Dhaka Electric Supply Company Limited (DESCO)
Statement of Financial Position (Un-Audited)
As at 30 September 2017

Particulars		Amount in Taka		
		30 Sep' 2017		30 June 2017
Assets:				
Non Current Assets:				
Property, Plant & Equipment	1	17,097,762,557		16,389,376,671
Capital Work -in- Progress		4,315,419,244		4,078,349,998
		21,413,181,801		**20,467,726,669**
Current Assets:				
Stores and Spares	2	6,259,094,247		7,040,185,610
Accounts Receivable		4,964,495,084		4,205,233,504
Advances & Deposits		680,878,683		582,799,971
Advance Income Tax		787,528,093		786,323,069
Cash and Bank Balances	4	15,571,210,276		15,032,516,674
		28,263,206,383		**27,647,058,829**
Total Assets		**49,676,388,184**		**48,114,785,497**
Equity & Liabilities:				
Capital & Reserves:				
Share Capital		3,975,698,044		3,975,698,044
GOB Equity	5	3,100,140,000		3,100,140,000
Retained Earnings	6	8,154,595,052		7,945,740,236
Equity		**15,230,433,096**		**15,021,578,281**
Long Term Liabilities:				
Share Money Deposit		56,250,000		56,250,000
Long Term Loans (ADB & GOB)	7	12,722,614,998		12,099,346,138
Deferred Tax Liability	8	2,252,338,322		2,217,755,794
Due to DESA / DPDC (for assets taken over)		4,039,671,539		4,039,671,539
Consumer Security Deposits		2,514,419,890		2,384,802,056
		21,585,294,749		**20,797,825,527**
Current Liabilities:				
Accounts Payable		6,397,958,818		6,299,552,428
Creditors for Goods/Works		898,932,359		514,967,500
Creditors for Other Finance		2,485,636,142		2,496,773,858
Creditors for Expenses		246,027,655		323,345,646
Current Maturity of Long Term Loans		728,927,932		727,227,833
Accrued Interest on Loans		1,899,953,057		1,769,571,524
Provision for Income Tax		203,224,386		163,942,895
		12,860,660,349		**12,295,381,686**
Total Equity & Liabilities		**49,676,388,194**		**48,114,785,497**

Md. Abdullah Al Masud Chowdhury
Executive Director (Finance & Accounts)

Brig. Gen Md. Shahid Sarwar (Rtd)
Managing Director

Dhaka Electric Supply Company Limited (DESCO)
Statement of Comprehensive Income (Un-Audited)
For the 1st Quarter ended 30 September 2017

Particulars		1st July to 30 Sep' 2017		1st July to 30 Sep' 2016
		Taka		Taka
Operating Revenue:				
Energy Sales (Net of Vat)		10388773453	9	9545003119
Other Operating Revenue		129347495	10	169830817
Total Revenue from Operation		**10,518,120,948**		**9,714,833,936**
Cost of energy Sales:				
Energy Purchase (including wheeling Charge)		9,265,220,221	11	8,502,601,140
Operating Expenses		147,030,984	12	177,082,984
Depreciation (Operating)		171,324,576	15	164,248,344
		9,583,575,781		**8,843,932,468**
Gross Margin		**934,545,167**		**870,901,468**
Cost & Expenditure:				
Administrative Expenses		83,415,459	13	55,545,835
Employee Expenses		404,522,559	14	396,715,974
Depreciation (Non Operating)		13,149,151	15	11,266,765
		501,087,169		**463,528,574**
Operating Profit		**433,457,998**		**407,372,894**
Non Operating Income/(Expense)				
Interest Income		5,851,083	16	5,965,410
Interest Expenses		(130,381,534)	17	(111,917,040)
Exchange (Loss)/Gain		(29,974,878)		-
Miscellaneous Income		3,766,166		369,037
Non Operating Income(Net)		**(150,739,163)**		**(105,582,593)**
Net Profit before tax		**282,718,835**		**301,790,301**
Income Tax :				
Current Tax Provision		(39,281,491)	18	(75,447,575)
Deferred tax Provision		(34,582,529)	19	-
		(73,864,020)		(75,447,575)
Net Profit After Tax		**208,854,815**		**226,342,726**
Basic Earnings per Share		**0.53**		**0.57**

