development Agency used to work as a contractor for the Department of Civil Aviation. The Department of Civil Aviation and the Airports Development Agency were merged by the government of Bangladesh to create Civil Aviation Authority in 1982. In 1985, the present Civil Aviation Authority of Bangladesh (CAAB) came into existence as a corporate body with full managerial power, both organizational and financial.

93.2 The following Table–1 presents the statement of debt and liabilities of Civil Aviation Authority of Bangladesh (CAAB) for the FY 2022-23 which has been prepared based on the data collected through Form–1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

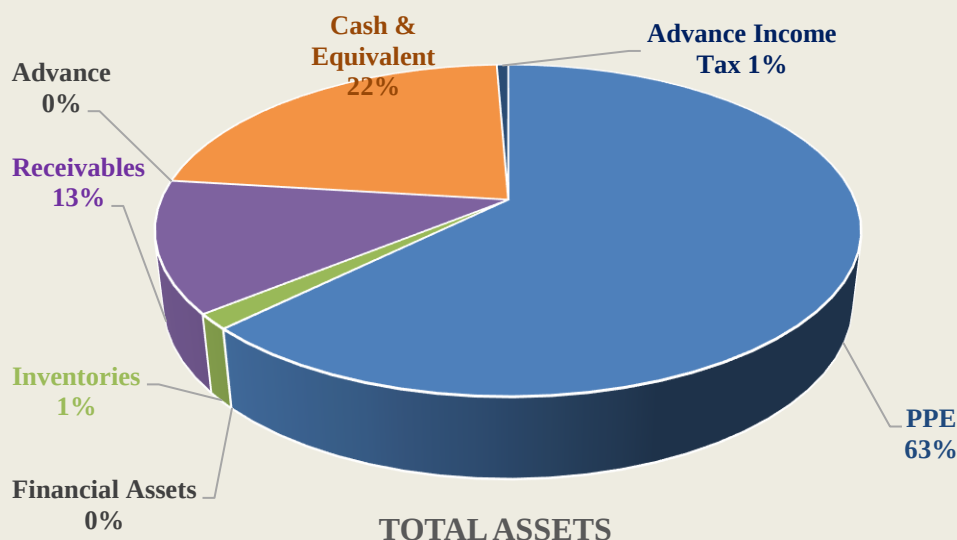
Amount in BDT					
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	68,864,717,035.28	97,143,754,172.38	41.06%	0.00
2	Debt and liabilities related to GoB under LA	1,440.00	440.00	-69.44%	0.00
3	Debt and liabilities related to GoB(1+2)	68,864,718,475.28	97,143,754,612.38	41.06%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	2,938,005,030.00	3,639,983,925.00	23.89%	0.00
15	Any Other Liabilities to Any Other Entities	26,510,192,469.00	54,249,118,749.00	104.63%	0.00
16	Other Debt and liabilities related to (12+13+14+15)	29,448,197,499.00	57,889,102,674.00	96.58%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	98,312,915,974.28	155,032,857,286.38	57.69%	0.00
18	Debt and liabilities to GoB (3+14)	71,802,723,505.28	100,783,738,537.38	40.36%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	26,510,192,469.00	54,249,118,749.00	104.63%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

93.3 Statement of debt and liabilities in FY 2022-23:



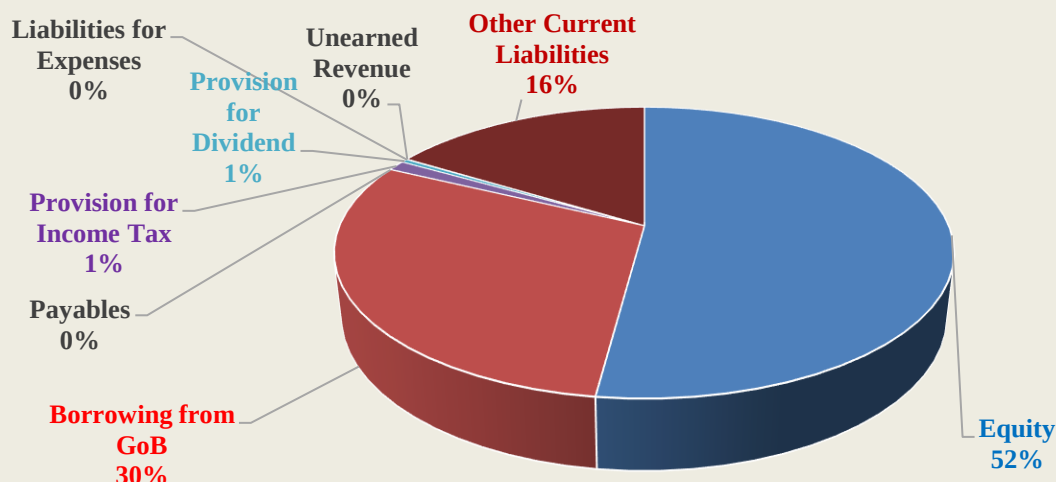
According to the financial statement of CAAB, the total debt is BDT 155,032.86 million BDT as of 30th June, 2023. Out of this amount, major portion 63% liabilities related to GoB under SLA and LA followed by 'other liabilities to any other entities ' 35% which are current liabilities by nature, and finally 2% other liabilities to GoB which are by nature current liabilities too. If CAAB fails to make repayment of its long-term liability it will cause fiscal risk for GoB.

93.4 The composition of assets in FY 2022-23:



According to the financial statement of CAAB in FY 2022-23 total assets was BDT 254,124.12 million. out of these assets, major portion 63% is PPE followed by cash & cash equivalent 22%, receivables 13%, advance income tax 1% and finally 1% inventories of total assets. The composition shows that long-term assets is 63% and remaining 27% is current assets.

93.5 The composition of total liabilities and equities in FY 2022-23:



EQUITY & LIABILITIES

According to the composition of liabilities and equity, major portion 52% is equity followed by liabilities related to GoB under SLA and LA, other current liabilities 16%, provision for income tax 1%, and finally 1% provision for dividend. The composition revealed that growth of CAAB is equity-driven rather than liabilities. Hence CAAB poses low fiscal risk for GoB.

93.6 Fiscal risk from Civil Aviation Authority of Bangladesh (CAAB) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – CAAB

Particular	Result	Risk	Score
Cost recovery	3.73	Very Low	1
Return on Equity (ROE)	11.65%	Low	2

Table – 3: Liquidity Ratio – CAAB

Particular	Result	Risk	Score
Current ratio	4.39	Very Low	1
Creditor turnover days	1.78	Low	2

Table – 4: Solvency Ratio – CAAB

Particular	Result	Risk	Score
Debt to total assets	0.48	Low	2
Debt to EBITDA	5.94	Very high	5
Gross total			13
Average Score			2 (2.17)
Overall Risk Rating			Low
Previous Year's Overall Risk Rating			Low

- 93.7 The ratio analysis shows that Civil Aviation Authority of Bangladesh (CAAB)'s risk rating is based on:
- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. CAAB 's cost recovery ratio is 3.73 and according to threshold value it goes under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.5 and above falls under very low-risk category. With cost recovery ratio 3.73 CAAB poses **very low** fiscal risk for GoB;
 - ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. CAAB 's ROE is 11.65% and according to the threshold value it fits the low-risk category. ROE value between 8% to less than 15% is considered a low-risk category. With an ROE 11.65 %, CAAB poses low fiscal risk for GoB
 - iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of CAAB is 4.39 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 4.39, CAAB poses **very low** risk for GoB;
 - iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 is considered as very low-risk category. With Creditor Turnover Days of 0 days, CAAB poses **low** risk for GoB;
 - v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. CAAB's debt to assets ratio is 0.48 and according to threshold value it fits under low-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above matches very low risk category. With debt to assets ratio of 0.48, CAAB carry **low** risk for GoB; and
 - vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. CAAB's debt to EBITDA ratio is 5.94 and according to the threshold value it fits under the very high-risk category. Considering the threshold value, the debt to EBITDA ratio of 5.0 and above belongs to the very high-risk category. With an EBITDA ratio of 5.94, CAAB poses very high risk for GoB.
- 93.8 According to the records, Civil Aviation Authority of Bangladesh (CAAB) did not involve in any quasi-fiscal activities in FY 2022-23.
- 93.9 According to the records, no lawsuit is painting against CAAB. So, no Contingent Liabilities is foreseen from lawsuit for Civil Aviation Authority of Bangladesh (CAAB) in FY 2022-23.

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94. Biman Bangladesh Airlines Limited (BBAL)

94.1 Bangladesh Biman, established under Bangladeshi Biman (Temporary Order 1972) (APO No. 2 of 1972 as amended by President's Order No. 31 of 1972), started functioning by taking over the assets and liabilities of the erstwhile Pakistan International Airlines (PIA) within the territories constituting Bangladesh. Thereafter, on 27 October 1972, a corporation was established called Bangladesh Biman by Bangladesh Biman Order 1972 and on 26 May 1977, this order was repealed by Bangladesh Corporation Ordinance 1977 which established the corporation called Bangladesh Biman Corporation. During the year 2007 Biman converted into Public Limited Company. The principal activities of the company are to provide and develop safe, efficient, adequate, economical, and properly coordinate air transport services, domestic as well as international, Biman Bangladesh Airlines Ltd. also has two separate units namely Biman Poultry Complex (BPC) & Biman Flight Catering (BFC) whose accounts are consolidated in Biman Bangladesh Airlines Ltd.

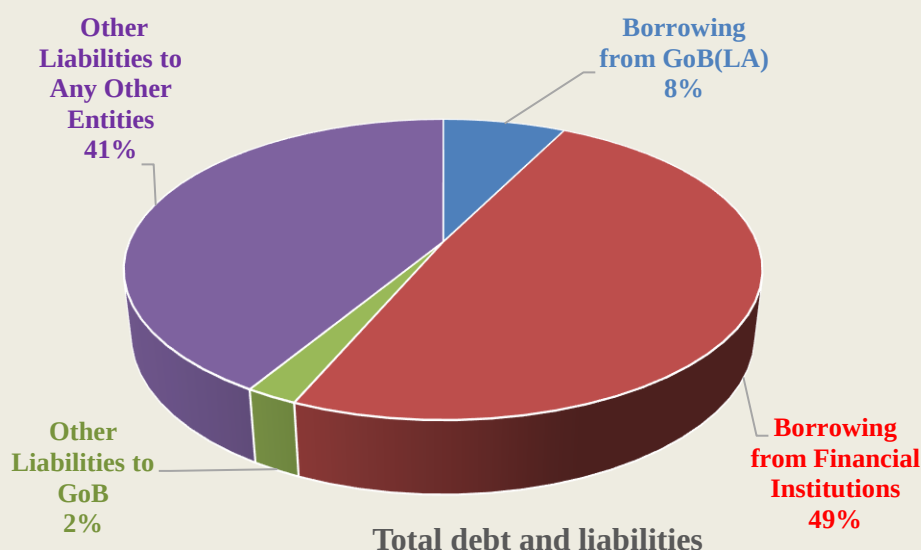
94.2 The following Table-1 presents the statement of debt of Biman Bangladesh Airlines Ltd. (BBAL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT

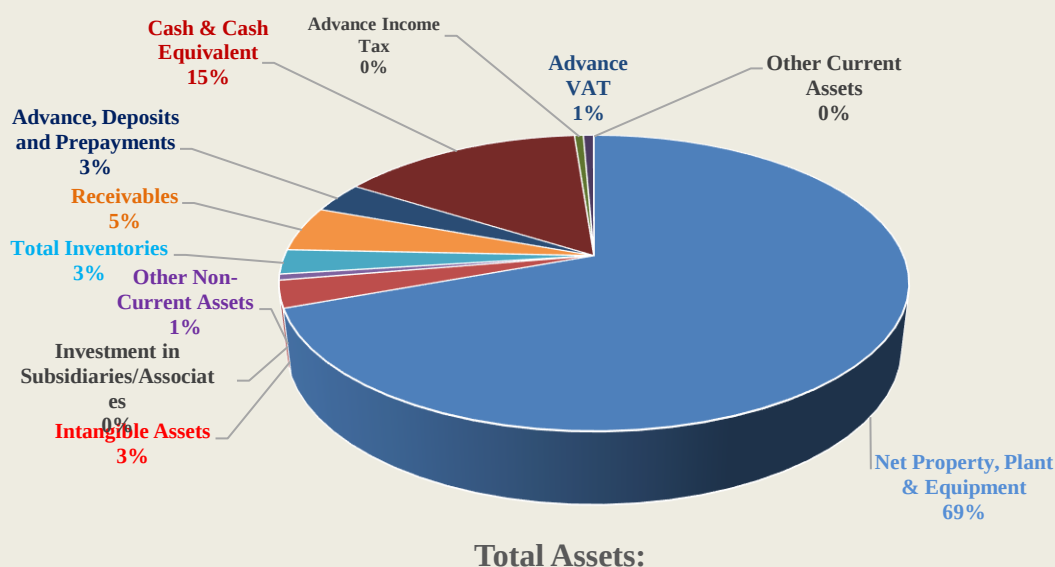
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	6,312,521,206.83	11,292,598,935.50	78.89%	0.00
3	Debt and liabilities related to GoB(1+2)	6,312,521,206.83	11,292,598,935.50	78.89%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	29,873,441,205.76	26,688,545,082.48	-10.66%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	46,903,345,424.02	48,025,120,026.34	2.39%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	76,776,786,629.78	74,713,665,108.82	-2.69%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	2,443,554,128.21	3,403,711,376.34	39.29%	0.00
15	Any Other Liabilities to Any Other Entities	56,486,431,673.83	62,986,466,755.61	11.51%	0.00
16	Other Debt and liabilities (12+13+14+15)	58,929,985,802.04	66,390,178,131.96	12.66%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	142,019,293,638.65	152,396,442,176.27	7.31%	0.00
18	Debt and liabilities to GoB (3+14)	8,756,075,335.04	14,696,310,311.84	67.84%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	133,263,218,303.61	137,700,131,864.43	3.33%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	83,089,307,836.61	86,006,264,044.32	3.51%	0.00

94.3 Statement of debt and liabilities in FY 2022-23:



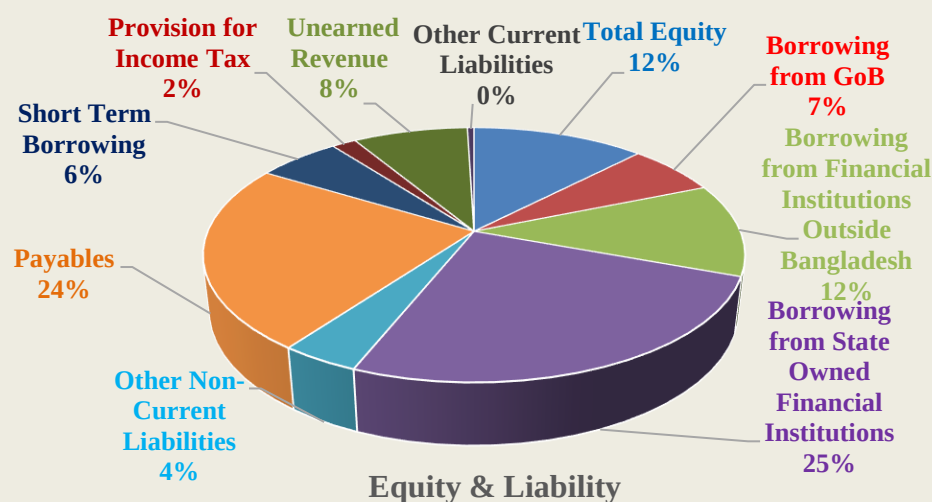
According to the financial statement of Biman Bangladesh Airlines Limited (BBAL) the total debt in FY 2022-23 was BDT 152,396.44 million as of 30th June, 2023. Out of this amount, major portion 49% is liabilities related to financial institution followed by other liabilities to any other entities 41% which are current liabilities by nature, liabilities related to GoB under loan agreement (LA) 8% and finally 2% other liabilities to GoB (current liabilities). If BBAL fails to make repayment of liabilities both related to GoB and liabilities related to financial institution it will create fiscal risk for GoB.

