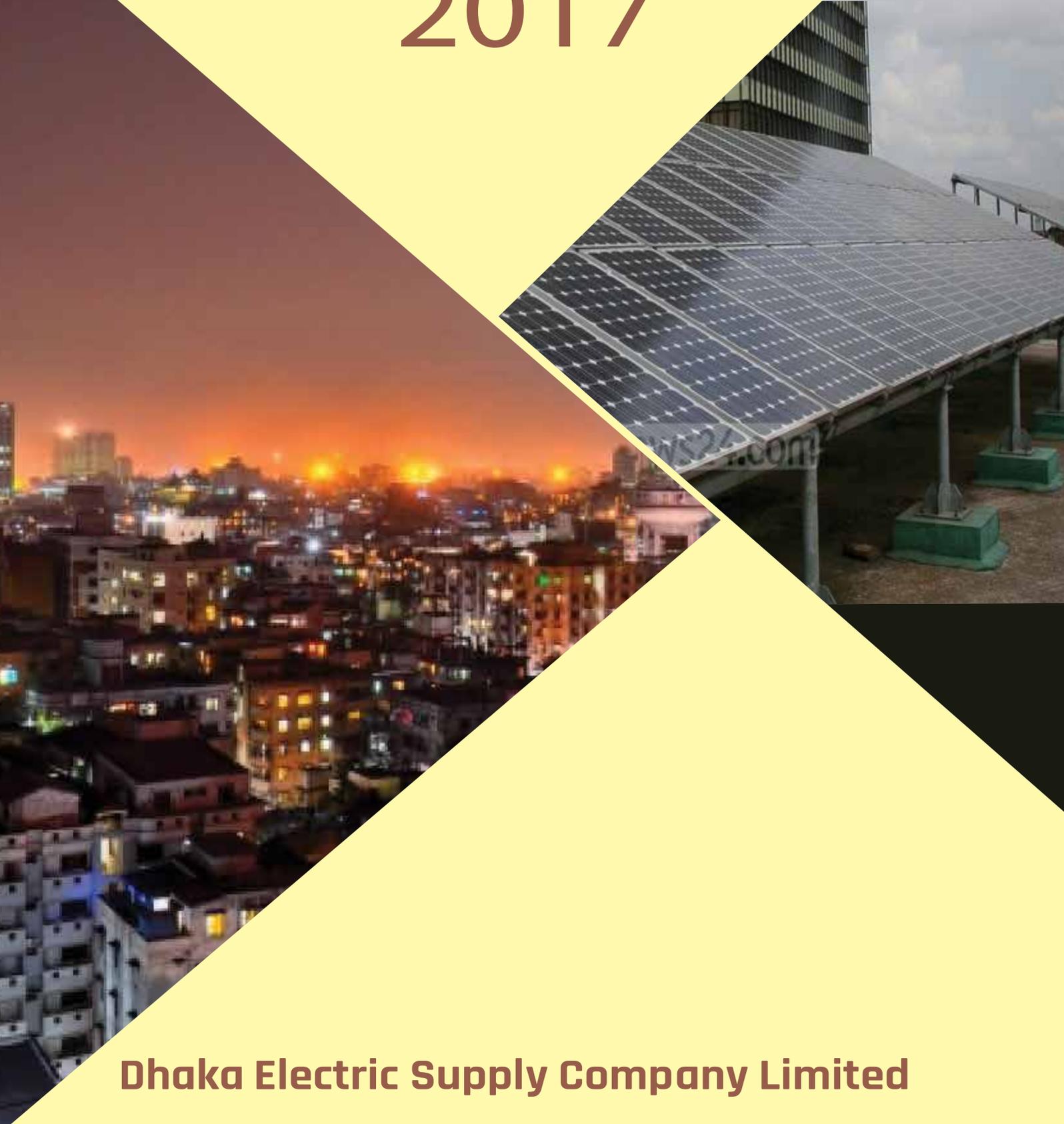




ANNUAL REPORT 2017



Dhaka Electric Supply Company Limited

দিনের বেলায় জানালার পর্দা
সরিয়ে রাখুন, সূর্যের আলো
ব্যবহার করুন।

দোকান, শপিং মল,
বাসা-বাড়িতে অপ্রয়োজনীয়
আলোকসজ্জা পরিহার করুন।

গ্রাহক হয়রানি সম্পর্কে অভিযোগ
থাকলে ডেসকো'র কর্তৃপক্ষকে
অবহিত করুন।

আপনার সন্তানকে বিদ্যুতের
সংশয়ী ব্যবহার সম্পর্কে শিক্ষা
দিন।

আপনার বাড়ী/স্থাপনায় সোলার
প্যানেল থাকলে তার ব্যবহার
নিশ্চিত করুন।

বিদ্যুৎ ব্যবহারে সাশ্রয়ী হোন,
অন্যকে ব্যবহারের সুযোগ দিন।

নতুন বিদ্যুৎ সংযোগ গ্রহণে সরাসরি
ডেসকো'র অফিসে যোগাযোগ করুন
এবং মধ্যস্থতাকারী পরিহার করুন।

উনুয়ন যদি চাই, বিদ্যুৎ
সংশয়ের বিকল্প নাই।

অবৈধ বিদ্যুৎ ব্যবহারকারীদের
বিরুদ্ধে সোচ্চার হোন।

বিদ্যুৎ সাশ্রয়ী যন্ত্রপাতি ব্যবহার
করুন, এসির তাপমাত্রা ২৫°
সেলসিয়াস বা তার উপরে রাখুন।



Content

About us	2
Footsteps toward progress	4
Award and recognition	5
Products and services	6
Performance at a glance	7
Corporate Information	8
Technical and commercial Highlights	10
Notice of AGM	12
Vision and Mission	14
Chairman's Message	15
Directors' Profile	18
Management	22
Directors' Report	25
Events Highlight	45
Moments with the shareholders	48
Audit Report and Financial Statements	50
Corporate Governance Compliance Certificate	86
Electricity Tariff Rates	91



An artistic illustration of two hands, palms facing each other, holding a glowing, intricate network of white electrical lines that resemble a power grid or a brain's neural pathways. The background is a soft, light blue gradient.

About Us

As a part of on-going Power Sector Reforms by way of unbundling the power sector and increasing efficiency in the area of generation, transmission and distribution, Dhaka Electric Supply Co. Ltd. (DESCO) was created as a distribution company in November 1996 under the Companies Act 1994 as a Public Limited Company with an Authorized Capital of Tk. 5.00 billion. However, the operational activities of DESCO at field level commenced on September 24, 1998 by taking over of the electric distribution system of Mirpur area from erstwhile Dhaka Electric Supply Authority (DESA). During inception consumer strength was 71,161 and a load demand 90 MW. In the subsequent years of successful operation and better performance, the operational area of DESCO was expanded through inclusion of Gulshan Circle in April, 2003 and Tongi Pourashava Area in March, 2007.

Brief History

The electricity supply industry in South Asia started with the commissioning of the first power station in the 1890s. The first effort to structure a legal framework for the industry came in 1910 with the enactment of the Indian Electricity Act, 1910. In 1947, at the time of independence of India & Pakistan, the installed generating capacity in the then East Pakistan was only 21 MW.

In an effort to expeditiously augment generation capacity to feed a developing economy, the then Government of Pakistan issued an ordinance in 1959 creating the East Pakistan Water and Power Development Authority (EWAPDA). Shortly after the creation of an independent Bangladesh, in 1972, the first Government of Bangladesh, in an effort to speed up the investment in the sector issued an Ordinance creating the Bangladesh Power Development Board (BPDB) as the successor organization of the power side of EWAPDA.

In order to intensify the pace of rural electrification, the Government issued an ordinance in 1977 establishing the Rural Electrification Board (REB). In 1990, another ordinance was issued, which was subsequently enacted as an Act transferring the 132 KV, 33 KV Transmission and distribution system in the Greater Dhaka Area including the Metropolitan City to a newly created Government agency called the Dhaka Electric supply Authority (DESA).

Although several ordinances amending the Electricity Act, 1910 had been promulgated, none of them addressed issues involving the commercial nature of the sector, which continued to be treated as an extension of the Government providing social goods for the people. From 1986 onwards, the commercial performance of the BPDB deteriorated and during 1991, BPDB's average gross systems loss was about 42 percent and accounts receivables in excess of 6.5 months of billing.

As part of the "Reforms-Funding" linkage agreed between the development partners and the Government, the implementation of Part (C) of the Project has been linked to redefining the franchise area of DESA and handing over of distribution networks outside Metropolitan Dhaka City to PBSs under REB, and formation of a corporatized Dhaka Electric Supply company (DESCO) which will initially take over part of the distribution network of DESA and ultimately take over all its assets.

The formation of this company is seen as an essential step towards "corporatization and commercialization" of the sector and to reduce the excessive inefficiency in the distribution network in the capital. Due to paucity of financial resources with the Government, there is an urgent need to induct private sector participation in the power sector. This participation will not be forthcoming

unless the financial inflow to the sector enables the sector to earn a positive return. Since cash inflows to the sector come only from distribution agencies. There is an urgent need to improve their efficiencies, if private sector investments are to be attracted in any part of the power system. The Dhaka area is the largest single distribution territory consuming about 50 percent of the total electricity sold in Bangladesh. DESA, which is the distribution agency for the Dhaka area has a poor performance record with respect to system losses and accounts receivables. Although the performance has improved considerable since 1992 on account of intensive monitoring, there is a limit to the gains that can be made and it is felt that further progress can be achieved on a sustainable basis only if there is a change in the business environment, both external and internal to the organization, which will enable introduction of more sophisticated control and management systems, and also organizational accountability.

ADB observed that the prevailed organizational arrangements including management structure, employee compensation, delegation of authority, conduct, discipline and appeal rules and promotion policies are based on the civil service rules and arrangements which is not well suited to the functioning of a commercially oriented sector such as the power sector. It is therefore necessary to create new organization with its own rules and regulation that is more suited to the new business environment that is now being created in the power sector.

The new company (DESCO) is being created as a public sector company, incorporated under the Companies Act 1994 as a subsidiary of DESA. However, shares of the company offered to the private sector, other power sector entities and the

general public to make the DESCO's management more responsive to its consumers.

Service Territory

The company obtained license from Bangladesh Energy Regulatory Commission (BERC) for distribution of 850 MW of Electricity at the area bounded by (i) Balu River including Purbachal New Town in the East (ii) Turag and Balu River

including Tongi Pourashava in the North (iii) Turag River in the West and (v) from Amin Bazar Bridge to Mirpur Road, Agargaon Road, Agargaon-Old Airport link Road, New Airport Road, Mymensing Road, Tongi Diversion Road, Mohakhali Jheel, Rampura Jheel connected with Balu River in the south. The total area is around 400 square kilometers. As per the License, DESCO can receive power at 132KV & 33KV voltage levels and distribute the power at 33KV, 11KV & 0.4KV voltage level.

Our shareholders

In 2006 we were listed with the Dhaka and Chittagong Stock Exchanges. Government of Peoples' Republic of Bangladesh holds 67.63% of the shares represented by Bangladesh Power Development Board and abolished DESA. 20.02% shares hold by the Institutional investors and rest of the 11.789% shares owned by other shareholders.

Our People

More than 1500 people directly employed and around 1700 people indirectly employed (outsourced) for the services of Commercial Operation Support, Line and Equipment Maintenance, Substation Maintenance, Office Security and Office up keeping. It's the people who brings the progress of the company every day.





Footsteps toward progress

1996

Journey Begins on November 3 through getting Certificate of Incorporation.
Held First Board Meeting

1998

Takeover of Mirpur Circle from erstwhile DESA and Commencement of operation

2003

Takeover of Gulshan Circle from erstwhile DESA

2004

Establishment of Sales and Distribution Divisions

2005

Establishment of Prepaid Meter Production Unit in collaboration with BUET
Inauguration of Prepaid Metering System

2006

Company Listed in Dhaka Stock Exchange Ltd. And Chittagong Stock Exchange Ltd.

2007

Takeover of Tongi Pourashava area from erstwhile DESA
Obtained Distribution License from Bangladesh Energy Regulatory Commission (BERC)

2008

Inauguration of e-Governance System
Inauguration of Data Acquisition System

2010

Introduction of electronic bill payment system

2012

Digitization of New Electric Connection Procedures

2013

Successful completion of ADB funded projects under SPSDP; 462 MVA distribution capacity enhanced

2014

Establishment of Live Payment Gateway
Commencement of 132/33/11kv Grid Substation Construction Project funded by ADB.

2016

ISO 9001:2008 Certification of the Company for Quality Management System.

Products and Services

Post Paid connections

- 230 Volt Single Phase (up to 7kW load demand)
- 400 Volt Three Phase (above 7kW to 49kW load demand)
- 11 Kilo Volt High Tension (above 49kW - 5MW load demand)
- 33 Kilo Volt High Tension (above 5MW load demand)

Pre-Paid connections

- 230 Volt Single Phase (up to 7kW load demand)
- 400 Volt Three Phase (above 7kW to 49kW load demand)

Services

- Providing Temporary and permanent electric connection
- Customer requested shutdown
- Customer requested Disconnection and Re-connection
- Transformer Rental
- Electric Line Accessories Supply
- Electric Line and Substation related Services
- Customers' Meter Testing, Installation and Inspection Services
- Feasibility Study for line expansion
- Customer Solar Panel inspection
- Tariff Change service
- Electric Bill re-print and delivery
- Delivery of Bill payment statements and Certificate
- Prepaid Card issue and re-issue
- Customer Service Cable Change
- Customer Meter Change (with or without accessories)
- Annual Inspection of Customers' Transformers and associated equipment
- Servicing of Customer Transformers and associated equipment (if required)
- Rental of Trolley mounted transformers (for maximum 30 days)

Post Paid Bill Payment Services

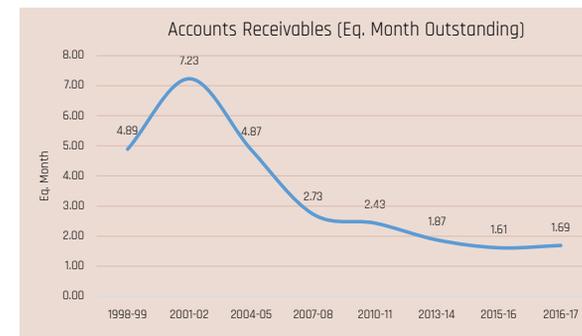
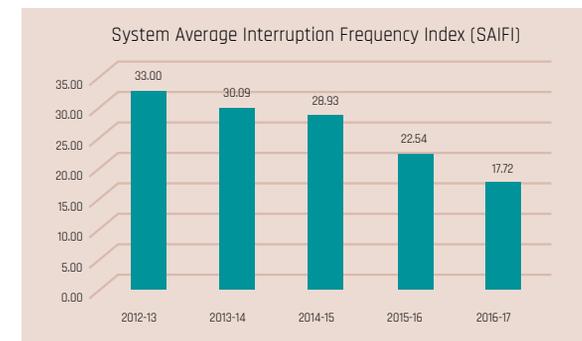
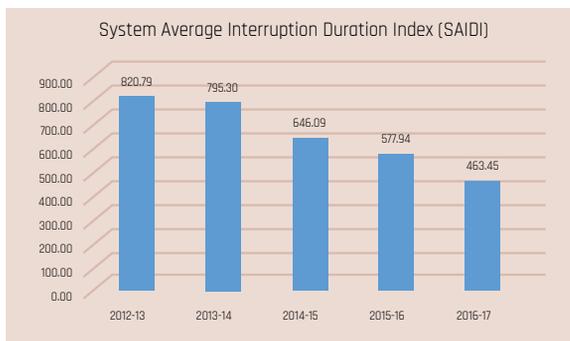
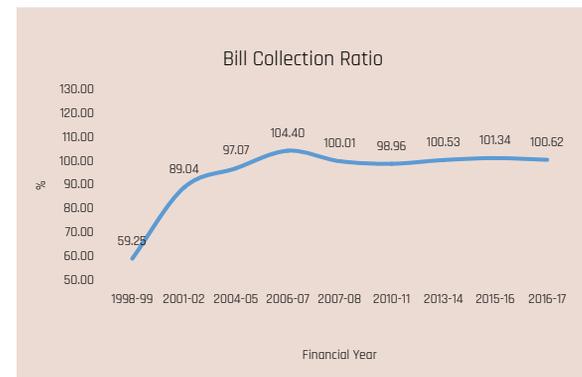
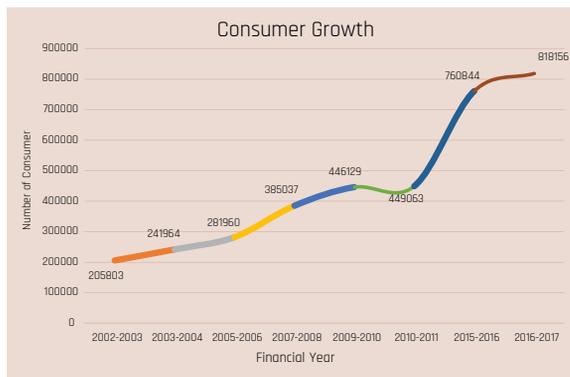
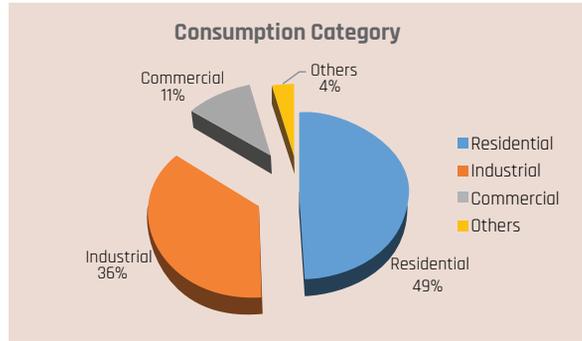
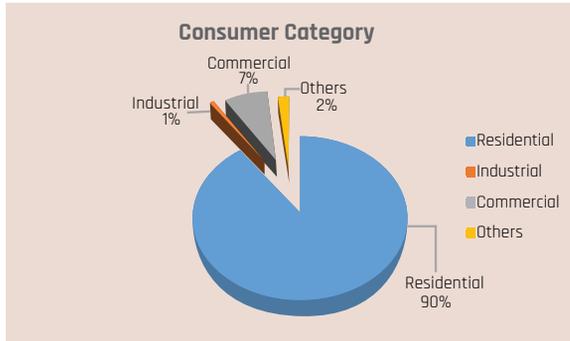
- Bill collection booths adjacent to the respective sales and distribution division
- Almost every branches of every bank within the distribution territory of the Company
- Online bill collection through Debit and Credit Cards
- Payment through Mobile Banking
- Bill payment through mobile phone operators
- Bill payment through live payment gateway

Pre-paid meter Recharge Service

- Pre-paid meter recharge through vending stations



Performance at a glance





Corporate Information

Board of Directors

Chairman

Md. Mahbub-ul-Alam, ndc

Directors

Brig. Gen. Md Shahid Sarwar, ndc, psc (Retd.)

Engineer Bikash Dewan

Md. Zahurul Haque

Selim Abed

Engr. Ataul Mahmud

Md. Anisur Rahman

Md. Anwarul Islam

Independent Directors

Kazi Rowshan Akhter

A. K. M. Humayun Kabir

Engr. Md. Rabiul Hasnat

Company Secretary

S. M. Zamil Hussain

Board Audit Committee

A.K. M. Humayun Kabir (Chairman)

Engr. Md. Rabiul Hasnat (Member)

Md. Abdullah Al Masud Chowdhury (Executive Director, Finance & Accounts), Addl. Charge (Member)

S. M. Zamil Hussain (Company Secretary) (Member Secretary)

Management

Brig. Gen. Md Shahid Sarwar, ndc, psc (Retd.) (Managing Director)

Md. Abdullah Al Masud Chowdhury (Executive Director, Human Resources) & (Executive Director, Finance & Accounts), Addl. Charge

Engr. A. K. M. Mostafa Kamal (Executive Director, Procurement)

Engr. Noor Mohammad (Executive Director, Operation)

Engr. Jagadish Chandra Mandol (Executive Director, Engineering)

Head of Internal Audit

Engr. Shofiqul Islam

Statutory Auditors

ARTISAN, Chartered Accountants

Governance Auditors

Al-Muqtadir Associates, Chartered Secretaries & Consultants

Banking Partners

Agrani Bank Ltd.

Dutch Bangla Bank Ltd.

Dhaka Bank Ltd.

Janata Bank Ltd.

Pubali Bank Ltd.

Rupali Bank Ltd.

Standard Chartered Bank Ltd.

Other Commercial Banks

Registered Office

Dhaka Electric Supply Co. Ltd

22/B Faruk Sarani, Nikunja-2, Khilkhet, Dhaka - 1229, Bangladesh
Tel 88 02 8900110-11, 8900220-23 (PABX), 02 8900330 (Direct), Fax 88 02 8900100

e-mail csdesco@desco.org.bd, www.desco.org.bd

শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

**Technical and
Commercial
Highlights**

Technical and Commercial Highlights

(For Last five years)

Technical

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
132/33 KV Grid Substations	2	2	2	2	2
33/11 KV Sub-station (No)	26	30	30	32	34
Capacity of 33/11 KV Sub-Station (MVA)	1,080/1,512	1,200/1,680	1,250/1,750	1,420/1,988	1,500/2,100
Maximum Demand (MW)	726	786	845	861	934
33KV Overhead Line (CKM)	83	83	89	108.80	108.80
33KV Underground Line (CKM)	316	322	327	348.89	417.95
11KV Overhead Line (KM)	1,122	1,204	1,266	1321.66	1394.65
11KV Underground Line (KM)	434	438	456	480.58	540.48
LT Line (KM)	1,838	1,936	1,978	2033.24	2057.66
Distribution Transformer (No.)	5,215	5,672	5,932	6315	6567

Commercial

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Energy Import (MKWh)	3,726.31	4,064.19	4,320.98	4,795.12	4,980.05
Energy Sales (MKWh)	3,411.91	3,722.23	3,959.46	4,410.203	4,619.28
Energy Import (MTk)	20,393.48	22,898.05	24,344.81	28,956.565	30,523.25
Energy Sales (MTk.)	21,951.48	24,431.03	27,358.15	31,478.24	33,277.57
System Loss (%)	8.44	8.41	8.37	8.03	7.24
Collection Ratio (%)	100.93	100.53	101.48	101.34	100.62
C.I. Ratio (%)	92.40	92.07	92.99	93.21	93.33
Consumer Nos.	573,356	641,933	705,234	7,60,844	8,18,156
Receivable/Sales (%)	14.49	13.60	12.79	12.79	12.72

শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

**Notice of the
21st Annual General Meeting**

Notice of the 21st Annual General Meeting

This is for notification of all concerned that the 21st Annual General Meeting of Dhaka Electric Supply Company Ltd will be held on Saturday, January 6, 2018 at 10am at PSC Convention Hall, Police Staff College, Section 14, Mirpur, Dhaka 1216 to transact following business:

1. Consideration and adoption of the Directors' Report and Audited Financial Statements of the Company for the year ended June 30, 2017 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended June 30, 2017
3. Election/re-election of Directors
4. Appointment of Auditors for the year 2017-2018 and fixation of their remuneration.

Members of the company are requested to kindly make it convenient to attend the meeting.