Md. Abdullah Al Masud Chowdhury
Executive Director (Finance & Accounts)

Brig. Gen Md. Shahid Sarwar (Rtd)
Managing Director

Dhaka Electric Supply Company Limited (DESCO)
Statement of Cash Flows (Un-Audited)
For the 1st Quarter ended 30 September 2017

	PARTICULARS		1st July to 30 Sep' 2017 Taka		1st July to 30 Sep' 2016 Taka
	Cash Flow from operating Activities:				
	Received from Energy Sales		9,664,673,954	20	8,719,367,342
	Collection of Govt. Duty, VAT & Tax		583,519,769		544,234,648
	Received from Other Operating & Non Operating Activities		770,363,962	21	267,786,325
	Received against Financial Income		5,851,083		5,965,410
	Payment for Energy Purchase		(9,166,813,828)	22	(8,509,334,544)
	Payment for Employee Expenses		(402,022,559)	23	(399,921,803)
	Payment for Operating & Administrative Expenses		(245,046,453)		(159,259,966)
	Income Tax Paid		(1,205,024)		(7,405,361)
	Payment for Govt. Duty, Vat & Tax		(529,643,008)		(523,548,004)
A.	**Net cash inflow from operating activities:**		**679,677,896**		**(82,115,953)**
	Cash Flow from Investing Activities:				
	Acquisition of Property & Plant		(180,778,850)		(217,622,951)
	Acquisition of Stores & Equipment		(713,092,139)		(473,410,849)
B.	**Net cash used in investing activities:**		**(893,870,989)**		**(691,033,800)**
	Cash Flow from Financing Activities:				
	Dividend Paid		-		-
	Loan Received		623,268,861		440,961,810
	Consumer Security Deposits received		129,617,834		76,035,439
C.	**Net cash inflow from financing activities:**		**752,886,695**		**516,997,249**
D.	Cash & Cash equivalents increase /(decrease) during the year		538,693,602		(236,152,504)
E.	Cash & Cash equivalents at the beginning of the year		15,032,516,674		15,141,555,339
F.	Cash & Cash equivalents at the ending of the year		**15,571,210,276**		**14,905,402,835**
	Net operating cash flow per share		**1.71**		**(0.16)**

Md. Abdullah Al Masud Chowdhury
Executive Director (Finance & Accounts)

Brig. Gen Md. Shahid Sarwar (Rtd)
Managing Director

DHAKA ELECTRIC SUPPLY COMPANY LIMITED (DESCO)

Statement of Changes in Equity

For the 1st Quarter ended 30 September 2017

Particulars	Share Capital	Share Money Depodit	GOB Equity	Retained Earnings	Total
Balance at 01 July 2017	3,975,698,044	-	3,100,140,000	7,945,740,249	15,021,578,293
Net profit for the year	-		-	208,854,815	208,854,815
Balance at 30 June 2017	**3,975,698,044**		**3,100,140,000**	**8,154,595,052**	**15,230,433,108**

For the 1'st quarter ended 30 September - 2016

Particulars	Share Capital		GOB Equity	Retained Earnings	Total
Balance at 30June' 2016	3,975,698,044	75,000,000	2,722,140,000	7,951,353,689	14,724,191,733
Net profit for the year			90,000,000	226,342,726	316,342,725
Balance at 30 September 2016	**3,975,698,044**		**2,812,140,000**	**8,177,696,415**	**15,040,534,458**

Md. Abdullah Al Masud Chowdhury
Executive Director (Finance & Accounts)