94.4 The composition of assets in FY 2022-23



According to the financial statements of BBAL in FY 2022-23 total assets was BDT 173,756.58 million. Out of these assets 69% is PPE following that cash and cash equivalent 15%, receivables 5%, advances and prepayments 3%, inventories 3%, Intangible assets 3%, other non-current assets 1% and finally 1% advance VAT. The composition shows that 73% of assets are long-term assets and 27% are current assets.

94.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that a major portion 25% is liabilities related to state-owned financial institution followed by payables 24%, liabilities related to financial institution outside Bangladesh is 12%, equity 12%, unearned revenue 8%, liabilities related to GoB 7% under loan agreement, short-term borrowing 6%, other non-current liabilities 4% and finally 2% provision for income tax. The composition also revealed that out of total equity and liabilities 48% long-term liabilities, 40% current liabilities and remaining 12% is equity. Hence the growth of BBAL is highly liability-driven rather than equity and this situation can cause fiscal risk to GoB.

94.6 Fiscal risk from Biman Bangladesh Airlines Limited (BBAL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BBAL

Particular	Result	Risk	Score
Cost recovery	1.01	Moderate	3
Return on Equity (ROE)	1.05%	Moderate	3

Table – 3: Liquidity Ratio – BBAL

Particular	Result	Risk	Score
Current ratio	0.68	Very High	5
Creditor turnover days	215	Very High	5

Table – 4: Solvency Ratio – BBAL

Particular	Result	Risk	Score
Debt to total assets	0.88	High	4
Debt to EBITDA	25.91	Very High	5
Total			25
Average Score			4 (4.17)
Overall Risk Rating			High
Previous Year's Overall Risk Rating			Moderate

- 94.7 The ratio analysis shows that Biman Bangladesh Airlines Limited (BBAL)'s risk rating is based on:
- i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BBAL 's cost recovery ratio is 1.01 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 to less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.01 BBAL poses **moderate** fiscal risk for GoB;
 - ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BBAL 's ROE is 1.05% and according to threshold value it fits moderate-risk category. ROE value between 0% to less than 8% is considered as moderate-risk category. With ROE 1.05 %, BBAL poses **moderate** fiscal risk for GoB;
 - iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BBAL is 0.68 appears to be very poor and as per threshold value table it matches with very high-risk category. A current ratio of below 1.0 is considered as very high-risk category. So, having current ratio of 0.68, BBAL poses **very high** risk for GoB;
 - iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days of 120 and above considered as very high-risk category. With creditor turnover days of 215, BBAL poses very **high** risk to GoB;
 - v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BBAL's debt to assets ratio is 0.88 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio between 0.75 to less than 1.0 is high-risk category. With debt to assets ratio of 0.88, BBAL carry **high** risk for GoB;
 - vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BBAL's debt to EBITDA ratio is 25.91 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 25.91, BBAL poses **very high** risk for GoB.

94.8 According to the records, Biman Bangladesh Airlines Limited (BBAL) did not involve in any quasi-fiscal activities in FY 2022-23.

94.9 According to the records, BDT 38,656.10 million is due for payment to CAAB and BDT 9,703.38 million is due for payment to Padma Oil Company Limited from Biman Bangladesh Airlines Limited (BBAL). So, total contingent liability is BDT 48,359.49 million (payable due for BBAL) in FY 2022-23.

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95. Bangladesh Parjatan Corporation (BPRC)

95.1 Bangladesh Parjatan Corporation was established by the President's Order 143 of 1972. Recently Bangladesh Parjatan Corporation Order, 1972 was amended by Bangladesh Parjatan Corporation (Amendment) Act, 2022. The corporation is assigned with an objective to promote and develop tourism industries in Bangladesh. The entity also works to provide standard services to tourists as well as to create world-class tourism facilities in the country. The entity plays an important role in socio-economic development, creates job opportunities and reduces poverty by advancing the tourism sector in Bangladesh. Corporation now operates and maintains 31 units that includes hotels, tourism training institutes, motels, holiday complex, restaurants, cafeterias, picnic spots, bars, etc. Besides, under Private Management Contract, the entity leased 24 commercial units such as restaurants, bars, motels, children's amusement parks. Main functions of Bangladesh Parjatan Corporation are as following:

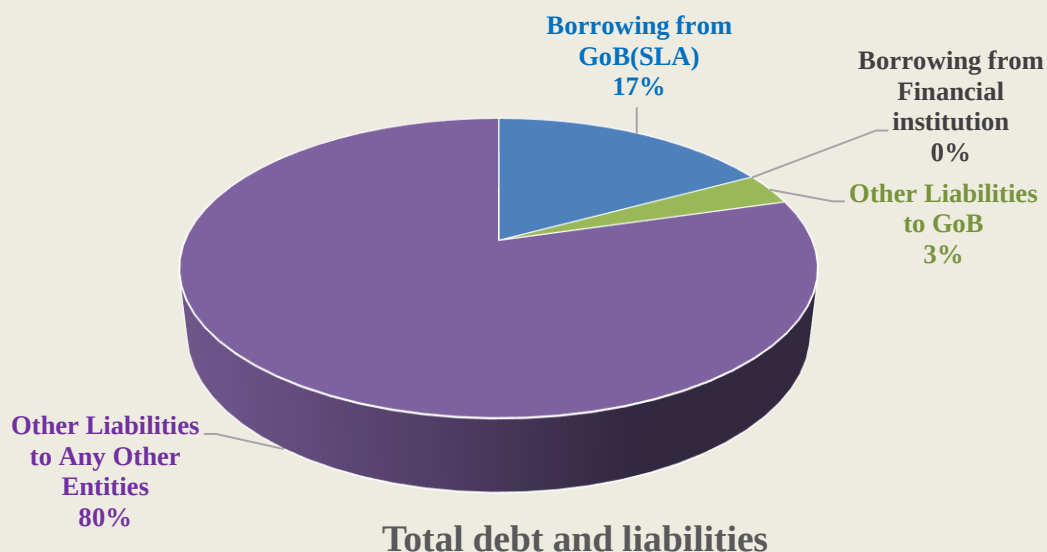
- Promote and develop tourism in Bangladesh and create infrastructure facilities for tourism in the country;
- Provide facilities to carry out all activity's ancillary to tourism;
- Provide tourism related information in and outside Bangladesh;
- Encourage and develop domestic tourism;
- Publish leaflet, brochure, books etc. for promoting tourism in the country;
- Operate and manage duty-free shops;
- Organize group tours for the tourist;
- Establish training institutes for the persons engaged or ancillary to tourism to create skilled manpower for tourism sector.

951.2 The following Table-1 presents the statement of debt of Bangladesh Parjatan Corporation (BPRC) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

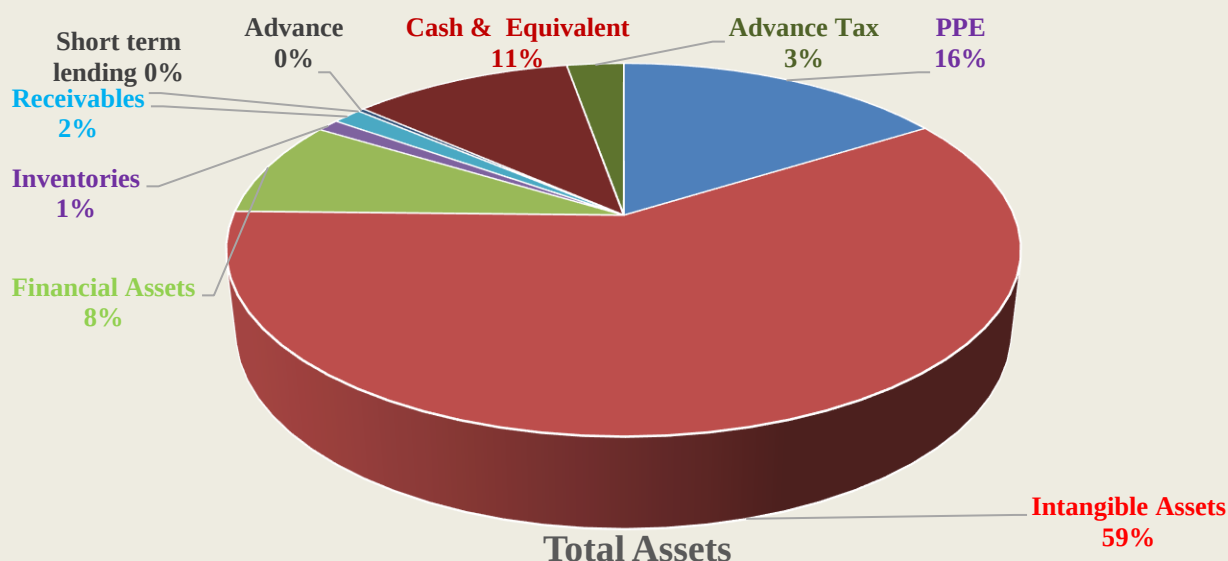
Amount in BDT					
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	B	c	d	e = ((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	85,467,000.00	83,467,000.00	-2.34%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	85,467,000.00	83,467,000.00	-2.34%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	16,607,524.00	16,607,524.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	290,289,401.00	388,192,543.00	33.73%	0.00
16	Other Debt and liabilities (12+13+14+15)	306,896,925.00	404,800,067.00	31.90%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	392,363,925.00	488,267,067.00	24.44%	0.00
18	Debt and liabilities to GoB (3+14)	102,074,524.00	100,074,524.00	-1.96%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	290,289,401.00	388,192,543.00	33.73%	0.00

95.3 Statement of debt and liabilities in FY 2022-23:



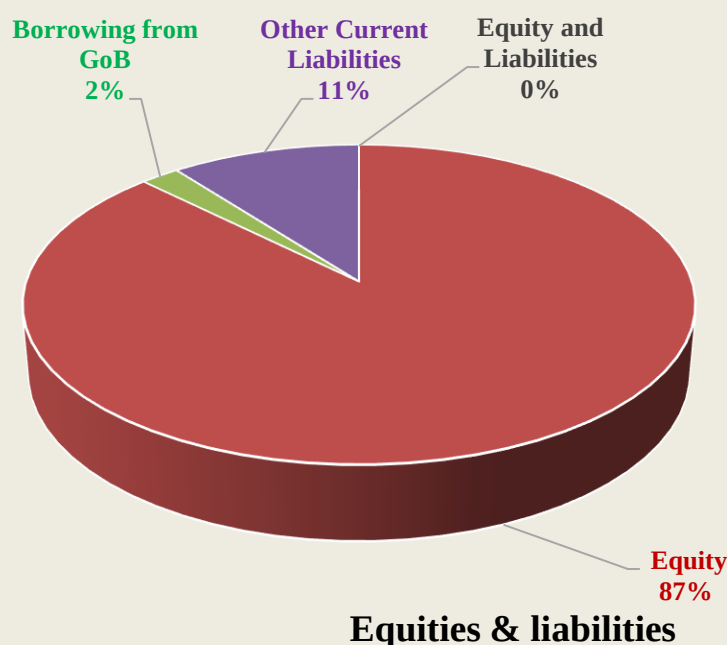
According to the financial statement of Bangladesh Parjatan Corporation (BPRC) the total debt is BDT 488.27 million as of 30th June, 2023. Out of this amount, major portion 80% belongs to 'other liabilities to any other entities' which are by nature current liabilities followed by borrowing from GoB under subsidiary loan agreement (SLA) and finally 3% other liabilities to GoB which are also current liabilities. The composition revealed that current liabilities cover 83% of total debt and liabilities which are expected to be settled by the financial year. Remaining 17% long-term liabilities may cause low fiscal risk for GoB.

95.4 The composition of assets in FY 2022-23:



According to the financial statement of BPRC total assets in FY 2022-23 was BDT 387516.23 million. Out of these assets major portion 59% intangible assets followed by PPE 16%, cash & cash equivalent 11%, financial assets 8%, advance tax 3%, receivables 2% and finally 1% inventories. The composition of assets revealed that 83% is long-term assets and 17% are current assets.

95.5 The composition of equity and liabilities in FY 2022-23:



The composition of equity and liabilities of BPRC shows that major portion 87% is equity followed by other current liabilities 11% and finally 2% borrowing from GoB under subsidiary loan agreement (SLA) which are long-term liabilities. Based on the composition of equity and liability, BPRC's growth is highly equity-driven rather than liabilities. Therefore, BPRC is less likely to cause fiscal risk for GoB.

95.6 Fiscal risk from BPRC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BPRC

Particular	Result	Risk	Score
Cost recovery	1.00	Moderate	3
Return on Equity (ROE)	0.06%	Moderate	3

Table – 3: Liquidity Ratio – BPRC

Particular	Result	Risk	Score
Current ratio	1.56	Low	2
Creditor turnover days	Trade payable is '0'	Very Low	1

Table – 4: Solvency Ratio – BPRC

Particular	Result	Risk	Score
Debt to total assets	0.13	Very Low	1
Debt to EBITDA	6.41	Very High	5
Total			15
Average Score			3(2.5)
Overall Risk Rating:			Moderate

95.7 The ratio analysis shows that BPRC's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BPRC 's cost recovery ratio is 1.0 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. Securing cost recovery ratio 1.0 BPRC poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BPRC 's ROE is 0.06% and according to threshold value it fits moderate-risk category. ROE value between 0% and less than 8% is considered as moderate-risk category. With ROE 0.06 %, BPRC poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BPRC is 1.56 appears to be good and as per threshold value table it matches with low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.56 BPRC poses **low** for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 considered as very low-risk category. With nil creditor turnover days, BPRC poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BPRC's debt to assets ratio is 0.13 and according to threshold value it fits under very low risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.13, BPRC carry **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BPRC's debt to EBITDA ratio is 6.43 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. Having debt to EBITDA EBITDA ratio of 6.43, BPRC poses **very high** risk for GoB.

95.8 According to the records, BPRC did not involve in any quasi-fiscal activities in FY 2022-23.

95.9 According to the records, no statutory obligation and no lawsuit is pending against BPRC. So, no Contingent Liabilities is foreseen for BPRC in FY 2022-23.