By order of the Board

October 30, 2017



S. M. Zamil Hussain
Company Secretary

Notes:

- a) Shareholders whose names appear on the Depository Register on the 'record date' i.e. November 09, 2017 shall be eligible to attend the AGM;
- b) Eligible shareholder wishing to appoint a proxy must deposit the proxy form, duly stamped, at registered office of the company by January 4, 2018 during office hours;
- c) If non-receipt of annual report, sent through courier service, shareholders may collect the annual report from registered office or collect from the website of the company;
- d) No children will be allowed in the AGM;
- e) Registration counter will remain open from 8am to 10 am on the meeting day.

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।



ঢাকা ইলেকট্রিক সাপ্লাই কোম্পানি লিমিটেড
ISO 9001:2008 Certified

নিবন্ধিত কার্যালয়
২২/বি ফারুক সরণি, নিকুঞ্জ-২
খিলক্ষেত, ঢাকা-১২২৯
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বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা সংশ্লিষ্ট সকলের অবগতির জন্য জানানো যাচ্ছে যে, ঢাকা ইলেকট্রিক সাপ্লাই কোম্পানি লিঃ এর ২১ তম বার্ষিক সাধারণ সভা নিম্নবর্ণিত কার্যাবলি সম্পাদনের জন্য আগামী ৬ জানুয়ারি ২০১৮ তারিখে শনিবার সকাল ১০ ঘটিকায় পিএসসি কনভেনশন হল, পুলিশ স্টাফ কলেজ, সেকশন-১৪, মিরপুর, ঢাকা-১২১৬ তে অনুষ্ঠিত হবেঃ

১. ৩০ জুন ২০১৭ তারিখে সমাপ্ত অর্থ বছরের নিরীক্ষিত আর্থিক হিসাব বিবরণীসমূহ, পরিচালকগণের প্রতিবেদন ও নিরীক্ষকগণের প্রতিবেদন বিবেচনা ও অনুমোদন,
২. ৩০ জুন ২০১৭ তারিখে সমাপ্ত অর্থ বছরের জন্য পরিচালনা পর্ষদ কর্তৃক সুপারিশকৃত লভ্যাংশ অনুমোদন,
৩. পরিচালক নির্বাচন/পুনঃনির্বাচন,
৪. ২০১৭-১৮ অর্থ বছরের জন্য নিরীক্ষক নিয়োগ ও তাঁদের পারিশ্রমিক নির্ধারণ।

সংশ্লিষ্ট সকলকে যথাসময়ে উক্ত সভায় উপস্থিত থাকার জন্য বিনীত অনুরোধ করা হল।

তারিখঃ অক্টোবর ৩০, ২০১৭ খ্রিঃ

বোর্ডের নির্দেশক্রমে

এম এম জামিল হুসাইন
কোম্পানি সচিব

নোটঃ

১. যে সকল শেয়ারহোল্ডারগণের নাম রেকর্ড ডেট অর্থাৎ ৯ নভেম্বর ২০১৭ তারিখে কোম্পানির ডিপজিটরি রেজিষ্টারে থাকবে তাঁরাই কেবল উক্ত সভায় উপস্থিতির জন্য যোগ্য হিসাবে বিবেচিত হবে,
২. সভায় উপস্থিতির জন্য যোগ্য হিসাবে বিবেচিত শেয়ারহোল্ডারগণ প্রতিনিধির মাধ্যমে সভায় উপস্থিত হতে কিংবা ভোট প্রদান করতে পারবে। সেক্ষেত্রে প্রক্সি ফরম পূরণ করে তাতে যথাযথ মূল্যমানের রাজস্ব স্ট্যাম্প সংযুক্ত করতঃ আগামী ০৪ জানুয়ারি ২০১৭ তারিখ এর মধ্যে অফিস চলাকালীন সময়ে কোম্পানি 'র নিবন্ধিত কার্যালয়ে জমা প্রদানের মাধ্যমে প্রতিনিধিত্বের বিষয়টি নিশ্চিত করতে হবে।

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।



Vision

To be an enabler of economic development and social progress by providing safe, reliable and sustainable electricity.

Mission

Bringing comfort to customers, supporting business and commerce and building strong communities. Achieving and maintaining the highest degree of efficiency, reliability and responsiveness for variety of customers.

Guiding Principles

Safety: Placing the safety of our communities, Customers and employee first;

Customer Focus: Providing superior service to help customers more effectively manage their use of electricity;

Community Focus: Being an integral part of the communities in which we live, work and serve;

Operational Excellence: Incorporating continuous improvement to deliver safe and dependable electricity at affordable prices;

Performance Driven Culture: Fostering a strong values and performance based culture designed to attract, develop and retain best talents.

Values

Integrity: Maintain honesty, transparency and strong moral principles in all activities.

Respect: Admire the customers' needs and provide service to them in a way that suits best within the regulatory framework.

Innovation: Drive to discover new ways to turn ideas into tangible reality. Relentless pursuit of technical excellence and willingness to adopt state of art technology in quality power supply, energy conservation and utilization of renewable energy.

Commitment to Sustainability: Always remain vigilant for growth and prosperity with sustainability.

Chairman's Message



Dhaka Electric Supply Company Ltd. (DESCO) is one of the pioneering companies in power sector which is engaged to supply power to the northern part of the capital and its adjacent area. Our efforts are centered in better customer service, uninterrupted quality power supply and addition of value to its different stakeholders.

It is known to all that Government of Bangladesh has 'Vision 2041' to become a high-income country by 2041. In order to achieve that goal Power Division, Ministry of Power, Energy and Mineral Resources prepared a Power System Master Plan 2016 with the assistance of Japan International Co-operation agency. In line with the Power System Master Plan 2016, Ministry has taken variety of programs to improve power production situation. There are short-term, mid-term and long-term planning which are also entangled to achieve Sustainable Development Goals (SDGs) set by United Nations.

The company continued its investment in infrastructure development, improve system stability, capacity building, Safety and Security of people, materials and equipment and the system as a whole. There are several projects for construction of Grid Substations, Distribution Substations, underground Grid Network, renovation or up-gradation of Distribution Network, installation of Supervisory Control and Data Acquisition System (SCADA), modernization of Grid Substations, modernization of Metering System, application of Geographical Information System, development of human resources, adoption of State of Art Information Technology etc.

Although the company has a monopoly business but it faces several challenges. Tariff of Electricity determines the profitability of the company which is beyond our control. Other challenges like timely implementation of the projects, construction of its own head office building, maintaining high standard of ethics and morale of the employee. In order to face the challenges is BERC revised the tariff rates, established time bounded action plan for project implementation, engaged consulting firm for construction of head office building and undertaken extensive training of the employee.

“We are committed to our customer to ensure better service and bring positive change in the society through delivering values to the stakeholders.”

Board of Directors is comprised of twelve members. There are three independent directors among them. Most of the Directors are from the Power Division, Ministry of Power, Energy and Mineral Resources, Government of the Peoples' Republic of Bangladesh. Managing Director of DESCO is the only executive director in the Board. Main role of the Board is to consider and approve different business proposals and policy support to ensure sustainable growth and protect the interest of the company and its shareholders.

In this journey, we are thankful to Government of the People's Republic of Bangladesh, our development partners Asian Development Bank (ADB), Asian Infrastructure and Investment Bank (AIIB), Japan International Cooperation Agency (JICA) for their heartfelt cooperation. Our sincerest appreciation is extended to our stakeholders and our people for their firm commitment and dedication.



Md. Mahbub-ul-Alam
Chairman, DESCO Board

চেয়ারম্যানের কথা



রাঁজধানী ঢাকার উত্তরাংশ ও এর আশপাশের এলাকায় বিদ্যুৎ সরবরাহের দায়িত্বে নিয়োজিত রয়েছে ঢাকা ইলেকট্রিক সাপ্লাই কোম্পানি লিমিটেড (ডেসকো)। বিদ্যুৎ বিতরণী কোম্পানিগুলোর মধ্যে ডেসকো গ্রাহক বান্ধব ও প্রযুক্তিগত উৎকর্ষ সাধনে অগ্রণী হিসেবে ভূমিকা পালন করে আসছে। নিরবচ্ছিন্ন ও মানসম্পন্ন বিদ্যুৎ সরবরাহ ও গ্রাহকগণের জন্য উন্নত সেবা প্রদান এবং সামগ্রিকভাবে কোম্পানি'র বিভিন্ন অংশীদারগণের জন্য মূল্য সংযোজন করা কোম্পানি'র অন্যতম অগ্রাধিকারমূলক কাজ।

সকলে জানেন যে, বাংলাদেশকে ২০৪১ সালের মধ্যে উচ্চ আয়ের দেশে পরিণত করা সরকারের ভিশন-২০৪১ এর মূল উদ্দেশ্য। জাতিসংঘ ঘোষিত টেকসই উন্নয়ন লক্ষ্যমাত্রা (SDG)-কে সামনে রেখে দেশের বিদ্যুৎ ব্যবস্থায় আমূল পরিবর্তনের জন্য বিদ্যুৎ বিভাগ, বিদ্যুৎ, জ্বালানি ও খনিজ সম্পদ মন্ত্রণালয় জাপান আন্তর্জাতিক সহযোগী সংস্থা (জাইকা) এর সহায়তায় পাওয়ার সিস্টেম মাস্টার প্ল্যান ২০১৬ প্রণয়ন করেছে। উক্ত মাস্টার প্ল্যান অনুযায়ী দেশে বিদ্যুৎ উৎপাদন বৃদ্ধি, ট্রান্স বর্ডার বিদ্যুৎ আমদানি বৃদ্ধি, নবায়নযোগ্য জ্বালানি'র ব্যবহার বৃদ্ধি, যৌথ বিনিয়োগের মাধ্যমে বিদেশে বিদ্যুৎ উৎপাদন করে তা দেশে আমদানি, বিতরণ ব্যবস্থায় আধুনিকায়ন, নির্ভরযোগ্য বিদ্যুৎ সরঞ্জালন নেটওয়ার্কের বিস্তৃতি ঘটানো, বিদ্যুৎ সেট্টরের মানবসম্পদ উন্নয়ন ইত্যাদি প্রধান লক্ষ্য।

বিদ্যুৎ বিতরণ ব্যবস্থার উন্নয়নের জন্য বিনিয়োগ অব্যাহত রাখা হয়েছে। বিতরণ ব্যবস্থার আধুনিকায়ন, বিতরণ সামর্থ্য বৃদ্ধি, কোম্পানি'র জনবল ও সম্পদের নিরাপত্তা ইত্যাদি বিনিয়োগের অন্যতম ক্ষেত্র। এছাড়াও বৈদ্যুতিক গ্রিড উপকেন্দ্র নির্মাণ, বিদ্যুৎ বিতরণ উপকেন্দ্র নির্মাণ, ভূ-গর্ভস্থ গ্রীড নেটওয়ার্ক নির্মাণ, বৈদ্যুতিক লাইন ও যন্ত্রপাতির আধুনিকায়ন ও উন্নয়ন সাধন, মিটারিং পদ্ধতির আধুনিকায়ন, স্ক্যাডা সিস্টেম স্থাপন, জিআইএস এপ্লিকেশন প্রবর্তন, মানব সম্পদ উন্নয়ন এবং তথ্য ও প্রযুক্তি খাতের সর্বোত্তম ব্যবহার ইত্যাদি নিয়ে বর্তমানে প্রায় ৪ হাজার কোটি টাকার প্রকল্প বাস্তবায়নাধীন রয়েছে।

বিদ্যুৎ বিতরণের ক্ষেত্রে ডেসকো তাঁর এলাকায় একচেটিয়া ব্যবসা করলেও তাঁকে বেশ কিছু সমস্যা মোকাবেলা করতে হচ্ছে। তন্মধ্যে বিদ্যুতের মূল্যহার নির্ধারণে কোম্পানির নিয়ন্ত্রণ

না থাকা অন্যতম। চলতি মূল্য হারে বেশ কিছু স্ল্যাব রয়েছে যাতে ক্রয়মূল্যের কমেও বিদ্যুৎ বিক্রি করতে হচ্ছে। এ বিষয়াদি উল্লেখ করে বিদ্যুতের মূল্যহার সংশোধনের জন্য বাংলাদেশ এনার্জি রেগুলেটরি কমিশনে প্রস্তাব পাঠানো হলে সম্প্রতি কমিশন মূল্য হার সংশোধন করে গণ বিজ্ঞপ্তি জারি করেছে। ডেসকো'র নিজস্ব প্রধান কার্যালয়সহ শাখা অফিসসমূহ ভাড়া করা স্থাপনায় দাপ্তরিক কার্যক্রম পরিচালনা করছে ফলে এ খাতে বেশ অর্থ খরচ হচ্ছে। আপনারা জেনে খুশি হবেন ইতোমধ্যে ঢাকা-ময়মনসিংহ রোডের পাশে ৪৯/এ নিকুঞ্জ-২, খিলক্ষেত, ঢাকায় ডেসকো'র ক্রয়কৃত জমিতে আধুনিক স্থাপত্য শৈলী'র একটি ভবন নির্মাণের কাজ শুরু হয়েছে যা ২০২০ সালের মধ্যে সম্পন্ন হবে মর্মে আশা করা যাচ্ছে। পর্যায়ক্রমে সকল শাখা অফিসসমূহকে নিজস্ব ভবনে আনার কাজ হাতে নেওয়া হয়েছে। কোম্পানি'র কর্মকর্তা ও কর্মচারীগণের সততা, নৈতিকতার বিষয়টিও একটি চ্যালেঞ্জ হিসাবে গণ্য করা যায় এ লক্ষ্যে তাঁদের দক্ষতা বৃদ্ধির জন্য ব্যাপক প্রশিক্ষণ কার্যক্রম পরিচালিত হচ্ছে।

ডেসকো'র পরিচালনা পর্ষদ বার সদস্যের সমন্বয়ে গঠিত। তন্মধ্যে তিনজন স্বতন্ত্র পরিচালক রয়েছে। অধিকাংশ পরিচালক বিদ্যুৎ বিভাগ, বিদ্যুৎ, জ্বালানি ও খনিজ সম্পদ মন্ত্রণালয়ের প্রতিনিধিত্ব করছে। ডেসকো'র ব্যবস্থাপনা পরিচালক একমাত্র নির্বাহী পরিচালক যিনি বোর্ডের সদস্য হিসাবে দায়িত্ব পালন করছেন। ডেসকো'র টেকসই উন্নয়ন ও বিভিন্ন স্টেকহোল্ডারের স্বার্থ রক্ষায় কোম্পানি'র বিভিন্ন ব্যবসায়িক প্রস্তাবনা ও নীতিমালা অনুমোদন করা বোর্ডের প্রধান কাজ। এছাড়াও সকল কাজে স্বচ্ছতা ও জবাবদিহিতা নিশ্চিত করাও বোর্ডের অন্যতম দায়িত্ব।

আমাদের এ অগ্রযাত্রায় সহায়ক হিসাবে ভূমিকা পালন করায় গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, এশীয় উন্নয়ন ব্যাংক (এডিবি), এশীয় অবকাঠামো ও বিনিয়োগ ব্যাংক (এআইআইবি), জাপান আন্তর্জাতিক সহযোগী সংস্থা (জাইকা) এর প্রতি আমরা আন্তরিকভাবে কৃতজ্ঞ। এছাড়াও ডেসকো'র বিনিয়োগকারীগণের আস্থা এবং কর্মকর্তা/কর্মচারী যাদের আন্তরিক প্রচেষ্টায় ডেসকো উত্তরোত্তর উন্নতি করছে তাঁদের প্রতিও প্রাণঢালা অভিনন্দন।

মোঃ মাহবুব-উল-আলম
চেয়ারম্যান, ডেসকো বোর্ড

শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

Directors' Profile

Directors' Profile



Md. Mahbub-ul-Alam, ndc appointed as Director and Chairman of DESCO Board in October 22, 2015. He is the Additional Secretary (Development) of Power Division, Ministry of Power, Energy and Mineral Resources, Government of the People's Republic of Bangladesh. Prior to his current responsibility he was Joint Secretary (Admin.) of Power Division and Director, Implementation Monitoring and Evaluation Division, Ministry of Planning, GoB. He is also nominated Director of the Bangladesh-India Friendship Power Company Ltd., Coal Power Generation Company Bangladesh Limited and Dhaka Metro Rail Company Ltd. He has completed his Masters of Science Degree in Botany in 1983. Soon after he joined Bangladesh Civil Service in January, 1986. He also participated in different courses in Home and abroad. He has around 33 years of experience in different capacity of government service.



Brig. Gen. (Retd.) Md Shahid Sarwar, ndc, psc joined as Managing Director of the Company as well as ex-officio Director of DESCO Board on December 30, 2014. He is also a nominated director of Dhaka Power Distribution Company Ltd (DPDC). He is a Graduate in B.Sc. Engineering in Electrical and Electronics Engineering from Bangladesh University of Engineering and Technology (BUET). Brig. Gen. Sarwar served Bangladesh Army for 34 years in different capacities of military and civil administration. He passed National Defence Course from National Defence College in 2010. He participated in different Engineering courses in home and abroad. He served as Chief Inspector of Inspectorate of Electronics and Instrument under Army Headquarters. Brig. Gen. Sarwar was the Deputy Managing Director of Bangladesh Machine Tools Factory (BMTF); Deputy

Commandant of Bangladesh Ordnance Factories; Director Administration in Directorate General of Forces Intelligence (DGFI); Joint Secretary of Defence Ministry of the People's Republic of Bangladesh. He also served in United Nations Peace Keeping Missions in 1994 (Mozambique) and 2002 (East Timor). He is an alumni of Mirzapur Cadet College.



Kazi Rowshan Akhter is Director of DESCO Board since June 16, 2016. She is Director General of Department of Women Affairs, Government of the People's Republic of Bangladesh. She was the Additional Secretary, Power Division prior to joining this post. She joined in Bangladesh Civil Service (BCS) in early 1988. She worked in the field administration in Jessore and Brahmanbaria till 1992. Afterward she served in Cabinet Division, Ministry of Education, Prime Ministers' Office, Ministry of Public Administration, NGO Affairs Bureau, BCS Admin Academy, Bangladesh Chemical Industries Corporation in different capacity for 28 years. She obtained Hons. & Master's Degree in English from Dhaka University in 1983. She also completed Masters in Governance Studies from Northern University, Bangladesh in 2008.



Engineer Bikash Dewan was appointed as Director DESCO Board on August 16, 2017. He is Managing Director of Dhaka Power Distribution Company Limited (DPDC). Before joining at DPDC he served Bangladesh Power Development Board (BPDB) as the chief engineer (planning and design).

He completed his BSc Engg. from Chittagong University of Engineering and Technology (CUET). He was born on January 11, 1959, in Rangamati. He has 34 years of experience in power Sector.



Md. Zahurul Haque, Member (Administration), Bangladesh power Development Board joined DESCO as a Director on January 25, 2017. He has completed his Master of Science Degree in Geography in 1988 from the University of Dhaka. Under the NORAD Fellowship Program, he did

his M. Phil. in Development Economics from Norway. He started his illustrious career in 1991 in the BCS Administration Cadre. He is at present a Joint Secretary of the Government of Bangladesh. He joined Bangladesh Power Development Board as Secretary on 18/11/2013 and as Member (Finance) on 29/08/2016. Before joining BPDB he was the Deputy Commissioner of the District of Narail. He has over 24 years rich and vast experience both in administration and power sector management. He has taken a good number of local and foreign training.



A.K. M. Humayun Kabir is a Joint Secretary, Development-5 Power Division, Ministry of Power, Energy and Mineral Resources of the Government of the People's Republic of Bangladesh. He is an Independent Director of DESCO Board and Chairman

of the Audit Committee. He joined in DESCO Board on September 12, 2012. He is also a nominated director of North West Power Generation Company Ltd (NWPGL). He started his career in 1991 in the BCS Administration Cadre. He has wide experience in the area of management. He has attended a good number of training at home and abroad. Earlier in 1985 he completed his post-graduation in Management from Dhaka University. He has 26 years of exposure in Government and Corporate Business environment.



Selim Abed was appointed as Director DESCO Board on March 24, 2014. He is Deputy Secretary of Government of the People's Republic of Bangladesh. Now he is Personal Secretary to the Hon'ble State Minister, Ministry of Power, Energy and Mineral Resource. He is

also nominated Director of Karnaphuli Gas Distribution Company Ltd. As a BCS Cadre he served in field administration and different Ministries for more than 24 years. He got Post Graduate Degree in Business Administration (MBA) from Institute of Business Administration (IBA), Dhaka University in 1992. Prior to that he did his B.Sc. in Agricultural Engineering from Bangladesh Agricultural University in 1988.



Engr. Ataul Mahmud is Vice President (Service and Welfare) of Institute of Engineers, Bangladesh (IEB). He appointed in DESCO Board on June 20, 2014. He is also Chairman of M & M Engineering Ltd and Director of 3M (Pvt.) Ltd. He has completed his Graduation in

Engineering in Electrical and Electronics Engineering (EEE) from Bangladesh University of Engineering (BUET) in 1997 and obtained MBA Degree from Dhaka University in 2010.



Dr. S. Shahnawaz Ahmed joined DESCO as a Director on September 28, 2017. He was also Director of DESCO Board from 17/07/1997 to 01/02/2000. He is a Professor, Department of Electrical & Electronics Engineering, Bangladesh University of

Science & Technology (BUET). He obtained PhD in Electrical Engineering (with specialization in Power System Control) from University of Manchester, England in 1987. He has completed M. Sc. Engg. in Electrical & Electronic Engg. from Bangladesh University of Science & Technology (BUET) respectively in 1984 and 1982. He has 34 years of experience in Teaching, research and consultancy work in Power Sector.



Md. Anwarul Islam, FCMA joined DESCO as a Director on August 28, 2017. He is also Managing Director of ARS Lube Bangladesh Ltd. He has completed his Master of Commerce in 1990 from the University of Dhaka. He is the Fellow & Faculty

member of the Institute of Cost & Management

Accountants of Bangladesh (ICMAB). He has 26 years experience of in corporate sector of Bangladesh.



Engr. Md. Rabiul Hasnat is a Business Entrepreneur. He is an Independent Director of DESCO Board and member of the Audit Committee. He is in DESCO Board since June 20, 2014. He is also the Managing Director of Standard Construction Ltd. Rosh Ltd. Shorr Food and Bakery Ltd. Ross Bohumukhi Firm Ltd. and proprietor of STADCO.

He is the director of Real Estate and Housing Association of Bangladesh (REHAB) and chairman of Building Development Committee. He completed his B.Sc. in Civil Engineering from Bangladesh University of Engineering and Technology (BUET). He holds the membership

of BUET Alumni Association, Kurmitola Golf Club, REHAB, Bangladesh Agro & Sweetmeat association etc. He has wide experience in the area of Government and Corporate Event management. He has vast exposure in Real Estate sector, International Trading, Engineering and Food business.



Md. Anisur Rahman joined in DESCO Board on August 14, 2016. He is holding the position of Managing Director, Winner Consultants Ltd. for last five years. He is an alumni, Ex Director SIBL and former Director Jamuna Oil Company Ltd. of Barishal Cadet College. He did his B.A (1992) and M.A (1995) from Dhaka University. He was involved with Bangladesh Students League since he was a student of the university. Currently he is Assistant Secretary of Bangladesh Awami League Central Sub-Committee.



শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

Management



Managing Director

Brig. Gen. (Retd.) Md Shahid Sarwar, ndc, psc joined as Managing Director of the Company as well as ex-officio Director of DESCO Board on December 30, 2014. He is also a nominated director of Dhaka

Power Distribution Company Ltd (DPDC). He has obtained B.Sc. Engineering degree in Electrical and Electronics from Bangladesh University of Engineering and Technology (BUET). He passed National Defence Course from National Defence College in 2010. He participated in different Engineering courses in Bangladesh, India and Germany. He served Bangladesh Army for 34 years in different capacities of military and civil administration. He commanded various units in the Army. He served as Chief Inspector of Inspectorate of Electronics and Instrument under Army Headquarters. He was the Deputy Managing Director of Bangladesh Machine Tools Factory (BMTF); Deputy Commandant of Bangladesh Ordnance Factories; Director Administration in Directorate General of Forces Intelligence (DGFI); Joint Secretary of Defence Ministry of the People's Republic of Bangladesh. He also served in United Nations Peace Keeping Missions in 1994 (Mozambique) and 2002 (East Timor).



Executive Director, Human Resource & Executive Director (Finance & Accounts), Addl. Charge

Md. Abdullah Al Masud Chowdhury is in current position on deputation since February 08, 2015.

He is a Deputy Secretary of the Government of the People's Republic of Bangladesh. Prior to his joining in DESCO, he was the Economic Counsellor of Bangladesh Embassy in Thailand. He joined Bangladesh Civil Service (Economic

Cadre) in 1993. He played important role in different capacity in planning commission of Planning Ministry, Ministry of Health and Family Welfare, World Bank Funded National Nutrition program, Ministry of Power, Energy and Mineral Resources, Economic Relation Division, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Commercial Counsellor to Thailand and Cambodia. He has worked as the Bangladesh Alternate Permanent Representative to the UNESCAP, Bangkok, Thailand from January 2010 to December 2014. He has also worked as the Board Director of Sylhet Gas Fields Ltd., Eastern Refinery Ltd. and Maddhapara Granite Mining Company Ltd. He has total 23 years of work experience in home and abroad. He has completed his Masters of Social Science in Economics from Dhaka University and Post Graduate Diploma in Ecologically Sustainable Development from Murdoch University of Perth, Australia



Executive Director, Procurement

Engr. A. K. M. Mostafa Kamal joined this position on May 14, 2012. In 2003 he joined in DESCO as Deputy General Manager (DGM) and before joining his current post he was

General Manager of the company. He was head of different Sales and Distribution Division of DESCO. Gulshan Sales and Distribution Division achieved the Best Unit Award in 2010 under his leadership. He also served as head of Administration, Planning and Design Division of DESCO He has 31 years of experience in Power Sector including 18 years of experience in Palli Bidyut Samity (PBS) of Narsindhi, Tangail, Jessore, Mymensing and Comilla under Bangladesh Rural Electrification Board (REB). He completed different professional training in home and abroad among those Advance training on Energy Technology in Germany was significant. He completed his

B.Sc. in Engineering (Electrical and Electronics) from Chittagong University of Engineering and Technology (CUET) (Formerly Chittagong Engineering College/BIT Chittagong) in 1984. He is a Fellow Member of Institute of Engineers, Bangladesh (IEB).



Executive Director, Operation

Engr. Noor Mohammad joined in DESCO as Deputy General Manager (DGM) in 2003 and before joining his current post he was Chief Engineer of the company.

During his service tenure, he was responsible as Head of Sales and Distribution Divisions, Head of Administration, Head of Operational Zones. As General Manager (presently Chief Engineer) he looked after the charge of Procurement and Stores, Development and Projects and Sales and Distribution Operation. He has 33 years of experience in Power Sector including 20 years of experience in Palli Bidyut Samity (PBS) of Jessore, Bagerhat, Shatkhira, Pabna, Sirajgonj, Rangpur and Dhaka-2 under Bangladesh Rural Electrification Board (REB). He completed different professional training in home and abroad. He completed his B.Sc. in Engineering (Electrical and Electronics) from Bangladesh University of Engineering and Technology (BUET) in 1983. He joined this position on February 17, 2015.



Executive Director, Engineering

Engr. Jagadish Chandra Mandol joined this Position on December 27, 2015. In 2003 he joined in DESCO as Assistant Manager (System Operation) and before joining his current

post he was Superintending Engineer (SE) of the company. He took care of the functions of Planning and Development, Head of Sales and Distribution Divisions, Material Planning and Stores, Zonal Operation during his service period in DESCO. He has 28 year experience out of which 25 years in power sector, among this 15 years of experience in DESCO and 10 years of experience in Palli Bidyut Samity (PBS) of Dhaka, Rangpur and Munshiganj under Bangladesh Rural Electrification Board (REB). He completed different professional training in home and abroad. He completed his B.Sc. in Engineering (Electrical and Electronics) from Chittagong University of Engineering and Technology (CUET) (Formerly Bangladesh Institute of Technology, Chittagong) in 1987 and did his MBA from International Islamic University, Chittagong in 2006. He is a fellow member of The Institution of Engineers, Bangladesh (IEB) and member of Bangladesh Computer Society.

Management



শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

Directors' Report

Dear Shareholders,

At the outset we would like to express our sincere gratitude for your enormous confidence, support and co-operation. We are delighted to present the Directors' Report and Audited Financial Statements together with the Auditors' Report thereon for the year ended on June 30, 2017.

Electricity in Bangladesh

Electricity business in Bangladesh is dominated by the Government Companies/ Authority. Government has a vision to supply electricity to all with a reasonable and affordable cost by 2021. According to Power Sector Master Plan, generation of electricity will be enhanced to 24,000 Megawatt by 2021 and 40,000 megawatt by 2030. Government aims to construct 9,560 Circuit Kilometer transmission line and 1 lac Kilometer distribution line in this regard.

Currently power production capacity of Bangladesh is approximately 15 thousand megawatt with over 100 numbers of power plants (including captive power plants). Power production has been enhanced from 220 kW to 407 kW per head per year which is 85% higher than that of in year 2009. Now 80% of population is under electricity facility which was 47% in the year 2009.

Source: Annual Report 2014-15 of Power Division

Industry outlook

Power Sector of Bangladesh are segregated in three type of companies according to their functions. Power Generation responsibility lays on Bangladesh Power Development Board (BPDB) and its subsidiary companies. There are several Independent or Private or Rental Power Producers companies including REB who sell electricity to BPDB.

Power Grid Company of Bangladesh Ltd (PGCB) has the sole responsibility to transmit the electricity from different power stations to different distribution entities through High Voltage Grid Network.

The responsibility of distributing electricity across the country is shared by various public companies like BPDB, Dhaka Electricity Supply Company (DESCO), Dhaka Power Distribution Company (DPDC), Rural Electrification Board through various Palli Biddut Samity (PBS), West Zone Power Distribution Company (WZPDCO) each having respective franchise area.

Product-wise performance

Income from energy sales for FY 2016-17 from different tariff category i.e. Domestic (A), Non-Residential (D), Commercial & Office (E), Medium Voltage (F) and Construction & Others (2E) is 3,181.09 Crore, which is 9.14% higher than that of the previous year. On the other hand revenue from Agricultural Pump (B), Small Industries (C), High Voltage (H & I) and Street Light & Pump (J) is 124.37 crore, which is 9.97% lower than that of the previous year. However, overall revenue from Energy Sales increase by 5.74%.

DESCO purchase Electricity solely from Bangladesh Power Development Board (BPDB) at the rate of Tk 6.13/kWh (including wheeling charge). As per tariff rules, DESCO have to sale electricity under domestic category of A (up to 400 units), B & D at a rate beyond of its purchase rate. About 50 percent electricity consumed by consumers of those category.

On the other hand about 8.71 percent consumption decrease from the tariff category of C, H, I & J, which affect the operational income.

Extraordinary gain or loss

Exchange fluctuation loss of Tk. 295,152,461/- has arisen out of translation of foreign currency loan (in US dollar) into taka at Financial Position date at the rate of Tk. 80.60/\$1 (2015-16: at Tk. 78.40/\$1).

On the other hand, Interest income of this year decreased by 26.87% and Interest Expense against GOB & ADB Loan increased by 38.37%.

Risk and concern:

The Board of Directors always concern about the different aspect of risks in the company. They provide time to time guidance of different risks issues. The main objectives of those guidance are:

- a) Ensure safety, security and health of the employees.
- b) Ensure continuity of power supply to the customers.
- c) Protect company's assets and reputation.
- d) Effective operation without hampering community interest and environment.
- e) Protect the interest of the other stakeholders.

- f) Create and promote risk awareness culture within the company.
- g) Compliance with all legal guidance.

DESCO adopts following mechanisms to mitigate the risks:

a) Internal control system; b) Control on financial reporting; c) Internal audit; d) External audit; e) Budgetary control; and f) adoption of operational manual, grid code, security manual etc.

Variance between quarterly and Annual Financial Statements

There exist no significant variance between First Quarter (Q1) and Second Quarter (Q2) financial statements. But due to decrease of interest income and increase of interest expense, exchange fluctuation loss and employee expense net profit reduced significantly in Annual Financial Statements.

Operating revenue decreased in Third Quarter (Q3) due to low power demand for winter season. Which reflect in the Annual Financial Statements.

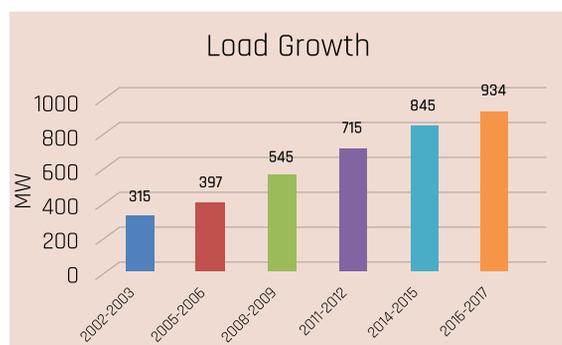
Related Party transaction

DESCO purchase power from Bangladesh Power Development Board who holds 67.63% shares of the company. DESCO paid 2,913 Crore taka to BPDB against power purchase bill.

On the other hand Dhaka Power Distribution Company Ltd., who have common Directors (Managing Directors of both companies are director of other company). Last financial year DESCO paid Taka 21.48 Lac against consumer bills which was outstanding from Dhaka Electric Supply Authority (DESA) period.

Load Growth

Load Demand in the distribution area are gradually increasing. Growth trends are shown below:



Substation

DESCO always feels to be consistent with load growth and capacity enhancement. As such it took various projects for capacity building. In FY 2016-17, the company has completed 02 nos. of 33/11KV new substations, which has increased power handling capacity of 80/112MVA (~101 MW).

Sl. No.	Name of the Substation	Capacity (MVA)
01	Mohakhali Health Complex, Mohakhali	3x20/28
02	United City Centre, Gulshan Avenue	2x10/14
Total Capacity Increased		80/112 MVA (101 MW Max.)

Electric Line Construction

Every year DESCO expands its source line and distribution network. The following table shows a picture of electric line construction carried out during the financial year 2015-16 and 2016-17.

Sl. No	Type of Line	Level	Length	
			2015-16 Circuit KM	2016-17 Circuit KM
1	O/H Line Construction	33 kV	20.00	-
2		11 kV	38.75	53.23
3		11/0.4 kV	17.20	19.76
4		0.4 kV	38.04	42.05
			113.99	115.95
5	U/G Line Construction	33 kV	21.89	27.07
6		11 kV	24.42	58.28
Sub Total			46.31	85.34
7	Renovation		33.58	46.75

Distribution Transformer

In order to cater the increasing load demand and enhance distribution capacity, DESCO has installed 290 nos. of three phase 200 KVA 11/0.4KV and 38 nos. Single phase 15 KVA transformers, in addition to transformers installed by the consumers at their own accord.

New Connections

58,966 new connections have been added to our system this year. With these new connections, the total number of electric connections under DESCO stands at 818,274 at the end of the financial year.

Disconnection / Reconnections

Disconnection of electric line has been considered to be an effective tool to recover outstanding bills/dues. By applying this tool a total number of 36,235 defaulting consumers' services were disconnected during the financial year. Moreover, 9,728 illegal consumer services were traced and disconnected during the financial year.

During the financial year, 29,256 consumers were given re-connection on recovery of their outstanding dues and realization of penalty bill as applicable. An aggregate amount of Tk. 51.39 crore was realized from the defaulting consumers and Tk. 8.46 crore against penal/supplementary bills. All those initiatives are implemented with the help of outsourced contractors and Mobile Court.

Energy Saving & Use of Alternative Energy

Power saving means Power generation. Aiming this motto, DESCO has undertaken measures through distributing leaf-lets, displaying posters and festoons encouraging the consumers to use energy efficient appliances in their homes/offices, turning off lights and fans when not in use and replacing the incandescent lamp by CFL (Compact Florescent Lamp) etc.

To encourage the use of renewable energy, DESCO ensured installation of eco-friendly Solar Panel of capacity around 3,870.26 kWp By installing 13,523 nos. of solar panel at consumers premises up to June 30, 2017. Beside this DESCO installed solar panel of capacity 105.6 kWp at its 369 nos. own installations during the said period.

Metering

As meter is the 'cash box' of the Company, DESCO has left no stone unturned to change defective meters, sealing meters and inspecting meters regularly. During the financial year, 15,737 nos. of defective meters were changed and 41,418 nos. of meters were inspected.

Annual Bill Clearance Certificate

In order to attain satisfaction of the consumers, DESCO issues bill payment clearance certificates to those consumers who do not have any dues.

Consumer Complaints

DESCO continuously strives to offer 'service excellence' to its valued consumers. Consumer complaints in terms of the billing errors,

rectification of names and addresses are seriously attended. During the financial year, 15,342 nos of bills were corrected. Names and addresses of 3,785 nos. of consumers were corrected upon verification on the basis of consumer complaints.

One Point Service Center

Customer satisfaction is the key to success of any company. Our customers are our prime focus and we are to ensure satisfactory customer service as deemed suitable. The issue is seriously considered by DESCO, which led to the establishment of Customers' "One Point Service Center" in each of the Sales and Distribution Divisions. Any consumer coming to DESCO's Sales & Distribution Division office, may receive desired service and solution from the staff of the "One Point Service Centre". The Customer Service Centers are under continuous improvement in order to raise its performance standard up to the desired level. For this purpose, DESCO is giving emphasis on routine training of the employees.

Billing/ Collection

The primary objective of maintaining the financial potency of the company is achieved by constant efforts to uphold a vigorous billing/collection ratio.

Considering sales at Tk. 33,277.565 million and collection at Tk. 33484.861 million, the billing collection ratio works out at 100.62% and the Collection/Import (C.I.) ratio to 93.33% this financial year.

Accounts Receivable/ Sales

One of the indicators of efficient financial management is to decrease the accounts receivable/sales ratio. The Company maintains a system of continuous monitoring of accounts receivable by way of monthly reports and analysis. The Accounts Receivable/ Sales ratio works out to 12.72% this year as against 12.79% in the previous year.

System Loss

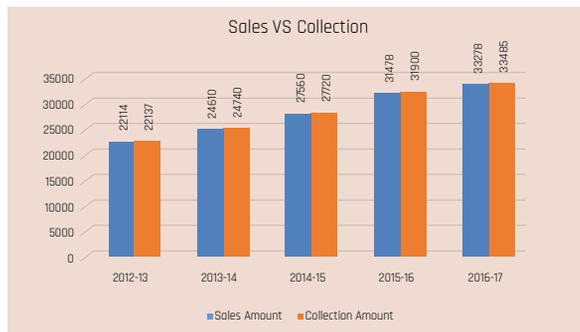
This is a key performance indicator of any electricity distribution company and is determined by the quantity of energy purchased and sold. The system loss works out to 7.24% in this FY 2016-17 as against 8.03% in the previous year.

Prepaid Metering

DESCO has introduced a modern consumer

friendly Pre-Paid metering system for its valued consumers since 2005. Smart Card Base Pre-Paid Metering system having both way communication facilities allowed the customers to pay their electricity bills in advance through DESCO's vending station. While it enables the company to synchronize the relevant data regarding consumer electricity usages.

With a view to facilitating incessant supply of Pre-Paid meter in future, DESCO has set up a "Meter Plant" at Mirpur on 2007. The company has manufactured 20,000 Single Phase and 3,000 Three Phase Pre-Paid Meters. Around 60,459 nos of valued consumers are enjoying Pre-Paid metering facilities at DESCO area up to June 30, 2017. In addition, in this fiscal year DESCO has installed total of 32,417 nos. of Pre-Paid Meters. In which 11,164 nos Meters in Uttara (East & West) Sales & Distribution Division, 14,019 nos of meters in Baridhara sales & Distribution, 7,099 nos meters in Uttarkhan Sales & Distribution and 135 nos of Meter at Agargaon Sales & Distribution were installed which have integrated with Unified Pre-Paid Metering Software to enhance the Consumer service. An initiative has been taken to enhance the DESCO established Meter Plant as a full fledged Manufacturing Plant to meet up not only the DESCO's demand but also the whole Country with export possibility in future.



Looking Into Future

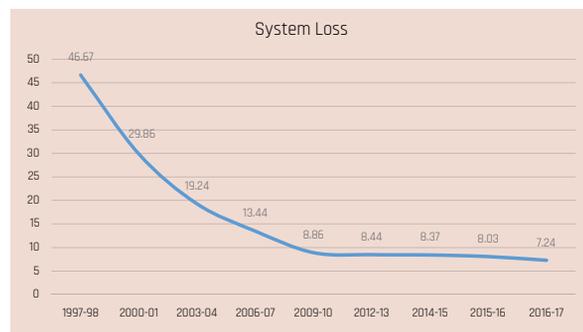
DESCO has completed a study to ascertain the load demand and consumer growth in DESCO area up to the year 2030 with every 5 years phasing. The report shows that the load demand of DESCO will increase to 1,964 MVA, 3108 MVA, and 4827 MVA by the year 2020, 2025 and 2030

respectively. DESCO has planned to cater this increasing load demand accordingly. In this regard, 72 nos. of new 33/11 kV Substations and 17 nos. of new 132/33kV Grid Substations will be required to construct along with up gradation of some existing sub-stations.

Two new townships namely "Purbachal Model Town" and "Uttara Model Town (3rd Phase)" are being developed by RAJUK in the DESCO area. These new townships have already been added to DESCO's operational area. Electrical network development for this area has already been taken up by DESCO. The load demand of "Purbachal Model Town" and "Uttara Model Town (3rd Phase)" are expected to be about 500 MW and 352 MW respectively.

New development projects

There are five new projects which are ongoing at this moment. These will enhance the DESCO's whole infrastructure capacity up to 2668 MVA, cover approximately 11, 20,000 nos. of consumer and power handling capacity around 2135 MW. These projects are financed by Asian Development Bank (ADB) under Power System Expansion and Efficiency Improvement Investment Program, Tranche-2 and Asian Infrastructure and Investment Bank (AIIB), under



distribution system upgrade and expansion project to meet the load demand up to the year 2020 Total cost of the said 05 projects has been estimated approximately Tk. 3,949 crore and expected to be completed within 2019. Apart from these, to meet the future load demand in Gulshan area, DESCO has undertaken the initiative to construct 132/33/11kV Underground Grid Substation at Gulshan S/S area financed by

JICA (Japan International Cooperation Agency). The cost of this projects has been estimated approximately Tk. 1085 crore and expected to be completed within 2020. Major components and current status of the said projects are as below:

Construction of 132/33/11 kV Grid Substations

This project includes installation & commissioning of 05 new 132/33/11 kV Grid Sub-stations and installation of 174 km (29 double circuit km) 132 kV source lines. After completion of the project, 800/1200 MVA will be added at 132 level and 300/420MVA at 33kV level. Construction works of this project are in full swing.

Augmentation and Rehabilitation of Distribution System

Total 14 nos. of new 33/11 kV Sub-stations will be constructed and Rehabilitation/ Augmentation of 10 nos. of 33/11 kV Sub-stations will be done on turnkey basis. New 14 substations will add 840/1176 MVA capacity and the other 10 substation which will be gone through Rehabilitation/ Augmentation process will add 340/476 MVA capacity in the existing system. This project also includes installation of 70 Circuit km of 33kV and 200 Circuit km of 11kV U/G XLPE Cable and 500 km of 11kV, 11/0.4kV and 0.4kV overhead lines. 2,00,000 (Two) lac prepaid meter would procure under this project. Installation of 1500 nos. of 11/0.4kV & 300 nos. of 11/0.23kV distribution transformers also performed under this project. Distribution Transformer installation, O/H and U/G line construction works are ongoing.

Installation of Supervisory Control and Data Acquisition (SCADA) System

The aim of this project is to improve the reliability, stability & operational efficiency of the Power distribution network through SCADA system in DESCO areas. Under the finance of ADB introduced to improve reliability and stability of power distribution system and enhance operational efficiency of power distribution network engaged.

Augmentation and Rehabilitation of 132/33/11 kV grid substation at Bashundhara and Uttara

The Objective of this project to increase capacity of existing 02 Grid substations from 250/375MVA

to 480/720MVA at 132kV level.

Conversion of existing 33 kV overhead lines into underground cables

Objectives of this project are to increase reliability, improve power quality and increase safety of power supply. After completion of this project, no 33kV overhead lines would exist in DESCO area.

Construction of DESCO Head Office

DESCO has taken an initiative to construct 12 storied and 6 basement Head Office building at Plot 49/A Nikunja-2, Khilkhet, Dhaka Beside Dhaka-Mymensingh highway.

An open Architectural Design competition was arranged through IAB (Institute of Architects Bangladesh) for selecting the design. Among 69 (sixty nine) participants in the competition, the best design was selected by the jury board comprised of renowned architects and expert members.

The Head office building will be "Iconic" and prestigious one with the state of the art facilities. Highly Energy efficient, sufficient natural light usage provision, safe & secure, sustainable and symbolic to electricity distribution business. Complex shall be as per RAJUK approved layout plan with well air ventilation system and there shall be capacity of office arrangements of head office officers and staffs to carry out their official activities. Total land area of the building site is 40.25 katha (28,980 sq.ft.). The total buildable area would be 2,71,114.62 sq.ft. Car parking and utility facility in basements, Bank, ATM, Vending station, waiting room, Reception, Office Room for building maintenance, convenience store, kiosk at the ground floor.

Preliminary Estimated cost of the project is Tk. 123 crore (One Hundred and Twenty Three crore). The project is expected to be completed within 2020.

Key Performance Indicator

Key Performance Indicator (KPI) is a set of quantifiable measures that an organization uses to measure or compare performance in terms of meeting their strategic and operational goals. An organization may use KPIs to evaluate its success,

or to evaluate the success of a particular activity in which it is engaged.

A Memorandum of Understanding (MOU), in this regard, was signed between Power Division,

Ministry of Power, Energy & Mineral Resources (MPEMR) and DESCO with a achieve sets of Key Performance Targets for the Fiscal Year 2015-16. The following table shows DESCO's success in attaining all the targets.