Brig. Gen Md. Shahid Sarwar (Rtd)
Managing Director

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Dhaka Electric Supply Company Limited
Notes to the financial statements - (Un Audited)
For the period 1st July - 2017 to Sep'30 - 2017

01.00 Property, Plant & Equipment:

	Amount In Taka	
	1st July to 30 Sep' 2017	**30 June, 2017**
Cost:		
Opening Balance	24,946,867,964	21,983,522,671
Less: Disposal of distribution equipment	(62,000)	(1,032,553)
	24,946,805,964	21,982,490,118
Additions during the year	892,884,013	2,964,377,846
Closing Balance	**25,839,689,977**	**24,946,867,964**
Depreciation:		
Opening Balance	8,557,491,292	7,819,986,787
Less: Adjustment for disposals	(37,600)	(390,400)
	8,557,453,692	7,819,596,387
Charged for the year and including prior year adjustment.	184,473,726	737,894,905
Closing Balance	8,741,927,418	8,557,491,292
Written Down Value (WDV)	**17,097,762,557**	**16,389,376,671**

02.00 Stores & Spares :

	1st July to 30 Sep' 2017	**30 June, 2017**
Stores & Spares (Note-02.01)	6,010,976,762	6,700,505,094
Stores in Transit (Note-02.02)	248,117,485	339,680,517
Total	**6,259,094,247**	**7,040,185,611**

02.01 **Cost of Stores & Spares**

	1st July to 30 Sep' 2017	**30 June, 2017**
Cable & Accessories	3827482605	4,224,933,631
Pole & Pole fittings	557395054	483,769,115
Distribution transformers	570219353	590,870,180
Meter & Meter accessories	149887180	473,967,610
Sub-station equipment & spares	792808892	813,780,880
Tools, equipment & others	113183678	113,183,678
Total:	**6,010,976,762**	**6,700,505,094**

02.02 This presented cost of materials, including L/C charge and Pre -Shipment- Inspection (PSI) expenses, paid against imported materials for which post landing inspection (PLI) has not been completed.

03.00 Advance Income Tax:

	1st July to 30 Sep' 2017	**30 June, 2017**
Income Tax paid for 2011-12	141,567,000	141,567,000
Income Tax paid for 2012-13	49,135,498	49,135,498
Income Tax paid for 2013-14	69,253,387	69,253,387
Income Tax paid for 2014-15	133,215,392	133,215,392
Income Tax paid for 2015-16	242,891,810	242,891,810
Income Tax paid for 2016-17	150,259,982	150,259,982
Income Tax paid for July'17 - Sept'17	1,205,024	
Closing Balance	**787,528,093**	**786,323,070**

03.01 Advance Income Tax paid during the year:

	1st July to 30 Sep' 2017	30 June, 2017
Deducted at source (on interest on FDR & STD)	608,820	76,348,899
Deducted at source (on imported materials)	596,203	72,781,006
Income tax paid	-	1,130,077
Total	**1,205,024**	**150,259,982**

4.00 Cash and Bank Balance

	1st July to 30 Sep' 2017	30 June, 2017
Imprest Cash Account	1,933,833	1933833
FDR	10636152876.60	10381256874
STD Account	1422613701.56	1,274,676,597
Curent Account (Revenue Account)	3279472043	3,172,754,284
Vat Account	231037822	201895085
Total	**15,571,210,276**	**15032516673**

05.00 GOB Equity

	1st July to 30 Sep' 2017	30 June, 2017
Opening Balance	2,722,140,000	2,722,140,000
Addition during the period	378,000,000	378,000,000
Closing Balance	**3,100,140,000**	**3,100,140,000**

This represents loan received from the Government from time to time under Annual Development Program (ADP) of which 60% is "Govt. Equity" the balance 40% is soft loan. In the absence of any Govt. directive, no share have been issued against such equity.