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Ministry of Science and Technology

96. Nuclear Power Plant Company Bangladesh Limited (NPCBL)

96.1 Nuclear Power Plant Company Bangladesh Limited was incorporated in Bangladesh as a public limited company on August 18, 2015 under the Companies Act 1994. Nuclear Power Plant Company Bangladesh Limited is a concern of the Bangladesh Atomic Energy Commission. It is responsible for the management of Rooppur Nuclear Power Plant.

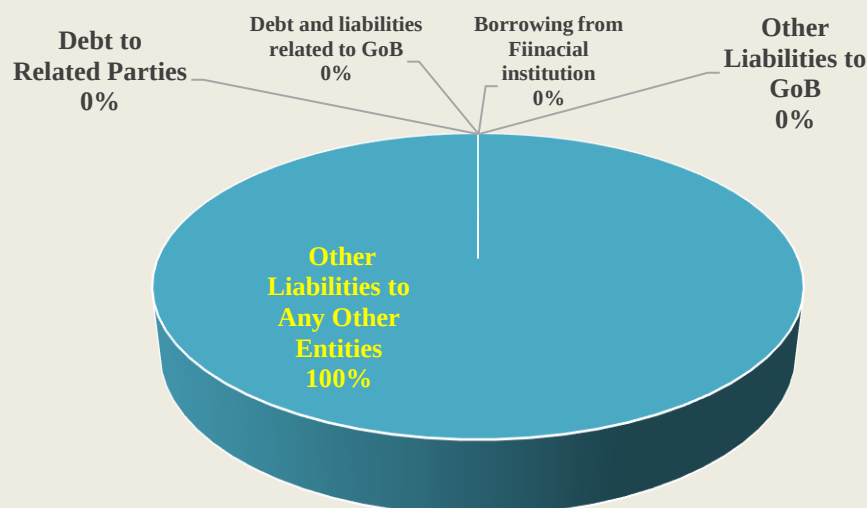
96.2 The following Table – 1 presents the statement of debt and liabilities of Nuclear Power Plant Company Bangladesh Limited (NPCBL) for the FY 2022-23 which has been prepared based on the data collected through Form – 1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	27,613.00	21,132.00	- 23.47%	0.00
15	Any Other Liabilities to Any Other Entities	616,662,812.00	1,006,452,673.00	63.21%	0.00
16	Other Debt and liabilities (12+13+14+15)	616,690,425.00	1,006,473,805.00	63.21%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	616,690,425.00	1,006,473,805.00	63.21%	0.00
18	Debt and liabilities to GoB (3+14)	27,613.00	21,132.00	- 23.47%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	616,662,812.00	1,006,452,673.00	63.21%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

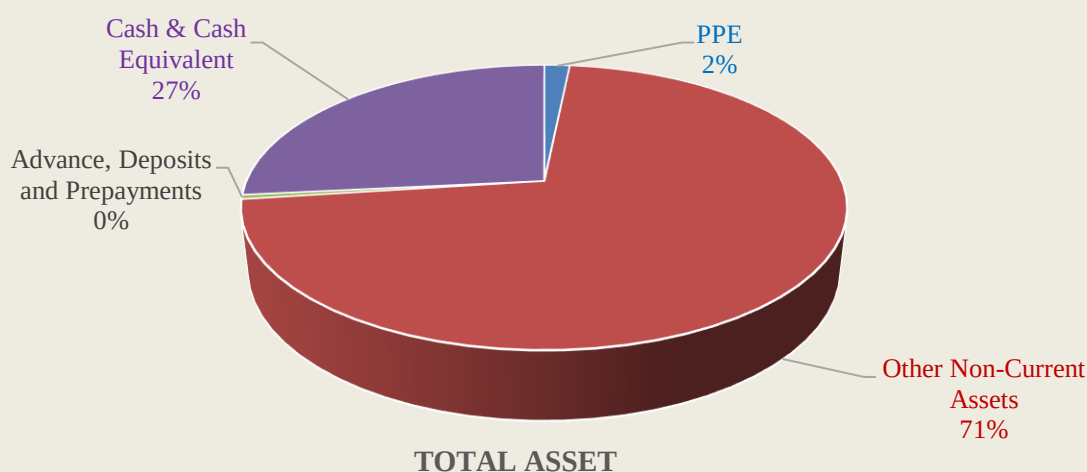
96.3 Statement of debt and liabilities in FY 2022-23:



Total debt and liabilities

According to the financial statement of NPCBL, the total debt is BDT 1,006.47 million as of 30th June 2023. Out of this amount 100% belongs to other liabilities to any other entities which are by nature current liabilities. The statement shows that NPCBL does not hold any long-term liabilities like liabilities related to GoB under SLA and LA. The current liabilities are expected to be settled within financial year and less likely to cause fiscal risk for GoB.

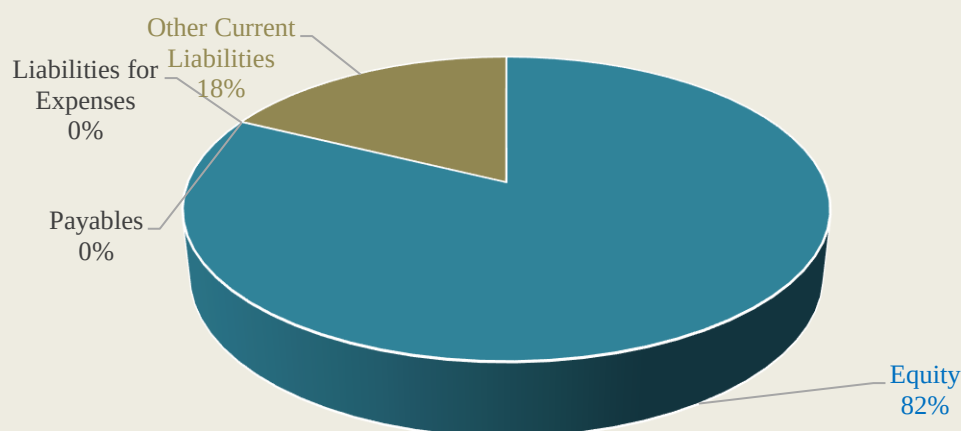
96.4 The composition of assets in FY 2022-23:



TOTAL ASSET

According to the financial statement of NPCBL in FY 2022-23 total assets were BDT 5675.82 million. Out of these assets, the major portion (71%) is other non-current assets, followed by cash and cash equivalent (27%), and finally 2% is PPE. The composition revealed that 73% of total assets are long-term assets and the remaining 27% are current assets.

96.5 The composition of total equity and liabilities in FY 2022-23:



EQUITY & LIABILITIES

According to the composition of total equity and liability major portion 82% is equity and remaining 18% is other non-current liabilities and more importantly there exists no long-term liabilities. The composition revealed that growth on NPBCL is driven by equity rather than liabilities. Hence NPBCL is unlikely to cause fiscal risk for GoB.

96.6 Fiscal risk from Nuclear Power Plant Company Bangladesh Limited (NPCBL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables.

Table – 2: Profitability Ratio – NPCBL

Particular	Result	Risk	Score
Cost recovery	(No Income is shown in AFS)	Nil	-
Return on Equity (ROE)	0	Moderate	3

Table – 3: Liquidity Ratio – NPCBL

Particular	Result	Risk	Score
Current ratio	1.53	Low	2
Creditor turnover days	Nil	Very Low	1

Table – 4: Solvency Ratio – NPCBL

Particular	Result	Risk	Score
Debt to total assets	0.18	Very Low	1
Debt to EBITDA	72.23	Very High	5
Total Score			12
Average Score			2.40
Overall Risk rating			Low
Previous Year's Overall Risk rating			Moderate

- 96.7 The ratio analysis shows that Nuclear Power Plant Company Bangladesh Limited (NPCBL)'s risk rating is based on:
- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. NPCBL 's cost recovery ratio is Nil. With cost recovery ratio nil NPCBL & fiscal risk for GoB;
 - (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. NPCBL 's ROE is 0% and according to threshold value it fits moderate category. ROE value of 15% and above is considered as very low-risk category. With ROE 0 %, NPCBL poses **moderate** fiscal risk to GoB;
 - (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of NPCBL is 1.53 appears to be good and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 1.53, NPCBL poses **low** for GoB;
 - (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 as very very-risk category. With nil creditor turnover ratio, NPCBL poses **very low** risk to GoB;
 - (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. NPCBL's debt to assets ratio is 0.18 and according to threshold value it fits under very low risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.18, NPCBL carry **very low** risk for GoB; and
 - (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. NPCBL's debt to EBITDA ratio is 72.23 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 72.23, NPCBL poses **very high** risk for GoB.
- 96.8 According to the records, Nuclear Power Plant Company Bangladesh Limited (NPCBL)/did not involve in any quasi-fiscal activities in FY 2022-23
- 96.9 According to the records, no statutory obligation and no lawsuit is pending against NTCL. So, no Contingent Liabilities is foreseen for NPCBL in FY 2022-23.

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Ministry of Environment, Forest and Climate Change



97. Bangladesh Forest Industry Development Corporation (BFIDC)

97.1 The then Government of Pakistan established “East Pakistan Forest Development Corporation”. After independence, the Corporation was renamed as “Bangladesh Forest Industries Development Corporation (BFIDC)” under president’s Order No. 48 of 1972. Recently Bangladesh Forest Industries Development Corporation Act 2022 has been drafted. The objective of BFIDC is to extract timbers/rubber wood and other forest produces from forest land to meet the country’s demand of timber products such as veneered board, plywood, firewood, wooden electric poles, logs, railway sleepers etc. In 2022-2023, the Corporation has rubber plantation of 32,961 acres with approximately 4,014 thousand rubber trees that are producing raw rubber to meet the country’s demand for rubber. In 2022-23 BFIDC’s all the eight furniture and timber processing units made profit. Bangladesh Forest Industries Development Corporation (BFIDC) mainly performs the following functions:

- Manufacture, supply and sell furniture and wooden products as per customer specification.
- Work for replantation and rehabilitation of rubber trees in rubber garden regularly.
- Work for promoting the rubber marketing.
- Collect latex from rubber trees and produce rubber sheet (RSS) by rubber processing plant.
- Sell rubber sheets at local market as well as export to international markets.
- To Developed the infrastructure for industrial units.
- Update the technology both for rubber processing and furniture manufacturing plant.
- Extract timber and rubber wood from forest land and rubber garden.

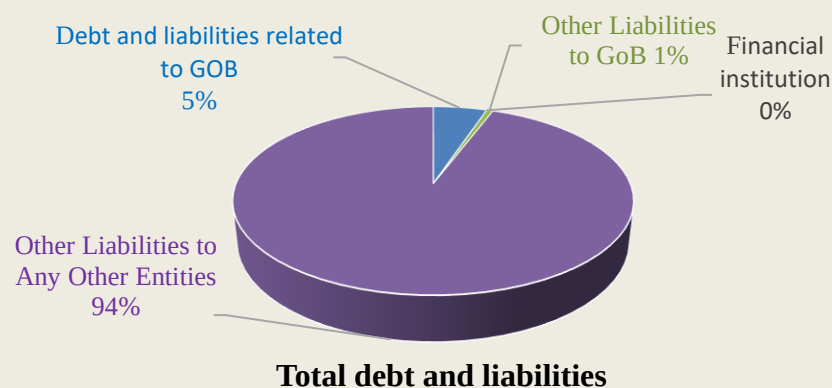
97.2 The following Table-1 presents the statement of debt of Bangladesh Forest Industries Development Corporation (BFIDC) for the FY 2022-23 prepared on the basis of the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Amount in BDT					
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
a	b	c	d	e=((d-c)/c)%	f
1	Debt and liabilities related to GoB under SLA	574,023,000.00	574,023,000.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	574,023,000.00	574,023,000.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00

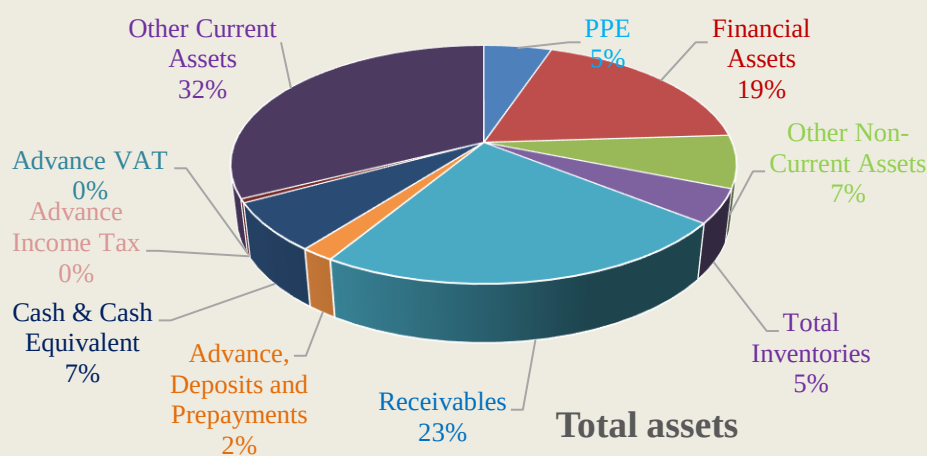
Serial No	Particulars of Debt	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
14	Other Liabilities to GoB	75,465,826.00	68,352,344.00	-9.43%	0.00
15	Any Other Liabilities to Any Other Entities	11,063,182,762.00	10,488,298,617.00	-5.20%	0.00
16	Other Debt and liabilities (12+13+14+15)	11,138,648,588.00	10,556,650,961.00	-5.23%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	11,712,671,588.00	11,130,673,961.00	-4.97%	0.00
18	Debt and liabilities to GoB (3+14)	649,488,826.00	642,375,344.00	-1.10%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	11,063,182,762.00	10,488,298,617.00	-5.20%	0.00

97.3 Statement of total debt and liabilities in FY 2022-23:



According to the financial statement of Bangladesh Forest Industries Development Corporation (BFIDC) the total debt and liabilities is BDT 11,130.67 million as of 30th June, 2023. Out of this amount, major portion 94% belongs to other liabilities to any other entities' which are by nature current liabilities followed by 5% liabilities related to GoB under subsidiary loan agreement (SLA) and finally 1% other liabilities to GoB which are current liabilities like VDS and TDS. The composition revealed that 95% liabilities are current liability that are expected to settled within financial year and remaining 5% is long term liabilities under SLA that can cause fiscal risk for GoB. Hence BFIDC poses low fiscal risk for GoB.