Sl. No.	Indicators	Units	Target	Achievement
1	Construction of new distribution line	KM	>100	200.40
2	Construction/Capacity enhancement of distribution Sub-station	MVA	>100	112
3	Distribution System Loss	%	<8.00	7.24
4	Accounts Receivables	Eqv. months	<1.80	1.69
5	System Average Interruption Duration Index (SAIDI)	Minutes/ year/ consumer	<570	463.45
6	System Average Interruption Frequency Index (SAIFI)	Interruptions/ year/ consumer	<22	17.72
7	Minimum Annual Training hour per Employee	Hours	>70	73.65
8	Installation of Pre Payment Meter	Nos.	>10,000	32,773
9	New Connection to the Households	Nos.	>50,000	57,286
10	Collection of Bill Ratio	%	>99.50	100.62
11	Current Ratio	Ratio	2.55:1	2.25:1
12	Quick Ratio	Ratio	1.8:1	1.55:1
13	Debt Service Coverage Ratio	Ratio	>1.2:1	1.20:1
14	Accounts Payable	Month	<1.0	Nil
15	Debt Service Liability	Six Month	Due+ 10% of Previous month	Nil
16	Power Factor at each billing point	%	>90	96.4
17	Implementation of ADP (Financial)	%	100	112.61
18	Percentage of Overloaded Transformer	%	<0.5	0.26
	Total			

* Un-Audited

Human Resource Development

As DESCO always focuses on quality service, it has arranged training for all employees to improve the knowledge, skills and attitude of the employees. In Order to achieve the company's vision and mission, the company recognizes and emphasizes on productivity development of its employees. Following this, DESCO developed average 70 Man-hours per employee training on different topics round the year. Targeted 1,517 employees received 1,11,733 Man-hours of In-house and out-house training under the supervision of Human Resource Management Division. The training achievement against the target was 105.24% during the FY 2016-17. Besides In-house trainings, employees also participate in trainings/ seminars/ workshops in external organizations namely Prime Minister's Office, Power Division, Armed Forces Division, Institution of Engineers, Bangladesh (IEB), Engineering Staff College of Bangladesh, National Academy for Planning and Development (NAPD), Central Procurement Technical Unit (CPTU), Dhaka University (DU), Bangladesh Power Development Board (BPDB), Institute of Chartered Secretaries

of Bangladesh (ICSB), Bangladesh Institute of Administration Management (BIAM), The Institute of Cost and Management Accountants of Bangladesh (ICMAB) and abroad.

HRM division has also included training programs on Pre-payment Meter, Underground Substation, Smart Grid, National Integrity Strategy, e-filling and Innovation & Idea Generation in its training schedule in order to provide smooth services to the customers.

Internal Audit

Internal Audit division is responsible for performing various Audit program relating to different functions and activities of DESCO for ensuring transparency & accountability in its activities with aim to provide better service to its valued customers. For this purpose the Internal Audit division performs various audit programs round the year. The audit program in a certain division is performed by the Internal Audit division employee along with other staff of the organization when required, who are not directly involved in the activities of that division.



Construction work progress at Uttara 3rd phase 132/33/11kV Grid S/S site area.

Internal Audit division has performed different audit programs on different issues as mentioned below and prepared audit reports in the financial year 2016-2017.

E-Governance

It necessitates efficient use of electronic state management system based on Information & Communication Technology (ICT) including the Internet Technology. The main purpose is to ensure good governance in all functional areas of the establishment.

To keep it with the modern technological advancement in IT (Information Technology) sector and to make the utility management more efficient, DESCO management decided to develop an accountable and transparent governance system with a unified approach. As a consequence One Point Service Centre, Complaint Management, New Connection, Monthly Bill Collection, Miscellaneous Bill Collection, DESCO Website and E-mail Communication, Inter Office Wide Area Network (WAN) Connectivity has been successfully developed and implemented.

Digital Services

To achieve "Vision 2021" of digital Bangladesh, DESCO has introduced internet based self-services. Now DESCO provide following digital Services:

- ✓ Bill Payment through SMS (2009)
- ✓ Online Bill Payment (2010)
- ✓ On-Line Application for New Connection (2012)
- ✓ Online Job Application (2012)
- ✓ Mobile Banking Bill Payment (2014)
- ✓ Payment through Live Payment Gateway (2014)
- ✓ Mobile Application for Post Paid Consumers (2016)

e-GP (e-Tendering)

Since the Government has decided to introduce e-Tender system to put an end to tender manipulation, DESCO has introduced e-Tendering system to facilitate its procurement process. The main functions are online bidder registration, email acknowledgement of new tender according to bidder's interest list, online bid participation, edit submitted documents/bids till closing date,

online tender specification with a comprehensive security. This system prepares customized comparison sheet of the submitted bids to accelerate the evaluation process.

Mobile Application

DESCO Mobile App was launched with a view to provide extended support and service to DESCO's consumers by letting them to collect various information regarding their bills, electricity usage, S&D Divisions etc. and pay bills using their Smartphones through various electronic payment channels such as Debit/Credit Cards, Internet Banking & Mobile Banking.

Complying with our Prime Minister Sheikh Hasina's announcement, and the present Government's vision of building a "Digital Bangladesh" by 2021, DESCO took the initiative to launch this Mobile App along with its other relevant efforts.

Since DESCO is a utility service provider, the business model of DESCO app is not basically revenue generating. Rather, DESCO's primary objective was to create a hassle-free and friendly model to its consumers in relation to bill payment and information collection. It has been observed that people today do not like to visit banks or other premises and stand in long queue wasting their time, money and energy just to pay a bill. They like to pay online using their mobile devices. This would increase consumers' satisfaction and encourage them to pay bills in timely manner, which would bring benefit to DESCO at large.

Corporate Social Responsibility

The ethos of DESCO for pursuing its activities in social arena has got further momentum with continuous enthusiasm and support of the stakeholders. Besides running on commercial basis, DESCO also recognizes some social responsibilities such as collects electricity bills at a nominal rate from the Ijtema Committee, provides support to the freedom fighters & the family of the National Poet Late Kazi Nazrul Islam and also contribution to other social activities as decided by the Board from time to time.

Financial Results and Appropriation

The synergy of technical and commercial activities is reflected in the improved financial results of the Company year to year as under:

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Revenue from Operations	34,012	31,890	27,966	24,993	22,242
Cost of Sales	31,535	29,989	25,427	24,063	21,646
Gross Profit	2,477	1,901	254	931	595
Total Expenses	(2,189)	(1,960)	(1,556)	(1,336)	(1,090)
Operating Profit/Loss	288	(59)	983	(405)	(495)
Financial Expenses	(473)	(342)	(333)	(320)	(325)
Exchange Fluctuation (Gain/loss)	(295)	16	72	19	274
Non-Operating Income	713	985	1,268	1,633	1,674
Taxation	58	(154)	(356)	(258)	(323)
Net Profit for the year	176	446	1,635	669	805
Dividend (proposed)	398	39.8	568	688	748
Un appropriated profit carried forward	7,946	7,951	7,520	6,227	6146

Figures in Million Taka

Analysis on Financial Results

Energy sales increased due to increase of retail tariff (2.93%) from 1st Sep 2015 and increase of number of consumer and Energy purchase increased due to increase of bulk tariff (8.74%) from 1st Sep 2015 and increase of number of consumer.

On the other hand reason for decrease of earnings are (1) Employee expense increase due to increase of salary and implementation of pay structure and (2) Interest income decrease due to decrease of interest rate and amount of FDR.

Contribution to the Exchequer

Since commencement of its operation, DESCO has been contributing substantial amount to the National Exchequer by way of VAT and Taxes as shown in the table below:

VAT and Income Tax	2012-13	2013-14	2014-15	2015-16	2016-17
VAT from Electricity Bills	1148	1,184	1,362	1,504	1,709
VAT from contractors / suppliers Bills	51	58	79	76	108
Income Tax deduction at Source	96	115	198	138	191
Corporate Income Tax	220	204	134	243	150
Total	1,515	1,561	1,773	1,961	2,158

Figures in Million Taka

Financial Ratios

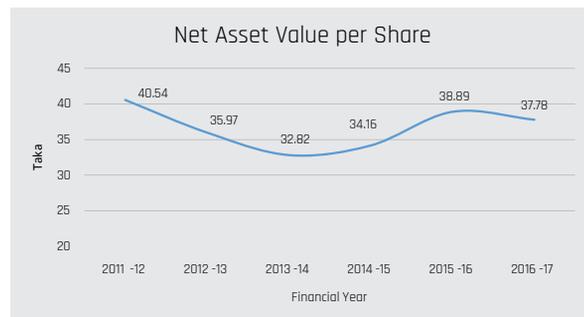
Financial ratios are indicators of financial strength/weakness of an organization. Some of these are presented below to reflect DESCO's financial position:

Financial Ratio	2016-17	2015-16	2014-15	2013-14	2012-13
Current Ratio	2.25:1	2.41	2.31	2.40	2.73
Quick Ratio	1.56:1	1.62	1.78	2.17	2.24
Debt/Equity Ratio	68.78	53:47	53:47	56:44	58:42
Accounts Receivable(Months Equivalent to Sales)	1.69	1.61	1.85	1.87	1.95
Cost of Sale to Operating Revenue	92.72	94.04	90.92	96.28	97.32
Gross Margin / Sales Ratio	7.49	6.08	9.08	3.72	2.71
Operating Margin / Sales Ratio	0.87	(0.19)	3.51	(1.62)	(2.26)
Net Income / Sales Ratio	0.53	1.43	5.85	2.68	3.67
Return on Asset	0.37	2.68	12.50	5.33	7.20
Return on Equity	1.17	3.03	12.64	5.92	7.47
Net Asset Value Per Share	37.78	38.89	34.16	32.82	35.97
Net Operating Cash Flow	5.98	8.65	8.27	7.65	10.76
Earnings Per Share (Tk.)	0.44	1.18	4.32	1.94	2.34

Capital Structure

The distribution of shareholding and type of shareholding are shown below:

Authorized Capital	: Tk. 500 crore
Paid up Capital	: Tk. 397.57 crore
Total Shares	: 397,569,804 Nos.
Class of Share	: Ordinary Shares of Tk.10/- each



Stock Exchange Listing

Dhaka Electric Supply Company Ltd. (DESCO) is listed with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE).

Directors' Responsibilities

Section 181 of the Companies Act 1994 requires Directors to ensure that the Company keeps proper books of accounts of all transactions and prepare financial statements that give a true and fair view of the state of the Company's affairs and of the profit for the year.

The Directors are also required to ensure that the financial statements have been prepared and presented in accordance with the requirements of the International Accounting Standards/ International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh and provide the information required by the Companies Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Commission Rules 1987 and the regulations of the Dhaka / Chittagong Stock Exchanges. They are also responsible for taking reasonable measures to safeguard the assets of the Company, and in that context to establish appropriate systems of internal control with a view to the prevention and detection of any fraud and other irregularities.

The Directors have always recognized the important role played by the honorable Shareholders of the Company in assisting the Board to implement proper corporate governance.

The Company also welcomes the active participation of the Shareholders at the Annual General Meetings and solicits their views at all times, promoting healthy dialogue. Whenever possible, the Company has also implemented suggestions of the shareholders. The Board and the Company Management constantly interacts with the shareholders of the Company through quarterly and annual publications of financial statements, meetings and other forms of communications.

Principal Responsibilities of the Board

1. Formulating the long term strategies of the Company and setting the goals and direction for the Company.
2. Reviewing Company's risk assessment and ensures implementation of appropriate systems to manage those risks.
3. Providing the leadership necessary to ensure that the business objectives set out by the Board are met within the framework of internal controls, as described in this Statement.
4. Other key duties for the Board includes approving financial statements, appropriation of profit, reviewing the adequacy and integrity of the Company's internal control systems and ensuring compliance with applicable laws, rules, regulations, directives and guidelines of various regulators.
5. Pursuant to the Company's laid down policies and guidelines, the Board is also tasked to decide on the following business transactions and activities:
 - ✓ Acquisition, disposal or closure of a business.
 - ✓ Capital investment and disposal of tangible assets.
 - ✓ Purchase or sale of trademarks.
 - ✓ Proposal for borrowings or the grant of extended credit facilities.
 - ✓ Any corporate restructuring not covered by any of the above paragraphs.
 - ✓ Appointment of top management and expatriate officials.

In discharging its responsibilities, the Board is guided by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act, 1994, relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations, Company's Standards of Business Conduct, Business Principles, Statement of Delegated Authorities, and other generally accepted corporate best practices.

Chairman of the Board

The Chairman of the Company is elected by the Board of Directors and the Board considers the Chairman being independent.

Roles and Responsibilities of the Chairman

- The Chairman's responsibility is defined by the Board as directed by BSEC's notification on

Corporate Governance Guidelines.

- As Chairman of the Board of Directors (or Chairman of any Committee formed by the Board), does not personally possess the jurisdiction to apply policy making or executive authority, he does not participate in or interfere into the administration or operational and routine affairs of the Company.
- The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.
- The Chairman presides over meetings of the Board and Shareholders and ensures good Corporate Governance in its conducts.
- The Chairman maintains relations with the relevant stakeholders in consultation with the Board as well as the Managing Director, representing the Company as a good/responsible corporate citizen.
- The Chairman may assume any responsibility if the Board assigns within the purview of the relevant Rules, Regulations, Acts and Articles.

Managing Director

- The Managing Director is responsible for driving business operations, leading the development and execution of the Company's long term strategies with a view to creating shareholder value.
- His leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long and short term plans.
- The Managing Director acts as a direct liaison between the Board and Management of the Company and communicates to the Board on behalf of the Management.
- He also communicates on behalf of the Company to the shareholders, employees, Government authorities, other stakeholders and the public.

Company Secretary

The Board has appointed a Company Secretary in order to maintain the necessary link and liaison with the internal organs, as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the Board. The Corporate Governance

Guidelines issued by BSEC also require a listed company to appoint a Company Secretary. Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman and other members of the Board to ensure effective functioning of the Board. The Company Secretary organises and attends all Board and Committee meetings (Audit Committee), and ensures that deliberations on all issues are properly minuted, decisions recorded and are duly communicated across the respective authorities for necessary information/actions. The Company Secretary is also responsible for agreement signing, policies formulation, protection of the Company's land, Records Management, driving Standards of Business Conduct, administration of seven trust funds and its portfolio investment management.

Corporate Governance Compliance Report

The pattern of shareholding along with the name-wise details of (i) Parent/Subsidiary/Associated Companies and other related parties; (ii) Shareholding of Directors; (iii) Shareholding of Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit (HIA); (iv) Shareholding of Senior Executives (Top five salaried persons other than CEO, CFO, CS, HIA) and (v) Shareholder(s) holding 10% or more voting interest in the company as on 30 June 2017 are shown at **Annexure-I**.

Dhaka Electric Supply Company Limited (DESCO) to this end has complied with all the requirements of Corporate Governance as required by the Securities and Exchange Commission.

Board Meetings, Attendance and Remuneration

During the financial year 22 (Twenty Two) Board Meetings were held. As per corporate governance guidelines the Company Secretary and CFO attended all meetings. The attendance record of the Board Meeting is shown at **Annexure-II** of this report.

No remuneration was paid to the Directors apart from their meeting attendance fees.

Audit Committee

As a measure of ensuring transparency and good Governance in its functional area DESCO has formed a 4-member Audit Committee of the Board headed by an Independent Director A.K.M.

Humayun Kabir, Joint Secretary Development-5 Power Division, Ministry of Power, Energy & Mineral Resources. The other members of the Committee are (2) Engr. Md. Rabiul Hasnat, Director, Real Estate & Housing Association of Bangladesh (REHAB) (3) Mr. Md. Abdullah Al Masud Chowdhury, Executive Director (Human Resources) & Executive Director (Finance & Accounts), Addl. Charge and (4) S. M. Zamil Hussain, Company Secretary, DESCO. The attendance record of the Audit Committee is shown at **Annexure-III**.

Distribution of Shareholdings

Number of Shareholders on 30th June, 2017 stood at 7,998 nos. Distributing of Shareholding shown and their composition in **Annexure-IV**

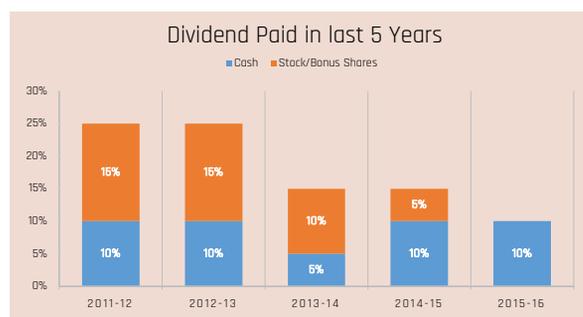
Citizen Charter

This is an official document of the organization's commitment to its consumers. The Citizen Charter makes it very clear that the services required from DESCO by its customers are their rights rather than considering that as favour to them. The increasing demand by the public for time bound services will bring qualitative improvement in services by DESCO and the charter will help DESCO to evaluate the delivery of services.

DESCO's citizen Charter is kept displayed at its Customer Service Centers for awareness of the customers. There are also some printed leaflets on different category of services available at the Customer Service Centers of DESCO. DESCO's Citizen Charter is also available in DESCO website.

Dividend

Based on the performance of the Company, the Board of Directors recommends 10% cash dividend for the financial year 2016-17. Since listing with the exchanges the company paid dividend to its valued shareholders on regular basis.



Auditors

M/S Artisan, BSEC Bhaban (Level 10), 102, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215, the existing statutory auditors of the Company shall retire in the AGM upon accomplishment of audit of the company. They have expressed their willingness vide letter received on 20/09/2017 to be re-appointed as statutory auditors of the company for the financial year 2017-18 with reasonable increase in fees.

Board of Directors

As per nomination of the Power Division, Ministry of Power, Energy and Mineral Resources (MPEMR), Government of Bangladesh, (1) Engr. Bikash Dewan, Managing Director, Dhaka Power Distribution Company Ltd., (2) Mr. Md. Zahurul Haque, Member (Administration), Bangladesh Power Development Board (BPDB) in place of Brig. Gen. (Retd.) Md. Nazrul Hasan and Mr. Minhajuddin Ahmed respectively, (3) Mr. Md. Anwarul Islam, Managing Director, ARS Lube Bangladesh Ltd. and (4) Dr. S. Shahnawaz Ahmed, Professor, Electrical and Electronic Engineering, Bangladesh University of Engineering and Technology (BUET) were appointed as Director of DESCO Board. The current combination of the Board is shown below.

Sl. No.	Name	Position in the Board
01.	Md. Mahbub-ul-Alam, ndc	Chairman
02.	Kazi Rowshan Akhter	Independent Director
03.	Brig Gen Md Shahid Sarwar, ndc, psc (Retd)	Ex. Office Director
04.	Mr. Bikash Dewan	Director
05.	Mr. Md. Zahurul Haque	Director
06.	Mr. A.K. M. Humayun Kabir	Independent Director
07.	Mr. Selim Abed	Director
08.	Engr. Md. Ataul Mahmud	Director
09.	Engr. Md. Rabiul Hasnat	Independent Director
10.	Mr. Md. Anisur Rahman	Director
11.	Mr. Md. Anwarul Islam	Director
12.	Dr. S. Shahnawaz Ahmed	Director

Election of Directors

In terms of Article 86 of the Articles of Association of the Company, (i) Engr. Bikash Dewan, Managing Director of Power Distribution Company Ltd., (ii) Engr. Ataul Mahmud, Vice-President (Services & Welfare) Institute of Engineers, Bangladesh (IEB), (iii) Engr. Md. Rabiul Hasnat, Director, Real Estate & Housing Association of Bangladesh (REHAB), and (iv) Mr. Md. Zahurul Haque, Member (Administration), Bangladesh Power Development Board (BPDB) will retire by rotation. However, as per article 87, the retiring Directors are eligible to be re-elected as Directors of the Company.

On contrary, (1) Mr. Md. Mahbubul Alam, ndc, Additional Secretary, Power Division, MPEMR, (2) Kazi Rowhan Akhter, DG, Department of women affairs, Ministry of women and Children affairs, (3) Brig Gen Md Shahid Sarwar, ndc, Psc (Retd), Managing Director, Dhaka Electric Supply Company Ltd., (4) Mr. A. K. M. Humayun Kabir, Joint Secretary, Power Division, MPEMR, (5) Mr. Selim Abed, PS to State Minister (Deputy Secretary), Ministry of Power, Energy and Mineral Resources, Government of the People's Republic of Bangladesh, (6) Mr. Md. Anisur Rahman, Managing Director, Winner Consultants Ltd., and (7) Mr. Md. Anwarul Islam FCMA, Managing Director, ARS Lube Bangladesh Ltd. shall continue to act as Directors of the Board.

Brief resumes of Directors new or proposed to be elected/re-elected are shown under **Anexure-V**

Acknowledgement

On behalf of the Board of Directors, I would like to express my sincere gratitude to all honorable shareholders, the Power Division, Ministry of Power, Energy & Mineral Resources, Economic Relations Division, Ministry of Finance, Ministry of Planning, Power Cell, Bangladesh Power Development Board (BPDB), Dhaka Power Distribution Company Ltd. (DPDC), Bangladesh Rural Electrification Board (BREB), Power Grid Company of Bangladesh (PGCB), concerned Government Departments, Asian Development Bank, World Bank, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Limited (CSE), ICB Securities Trading Company Limited, and other development partners for their continuous assistance, guidance and advice. I would also like to express my heartfelt thanks to all the employees of the company on behalf of the Board of Directors for their sincere and relentless efforts in performing their duties and responsibilities for prosperity and development of the company.

In the end, I pray to the Almighty Allah that may the Company continue its performance gloriously throughout the years ahead.

