

Titas Gas Transmission and Distribution Company Limited
Statement of Financial Position (un-audited)
As on 31 March 2021

Particulars	Notes	AMOUNT IN TAKA	
		31.03.2021	30.06.2020
Assets			
Non-current assets		51,945,174,891	58,738,552,101
Property, plant & equipment (at cost less Depreciation)		9,952,866,153	10,466,986,084
Capital work in progress		4,507,146,385	4,472,865,231
Investments	2	22,792,909,919	28,644,322,628
Inter-company loan		11,480,771,875	11,937,240,500
Loan to employees		3,211,480,560	3,217,137,658
Current assets		123,204,703,547	121,857,457,008
Inventories		1,711,958,661	1,848,970,963
Trade receivables less provision for bad and doubtful debt		58,084,050,748	58,673,609,817
Advances, deposits and prepayments		42,219,163,711	38,585,985,166
Group current accounts		395,074,854	401,321,282
Other current assets		1,194,406,108	2,452,210,667
Cash and cash equivalents		19,600,049,466	19,895,359,114
Total assets		175,149,878,438	180,596,009,109
Equity & Liabilities			
Shareholders' equity		70,147,046,782	70,621,664,476
Share capital		9,892,218,310	9,892,218,310
Share money deposit		1,784,948,408	1,784,948,408
Reserve fund		808,827,343	808,827,343
Revenue reserve		57,661,052,721	58,135,670,415
Non-current liabilities		28,691,348,510	27,105,613,285
Long term loans (net of current maturity)		2,903,990,031	2,903,990,031
Deferred tax liability		1,092,255,124	1,112,618,020
Retirement benefit obligations		2,298,529,342	2,036,695,309
Leave pay		150,697,687	193,120,115
Customers' security deposits		22,245,876,327	20,859,189,810
Current liabilities		76,311,483,146	82,868,731,349
Current portion of long term loans		21,685,208	86,740,830
Trade payables	3	42,396,466,384	49,602,281,434
Group current accounts		638,016,590	643,596,745
Workers' profit participation fund and WF payable		147,832,669	266,713,626
Provision for income tax	4	30,909,495,471	30,177,670,929
Liability for expenses		2,197,986,824	2,091,727,785
Total liabilities		105,002,831,656	109,974,344,634
Total equity & liabilities		175,149,878,438	180,596,009,109
Net assets value per share (NAV)	5	70.91	71.39

Sd/-
(Md. Eaquab Khan)
Company Secretary

Sd/-
(Md. Babor Ali)
Director (Finance)

Sd/-
(Ali Iqbal Md. Nurullah)
Managing Director

Sd/-
(Md. Saidur Rahman)
Independent Director

Sd/-
(Md. Anisur Rahman)
Chairman

Titas Gas Transmission and Distribution Company Limited
Statement of Profit or Loss and Other Comprehensive Income (un-audited)
For the Period Jul'20 - Mar'21

Particulars	Notes	AMOUNT IN TAKA			
		Jul'20 - Mar'21	Jul'19 - Mar'20	Jan'21 - Mar'21	Jan'20 - Mar'20
Revenue	6	132,697,130,995	135,702,346,432	44,903,813,305	46,588,888,844
Less: Cost of sales	7	127,937,956,589	132,044,785,732	43,216,794,216	45,198,465,764
Gross profit		4,759,174,406	3,657,560,700	1,687,019,089	1,390,423,080
Less: Operating expenses		3,501,482,641	3,678,506,434	1,183,711,614	1,267,676,296
General administrative expenses		3,387,307,520	3,579,535,557	1,114,192,883	1,253,741,472
Transmission & Distribution expenses		114,175,122	98,970,877	69,518,732	13,934,824
Add: Other operating income		106,690,991	190,642,389	10,323,579	13,615,727
Gross operating profit for the period		1,364,382,756	169,696,655	513,631,054	136,362,511
Less: Finance cost		11,209,175	13,736,586	3,736,392	4,578,862
Net operating profit for the period		1,353,173,581	155,960,069	509,894,662	131,783,649
Add: Non-operating income		1,603,479,806	2,913,148,043	450,016,673	608,578,929
Investment income		1,119,724,202	2,504,286,245	332,474,202	535,674,824
Financial income		483,755,605	408,861,798	117,542,472	72,904,105
Profit before WPPF and WF		2,956,653,387	3,069,108,112	959,911,335	740,362,578
Less: Provision for contribution to WPPF & WF		147,832,669	153,455,406	47,995,567	37,018,129
Profit before income tax		2,808,820,718	2,915,652,706	911,915,768	703,344,449
Less: Income tax expenses		711,461,645	827,485,890	227,978,942	219,376,073
Current tax	8	731,824,542	844,264,529	236,134,033	216,754,767
Deferred tax	9	(20,362,897)	(16,778,639)	(8,155,091)	2,621,306
Net profit after income tax		2,097,359,073	2,088,166,816	683,936,827	483,968,376
Earning Per Share (EPS)	10	2.12	2.11	0.69	0.49