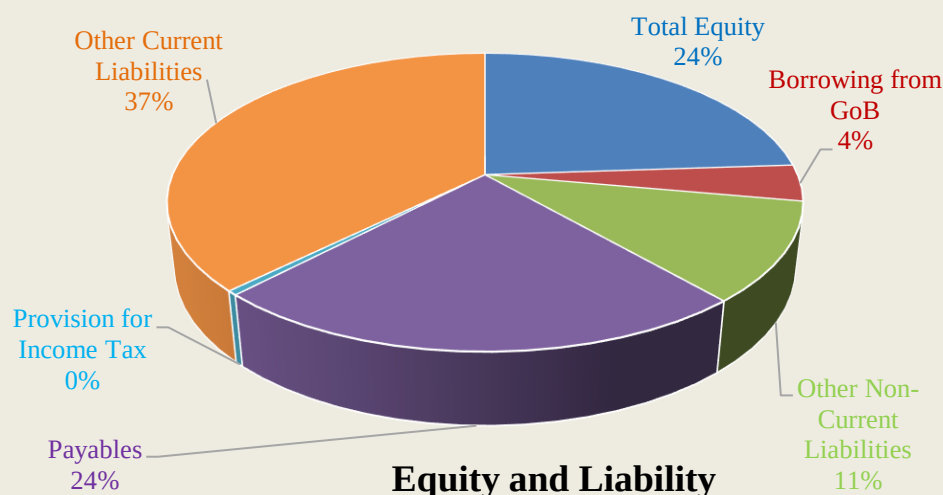
97.4 The composition of total assets in FY 2022-23:



According to the financial statement of BFIDC total assets in FY 2022-23 was BDT 14,631.33 million. Out of these assets major portion other current assets 32% followed by receivables 23%, financial assets 19%, other non-current assets 7%, cash & cash equivalent 7%, 5% PPE and finally 5% inventory. Besides advance VAT and advance income tax hold insignificant amount which has shown as 0% in pie chart. The composition shows that long-term assets are

21% of total assets and 79% is current assets.

97.5 The composition of equity and liabilities in FY 2022-23:



The composition of total equity and liabilities of BFIDC in FY 2022-23 shows that major portion is other current liabilities 37% followed by equity 24%, payables 24%, other non-current liabilities 11% and finally 4% borrowing from GoB which is long-term liabilities. The composition shows that equity is 24% compared to total long-term liabilities 15% meaning that growth of BFIDC is slightly equity driven. Therefore, BFIDC poses low fiscal risk for GoB.

97.6 Fiscal risk from BFIDC is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BFIDC

Particular	Result	Risk	Score
Cost recovery	1.14	Moderate	3
Return on Equity (ROE)	5.15%	Moderate	3

Table – 3: Liquidity Ratio – BFIDC

Particular	Result	Risk	Score
Current ratio	1.12	High	4
Creditor turnover days	Trade Payable is 'o' (Zero).	Very Low	1

Table – 4: Solvency Ratio – BFIDC

Particular	Result	Risk	Score
Debt to total assets	0.76	High	4
Debt to EBITDA	36.66	Very High	5
Total Score			20
Average Score			3 (3.33)
Overall Risk rating			Moderate

97.7 The ratio analysis shows that BFIDC's risk rating is based on:

- (i) Cost Recovery Ratio measures ability to generate adequate revenue to cover operating expenses. BFIDC 's cost recovery ratio is 1.14 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.14 BFIDC poses **moderate** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BFIDC 's ROE is 5.15% and according to threshold value it fits moderate risk category. ROE value between 0% and less than 8% is considered as moderate-risk category. With ROE 5.15 %, BFIDC poses **moderate** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of BFIDC is 1.12 appears to be not healthy and as per threshold value table it matches with high-risk category. A current ratio of 1.0 and above is considered as very high-risk category. So, having current ratio of 1.12 BFIDC poses **high** fiscal risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 considered as very low-risk category. With nil creditor turnover days, BFIDC poses **very low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BFIDC's debt to assets ratio is 0.76 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to assets ratio of 1.0 and above is very high-risk category. With debt to assets ratio of 0.76 BFIDC carry **high** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measure the ability of a company to service any debt it holds. BFIDC's debt to EBITDA ratio is 36.66 and according to threshold value it fits under very high-risk category. Considering the threshold value, debt to EBITDA ratio of 5.0 and above belongs to very high-risk category. With EBITDA ratio of 36.66, BFIDC poses **very high** risk for GoB.

97.8 According to the records, BFIDC did not involve in any quasi-fiscal activities in FY 2022-23.

97.9 According to the records, no statutory obligation and no lawsuit is pending against BFIDC. So, no Contingent Liabilities is foreseen for GoB in FY 2022-23.

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Ministry of Expatriates' Welfare and Overseas Employment



98. Bangladesh Overseas Employment and Services Limited (BOESL)

98.1 The Government of Bangladesh formed “Bangladesh Overseas Employment and Services Limited (BOESL)” in 1984 under Company Act 1913 as sole state owned and ISO certified enterprise in overseas employment. BOESL also follows the Overseas Employment & Migrants Act 2013. BOESL is assigned to promote employment for Bangladeshi workforce in abroad according to their skill and experience, safe and ethical migration process, implementing all policies and goals related to foreign employment of the government. The Ministry of Expatriate’s Welfare and Overseas Employment has oversight responsibility of BOESL.

The aim of BOESL is to become one of the best overseas recruitment organizations in Bangladesh by providing fast, efficient, and effective service to foreign job seeker with safe and low-cost migration. In FY 2022-23 BOESL sent 15,294 workforces to abroad and so far, the entity has sent 144,617 people to different countries with foreign employment. BOESL mainly perform the following functions:

- Extend foreign employment services for Bangladeshi Job seekers with safe, orderly and low-cost migration;
- Provide placement to job seekers according to their talent, skills and experience;
- Arrange trade test, medical test, finger print, immigration clearance card, ticket, and other facilities for the persons selected for overseas employment with minimum charges and fees;
- Make people aware about the process of migration by BOESL;
- Arrange job fairs and awareness meetings regularly in different districts to address skilled workers at the root level.
- Communicate and explore new overseas employment markets for Bangladeshi Workers/Job Seekers.
- Provide training to Bangladeshi people to enhance the skills needed for securing employment abroad and adapting to a fast-changing world

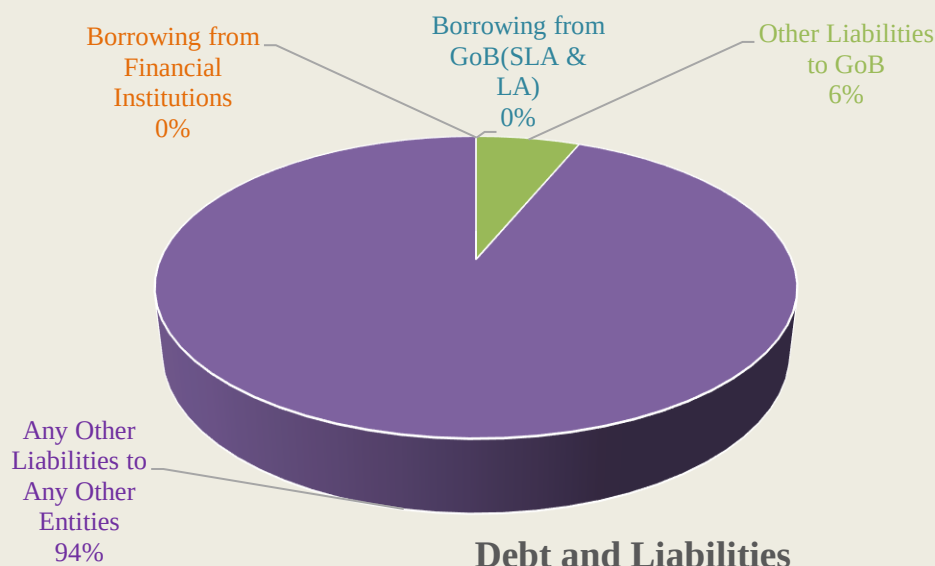
98.2 The following Table-1 presents the statement of debt of Bangladesh Overseas Employment and Services Limited (BOESL) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

Serial No	Particulars of Debt and liabilities	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions (4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	59,126,843.00	122,385,139.00	106.99%	0.00
15	Any Other Liabilities to Any Other Entities	902,228,334.00	1,837,656,383.00	103.68%	0.00
16	Other Debt and liabilities (12+13+14+15)	961,355,177.00	1,960,041,522.00	103.88%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	961,355,177.00	1,960,041,522.00	103.88%	0.00
18	Debt and liabilities to GoB (3+14)	59,126,843.00	122,385,139.00	106.99%	0.00

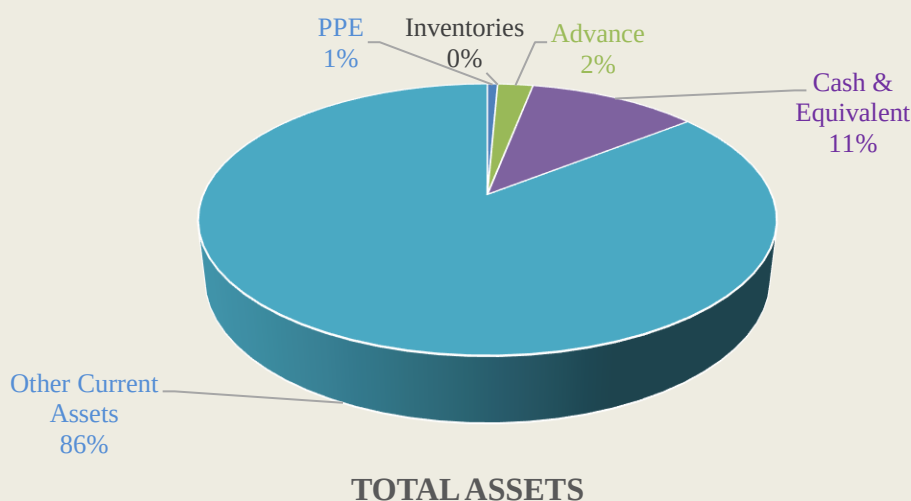
Serial No	Particulars of Debt and liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
19	Debt and liabilities to Entities other than GoB (17-18)	902,228,334.00	1,837,656,383.00	103.68%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

98.3 Statement of debt and liabilities



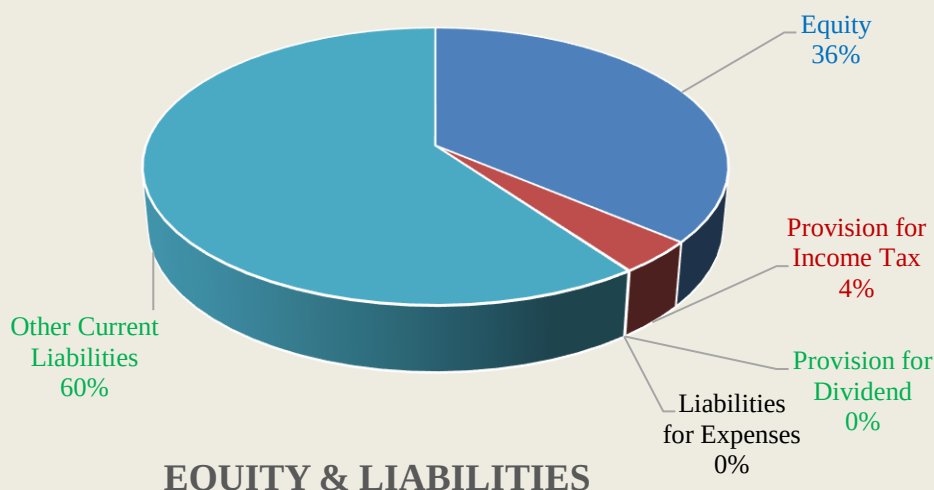
As per the financial statement of Bangladesh Overseas Employment and Services Limited (BOESL), the total debt in FY 2022-23 was BDT 1,960.04 million as of 30th June, 2023. Out of this amount, major portion 94% is any other liabilities to any other entities which are current liabilities followed by 6% other liabilities to GoB which is also current liabilities. So, 100% liabilities of BOESL are current liabilities which are expected to settled within financial year. Thus, having no long-term liabilities BOESL is less likely to pose fiscal risk for GoB.

98.4 The composition of total assets in FY 202-23:



According to the financial statement of BOESL in FY 2022-23 total assets was BDT 3069.57 million. Out of these assets major portion 86% is other current assets followed by 11% cash & cash equivalent, 2% advances & prepayments and finally 1% prepayment. The statement shows that long-term assets is only 1% of total assets.

98.5 The composition of total equity and liabilities in FY 2022-23:



The composition of equity and liabilities shows that major portion 60% is other current liabilities followed by 36% equity, and finally 4% provision for income tax. Notably there exists no long-term liability. So, growth BOESL is equity driven and therefore BOESL poses low fiscal risk for GoB.

98.6 Fiscal risk from Bangladesh Overseas Employment and Services Limited (BOESL) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BOESL

Particular	Result	Risk	Score
Cost recovery	2.63	Very Low	1
Return on Equity(ROE)	28.21%	Very Low	1

Table – 3: Liquidity Ratio – BOESL

Particular	Result	Risk	Score
Current ratio	1.56	Low	2
Creditor turnover days	Trade Payable is '0' & Risk is "Zero".	Very Low	1

Table – 4: Solvency Ratio – BOESL

Particular	Result	Risk	Score
Debt to total assets	0.64	Moderate	3
Debt to EBITDA	4.51	High	4
Total Score			12
Average Score			2
Overall Risk Rating			Low

98.7 The ratio analysis shows that BOESL's risk rating is based on:

- (i) Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. BOESL 's cost recovery ratio is 2.63 which appears to be very healthy and according to threshold value it goes under very low fiscal risk category. Considering the threshold value, cost recovery ratio 1.50 and above falls under very low-risk category. With cost recovery ratio 2.63 BOESL poses **very low** fiscal risk to GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. BOESL 's ROE is 28.21% and according to threshold value it fits very low risk category. ROE value of 15% and above is considered as very low risk category. With ROE 28.21%, BOESL poses **very low** fiscal risk to GoB;
- (iii) Current ratio measures a company's ability to pay short term loan/obligation or those due within one year. Current ratio of BOESL is 1.56 and as per threshold value table it fits low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, the current ratio of 1.56 BOESL poses **low** risk for GoB;
- (iv) Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 is considered as very low risk category. With Creditor Turnover Days of 0 days, BOESL poses **very low** risk to GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. BOESL's debt to assets ratio is 0.64 appears to be healthy and according to threshold value it fits under moderate-risk category. Considering the threshold value, debt to assets ratio of less than 0.25 is very low risk category. With debt to assets ratio of 0.64, BOESL carry **moderate** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. BOESL's debt to EBITDA ratio is 4.51 and according to threshold value it fits under high-risk category. Considering the threshold value, debt to EBITDA ratio between 3.0 and less than 5.0 belongs to high-risk category. With EBITDA ratio of 4.51, BOESL poses **high** risk for GoB.

98.9 According to the records, BOESL did not involve in any quasi-fiscal activities in FY 2022-23.

98.8 According to the records, no statutory obligation and no lawsuit are pending against BOESL. So, no Contingent Liabilities is expected for GoB in FY 2022-23.