On behalf of the Board of Directors,



Md. Mahbub-ul-Alam, ndc
Chairman

i) Parent / Subsidiary / Associated Companies and other related parties:

Sl. No.	Name	Number of Shares	% of shares as on June 30, 2017
01.	Bangladesh Power Development Board	263,793,834	66.35
02.	Dhaka Electric Supply Authority	5,072,954	1.28

ii) Directors' Shareholding

Sl. No.	Name	Designation	% of shares as on June 30, 2017
01.	Md. Mahbub-ul-Alam, ndc	Chairman	Nil
02.	Kazi Rowshan Akhter	Independent Director	Nil
03.	Brig Gen Md Shahid Sarwar, ndc, psc (Retd)	Ex. officio Director	Nil
04.	Bikash Dewan	Director	Nil
05.	Md. Zahurul Haque	Director	Nil
06.	A.K. M. Humayun Kabir	Independent Director	Nil
07.	Selim Abed	Director	Nil
08.	Engr. Md. Ataul Mahmud	Director	Nil
09.	Engr. Md. Rabiul Hasnat	Independent Director	Nil
10.	Md. Anisur Rahman	Director	Nil
11.	Md. Anwarul Islam, FCMA	Director	Nil
12.	Prof. Dr. S. Shahnawaz Ahmed	Director	Nil

iii) Shareholding of CEO, CFO, Company Secretary and Head of Internal Audit

Sl. No.	Name	Number of Shares	% of shares as on June 30, 2017
01.	Chief Executive Officer and his spouse and minor children	-	-
02.	Chief Financial Officer and his spouse and minor children	-	-
03.	Company Secretary and his spouse and minor children	-	-
04.	Head of Internal Audit and his spouse and minor children	292	0.00007

iv) Shareholding of Senior Executives

Sl. No.	Name	Designation	Number of Shares	% of shares as on June 30, 2017
01.	Engr. AKM Mostafa Kamal	Executive Director (Procurement)	10,117	0.00254
02.	Engr. Noor Mohammad	Executive Director (Operation)	-	-
03.	Engr. Jagodish Chandra Mandal	Executive Director (Engineering)	704	0.00017
04.	Engr. S.M. Habibur Rahman	CE, Development and Projects	2518	0.0006
05.	Engr. A.K.M Mahiuddin	CE (S & D Operation), Current Charge	-	-
06.	Engr. Md. Monjurul Hoque	CE (Network Operation), Current Charge	-	-
07.	Engr Zulfiquar Tahmid	CE (Planning & Design), Current Charge		
08.	Engr. Md. Enamul Haque	CE (Procurement), Current Charge	4095	0.001
09.	Mr. Md. Mominul Islam	General Manager (F & A), Current Charge	7,239	0.00182
10.	Engr. Md. Zakir Hossain	Superintending Engineer	4000	0.001
11.	Engr. Md. Mafizul Islam Bhuiyan	Superintending Engineer	334	0.00008
12.	Engr. Md. Shariful Islam	Superintending Engineer	175	0.00004
13.	Engr. Shamim Ahsan Chowdhury	Superintending Engineer	486	0.0001
14.	Engr. Md. Rashidur Rahman	Superintending Engineer	-	-
15.	Engr. Jyotish Chandra Roy	Superintending Engineer	11,739	0.00295
16.	Engr. Abdus Salam	Superintending Engineer	-	-
17.	Engr. Md. Shofiqul Islam	Superintending Engineer	292	0.00007
18.	Engr. Md. Akharul Islam	Superintending Engineer, Current Charge	436	0.00011
19.	Engr. Md. Mustafizur Rahaman	DGM (Administration), Current Charge	-	-
20.	Engr. Md. Kamruzzaman	Superintending Engineer, Current Charge	-	-
21.	Mr. Md. Alamgir Hossain	DGM (Accoumths), Current Charge	-	-
22.	Engr. Md. Golam Rabbani	Executive Engineer	-	-
23.	Engr. Md. Sadequl Islam	Executive Engineer	100	0.00002
24.	Engr. Md. Nazrul Islam	Executive Engineer	-	-

v) Shareholders Holding 10% or more voting right

Name	Number of Shares	% of shares as on June 30, 2017
Bangladesh Power Development Board	263,793,834	66.35

vi) Fifteen Largest Shareholders as on June 30, 2017

Serial No.	Name of the Shareholder	Category	Number of Shares held	% of total Share outstanding
1	Bangladesh Power Development Board	Sponsor	263793834	66.35
2	ICB		13010701	3.27
3	Investment Corp. Of Bangladesh	Company	12368647	3.11
4	Bangladesh Fund	Company	7,077,000	1.78
5	AB Bank Ltd.	Company	7,023,759	1.76
6	Dhaka Electric Supply Authority (DESA)	Sponsor	5,072,954	1.28
7	Shanta Holdings Limited	Company	4,515,122	1.14
8	Md. Nurul Islam Mollah	Individual	2298390	0.58
9	ICB Unit Fund	Company	2270672	0.57
10	Pubali Bank Securities Limited	Company	2200000	0.55
11	Altap Hossen	Individual	1950000	0.49
12	Md. Shahjahan Mollah	Individual	1827782	0.46
13	Sonali Bank	Company	1,668,720	0.42
14	Premier Bank Ltd (Islamic Bank)	Company	1,438,399	0.36
15	SSBT F SSB LX A/C PDF-FM		1,264,328	0.32
	Total		333,440,518	83.86

Attendance Of The Board Meeting**Annexure II**

Board Meeting and attendance during the year ended on June 30, 2017. During that year total 18 Board meeting were held.

Sl. no.	Name of the Directors	Meeting held while a member	No. of meeting attended in person/ alternates	Total Director Fee Received (Excluding Vat & Tax)
01.	Md. Mahbub-ul-Alam	18	18	145,000.00
02.	Kazi Rowshan Akhter	18	17	137,500.00
03.	Brig. Gen. (Retd) Md. Nazrul Hasan	18	11	82,500.00
04.	Brig. Gen. Md Shahid Sarwar, ndc, psc (Rtd.)	18	18	145,000.00
05.	Mr. Md. Zahurul Haque (From 25.01.2017)	8	7	62,500.00
06.	Mr. A.K. M. Humayun Kabir	18	16	130,000.00
07.	Mr. Minhajuddin Ahmed (till 25.01.2017)	10	8	60,000.00
08.	Mr. Selim Abed	18	14	112,000.00
09.	Mr. Ataul Mahmud	18	16	130,000.00
10.	Engr. Md. Rabiul Hasnat	18	15	120,000.00
11.	Dr. Ahsan Aktar Hasin (till 25.01.2017)	10	9	67,500.00
12.	Mr. Md. Anisur Rahman (From 14.08.2016)	15	15	122,500.00

Attendance Of The Audit Committee Meeting**Annexure III**

Audit Committee meeting and Attendance during the year ended on June 30, 2017.

Sl. no.	Name of the Directors	Meeting held while a member	No. of meeting attended in person/ alternates
01.	Mr. A.K. M. Humayun Kabir	8	8
02.	Engr. Md. Rabiul Hasnat	8	8
03.	Mr. Md. Abdullah Al Masud Chowdhury	2	2
04.	Mr. Md. Rofi uddin	6	6
05.	Engr. Zulfiquar Tahmid	7	7
06.	Mr. S. M. Zamil Hussain	1	1

a) Distribution of Shareholdings**Annexure IV**

Range of holding in numbers of shares	Number of Shareholders	% of Share-holders	Number of Shares	% of Share Capital
less than 501	2676	33.46	500468	0.13
501 to 5,000	3784	47.31	7086699	1.78
5,001 to 10,000	661	8.25	4939341	1.24
10,001 to 20,000	409	5.11	5982543	1.50

Range of holding in numbers of shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Share Capital
20,001 to 30,000	137	1.71	3412455	0.86
30,001 to 40,000	63	0.79	2255143	0.57
40,001 to 50,000	48	0.60	2274369	0.57
50,001 to 100,000	98	1.23	7117730	1.79
100,001 to 1,000,000	102	1.28	30560538	7.69
Over 1,000,000	20	0.33	333440518	83.87
Total	7,998	100.00	397,569,804	100.00

b) Shareholding Composition as on 30th June, 2017.

Category	Number of Shareholder	Number of Shares	% of Total Shares
Government	2	268,866,788	67.63
Institute	310	79,590,627	20.02
Public	7,627	46,836,195	11.78
Foreign (NRB)	59	2,276,194	0.57
Total	7,998	397,569,804	100.00

Brief resumes of Directors new or proposed to be elected/re-elected

Anexure-V

SL. NO	NAME AND DESIGNATION	AGE (YRS.)	QUALIFICATION	EXPERIENCE	DIRECTORSHIP OTHER THAN DESCO
1.	Engr. Bikash Dewan Managing Director Dhaka Power Distribution Company Ltd.	58	MBA, B. Sc. in EEE	33 years Power Sector	Dhaka Power Distribution Company Ltd.
2.	Mr. Md. Zahurul Haque, Member (Administration) Bangladesh Power Development Board (BPDB)	54	M. Phil (Social Change), M.Sc.	27 Years Govt. Ser- vice	1. West Zone Power Distribution Co Ltd. 2. North-West Power Generation Company Limited 3. BPCGCL.
3.	Engr. Ataul Mahmud Vice-President (Services & Welfare) Institute of Engineers, Bangladesh (IEB),	46	MBA, DU B.Sc (Engg.), EEE, BUET	Business	-
4.	Engr. Md. Rabiul Hasnat Director, Real Estate & Housing Associa- tion of Bangladesh (REHAB)	47	B.Sc (Engg.), Civil, BUET	Business	Standard Construction Ltd.
5.	Mr. Md. Anwarul Islam Managing Director ARS Lube Bangladesh Ltd.	51	M.Com, MBA(- DU), FCMA	Business	-
6.	Dr. S. Shahnawaz Ahmed Professor, Electrical and Electronic Engineering, BUET.	57	PhD, M. Sc. (Engg.) in EEE	34 Years Teaching & Power Sector	-

শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

Events Highlights



Foundation stone laying ceremony for Construction of 132/33/11 KV Grid Substation at Banani.



A Contract has been signed between Dhaka Electric Supply Co. Ltd. (DESCO) and Simens Ltd. India in Consortium with Siemens Bangladesh Ltd. for Design, Supply, Installation and Commissioning of 24 nos. of 33/11 KV Sub-Stations on Turnkey Basis against IFB No. 01/2016, Lot-3 of Package-C1 under Power System Expansion and Efficiency Improvement Investment Program (Tranche-2) Loan No. 3087-BAN of Asian Development Bank (ADB). The Ceremony was held on 23 May 2017 at Dhaka Regency Hotel, Nikunja-2, Khilkhet, Dhaka.



Voluntary Blood donation program on National Mourning Day-2016



DESCO Participation in Power and Energy Exhibition week-2016



Training of DESCO employee at AIT, Thailand.



National Mobile Application Award 2016 : Champion (Business and e-commerce Category)



Annual Picnic 2017

Moments with the hon'ble Shareholders



শেখ হাসিনার উদ্যোগ
ঘরে ঘরে বিদ্যুৎ

**Audit Committee Report
and
Auditors' Report**

Report of the Audit Committee

The Audit Committee of Dhaka Electric Supply Company Ltd. (DESCO) operates within the Corporate Governance guidelines of Bangladesh Securities and Exchange Commission and carries oversight responsibilities. The Board of Directors set out the overall Business Plan & formulates policies that the Management is responsible for implementation. The Audit Committee, on behalf of the Board, strives to ensure effective implementation of the processes and procedures set out in the Business Plans and Policies. Audit Committee also review the internal control regime and compliance status of the company as a whole.

Functions of the Audit Committee

Main function of the Audit Committee is to facilitate the Board in its oversight responsibilities. In order to fulfill the responsibilities, among others, main responsibilities of the Audit Committee are as follows:

- Review adequacy of Internal Control System,
- Review Financial Reporting Process & Financial Statements,
- Review Internal Audit Report & External Audit Report (Management Report)
- Monitor Accounting Polices & Principles, Internal Control Risk Management Process,
- Monitor compliance culture,
- Recommend appointment of Auditor,
- Review Draft Budget and Revised Budget.
- Compliance of rules and regulations, etc.

Composition of the Audit Committee

Current Audit Committee is comprised of -

1. A. K. M. Humayun Kabir, Independent Director, DESCO Board - Chairman
2. Engr. Md. Rabiul Hasnat, Independent Director, DESCO Board - Member
3. Md. Abdullah Al Masud Chowdhury, Executive Director (F.A) Addl. Charge, DESCO - Member
4. S. M Zamil Hussain, Company Secretary, DESCO - Member-Secretary

Senior officials of the company attend the Meetings on invitation.

Meetings of the Audit Committee

The Audit Committee had held 08 (Eight) meeting during the Financial Year ended on June 30, 2017.

During the year under review the Committee, inter alia, focused on following activities (not an exhaustive test):

- Reviewed Draft Financial Statements and after discussing with the External Auditors recommended it to the Board for their considerations.
- Reviewed Quarterly Financial Statements of the company and recommended its submission to the shareholders as a statutory requirement.
- Reviewed significant Internal Audit findings and advised corrective actions.
- Reviewed Annual Budget and Revised Budget and recommended for approval of the Board.

Recommendation of Financial Statements

The Audit Committee reviewed and examined the Annual Financial Statements for the Financial Year ended on 30 June 2017 prepared by the Management and audited by the External Auditor ARTISAN, Chartered Accountants, and recommended these to the Board for consideration.

Acknowledgement

The Audit Committee expresses its sincere thanks to the Members of the Board and the Management of DESCO for their excellent support in carrying out the duties and responsibilities of the committee during the period under review.



A. K. M. Humayun Kabir
Chairman, Audit Committee



Shah ALi Tower, 7th Floor
33 Kawran Bazar
Dhaka 1215, Bangladesh

Tel: 8180185, 8189883-7
E-mail : info@artisan-sc.com
Website : www.artisan-sc.com

Auditors' Report to the Shareholders

We have audited the accompanying financial statements of **Dhaka Electric Supply Company Limited (DESCO)**, which comprise the statement of financial position as at **June 30, 2017**, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 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 misstatements whether due to fraud and error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs).

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As mentioned in Note 21.03 to the financial statements, the valuation of assets in Gulshan and Tongi area of Tk. 279 crore, (13.6%) out of total non-current assets of Tk. 2,047 crore, handed over by the predecessor company - DESA to DESCO is included in the accounts of DESCO on an estimated basis and is not agreed with DESA. Both the entities are governed by

Bangladesh Power Development Board (BPDB) under the Ministry of Power, Energy and Mineral Resources. As per IFRS 3, para 18, Business Combination, Assets and liabilities so acquired are to be measured at their acquisition-date fair value. Updated fair valuations of those assets received from DESA were not done since 2006.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of **Dhaka Electric Supply Company Limited (DESCO)** as at **30 June 2017** and their financial performance and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

1. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
2. in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
3. the company's statement of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 43 dealt with by the report are in agreement with the books of account and returns;
4. the expenditure incurred and payments made were for the purposes of the company's business.



ARTISAN

Chartered Accountants

Dated: Dhaka, 03 October, 2017

Dhaka Electric Supply Company Limited (DESCO)
Statement of Financial Position
As at 30 June 2017

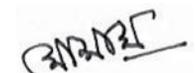
Particulars	Note	30 June 2017 Taka	30 June 2016 Taka
Assets			
Non Current Assets:		20,467,726,669	16,632,707,653
Property, Plant & Equipment	2	16,389,376,671	14,163,535,885
Capital Work -in- Progress	3	4,078,349,998	2,469,171,769
Current Assets:		27,647,058,829	28,096,500,621
Stores and Spares	4	7,040,185,611	7,622,034,713
Accounts Receivable	5	4,205,233,504	3,680,184,550
Advances & Security Deposits	6	582,799,971	623,388,963
Advance Income Tax	7	786,323,070	1,029,337,057
Cash and Cash Equivalents	8	15,032,516,674	15,141,555,339
Total Assets		48,114,785,497	44,729,208,274
Equity & Liabilities			
Capital & Reserves:		15,021,578,281	14,649,191,733
Share Capital	16	3,975,698,044	3,975,698,044
GOB Equity	17	3,100,140,000	2,722,140,000
Retained Earnings	18	7,945,740,236	7,951,353,689
Long Term Liabilities:		20,797,825,527	18,472,062,237
Share Money Deposit	19	56,250,000	75,000,000
Long Term Loans (ADB & GOB)	20	12,099,346,138	10,534,771,718
Deferred Tax Liability	34.2	2,217,755,793	1,928,129,606
Due to DESA / DPDC (for assets taken over)	21	4,039,671,539	4,039,671,539
Consumer Security Deposits	22	2,384,802,056	1,894,489,374
Current Liabilities:		12,295,381,686	11,607,954,305
Accounts Payable	9	6,299,552,428	6,103,227,543
Creditors for Goods/Works	10	514,967,500	73,862,775
Creditors for Other Finance	11	2,496,773,858	1,736,963,946
Creditors for Expenses	12	323,345,646	623,383,474
Current Maturity of Long Term Loans	13	727,227,833	756,774,594
Accrued Interest on Loans	14	1,769,571,524	1,568,076,098
Provision for Income Tax	15	163,942,895	745,665,875
Total Equity & Liabilities		48,114,785,497	44,729,208,274

"The accounting policies and other notes from 1 to 43 and Annexure-A form an integral part of these Financial Statements.


Company Secretary


Executive Director (F&A)


Director


Managing Director

The date of the Financial Statements being authorized for issue: 28th September, 2017, Dhaka.
Signed in terms of our separate report annexed.


ARTISAN

Chartered Accountants

Dhaka Electric Supply Company Limited (DESCO)
Statement of Comprehensive Income
For the year ended 30 June 2017

Particulars	Note	30 June 2017 Taka	30 June 2016 Taka
Operating Revenue:		34,012,267,889	31,890,488,152
Energy Sales (Net of VAT)	23	33,054,650,682	31,260,088,421
Other Operating Revenue	24	957,617,207	630,399,731
Cost of Energy Sales:		31,535,258,509	29,989,067,881
Energy Purchase (including wheeling charge)	25	30,523,248,272	28,956,565,428
Operating Expenses	26	326,711,935	375,509,078
Depreciation (Operating)	33	685,298,302	656,993,375
Gross Profit		2,477,009,380	1,901,420,272
Cost & Expenditure:		2,189,171,316	1,960,632,097
Administrative Expenses	27	327,419,962	332,560,327
Employee Expenses	28	1,806,868,738	1,583,004,707
Bad Debts Expenses	5.2	2,286,013	-
Depreciation (Non Operating)	33	52,596,603	45,067,063
Operating Profit/Loss		287,838,064	(59,211,825)
Non Operating Income/(Expense)		(54,137,347)	659,796,386
Interest Income	29	703,625,523	962,104,433
Interest Expenses	30	(472,566,121)	(341,524,780)
Exchange Fluctuation Gain/ (Loss)	31	(295,152,461)	16,112,606
Miscellaneous Income	32	9,955,712	23,104,127
Net Profit Before Tax		233,700,717	600,584,561
Income Tax :	34	(57,887,053)	(154,402,716)
Current Tax Provision	34.1	231,739,133	29,176,670
Deferred Tax Provision	34.2	(289,626,187)	(183,579,388)
Net Profit After Tax		175,813,664	446,181,844
Basic Earnings per Share (Adjusted)	35	0.44	1.12

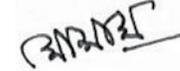
"The accounting policies and other notes from 1 to 43 and Annexure-A form an integral part of these Financial Statements."

Dated: Dhaka, 28 September, 2017


Company Secretary


Executive Director (F&A)


Director


Managing Director

Signed in terms of our separate report annexed.


ARTISAN
Chartered Accountants

Dhaka Electric Supply Company Limited (DESCO)

Statement of Cash Flows For the year ended 30 June 2017

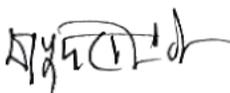
Particulars	30 June 2017 Taka	30 June 2016 Taka
A. Cash Flows from Operating Activities:		
Received from Energy Sales	33,041,385,992	31,791,577,110
Collection of Govt. Duty, VAT & Tax	2,034,235,671	1,798,081,240
Received from Other Operating & Non Operating Activities	1,898,068,838	1,032,357,533
Received against Financial Income	767,407,241	962,020,871
Payment for Energy Purchase	(30,277,226,246)	(28,150,071,463)
Payment for Employee Expenses	(1,782,980,913)	(1,199,410,085)
Payment for Administrative & Other Expenses	(875,501,382)	(800,020,909)
Payment for Interest on Long Term Loan	(271,070,695)	(199,509,265)
Income Tax Paid	(150,259,982)	(242,879,318)
Payment for Govt. Duty, VAT & Tax	(2,007,860,031)	(1,716,994,164)
Net Cash Flows from Operating Activities	2,376,198,494	3,275,151,550
B. Cash Flows from Investing Activities:		
Acquisition of Property & Plant	(741,956,574)	(2,098,381,603)
Acquisition of Stores & Equipment	(3,835,296,056)	(5,772,774,924)
Net Cash used in Investing Activities	(4,577,252,631)	(7,871,156,527)
C. Cash Flows from Financing Activities:		
Loan Received	2,332,522,294	5,444,720,893
Dividend Paid	(98,043,378)	(501,453,400)
Long Term Loan Paid	(632,776,126)	(589,854,278)
Consumer Security Deposits Received	490,312,682	173,492,435
Net Cash Flows from Financing Activities	2,092,015,472	4,526,905,650
D. Cash & Cash equivalents increase / (decrease) during the year	(109,038,665)	(69,099,326)
E. Cash & Cash equivalents at the beginning of the year	15,141,555,339	15,210,654,665
F. Cash & Cash Equivalents at the Ending of the Year	15,032,516,674	15,141,555,339

"The accounting policies and other notes from 1 to 43 and Annexure-A form an integral part of these Financial Statements."

Dated: Dhaka, 28 September, 2017



Company Secretary



Executive Director (F&A)



Director



Managing Director



ARTISAN
Chartered Accountants

Dhaka Electric Supply Company Limited (DESCO) Statement of Changes in Equity

For the year ended 30 June 2017

Figures in Taka

Particulars	Note	Share Capital	GOB Equity	Retained Earnings	Total
Balance at 01 July 2016		3,975,698,044	2,722,140,000	7,951,353,689	14,649,191,733
GoB Equity added during the year		-	378,000,000	-	378,000,000
Net profit for the year		-	-	175,813,664	175,813,664
Prior's year's adjustment	36	-	-	216,142,700	216,142,700
Stock Dividend		-	-	-	-
Cash Dividend		-	-	(397,569,804)	(397,569,804)
Balance at 30 June 2017		3,975,698,044	3,100,140,000	7,945,740,249	15,021,578,282

For the year ended 30 June 2016

Particulars	Note	Share Capital	GOB Equity	Retained Earnings	Total
Balance at 01 July 2015		3,786,379,090	1,552,140,000	7,519,514,123	12,858,033,213
GoB Equity added during the year		-	1,170,000,000	-	1,170,000,000
Net profit for the year		-	-	446,181,845	446,181,845
Prior's year's adjustment		-	-	553,614,584	553,614,584
Stock Dividend paid		189,318,954	-	(189,318,954)	-
Cash Dividend paid		-	-	(378,637,909)	(378,637,909)
Balance at 30 June 2016		3,975,698,044	2,722,140,000	7,951,353,689	14,649,191,733

"The accounting policies and other notes from 1 to 43 and annexure-A form an integral part of these Financial Statements."

Dated: Dhaka, 28 September, 2017


Company Secretary


Executive Director (F&A)


Director


Managing Director

Signed in terms of our separate report annexed.


ARTISAN
Chartered Accountants

Dhaka Electric Supply Company Limited (DESCO)

Notes to the Financial Statements

For the Year ended 30 June 2017

1. Legal Status & Nature of the Company, Significant Accounting Policies and other Relevant Information:

1.1 Legal Status:

Dhaka Electric Supply Company Limited (DESCO) was incorporated as a Public Limited Company by shares, on 03 November, 1996 with an Authorized Capital of TK.5, 000 million divided into 500 million ordinary shares of Tk.10 each as per SEC notification no SEC/CM RRCD/2009-193/109, dated: 15/09/2011. The shares of the Company have been listed and are being traded in Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) since 2006.

1.2 Principal Activities:

The main objective of the Company is to distribute electricity to its consumers effectively and efficiently. DESCO started its operation from 24 September 1998 in Mirpur area and as per Govt. decision the operation of greater Gulshan area was added from 09 April 2003. Further on 04 March 2007 operation of Tongi Area was also handed over from DESA to the Company.

1.3 Basis of Accounting:

The Financial Statements have been prepared on historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRSs), except where otherwise mentioned, and are in compliance with the relevant requirements of the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

1.4 Property, Plant & Equipment:

1.4.1 Valuation of Property, Plant & Equipment Purchased by DESCO

All property, plant & equipment purchased by DESCO are recorded at cost considering its purchase price and any directly attributable cost of bringing the assets to working condition for intended use inclusive of inward freight, duties and non-refundable taxes

1.4.2 Valuation of Assets taken over from DESA

1.4.2.1 Property, plant & equipment taken over from the Dhaka Electric Supply Authority (DESA) in the Mirpur area have been valued at Tk.1, 271.194 million as per joint survey report between DESA and DESCO, while those of Gulshan and Tongi areas have been provisionally estimated by DESCO at Tk.1,998.92 million and Tk.795.04 million respectively.

1.4.2.2 DESCO also took over two Grid Substations (Bashundhara and Uttara) from DESA at provisional estimated cost of Tk.1, 245.71 million, including cost of land, as per Vendor Agreement signed between DESCO and DESA.

1.4.2.3 Independent valuers had been appointed to physically verify and value the assets taken over by the company from DESA. The valuers have submitted their draft report which has been placed by the management before the Board for finalization.