Sd/-
(Md. Equb Khan)
Company Secretary

Sd/-
(Md. Babor Ali)
Director (Finance)

Sd/-
(Ali Iqbal Md. Nurullah)
Managing Director

Sd/-
(Md. Saidur Rahman)
Independent Director

Sd/-
(Md. Anisur Rahman)
Chairman

Titas Gas Transmission and Distribution Company Limited
Statement of Changes In Equity (un-audited)
For the Period Jul'20 - Mar'21

(Amount in Taka)

Particulars	Share Capital	Share Money Deposit	Reserve Fund	Revenue Reserve	Total Equity
Balance as on July 01, 2020	9,892,218,310	1,784,948,408	808,827,343	58,135,670,415	70,621,664,476
Net profit after tax for the period	-	-	-	2,097,359,073	2,097,359,073
Cash Dividend for the year 2019-20 @ 26%				(2,571,976,766)	(2,571,976,766)
Balance as on 31 March 2021	9,892,218,310	1,784,948,408	808,827,343	57,661,052,721	70,147,046,782

For the Period Jul'19 - Mar'20

(Amount in Taka)

Particulars	Share Capital	Share Money Deposit	Reserve Fund	Revenue Reserve	Total Equity
Balance as on July 01, 2019	9,892,218,310	1,512,137,270	809,575,543	57,109,583,673	69,323,514,796
Addition		170,692,340			170,692,340
Net profit after tax for the period	-	-	-	2,088,166,816	2,088,166,816
Cash Dividend for the year 2018-19 @ 26%	-	-	-	(2,571,976,766)	(2,571,976,766)
Balance as on 31 March 2020	9,892,218,310	1,682,829,610	809,575,543	56,625,773,723	69,010,397,186

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Company Secretary

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(Md. Saidur Rahman)
Independent Director

Sd/-
(Md. Anisur Rahman)
Chairman

Titas Gas Transmission and Distribution Company Limited
Statement of Cash Flows (un-audited)
For the Period Jul'20 -Mar'21

PARTICULARS	Notes	AMOUNT IN TAKA	
		Jul'20 - Mar'21	Jul'19 - Mar'20
A. Cash flows from operating activities			
Receipts from Revenue		133,268,242,956	117,658,496,676
Interest received		2,801,955,925	2,483,875,472
Other Income received		27,476,463	97,749,839
Payment against gas purchase		(135,143,771,641)	(110,334,009,454)
Payment for salary & other cost		(1,720,589,183)	(1,746,894,816)
Payment for WPPF		(266,713,626)	(37,612,030)
Inter Company a/c's		-	(232,867,569)
Interest paid		(11,209,175)	(13,736,586)
Income tax paid		(3,253,905,509)	(3,080,834,318)
Advance, Deposits & Prepayments		(505,890,728)	(39,452,700)
Other Creditors		439,454,799	376,586,042
Net cash flowed from operating activities		(4,364,949,719)	5,131,300,554
B. Cash flows from investing activities			
Fixed deposit		5,851,412,710	5,127,199,100
Security received from customers		1,429,469,711	2,184,747,172
Loan re-payment made by BAPEX		97,500,000	-
Loan to GTCL		-	(1,401,656,375)
Loan re-payment made by GTCL		358,968,625	-
Other current assets		-	(110,830,990)
Acquisition of fixed assets		(289,413,214)	(462,284,725)
Acquisition of stores		(292,814,103)	-
Employees' loan		(241,043,418)	(730,833,772)
Gratuity fund		-	(93,960)
Leave pay		(85,575,905)	(48,136,105)
Pension fund		(103,285,814)	(310,390,323)
Provident fund		(22,263,602)	42,090,971
Net cash used in investing activities		6,702,954,990	4,065,679,209
C. Cash flows from financing activities			
Share money deposit received		-	170,692,340
Loan received		-	256,038,509
Payment of long-term loan		(65,055,622)	(64,800,736)
Dividend paid		(2,568,259,297)	(2,560,759,264)
Net cash used in financing activities		(2,633,314,919)	(2,198,829,151)
D. Net increase/decrease in cash & cash equivalents (A+B+C)		(295,309,648)	6,998,150,614
E. Unrealised foreign exchange gain/ (loss)			
F. Cash & cash equivalents at beginning of the year		19,895,359,114	12,907,783,528
G. Cash & cash equivalents at end of the period (D+E)		19,600,049,466	19,905,934,142
Net Operating Cash Flow Per Share (Taka)	10	(4.41)	5.19