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SME Foundation



99. Small and Medium Enterprise Foundation (SMEF)

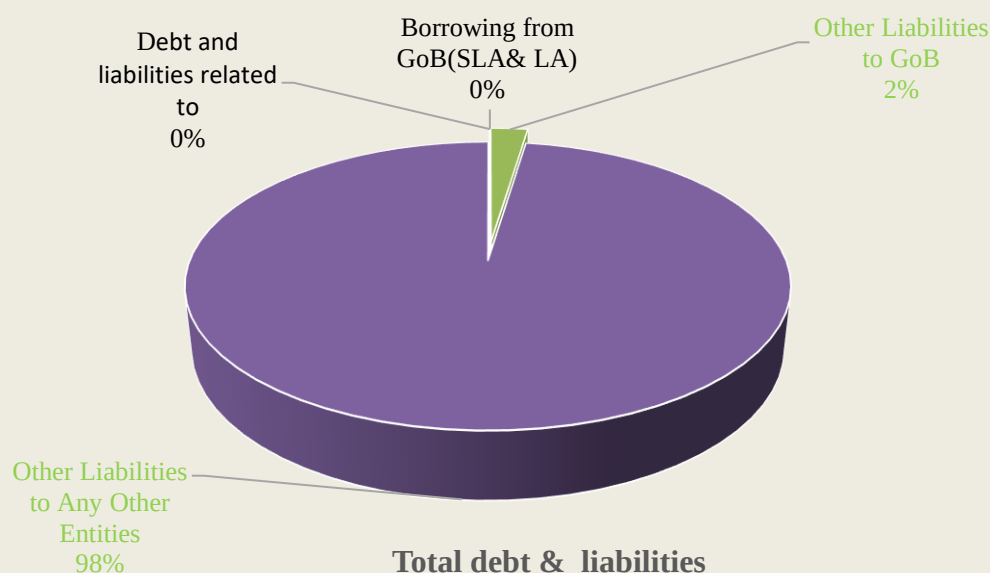
99.1 Small and Medium Enterprise Foundation (SMEF) is a company limited by guarantee registered under section 28 of the Companies Act, 1994 as an association not-for profit. The Foundation has been incorporated on 26 November 2006 bearing No. C-672(12)/06 and started its function from 01 July 2007 with its own Fund. The major activities of SME Foundation are implementation of SME Policy Strategies adopted by the Bangladesh Government, policy advocacy and intervention for the growth of SMEs, facilitating financial supports for SMEs, providing skill development and capacity building training, facilitating adaptation with appropriate technologies and access to ICT, providing business support services, etc.

99.2 The following Table-1 presents the statement of debt of The Small and Medium Enterprise Foundation (SMEF) for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and liabilities

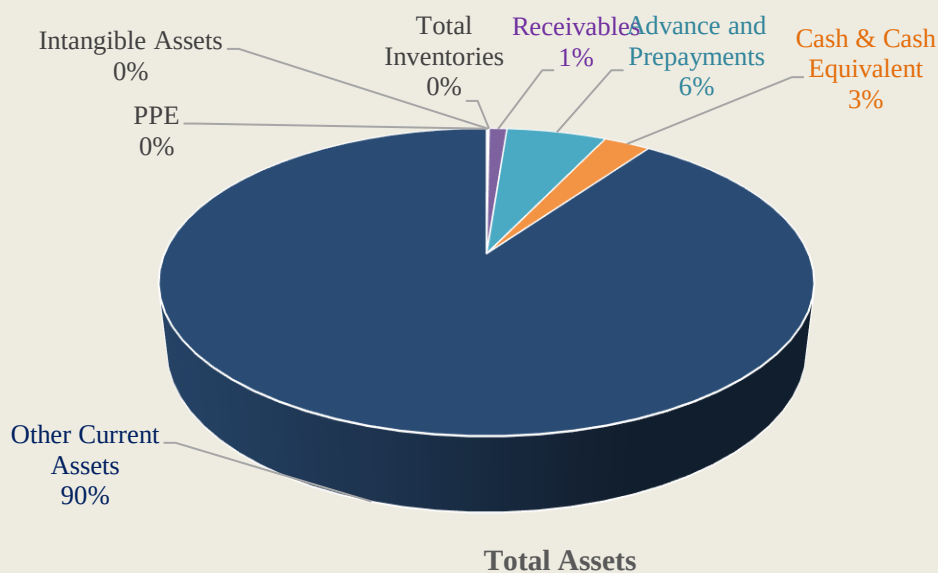
Serial No	Particulars of Debt	Amount in BDT			
		Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	0.00	0.00	0.00%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	0.00	0.00	0.00%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties (9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	627,163.00	844,419.00	34.64%	0.00
15	Any Other Liabilities to Any Other Entities	59,710,616.00	34,673,132.00	-41.93%	0.00
16	Other Debt and liabilities (12+13+14+15)	60,337,779.00	35,517,551.00	-41.14%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	60,337,779.00	35,517,551.00	-41.14%	0.00
18	Debt and liabilities to GoB (3+14)	627,163.00	844,419.00	34.64%	0.00
19	Debt to Entities other than GoB (17-18)	59,710,616.00	34,673,132.00	-41.93%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

99.3 Statement of debt and liabilities in FY 2022-23



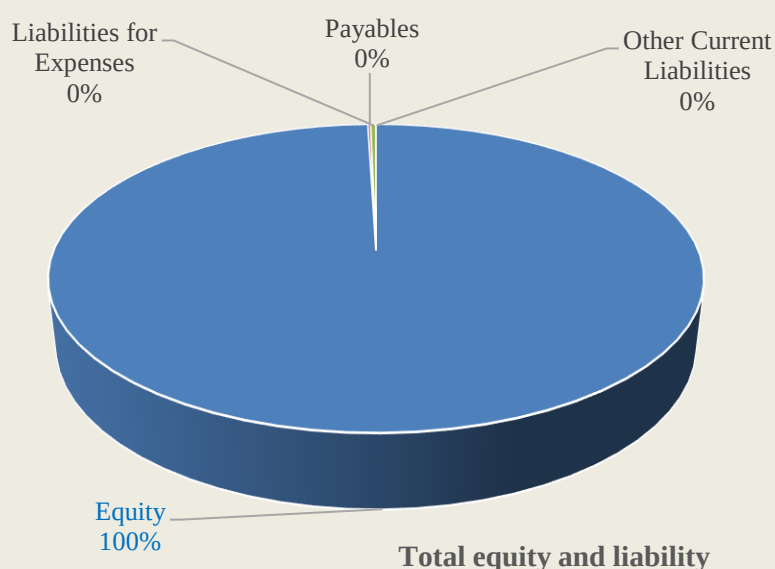
According to the financial statement of Small and Medium Enterprise Foundation (SMEF)'s total debt is BDT 35.52 million BDT as of 30th June, 2023. Out of this amount, major portion 98% belongs to 'other liabilities to other entities' which are current liabilities and remaining 2% is liabilities related to GoB which are also current liabilities. SMEF does not hold any liabilities related to GoB under subsidiary loan agreement (SLA) and loan agreement (LA). SMEF's current liabilities are expected to be settled within the year. Accordingly, SMEF is unlikely to cause fiscal risk for GoB.

99.4 The composition of assets in FY 2022-23:



According to the financial statement SMEF total assets in FY 2022-23 was BDT 7391.70 million. Out of these assets major portion 90% belongs to other current assets followed by 6% prepayment, 3% cash and cash equivalent and finally 1% receivables. SMEF does not hold any long-term assets.

99.5 The composition of equity and liabilities in FY 2022-23:



According to the composition of equity and liability 100% is covered by equity and there exists no liability of SMEF in FY 2022-23. So SMEF's growth is fully equity driven and accordingly SMEF is less likely to pose fiscal risk for GoB.

99.6 Fiscal risk from Bangladesh Energy Regulatory Commission (SMEF) is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – SMEF

Particular	Result	Risk	Score
Cost recovery	1.21	Moderate	3
Return on Equity (ROE)	0.57%	Moderate	3

Table – 3: Liquidity Ratio – SMEF

Particular	Result	Risk	Score
Current ratio	207.83	Very Low	1
Creditor turnover days	36	Low	2

Table – 4: Solvency Ratio – SMEF

Particular	Result	Risk	Score
Debt to total assets	0.00	Very Low	1
Debt to EBITDA	0.88	Very Low	1
Total Score			11
Average Score			2 (1.83)
Overall Risk Rating			Low

99.7 The ratio analysis shows that SMEF's risk rating is based on:

- i. Cost Recovery Ratio measure ability to generate adequate revenue to cover operating expenses. SMEF 's cost recovery ratio is 1.21 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.0 and less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.21 SMEF poses **moderate** fiscal risk to GoB;
- ii. Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. SMEF's ROE is 0.57% and according to threshold value it fits moderate-risk category. ROE value 0% and less than 8% is considered as moderate-risk category. With ROE 0.57 %, SMEF poses **moderate** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of SMEF is 207.83 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 207.83, SMEF poses **very low** risk for GoB;
- iv. Creditor Turnover Days measure the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 considered as very low-risk category. With Creditor Turnover Days of 36 days, SMEF poses **low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. SMEF's debt to assets ratio is 0 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of 0.25 and below matches very low risk category. With debt to assets ratio of 0.005, SMEF carries **very low** risk for GoB; and
- vi. Debt to Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) measure the ability of a company to service any debt it holds. SMEF's debt to EBITDA ratio is 0.88 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to EBITDA ratio of below 1.5 belongs to very low-risk category. With EBITDA ratio of 0.88, SMEF poses **very low** risk for GoB.

99.8 According to the records, SMEF did not involve in any quasi-fiscal activities in FY 2022-23,

99.9 According to the records, no statutory obligation but pending litigation is BDT 936.42 million against SMEF. So Contingent Liabilities is foreseen for SMEF in 2022-23.

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Financial Institute Division



100. Palli Karma-Sahayak Foundation (PKSF)

100.1 Palli Karma-Sahayak Foundation (PKSF) formally came into being on 13 November 1989, after the President of Bangladesh approved the proposal. Ever since, PKSF has been working relentlessly to fight poverty and improve lives across the country. PKSF provides loanable funds to its Partner Organizations (POs). Currently funds are being provided under its four mainstream credit programs (Buniad, Jagoron, Agrosor and Sufolon). Along with financial services, PKSF provides different technical assistances to its Partner Organizations. Besides the mainstream programs, PKSF has been implementing different projects in order to address the diversified needs of the people of the community. As of June 2024, the aggregated number of members organized through all the Partner Organizations of PKSF stands at 20.0 million, 92.0% of whom are women. At the same time, the number of borrowers is 15.20 million. Of them, 14.10 million are women (92.76%).

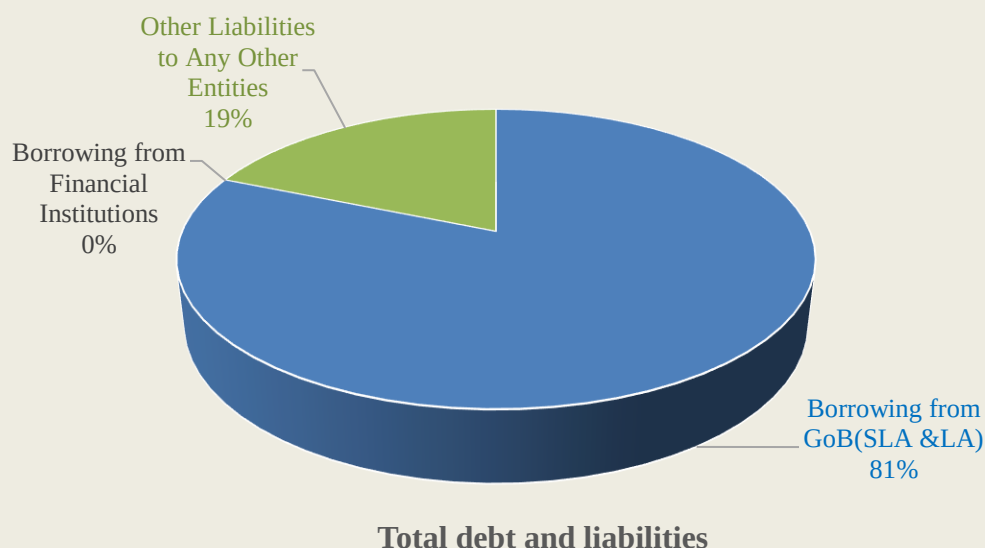
100.2 The following Table-1 presents the statement of debt and liabilities of Palli Karma Sahayak Foundation (PKSF)'s for the FY 2022-23 which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

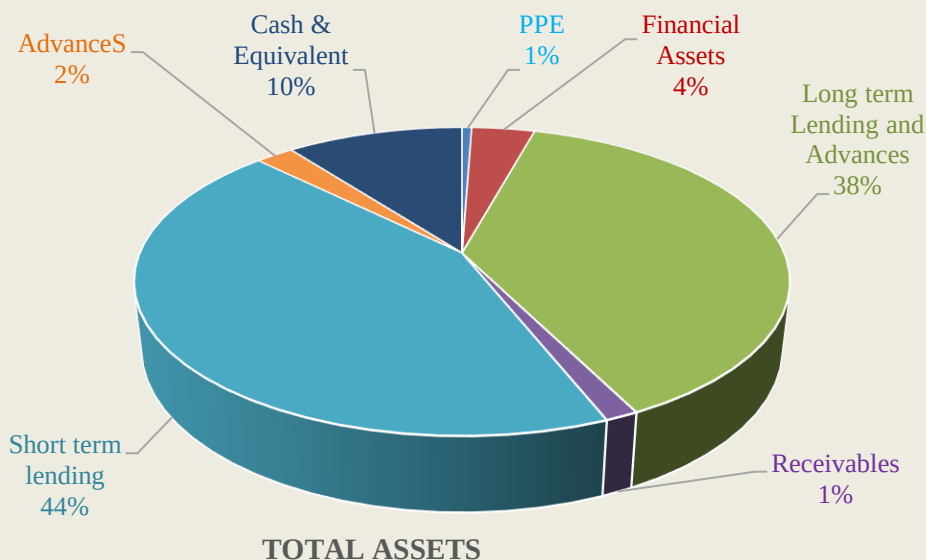
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	31,438,492,050.00	45,554,138,647.00	44.90%	0.00
2	Debt and liabilities related to GoB under LA	1,600,000,000.00	1,600,000,000.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	33,038,492,050.00	47,154,138,647.00	42.72%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	9,338,307,988.00	10,899,799,990.00	16.72%	0.00
16	Other Debt and liabilities (12+13+14+15)	9,338,307,988.00	10,899,799,990.00	16.72%	0.00
17	Total Debt and liabilities (3+7+8+11+16)	42,376,800,038.00	58,053,938,637.00	36.99%	0.00
18	Debt and liabilities to GoB (3+14)	33,038,492,050.00	47,154,138,647.00	42.72%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	9,338,307,988.00	10,899,799,990.00	16.72%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

100.3 Statement of Debt and liabilities in FY 2022-23:



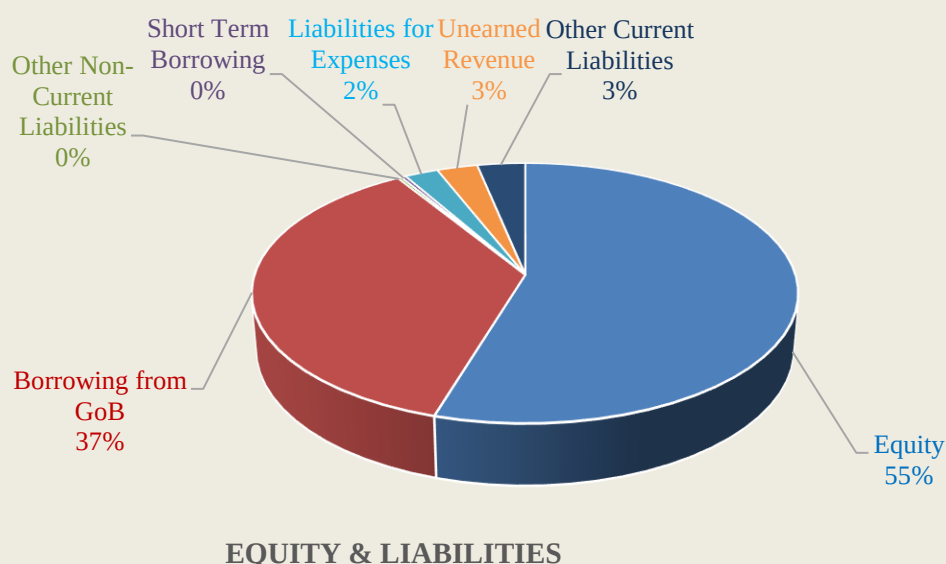
According to the financial statement of PKSf, the total debt is BDT 58,053.94 million as of 30th June, 2023. Out of this amount, the major portion 81% is debt and liabilities related to GoB under SLA and LA and remaining 19% are other liabilities to any other entities which are by nature current liabilities. If PKSf fails to make repayment of its liabilities under SLA and LA, it will create fiscal risk for GoB.

