

PRIVATE & CONFIDENTIAL

“Bangladesh Gas Field Company Limited”

**Audit Report and Audited Financial Statements
For the year ended 30th June, 2021.**

KWSR Khan
Wahab
Shafique
Rahman & Co.
CHARTERED ACCOUNTANTS
SINCE 1968

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of independent audit, tax, accounting and consulting firms

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**Independent Auditors' Report
To the Shareholders of Bangladesh Gas Fields Company Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of Bangladesh Gas Fields Company Limited, which comprise the statement of financial position as at June 30, 2021 and statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of Bangladesh Gas Fields Company Limited as at June 30, 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matters:

1. We draw attention to **Note-26** of the financial statements which stated that Tk. 61,012,717 for **Padma Oil Company Ltd.**, Tk. 71,369,645 for **Meghna Petroleum Ltd.** and Tk. 210,710,483 for **Bangladesh Petroleum Corporation** has remained disputed since long. Management has been trying to recover this disputed amount.
- 2.a We draw attention to **Note-29A** of the financial statements which stated that Tk. 424,863,222 for **Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)** and Tk. 97,745,518 for **Titas Gas Transmission & Distribution Company Ltd. (TGTDC)** has been remaining overdue for long time . Management has been trying to recover this overdue amount.
- 2.b We draw attention to **Note-29** of receivable from SGCL Tk. 96.60 crore which includes Tk. 79.13 crore against well head charge of **Bangladesh Gas Fields Company Limited (BGFCL)** which is not being paid by **Sundarban Gas Company Limited (SGCL)** from 18 September, 2018. Management has been trying to recover this overdue amount also.

3. Disclosed in **Note-21** an amount of **Tk. 3 core** is lying with **Padma Bank Limited** on account of bank deposit (FDR) has been held up for encashment due to the liquidity crisis of the bank. The management has not accounted interest on FDR since 2018. However interest receivable of **Tk. 992,873** calculated up to 2016-2017 was shown in the accounts of the concerned year.
4. We draw attention to **Note 30** of the financial statements which stated that the net sales of gas has been shown an amount of Tk. 444.72crore but according to production report, net sales of gas would be Tk. 474.54crore. The difference amounting to Tk. 29.82crore between BGFCL and GTCL/Distribution Companies stands for quantity dispute between transmission end of GTCL and receiving point of distribution companies amounting quantity 327,125.260 MCM in FY 2020-2021. After deducting allowable distribution loss Tk. 6.60 crore, difference of net sales stands at Tk. 23.22crore during the year. VAT amounting Tk. 23.02crore (estimated) would also be payable to NBR against above difference of net sales in FY 2020-2021. There is also a quantity dispute of 457,213.760 MCM against FY 2018-2019 and FY 2019-2020 affecting net sales Tk. 32.41crore and VAT payable to NBR (estimated) Tk. 39.56 crore. Management has been trying to resolve these matters.
5. We draw attention to **Note 29A** of the financial statements where the reconciliation process with various customers owned by Petrobangla Corporation is under progress.

Our opinion is not modified in respect of these above matters.

Key Audit Matters

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

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the



preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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


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

Report on other Legal and Regulatory Requirements

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

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

Dated: Dhaka
October 21, 2021



Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Firm's Registration No.: 11970 E.P.
Signed by: Md. Anisur Rahman, FCA
Managing Partner
Enrollment No.: 350
DVC: 2110250350AS961387



Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)
Statement of Financial Position
As at June 30, 2021

Particulars	Notes	Amount in Taka	
		30-06-2021	30-06-2020
1 CAPITAL AND RESERVES		35,891,917,308	32,270,752,016
Share capital	1	8,032,503,200	2,447,122,600
GOB contribution to equity	2	1,769,211,310	5,653,589,536
Capital reserves	3	2,073,639,917	2,003,166,186
Revenue reserves	4	24,016,562,881	22,166,873,694
2 LONG TERM BORROWINGS		22,486,685,166	20,980,904,166
Unsecured loans-local sources	5	12,819,594,552	13,660,980,269
Unsecured loans-foreign sources	6	9,667,090,614	7,319,923,897
3 FUND & LIABILITIES		25,954,114,195	23,348,503,331
Accumulated depreciation	7	6,988,408,052	6,799,534,130
Depreciation fund	8	17,506,512,706	15,245,573,547
Emergency fund	9	1,459,193,437	1,303,395,654
4 OTHER LONG TERM LIABILITIES		7,698,060,364	8,631,767,781
Customers' & contractors' security deposits		2,261,551	2,015,130
Liabilities for deferred tax	10	7,695,798,813	8,629,752,651
5 CURRENT LIABILITIES		4,928,035,880	4,672,664,237
Trade creditors	11	1,300,534,663	1,140,930,599
Accruals & provisions	12	281,690,731	234,374,239
Short term bank loan	13	40,000,000	-
Beneficiaries' profit participation		91,591,597	107,357,655
Current portion of long term loan	14	2,332,086,660	2,264,307,699
Interest payable	15	122,543,133	38,849,304
Provision for income tax	16	759,589,096	886,844,741
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES (1+2+3+4+5)		96,958,812,913	89,904,591,531
REPRESENTED BY:			
6 FIXED ASSETS		56,411,348,642	50,628,165,405
Fixed assets (at cost or valuation)	17	10,992,430,621	10,837,071,431
Proved properties (at cost)	18,19	39,115,562,869	38,396,843,123
Capital work- in- progress	20	6,303,355,152	1,394,250,851
7 INVESTMENT AND OTHER ASSETS		27,618,470,000	22,936,258,854
Bank deposits (FDR)	21	12,759,798,800	10,616,520,046
Hydro carbon development fund investment		1,499,160,825	1,431,116,331
Depreciation fund investment		11,411,063,746	9,261,084,339
Emergency fund investment		1,134,141,146	953,329,806
Loans to group companies (non-current portion)	22	148,737,150	178,484,580
Loans to employees (non-current portion)		665,568,333	495,723,752
8 CURRENT ASSETS		9,413,041,126	11,504,680,845
Inventories of stores & other materials	23	149,529,135	287,197,675
Advances, deposits and prepayments	24	161,294,734	29,238,485
Current portion of loan to group companies		29,747,430	29,747,430
Current portion of loans to employees	25	29,857,479	37,561,805
Trade accounts receivable (except group accounts)	26	343,092,845	1,721,310,404
Other current assets	27	8,158,701,515	8,089,620,140
Cash and bank balances	28	540,817,988	1,310,004,906
9 GROUP COMPANY ACCOUNTS (RECEIVABLE)		3,515,953,145	4,835,486,427
Gas distribution companies	29	2,142,202,450	4,038,086,944
Other current accounts	29A	1,373,750,695	797,399,483
TOTAL ASSETS (6+7+8+9)		96,958,812,913	89,904,591,531

The Principal Accounting Policies and Notes attached herewith form an integral part of the above statement of financial position. Approved and authorized for issue by the Board of Directors on 21.10.2021 and signed on its behalf by:

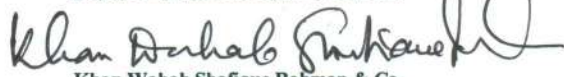

General Manager
Finance & Accounts


Company Secretary


Managing Director


Director

Subject to our separate report of even date


Khan Wahab Shafique Rahman & Co.

Chartered Accountants

Firm's Registration No: 11970 E.P.

Signed by: Md. Anisur Rahman, FCA

Managing Partner

Enrolment No.: 350

DVC : 2110250350AS961387



Dhaka
October 21, 2021

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2021

Particulars	Notes	Amount in Taka	
		2020 - 2021	2019 - 2020
1 REVENUE		10,222,705,686	11,655,590,919
Sales of Gas	30	8,919,592,381	9,928,672,264
Sales of Petroleum Products	31	1,278,873,605	1,708,800,980
Condensate Handling	32	24,239,700	18,117,675
2 VALUE ADDED TAX (VAT)	33	4,648,597,891	5,530,381,906
3 NET REVENUE (1-2)	34	5,574,107,795	6,125,209,013
4 OPERATING EXPENSES		4,051,127,414	4,255,422,562
Production Cost	35	2,030,442,234	2,032,553,486
Depreciation, Depletion & Amortization Charges	35	1,968,519,804	2,018,492,443
Purchase Cost of Condensate	36	43,448,116	182,560,401
Transportation of Petroleum Products	37	8,717,260	21,816,232
5 OTHER OPERATING INCOME	38	27,622,191	7,010,124
6 GROSS OPERATING PROFIT (3-4+5)		1,550,602,572	1,876,796,575
7 FINANCIAL COST		724,523,431	742,893,461
Interest Cost	39	724,523,431	703,916,328
Exchange Rate Fluctuation Loss/Gain		-	38,977,133
8 NET OPERATING PROFIT (6-7)		826,079,141	1,133,903,114
9 NON-OPERATIONAL INCOME		1,005,752,803	1,013,249,985
Investment Income	40	915,180,780	954,722,720
Finance Income	40	90,572,023	58,527,265
10 NET PROFIT BEFORE BPPF & TAX (8+9)		1,831,831,944	2,147,153,099
11 CONTRIBUTION TO BPPF	41	91,591,597	107,357,655
12 NET PROFIT BEFORE TAX (10-11)		1,740,240,347	2,039,795,444
13 PROVISION FOR CORPORATE TAX		(411,881,734)	(141,995,391)
A. Current Tax	16.1	522,072,104	662,933,519
B. Deferred Tax	10.2	(933,953,838)	(804,928,910)
14 NET PROFIT/(LOSS) FOR THE YEAR AFTER TAX (12-13)		2,152,122,081	2,181,790,835
15 Payment to National Exchequer as Interim Dividend		489,424,520	587,309,424
16 Provision/Transfer to Reserve (Emergency Fund)		107,606,104	133,128,023
17 Prior Years' Adjustment	42	(294,597,730)	(509,378,626)
18 NET INCOME TRANSFERRED TO STATEMENT OF CHANGES IN EQUITY (14-15-16-17)		1,849,689,187	1,970,732,014
19 EARNING PER SHARE (EPS)		2.68	88.45
20 EARNING PER SHARE (EPS)-With Potential Share		2.20	2.72

The Principal Accounting Policies and Notes attached herewith form an integral part of the above statement of financial position. Approved and authorized for issue by the Board of Directors on 21.10.2021 and signed on its behalf by:


General Manager
Finance & Accounts


Company Secretary

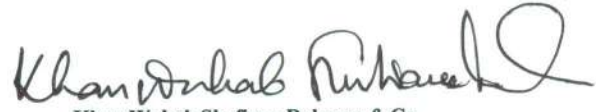

Managing Director


Director

Subject to our separate report of even date

Dhaka
October 21, 2021




Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Firm's Registration No: 11970 E.P.
Signed by: Md. Anisur Rahman, FCA
Managing Partner
Enrolment No.: 350
DVC : 2110250350AS961387

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)
Statement of Changes in Equity
For the year ended June 30, 2021

Amount in Taka

Particulars	Share Capital	GOB Contribution to Equity	Capital Reserve	Revenue Reserve	Total
Balance as at 01 July, 2020	2,447,122,600	5,653,589,536	2,003,166,186	22,166,873,694	32,270,752,016
Changes During the year:					
GOB Contribution to Equity converted to paid up capital	5,585,380,600	(5,585,380,600)	-	-	-
Interest on HCDF	-	-	70,473,731	-	70,473,731
Addition during the year	-	1,701,002,374	-	-	1,701,002,374
Net Income from Statement of Profit or Loss and Other Comprehensive Income	-	-	-	1,849,689,187	1,849,689,187
Balance as at 30 June, 2021	8,032,503,200	1,769,211,310	2,073,639,917	24,016,562,881	35,891,917,308

Particulars	Share Capital	GOB Contribution to Equity	Capital Reserve	Revenue Reserve	Total
Balance as at 01 July, 2019	2,447,122,600	5,585,380,676	1,935,796,086	20,196,141,680	30,164,441,042
Changes During the year:					
Interest on HCDF	-	-	67,370,100	-	67,370,100
Addition during the year	-	68,208,860	-	-	68,208,860
Net Income from Statement of Profit or Loss and Other Comprehensive Income	-	-	-	1,970,732,014	1,970,732,014
Balance as at 30 June, 2020	2,447,122,600	5,653,589,536	2,003,166,186	22,166,873,694	32,270,752,016

The Principal Accounting Policies and Notes attached herewith form an integral part of the above Statement of Changes in Equity.
Approved and authorized for issue by the Board of Directors on 21.10.2021 and signed on its behalf by:


General Manager
Finance & Accounts



Company Secretary


Managing Director


Director

Subject to our separate report of even date.