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Company Secretary

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(Md. Anisur Rahman)
Chairman

Titas Gas Transmission and Distribution Company Limited

Notes to the Financial Statements

For the Period July'20 - March'21

1 Background and Introduction

Titas Gas Transmission and Distribution Company Limited (hereinafter referred to as "TGTDCCL or the Company") was established in the year 1964. After liberation of the country the Company was nationalized under the Presidential Order No. 27/1972 and its overall activities has been placed under the supervision and control of Bangladesh Oil, Gas & Mineral Corporation (Petrobangla). Subsequently, the Company's Board was vested with full autonomy and exercises of all financial powers as per Company's Act 1994 as stated vide the government gazette notification No. 787 dated 05 November 2002. The Company has been listed with Dhaka Stock Exchange (DSE) on 09 June 2008 and with Chittagong Stock Exchange (CSE) on 19 June 2008 under the direct listing rules of Securities & Exchange Commission offloading 25% of its shares in the stock markets. Petrobangla holds rest 75% shares of the Company.

The aim and objective of the Company is to distribute the the natural gas, transmitted in its gas distribution network, to the consumers in power, fertilizer, industrial, commercial, captive power, feed gas for CNG, and domestic categories under its franchise area viz. greater Dhaka & Mymensingh districts.

1.1 Basis of preparation

These financial statements have been prepared on going concern basis under the historical cost convention in compliance with the International Accounting Standard (IAS) & International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2 Investments

Break up of long term investment are against:

	31.03.2021	30.06.2020
Customers' security deposit	21,081,350,002	20,857,748,521
Depreciation	-	6,090,000,000
General provident fund	709,480,187	919,481,687
Pension fund	1,000,333,930	775,346,620
Investment in share (ICB Islamic Bank)	1,745,800	1,745,800
	22,792,909,919	28,644,322,628

3 Trade payables

	31.03.2021	30.06.2020
Against Gas Production Charge	4,915,206,021	12,828,066,428
Against Transmission charge	1,516,405,398	2,897,497,499
Against Price Deficit Fund (PDF)	325,499,449	325,499,450
Against BAPEX margin	12,175,242	12,175,242
Against Deficit Wellhead Margin Fund for BAPEX (DWMFB)	12,240,587	12,240,586
Against Gas Development Fund (GDF)	1,886,362,731	3,125,060,785
Against Support for Shortfall	111,829,261	111,829,261
Against Net Charge for LNG	17,501,109,250	14,280,010,870
Against LNG Operational Charge-RPGCL	130,832,022	93,716,077
Against VAT (GDF)	5,253,702,033	354,316,846
Against VAT	354,454,840	7,654,170,501
Provision for dispute of gas purchases volume	8,748,695,828	4,910,557,130
Against Energy Security Fund (ESF)	1,627,953,723	2,997,140,759
	42,396,466,384	49,602,281,434

4 Provision for Income Tax

	31.03.2021	30.06.2020
Opening Balance	30,177,670,929	28,669,406,438
Addition During the Period	731,824,542	1,508,264,490
	30,909,495,470	30,177,670,929

5 Net Asset Value (NAV) Per Share

	31.03.2021	30.06.2020
Net Assets (Total Assets - Liabilities)	70,147,046,782	70,621,664,476