100.4 The composition of assets in FY 2022-23:



According to the financial statement of PKSf in FY 2022–23, total assets were BDT 128,127.15 million. Out of these assets, the major portion is short-term lending, followed by long-term lending and advances 38%, cash and cash equivalent 10%, financial assets 4%, advances 2%, PPE 1%, and finally 1% receivables. The composition shows that 43% of total assets are long-term assets and the remaining 57% are non-current assets.

100.5 The composition of liabilities and equity in FY 2022-23:



The composition of equity and liabilities shows that the majority portion 55% is occupied by equity), followed by borrowing from GoB 37%, unearned revenue 3%, other current liabilities 3%, and finally 2% liabilities for expense. The composition revealed that the growth is driven by equity, which makes PKSf less likely to cause fiscal risk for GoB.

100.6 Fiscal risk from PKSf is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – PKSf

Particular	Result	Risk	Score
Cost recovery	1.56	Very Low	1
Return on Equity (ROE)	5.23%	Moderate	3

Table – 3: Liquidity Ratio – PKSf

Particular	Result	Risk	Score
Current ratio	6.70	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero),	Very Low	1

Table – 4: Solvency Ratio – PKSf

Particular	Result	Risk	Score
Debt to total assets	0.45	Low	2
Debt to EBITDA	14.25	Very High	5
Total score			13
Average Score			2 (2.17)
Overall risk rating			Low
Previous year's Overall risk rating			Low

100.7 The ratio analysis shows that Palli Karma Sahayak Foundation (PKSF)'s risk rating is based on:

- i. Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. SMEF's cost recovery ratio is 1.21 and according to threshold value it goes under moderate fiscal risk category. Considering the threshold value, cost recovery ratio between 1.00 to less than 1.25 falls under moderate-risk category. With cost recovery ratio 1.21 SMEF poses moderate fiscal risk to GoB;
- ii. Return on equity (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. SMEF's ROE is 0.57% and according to threshold value it fits moderate-risk category. ROE value of 0% to 8% is considered as moderate-risk category. With ROE 0.57 %, SMEF poses **moderate** fiscal risk to GoB;
- iii. Current ratio measures a company's ability to pay short term obligation or those due within one year. Current ratio of SMEF is 207.83 appears to be very healthy and as per threshold value table it matches with very low-risk category. A current ratio of 2.0 and above is considered as very low-risk category. So, having current ratio of 207.83, SMEF poses **very low** risk for GoB;
- iv. Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turnover days between 30 to less than 60 is considered as low-risk category. With Creditor Turnover Days of 36 days, SMEF poses **low** risk to GoB;
- v. Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. SMEF's debt to assets ratio is 0 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to assets ratio of 0.25 and below matches very low risk category. With debt to assets ratio of 0.005, SMEF carries **very low** risk for GoB; and
- vi. Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. SMEF's debt to EBITDA ratio is 0.88 and according to threshold value it fits under very low-risk category. Considering the threshold value, debt to EBITDA ratio of below 1.5 belongs to very low-risk category. With EBITDA ratio of 0.88, SMEF poses **very low** risk for GoB.

100.8 Palli Karma Sahayak Foundation has not involved in any quasi-fiscal activities in FY 2022-23.

100.9 According to the records, no statutory obligation and no lawsuit is pending against PKSF. So Contingent Liabilities is not foreseen for Palli Karma Sahayak Foundation GoB in FY 2022-23.

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101. Bangladesh Municipal Development Fund (BMDF)

101.1 Bangladesh Municipal Development Fund (BMDF) is a company formed under the Ministry of Finance of the Government of Bangladesh in 1999. The administrative authority of BMDF is now vested with the Financial Institutions Division created under the Ministry of Finance. The BMDF was registered in 2002 under the Companies Act, 1994. The primary objectives, among other are (i) to extend financial support to the City Corporations and Pourashavas (Municipalities) referred to collectively as Urban Local Government Bodies (ULBs) with a view to strengthening their institutional and financial capacity to plan, finance, implement and operate infrastructure services; (ii) to procure, arrange, secure, receive and accept loans, aid, grants, and donations from any lawful source and to create a fund thereof and make available the same for utilization by ULBs; (iii) to provide and render financial and technical assistance and advice to ULBs seeking to develop infrastructure investment projects on a self-selecting basis; (iv) to initiate and undertake appropriate training for company personnel as well as for staff of ULBs to promote greater efficiency on the part of company as well as to ensure better understanding by ULBs's staff of the company's procedures and operational requirements, particularly issues pertaining to, inter alia, lending and financial policies, eligibility criteria, and procurement

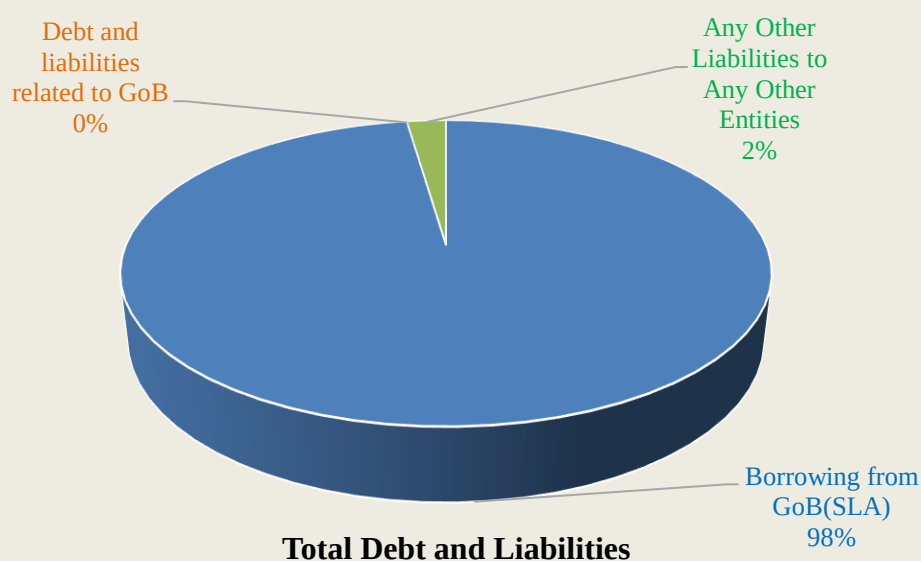
101.2 The following Table-1 presents the statement of debt and liabilities of the Bangladesh Municipal Development Fund's (BMDF) for FY 2022-23, which has been prepared based on the data collected through Form-1 of The Procedure to Regulate the Debt and Contingent Liabilities of SOEs and ABs.

Table – 1: Statement of Debt and Liabilities

Amount in BDT

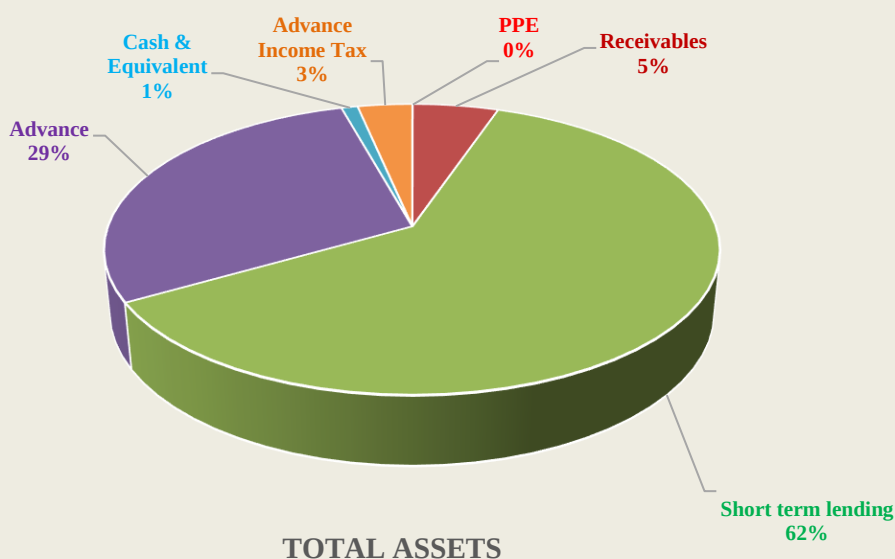
Serial No	Particulars of Debt and Liabilities	Opening Balance (1 st July, 2022)	Ending Balance (30 th June, 2023)	Change (%)	Amount Due for Previous Year
1	Debt and liabilities related to GoB under SLA	362,162,494.00	280,770,274.00	-22.47%	0.00
2	Debt and liabilities related to GoB under LA	0.00	0.00	0.00%	0.00
3	Debt and liabilities related to GoB(1+2)	362,162,494.00	280,770,274.00	-22.47%	0.00
4	Debt and liabilities related to Financial Institutions Outside Bangladesh	0.00	0.00	0.00%	0.00
5	Debt and liabilities related to State Owned Financial Institutions	0.00	0.00	0.00%	0.00
6	Debt and liabilities related to Domestic Other Financial Institutions	0.00	0.00	0.00%	0.00
7	Debt and liabilities related to Financial Institutions(4+5+6)	0.00	0.00	0.00%	0.00
8	Deferred Payment Liabilities	0.00	0.00	0.00%	0.00
9	Debt and liabilities related to Related Parties	0.00	0.00	0.00%	0.00
10	Other Liabilities to Related Parties	0.00	0.00	0.00%	0.00
11	Debt and liabilities to Related Parties(9+10)	0.00	0.00	0.00%	0.00
12	Debt and liabilities related to Other SOEs/ABs (Not Related Parties)	0.00	0.00	0.00%	0.00
13	Debt and liabilities related to Any Other Entities Not Mentioned above	0.00	0.00	0.00%	0.00
14	Other Liabilities to GoB	0.00	0.00	0.00%	0.00
15	Any Other Liabilities to Any Other Entities	102,939,333.00	6,665,267.00	-93.53%	0.00
16	Other Debt and liabilities(12+13+14+15)	102,939,333.00	6,665,267.00	-93.53%	0.00
17	Total Debt and liabilities(3+7+8+11+16)	465,101,827.00	287,435,541.00	-38.20%	0.00
18	Debt and liabilities to GoB (3+14)	362,162,494.00	280,770,274.00	-22.47%	0.00
19	Debt and liabilities to Entities other than GoB (17-18)	102,939,333.00	6,665,267.00	-93.53%	0.00
20	Debt Incurred Because of Losses Arising for Fixed Pricing	0.00	0.00	0.00%	0.00
21	Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00
22	Debt Repayment Fund Maintained for the Debt against Which GoB Has Provided Sovereign Guarantee/Counter Guarantee	0.00	0.00	0.00%	0.00

101.3 Statement of debt and liabilities in FY 2022-23:



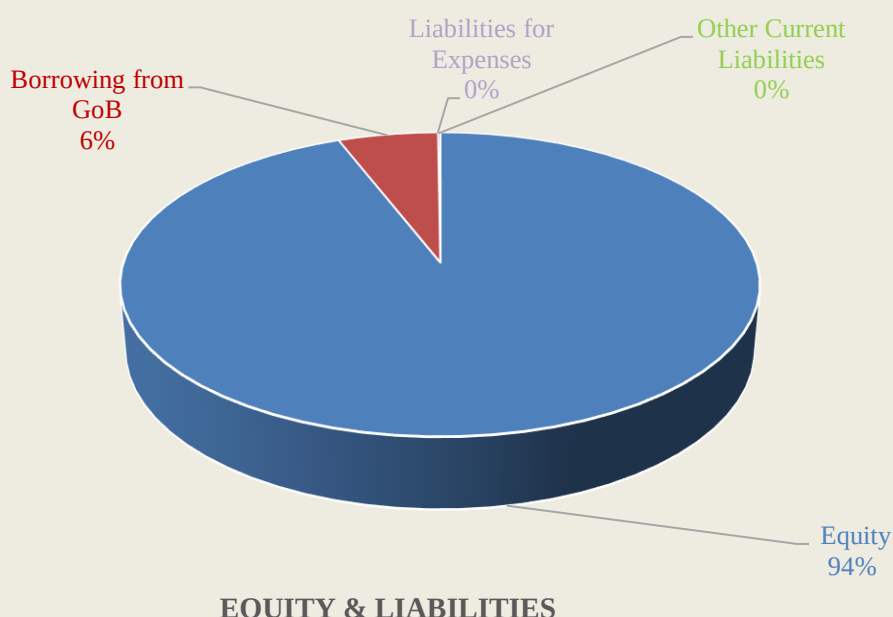
According to the financial statement of the Bangladesh Municipal Development Fund (BMDF), the total debt is BDT 287.44 million as of 30th June, 2023. Out of this amount, a major portion 98% belongs to debt and liabilities related to GoB under a subsidiary loan agreement (SLA) and the remaining 2% is other liabilities to any other entities that are current liabilities by nature. If BMDF fails to make repayment of these liabilities related to GoB, it will create fiscal risk for GoB.

101.4 The composition of assets in FY 2022-23:



According to the financial statement of BMDF in FY 2022–23, total assets were BDT 4,852.31 million. Out of these assets, the major portion 62% is short-term lending, followed by advances and prepayments (29%, receivables 5%, advance income tax 3% and finally 1% cash and cash equivalent. The composition shows that approximately all assets of BMDF are short-term assets by nature.

101.5 The composition of total equity and liabilities FY 2022-23:



The composition of total equity and liabilities of BMDF in FY 2022–23 shows that a major portion 94% belongs to equity and the remaining 6% is liabilities related to GoB under a subsidiary loan agreement (SLA). The composition also revealed that growth of BMDF is highly equity driven and hence less likely to cause fiscal risk for GoB.