Dhaka
October 21, 2021


Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Firm's Registration No: 11970 E.P.
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Managing Partner
Enrolment No.: 350
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Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)
Statement of Cash Flows
For the year ended June 30, 2021

	Amount in Taka	
	2020-2021	2019-2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the year before tax	1,740,240,347	2,039,795,444
Adjustment to reconcile net profit to net cash provided by operating activities:		
Depreciation and depletion charges	1,968,519,804	2,018,492,443
Interest expense	724,523,431	703,916,328
Exchange rate fluctuation loss/(gain)	-	38,977,133
Decrease/(Increase) in inventories of stores	137,668,540	(53,534,381)
Decrease/(Increase) in advance, deposits & prepayments	(132,056,249)	84,009,969
Decrease/(Increase) in trade accounts receivables (Excluding group accounts)	1,378,217,559	88,111,610
Decrease/(Increase) in other current assets	(111,404,729)	(162,576,782)
Decrease/(Increase) in group company accounts receivables	1,349,280,712	(974,135,024)
Increase/(Decrease) in creditors & accruals (VAT & others)	207,166,977	(260,515,022)
Increase/(Decrease) in beneficiary's profit participation fund	(15,766,058)	(15,513,693)
Income tax paid including source tax	(549,923,659)	(411,404,280)
Interest paid	(725,709,858)	(707,688,727)
Net cash flow from operating activities	5,970,756,817	2,387,935,020
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(5,702,350,157)	(1,464,593,921)
Adjustment/Received from disposal/sale of fixed assets	528,582	28,441,340
Investment in fixed deposits	(4,542,113,995)	(1,218,946,268)
Loans to employees	(162,140,255)	(272,922,561)
Interest received from investment of hydro carbon development fund	100,214,162	97,947,180
Interest received from investment of depreciation fund	672,994,747	593,992,084
Interest received from investment of Emergency fund	67,785,366	55,299,662
Net cash used by investing activities	(9,565,081,550)	(2,180,782,483)
CASH FLOW FROM FINANCING ACTIVITIES		
Contribution by government to equity	1,701,002,374	68,208,860
Long term foreign loan received	2,969,078,907	97,921,044
Long term local loan received	868,788,750	1,157,381,313
Short term bank loan	40,000,000	-
Repayment of foreign long term loans	(621,912,190)	(34,976,528)
Repayment of local long term loans	(1,642,395,506)	(1,090,508,623)
Payment to national exchequer as interim dividend	(489,424,520)	(587,309,424)
Net cash used by financing activities	2,825,137,815	(389,283,357)
Net increase/(decrease) in cash & cash equivalents	(769,186,918)	(182,130,820)
Total opening cash and cash equivalents	1,310,004,906	1,492,135,726
Total closing cash and cash equivalents	540,817,988	1,310,004,906

The Principal Accounting Policies and Notes attached herewith form an integral part of the above Statement of Cash Flows. Approved and authorized for issue by the Board of Directors on 21.10.2021 and signed on its behalf by:

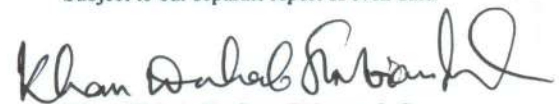

General Manager
Finance & Accounts


Company Secretary


Managing Director


Director

Subject to our separate report of even date.



Khan Wahab Shafique Rahman & Co.
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Managing Partner
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Dhaka
October 21, 2021

Bangladesh Gas Fields Company Limited
(A Company of Petrobangla)
Principal Accounting Policies & Notes
To the Financial Statements
For the year ended 30 June, 2021

1. Introduction

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

2. Financial Structure

The Company's financial structure comprises:

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

3. Business

- 3.1 The company carries out production of natural gas within the eastern part of Bangladesh. Small quantities of condensate and oil products are also produced and processed as by-products.
- 3.2 The Company has consolidated with its own financial statements those of ongoing projects. The purpose of these projects is to substantially meet the country's growing demand for natural gas by carrying out a series of activities such as drilling of new wells, work over/recompletion of existing wells and installation of gas process plants.

4. Significant Accounting Policies

4.1 Components of Financial Statements

1. A Statement of Financial Position as at 30 June, 2021;
2. A Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June, 2021;
3. A Statement of Changes in Equity for the year ended 30 June, 2021;
4. A Statement of Cash Flows for the year ended 30 June, 2021;
5. Notes, Comprising Significant Accounting policies and other explanatory information.

4.2 Statement of Compliance

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

4.3 Basis of Preparation

The financial statements of the company have been prepared on historical cost basis except to the extent as modified through revaluations as mentioned in Note no. 4.13 as per Companies Act, 1994 and Uniform System of Accounts (USAC) prescribed by Bangladesh Energy Regulatory Commission (BERC) for its Licensees.

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

4.4 Significant Accounting Judgments, Estimates and Assumptions

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

4.5 Functional and Presentation Currency

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

4.6 Gas and Oil Exploration, Development and Production Expenditure

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

4.7 Foreign Currencies

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

4.8 Amortization of ERF

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

4.9 Fields under Development and in Production

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

4.10 Depletion

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

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

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

4.11 Borrowing Cost

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

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

4.12 Provision

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



4.13 Financial Instruments

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

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

4.14 Fixed Assets

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

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

4.15 Depreciation

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

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

4.16 Depreciation Fund

A depreciation fund approved by the board in the 426th meeting held on 28.12.2005 and has been created to meet the cost of replacement and/or acquisition of operating assets, creating new production facilities which may include well work-over, drilling, perforation, compression etc., in the existing as well as new fields. This approval is effective from 01.07.2005.

4.17 Emergency Fund

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

4.18 Capital Reserves

Capital reserve consists of mainly Company's share of Hydrocarbon Development Fund (HCDF), grant received from govt. & donor agencies relating to extensions of the gas production infrastructure. Under a government order the HCDF has been made out of sales revenue @ 2.50% on end users price basis up to November 1998 for future development expenditure of the company and other group operating companies engaged in gas transmission, distribution and production. Contribution to this fund has been discontinued from 01.12.1998.

4.19 Bank Deposits

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

4.20 Inventories

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

5 Loan to Employees

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

6 Trade Debtors

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

7 Repayment of Long-Term Loans

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

8 Employees Benefit

- 8.1 The company operates a Contributory Provident Fund for the benefit of employees. This fund is operated by a separate trustee.
- 8.2 The company provides an end-of-service gratuity to employees. A fund has been created to meet such liabilities as per NBR approval no.1 (6) Anu-1/99/41 dated 04-01-2000. The approval is effective from 01-07-98. It is operated by a separate trustee.
- 8.3 The company introduced a separate Pension Fund and a General Provident Fund for permanent employees under approval from the Ministry of Finance, Finance Division, and Reference No-07.00.0000.126.00.003.13-120 Dated: 02.06.2014. The Pension Fund is duly approved by the NBR as per ref. no. 08.01.0000.035.02.325.20/728 dated 12.10.2020 and General Provident Fund is also approved by the Tax Commissioner Office as per ref. no. ১আ/প্রভিঃ ফাভ-০৩/২০২১-২০২২/৪৪৬ dated 13.09.2021 accordingly. Company started operation of both the funds from 18 September 2013.

9. Revenue Reserves

Revenue reserves include only amounts which are potentially distributable to shareholders. Surplus arising on the revaluation of tangible assets owned before 30 June, 1981 included in revenue reserves.

10. Revenue Recognition

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

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

11. Expenditure

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

12. Taxation

Taxation for the year comprises current and deferred tax. Taxation is recognized in the profit and loss account.

13. Current Tax

Provision for current Income tax is provided on profits as determined by tax regulations at tax rates currently in force.

14. Deferred Tax

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

15. Statement of Recommended Practice (SORP)

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

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

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

SORP-3 refers to accounting for abandonment costs.

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

16. Compliance Report on International Accounting Standards (IAS) & International Financial Reporting Standards (IFRSs)

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

Name of the IAS	IAS no.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events after the Balance Sheet Date	10	Applied
Construction Contracts	11	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Employee Benefits	19	Applied
Accounting for Govt. Grants & Disclosure of Govt. Assistance	20	Applied
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied

Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	N/A
Investments in Associates	28	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	N/A
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	N/A
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	Applied
Agriculture	41	N/A

Name of IFRS	IFRS No.	Status
First Time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Business Combinations	3	N/A
Insurance Contracts	4	Applied
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	Applied
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	N/A
Financial Instruments	9	Applied
Consolidated Financial Statements	10	N/A
Revenue from Contracts with Customers	15	Applied

17 Event after Reporting Date

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

18 Reporting Period

The financial period of the company covers one year from 1 July to 30 June and is followed consistently.

19 Re-arrangement of Figure

Previous year's figures are re-arranged where necessary to conform to current year's presentation in line with Uniform System of Accounts (USAC) of Bangladesh Energy Regulatory Commission (BERC).

20 The notes and schedules attached hereto form an integral part of the financial statements.



Notes on the Financial Statements

1 Share Capital

The authorized share capital amounting to taka 1,200 crore comprises 1,200,000,000 ordinary shares of taka 10 each instead of taka 800 crore comprises 80,000,000 ordinary shares of taka 100 each as per approval of 8th EGM dated 03 December 2020. The issued, subscribed and paid-up share capital of taka 8,032,503,200 consists of 803,250,320 ordinary shares of taka 10 each are fully called up & paid up.

Details of Share Capital of the company are as under :

30.06.2021		30.06.2020	
Description	Amount	Description	Amount
i) 20,000,000 Ordinary shares of taka 10 each	200,000,000	i) 2,000,000 Ordinary shares of taka 100 each	200,000,000
ii) 3,050,000 Ordinary shares of Tk.10 each	30,500,000	ii) 500,000 Ordinary shares of Tk.100 each upto Tk. 61 called up and paid up	30,500,000
iii) 221,662,260 Ordinary shares of taka 10 each (GOB contribution converted to equity as per 3rd EGM dated 26 May 1996)	2,216,622,600	iii) 22,166,226 Ordinary shares of taka 100 each (GOB contribution converted to equity as per 3rd EGM dated 26 May 1996)	2,216,622,600
iv) 558,538,060 Ordinary shares of taka 10 each (GOB contribution to equity duly converted to paid-up capital as per the decision of 666th Board Meeting and 65th AGM held on 03 December 2020 & 10 January 2021 respectively)	5,585,380,600		-
Total	8,032,503,200	Total	2,447,122,600

Distribution schedule of the above shares as at 30 June 2021 is given below:

Sl. No.	Name of share holder	Designation	No. of Share	Rate	Taka
1	Petrobangla Corporation	-	803,250,250	10	8,032,502,500
2	Mr. A B M Abdul Fattah	Chairman, Petrobangla	10	10	100
3	Mr. Nazmul Ahsan	Director(Administration),Petrobangla	10	10	100
4	Mr. Md. Ayub Khan Chowdhury	Director (Planning), Petrobangla	10	10	100
5	Mr. Md. Shaheenur Islam	Director (PSC), Petrobangla	10	10	100
6	Mr. Ali Mohd. Al-Mamun	Director (Operation & Mines), Petrobangla	10	10	100
7	Mr. Syed Ashfaquzzaman	Secretary, Petrobangla	10	10	100
8	Petrobangla Representative	-	10	10	100
	Total		803,250,320		8,032,503,200

Note: Amount received from GOB as Equity Contribution duly converted to Paid-up Capital upon decision of BGFCL's 666th Board Meeting as well as Company's Shareholder's approval given in 65th Annual General Meeting held on 03 December 2020 and 10 January, 2021 respectively. Accordingly, under Section-92 of Companies Act 1994, Return on Allotment (Form-xv) submitted to the Registrar of Joint Stock Companies and Firms (RJSCF) and certified copy has been collected by the company.