	Number of ordinary shares outstanding	989,221,831	989,221,831
		70.91	71.39
6	Revenue	Jul'20 - Mar'21	Jul'19 - Mar'20
	Gas Sales Revenue	127,642,185,083	131,692,845,975
	Operational Income	5,054,945,911	4,009,500,457
		132,697,130,995	135,702,346,432
6.1	Gas Sales Revenue	Jul'20 - Mar'21	Jul'19 - Mar'20
	Power (PDB)	5,079,616,702	6,620,202,136
	Power (Private)	14,127,660,714	14,946,307,683
	Fertilizer	1,215,884,523	788,432,603
	Industrial	32,109,273,015	31,195,145,400
	Captive Power	36,946,445,665	36,613,670,457
	Feed Gas for CNG	13,858,940,359	17,060,403,434
	Domestic	22,907,743,437	22,655,010,397
	Commercial	1,396,620,670	1,813,673,865
		127,642,185,083	131,692,845,975
6.2	Operational Income	Jul'20 - Mar'21	Jul'19 - Mar'20
	Meter rent	306,886,716	195,069,772
	Demand Charge	1,803,041,028	1,729,243,623
	Higher Heating Value	1,109,586,505	748,835,654
	Connection & reconnection fee	4,872,264	4,504,817
	Late payment penalties	1,595,340,080	1,091,391,340
	Gas Sales (Domestic) for Illegal use	3,300,932	1,353,121
	Gas connection commission fees	163,824	285,542
	Penalty for Illegal use by customer	910,999	2,659,961
	Profit from sale of stores	87,524,684	18,791,037
	Gas transmission Income	143,318,879	217,365,590
		5,054,945,911	4,009,500,457
7	Cost of Sales	Jul'20 - Mar'21	Jul'19 - Mar'20
	Gas Production Charge	19,700,405,065	20,116,874,678
	Gas Transmission Charge*	4,327,569,565	4,409,306,744
	Gas Development Fund (GDF) Charge	5,038,484,637	5,145,287,792
	Energy Security Fund (ESF) Charge	5,568,950,280	5,687,100,700
	Petrobangla Charge - BOGMC	647,753,549	662,796,200
	LNG Operational Charge - RPGLC	37,115,945	49,681,508
	Net Charge for LNG - BOGMC	76,093,020,808	77,678,457,538
	VAT on end user price	12,130,632,946	13,822,272,787
	VAT (GDF) on end user price	555,885,096	633,374,189
	Cost for dispute of gas purchases volume**	3,838,138,698	3,839,633,596
		127,937,956,589	132,044,785,732

*Transmission charge income from the gas transmitted through company's own transmission pipeline to Bakhrabad Gas Distribution Company Limited (BGDCL) and Jalalabad Gas Transmission & Distribution System Limited (JGTDSL) is shown under operational income rather adjusting from Company's transmission charge cost as previously done.

**A provision of 3% on the total cost of sales is made for future conservatism as a dispute arises in determining the volume of gas transmitted to TGTDC distribution network through the transmission lines of GTCL (Gas Transmission Company Limited) since GTCL had not been making proper metering and count of supply at all the points of gas transmitted.

8 Computation of taxable income and tax liability For the quarter ended 31 Mar 2021

Jul'20 - Mar'21

Net profit before Tax (as per accounts)	2,808,820,718
Add: Provision for Bad & Doubtful debts	-
	<u>2,808,820,718</u>
Add: Depreciation as per Accounts	769,251,991
Less: Depreciation as per IT Schedule	650,774,541
Total Taxable Income	<u>2,927,298,168</u>
Tax Payable (Current Tax)@ 25%	<u>731,824,542</u>

As per the Paragraph 81(c) of IAS 12 "Income Taxes", reconciliation of effective tax rate is:

	31.03.2021	
	%	Taka
Profit before tax		2,808,820,718
Applicable tax	25.00%	702,205,179
Provision for Bad & Doubtful debts	0.00%	-
Depreciation as per Accounts	6.85%	192,312,998
Depreciation as per IT Schedule	-5.79%	(162,693,635)
Effective current tax	26.05%	731,824,542
Effective deferred tax	-0.72%	(20,362,897)
Income tax expenses	25.33%	711,461,645

9 Deferred tax liability

	31.03.2021	30.06.2020
Opening Balance	1,112,618,020	1,172,854,085
Addition during the year	(20,362,897)	(60,236,065)
	<u>1,092,255,123</u>	<u>1,112,618,020</u>

	31.03.2021		
	Carrying Amount	Tax Base	Taxable Temporary Difference
Property, Plant and Equipment	8,357,408,771	3,988,388,280	4,369,020,491
Applicable rate			25%
Deferred tax liability as on 31 Mar 2021			<u>1,092,255,123</u>
Deferred tax liability as on 31 Mar 2021			1,092,255,123
Deferred tax liability as on 30 June 2020			<u>1,112,618,020</u>
Deferred tax Expenses/(Income) for the period Jul'20 - Mar'21			<u>(20,362,897)</u>

	30.06.2020		
	Carrying Amount	Tax Base	Taxable Temporary Difference
Property, Plant and Equipment	8,837,222,528	4,386,750,448	4,450,472,080
Applicable rate			25%
Deferred tax liability as on 30 June 2020			<u>1,112,618,020</u>
Deferred tax liability as on 30 June 2020			1,112,618,020
Deferred tax liability as on 30 June 2019			<u>1,172,854,085</u>
Deferred tax Expenses/(Income) for the year ended 30 June 2020			<u>(60,236,065)</u>

10 Earning per share

	Jul'20 - Mar'21	Jul'19 - Mar'20
Net Profit attributable to the ordinary shareholders	2,097,359,073	2,088,166,816

Number of ordinary shares outstanding	989,221,831	989,221,831
	2.12	2.11
11 Net operating cash flow per share (NOCFPS)	Jul'20 - Mar'21	Jul'19 - Mar'20
Net operating cash flows	(4,364,949,719)	5,131,300,554
Number of ordinary shares outstanding	989,221,831	989,221,831
	(4.41)	5.19

The significant change in NOCFPS is basically due to the relative payments against purchase liability in respect of the collection against gas sales was very much higher than that of the previous year.