101.6 Fiscal risk from BMDF is further analyzed from the perspective of Profitability Ratio, Liquidity Ratio, and Solvency Ratio. Using the data of FY 2022-23 the results of ratios and associated risks are presented in the following tables:

Table – 2: Profitability Ratio – BMDF

Particular	Result	Risk	Score
Cost recovery	3.91	Very Low	1
Return on Equity (ROE)	4.57%	Moderate	3

Table – 3: Liquidity Ratio – BMDF

Particular	Result	Risk	Score
Current ratio	728.0	Very Low	1
Creditor turnover days	Trade Payable is '0' (Zero)	Very Low	1

Table – 4: Solvency Ratio – BMDF

Particular	Result	Risk	Score
Debt to total assets	0.06	Very Low	1
Debt to EBITDA	1.59	Low	2
Total			9
Average Score			2 (1.5)
Overall risk rating			Low

101.7 The ratio analysis shows that Bangladesh Municipal Development Fund (BMDF)'s risk rating is based on:

- (i) Cost Recovery Ratio measures the ability to generate adequate revenue to cover operating expenses. Considering the threshold value, cost recovery ratio 1.5 or above is considered the very low-risk category. BMDF's cost recovery ratio is 3.91, and according to the threshold value, it goes under the very low fiscal risk category. With a cost recovery ratio of 3.91 BMDF, it poses **very low** fiscal risk for GoB;
- (ii) Return on equity ratio (ROE) measures the ability of a firm to generate profits using the capital its shareholders have invested in the company. A ROE value of 0% to 8% is consider moderate-risk category. BMDF's ROE is 4.57%, and according to the threshold value, it fits the moderate-risk category. With ROE 4.57%, BMDF poses **moderate** fiscal risk for GoB;
- (iii) Current ratio measures a company's ability to pay short term obligation or those due within one year. A current ratio 2 or above considered as very low-risk category. The current ratio of BMDF is 728.00, which appears to be extremely good, and as per the threshold value table, it matches the very low-risk category. So, having a current ratio of 728.999 BMDF poses **very low** risk for GoB. In response to very high current ratio, BMDF explained that it has deposited its endowment fund in FDR for one year which has increased current assets. BMDF further explained that new policy is in progress which will enable them to disburse endowment fund;
- (iv) Creditor Turnover Days measures the speed with which an SOE pays its suppliers. According to threshold value, creditors turn over days of below 30 considered as very low-risk category. With a Creditor Turnover Days is '0', BMDF poses **very low** risk for GoB;
- (v) Debt to Assets ratio measures the proportion of a company's financing that comes from liabilities. Considering the threshold value, debt to assets ratio 0.25 or below is considered is very low risk category. BMDF's debt to assets ratio is 0.06 and according to the threshold value it fits under the very low-risk category. With a debt to assets ratio of 0.06, BMDF carries **very low** risk for GoB; and
- (vi) Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) measures the ability of a company to service any debt it holds. Considering the threshold value, debt to EBITDA ratio 1.5 to 2 is considered low-risk category. BMDF's debt to EBITDA ratio is 1.59 and according to the threshold value it fits under low-risk category. With a Debt to EBITDA ratio of 1.59 BMDF poses **low** risk for GoB.

101.8 Bangladesh Municipal Development Fund did not involve in any quasi-fiscal activities in financial year 2022-23.

101.9 According to the records, no statutory obligation and no lawsuit is pending against BMDF. So Contingent Liabilities is not foreseen for Bangladesh Municipal Development Fund in FY 2022-23.

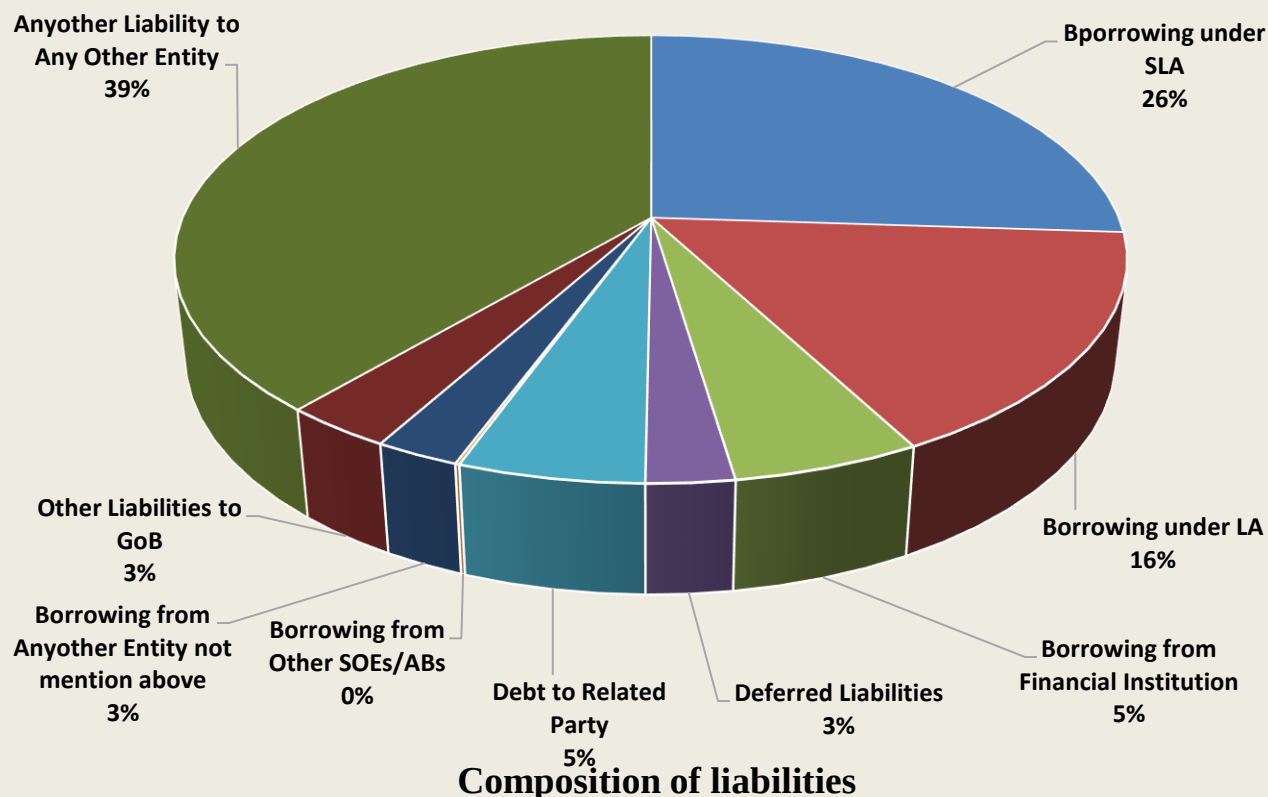
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Findings and Recommendations

102. Findings

102.1. Debt position of 101 SOEs and ABs in FY 2022-23:

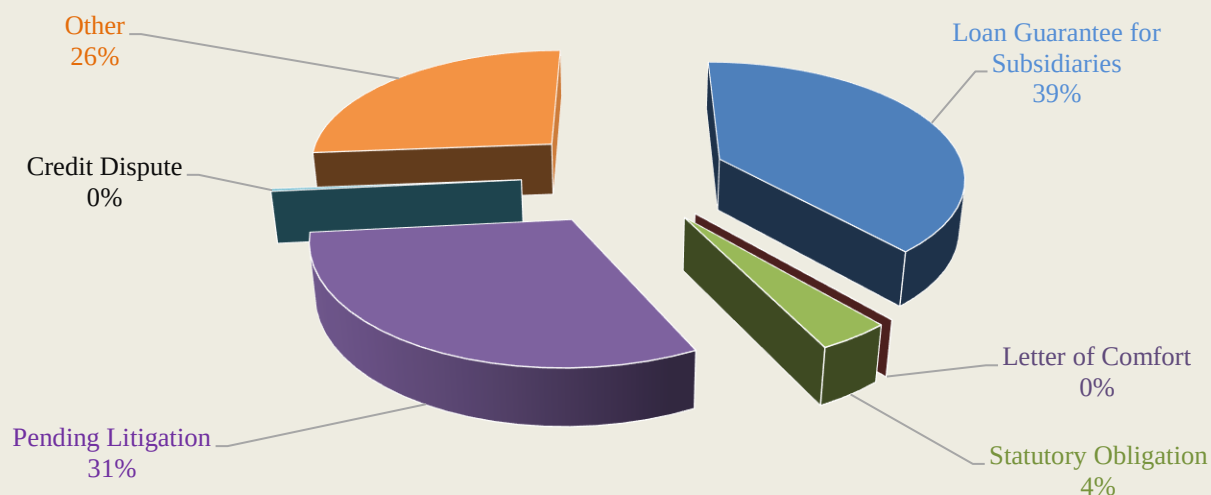


The total debt of the 101 SOEs and ABs has increased from BDT 5,076,015.74 million on June 30, 2022, to BDT 6,397,825.80 million on 30 June 2023 which is a 26.04% increase from the previous year. The consolidated statement of debt shows that the total liability related to GoB is BDT 2,905,033.85 million. The composition of debt and liabilities in FY 2022-23 shows that a major portion 39% makes up ‘any other liabilities to any other Entities’ which are current liabilities followed by borrowing under SLA 26%, borrowing under LA 16%, borrowing from Financial Institution 5%, Debt to Related party 5%, Deferred Liabilities 3%, Other liabilities to GoB 3% and the remaining 3% is borrowing from Any other entity not mention above. Besides, borrowing from other SOEs/ABs hold insignificant amount that has shown as 0% in pie chart.

Liabilities related to GoB under subsidiary loan agreements (SLA) and loan agreement (LA) is BDT 2,702,673.00 million which make up 46% of the total liability. Of these liabilities subsidiary loan agreements (SLA) is BDT 1,666,383.92 million (61.66%) and loan agreement (LA) is BDT 1,036,289.08 million (38.34%). Borrowing from GoB under SLA and LA has increased by 30.78% from FY 2021-22. If SOEs fail to pay back these liabilities will cause fiscal risk for GoB.

102.2 Position of contingent liabilities:

Total contingent liability in financial year 2022-23 was BDT 185,907.44 million on June 30, 2023, which was BDT 168,551.54 million in FY 2021-22 on June 30, 2022. Seven areas of contingent liabilities have been identified and data was collected from this area. The following pie chart shows the composition of contingent liabilities.



Composition of Contingent Liabilities

Out of these contingent liabilities major portion, 39% is due to loan guarantees for subsidiaries followed by 31 % pending litigation, 26% other causes, and finally 4% statutory obligation. Besides credit dispute holds an insignificant amount that is shown as 0% in a pie chart. There were no contingent liabilities related to credit dispute and letter of comfort which are shown as 0% in the pie chart.

If SOEs and ABs fail to settle this contingent liability by its resource then it may turn into its direct liability.

102.3 Overall Risk Rating:

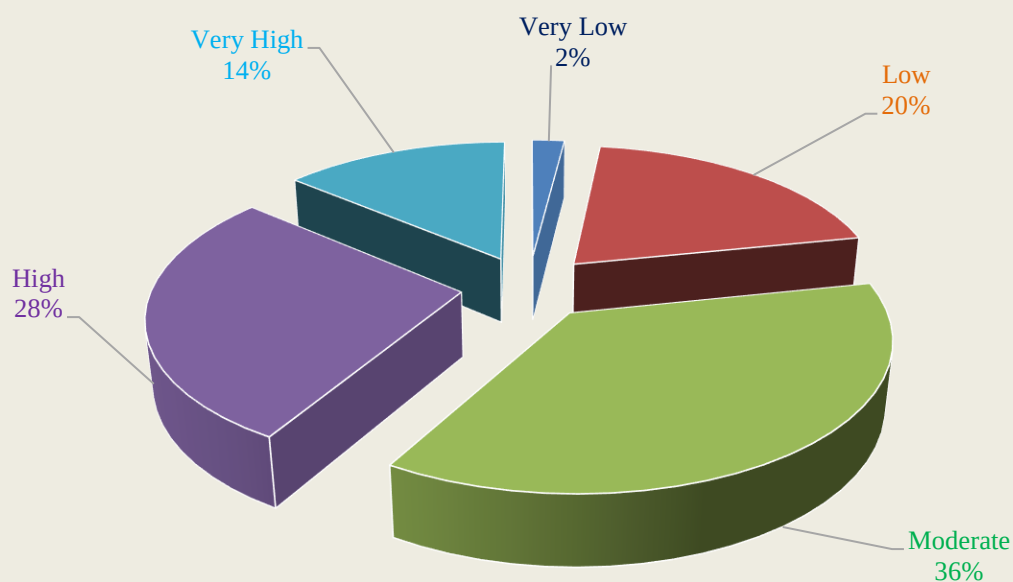
By measuring the profitability, liquidity, and solvency ratio of SOEs, an AB score has been derived for each SOE and AB. Following that each SOE/ AB has been categorized into five grades namely: Very Low, Low, Moderate, High, and Very High Risk, based on the average score of 5.0. The following table shows the grade-wise fiscal risk of SOEs and the number of SOEs in each category.

Table 01: Grade-wise Fiscal Risk of SOEs/ABs

Grade	Very Low	Low	Moderate	High	Very High
Number of SOE/ABs	2	20	37	28	14

According to the grading of fiscal risk, 2 SOEs are very low-risk category, 20 SOEs are low-risk category, 37 SOEs are moderate risk category, 28 SOEs are high risk and the remaining 14 SOEs are very high-risk category. Of this very high risk, 14 SOEs include 10 Sugar Mills, BPDB, Moddhapara Granite Mining Company Limited, National

Tea Company Limited and Dhaka Leather Company Limited (DLCC). Participants of sugar mills revealed that bank interest on loans makes up 60% to 80% of production cost and appeal for interest written off and product diversification. They also argued that has huge positive externalities in the locality. The following pie chart shows the grade-wise composition of 101 SOEs and ABs.



Grade Wise Composition of SOEs & ABs

The average score of 101 SOEs and ABs ranges between 1.16 and 5.0 with an average score of 3.25 which falls under the moderate risk category. Therefore, we can say that aggregated risk related to 101 SOEs and ABs is Moderate

103. Cost to Economy in case of Fiscal Risk

103.1 Aggregate liability of 101 SOEs and ABs:

Total liability of 101 in FY 2022-23 was BDT 6,397,825.80 million. They have an outstanding of BDT 2,692,175.76 million as Loan Agreement (LA) and Subsidiary Loan Agreement (SLA) which is the borrowing from the Government. Besides, their stock of cash & cash equivalent was BDT 658,039.50. This report has calculated a residual liability of these entities by subtracting SLA & LA along with the cash and cash equivalent from total liability which provides insight into the entity's leverage and overall financial health. In that way, this Report found the residual liability of 101 SOEs and ABs is BDT 3,047,610.54 million in FY 2022-23.

The report also found that the liability of the selected 101 SOEs and ABs has a significant portion of liability is drawn from the Government through Loan Agreement (LA) or Subsidiary Loan Agreement (SLA). These liabilities shall not be the part of the fiscal risk as it belongs to Government financial assets. However, if the entities fail to pay back the dues to the Government, it may increase the fiscal deficit which is also a potential fiscal risk for the country.

This Report did not consider the very low, low and moderate risk category entities as fiscal burden for the country. For this reason, Cost to Economy is calculated from the liabilities of high and very high risk category entities.