2 GOB contribution to equity

Particulars	30.06.2021	30.06.2020
Opening Balance	5,653,589,536	5,585,380,676
Less: Converted to paid up share capital as per the decision of 666th Board Meeting and 65th AGM held on 03 December 2020 & 10 January 2021 respectively	(5,585,380,600)	-
Add:		
Compressor Project (T&N)- FC	1,598,236,371	57,486,032
Compressor Project (T&N)- GOB	99,778,759	8,649,597
Wellhead Compressor Project Titas A - GOB	2,987,244	2,073,231
Balance as at 30 June	1,769,211,310	5,653,589,536

3 Capital reserves

Particulars	30.06.2021				30.06.2020
	HCDF	Grants	Other	Total	
Opening balance	1,440,196,042	561,939,791	1,030,353	2,003,166,186	1,935,796,086
Add: Inc./(decrs)	70,473,731	-	-	70,473,731	67,370,100
Closing balance	1,510,669,773	561,939,791	1,030,353	2,073,639,917	2,003,166,186

The Hydrocarbon Development Fund(HCDF) is explained in the notes on Principal Accounting Policies (Note 4.18). Movement of HCDF is as follows:

Particulars	30.06.2021	30.06.2020
Opening Balance	1,440,196,042	1,372,825,942
Add: Adjustment of tax provision of previous year	-	-
Add: Interest received during the year	99,134,769	94,083,323
Less: Provision for taxation on current year's interest	(29,740,431)	(30,577,080)
Add: Adjustment of accrued interest	1,079,392	3,863,857
Balance as at 30 June	1,510,669,773	1,440,196,042

The Grants received by the company are as follows :

Donor agency	Amount
UNDP (1994-1995)	47,843,249
CIDA (1996-1997)	371,728,991
French Government (1988-1989)	47,629,264
Department for International Development (DFID)-UK (1981-1982)	64,531,950
ODA (2002-2003)	5,491,337
Others ((1998-1999)	24,715,000
Total	561,939,791

4 Revenue reserves

Revenue reserves comprise of general reserve Tk. 154471717, revaluation reserve Tk. 70419657 and the accumulated profits of Tk. 23791671507.

Particulars	30.06.2021				30.06.2020
	General Reserve	Fixed Asset Revaluation, 1981	Appropriation A/C	Total	Total
Opening balance	154,471,717	70,419,657	21,941,982,320	22,166,873,694	20,196,141,680
Add: Increases/(decreases)			1,849,689,187	1,849,689,187	1,970,732,014
Closing Balance	154,471,717	70,419,657	23,791,671,507	24,016,562,881	22,166,873,694

5 Unsecured loans - Local sources

Loan	Project	30.06.2021	30.06.2020
GOB Loan	3-D Seismic (BGFCL Part)	129,393,114	149,251,686
GOB Loan	Gas Seepage control & Development of Titas Field	934,161,320	1,019,085,076
GOB Loan	Augmentation of Gas Production under Fast Track Programme	5,443,334,258	5,987,667,682
GOB Loan	Installation Gas Compressor at Titas C and NGF	252,643,985	102,975,846
GOB Loan	Wellhead Compressor at Titas-A	20,534,632	16,053,767
GDF Loan	Titas # 12 Workover	65,057,352	130,114,708
GDF Loan	Drilling of Titas # 27	496,353,088	625,981,070
GDF Loan	Workover of wells (Well# 1,2,5,10,11) at Titas Gas Field Seepage Area.	1,261,622,758	1,490,907,804
GDF Loan	Recompletion of Bakhrabad Well No#5	220,541,671	275,677,089
GDF Loan	Compressor at BKB Gas Field	645,906,414	778,685,662
GDF Loan	Titas # 21 Workover	345,347,135	409,727,579
GDF Loan	Drilling of BKB # 10	1,890,341,703	2,207,355,963
GDF Loan	Workover of 7 Wells at Titas, Habigonj and Narsingdi Field	2,824,531,592	2,109,891,846
Total		14,529,769,022	15,303,375,778
Less: Current portion (Principal to be paid in next financial year)		(1,710,174,470)	(1,642,395,509)
Balance as at 30 June		12,819,594,552	13,660,980,269

Movement of unsecured local loans are as follows:

Particulars	30.06.2021	30.06.2020
Balance as at 01 July	15,303,375,778	15,236,503,088
Addition/adjustment during the year	879,740,000	1,184,960,000
Total Loan (Before Repayment)	16,183,115,778	16,421,463,088
Less: Repayment during the year	(1,653,346,756)	(1,118,087,310)
	14,529,769,022	15,303,375,778
Less: Transferred to Current liability (to be paid in next financial year)	(1,710,174,470)	(1,642,395,509)
Balance as at 30 June	12,819,594,552	13,660,980,269

Local unsecured loans are repayable according to the following schedule :

Repayable	30.06.2021	30.06.2020
FY 2021-2022 (See note)	1,710,174,470	1,642,395,509
FY 2022-2023	1,736,762,502	1,710,174,471
FY 2023-2024 & 2024-2025	3,848,712,339	3,594,460,111
FY 2025-2026 to Next	7,234,119,711	8,356,345,687
Total	14,529,769,022	15,303,375,778

Note: The amount repayable within FY 2021-2022 is included under current liabilities.



6 Unsecured loan - foreign sources

Loan	Cur.	Project	30.06.2021	30.06.2020
ADB loan - 2188 BAN(SF),Part-B	US\$	Appraisal Gas Fields (3-D Seismic)	244,835,688	279,812,216
ADB loan - 2622 BAN(SF),Part-B	US\$	Gas Seepage Control	6,456,292,274	7,043,227,936
JICA Loan No-BD-P78	YEN	Inst. of Gas Compressor (TN)	2,940,181,985	542,827,428
ADB loan - 3461 BAN	US\$	Inst. of Wellhead Comp at T-A	284,981,554	33,422,835
ADB loan - 3462 BAN(SF)	US\$	Inst. of Wellhead Comp at T-A	194,305,604	22,788,295
AIIB Loan No-8318	US\$	Inst. of Wellhead Comp at T-A	168,405,699	19,757,377
Total			10,289,002,804	7,941,836,087
Less: Current portion (Principal & Exchange fluctuation to be paid in next financial year)			(621,912,190)	(621,912,190)
Balance as at 30 June			9,667,090,614	7,319,923,897

Movements of unsecured foreign loans are as follows:

Particulars	2020-2021			30.06.2020
	Principal (Book Value)	Exchange	Balance as at	
Balance as at 01 July	7,426,454,065	515,382,022	7,941,836,087	7,839,914,437
Addition during the year	2,969,078,907	-	2,969,078,907	136,898,177
Total Loan (Before Repayment)	10,395,532,972	515,382,022	10,910,914,994	7,976,812,614
Less: Repayment during the year	(577,050,355)	(44,861,835)	(621,912,190)	(34,976,528)
Total	9,818,482,617	470,520,187	10,289,002,804	7,941,836,086
Less: Transferred to Current liability (To be paid in next Financial year)	(577,050,355)	(44,861,835)	(621,912,190)	(621,912,189)
Balance as at 30 June	9,241,432,262	425,658,352	9,667,090,614	7,319,923,897

The repayment profile of foreign loans is as follows :

Repayable	30.06.2021	30.06.2020
FY 2021-2022 (See note)	621,912,190	621,912,189
FY 2022-2023	621,912,190	621,912,190
FY 2023-2024 & 2024-2025	1,243,824,379	1,243,824,379
FY 2025-2026 to Next	7,801,354,045	5,454,187,329
Total	10,289,002,804	7,941,836,087

Note: The amount repayable within FY 2021-2022 is included under current liabilities.

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

7 Accumulated Depreciation (less amount transfer to depreciation fund)

Particulars	30.06.2021	30.06.2020
Balance as at 01 July	6,799,534,130	6,590,801,401
Add: Depreciation & depletion during the year	1,968,519,804	2,018,492,443
	8,768,053,934	8,609,293,844
Less: Adjustment during the year	(3,518,596)	-
	8,764,535,338	8,609,293,844
Less: Transferred to depreciation fund	(1,776,127,286)	(1,809,759,714)
Balance as at 30 June	6,988,408,052	6,799,534,130

8 Depreciation Fund

Particulars	30.06.2021	30.06.2020
Balance as at 01 July	15,245,573,547	13,019,151,083
Add: Interest received during the year	627,276,245	545,628,720
Less: Provision for taxation on current year's interest	(188,182,874)	(177,329,334)
Add/(Less): Adjustment of accrued interest	45,718,501	48,363,364
	15,730,385,420	13,435,813,833
Add: Transferred from accumulated depreciation	1,776,127,286	1,809,759,714
Balance as at 30 June	17,506,512,706	15,245,573,547

9 Emergency Fund

Particulars	30.06.2021	30.06.2020
Balance as at 01 July	1,303,395,654	1,130,972,777
Add: Interest received during the year	65,312,289	49,245,563
Less: Provision for taxation on current year's interest	(19,593,687)	(16,004,808)
Add: Adjustment of accrued interest	2,473,077	6,054,099
	1,351,587,333	1,170,267,631
Add: 5% of after tax profit	107,606,104	133,128,023
Balance as at 30 June	1,459,193,437	1,303,395,654

10 Provision for Deferred Income Tax

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

10.1 Deferred Tax Liability/(Asset)

Particulars	2020-2021	2019-2020
Carrying Amount as per BGFCL Books of Accounts		
A. Fixed Assets	4,157,456,246	4,588,376,165
Less: Freehold Land	(631,563,198)	(631,563,198)
Leasehold Land	(488,644)	(558,451)
Sub-Total-A	3,525,404,404	3,956,254,516
B. Proved Properties	23,865,658,250	24,525,660,605
C. Total Carrying Amount (A+B)	27,391,062,654	28,481,915,121
D. Carrying Value of Tax Base as per 3rd schedule of Income Tax Ordinance 1984.	1,738,399,944	1,928,830,042
E. Taxable Temporary Differences (C-D)	25,652,662,710	26,553,085,079
F. Deferred Tax Liability as at 30 June (at 30% on E)	7,695,798,813	8,629,752,651

10.2 Deferred Tax Expense/(Income)

Particulars	2020-2021	2019-2020
Closing Balance of Deferred Tax Liability (Note: 10)	7,695,798,813	8,629,752,651
Less: Opening Balance of Deferred Tax Liability	8,629,752,651	9,434,681,561
Deferred Tax Expense/(Income)	(933,953,838)	(804,928,910)

11 Trade Creditors

Particulars	Sub-Note	30.06.2021	30.06.2020
Supplementary duty and VAT	11(A)	1,102,589,383	989,843,093
Supply of materials		950,455	5,844,611
Condensate handling	11(B)	196,994,825	145,242,895
Total		1,300,534,663	1,140,930,599

Supplementary duty & VAT -11(A) :	30.06.2021	30.06.2020
Titus Field	669,425,091	566,136,248
Habiganj Field	310,282,605	296,719,997
Bakhrabad Field	69,472,078	76,558,854
Narsingdi Field	43,437,236	40,113,561
Meghna Field	9,972,371	10,314,433
Sub-Total	1,102,589,383	989,843,093