1.4.3 Depreciation:

1.4.3.1 Depreciation is charged at straight-line method at rates varying from 2% to 20% depending on category and economic life of the assets as under:

Categories	Rate (%)
Land & Land Development	Nil
Building & other Constructions	2.5%
Distribution Equipment & Cables	3%-10%
Furniture & Fixtures	10%
Office Equipment	15%-20%
Motor Vehicles	15%

1.4.3.2 The company has acquired 0.1532 acres land from National Housing Authority (NHA) at Tk. 7.45 lac on 99 years lease in the year 2005. The amortization of the cost of this land would have been Tk. 7,529/- per year, which would not have any 'material impact' on the profitability of the company, hence no amortization has been considered.

1.4.3.3 Full year's depreciation is charged on assets acquired during the year and put into use for six months and over, while no depreciation is charged on assets acquired for less than six months during the year.

1.1.1.4 Depreciation on the assets taken over in Gulshan and Tongi area has been charged on the value and economic life as provisionally estimated by DESCO.

1.5 Stores and Spares:

Stores and spares have been stated at the lower of cost and net realizable value in accordance with BAS 2 "Inventories", after making due allowance for any obsolete or slow moving items. The cost of inventories is assigned by using weighted average cost method.

1.6 Foreign Currency Translation:

Foreign currency transactions are translated into Taka at exchange rates prevailing on the respective dates of transaction, while foreign currency monetary liabilities at the end of the year are reported at the rate prevailing on the balance sheet date. Exchange losses/gain arising out of the said conversion is recognized as expense/ income for the year in accordance with BAS-21.

1.7 Revenue Recognition:

- (a) The Company recognizes revenue of energy on issue of bills to the consumers for consumption of energy, demand charge, service charge, meter and transformer rent.
- (b) Other operating income arising from connection/disconnection fees, bills against materials, meter-testing fees, LPC (Late Payment Charge) etc, are recognized on cash basis.
- (c) Interest on short-term deposits (STD) and on FDR's with banks is recognized as income on accrual basis.

1.8 Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with BAS 7 "Statement of Cash Flows" and the cash flow from operating activities has been presented under the direct method as required by the Securities and Exchange Rules 1987 and considering the provisions

that "Enterprises are encouraged to Report Cash Flows from Operating Activities using the Direct Method"

1.9 Accounts Receivable:

Accounts Receivable for energy is stated at realizable amount less provision for doubtful debts. The company provides for doubtful debts @ 0.5% of Accounts Receivable against consumers balance standing at the balance sheet date, as decided by the Board of Directors at the meeting held on 17.04.2005.

1.10 Related Party Transaction:

(a) The 'related party' as per BAS-24 is Bangladesh Power Development Board (BPDB), which holds 67.63% of the total shares outstanding.

1.11 Earnings per Share:

(a) **Basic Earnings per Share (BEPS):** Basic Earnings per share has been calculated by dividing the earnings attributable to the number of shares (ordinary) outstanding during the year. However, neither the "GOB Equity" nor the "Share Deposit" amounts have been considered for determining BEPS and no shares have been allotted against these receipts.

(b) **Weighted average Number of shares Outstanding during the year:** This represents the number of ordinary shares Outstanding at the beginning of the year plus the year the numbers of ordinary shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific shares are outstanding as a proportionate of the number of days in the year.

(c) **Diluted Earnings Per Share:** No diluted Earnings per share was required to be calculated for the year under review as there is no scope for dilution of Earnings per share for the year.

1.12 Retirement Benefit Plans:

(a) Contributory Provident Fund

The Company maintains a Contributory Provident Fund (CPF), recognized by the National Board of Revenue (NBR), under which the employees contribute 10% of their basic salary to the fund. The company contributes an equal amount. The fund is managed and operated by a Board of Trustees. The net earnings of the fund are apportioned to the Fund member's accounts at the end of the year.

(b) Gratuity

The Company maintains a Gratuity Fund, approved by the NBR under Income Tax Ordinance, 1984. Under the Gratuity Scheme, the company pays to a retired employee, having completed at least 3 (three) years of service, at the rate of two and half months' last drawn basic salary for every completed year of service. The company pays to the fund for the liability at the end of each year considering the number of years of service of employees eligible under the scheme.

The liability shown in the Balance Sheet does not reflect the present value of the expected payments by the company's retirement plan to existing and past employees attributable to the service already rendered and is therefore not in compliance with BAS 26.

(c) Group Insurance

The Company has taken Group Endowment policy for its employees and provision for the premium on the coverage is made annually.

1.13 Taxation:

(a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differ from net profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

(b) Deferred Tax Liability

The Company accounts for deferred tax liability as per Bangladesh Accounting Standard (BAS-12). Deferred Tax is provided using the liability method for all temporary timing difference arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. An appropriate proportion of provision has been considered in calculating temporary timing difference. Tax rate prevailing at the balance sheet date is used to determine deferred tax liability.

1.14 Borrowing Cost:

Interest on borrowed funds for ongoing projects is charged as expense.

1.15 Reporting Currencies:

The financial statements presented are stated in Bangladesh Taka and rounded off to the nearest integer.

1.16 Reporting Period:

The accounting year of the company covers the year ended from 1 July 2016 to 30 June 2017

	2016-17 Taka	2015-16 Taka
2.00 Property, Plant & Equipment:		
Cost:		
Opening Balance	21,983,522,671	18,514,035,354
Less: Disposal of distribution equipment (Note 02.01)	(1,032,553)	(1,408,000)
	21,982,490,118	18,512,627,354
Additions during the year (02.01)	2,964,377,846	3,470,895,769
Closing Balance	24,946,867,963	21,983,522,671
Depreciation:		
Opening Balance	7,819,986,787	7,099,543,349
Less: Adjustment for disposals (Note 02.01)	(390,400)	(1,406,000)
	7,819,596,387	7,098,137,349
Charged for the year and including prior year adjustment.	737,894,905	702,060,438
Closing Balance	8,557,491,292	7,819,986,787
Written Down Value (WDV)	16,389,376,671	14,163,535,883

2.01 Detail of addition & disposals of assets are shown in Annexure-1 attached.

3.00 Capital Work -in- Progress:

33/11KV OH/UG Cable Line (Note 03.01)	60,070,976	31,164,708
33/11Kv Sub- Station - Turnkey Project (Note 03.02)	1,477,649,713	1,423,787,249
33/11Kv Sub- Station - Turnkey Project (Note 03.02)	514,366,140	440,766,723
132/33/11Kv Grid Sub- Station - Turnkey Project (Note 03.03)	1,096,060,620	377,038,235
132/33/11Kv UG Line Construction-Turnkey Project (Note 03.04)	787,931,745	-
Construction of Workshop Building & Others (Note 03.05)	142,270,805	195,414,854
Total	4,078,349,998	2,469,171,769

- 03.01 33/11kv overhead & under ground cable works are in progress at Mirpur, Gulshan and Uttara circle respectively. The total contract price of the works is Tk. 121.80 million.
- 03.02 The Company entered into an agreement with Ideal Enterprise and Energypac to implement 8(Eight) nos. 33/11Kv Sub -Station & 4 (Four) nos 33/11Kv Sub -Station under DESCO Fund . The total contract price are Tk 1,503.31 & 805.00 million respectively.
- 03.03 The Company entered into an agreement with Hysung Corporation to implement 05(Five) nos. 33/11Kv Grid Sub -Station & 04 (Four) nos 33/11Kv Sub -Station under ADB Fund . (Including local fund Tk. 779.04 million) . The total contract price are Tk 4722.55 million
- 03.04 The Company entered into an agreement with L S Cable & System Ltd. for supply & installation (174 KM) 132/33/11 KV UG cable line on Turnkey Basis under ADB Fund (Including local fund 308.26 million) . The total contract price are Tk 1752.24 million
- 03.05 This includes as WIP of DESCO Head Office Building (Consultancy Work) & Civil work under work in process at Mirpur area as land & land development & Construction work (Central Store, Kafrul Sub Station) & Tongi office Building Purbachal S/S Building Banani S/S Station Building. The total contract price of the works is Tk.248.82 million.

		2016-17 Taka	2015-16 Taka
04.00 Stores & Spares :			
Stores & Spares (Note-04.01)		6,700,505,094	4,287,696,171
Stores in Transit (Note-04.02)		339,680,517	3,334,338,542
Total		7,040,185,611	7,622,034,713
04.01 Cost of Stores & Spares			
Cable & Accessories		4,224,933,631	2093862611
Pole & Pole fittings		483,769,115	299057084.8
Distribution transformers		590,870,180	739788997.4
Meter & Meter accessories		473,967,610	111240696.4
Sub-station equipment & spares		813,780,880	935050228
Tools, equipment & others		113,183,678	108696553.7
Total:		6,700,505,094	4,287,696,171
04.02	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.		
04.03	Stores & spares have been valued at weighted average cost method.		
05.00 Accounts Receivable:			
Receivable from consumers -(Note 05.01)		3,942,100,183	3,601,211,858
Less: Provision for doubtful debts (Note 05.02)		(103,331,058)	(101,045,045)
		3,838,769,125	3,500,166,813
Receivable from BPDB against materials & others (Notes 05.03)		57,462,286	57,462,286
Receivable from DPDC against materials & others (Notes 05.04)		10,652,328	15,881,133
Receivable from BREB against materials		86,754,041	86,754,041
Receivable from WZPDCL		1,197,161	1,197,161
Expenses recoverable from employees		1,708,789	1,497,215
Interest Receivable on FDR		191,463,874	-
Receivable from United Trade Int.		17,222,383	17,222,383
Advertisement cost recoverable from other utility organization and others		3,518	3,518
Total:		4,205,233,504	3,680,184,550
05.01	Receivable from consumers are categorized as follows :		
Government (Eqv. month 5.19, 2015-16 : 4.44)		607,012,815	446,033,415
Semi- Government/Autonomous (Eqv. Month 2.26, 20015-16 :2.02)		353,076,635	285,818,916
Private (Eqv. Month 1.44, 2015-16 :1.44)		2,982,010,733	2,869,359,527
Average (Eqv. Month 1.69 , 2015-16: 1.61)		3,942,100,183	3,601,211,858
05.02	Provision of Tk. 22,86,013/- has been made this year @ 0.5% of the receivables amount outstanding at the Balance Sheet date , as per company's policy.		
	This balance has been arrived at as under:		
Opening Balance	99,088,395	100%	99,088,395
Add: Adjustment	848,532,643	0.50%	1,956,650

	2016-17 Taka	2015-16 Taka
Total Cumulative Provision	103,331,058	101,045,045
Opening Balance	101,045,045	116,704,084
Provision during the year	2,286,013	(15,659,039)
05.03 This balance has been arrived at as under:		
Receivable from BPDB against materials supplied	55,472,107	55,472,107
Receivable from BPDB against advertising	1,990,179	1,990,179
	57,462,286	57,462,286
5.04 This balance has been arrived at as under:		
Receivable from DPDC against Material supplies	10,652,328	10,652,328
Receivable against Advertisement	-	5,228,806
Closing Balance	10,652,328	15,881,133
6.00 Advances & Security Deposits:		
A) Advances:		
Against goods and services (Note 06.01)	25,632,716	81,072,287
Advance against office rent	36,664,052	14,749,986
Advance to Rajuk against Land purchase	303,367,689	300,326,889
Prepayment - Employee	3,174,836	4,965,502
Deferred/Prepaid Exp. & Others (Note 06.02)	80,456,343	95,290,135
Sub-Total:	449,295,636	496,404,798
B) Security Deposits:		
Telephone/ Mobile	730,739	708,621
Telephone Shilpa sangstha ltd against rent of store	5,000,000	5,000,000
Dhaka & Gazipur City Corporation (against road cutting)	120,494,118	114,030,365
Dhaka WASA	10,411	10,411
Central Depository of Bangladesh (CDBL)	500,000	500,000
Bangladesh Railway, Roads and Highway	4,300,000	4,300,000
Security Deposit - RDA Building	1,772,717	173,087
Security Deposit - Others	696,350	2,261,681
Sub-Total:	133,504,335	126,984,165
Total (A+B)	582,799,971	623,388,963
06.01 Advance against goods & services includes Tk. 8.1 million paid to Bangladesh Power Development Board for (BPDB) against purchase of spun pre-stressed concrete (SPC) poles, Tk. 9.57 million paid to Progati Industries Ltd. for 2 nos car purchase and Tk. 7.65 million paid to Telephone Shilpa Sangstha for purchase of Prepaid Meter.		
6.02 Prepaid expenses include Tk. 32.73 million paid to Mars Syndicate and 42.96 million paid to KDA & RDA for infrastructure development of office building .		

	2016-17 Taka	2015-16 Taka
07.00 Advance Income Tax:		
Income Tax paid for FY - 2011-12	141,567,000	229,237,646
Income Tax paid for FY - 2012-13	49,135,498	219,823,570
Income Tax paid for FY - 2013-14	69,253,387	204,168,639
Income Tax paid for FY - 2014-15	133,215,392	133,215,392
Income Tax paid for FY - 2015-16	242,891,810	242,891,810
Income Tax paid for FY - 2016-17 (Note-07.01)	150,259,982	-
Closing Balance	786,323,070	1,029,337,057
07.01 Advance Income Tax paid during the year:		
This arrived at as under:		
Deducted at source (on interest of FDR & STD)	76,348,899	96,798,574
Deducted at source (on imported materials)	72,781,006	145,295,557
Income tax paid for FY 2016-17	1,130,077	797,679
	150,259,982	242,891,810
08.00 Cash & Cash Equivalents:		
Imprest cash with S&D divisions	1,933,833	1,842,333
Cash at banks (Note-08.01)	15,030,582,841	15,139,713,006
Total:	15,032,516,674	15,141,555,339
08.01 Cash at Banks:		
Current account (revenue collection) (Note 08.01.01)	3,172,754,284	3,481,648,275
Current account (VAT)	201,895,085	252,423,001
STD accounts	1,274,676,597	1,505,056,405
Fixed Deposit Receipts (FDR) (Note 08.01.02)	10,381,256,874	9,900,585,325
Total:	15,030,582,841	15,139,713,006
8.01.01 This represents collection for the last one months, by the different collecting banks, which has been transferred to the Company's main account in the next month.		
8.01.02 Fixed Deposit Receipts include Tk.25.00 million (2015-2016) Tk 37.41 in ICB Islamic Bank Ltd. (former Oriental Bank Ltd.) which is subject to phase wise withdrawal restriction imposed by Bangladesh Bank under the reconstruction scheme. An amount of Tk 12.41 million has been realized during the year. As per Bangladesh Bank reconstruction scheme balance amount will be realized by 2020.		
09.00 Accounts Payable		
Bangladesh Power Development Board (BPDB)- (Note 09.01)	5,786,476,304	5,551,657,351
Power Grid Company of Bangladesh (PGCB)- (Note 09.02)	276,385,239	265,182,165
Dhaka Electric Supply Authority (DESA/DPDC) - (Note 09.03)	236,311,727	286,058,838
REB - (Note 09.04)	379,158	329,188
Total:	6,299,552,428	6,103,227,543

	2016-17 Taka	2015-16 Taka
09.01 Accounts Payable - BPDB		
Opening Balance	5,551,657,351	4,806,296,534
Energy purchased during the year	29,133,315,232	27,662,003,845
	34,684,972,583	32,468,300,379
Payment made during the year	(28,898,496,279)	(26,916,643,028)
Closing Balance	5,786,476,304	5,551,657,351
09.02 Accounts Payable - PGCB		
Opening Balance	265,182,165	204,049,017
Wheeling charge during the year	1,389,933,040	1,294,561,583
	1,655,115,205	1,498,610,600
Payment made during the year	(1,378,729,967)	(1,233,428,435)
Closing Balance	276,385,238	265,182,165
09.03 Accounts Payable - DESA/ DPDC		
Opening Balance	286,058,838	261,433,377
Paid during this year	(51,896,330)	24,250,000
Consumer bill collection	2,149,218	375,461
Closing Balance	236,311,727	286,058,838
09.04 Accounts Payable - REB		
Opening Balance	329,188	329,188
adjustment during this year	49,969	-
Closing Balance	379,157	329,188
10.00 Creditors for Goods/ Works :		
Equipment & materials (Note-10.01)	127,793,450	73,862,775
Imported materials against ADB loan	387,174,050	-
Total	514,967,500	73,862,775
10.01	This includes as payable Tk 102.11 million to M/S Confidence Steel Ltd. against supply of Pole & Pole Fittings.	
11.00 Creditors for Other Finance:		
VAT collected against electricity bills	209,443,743	254,806,387
Tax / VAT deducted from contractors, suppliers & others	15,939,734	23,033,164
Retention money (contractors & suppliers)	127,162,309	71,730,058
Receipts against deposit works	1,770,403,747	1,309,832,698
Unpaid dividend	351,744,304	52,217,877
Others	22,080,021	25,343,763
Total	2,496,773,858	1,736,963,946

	2016-17 Taka	2015-16 Taka
12.00 Creditors for Expenses:		
Audit Fees	308,275	277,025
Creditor for Gratuity Fund	-	316,192,621
Creditor for Contributory Provident Fund	15,447,976	-
Line maintenance & commercial services and others	238,844,381	234,792,490
BERC sales charge (Note-12.01)	68,745,013	72,121,337
Total	323,345,646	623,383,474

12.01 This represents provision at 0.025% of net sales value as "annual system operating fees" payable to Bangladesh Energy Regulatory Commission (BERC) as per BERC rules.

13.00 Current Maturity of Long Term Loans:

ADB Loan No-1505 (Note-13.01)	87,918,525	85,518,762
ADB Loan No-1731 (Note-13.02)	189,261,808	184,095,854
ADB Loan No-2332 (Note-13.03)	407,959,618	476,813,427
GOB Loan No 1505& 1731 (Note-13.04)	32,173,286	431,955
GOB Loan No 2332 (Note-13.05)	9,914,596	9,914,596
Total	727,227,833	756,774,594

13.01 ADB (Loan No. 1505)

	2016-17		2015-2016	
	US \$	Taka	US \$	Taka
Opening Balance	1,090,801	85,518,762	1,090,801	85,900,544
"Transferred from long term loan"	1,090,801	87,918,525	1,090,801	85,518,764
	2,181,601	173,437,287	2,181,601	171,419,308
Paid during the year	(1,090,801)	(86,304,140)	(1,090,801)	(88,136,686)
	1,090,801	87,133,147	1,090,801	83,282,622
Exchange loss/(gain)	-	785,376	-	2,236,140
Closing Balance	1,090,801	87,918,525	1,090,801	85,518,762

13.02 ADB (Loan No. 1731)

Opening Balance	2,348,161	184,095,854	2,348,161	184,917,711
"Transferred from long term loan"	2,348,161	189,261,809	2,348,162	184,095,854
	4,696,323	373,357,662	4,696,323	369,013,564
Paid during the year	(2,348,161)	(185,786,528)	(2,348,161.39)	(189,731,441.50)

	2016-17		2015-2016	
	US \$	Taka	US \$	Taka
	2,348,161	187,571,134	2,348,162	179,282,123
Exchange loss/(gain)	-	1,690,674	-	4,813,730.78
Closing Balance	2,348,161	189,261,808	2,348,161.84	184,095,853.63

13.03 ADB (Loan No. 2332)

Opening Balance	6,081,804	476,813,427	4,351,037	342,644,172
"Transferred from long term loan"	4,041,264	325,725,840	5,061,534	396,824,242
	10,123,067	802,539,266	9,412,571	739,468,414
Paid during the year	(5,061,534)	(400,468,548)	(3,330,767)	(269,898,269)
	5,061,534	402,070,718	6,081,804	469,570,145
Exchange loss/(gain)	-	5,888,899	-	7,243,283
Closing Balance	5,061,534	407,959,618	6,081,804	476,813,427

	2016-17 Taka	2015-16 Taka
13.04 GOB Loan (No: 1505 & 1731)		
Opening Balance	431,955	32,605,241
Transferred from long term loan	63,914,617	-
	64,346,572	32,605,241
Paid during the year	(32,173,286)	(32,173,286)
Closing Balance	32,173,286	431,955

13.05 GOB Loan (No: 2332)

Opening Balance	9,914,596	9,914,596
Transferred from long term loan	9,914,596	9,914,596
	19,829,192	19,829,192
Paid during the year	(9,914,596)	(9,914,596)
Closing Balance	9,914,596	9,914,596

14.00 Accrued Interest on Loans

Interest payable on ADB Loan (14.01)	1,725,248,779	1,550,428,841
Interest payable on 40% (Debt Portion) of GOB Loan(14.02)	44,322,745	17,647,257
Total	1,769,571,524	1,568,076,098

	2016-17 Taka	2015-16 Taka
14.01 Interest on ADB loan		
Opening Balance	1,550,428,841	1,412,323,861
Interest accrued during the year	438,804,802	323,699,130
	1,989,233,643	1,736,022,991
Paid during the year	(263,984,864)	(185,594,150)
Closing Balance	1,725,248,779	1,550,428,841
14.02 Interest on GOB Loan		
Opening Balance	17,647,257	13,736,723
Interest accrued during the year	33,761,319	12,261,154
	51,408,576	25,997,877
Paid/ adjustment during the year	(7,085,831)	(8,350,620)
Closing Balance	44,322,745	17,647,257
15.00 Provision for Income Tax:		
Opening Balance	745,665,875	774,842,546
Add: Provided during the year (Note-34.01)	(231,739,133)	(29,176,670)
Less Provision adjust with advance income tax	(393,273,970)	
	120,652,772	745,665,875
Add: Prior year adjustment as per settlement of Appellate	43,290,123	-
Closing Balance (Note-15.01)	163,942,895	745,665,875
15.01 Details of Provision for Income Tax :		
For FY 2011-12	-	41,988,409
For FY 2012-13	-	168,015,917
For FY 2013-14	-	139,979,522
For FY 2014-15	424,858,698	424,858,698
For FY 2015-16	(29,176,670)	(29,176,670)
For FY 2016-17	(231,739,133)	
	163,942,895	745,665,876
16.00 Share Capital:		
Authorized:		
500,000,000 No. ordinary shares @ Tk. 10 each	5,000,000,000	5,000,000,000
Issued , subscribed and paid up:		
7,500,000 No. Ordinary shares @ Tk 10 each, fully paid up in cash	75,000,000	75,000,000
11,961,9400 No. Ordinary shares@ Tk.10 each for consideration Against Mirpur area assets taken over from DESA/BPDB	1,196,194,000	1,196,194,000
217096881 Nos Ordinary shares @ Tk.10 each issued as Bonus	2,170,968,810	2,170,968,810
34421628 Nos Ordinary shares @ Tk.10 each issued as Bonus	344,216,280	344,216,280
18931895 Nos Ordinary shares @ Tk.10 each issued as Bonus	189,318,954	189,318,954
378,637,909 No. of shares, Tk. 10 each	3,975,698,044	3,975,698,044

16.01 **Composition of shareholding:**

The composition of Share holding position as of 30th June 2017 is as follows:

	No. of share holders	Number of share	% of share
Sponsors (GOB)	2	268,866,788	67.63%
General Public	76,327	79,590,627	20.02%
Mutual Fund	310	46,836,195	11.78%
Foreign Company	59	2,276,194	0.57%
	76,698	397,569,804	100%

16.02 **Distribution Schedule:**

The distribution Schedule as at 30 June 2017 showing the number of shareholders and their shareholding in percentages is disclosed below as a requirement of the "Listing Regulation" of Dhaka stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

Range of Holding in number of Shares	No of share holders	% of shareholders	Number of share	% of share capital
1 to 500	2,676	33.46%	500,468	0.13%
501 to 5,000	3,784	47.31%	7,086,699	1.78%
5,001 to 10,000	661	8.26%	4,939,341	1.24%
10,001 to 20,000	409	5.11%	5,982,543	1.50%
20,001 to 30,000	137	1.71%	3,412,455	0.86%
30,001 to 40,000	63	0.79%	2,255,143	0.57%
40,001 to 50,000	48	0.60%	2,274,369	0.57%
50,001 to 100,000	98	1.23%	7,117,730	1.79%
100,001 to 1,000,000	102	1.28%	30,560,538	7.69%
Over 1,000,000 Shares	20	0.25%	333,440,518	83.87%
	7,998	100%	397,569,804	100%

17.00

GOB Equity

Opening Balance

Addition during the period

Closing Balance

	2016-17 Taka	2015-16 Taka
Opening Balance	2,722,140,000	1,552,140,000
Addition during the period	378,000,000	1,170,000,000
Closing Balance	3,100,140,000	2,722,140,000

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.