103.2 Residual liability of high-risk category SOEs and ABs:

The total liability of 28 SOEs and ABs under the high-risk category was BDT 1,411,704.72 million. They have an outstanding of BDT 509,515.17 as SLA & LA which is the borrowing from the Government and their total cash and the cash equivalent was BDT 148,150.01 million in FY 2022-23. Therefore, their total residual liability stands at BDT 754,039.54 million in FY 2022-23.

In terms of GDP, the total residual liability of 28 high-risk categorized SOEs and ABs was 1.67% of GDP in FY 2022-23.

103.3 Residual liability of very high-risk category SOEs and ABs:

The total liability of 14 SOEs and ABs under the very high-risk category was BDT 1,720,169.44 million. They have an outstanding of BDT 284,423.99 as SLA & LA which is the borrowing from the Government and the total cash and cash equivalent was BDT 28,372.31 million in FY 2022-23. Therefore, their total residual liability stands at BDT 14,073,73.14 million meaning that if all very risky category SOEs fail to make repayment then it will create a fiscal risk of BDT 14,073,73.14 million. Of these 14 very high-risk SOEs, 10 are Sugar Mills. Participants of sugar mills revealed that bank interest on loans makes up 60% to 80% of production cost and appeal for interest written off and product diversification. They also argued that had huge positive externalities in the locality.

The residual liability of 14 SOEs under very high-risk category was 3.13% of GDP in FY 2022-23.

103.4 Aggregate Contingent Liability

Considering the GDP, the total contingent liability of 101 SOEs and ABs was 0.41% of GDP in FY 2022-23.

103.5 Overall observation on the Cost to Economy of Debt and Contingent Liability of SoEs and ABs

This Report found that a portion of liability has potential fiscal risk for the country. Among 101 SoEs and ABs, 28 entities are categorized as high risk and 14 entities are categorized as very high risk. The liability of these two categories that may affect the fiscal plan, consequently 1.67% of GDP and 3.13% of GDP of FY 2022-23. This report also find no intrusion of liability from SoE sector as fiscal burden since June 2023.

Therefore, the explicit fiscal risks coming even from these entities may be considered negligible compared to the country's overall macro-fiscal framework.

104. Mitigation of Risk

1.4.1 Steps Taken:

Fiscal risks are caused by the quasi-fiscal activities, unfunded public service obligation (PSO) and inefficiency or underperformance of the SOEs. To address these sources of fiscal risk Finance Division is in the process of undertaking reform initiatives in SOE sector. Following are the notable initiative of Finance Division:

- A policy and procedure manual to regulate SOEs' Debt and Contingent liabilities (including an upgraded framework for reporting by SOEs to the FD) have been formulated and issued by MC, FD.
- For ensuring the transparency, SOEs and ABs are publishing their audited financial statements in their website along with the website of their line ministries/Division and the web site of FD as well under supervision of MC of FD.
- An Independent Performance Evaluation Guideline (IPEG) has been developed by MC, FD in order to evaluate the selected SoEs/ABs with clear scoring criteria to judge the financial and non-financial performance of entities independently. Under the IPEG, aggregated and Individual Independent Performance Evaluation (IPE) Reports are published each year.
- MC is working to develop a policy and procedures manual for Property, Plant and Equipment (PPE) and other assets to ensure the quality of management and accounting procedure.
- MC is working to develop Performance Improvement Strategy (PIS) for the underperforming SoEs/ABs in order to improve their performance and financial activities.
- In order to cover the debt service liability loan by the SOEs under Sovereign Guarantee, there is a compulsory provision of forming a Loan Repayment Fund is incorporated in the Sovereign Guarantee Guideline, 2014 introduced by FD.
- For the risks generated by quasi-fiscal activities and PSOs, the result is actual liabilities for the Government which could culminate into unfunded debt obligations. A comprehensive Medium Term Debt Medium Term Management Strategy (MTDS) is published by FD.

104.2 Ways Forward:

A prudent fiscal risk management framework is necessary to mitigate the financial hazards that may incurred from SOE sector. This sector is required a keen monitoring and intensive oversight as well in order to ensure its financial health. However, the following steps can be taken to mitigate the overall risk of fiscal risk from SOEs and ABs of Bangladesh:

- ✓ Strong monitoring systems should be established for SOEs assets so that its assets used efficiently to generate a profit.
- ✓ SOEs and ABS should explore (political, societal and technical) obstacles to cost recovery, which explain operational difficulties and delays. They also should look for options to minimize costs and diversify financing sources should also be examined.
- ✓ SOEs and ABs should take appropriate measures through various means to mitigate Debt to EBITDA risk, such as increasing sales, improving profit margins, reducing operating expenses, or implementing cost-cutting measures.
- ✓ In the event of default on the repayment of debt liabilities (including interest) by the SOEs & ABs, the Government's expected receipt from the repayment of debts may not be materialized. It may limit fiscal space of the government. The Finance Division may exercise more care to recover DSLs from SOEs and ABs according to the amortization schedule.
- ✓ To strengthen the monitoring for those SOEs which have higher risk and low ratios compared with Industry benchmarked.
- ✓ The authorities of the SOEs and ABs may be advised to monitor and review debt and contingent liabilities at regular intervals to have a brake on DCLs which may provide better current ratio.
- ✓ The debt stock of SOEs and ABs is contingent liabilities for the Government. Close monitoring seems necessary for the SOEs by FD and proper coordination must be maintained between FD and the SOEs/ABs.
- ✓ The Government may examine the financial position, fiscal risk associated with SOEs and different parameters before providing loans and guarantees.
- ✓ SOEs and ABs can take steps to revalue its assets for fair presentation so that true financial strength of the SOEs and ABs are disclosed.
- ✓ Entities should keep aside a loan repayment fund and formulate a comprehensive loan management policy in order to manage their debt service liabilities.
- ✓ SOEs should maintain books and records properly so that financials are disclosed fairly.
- ✓ The SOEs are also requested to ensure proper assets management systems including documenting full

asset register and on regular internal, revaluation of fixed assets should be reviewed so that fair presentation can be ensured.

- ✓ It is recommended to establish a proper budgetary control systems and also recommended to implement strong Internal Control Framework so that good governance can be ensured.
- ✓ The SOEs with poor performance and poor ratios are encouraged to seek for alternative sources of income.
- ✓ A comprehensive Public Service Obligation (PSO) framework may be formed for managing the flow of fiscal risk.
- ✓ An overarching act may formulate for the SoE universe in order to establish a common legal base and governance.

Annexures

Annexure 01: Score wise Grade for Fiscal Risk of SOEs/ABs

Grade	Very Low	Low	Moderate	High	Very High
Average Score	1.49 and less	1.50 -2.49	2.5-3.49	3.5-4.49	4.5 and above
No. of SOE/ABs	2	20	39	29	13

Annexure 02: Threshold Table for Risk Rating

SL No	Particular of Ratios	Very Low	Low	Moderate	High	Very High
1	Cost Recovery	1.5 or above	1.25 or less than 1.5	1 or less than 1.25	0.75 or less than 1	Below 0.75
2	Return on Equity	15% or above	8% or less than 15%	0% or less than 8%	-10% or less than 0%	Below -10% Both net income & Equity Negative
3	Current Ratio	2.0 or above	1.5 or less than 2	1.25 or less than 1.5	1 or less than 1.25	Below 1
4	Creditor Turnover Days	Below 30	30 or less than 60	60 or less than 90	90 or less than 120	120 or above or Negative Days
5	Debt to Assets	Below 0.25	0.25 or less than 0.5	0.5 or less than 0.75	0.75 or less than 1	1 or above
6	Debt to EBITDA	Below 1.5	1.5 or less than 2	2 or less than 3	3 or less than 5	5 or above or Negative EBITDA

Annexure 03: List of SOE with Very Low Risk

SL	Name of SOEs and ABs	Score
1	Bangladesh Export Processing Zone Authority (BEPZA)	1.17
2	Bangladesh Energy Regulatory Commission (BERC)	1.16

Annexure 04: List of SOE with Low Risk

SL NO	Name of SOEs and ABs	Score
1	Bangladesh Petroleum Corporation (BPC)	2.33
2	Rupantarita Prakritik Gas Company Limited (RPGCL)	2.33
3	Barapukuria Coal Mining Company Limited (BCMCL)	1.83
4	TSP Complex Ltd.	2.33
5	Ceru and Co. (BD) Ltd.	2.33
6	Khulna Development Authority (KDA)	2.17
7	Chattagram Development Authority (CDA)	2.33
8	Rajshahi Development Authority (RDA)	2.16
9	Chattagram Port Authority (CPA)	1.83
10	Bangladesh Shipping Corporation (BSC)	2.00
11	Mongla Port Authority (MPA)	1.67
12	Bangladesh Submarin Cable Company Limited (BSCCL)	2.00
13	Bangladesh Cable Shilpa Limited (BCSL)	1.50
14	Bangladesh Satellite Company Limited (BSCL)	2.17
15	Civil Aviation Authority of Bangladesh (CAAB)	2.17
16	Nuclear Power Plant Co. Bangladesh Ltd. (NPCBL)	2.40
17	Bangladesh Overseas Employment and Services Limited (BOESL)	2.00
18	Small and Medium Enterprise Foundation (SMEF)	1.83
19	Palli Karmo Shohaiyak Foundation (PKSF)	2.17
20	Bangladesh Municipal Development Fund (BMDF)	1.50

Annexure 05: List of SOE with Moderate Risk

SL NO	Name of SOEs and ABs	Score
1	Bangladesh Economic Zone Authority (BEZA)	3.17
2	Power Grid Company of Bangladesh (PGCB)	3.17
3	Coal Power Generation Co. Bangladesh Limited (CPGCBL)	3.00
4	Rural Power Company Limited (RPCL)	2.83
5	North West Power Generation Company Limited (NWPGL)	2.67
6	B-R Powergen Limited	3.00
7	Bangladesh Rural Electrification Board (REB)	2.67
8	Eastern Refinery Limited (ERL)	2.67
9	Padma Oil Company Limited (POCL)	3.17
10	Meghna Petroleum Limited (MPL).	3.00
11	LP Gas Ltd.	2.50
12	Eastern Lubricants Blending Limited (ELBL)	3.00
13	Sylhet Gas Fields Limited (SGFL)	2.67
14	Pashchimanchal Gas Company Limited (PGCL)	2.83
15	Karnaphuli Gas Distribution Company Limited (KGDCL)	3.00
16	Sundarban Gas Company Limited (SGCL)	3.33
17	Bangladesh Chemical Industries Corp. (BCIC) (H.O)	3.17
18	Jamuna Fertilizer Company Limited (JFCL)	2.83
19	Ashugonj Fertilizer and Chemical Company Limited (AFCCL)	3.33
20	Usmania Glass Sheet Factory Ltd. (UGSFL)	3.17
21	DAP Fertilizer Company Limited.	2.50
22	Training Institute for Chemical Industries (TICI)	2.67
23	Bangladesh Sugar and Food Industries Corp. (BSFIC) (HO)	2.83
24	Gazi Wires Limited (GWL)	2.50
25	National Tubes Limited (NTL)	3.30
26	Pragati Industries Ltd. (PIL)	3.00
27	General Electric Manufacturing Co. Ltd. (GEMCL)	3.17
28	Dhaka Steel Works Ltd. (DSWL)	3.33
29	Dhaka Water and Sewerage Authority (DWASA)	3.00
30	Rajshahi Water and Sewerage Authority (RWASA)	2.66
31	Bangladesh Bridge Authority (BBA)	2.67
32	Dhaka Mass Transit Company Limited (DMTCL)	2.80
33	Bangladesh Telecommunication Regulation Commission (BTRC)	3.17
34	Bangladesh Telecommunication Company Ltd (BTCL)	2.50
35	Telephone Shilpa Sangstha Limited (TSS)	3.00
36	Bangladesh Parjatan Corporation (BPRC)	2.50
37	Bangladesh Forest Industries Develop. Corp. (BFIDC)	3.33

Annexure 06 : List of SOE with High Risk

Sl No	Name of SOEs and ABs	Score
1	Dhaka Electricity Supply Company Limited (DESCO)	4.00
2	Dhaka Power Distribution Company Limited (DPDC)	3.67
3	Ashugonj Power Station Company Limited (APSC)	3.50
4	Electricity Generation Company of Bangladesh Limited (EGCB)	3.67
5	West Zone Power Distribution Company Limited (WZPDCL)	3.83
6	Northern Electricity Supply Company (NESCO) Limited	3.67
7	Jamuna Oil Company Limited (JOCL)	3.50
8	Bangladesh Petroleum Exploration and Production Company Limited (BAPEX)	3.50
9	Bangladesh Gas Fields Company Limited (BGFCL)	3.67
10	Gas Transmission Company Limited (GTCL)	4.17
11	Titas Gas Transmission and Distribution Company Limited (TGTDC)	4.00
12	Bakhrabad Gas Distribution Company Limited (BGDCL)	3.83
13	Jalalabad Gas Transmission and Distribution System Limited (JGTDSL)	3.67
14	Shahjalal Fertilizer Company Limited (SFCL)	3.50
15	Chittagong Urea Fertilizer Factory Ltd. (CUFL)	3.50
16	Chhatak Cement Company Limited (CCCL)	4.33
17	Dhaka Leather Company Limited (DLCL)	4.33
18	Panchagar Sugar Mill Ltd. (PSML)	4.33
19	Thakurgaon Sugar Mill Ltd. (TSML)	4.17
20	Setabgonj Sugar Mill Ltd. (SSML)	4.17
21	Rangpur Sugar Mill Ltd. (RSML)	4.33
22	North Bengal Sugar Mill Ltd. (NBSML)	4.33
23	Zeal Bangla Sugar Mill Ltd. (ZBSML)	3.66
24	Atlas BD Limited (A.BD.L)	4.33
25	Khulna Water and Sewerage Authority (KWSA)	3.50
26	Bangladesh Inland Water Transport Authority (BIWTA)	3.50
27	Bangladesh Inland Water Transport Authority (BIWTA)	4.33
28	Trading Corporation of Bangladesh (TCB)	4.17
29	Biman Bangladesh Airlines Limited (BBAL)	4.00

Annexure 07: List of SOE with Very High Risk

SL NO	Name of SOEs and ABs	Score
1	Bangladesh Power Development Board (BPDB) (H.O)	4.83
2	Maddhapara Granite Mining Company Limited (MGMCL)	4.67
3	Dhaka Leather Company Limited (DLCL)	5.00
4	Shaympur Sugar Mill Ltd. (SSM)	5.00
5	Joypurhat Sugar Mill Ltd. (JSML)	4.50
6	Rajshahi Sugar Mill Ltd. (RSML)	4.50
7	Natore Sugar Mill Ltd. (NSML)	5.00
8	Kustia Sugar Mill Ltd. (KSML)	5.00
9	Mobarakgonj Sugar Mill Ltd. (MSML)	5.00
10	Pabna Sugar Mill Ltd. (PSML)	5.00
11	Faridpur Sugar Mill Ltd. (FSML)	4.50
12	Renwik Jajneswar and Company Limited (RJCL)	5.00
13	Bangladesh Road Transport Corporation (BRTC)	4.83
14	National Tea Company Limited (NTCL)	4.83