Condensate handling - 11(B)	30.06.2021	30.06.2020
BAPEX	100,858,867	30,104,530
Petrobangla - Tullow (Bangura)	94,989,268	113,991,675
TGTDCL	1,146,690	1,146,690
Sub-Total	196,994,825	145,242,895

12 Accruals & Provisions

Particulars	Sub-Note	30.06.2021	30.06.2020
Capital Expenditure	12(A)	3,481,039	27,787,085
Utilities, incentive bonus etc.	12(B)	38,465,277	39,994,298
Other creditors	12(C)	190,965,681	155,964,095
Advance received against condenset Handling of IOC (Bangura Gas Field)		48,778,734	10,628,762
Total		281,690,731	234,374,240

Capital expenditure -12(A) :	30.06.2021	30.06.2020
Outstanding liabilities for capital work-in-progress	3,481,039	27,787,085
Sub-Total	3,481,039	27,787,085

Utilities, incentive bonus etc.-12(B) :	30.06.2021	30.06.2020
Electricity & water charges	1,527,356	1,333,323
Telephone charges	273,947	473,724
Outstanding liabilities for expenses, incentive bonus, foreign mats., school operating exp etc.	36,663,974	38,187,251
Sub-Total	38,465,277	39,994,298



	30.06.2021	30.06.2020
Other creditors – 12(C)		
Tax & VAT deducted at source from suppliers/contractors	14,077,566	4,975,491
Employees club/union	105,214	272,635
Others	176,782,901	150,715,969
Sub-Total	190,965,681	155,964,095

13 Short Term Bank Loan

Particulars	30.06.2021	30.06.2020
Opening Balance	-	-
Add. Loan Addition During The Year	520,000,000	-
	520,000,000	-
Less: Loan Paid During the Year	480,000,000	-
Balance as on 30 June	40,000,000	-

Facility arrangement for bank overdraft, short term bank loan and term loan are as follows:

Name of Lending Bank: Sonali Bank, Brahmanbaria Branch

Limit : BDT 3,000,000,000, Rate: 0.90% above on placed FDR, Tenure: 1 Year

Terms & Conditions(Security/ Collateral): The FDRs kept with the bank have been considered as lien and if the company fails to pay the loan the bank is entrusted to encash the FDRs for adjustment of the said loan.

14 Current portion of long-term loans

Particulars	30.06.2021	30.06.2020
Principal payable of local loan	1,710,174,470	1,642,395,509
Principal payable of foreign loan	577,050,355	577,050,355
Exchange fluctuation loss/(gain) payable of foreign loan	44,861,835	44,861,835
Total	2,332,086,660	2,264,307,699

15 Interest payable

Particulars	30.06.2021	30.06.2020
Foreign Loan	120,545,896	36,103,804
Local Loan	1,184,265	2,745,500
Interest on SOD Loan	812,972	-
Total	122,543,133	38,849,304

Details of interest payable are as follows :

Loan Description	Opening Balance as at 01.07.2020	Interest Charged during the year	Interest Paid/ Adjustment during the year	Balance as at 30.06.2021
Foreign Loan				
ADB loan - 1293 BAN(SF)Part A	-	-	-	-
ADB loan - 2188 BAN(SF) Part B	53,921	11,346,177	11,374,064	26,034
ADB loan - 2622 BAN(SF) Part B	898,055	322,159,554	322,569,832	487,777
JICA Loan No-BD-P78	35,151,828	84,880,257	-	120,032,085
Total Foreign Loan	36,103,804	418,385,988	333,943,896	120,545,896

Loan Description	Opening Balance as at 01.07.2020	Interest Charged during the year	Interest Paid/ Adjustment during the year	Balance as at 30.06.2021
Local Loan				
GOB Loan - 3-d Seismic (BGFCL Part)	63,516	5,680,078	5,730,536	13,058
GOB Loan - GSCDP	111,375	39,523,283	39,578,819	55,839
GOB Loan - Fast Track Programme	1,948,297	231,557,948	233,148,327	357,919
GDF- Titas # 12 (Workover)	33,773	2,279,681	2,292,065	21,389
GDF- Titas # 27	147,453	11,876,809	11,941,454	82,808
GDF- Workover of wells at Titas gas fields	126,125	28,681,153	28,618,764	188,514
GDF- BKB #5 (workover)	64,776	5,240,130	5,268,653	36,253
GDF- Comp. at BKB field	176,779	14,915,274	14,992,167	99,886
GDF- Titas # 21 (Workover)	57,042	7,875,295	7,880,380	51,957
GDF- BKB # 10 New Well	16,364	42,575,076	42,314,797	276,643
Total Local Loan	2,745,500	390,204,727	391,765,962	1,184,265
SOD Loan		812,972		812,972
Grand Total	38,849,304	809,403,687	725,709,858	122,543,133

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

Particulars	30.06.2021	30.06.2020
Opening balance	38,849,303	23,449,194
Add: Interest charged during the year	809,403,687	722,996,336
Less : Interest paid during the year	(725,709,858)	(707,596,227)
Interest payable	122,543,133	38,849,303



16 Provision for Income Tax

Particulars	30.06.2021	30.06.2020
Tax Provision as at 1st July	886,844,741	976,381,365
Add: Current Tax Provision for Company (Sub-Note: 16.1)	522,072,104	662,933,519
Provision for the year (Depreciation fund, HCDF & Emergency fund)	237,516,992	223,911,222
Tax Provision	1,646,433,837	1,863,226,106
Less: Adjustment of tax liability		
Previous Year Tax Liability as per Assessment Order	(592,247,011)	(495,611,739)
Previous Year Excess Tax provision as per Assessment Order	(294,597,730)	(480,769,626)
	(886,844,741)	(976,381,365)
Balance as at 30 June	759,589,096	886,844,741

16.1 Provision for Current Tax

Particulars	30.06.2021	30.06.2020
Taxable Profit		
Profit before Taxation	1,740,240,347	2,039,795,444
Less: Profit on sale of Fixed Asset	-	-
Taxable Business Profit	1,740,240,347	2,039,795,444
A. Tax on Business Profit (@ 30%)	522,072,104	662,933,519
Interest income of Depreciation fund, HCDF & Emergency fund	791,723,303	688,957,606
B. Tax on interest income of Depreciation fund, HCDF & Emergency fund (@ 30%)	237,516,992	223,911,222
Total Tax provision for the Year (A+B)	759,589,096	886,844,741



17 Fixed Assets (at cost or valuation)

Name of Assets	Original cost 01.07.2020	Additions		Adj. During the year	Total as at 30.06.2021	Accumulated Depreciation 01.07.2020	Charged for the year		Adjust. During the year	Total as at 30.06.2021	Written Down Value as at 30.06.2021	Written Down Value as at 30.06.2020
		Acquisition Cost					On Original Cost	On Ex. Rate Fluct. Loss/ (Gain)				
Land & Land Development	867,771,238	33,407,444	-	-	901,178,682	128,969,223	8,757,348		-	137,726,571	763,452,111	738,802,015
Buildings, sheds & walls	1,344,923,199	61,750,685	-	-	1,406,673,884	582,730,425	42,839,174		-	625,569,599	781,104,285	762,192,774
Furniture Fixture & Domestic Appliances	99,404,984	6,527,395	(4,047,178)		101,885,201	71,973,987	6,649,644		(3,518,596)	75,105,035	26,780,166	27,430,997
Office & Communication Equipment	167,967,967	1,401,840	-		169,369,807	157,380,772	4,423,247		-	161,804,019	7,565,788	10,587,195
Other Equipment	698,730,541	7,315,097	-		706,045,638	485,446,373	69,134,626		-	554,580,999	151,464,639	213,284,168
Production Assets (See Note-16.01)	6,882,762,642	32,388,410	-		6,915,151,052	4,193,655,413	392,550,704	4,854,481	-	4,591,060,598	2,324,090,454	2,689,107,229
Water services	213,216,848	11,755,496	-		224,972,344	119,505,535	38,196,266		-	157,701,801	67,270,543	93,711,313
Vehicles	552,568,906	4,860,000	-		557,428,906	499,308,432	22,392,213		-	521,700,645	35,728,261	53,260,474
Other assets	9,725,107	-	-		9,725,107	9,725,107			-	9,725,107	-	-
Total	10,837,071,432	159,406,367	(4,047,178)		10,992,430,621	6,248,695,267	584,943,222	4,854,481	(3,518,596)	6,834,974,374	4,157,456,247	4,588,376,165
								589,797,703				

Note : 01. Fixed assets owned before 30 June 1981 were revalued using technical price indexes for the industry.

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



17.1 Details of Production Assets are as follows:

A. Original Cost:

Amount in Taka

Particulars	Opening production assets as at 01.07.2020			Addition/Adjustment during 2020-2021			Total Assets as at 30.06.2021		
	Original Cost	Ex. Rate Fluct. Loss/(Gain)	Total	Acquisition Cost	Ex. Rate Fluct. Loss / (Gain)	Total	Original Cost	Ex. Rate Fluct. Loss/(Gain)	Total
Drilling rigs	51,873,461	16,193,491	68,066,952	-	-	-	51,873,461	16,193,491	68,066,952
Production plant	5,028,675,123	376,844,906	5,405,520,029	-	-	-	5,028,675,123	376,844,906	5,405,520,029
Other drilling tools & equipment	201,352,574	36,336,720	237,689,294	32,388,410	-	32,388,410	233,740,984	36,336,720	270,077,704
Production pipeline & storage tank	1,169,309,439	-	1,169,309,439	-	-	-	1,169,309,439	-	1,169,309,439
Sub surface drilling tools	2,176,928	-	2,176,928	-	-	-	2,176,928	-	2,176,928
Total	6,453,387,525	429,375,117	6,882,762,642	32,388,410	-	32,388,410	6,485,775,935	429,375,117	6,915,151,052

B. Accumulated Depreciation:

Particulars	Depreciation as at 01.07.2020			Addition/Adjustment during 2020-2021			Total depreciation as at 30.06.2021		
	Accu. Dep. of Original Cost	Accu. Dep. of Ex. Rate Fluct. Loss/(Gain)	Total	Dep. on Original Cost	Dep on Ex. Rate Fluct. Loss / (Gain)	Total	Accu. Dep. of Original Cost	Accu. Dep. of Ex. Rate Fluct. Loss/(Gain)	Total
Drilling rigs	51,873,461	16,193,491	68,066,952	-	-	-	51,873,461	16,193,491	68,066,952
Production plant	3,114,017,596	346,780,555	3,460,798,151	332,249,349	4,854,481	337,103,830	3,446,266,945	351,635,036	3,797,901,981
Other drilling tools & equipment	190,442,241	32,419,701	222,861,942	5,316,403	-	5,316,403	195,758,644	32,419,701	228,178,345
Production pipeline & storage tank	439,751,440	-	439,751,440	54,984,952	-	54,984,952	494,736,392	-	494,736,392
Sub surface drilling tools	2,176,928	-	2,176,928	-	-	-	2,176,928	-	2,176,928
Total	3,798,261,666	395,393,747	4,193,655,413	392,550,704	4,854,481	397,405,185	4,190,812,370	400,248,228	4,591,060,598

C. Written down value (A-B)

Particulars	Written down value as at 30.06.2021		
	Original Cost	Ex. Rate Fluct. Loss/(Gain)	Total
Drilling rigs	-	-	-
Production plant	1,582,408,178	25,209,870	1,607,618,048
Other drilling tools & equipment	37,982,340	3,917,019	41,899,359
Production pipeline & storage tank	674,573,047	-	674,573,047
Sub surface drilling tools	-	-	-
Total	2,294,963,565	29,126,889	2,324,090,454