12 Reconciliation of net profit with cash flows from operating activities	Jul'20 - Mar'21	Jul'19 - Mar'20
Net profit after income tax	2,097,359,073	2,088,166,816
Adjustments for:		
Adjustment for WPPF	147,832,669	153,455,406
Depreciation	769,251,991	733,156,689
Income Tax Adjustment	711,461,645	827,485,890
Changes in:		
Decrease/(Increase) in Trade receivable	1,039,559,069	(16,925,414,696)
Decrease/(Increase) in Advance, deposit & prepayments	(4,207,627,888)	(3,415,113,541)
Decrease/(Increase) in Other Current Asset	1,457,804,559	(494,941,907)
Decrease/(Increase) in Current portion of loans and other borrowings	(65,055,622)	(64,800,736)
(Decrease)/Increase in Group Current Account	150,666,273	(181,360,564)
(Decrease)/Increase in Trade and Other Payable	(7,205,815,050)	21,447,291,170
(Decrease)/Increase in WPPF and WF payable	(118,880,957)	(79,412,163)
(Decrease)/Increase provision for income Tax	731,824,542	844,264,530
(Decrease)/Increase Liability for Expenses	126,669,977	198,523,662
Net cash flow from operating activities	(4,364,949,719)	5,131,300,555

13 Related party disclosure

i) Related party transactions

During the period, the company carried out a number of transactions with related parties in the normal course of business. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS 24: Related Party Disclosure.

(Amount in Million Taka)

Name of Parties	Relationship	Nature of transaction	Net transaction Jul'20 - Mar'21	Outstanding as on 31.03.2021 Receivable/ (Payable)	Outstanding as on 30.06.2020 Receivable/ (Payable)
Petrobangla	Contrlling/ holding Authority	Cost of sales, Inter Company	6,232	(25,436)	(31,668)
Bapex	Sister Concern	Cost of sales, Inter Company	151	(293)	(444)
BGFCL	Sister Concern	Cost of sales, Inter Company	917	(527)	(1,444)
RPGCL	Sister Concern	Cost of sales, Inter Company	(37)	(131)	(94)
GTCL	Sister Concern	Cost of sales, Inter Company	1,381	(1,516)	(2,897)

Bapex	Sister Concern	Inter Company Loan	(98)	1,040	1,138
GTCL	Sister Concern	Inter Company Loan	(359)	10,441	10,800
Total			8,186	(16,423)	(24,609)

This is to mention that, natural gas distribution is a part of the country's total natural gas network activities by the government of the country, and it is a chain activity. All the companies within this natural gas network chain is owned by the government and are to transact each other against gas transmission, distribution etc, to carry the natural gas from fields to the end users.

ii) Particulars of Directors of Titas Gas Transmission and Distribution Company Limited as at 31 March 2021

Name of Directors	BOD of TGTDCCL	Entities where they have interests
Mr. Md. Anisur Rahman	Chairman	Senior Secretary, Energy & Mineral Resources Division
Mr. Tofazzel Hossain Miah	Director	Secretary, Prime Minister's Office
Mr. Md. Ehsan-E-Elahi	Director	Chairman, BCIC
Mr. A B M Abdul Fattah	Director	Chairman, Petrobangla
Mr. Md. Belayet Hossain	Director	Chairman, BPDB
Mr. Saidur Rahman	Independent Director	Additional Secretary (Admin), Finance division
Eng. Mohammad Mynul Islam	Director	N/A
Mr. Saifuddin Ahmed Bhuiyan	Independent Director	N/A
Mr. Ali Iqbal Md. Nurullah	Managing Director	Titas Gas T & D Co. Ltd. Dhaka

14 Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994.

	Jul'20 - Mar'21	Jul'19 - Mar'20
Managing Director remuneration and benefit	1,623,841	968,396

No such benefits were paid/given to Managing Director of the Company for the period Jul'20 - Mar'21 except for the salary & allowance.