		2016-17 Taka	2015-16 Taka
18.00	Retained Earnings		
	Opening Balance	7,951,353,689	7,519,514,123
	Prior year's adjustment (Note-36)	216,142,700	553,614,584
	Net Profit/(Loss) during the year	175,813,664	446,181,845
		8,343,310,052	8,519,310,552
	Dividend paid/Bonus shares issued for FY 2015-2016	(397,569,804)	(567,956,863)
	Closing Balance	7,945,740,236	7,951,353,689
19.00	Share Money Deposit:		
	Opening Balance	75,000,000	75,000,000
	Paid during the year	18,750,000	-
	Share Money Deposit	56,250,000	75,000,000
	The amount was received from DESA against shares of the company which have not yet been issued.		
20.00	Long Term Loans :		
(a)	Loan from Asian Development Bank (ADB)		
	Loan no. 1505 (Note 20.01)	351,674,122	427,593,841
	Loan no. 1731 (Note 20.02)	282,909,493	459,283,252
	Loan no. 2332 (Note 20.03)	4,691,535,563	4,880,313,821
	Loan no. 3087 (Note 20.04)	5,578,949,170	3,751,473,802
	Sub-Total:	10,905,068,348	9,518,664,716
(b)	Loan from Government of Bangladesh (GOB)		
	Loan no. (1505 & 1731), (Note 20.05)	48,259,928	112,174,545
	Loan no. 2332 (Note 20.06)	114,017,861	123,932,457
	Loan no 3087 (Note 20.07)	1,032,000,000	780,000,000
	Sub-Total:	1,194,277,790	1,016,107,002
	Total	12,099,346,138	10,534,771,718

20.01 Loan from ADB (No - 1505, 9th Power Project)

This has been arrived at as under:

	2016-17		2015-16	
	US \$	Taka	US \$	Taka
Opening Balance	5,454,003	427,593,841	6,544,804	515,403,286
Add: Drawn/Adjustment	-	-	-	-
	5,454,003	427,593,841	6,544,804	515,403,286
Less: Transferred to current liabilities	(1,090,801)	(87,918,525)	(1,090,801)	(85,518,764)
	4,363,203	339,675,316	5,454,003	429,884,522
Add: Exchange Loss/(Loss)	-	11,998,806	-	(2,290,682)
Closing Balance	4,363,203	351,674,122	5,454,003	427,593,841

- (i) This represents dollars amount drawn to date translated at exchange rate prevailing at balance sheet date for import of materials/ equipment for 9th Power Project under the Subsidiary Loan Agreement (SLA) entered into between the company and the Govt. of Bangladesh (GOB). The primary loan agreement is between the ADB and the GOB.
- (ii) According to the terms of the agreement the Principal amount of the subsidiary loan repayable by DESCO and the Government under this agreement shall be in local currency equivalent, determined at official rate of exchange prevailing on the date of repayments. The principal amount of the subsidiary loan is repayable in 25 years including a grace period of 5 (five) years in 40 (forty) consecutive semi-annual installments as per Amortization Schedule. The installment is payable on a semi-annual basis (i.e. June 15 and December 15 in each year). The foreign exchange risk on the outstanding amount of loan shall be borne by DESCO.
- (iii) The company shall pay to the Government in local currency interest at the rate of 4% per annum on the local currency equivalent, determined at the official rate of exchange prevailing on the date of each interest payment of the principal amount of the Loan relented to DESCO disbursed and outstanding from time to time. The interest is payable semi- annually on June 15 and December 15 , each year).
- (iv) The term of the project under which the loan was sanctioned expired on 30th June, 2004.

20.02 Loan from ADB (No - 1731, 10th power project)

This has been arrived at as under:

	2016-17		2015-2016	
	US \$	Taka	US \$	Taka
Opening Balance	5,858,205	459,283,252	8,206,366	646,251,334
Add: Drawn/Adjustment	-	-	2,348,161	184,095,854
	5,858,205	459,283,252	5,858,205	462,155,480
Transfer to Current Liability	(2,348,161)	(189,261,809)		
	3,510,044	270,021,443		
Exchange (Gain)/Loss		12,888,050	-	(2,872,229)
Closing Balance	3,510,044	282,909,493	5,858,205	459,283,252

- (i) This represents dollars amount drawn to date translated at exchange rate prevailing at balance sheet date for import of materials/ equipment for 10th Power Project under the Subsidiary Loan Agreement (SLA) entered into between the Company and the Govt. of Bangladesh (GOB), the primary Loan agreement being between the ADB and the GOB.
- (ii) As per the terms of the Agreement the principal amount of the subsidiary Loan repayable by DESCO to the Government shall be in local currency equivalent, determined at official rate of exchange prevailing on the date of repayment . The principal amount of the subsidiary loan is repayable in 20 years including a grace period of 4 years in 32 consecutive semi- annual installments on a semi-annual basis (i.e. January 15 and July 15 in each year). The foreign exchange and interest rate risks are to be borne by DESCO during the repayment period of 20 years.
- (iii) DESCO shall pay interest to the Government in local currency interest at the rate of 4% per annum on the local currency equivalent, determined at the official rate of exchange prevailing on the date of each interest payment of the principal amount of the loan relented to DESCO disbursed and outstanding from time to time. The interest is payable on semi-annual basis, (i.e. January 15 and July 15, in each year).
- (iv) The term of the project under which the loan was sanctioned expired on 30th June, 2006.

20.03 **Loan from ADB (No - 2332 BAN, Sustainable Power sector Development Project)**

This has been arrived at as under:

	2016-17		2015-16	
	US \$	Taka	US \$	Taka
Opening Balance	62,248,901	4,880,313,821	67,310,434	5,300,696,716
Add: Drawn/Adjustment	-	-	-	-
	62,248,901	4,880,313,821	67,310,434	5,300,696,716
Less Transfer to current Liability	(4,041,264)	(325,725,840)	(5,061,534)	(396,824,242)
	58,207,637	4,554,587,981	62,248,901	4,903,872,474
Exchange (Gain)/ loss	-	136,947,582	-	(23,558,653)
Closing Balance	58,207,637	4,691,535,563	62,248,901	4,880,313,821

- (i) This represents dollars amount drawn to date translated at exchange rate prevailing at balance sheet date for import of materials/ equipment for Sustainable Power Sector Development Project under the Subsidiary Loan Agreement (SLA) entered into between the Company and the Govt. of Bangladesh (GOB), the primary loan agreement being between the ADB and the GOB.
- (ii) As per the terms of the Agreement the principal amount of the subsidiary Loan repayable by DESCO to the Government shall be in local currency equivalent, determined at official rate of exchange rate prevailing on the date of repayment. The principal amount of the subsidiary loan is repayable in 20 years including a grace period of 5 years in 30 consecutive semi-annual installments (i.e. May 1 and November 1 in each year). The foreign exchange and interest rate risks are to be borne by DESCO during the repayment period of 20 years.
- (iii) DESCO shall pay interest to the Government in local currency at the rate of 4% per annum. Such interest shall be calculated on the total principal amount outstanding of the subsidiary loan. The interest is payable on semi-annual basis, (i.e. May 1 and November 1, in each year).
- (iv) The term of the project under which the loan was sanctioned expired on 30th June, 2013

20.04 **Loan from ADB (No - 3087)Power System Expansion and Efficiency Improvement Investment Program**

This has been arrived at as under:

	2016-17		2015-2016	
	US \$	Taka	US \$	Taka
Opening Balance	47,850,431	3,751,473,802	4,811,997	378,944,725
Add: Drawn/Adjustment	21,367,300	1,702,522,294	43,038,435	3,374,213,276
	69,217,732	5,453,996,096	47,850,431	3,753,158,001
Less Transfer to current Liability	-	-	-	-
	69,217,732	5,453,996,096	47,850,431	3,753,158,001
Exchange (Gain)/ loss	-	124,953,074	-	(1,684,199)
Closing Balance	69,217,732	5,578,949,170	47,850,431	3,751,473,802

- (i) This represents dollars amount drawn to date translated at exchange rate prevailing at balance sheet date for import of materials/ equipment for Power System Expansion and Efficiency Improvement Investment Program (tranche-2) project under Subsidiary Loan Agreement(SLA) entered into between the Company and the Govt. of Bangladesh (GOB), the primary loan agreement being between the ADB and the GOB.
- (ii) As per the terms of the Agreement the principal amount of the subsidiary Loan repayable by DESCO to the Government shall be in local currency equivalent, determined at official rate of exchange rate prevailing on the date of repayment. The principal amount of the subsidiary loan is repayable in 20 years including a grace period of 5 years in 30 consecutive semi- annual installments (i.e. May 15 and November 15 in each year). The foreign exchange and interest rate risks are to be borne by DESCO during the repayment period of 20 years.
- (iii) DESCO shall pay interest to the Government in local currency at the rate of 4% per annum. Such interest shall be calculated on the total principal amount outstanding of the subsidiary loan. The interest is payable on semi-annual basis, (i.e. May 15 and November 15, in each year).
- (iv) The term of the project under which the loan was sanctioned will expire on 30th June, 2019

	2016-17 Taka	2015-16 Taka
20.05 Loan from GOB (No. 1505 & 1731)		

This has been arrived at as under:

Opening Balance	112,174,545	112,174,545
Add: Drawn/Adjustment	-	-
	112,174,545	112,174,545
Transferred to Current Liability	(63,914,617)	-
Closing Balance	48,259,928	112,174,545

- (i) This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty & VAT on material/ equipment imported by the company under the ADB Loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GOB Equity".
- (ii) The loan carries interest at 3% p.a, and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.

20.06 **Loan from GOB (loan No 2332)**

Opening Balance	123,932,457	133,847,053
Add: Drawn/Adjustment	-	-
	123,932,457	133,847,053
	-	-
Less: Transfer to current liability	(9,914,596)	(9,914,596)
Closing Balance	114,017,861	123,932,457

(i) This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty & VAT on material/equipment imported by the company under the ADB Loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GOB Equity". The loan is repayable in 30 installments starting from 2013 after a grace period of 5 years.

(ii) The loan carries interest at 3% p.a, and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.

	2016-17 Taka	2015-16 Taka
20.07 Loan from GOB (loan No 3087)		
Opening Balance	780,000,000	780,000,000
Add: Withdrawn	252,000,000	-
	1,032,000,000	780,000,000
Less: Transfer to Loan:3087	-	-
Less: Transfer to current liability	-	-
Closing Balance	1,032,000,000	780,000,000

(i) This represents 40% of the amount released to the Company by the Government under Annual Development Program (ADP) to enable the Company to pay the customs duty & VAT on material/equipment imported by the company under the ADB Loan, as well as to meet other project related expenses. The balance 60% is accounted for under "GOB Equity". The loan is repayable in 30 installments starting from 2020 after a grace period of 5 years.

(ii) The loan carries interest at 3% p.a, and is repayable as per Debt Service Liability (DSL) schedule provided by the Government.

21.00 Due to DESA/ DPDC for assets taken over: **4,039,671,539** **4,039,671,539**

21.01 Area wise break-up is as under:		
Gulshan Area (comprising Gulshan, Baridhara, Uttara, Dakshinkhan)	1,998,920,000	1,998,920,000
Tongi Area (comprising Tongi East and Tongi West)	795,040,000	795,040,000
Uttara & Bashundhara Grid Substation	1,245,711,539	1,245,711,539
Total	4,039,671,539	4,039,671,539

21.02 Independent valuers had been appointed to physically verify and value the assets taken over by the company from DESA. The valuers have submitted their draft report which has been placed by the management before the Board for finalization.

21.03 The terms and conditions of repayment to DESA / DPDC against the assets taken over have not yet been determined.

			2016-17 Taka	2015-16 Taka	
22.00	Consumer Security Deposits:				
	Opening Balance		1,894,489,374	1,716,032,924	
	Received during the year		519,584,417	205,757,851	
			2,414,073,791	1,921,790,776	
	Refunded during the year		(29,271,735)	(27,301,402)	
	Closing Balance		2,384,802,056	1,894,489,374	
23.00	Energy Sales: Taka	Tariff	%		
	Domestic	A	41.50	13,718,420,513	13,082,731,892
	Agricultural Pump	B	0.00	596,746	772,009
	Small Industries	C	2.46	814,010,663	902,383,296
	Non-Residential	D	1.00	329,735,637	64,157,288
	Commercial & Office	E	14.78	4,886,002,139	4,552,302,625
	Medium Voltage	F	36.10	11,931,095,847	11,340,577,386
	High Voltage(33kv & above)	H	0.51	170,105,105	199,651,781
	REB High Voltage	I	0.46	152,143,195	170,517,172
	Street Light, Pump	J	0.32	106,892,288	108,171,555
	Construction & others	2E	2.86	945,648,549	838,823,417
	Total		100	33,054,650,682	31,260,088,421
23.01	Energy Sales -Unit	Tariff	%	Unit (MkWh)	Unit (MkWh)
	Domestic	A	49.25	2,275.19	2,184.97
	Agricultural Pump	B	0.00	0.15	0.21
	Small Industries	C	2.30	106.14	117.27
	Charitable Organization	D	1.35	62.23	46.01
	Commercial & Office	E	10.68	493.32	456.49
	Medium Voltage	F	34.05	1,573.09	1,496.71
	Very High Voltage	H	0.51	23.45	24.31
	REB High Voltage	I	0.54	24.99	28.46
	Street Light, Pump	J	0.30	13.85	14.46
	Construction & others	2E	1.01	46.87	41.31
	Total		100.00	4,619.28	4,410.20
24.00	Other Operating Revenue:				
	Received from Consumer (Note:24.01)			663,306,605	338,078,547
	Late payment charge			294,310,602	292,321,184
				957,617,207	630,399,731

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

25.00 Energy Purchase:

2016-17		2015-2016	
Unit (KWh)	Taka	Unit (kWh)	Taka
4,980,053,885	30,523,248,272	4,795,115,212	28,956,565,428

25.01 Electricity is purchased solely from Bangladesh Power Development Board (BPDB) at the rate of Tk 5.85/ kWh effective from 1st September -2015. The company also pays wheeling charge to Power Grid Co. Ltd. (PGCB) at Tk 0.2791 per kWh.

	2016-17 Taka	2015-16 Taka
26.00 Operating Expenses:		
Commercial operation support services	155,598,088	149,557,243
Schedule & preventive maintenance	230,403,415	224,133,847
Special action team & collection drive	1,973,415	1,195,688
Consultancy fees for staking sheet	11,101,841	4,323,962
Maintenance of distribution of line & equipment	101,014,085	142,043,209
R&M of grid sub-station/sub-station	95,331,843	42,432,692
Repair & maintenance of transformer	30,222,383	11,378,597
Meter & service cable issue	7,974,457	5,625,264
Revenue stamp charge against consumer bill	62,882,147	64,608,135
System operating fee BERC (Note 26.01)	8,263,663	15,630,044
	704,765,336	660,928,680
Less: Receipt against deposit work	378,053,401	285,419,602
Total	326,711,935	375,509,078

26.01 This represents provision at 0.025% of net sales value as "annual system operating fees" payable to Bangladesh Energy Regulatory Commission (BERC) as per BERC rules.

27.00 Administrative Expenses:

Directors' Remuneration (Note 27.01)	1,643,750	1,362,125
Audit fees	387,500	270,000
Advertisement & Notices	7,335,030	7,792,011
Annual General Meeting (AGM)	1,606,376	3,052,136
Bank charges	4,169,933	4,582,065
Conveyance	1,886,187	1,886,838
Cleaning expenses	6,388,486	5,839,012
Electricity, gas & water	28,813,397	27,811,826
Entertainment	4,893,343	4,659,468
Fuel for vehicles	22,224,710	25,366,423

	2016-17 Taka	2015-16 Taka
Honorarium to various committee members	1,250,645	1,298,850
Insurance of vehicles	3,019,571	2,225,984
Legal & Professional fees	6,413,094	6,740,005
Newspaper & Periodicals	448,894	455,803
Office maintenance	4,857,048	3,804,155
Office rent	42,616,224	46,103,438
Office security	44,178,650	36,742,979
Postage, telephone & internet	7,880,866	9,590,533
Printing & Stationery	26,165,276	24,059,785
Rates & Taxes	3,788,481	2,205,518
Repair & Maintenance of non operating assets	11,663,169	8,559,657
Repair & Maintenance of head office building	7,283,791	10,127,400
Repair & Servicing of vehicle	10,526,850	12,742,507
Recruitment expenses	59,378	6,654,397
Inspection survey & consultancy fees	1,734,788	1,560,573
Staff training	28,343,473	29,136,453
Listing fee & annual charges	3,846,258	2,263,018
Transport (hired)	25,523,597	25,842,810
Corporate Social Expenses	17,025,194	17,026,304
BERC license fee	1,150,000	2,557,500
Office shifting	296,003	240,754
Total:	327,419,962	332,560,327
27.01 Directors are entitled to a remuneration of Tk 7,500/- up to 26.04.17 & Tk. 10,000/- from 27.04.17 for attending each Board meeting.		
28.00 Employee Expenses:		
Salary & Allowances (Note - 28.01)	1,270,143,844	866,923,932
Festival bonus	115,176,031	118,263,376
Incentive bonus	136,905,702	110,234,757
Company's contribution to provident fund	80,235,234	40,811,355
Company's contribution to gratuity fund	108,327,533	372,469,886
Group insurance premium	3,824,206	5,278,190
Electricity / telephone expense reimbursed (Note - 28.02)	19,967,687	19,976,504
Medical expense reimbursed (Note - 28.02)	71,467,375	48,805,822
Uniform	821,126	240,885
Total	1,806,868,738	1,583,004,707

28.01 **Remuneration of Directors and Executives:**

	2016-17 Taka		2015-16 Taka	
	Directors	Executives	Directors	Executives
Salary and bonus	14,052,179	297,112,901	8,496,801	231,753,977
House rent	5,230,766	128,271,304	2,166,284	77,130,481
Provident fund	1,212,778	25,552,861	473,257	12,863,767
Total	20,495,723	450,937,066	11,136,342	321,748,225

28.02 Telephone bills and medical expense are reimbursed on actual basis to employees, subject to ceiling.

	2016-17 Taka	2015-16 Taka
29.00 Interest Income:		
Interest earned on FDR	630,994,002	873,196,599
Interest earned on STD	72,631,521	88,907,834
Total	703,625,523	962,104,433
30.00 Interest Expenses:		
Interest expense against ADB loan	438,804,802	323,699,130
Interest expense against GOB loan	33,761,319	12,261,154
Interest expense against SOD loan (Rupali Bank)	-	5,564,496
Total	472,566,121	341,524,780
31.00 Exchange Fluctuation Gain / (Loss):	(295,152,461)	16,112,606
Exchange fluctuation loss of Tk. 295,152,461/- has arisen out of translation of foreign currency loan (in dollar) into taka at Financial Position date at the rate of Tk.80.60/\$1 (2015-16: at Tk.78.40/\$1).		
32.00 Miscellaneous Income:		
Sale of tender documents	85,000	103,000
Sale of obsolete store materials and Others	9,870,712	23,001,127
Total	9,955,712	23,104,127
33.00 Depreciation:		
Depreciation (operating)	685,298,302	656,993,375
Depreciation (non operating)	52,596,603	45,067,063
Total	737,894,905	702,060,438
34.00 Income Tax :		
Current tax provision (34.01)	(231,739,133)	(29,176,670)
Deferred tax provision (34.02)	289,626,187	183,579,386
Tax Expenses	57,887,053	154,402,716

34.01 The Company's income tax assessment up to the FY 2010-2011, 2011-2012, 2012-2013, (AY 2011--2012, 2012-2013, 2013-2014) has been completed and agreed upon. The details of current tax calculation are given below:

	2016-17 Taka	2015-16 Taka
Profit before tax as per income statement	233,700,717	600,584,561
Add: Accounting depreciation	737,894,905	702,060,438
Add: Bad debt Provision	2,286,013	-
Add: Corporate Social Expenses (CSR)	17,025,194	17,026,304
	990,906,830	1,319,671,303
Less: Depreciation as per 3rd Schedule of Tax Ordinance,1984.	(1,917,863,363)	(1,436,377,984)
	(926,956,534)	(116,706,681)
Current Tax (at 25%)	(231,739,133)	(29,176,670)
Current tax expenses	(231,739,133)	(29,176,670)

34.02 **Deferred Tax Provision:**

Opening Balance	1,928,129,606	1,744,550,218
Provision for the year	289,626,187	183,579,386
Closing Balance	2,217,755,793	1,928,129,606
Deferred tax provision has been arrived at as under:		
Carrying amount of assets	16,389,376,671	14,183,324,885
Tax base amount of assets	7,518,353,501	6,470,806,466
Temporary Difference	8,871,023,170	7,712,518,419
Effective Tax Rate	25.00%	25.00%
Total Deferred tax Provision required	2,217,755,792	1,928,129,605
Already provided up to last year	1,928,129,606	1,744,550,218
Deferred tax Provision during the year	289,626,187	183,579,388

35.00 Earning Per Share (EPS):

35.01 **Earning Per Share**

Earning attributable to ordinary Shareholders (Tk)	175,813,664	446,181,845
Weighted number of shares outstanding	397,569,805	397,569,805
Basic Earning Per Share (Adjusted)	0.44	1.12

35.02 **Diluted Earning per share**

No diluted earning per share is required to be calculated for the year as there was no potentially dilutive ordinary shares during the year.

	2016-17 Taka	2015-16 Taka
36.00 Adjustment related to previous year:		
Advertisement expenses adjustment	-	(23,542)
Salary adjustment from employee & employee provident fund	(3,264)	(33,503,698)
Operating & administrative expenditure of previous year adjusted	1,055,857	2,654,194
Recruitment Fee	2,812,000	-
Double payment in dividend account	47,967	-
Paid to DPDC against reimbursable amount	(187,500)	-
Advance adjustment	(5,435,947)	-
Payable expenses	5,898,117	-
Provision for Income Tax	(43,290,123)	-
Interest on FDR	255,245,592	-
Depreciation on distribution equipment	-	(19,789,000)
Adjustment related to previous year (LME Charge)	-	588,617,591
Bed debts provision	-	15,659,039
Total:	216,142,700	553,614,584

37.00 Subsequent Events-Disclosures Under IAS 10 "Events After The Balance Sheet Date".

Proposed Dividend

37.01 Subsequent to the reporting date, 30th June, 2017, the Board of Directors in their meeting held on 28 September, 2017 recommended 10% cash dividend (Tk . 1 per ordinary share of Tk.10 each held on record date) amounting to Tk. 39,75,69,804.00 for the year ended June 30, 2017. The dividend proposal is subject to shareholders' approval at the forthcoming 21th AGM.