18 Proved properties (at cost)

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

Proved properties (at cost)		30.06.2021	30.06.2020
Opening Balance	: Original Cost	36,513,512,356	35,372,215,286
	: Exchange Rate Fluctuation Loss/(Gain)	1,883,330,767	1,883,330,767
		38,396,843,123	37,255,546,053
Add: Addition during the year	: Original Cost	718,719,746	1,141,297,070
Gross Capitalized costs	(a)	39,115,562,869	38,396,843,123
Depletion			
Accumulated depletion as at 01 July	: Original Cost	12,700,569,929	11,335,896,070
	: Exchange Rate Fluctuation Loss/(Gain)	1,170,612,589	1,122,201,252
		13,871,182,518	12,458,097,322
Add: Depletion during the year	: Original Cost	1,332,866,109	1,364,673,859
	: Exchange Rate Fluctuation Loss/(Gain)	45,855,993	48,411,337
		1,378,722,102	1,413,085,196
Accumulated depletion as at 30 June	(b)	15,249,904,620	13,871,182,518
Net capitalized costs	(a-b)	23,865,658,249	24,525,660,605

Details of proved properties are as shown in sub-schedule 18.1

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

19 Net recoverable gas reserve quantities

Particulars	30.06.2021	30.06.2020
	Gas (MMCM)	Gas (MMCM)
Net recoverable reserves as at 01 July	103,544.476	110,584.003
Recoverable developed reserves	-	-
Sub-Total	103,544.476	110,584.003
Changes during the year :		
Revisions of previous estimates of reserve	-	-
Purchases of reserves in place	-	-
Extension, discoveries & other additions	-	-
Sales of reserves in place	-	-
Production during the year	(6,697.586)	(7,039.527)
Total changes during year	(6,697.586)	(7,039.527)
Net recoverable reserves as at 30 June	96,846.890	103,544.476
Recoverable developed reserves	-	-
Recoverable undeveloped reserves	-	-
Total reserves as at 30 June	96,846.890	103,544.476

Note: The reserves of Titas , Habiganj, Bakhrabad, Narsingdi & Meghna field were taken into account in the financial year 2012-2013 as per Petrobangla letter ref. no.49.01.67(part)/247 dated 28.11.2012.



18.1 Details of proved properties (well cost)

A. Original Cost:

Amount in Taka

Particulars	Accumulated Well Cost as at 01.07.2020			Addition during 2020-2021			Accumulated well cost as at 30.06.2021		
	Original Cost	Ex. Rate Fluct. Loss/(Gain)	Total	Acquisition cost	Ex. Rate Fluct. Loss/(Gain)	Total	Original Cost	Ex. Rate Fluct. Loss/(Gain)	Total
Titas Field	26,518,244,860	682,069,555	27,200,314,415	718,719,746	-	718,719,746	27,236,964,606	682,069,555	27,919,034,161
Habiganj Field	2,261,033,739	433,880,776	2,694,914,515	-	-	-	2,261,033,739	433,880,776	2,694,914,515
Bakhrabad Field	5,661,298,072	744,419,972	6,405,718,044	-	-	-	5,661,298,072	744,419,972	6,405,718,044
Narsingdi Field	1,179,785,346	-	1,179,785,346	-	-	-	1,179,785,346	-	1,179,785,346
Meghna Field	447,185,863	-	447,185,863	-	-	-	447,185,863	-	447,185,863
Feni Field	344,566,808	22,960,464	367,527,272	-	-	-	344,566,808	22,960,464	367,527,272
Kamta Field	101,397,668	-	101,397,668	-	-	-	101,397,668	-	101,397,668
Total	36,513,512,356	1,883,330,767	38,396,843,123	718,719,746	-	718,719,746	37,232,232,102	1,883,330,767	39,115,562,869

B. Accumulated Depletion

Particulars	Accumulated Depletion as at 01.07.2020			Depletion during 2020-2021			Accumulated depletion as at 30.06.2021		
	Accu. Depletion of Original Cost	Accu. Depletion of Ex. Rate Fluct. Loss/(Gain)	Total	Depletion on Original Cost	Depletion on Ex. Rate Fluct. Loss / (Gain)	Total	Accu. Depletion of Original Cost	Accu. Depletion of Ex. Rate Fluct. Loss/(Gain)	Total
Titas Field	8,003,412,528	390,003,865	8,393,416,393	1,040,175,327	15,795,290	1,055,970,617	9,043,587,855	405,799,155	9,449,387,010
Habiganj Field	1,735,313,429	346,293,887	2,081,607,316	130,239,872	21,698,430	151,938,302	1,865,553,301	367,992,317	2,233,545,618
Bakhrabad Field	1,671,185,009	411,354,373	2,082,539,382	100,179,710	8,362,273	108,541,983	1,771,364,719	419,716,646	2,191,081,365
Norsingdi Field	552,031,716	-	552,031,716	46,864,320	-	46,864,320	598,896,036	-	598,896,036
Meghna Field	292,662,771	-	292,662,771	15,406,880	-	15,406,880	308,069,651	-	308,069,651
Feni Field	344,566,808	22,960,464	367,527,272	-	-	-	344,566,808	22,960,464	367,527,272
Kamta Field	101,397,668	-	101,397,668	-	-	-	101,397,668	-	101,397,668
Total	12,700,569,929	1,170,612,589	13,871,182,518	1,332,866,109	45,855,993	1,378,722,102	14,033,436,038	1,216,468,582	15,249,904,620

C. Written down value (A - B)

Particulars	Written down value as at 30.06.2021		
	Original Cost	Ex. Rate Fluct. Loss/(Gain)	Total
Titas Field	18,193,376,751	276,270,400	18,469,647,151
Habiganj Field	395,480,438	65,888,459	461,368,897
Bakhrabad Field	3,889,933,353	324,703,326	4,214,636,679
Norsingdi Field	580,889,310	-	580,889,310
Meghna Field	139,116,212	-	139,116,212
Feni Field	-	-	-
Kamta Field	-	-	-
Total	23,198,796,064	666,862,185	23,865,658,249



20 Capital work-in-progress

All pre-production costs incurred in oil and gas exploration and production and other capital expenditure for the year ended 30 June 2021 have been capitalized as work-in-progress.

Particulars	Capital WIP as at 30 June 2021				30.06.2020
	Interest Loan	ERF	Other Costs	Total	
Exploration and appraisal costs	-	-	-	-	-
Development costs	-	-	6,303,355,152	6,303,355,152	1,394,250,851
Total	-	-	6,303,355,152	6,303,355,152	1,394,250,851

Details of work-in-progress are shown in "Annexure-A".

21 Bank Deposits (FDR)

Bank deposits(FDR) classified under "Investments and Other Assets" have a term of three months or more. Balances with a maturity of less than three months have been included under current assets. Out of total bank deposits 84.00% was deposited in Govt. Banks and 16.00% in Private Scheduled Banks. Deposits (FDR) with various banks are as follows:

SL.	Name of the Banks	2020-2021		2019-2020	
		% of Deposit	30.06.2021	% of Deposit	30.06.2020
A. Government Banks					
1	Agrani Bank Ltd.	84%	1,594,163,134	78%	1,181,551,834
2	Bangladesh Krishi Bank		3,404,284,411		2,741,364,764
3	Janata Bank Ltd.		491,736,931		585,666,309
4	Karmashangsthan Bank Ltd.		22,478,954		21,158,000
5	Rupali Bank Ltd.		1,841,209,683		1,336,439,873
6	Sonali Bank Ltd.		3,107,510,801		2,308,952,015
7	BASIC Bank Ltd.		205,088,000		80,000,000
Sub-Total			10,666,471,914		8,255,132,795
B. Private Banks					
8	AB Bank Ltd.	16%	476,264,700	22%	442,641,884
9	Al-Arafa Islami Bank Ltd.		203,045,125		104,250,000
10	NRB Global Bank Ltd.		105,535,000		92,565,000
11	Premier Bank Ltd.		-		54,038,000
12	Social Islami Bank Ltd.		119,134,625		380,244,308
13	One Bank Ltd.		100,000,000		-
14	First Security Islami Bank Ltd.		710,363,332		504,215,634
15	EXIM Bank Ltd.		50,000,000		-
16	NRBC Bank Ltd.		-		150,000,000
17	The Padma Bank Ltd.		30,000,000		30,000,000
18	IFIC Bank Ltd		188,984,106		344,482,425
19	NCC Bank Ltd		-		50,000,000
20	Standard Bank Ltd		110,000,000		208,950,000
Sub-Total			2,093,326,888		2,361,387,251
Total (A+B)		100%	12,759,798,802	100%	10,616,520,046

Bank deposits as at 30 June 2021 includes an FDR amounting Tk. 3.00 (three) crore with Padma Bank limited (Former Farmers Bank Limited), Brahmanbaria Branch. Correspondence is going on for encashment of the said FDR. However, due to the liquidity crisis of the bank, the encashment has been held up till this date.

22 Loans to Group Companies

Particulars	30.06.2021	30.06.2020
Loan given to GTCL for Installation of Bibiana -Dhanua Gas Pipeline	178,484,580	208,232,010
Less: Current Portion	29,747,430	29,747,430
Total	148,737,150	178,484,580

23 Inventories of stores & other materials

Particulars	30.06.2021	30.06.2020
General stores and spares	57,735,549	72,740,432
Project stock	196,519	196,519
Condensate	80,303,220	173,565,383
Other oil products	11,293,847	40,695,341
Total	149,529,135	287,197,675

24 Advances, deposits and prepayments

Particulars	Sub-N	30.06.2021	30.06.2020
Advances	24-A	10,103,671	8,828,183
Deposits	24-B	9,745,887	9,634,457
Prepayments	24-C	11,898,033	10,159,761
Others	24-D	129,547,143	616,084
Total		161,294,734	29,238,485

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

Advances – 24(A) :	30.06.2021	30.06.2020
Advances against procurement	7,787,486	7,639,424
Advance to Employees	2,316,185	1,188,759
Sub-Total	10,103,671	8,828,183

Deposits – 24(B):	30.06.2021	30.06.2020
Customs deposits	1,236,759	1,030,329
Security deposits	4,508,146	4,603,146
VAT on Petroleum Product (POL)	4,000,982	4,000,982
Sub-Total	9,745,887	9,634,457

Pre-payments-24(C) :	30.06.2021	30.06.2020
Ansar Salary (Security cost)	4,148,996	2,033,693
Insurance premium	7,749,037	8,126,068
Sub-Total	11,898,033	10,159,761

Others –24(D) :	30.06.2021	30.06.2020
ITC recoverable from C&F Commission Agent	2,210	23,656
Railway Land Dev tax, AIT & VAT	1,439,424	-
Receivable from Project	128,105,509	592,428
Sub-Total	129,547,143	616,084

25 Employees Loans (Current portion)

Particulars	30.06.2021	30.06.2020
Bi-cycle & motor cycle loan	1,788,708	1,994,857
Computer loan	627,051	727,688
House building loan	27,441,720	34,839,260
Total	29,857,479	37,561,805

26 Trade accounts receivable (excluding group company accounts)

Particulars	30.06.2021	30.06.2020
Padma Oil Company Ltd.	61,012,717	61,012,717
Meghna petroleum Ltd.	71,369,645	75,369,074
Bangladesh Petroleum Corporation.	210,710,483	1,584,928,613
Total	343,092,845	1,721,310,404

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

Particulars	Name of Trade Debtors (POL)			Total as at 30.06.2021	Total as at 30.06.2020
	POCL	MPL	BPC		
Opening Balance	61,012,717	75,369,074	1,584,928,613	1,721,310,404	1,809,422,014
Add. Sales During the year			357,659,540	357,659,540	1,734,329,300
Adjustment of HSD price as per MOPER Order.			(47,986,077)	(47,986,077)	(28,960,379)
Total Receivable	61,012,717	75,369,074	1,894,602,076	2,030,983,867	3,514,790,935
Less. Received during the year			(1,680,708,506)	(1,680,708,506)	(1,772,259,313)
Less. Carrying cost		(3,999,429)	(3,183,087)	(7,182,516)	(21,221,218)
Balance as at 30 June	61,012,717	71,369,645	210,710,483	343,092,845	1,721,310,404