06.00 Retained Earnings

	1st July to 30 Sep' 2017	30 June, 2017
Opening Balance	7,945,740,236	7,951,353,689
Prior year's adjustment		216,142,700
Net Profit for the year	208,854,815	175,813,664
	8,154,595,051	8,343,310,052
Dividend paid/ Bonus shares issued for FY 2014-2015		(397,569,804)
Closing Balance	**8,154,595,051**	**7,945,740,236**

07.00 Long tearm Loan (ADB & GOB)

	1st July to 30 Sep' 2017	30 June, 2017
Opening Balance	12,099,346,137	10,534,771,717
Addition during the period	623,268,861	2,241,309,809
Paid during the period	-	(676,735,389)
Closing Balance	**12,722,614,998**	**12,099,346,137**

08.00 Deferred Tax Liability

	1st July to 30 Sep' 2017	30 June, 2017
Opening Balance	2,217,755,793	1,928,129,606
Addition during 03 Month	34,582,529	289,626,187
Closing Balance	**2,252,338,322**	**2,217,755,793**

	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
09.00 Energy Sales	**10,388,773,453**	**9,545,003,119**

Energy Sales has increased due to increse of retail tariff and number of consumer increased.This change effect from 1st July/16

10.00 Other Operating Revenue

	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Other operating Revenue	129,347,495	169,830,817

This represents application fee, disconnection / reconnection fees, cost of materials realized, meter testing fees, meter rent etc.

11.00 Energy Purchase

	1st July to 30 Sep' 2017		1st July to 30 Sep' 2016	
	Unit (MKH)	Amount in Tk.	Unit (MKH)	Amount in Tk.
Energy Purchase (Including wheeling charge)	1511.68	9,265,220,221	1,387.25	8,502,601,140

Energy Purchase increased due to increse of bulk tariff as well as consumption increased.

12.00 Operating Expenses

Description	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Commercial Operation Support Service	30,637,661	28,898,506
Schedule & Preventive Maintenance	52,012,953	52,593,562
Consultancy Survey & Inspection	1,024,287	50,000
Special Action Team & Collection Drive	144,670	127,053
Maintenance of distribution line & equipment	5,546,844	10,414,495
R&M of Grid Sub-Station/ Sub-Station/ Switching Station	6,311,078	13,866,781
Repair & Maintenance of Transformer	34,806	3,727,069
Meter & Service cable issue	34,607,431	52,103,993
Revenue Stamp Charge Against Consumer Bill	16,711,254	15,301,525
Total	**147030984**	**177082984**

13.00 Administrative Expenses

Description	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Advertisement & Notices	821,038	443,234
Annual Picnic	33,600	-
Bank Charges	57,667	97,707
Conveyance	374,493	327,420
Cleaning Expenses	1,335,156	1,611,779
Directors' Fees	287,500	365,625
Electricity, gas & water	4,809,951	4,667,762
Entertainment	972,034	1,147,169
Fuel/ CNG for Vehicles	2,170,355	2,039,746
Honorarium to various committee members	582,000	544,375
Insurance of vehicles	470,386	598,772
Legal & Professional fees	945,200	513,043
Newspaper & Periodicals	87,813	59,356
Office Upkeep	291,391	438,313
Office Rent	10,689,640	10,877,262
Office Security	10,407,230	9,575,991
Postage, telephone & internet	1,031,680	1,330,701
Printing & Stationery	830,565	2,577,249
Rates & Taxes	415,832	932,731
Repair & Maintenance of Non operating Assets	2,013,125	2,896,482
Repair & Servicing of Vehicle	1,450,537	2,099,775
Inspection, Survey & Consultancy fees	20,185,193	595,990
Staff Training	6,076,432	3,088,078
Listing Fee & annual charges & BERC Charge	-	2,606,000
Hired Transport	5,335,741	5,227,100
Corporate Social Expenses	11,600,000	556,755
Different Days Celebration	34,900	-
Listing Fee & annual charges & BERC Charge	106,000	-
Total	**83,415,459**	**55,545,835**