27 Other current assets

Particulars	30.06.2021	30.06.2020
Advance payment of Tax	7,249,668,385	7,291,991,735
Accrued Interest on Fixed Deposit	677,551,145	594,163,520
Accrued Interest on HCDF Investment	31,299,904	30,220,511
Accrued Interest on Depreciation Fund	174,684,104	128,965,602
Accrued Interest on Emergency Fund	20,486,729	18,013,652
Others	5,011,248	26,265,120
Total	8,158,701,515	8,089,620,140

28 Cash and bank balances

Particulars	30.06.2021	30.06.2020
Cash in Hand	4,690,409	4,623,202
Current account	53,700,059	14,393,566
Short-term deposit account	11,996,264	719,098,915
Cheque in transit	470,431,256	571,889,223
Total	540,817,988	1,310,004,906

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



29 Gas distribution companies/corporation

Name of Companies/Corporation	30.06.2021	30.06.2020
Titas Gas Transmission & Distribution Company Ltd. (TGTDCCL)	1,419,373,933	2,928,177,101
Bakhrabad Gas Distribution Company Ltd. (BGDCL)	235,863,304	381,745,471
Karnaphuli Gas Distribution Company Ltd. (KGDCL)	12,033,240	12,033,240
Jalalabad Gas Transmission & Distribution System Ltd. (JGTDSL)	213,667,133	233,527,376
Pashchimanchal Gas Company Ltd. (PGCL)	86,467,682	74,140,395
Sundarban Gas Company Ltd. (SGCL)	174,797,158	408,463,361
Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	-	-
Total	2,142,202,450	4,038,086,944

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

Particulars	Name of Gas Distribution Companies							Total
	TGTDCCL	BGDCL	KGDCL	JGTDSL	PGCL	SGCL	Petrobangla	
Opening Balance :								
Regular	2,928,177,101	381,745,471	12,033,240	233,527,376	74,140,395	408,463,361	-	4,038,086,944
Included in Current A/c.	124,596,387	-	-	-	-	187,040,848	424,863,222	736,500,457
Total Opening	3,052,773,488	381,745,471	12,033,240	233,527,376	74,140,395	595,504,209	424,863,222	4,774,587,401
Add: Adj in open.bal.	-	780	-	-	-	87,176	-	87,956
Opening balance after Adj	3,052,773,488	381,746,251	12,033,240	233,527,376	74,140,395	595,591,385	424,863,222	4,774,675,357
Add:								
Sales During the year	5,830,881,220	848,430,464	-	899,941,297	665,712,377	674,627,023	-	8,919,592,381
Total receivable	8,883,654,708	1,230,176,715	12,033,240	1,133,468,673	739,852,772	1,270,218,408	424,863,222	13,694,267,738
Less: Received during the year	(7,366,535,256)	(994,313,411)	-	(919,801,540)	(653,385,090)	(304,159,303)	-	(10,238,194,600)
Balance as at 30 June	1,517,119,452	235,863,304	12,033,240	213,667,133	86,467,682	966,059,105	424,863,222	3,456,073,138
Regular	1,419,373,927	235,863,306	12,033,245	213,667,134	86,467,680	174,797,158	-	2,142,202,450
Included in Current A/c.	97,745,518	-	-	-	-	791,261,947	424,863,222	1,313,870,687

29A Other Current Accounts

Name of Companies/Corporation	2020-2021			Total as at 30.06.2020
	Irregular Receivable of Gas margin	Inter Comapany Current A/C	Total as at 30.06.2021	
Titas Gas Transmission & Distribution Company Ltd. (TGTDCCL)	97,745,518	(40,928)	97,704,590	124,555,459
Bakhrabad Gas Distribution Company Ltd. (BGDCL)	-	-	-	-
Jalalabad Gas Transmission & Distribution System Ltd. (JGTDSL)	-	8,220,633	8,220,633	8,220,633
Sylhet Gas Fields Ltd. (SGFL)	-	(49,852,379)	(49,852,379)	(49,852,379)
Bangladesh Petroleum Exploration and Production Company Ltd. (BAPEX).	-	87,920,326	87,920,326	87,920,326
Rupantarita Prakritik Gas Company Ltd. (RPGCL)	-	10,790	10,790	10,790
Sundarban Gas Company Ltd. (SGCL)	791,261,947	5,729	791,267,676	187,046,577
Karnaphuli Gas Distribution Company Ltd. (KGDCL)	-	-	-	-
Pashchimanchal Gas Company Ltd. (PGCL)	-	-	-	-
Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	424,863,222	13,615,836	438,479,058	439,498,077
Total	1,313,870,687	59,880,007	1,373,750,695	797,399,483



Notes on Income Statement

30 Sales of Gas

Fieldwise

Name of Fields	2020-2021		2019-2020	
	Quantity in MCM	Sales (Taka)	Quantity in MCM	Sales (Taka)
Titus Gas Field	4,108,327.978	5,209,428,285	4,344,710.541	6,002,415,228
Habiganj Gas Field	1,837,199.799	2,764,219,920	1,917,882.066	2,858,195,436
Bakhrabad Gas Field	387,808.667	486,125,936	420,470.292	569,128,363
Narsingdi Gas Field	276,730.707	370,601,223	257,501.106	381,578,831
Meghna Gas Field	76,462.366	89,217,017	87,836.982	117,354,406
Total	6,686,529.517	8,919,592,381	7,028,400.987	9,928,672,264

Sales of gas to distribution companies were 6686529.517 MCM out of Gas Production 6697586.028 MCM. There was no unaccounted gas considering flared and used for production of 11056.511 MCM.

Company/Corporation wise Gas sales is follows :

Name of Companies/Corporation	2020-2021				2019-2020			
	Quantity in MCM	Sales (Taka)	VAT	Net Sales	Quantity in MCM	Sales (Taka)	VAT	Net Sales
1	2	3	4	5 (3-4)	6	7	8	9 (7-8)
TGTDCL	4,652,923.253	5,830,881,220	2,803,433,959	3,027,447,261	4,756,444.534	6,573,505,924	3,498,635,854	3,074,870,070
BGDCL	499,837.344	848,430,464	500,036,829	348,393,635	738,296.814	1,131,935,434	657,670,096	474,265,338
KGDCI	-	-	-	-	72,728.703	138,092,420	86,544,845	51,547,575
JGTDSL	562,990.814	899,941,297	500,386,931	399,554,366	698,068.380	1,051,108,323	555,689,194	495,419,129
PGCL	441,841.227	665,712,377	365,002,721	300,709,656	294,647.480	437,639,429	234,505,473	203,133,956
SGCL	528,936.879	674,627,023	303,506,336	371,120,687	468,215.076	596,390,734	268,308,799	328,081,935
Petrobangla	-	-	-	-	-	-	-	0
Total	6,686,529.517	8,919,592,381	4,472,366,776	4,447,225,605	7,028,400.987	9,928,672,264	5,301,354,261	4,627,318,003

31 Sales of Petroleum Products

Product	2020-2021		2019-2020	
	Quantity in Litre	Sales (Taka)	Quantity in Litre	Sales (Taka)
Motor Spirit (MS)	1,531,443	80,698,207	6,538,478	390,231,422
High Speed Diesel (HSD)	4,898,179	232,602,141	24,462,776	1,318,569,558
Condensate	21,906,000	965,573,257	-	-
Total Sales	28,335,622	1,278,873,605	31,001,254	1,708,800,980

32 Condensate Handling Income

Particulars	2020-2021			2019-2020		
	Gross Premium	VAT	Net Premium	Gross Premium	VAT	Net Premium
Premium on Condensate handling @ Tk. 1.15 per ltr (incl Vat)	24,239,700	3,161,700	21,078,000	18,117,675	2,363,175	15,754,500

33 Supplementary Duty & Vat

Supplementary Duty & Vat- Gas

Field Name	2020-2021			2019-2020		
	SD	VAT	Total	SD	VAT	Total
Titus Gas Field	-	2,526,990,533	2,526,990,533	-	3,208,108,171	3,208,108,171
HBJ Gas Field	-	1,477,490,316	1,477,490,316	-	1,507,262,199	1,507,262,199
BKB Gas Field	-	246,814,940	246,814,940	-	319,743,684	319,743,684
NGF Gas Field	-	178,161,176	178,161,176	-	202,485,267	202,485,267
MGF Gas Field	-	42,909,812	42,909,812	-	63,754,940	63,754,940
Total (A)	-	4,472,366,777	4,472,366,777	-	5,301,354,261	5,301,354,261

VAT On POL

Product	2020-2021		2019-2020	
	Gross Sales	Net Sales	Gross Sales	Net Sales
Motor Spirit (MS)	11,985,211	11,985,211	51,170,717	51,170,717
High Speed Diesel	35,139,095	35,139,095	175,493,753	175,493,753
Condensate	125,945,108	125,945,108	-	-
	173,069,414	173,069,414	226,664,470	226,664,470
Cond. Handling	3,161,700	3,161,700	2,363,175	2,363,175
Total (B)	176,231,114	176,231,114	229,027,645	229,027,645
Total A+B	-	4,648,597,891	-	5,530,381,906

34 Net Revenue

Product	2020-2021			2019-2020		
	Gross Sales	VAT	Net Sales	Gross Sales	SD & VAT	Net Sales
1	2	3	4 (2-3)	5	6	7 (5-6)
Gas - 34.1	8,919,592,381	4,472,366,777	4,447,225,604	9,928,672,264	5,301,354,261	4,627,318,003
Petroleum Product-34.2	1,278,873,605	173,069,414	1,105,804,191	1,708,800,980	226,664,470	1,482,136,510
Condensate handling Income	24,239,700	3,161,700	21,078,000	18,117,675	2,363,175	15,754,500
Total	10,222,705,686	4,648,597,891	5,574,107,795	11,655,590,919	5,530,381,906	6,125,209,013

34.1 Gas

Field Name	2020-2021			2019-2020		
	Gross Sales	VAT	Net Sales	Gross Sales	VAT	Net Sales
1	2	3	4 (2-3)	5	6	7 (5-6)
Titas Gas Field	5,209,428,285	2,526,990,533	2,682,437,752	6,002,415,228	3,208,108,171	2,794,307,057
HBJ Gas Field	2,764,219,920	1,477,490,316	1,286,729,604	2,858,195,436	1,507,262,199	1,350,933,237
BKB Gas Field	486,125,936	246,814,940	239,310,996	569,128,363	319,743,684	249,384,679
NGF Gas Field	370,601,223	178,161,176	192,440,047	381,578,831	202,485,267	179,093,564
MGF Gas Field	89,217,017	42,909,812	46,307,205	117,354,406	63,754,940	53,599,466
Total	8,919,592,381	4,472,366,777	4,447,225,604	9,928,672,264	5,301,354,261	4,627,318,003

34.2 Petroleum Product

Category	2020-2021			2019-2020		
	Gross Sales	Vat	Net Sales	Gross Sales	Vat	Net Sales
1	2	3	4 (2-3)	5	6	7 (5-6)
Own	1,211,096,405	164,228,912	1,046,867,493	1,424,490,865	189,580,551	1,234,910,314
Purchased	67,777,200	8,840,502	58,936,698	284,310,115	37,083,919	247,226,196
Total	1,278,873,605	173,069,414	1,105,804,191	1,708,800,980	226,664,470	1,482,136,510

35 Production costs including depreciation

Particulars	Sub-N	2020-2021	2019-2020
Pay and allowances of production personnel	35 (A)	740,007,620	831,670,998
Repairs and maintenance	35 (B)	150,970,337	182,352,749
Other production costs	35 (C)	338,765,890	337,434,523
Support costs (See Footnote)	35 (D)	677,860,497	727,637,204
Total Production Cost		1,907,604,344	2,079,095,474
Adjustment of Closing Stock	35 (E)	122,837,890	(46,541,987)
Total Production Cost (A)		2,030,442,234	2,032,553,486
Depletion of oil and gas wells	N-18	1,378,722,101	1,413,085,196
Depreciation of other tangible assets	N-17	589,797,703	605,407,247
Sub -Total (B)		1,968,519,804	2,018,492,443
Total (A+B)		3,998,962,038	4,051,045,929

Footnote:

- a) Production costs exclude all management charges by Petrobangla
b) Directors' fees amounting to taka 1072,000 and the audit fees amounting to taka 269,791 are included in the above production cost (Support cost). In pursuance of Sec. 185, schedule-11(note-3) of the Company Act.1994, all employees of the company receive yearly more than 36,000 taka.