14.00 Employee Expenditure

Description	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Salary & Allowances	304,429,630	288,609,990
Festival Bonus	60,505,595	58,290,975
Earned Leave Encashment	-	552,075
Company's Contribution to provident fund	17,357,927	29,382,397
Electricity Expenses	4,984,266	4,874,731
Telephone expense reimbursed	34,594	33,867
Medical expense reimbursed	17,116,547	14,871,939
Medical Retainer Fee	90,000	100,000
Uniform	4,000	-
Total	**404,522,559**	**396,715,974**

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15.00 Depreciation:

	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Depreciation (operating)	171,560,566	164,248,344
Depreciation (non operating)	12,913,161	11,266,765
Total	**184,473,727**	**175,515,109**

16.00 Inteest Income

	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Inteest Income from FDR, STD Account	**5,851,083**	**5,966,410**

Interest income decrease due to lower interest rate on FDR & STD Accounts then previous year & encashment of FDR for procurement purpose.

17.00 Inteest Expenses

	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Inteest Expenses on ADB & GOB Loan	**(130,381,534)**	**(111,917,040)**

Interest expenses due to additional loan taken from ADB & GOB for devlopment work.

18.00 Current tax expenses

	Amount In Taka	
	1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
Profit before tax as per income statement	**282,718,835**	**233,700,717**
Add: Accounting depreciation	184,473,726	737,894,905
Add: Bad debt Provision	-	2,286,013
Add: Corporate Social Expenses (CSR)	11,600,000	17,025,194
	478,792,561	990,906,829
Less:Depreciation as per 3rd Schedule of Tax Ordinance,1984.	322,766,246	(1,917,863,363)
Taxable Income as per calculation	157,125,963	(926,956,534)
Current Tax (at 25%)	39,281,491	(231,739,134)
Current tax expenses	**39,281,491**	**(231,739,134)**

19.00 Deffered Tax Provision:

	1st July to 30 Sep' 2017	30,June 2017
Opening Balance	**2,217,755,793**	**1,928,129,606**
Provision during this period	34,582,529	289,626,187
Closing Balance	**2,252,338,322**	**2,217,755,793**
Deferred tax provision has been arrived at as under:		
Carrying amount of assets	17,097,762,557	16,389,376,671
Tax base amount of assets	8,088,409,268	7,518,353,501
Temporary Difference	9,009,353,289	8,871,023,170
Effective Tax Rate	25.00%	25.00%
Total Deferred tax Provision required	2,252,338,322	2,217,755,793
Already provided up to last year	2,217,755,793	1,928,129,606
Deferred tax Provision during the year	**34,582,529**	**289,626,187**

		1st July to 30 Sep' 2017	1st July to 30 Sep' 2016
20.00	**Cash in flow from energy sales**		
	Cash received from energy sales	9,664,673,954	8,719,367,342
	Energy sales received increased due to increase of sales volume and price.		
21.00	**Cash in flow from other operating & non operating activities**		
	Received from Deposit Work	92,703,736	69,412,504
	Received from Dhaka mass repid transport (DMRT)	670,000,000	47,500,000.00
	Other operating revenue	3,842,060	101638412
	Other non operating activities	3,818,166	49235409
		770,363,962	**267,786,325**
22.00	**Cash paid for energy purchase**		
	Cash paid for energy purchase	(9,166,813,828)	(8,509,334,544)
	Energy purchase payment increased due to increase of consumption.		
23.00	**Cash flow from employee expenses**		
	Salary and other expenses	(402,022,559)	(399,921,803)
	Gratuity transfer to gratuity fund	-	-
	Total	**(402,022,559)**	**(399,921,803)**

Md. Abdullah Al Masud Chowdhury
Executive Director (Finance & Accounts)

Brig General Md. Shahid Sarwar (Rtd)
Managing Director

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