Pay & allowances of production personnel -35 (A)	2020-2021	2019-2020
Pay of officers & staff	188,835,230	188,467,065
Bonus	72,894,460	72,137,490
Conveyance allowance & expenses	2,660,145	2,101,321
Education allowance	2,575,346	2,631,598
House rent allowance	69,567,522	69,198,582
Contribution to pension fund	227,533,530	250,112,477
Contribution to provident fund	718,271	696,446
Gratuity	1,057,875	11,664,986
Leave pay	30,314,514	25,635,518
Lunch subsidy	14,052,910	11,781,710
Gas allowance	7,815,045	8,065,624
Overtime	113,388,492	120,049,684
Employees Income Tax	1,357,545	62,773,519
Shift allowance	3,645,141	2,903,653
Other: House upkeep	818,852	805,568
Washing allowance	188,675	199,093
Utility	1,854,616	1,935,178
Water & Sewerage	729,451	511,486
Total	740,007,620	831,670,998

Repairs & maintenance : 35 (B)	2020-2021	2019-2020
Repair & maint. of vehicle	9,614,523	10,696,479
Repair & maint. of field, plant & machinery	121,768,309	153,693,686
Repair & maint. of building etc.	13,179,893	13,832,067
Repair & maint. of furniture, fixture & office equipt.	6,407,612	4,130,517
Total	150,970,337	182,352,749



Other production costs- 35 (C) :	2020-2021	2019-2020
Medical expenses	34,436,698	28,703,017
Electricity & electric supplies	9,965,393	8,003,314
Petrol, oil & lubricant(POL)	4,054,925	3,943,613
Motor Vehicle Hire	9,910,858	11,831,083
Printing & stationery	1,818,261	1,712,112
Training expenses	481,890	10,368,443
Travelling expenses	1,186,986	2,444,009
Rent rates & taxes	3,709,542	2,715,659
Entertainment & messing expenses	16,994,934	15,799,906
Liveries & uniforms	18,047,850	15,678,018
Postage, telephone, telegraph & telex	537,042	454,154
Safety & security	124,733,438	126,445,394
Insurance expenses	9,185,103	10,680,621
VAT & SD on gas(Own use)in plant/generator	18,519,579	18,638,153
Books, periodicals & newspaper	83,296	110,235
Croceries & cutleries	123,160	139,983
Casual Labour	72,972,921	68,579,756
Employees' tiffin expenses	8,609,151	6,578,467
Washing expenses	918,495	930,543
Soft furnishing	59,060	38,059
Stock expenses/Fuel for production	437,974	771,601
Others(Gardening, office cleaning, transfer expense etc.)	1,979,334	2,868,386
Total	338,765,890	337,434,523
Support costs – 35 (D)	2020-2021	2019-2020
a) Pay & allowances of support personnel		
Pay of officers & staff	123,669,265	125,530,419
Bonus	42,899,915	44,361,351
Conveyance allowance & expenses	749,294	688,333
Education allowance	1,533,118	1,562,035
House rent allowance	35,985,212	35,796,821
Contribution to provident fund	478,847	464,297
Contribution to pension fund	151,689,020	166,741,652
Gratuity	1,586,812	17,497,479
Leave pay	24,961,359	25,373,007
Lunch subsidy	4,652,745	4,154,950
Gas allowance	3,678,375	3,845,407
Overtime	27,345,420	26,943,950
Employees Income Tax	905,030	41,849,013
Shift allowance	101,930	72,570
Others : House Upkeep	1,089,458	1,080,459
Washing Allowance	190,047	206,022
Utility	443,769	462,303
Water & Sewerage	1,767,912	2,742,430
Sub-Total	423,727,528	499,372,498
b) Other Support costs	2020-2021	2019-2020
Medical expenses	21,812,432	19,273,630
Electricity & electric supplies	7,816,081	6,517,383
Office rental	3,455,640	3,503,420
Petrol, oil & lubricant(POL)	5,775,717	4,616,997
Motor Vehicle Hire	5,421,084	8,153,892
Printing & stationery	4,812,623	4,506,865
Training expenses	481,890	7,476,015
Travelling expenses	4,913,470	6,435,111
Entertainment & messing expenses	4,363,513	4,369,098
Liveries & uniforms	8,463,408	8,206,775
Postage,telephone,telegraph & telex	3,367,091	3,396,014
Insurance expenses	8,498,897	9,671,751
Welfare expenses	3,736,831	4,395,890
Legal fees	6,633,695	2,241,573
Director's fees & expenses	5,793,990	4,920,693
Audit fees	269,791	244,235
Corporate social responsibility/Subsription	5,936,850	6,998,950
Advertisement	1,850,858	1,800,861
Books, periodicals & newspaper	1,529,028	1,307,567
Bank charges	4,125,443	3,454,461
Croceries & cutleries	135,573	472,544
Casual Labour	23,206,189	22,956,080
Employees' tiffin expenses	1,962,429	1,479,098
Washing expenses	613,522	621,387
Soft furnishing	1,547,813	685,599
Fuel for generator	4,759,435	4,610,881
School operating expenses	4,200,000	-
Honorarium	77,939,464	77,920,510
Others(Development activities, Recruitment exp,Gardening, office cleaning, transfer exp etc .)	30,710,212	8,027,427
Sub-Total	254,132,969	228,264,706
Total (a+b)	677,860,497	727,637,204

35.E Details of Net increase/(Decrease) in Closing stock of petroleum products are as follows:

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

Product	2020-2021			2019-2020		
	Quantity in Litre	Rate per Litre	Value (Taka)	Quantity in Litre	Rate per Litre	Value (Taka)
Closing Stock						
Motor Spirit (MS)-Titas	19,838	51.67391	1,025,107	119,272	51.67391	6,163,251
Motor Spirit (MS)-BKB			-		51.26543	-
Diesel (HSD)-Titas	179,431	47.32609	8,491,768	695,797	47.32609	32,929,351
Diesel (HSD)-BKB			-		46.91761	-
Condensate-Heavy	2,015,680	36.93040	74,439,869	4,699,797	36.93040	173,565,383
Condensate- Light	124,321	47.16300	5,863,351			-
Total (a)	2,339,270		89,820,095	5,514,866		212,657,985
Opening Stock						
Motor Spirit (MS)-Titas	119,272	51.67391	6,163,251	49,344	51.67391	2,549,797
Motor Spirit (MS)-BKB	-	51.26543	-	29,342	51.26543	1,504,230
Diesel (HSD)-Titas	695,797	47.32609	32,929,351	773,524	47.32609	36,607,866
Diesel (HSD)-BKB	-	46.91761	-	17,108	46.91761	802,666
Condensate	4,699,797	36.93040	173,565,383	3,375,307	36.93040	124,651,438
Total (b)	5,514,866		212,657,985	4,244,625		166,115,998
Adjustment of Closing Value (a-b)			(122,837,890)			46,541,987

36 Purchase of condensate

Name of the company	2020-2021	2019-2020
Condensate purchase from Bapex - Srikail	40,021,689	175,696,430
Condensate purchase from Bapex - Begumganj		3,179,912
Condensate purchase from Bapex - Saldanadi		1,299,400
Condensate purchase from Bapex - Semutang	653,947	1,420,514
Condensate purchase from Bapex - Sundolpur	326,974	964,145
Condensate purchase from Bapex - Rupgonj	653,947	-
Total purchase from BAPEX	41,656,557	182,560,401
Condensate purchase from Tullow -Bangura	1,791,560	-
Total	43,448,116	182,560,401

37 Transportation of Petroleum Products

Description	2020-2021	2019-2020
Carrying cost of sales (MS, HSD sold to BPC)	8,717,260	21,221,217
Condensate Carrying cost (Internal)	-	595,015
Total	8,717,260	21,816,232

38 Other operating income

Particulars	2020-2021	2019-2020
Sale of tender schedules	221,100	697,500
Penalties & fines received	147,562	792,516
Forfeiture of earnest money & security deposit	86,980	113,976
Rental Income	4,660,700	222,873
Sale of fixed assets	441,544	-
Sale of scrap materials	1,164,750	17,648
Liquidated damage	255,309	1,764,631
Others (Recruitment application fee/utility cost recovered from contractors/suppliers)	20,644,245	3,400,980
Total	27,622,191	7,010,124

39 Financial Cost

Particulars	2020-2021	2019-2020
Interest Cost		
Interest on Foreign loan	333,505,731	341,489,262
Interest on Local loans	390,204,728	362,334,566
Interest on SOD Loan	812,972	92,500
Total Interest Cost	724,523,431	703,916,328
Exchange Rate Fluctuation Loss/Gain	-	38,977,134
Total Financial Cost	724,523,431	742,893,462

40 Non-operational Income

Particulars	2020-2021	2019-2020
Investment Income		
Interest on FDR	915,180,780	954,722,720
Sub-Total	915,180,780	954,722,720
Finance Income		
Interest on STD A/C	64,636,964	48,280,887
Interest on House Building Loan	25,838,301	10,109,655
Interest on Computer Loan	96,758	136,724
Sub-Total	90,572,023	58,527,266
Grand Total	1,005,752,803	1,013,249,986

41 Contribution to Beneficiaries' Profit Participation Fund (BPPF)

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

42 Prior Years' Adjustment

Particulars	2020-2021	2019-2020
Excess tax provision in previous year	294,597,730	480,769,626
Excess MSC provision in previous year		28,609,000
Total	294,597,730	509,378,626

43 Contingent liability.

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

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

It is also noted that Income Tax Assessment for the FY 2005-06 was assessed by the Tax authority under section 82C & 83(2) of IT Ordinance 1984, against of which the company appealed to the Appellate Tribunal but failed to have verdict in favor. Then the company submitted an appeal to the Hon'ble High Court Division against that verdict. Now it is under jurisdiction of Hon'ble High Court Division of Supreme Court. Besides this, Tax Authority made assesment for the FY 2012-2013 under section 82BB(1)/ 82BB(3)/ 84/152/156/159/ 83(2)/5th schedule/156/159/84 of IT Ordinance 1984. The company appealed to the Commissioner of Taxes (Appeals). The Appellate Tax Commissioner gave a verdict favoring the company to assess the tax but disallowed interest cost of long term loan in computing financial income. Finalisation of the said tax matter is under consideration of Taxes Appellate Tribunal.

44 Related party disclosures

i) Related party transactions

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

Name of Party	Nature of Transactions	Transactions Value (Taka)	
		01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
Bangladesh Petroleum Expl. and Production Co. Ltd. (BAPEX)	Condensate purchase	41,656,557	182,560,401
Bangladesh Oil, Gas & Mineral Corporation (Petrobangla)	Condensate purchase	1,791,560	-
Titas Gas Transmission and Distribution Co. Ltd. (TGTDC)	Gas sale	5,830,881,220	6,573,505,924
Bakhrabad Gas Distribution Co. Ltd. (BGDCL)	Gas sale	848,430,464	1,131,935,434
Karnaphuli Gas Distribution Co. Ltd. (KGDCL)	Gas sale	-	138,092,420
Jalalabad Gas Trans. & Distribution System Ltd. (JGTDSL)	Gas sale	899,941,297	1,051,108,323
Pashchimanchal Gas Company Ltd. (PGCL)	Gas sale	665,712,377	437,639,429
Sundorban Gas Company Ltd. (SGCL)	Gas sale	674,627,023	596,390,734
Bangladesh Petroleum Corporation (BPC)	Petroleum Product sale	313,300,348	1,708,800,980
Aqua Refinery Ltd.	Condensate sale	51,254,437	-
Super Petrochemical Limited	Condensate sale	914,318,820	-

ii) Particulars of Directors of Bangladesh Gas Fields Company Limited as at June 30, 2021:

Name of Directors	Position	Entities where they have interests
Mr. Md. Anisur Rahman	Chairman	Senior Secretary, Energy & Mineral Resources Division, Ministry of Power, Energy and Mineral Resources., Govt. of Bangladesh.
Mr. Md. Azizul Islam	Director	Additional Secretary (Admin), Energy & Mineral Resources Division, Dhaka.
Mr. Md. Abul Monsur	Director	Ex-additional Secretary (Operation), Energy & Mineral Resources Division, Dhaka.
Mr. Md. Abu Zubair Hossain Bablu	Director	Joint Secretary (Administration) Energy & Mineral Resources Division, Dhaka.
Mr. Md. Harun-Or-Rashid	Director	Director (Finance), Petrobangla, Dhaka
Mr. Ali Mohd. Al-Mamun	Director	Director (Operation & Mines), Petrobangla, Dhaka
Mr. Mst. Farhana Rahman	Director	Deputy Secretary (Administration-2), Energy & Mineral Resources Division, Dhaka.
Mr. Muktaadir Aziz	Director	Private Secretary (Deputy Secretary) to the Power, Energy & Mineral Resources Affairs Adviser to the Prime Minister, Dhaka.
Mr. Md. Taufiqur Rahman Tapu	Director	Managing Director of Bangladesh Gas Fields Company Limited.



Bangladesh Gas Fields Company Ltd.
(A Company of Petrobangla)
Capital Work In Progress
As at June 30, 2021

Annexure- A

Amount in Taka

SL No	Particulars	Balance as at 01.07.2020	Addition during the year	Cumulative Balance as at 30.06.2021	Transferred upto Previous Year	Transferred Current Year	Cumulative Transferred	Balance as at 30.06.2021
1	2	3	4	5 (3+4)	6	7	8 (6+7)	9 (5-8)
01	Workover of 7 Wells at Titas/Habiganj Bakhrabad and Narsingdi Field	2,109,891,846	720,287,405	2,830,179,251	1,948,608,307	718,719,746	2,667,328,053	162,851,198
02	Well Head Compressor Titas-A	102,823,851	579,192,459	682,016,310	793,549	554,785	1,348,334	680,667,976
03	Compressor Project Titas C & NGF	1,121,230,864	4,329,918,083	5,451,148,947	8,711,593	1,228,266	9,939,859	5,441,209,088
	Total Project	3,333,946,561	5,629,397,947	8,963,344,508	1,958,113,449	720,502,797	2,678,616,246	6,284,728,262
04	Civil Construction	18,417,739	111,060,338	129,478,077	-	110,851,187	110,851,187	18,626,890
	Total	3,352,364,300	5,740,458,285	9,092,822,585	1,958,113,449	831,353,984	2,789,467,433	6,303,355,152



BANGLADESH GAS FIELDS COMPANY LIMITED
BUDGET VARIANCE WITH ACTUAL EXPENDITURE
For 01 July 2020*To 30 June 2021

Taka in lac

SL No	Particulars	2019-2020	2020-2021		
		Actual	Budget	Actual Expenses	Variance
<u>A. Employees Expenses</u>					
1	Officers' Salaries	1,963.27	2,115.60	1,952.85	162.75
2	Staff Salaries	1,176.71	1,195.80	1,172.20	23.60
6	House Rent Allowance	1,049.95	1,341.00	1,055.53	285.47
7	Education Assistance Alw.	41.94	66.00	41.08	24.92
8	Medical allowance	88.97	83.90	84.90	(1.00)
9	Medical Expenses	390.79	610.55	477.59	132.96
10	Employees' Tiffin Allow. & Exp.	80.58	100.00	105.72	(5.72)
11	Festival Bonus	670.30	715.40	668.35	47.05
12	Incentive Bonus	494.69	551.95	489.59	62.36
13	Conveyance Allowance	27.90	27.40	34.09	(6.69)
14	Overtime	1,469.94	1,400.00	1,407.34	(7.34)
15	Liveries & Uniforms	238.85	297.05	265.11	31.94
16	Washing Allowances	4.05	4.10	3.79	0.31
17	Welfare Expenses	43.96	39.15	37.37	1.78
18	Leave Pay	264.61	274.35	303.61	(29.26)
19	Gratuity	291.62	173.70	26.45	147.25
20	Pension Fund	4,168.54	3,882.60	3,792.23	90.37
21	Leave Fare	245.48	277.20	249.14	28.06
22	Employee Tea Expenses	51.86	75.00	53.37	21.63
23	Lunch Subsidy	159.37	186.30	187.06	(0.76)
24	Group Insurance	81.51	86.35	73.20	13.15
25	Contribution to Provident Fund (CPF)	11.61	12.90	11.97	0.93
26	Gas Allowance	119.11	130.85	114.93	15.92
27	Shift Allowances/Hardship Allow.	29.76	28.85	37.47	(8.62)
28	Honorarium	779.21	1,133.00	779.39	353.61
29	Employees Income Tax	1,046.23	30.00	22.63	7.37
31	Others (Utility, Wash, Water & Elec. etc.)	75.37	83.33	67.04	16.29
	Sub Total (A)	15,066.16	14,922.35	13,514.00	1,408.33



BANGLADESH GAS FIELDS COMPANY LIMITED
BUDGET VARIANCE WITH ACTUAL EXPENDITURE
For 01 July 2020 To 30 June 2021

Taka in lac

SL No	Particulars	2019-2020	2020-2021		
		Actual	Budget	Actual Expenses	Variance
B. Office Expenses					
34	Printing & Stationery	62.19	75.00	66.31	8.69
35	Postage, Telegraph & Telephone	38.50	60.00	39.04	20.96
36	Electricity & Water Expenses	111.14	170.00	149.52	20.48
37	Electric Supplies	34.07	80.00	28.29	51.71
38	Travelling Expenses	88.79	60.00	61.00	(1.00)
39	Office Rent	35.03	38.00	34.56	3.44
40	Entertainment Expenses (with AGM)	142.83	140.00	153.57	(13.57)
41	Training Expenses	178.44	10.00	9.64	0.36
42	Legal Expenses	14.55	90.00	61.11	28.89
43	Consultant Fee	7.86	11.40	5.23	6.18
44	Insurance Expenses	122.01	129.50	103.64	25.86
45	Director fees & Board Expenses	49.21	50.00	57.94	(7.94)
46	Audit Fees	2.44	4.00	2.70	1.30
47	Bank Charges	34.54	44.00	41.25	2.75
48	Books & Periodicals	14.18	23.00	16.12	6.88
50	Tax (Land Development Tax & UP Tax)	27.16	43.30	37.10	6.20
51	Petrol, Oil & Lubricant (POL)	85.61	115.00	98.31	16.69
52	Condensate Transport	218.16	80.00	87.17	(7.17)
53	Motor Vehicle Hire	199.85	250.00	153.32	96.68
54	Rep.& Maint. of Vehicles	106.96	200.00	96.15	103.85
55	Rep.& Maint. of Field, Plant & Machinery	1,536.94	4,000.00	1,217.68	2,782.32
56	Rep.& Maint. of Building etc.	138.32	180.00	131.80	48.20
57	Rep.& Maint. of Furniture, Fixt & Office Eqpt	41.31	80.00	64.08	15.92
58	Corporate Social Resposibility/Subsription	69.99	60.00	59.37	0.63
59	Advertisement	18.01	26.00	18.51	7.49
60	Crockeries & Cutleries	6.13	7.00	2.59	4.41
61	Depreciation & Depletion	20,184.92	22,010.00	19,685.20	2,324.80
63	Internal Gas Use (Fuel for H/O Generator)	53.82	90.00	51.97	38.03
64	Residential Furnishing/Soft Furnishing	7.24	24.00	16.07	7.93
65	Entertainment Allowance	7.00	7.50	6.65	0.85
66	VAT on Gas (own use) in Plant/Generator/Veh	186.38	250.00	185.20	64.80
67	Casual Labour	915.36	1,000.00	961.79	38.21
68	Safety & Security Expenses (Ansar etc.)	1,264.45	1,650.00	1,247.33	402.67
69	School Operating Expenses	-	42.00	42.00	-
70	Others (National Day, Recruitment exp, Development activ. et	124.48	563.40	342.22	221.18
	Sub Total (B)	26,127.88	31,663.10	25,334.42	6,328.68
	Sub Total (A+B)	41,194.04	46,585.45	38,848.42	7,737.03
	POL Closing stock adjustment (C)	(465.42)	-	1,228.38	(1,228.38)
	Purchase Cost of Condensate (D)	-	508.55	434.48	74.07
	Grand Total : (A+B+C+D)	40,728.62	47,094.00	40,511.28	6,582.72



BANGLADESH GAS FIELDS COMPANY LIMITED
(A COMPANY OF PETROBANGLA)
Key performance indicator (KPI)

Particulars	2020-2021	2019-2020
(Tk in lac)		
1) Current ratio (2:1)		
Total current assets	129,289.94	163,401.67
Total current liabilities	49,280.36	46,726.64
	2.62 : 1	3.50 : 1
2) Liquidity ratio (1:1)		
Current assets	129,289.94	163,401.67
Less: Inventory	1,495.29	2,871.98
Cash assets & cash equivalent assets	127,794.65	160,529.69
Total current liabilities	49,280.36	46,726.64
	2.59 : 1	3.44 : 1
3) Rate of Return on average net fixed assets (ROR)		
Net profit before tax	17,402.40	20,397.95
Interest charges (P/L Account)	7,245.23	7,039.16
	24,647.63	27,437.11
Average net fixed assets	285,685.76	294,795.07
	8.63 %	9.31 %
4) Debt-Equity ratio (60:40)		
Year end long term Loans:		
Long term loan	220,610.27	205,103.84
Reserve for exchange fluctuation	4,256.58	4,705.20
	224,866.85	209,809.04
Capital and reserves:		
Share capital	80,325.03	24,471.23
GOB contribution to equity	17,692.11	56,535.89
Capital reserves(excluding HCDF)	5,629.70	5,629.70
General reserves	240,165.63	221,668.74
	343,812.47	308,305.56
Debt : Equity	40 : 60	40 : 60
5) Debt- Service Coverage Ratio (DSCR) : (Not less than 1.2 times)		
Net Operating Income		
Net Operating Profit	8,260.79	11,339.03
Add: Interest cost	7,245.23	7,428.94
Add: Depreciation & Depletion	19,685.20	20,184.92
	35,191.22	38,952.89
Debt service requirement		
Current portion of long term loan	23,320.87	22,643.08
Short term bank loan	400.00	-
Interest	7,245.23	7,428.94
	30,966.10	30,072.02
Debt- Service Coverage Ratio :	1.14 Times	1.30 Times
6) Total unit cost (In taka)		
a) Unit cost per MCM =	$\frac{\text{Total cost}}{\text{Gas production in MCM}}$	$\frac{4,692,239,175}{6,697,586}$
	700.59	705.96
b) Unit cost per MCF =	$\frac{\text{Total cost}}{\text{Gas production in MCF}}$	$\frac{4,692,239,175}{236,523,241}$
	19.84	19.99
7) Earning Per Share (EPS)		
a) EPS	$\frac{\text{Net profit After Tax}}{\text{No of Shares}}$	$\frac{2,152,122,081}{803,250,320}$
	2.68	88.45
b) EPS (with potential share)	$\frac{\text{Net profit After Tax}}{\text{No of Shares}}$	$\frac{2,152,122,081}{980,171,451}$
	2.20	2.72
===== 0 =====		