37.02 Except the fact stated above, no circumstances have arisen since the Financial Position date which would require adjustment to, or disclosure in, the financial statements or notes thereto.

38.00 Related Party Transactions:

38.01 DESCO Purchased / Received energy and materials from the following related parties in the normal course of business:

Name of Party	Nature of Relation	Nature of Transaction	2016-17 Taka	2015-16 Taka
BPDB	67.63% shareholding of DESCO	Purchase of Energy	29,136,494,181	27,662,002,845
DPDC	Common Director of DPDC & DESCO	Consumer bill collection	2,149,218	24,625,461
Total			29,138,643,399	27,686,628,306

38.02 DESCO has following outstanding balances with the related parties:

Name of Party	2016-17 Taka		2015-16 Taka	
	Receivable	Payable	Receivable	Payable
BPDB	57,462,286	5,786,476,304	57,462,286	5,551,657,351
DPDC	10,652,328	236,311,727	15,881,133	286,058,838
Total	68,114,614	6,022,788,032	73,343,419	5,837,716,189

38.03 **Key Management Personnel:**

	2016-17 Taka	2015-16 Taka
Director's Remuneration	1,643,750	11,136,342
Stock Dividend Paid to BPDP	-	425,967,647

39.00 **Contingent Liabilities:**

39.01 As the value of assets taken over from DESA in the Gulshan and Tongi areas have been shown at estimated value, the Company may have to incurred additional cost after finalization of the value of the assets.

39.02 An aggregate amount of Tk. 67,290,250/- claimed by BPDB as shown below is disputed by the Company.

Particulars	2016-2017
Arrear Energy bill (November '05 to June '17)	15,248,175
Arrear Surcharge (Up to June 2017)	21,303,566
PFC Charge (Up to June 2017)	30,738,509
Total	67,290,250

40.00 **Credit Facility Availed:**

No credit facility existed under any contract as on June 30, 2017 other than trade credit available in the ordinary course of business.

41.00 **Capital Commitment:**

The Company has entered into various contracts for construction works, sub-stations, land development, installation, renovation dismantling O/H and U/G cables, etc. amounting to Tk 10939.01 million, works of which will be started in the next financial year.

42.00 Employees' Salary:

"a) Employment throughout the year in receipt of remuneration aggregating Tk 36,000 or more per annum.

"b) Employment for a part of the year and in receipt of remuneration aggregating Tk 3,000 or less per month."

Total:

2016-17	2015-16
No. 1,537	No. 1,502
Nil	Nil
1537	1,502

43.00 General :

Previous year's figures have been re-arranged, wherever necessary, to confirm to current year's presentation to facilitate comparison.



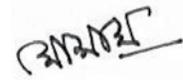
Company Secretary



Executive Director (F&A)



Director



Managing Director

Dated: Dhaka, 28 September, 2017

Dhaka Electric Supply Company Ltd.(DESCO)
Schedule of Property, Plant & Equipment
As at 30 June 2017

Annexure-A

Sl No.	Category of Assets	Cost				Rate	Depreciation				"Written down value as on 30-06-17"
		"Balance as on 01-07-16"	"Addition during the Year"	Adjustment	"Total as on 30-06-17"		"Balance as on 01-07-16"	"Charged during the year"	Adjustment	"Total as on 30-06-17"	
1	Land	2,662,337,823	201,508,612	-	2,863,846,436	-	-	-	-	-	2,863,846,436
2	Building	511,047,216	181,540,506	-	692,587,722	2.50%	13,386,276	-	104,334,125	-	588,253,597
3	Motor Vehicles	266,794,642	44,356,332	-	311,150,974	15%	18,173,380	-	216,761,059	-	94,389,915
4	Furniture & Fixture	53,941,314	3,595,514	-	57,536,828	10%	4,132,253	-	36,097,988	-	21,438,840
5	Office Equipment	313,154,185	30,853,912	(1,032,553)	342,975,544	15%-20%	30,290,970	(390,400)	213,180,476		129,795,068
6	Distribution Equipment	6,248,106,515	416,484,513	-	6,664,591,028	3%-10%	222,957,683		2,375,942,195		4,288,648,833
7	Distribution Line	11,928,140,976	2,086,038,456	-	14,014,179,432	3%-10%	448,954,343	-	5,611,175,450		8,403,003,982
	Total	21,983,522,671	2,964,377,846	(1,032,553)	24,945,867,963	-	737,894,905	(390,400)	8,557,491,293		16,389,376,671

Allocation of Depreciation:	
Depreciation (Operating)	685,298,302
Depreciation (Non-Operating)	52,596,603
	737,894,905

Notes:

- 1) Building includes Office Building, Store Godown Sheds and Boundary Wall.
- 2) Office Equipment comprise Communication Equipment , Computer & Peripherals , Electric and Store Equipment etc.
- 3) Addition to Motor Vehicle Includes 3nos motor cycle, 2 no of microbus and 10 no of Pickup

Dhaka Electric Supply Company Ltd.(DESCO)
For the year ended 30 June 2017
Depreciation Schedule as per ITO (Para-3 & Para-5 of the Third Schedule)

Sl. No.	Particulars	Written down value as on 30-06-16	Addition during the year	Adjustment/ Disposal	"Total as on 30-06-16"	Depreciation				Adjustment	Total during the year	Written down value as on 30-06-17
						Initial	Normal	Rate	Depreciation			
A	B	C	D	E	F	G	H=(D*G)	I	J=(F*I)	K=(H+J)	L=(F-K)	
1	Land and Land Development	2563574785	201508612		2865083397	-	-	-	-	-	2,865,083,397	
2	Building Administrative & Support Building	251547190	181540506		443187696	10%	18,154,051	10%	44,318,770	62,472,820	380,714,876	
3	Distribution Line & Equipment	3346670432	2502522969		5849193402	25%	625,630,742	20%	1,159,838,680	1,795,469,423	4,053,723,979	
4	Motor Vehicles	79101014	44356332		123457346	-	-	20%	24,691,469	24,691,469	98,765,876	
5	Furniture & Fixture	27928801	3595514		31,524,315	-	-	10%	3,152,432	3,152,432	28,371,884	
6	Office Equipments	91287856	30853912	(1032553)	123174321	25%	7,713,478	20%	24,634,864	(390,400)	31,957,942	
7	Store Godown Shed	68425			68425	-	-	20%	13,685	13,685	54,740	
8	Store Equipment	527963			527963	-	-	20%	105,593	105,593	422,371	
	Total	6,470,806,466	2,964,377,846	(1,032,553)	9,436,216,864		651,498,271		1,266,755,492	(390,400)	1,917,863,363	7,518,353,501

Certificate of Compliance



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01552 108 522
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muqtadir@muqtadirbd.com
URL : www.muqtadirbd.com
VAT Reg : 19041063900

Certificate of Compliance to the Shareholders of Dhaka Electric Supply Co. Ltd. (DESCO)

(As required under the BSEC Corporate Governance Guidelines

We have examined compliance to the BSEC guidelines on Corporate Governance by Dhaka Electric Supply Co. Ltd. (DESCO) for the year ended 30th June 2017. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance. This is a scrutiny and verification only and not an expression of opinion or audit on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations or representations provided to us, we certify that, subject to the remarks and observations as reported in the attached Compliance Statement, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines issued by BSEC.

We also state that such compliance is neither an assurance as to the future viability of the Company nor a certification on the efficiency or effectiveness with which the Management has conducted the affairs of the Company. This is also no endorsement about quality of contents in the Annual Report of the Company for 2017

Dhaka, October 25, 2017

Al-Muqtadir Associates
Chartered Secretaries & Consultants



Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance,1969:

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.	Board of Directors (BoD)			
1.1	Board's Size (number of Board members - minimum 5 and Maximum 20)	√		There are 12 (Twelve) members in the Company Board
1.2	Independent Directors			
1.2(i)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	√		There are 3 (Three) Independent Directors (ID) out of total 12 (Twelve) Directors
1.2(ii)	Independent Director means a Director:			
1.2(ii)(a)	who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company	√	-	As declared by the IDs
1.2(ii)(b)	who is not a sponsor of the Company and is not connected with any sponsor of the Company's or Director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the Company	√	-	- DO -
1.2(ii)(c)	who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/ associated companies	√	-	- DO -
1.2(ii)(d)	who is not a member, Director or officer of any stock exchange	√	-	- DO -
1.2(ii)(e)	who is not a shareholder, Director or officer of any member of stock exchange or an intermediary of the capital market	√	-	- DO -
1.2(ii)(f)	who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the Company's statutory audit firm	√	-	- DO -
1.2(ii)(g)	who shall not be an Independent Director in more than 3 (three) listed companies	√	-	- DO -
1.2(ii)(h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	√	-	- DO -
1.2(ii)(i)	who has not been convicted for a criminal offence involving moral turpitude	√	-	- DO -
1.2(iii)	Independent Director(s) shall be appointed by BoD and approved by the shareholders in the Annual General Meeting (AGM)	√	-	Appointments approved at AGM
1.2(iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days	√	-	-
1.2(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	√	-	-
1.2(vi)	The tenure of office of an independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	√	-	-
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	√	-	-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.3(ii)	Independent Director should be a Business Leader/ Corporate leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The Independent Director must have at least 12 (twelve) years of corporate management/ professional experiences	√	-	-
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of Commission	None	-	No such case aroused as yet
1.4	The Chairman of the Board and the Chief Executive Officer (CEO) shall be different individuals. The Chairman shall be elected from among the directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO	√	-	-
1.5	The Directors' Report shall include the following additional statements:			
1.5(i)	Industry outlook and possible future developments in the industry	√	-	Stated in the Directors' Report
1.5(ii)	Segment-wise or product-wise performance	√	-	- DO -
1.5(iii)	Risks and concerns	√	-	- DO -
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit and Net Profit Margin	√	-	- DO -
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	√	-	- DO -
1.5(vi)	Basis for related party transactions - a statement of all related party transactions should be disclosed in the annual report	√	-	- DO -
1.5(vii)	Utilisation of proceeds from public issues, rights issues and/ or through any other instruments	None	-	No such case in the year
1.5(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO)	None	-	No such case in the year
1.5(x)	Remuneration to directors including Independent Directors	√	-	Stated in the Directors' Report
1.(xi)	The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√	-	- DO -
1.5(xii)	Proper books of account have been maintained	√	-	- DO -
1.5(xiii)	Adaptation of appropriate accounting policies & estimates	√	-	- DO -
1.5(xiv)	IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed and adequate disclosure for any departure	√	-	-
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√	-	- DO -
1.5(xvi)	Going Concern (ability to continue as a going concern)	√	-	- DO -
1.5(xvii)	Highlight and explain significant deviations from the last year's operating results	√	-	-
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√	-	- DO -
1.5(xix)	Reason for non declaration of Dividend	None	-	-
1.5(xx)	The number of Board meetings held during the year and attendance by each Director	√	-	- DO -

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5(xx1)	Pattern of shareholding and name wise details (disclosing aggregate number of shares):			
1.5(xx1)(a)	Parent/Subsidiary/Associated Companies and other related parties	√		- DD -
1.5(xx1)(b)	Directors, Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Audit (HIA) and their spouses and minor children	√		- DD -
1.5(xx1)(c)	Executives	√		- DD -
1.5(xx1)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company	√		- DD -
1.5(xxii)	In case of the appointment/re-appointment of a director, disclose:			
1.5(xxii) (a)	a brief resume of the director	√		- DD -
1.5(xxii) (b)	nature of his/her expertise in specific functional areas	√		- DD -
1.5(xxii) (c)	names of Companies in which the person also holds the Directorship and the membership of committees of the Board	√		- DD -
2.1	Appointment of CFO, HIA and CS and defining their respective roles, responsibilities & duties	√	-	-
2.2	The CFO and the CS shall attend the meetings of the Board of Directors	√	-	-
3	Audit Committee			
3(i)	The Company shall have an Audit Committee as a sub-committee of the BoD	√	-	Stated in the Directors' Report
3(ii)	The Audit Committee shall assist the BoD in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business	√		
3(iii)	The Audit Committee shall be responsible to the BoD. The duties of the Audit Committee shall be clearly set forth in writing	√		
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members	√	-	- DD -
3.1(ii)	The BoD shall appoint members of the Audit Committee who shall be Directors of the Company and shall include at least 1 (one) Independent Director	√		- DD -
3.1(iii)	All members of the Audit Committee should be 'financially literate' and at least 1 (one) member shall have accounting or related financial management experience	√		
3.1(iv)	Expiration of the term of service of Audit Committee members making the number lower than 3 (three) and fill up the vacancy (ies) by the Board not later than 1 (one) month from the date of vacancy(ies)	√		
3.1(v)	The Company Secretary shall act as the secretary of the Audit Committee	√		
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director	√		
3.2(i)	The BoD shall select the Chairman of the Audit Committee, who shall be an Independent Director	√		Stated in the Directors' Report

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
3.2(ii)	Chairman of the Audit Committee shall remain present in the AGM	√		
3.3	Role of Audit Committee			
3.3(i)	Oversee the financial reporting process	√		
3.3(ii)	Monitor choice of accounting policies and principles	√		
3.3(iii)	Monitor Internal Control Risk management process	√		
3.3(iv)	Oversee hiring and performance of external auditors	√		
3.3(v)	Review the annual Financial Statements before submission to the Board for approval	√		
3.3(vi)	Review the quarterly and half yearly Financial Statements before submission to the Board for approval	√		
3.3(vii)	Review the adequacy of internal audit function	√		
3.3(viii)	Review statement of significant related party transactions submitted by the Management	√	-	No such case
3.3(ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors	√	-	No such case
3.3(x)	Disclosure to the Audit Committee about the uses/ applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, shall prepare a statement of funds utilised for the purposes other than those stated in the prospectus	None	-	No such case
3.4.1(i)	Reporting to BoD on the activities of the Audit Committee	√	-	
3.4.1(ii) (a)	Reporting to BoD on conflicts of interests	None	-	No such case
3.4.1(ii) (b)	Reporting to BoD on any fraud or irregularity or material defect in the internal control system	None	-	No such case
3.4.1(ii)(c)	Reporting to BoD on suspected infringement of laws	None	-	No such case
3.4.1(ii) (d)	Reporting to BoD on any other matter	None	-	No such case
3.4.2	Reporting to BSEC (if any material impact on the financial condition & results of operation, unreasonably ignored by the management)	None	-	No such case
3.5	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	√	-	Stated in the Annual Report
4	External / Statutory Auditors			
4(i)	Non-engagement in appraisal or valuation services or fairness opinions	√		As declared by Auditor
4(ii)	Non-engagement in designing and implementation of Financial Information System	√	-	- DO -
4(iii)	Non-engagement in Book Keeping or other services related to the accounting records or financial statements	√	-	- DO -

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
4(iv)	Non-engagement in Broker-Dealer services	√	-	- DD -
4(v)	Non-engagement in Actuarial services	√	-	- DD -
4(vi)	Non-engagement in Internal Audit services	√	-	- DD -
4(vii)	Non-engagement in any other services that the Audit Committee determines	√	-	- DD -
4(viii)	No partner or employees of the external audit firms shall possess any share of the Company during the tenure of their assignment	√	-	- DD -
4(ix)	Non-engagement in audit/certification services on compliance of corporate governance as required under clause (i) of condition no. 7	√	-	- DD -
5	Subsidiary Company			
5(i)	Provisions relating to the composition of the BoD of the holding Company shall be made applicable to the composition of the BoD of the subsidiary Company	Not applicable	-	No subsidiary company
5(ii)	At least 1 (one) Independent Director on the BoD of the holding Company shall be a Director on the BoD of the subsidiary Company.	Not applicable	-	- DD -
5(iii)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company	Not applicable	-	- DD -
5(iv)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also	Not applicable	-	- DD -
5(v)	The Audit Committee of the holding Company shall also review the Financial Statements, in particular the investments made by the subsidiary company	Not applicable	-	- DD -
6	The CEO and CFO shall certify to the Board that they have reviewed Financial Statements for the year and that to the best of their knowledge and belief:			
6(i)(a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√	-	
6(i)(b)	these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws	√	-	
6(ii)	there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct	√	-	
7(i)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	√	-	Certificate produced
7(ii)	Directors statement in the directors' report whether the Company has complied with these conditions	√	-	Stated in the Directors' Report

বাংলাদেশ এনার্জি রেগুলেটরি কমিশন কর্তৃক নির্ধারিত বিদ্যুতের পাইকারি (বান্ধ) ও খুচরা বিদ্যুৎ মূল্যহার
(বিল মাস ডিসেম্বর ২০১৭ থেকে কার্যকর)

পাইকারি (বান্ধ) বিদ্যুৎ মূল্যহার

ভোল্টেজ লেভেল	পাইকারি (বান্ধ) বিদ্যুৎ মূল্যহার (টাকা/কি.ও.ঘ.)
১৩২ কেভি	৬.০১৬
৩৩ কেভি	৬.০৬৬

খুচরা বিদ্যুৎ মূল্যহার

ক. নিম্নচাপ (এলটি): ২৩০/৪০০ভোল্ট

গ্রাহকশ্রেণি	এনার্জি রেট/চার্জ (টাকা/কি.ও.ঘ.)	ডিমান্ড রেট/চার্জ (টাকা/কি.ও. (অনুমোদিতলোড)/মাস)
এলটি-এঃ আবাসিক		
১	লাইফলাইন : ০ - ৫০ ইউনিট	৩.৫১
	প্রথমধাপ : ০ - ৭৫ ইউনিট	৪.০০
	দ্বিতীয়ধাপ : ৭৬ - ২০০ ইউনিট	৫.৪৫
	তৃতীয়ধাপ : ২০১ - ৩০০ ইউনিট	৫.৭০
	চতুর্থধাপ : ৩০১ - ৪০০ ইউনিট	৬.০২
	পঞ্চমধাপ : ৪০১ - ৬০০ ইউনিট	৯.৩০
	ষষ্ঠধাপ : ৬০০ ইউনিটের উপরে	১০.৭০
	২	এলটি- বিঃ সেচ/কৃষি কাজে ব্যবহৃত পাম্প
৩	এলটি- সি ১ ঃ ক্ষুদ্র শিল্প	১৫.০০
	ফ্ল্যাট	৮.২০
	অফ-পীক সময়ে	৭.৩৮
	পীক সময়ে	৯.৮৪
৪	এলটি- সি২ঃ নির্মাণ	১২.০০
৫	এলটি-ডি১ঃ শিক্ষা, ধর্মীয় ও দাতব্য প্রতিষ্ঠান এবং হাসপাতাল	৫.৭৩
৬	এলটি-ডি২ঃ রাস্তার বাতি, পানির পাম্প ও ব্যাটারি চার্জিং স্টেশন	৭.৭০
৭	এলটি-ইঃ বাণিজ্যিক ও অফিস	৩০.০০
	ফ্ল্যাট	১০.৩০
	অফ-পীক সময়ে	৯.২৭
	পীক সময়ে	১২.৩৬
৮	এলটি-টিঃ অস্থায়ী	১৬.০০

খ. মধ্যম চাপ (এমটি) : ১১ কেভি

গ্রাহক শ্রেণি		এনার্জি রেট/চার্জ (টাকা/কি.ও.ঘ.)	ডিমান্ড রেট/চার্জ(টাকা/কি.ও.ঘ./মাস)
১	এমটি-১ : আবাসিক		৫০.০০
	ফ্ল্যাট	৮.০০	
	অফ-পীক সময়ে	৭.২০	
	পীক সময়ে	১০.০০	
২	এমটি-২ : বাণিজ্যিক ও অফিস		৫০.০০
	ফ্ল্যাট	৮.৪০	
	অফ-পীক সময়ে	৭.৫৬	
	পীক সময়ে	১০.৫০	
৩	এমটি-৩ : শিল্প		৫০.০০
	ফ্ল্যাট	৮.১৫	
	অফ-পীক সময়ে	৭.৩৪	
	পীক সময়ে	১০.১৯	
৪	এমটি-৪ : নির্মাণ		৮০.০০
	ফ্ল্যাট	১১.০০	
	অফ-পীক সময়ে	৯.৯০	
	পীক সময়ে	১৩.৭৫	
৫	এমটি-৫ : সাধারণ		৫০.০০
	ফ্ল্যাট	৮.০৫	
	অফ-পীক সময়ে	৭.২৫	
	পীক সময়ে	১০.০৬	
৬	এমটি-৬ : অস্থায়ী	১৫.০০	১০০.০০

গ. উচ্চচাপ (এইচটি) : ৩৩ কেভি

গ্রাহক শ্রেণি		এনার্জি রেট/চার্জ (টাকা/কি.ও.ঘ.)	ডিমান্ড রেট/চার্জ (টাকা/কি.ও. ^২ /মাস)
১	এইচটি-১ : সাধারণ		৪০.০০
	ফ্ল্যাট	৮.০০	
	অফ-পীক সময়ে	৭.২০	
	পীক সময়ে	১০.০০	
২	এইচটি-২ : বাণিজ্যিক ও অফিস		৪০.০০
	ফ্ল্যাট	৮.৩০	
	অফ-পীক সময়ে	৭.৪৭	
	পীক সময়ে	১০.৩৮	
৩	এইচটি-৩ : শিল্প		৪০.০০
	ফ্ল্যাট	৮.০৫	
	অফ-পীক সময়ে	৭.২৫	
	পীক সময়ে	১০.০৬	
৪	এইচটি-৪ : নির্মাণ		৪০.০০
	ফ্ল্যাট	১০.০০	
	অফ-পীক সময়ে	৯.০০	
	পীক সময়ে	১২.৫০	

ঘ. অতি উচ্চচাপ (ইএইচটি) : ১৩২ কেভি এবং ২৩০ কেভি

গ্রাহক শ্রেণি		এনার্জি রেট/চার্জ (টাকা/কি.ও.ঘ.)	ডিমান্ড রেট/চার্জ (টাকা/কি.ও. ^২ /মাস)
১	ইএইচটি-১ : সাধারণ		৪০.০০
	ফ্ল্যাট	৭.৯৫	
	অফ-পীক সময়ে	৭.১৬	
	পীক সময়ে	৯.৯৪	
২	ইএইচটি-২ : সাধারণ		৪০.০০
	ফ্ল্যাট	৭.৯০	
	অফ-পীক সময়ে	৭.১১	
	পীক সময়ে	৯.৮৮	

PROXY FORM

I/We.....of.....
..... being a member of **Dhaka Electric Supply Company Ltd. (DESCO)** herby appoint Mr./Mrs./Miss.....

Address..... as my/our proxy to vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Saturday, 06 January, 2018 at 10 am and at any adjournment thereof.

As witness my / our hand this.....day of, 2018.

(Signature of the Shareholder)

BO ID NO:.....

Date:.....



(Signature of the Proxy)

BO ID (if any):.....

Date:.....

Note: The proxy form should reach the Corporate Office of the Company not less than 72 hours before the time fixed for the meeting i.e. not later than January 4, 2018 within office hours. The proxy form must contain revenue stamp of TK 20 as per Stamp Act.

Signature Verified
Authorized Signature

ATTENDANCE SLIP

I hereby record my attendance at the 21st Annual General Meeting being held on Saturday, the January 06, 2018 at 10 am at PSC Convention Hall, Police Staff College, Section-14, Mirpur, Dhaka-1216, Bangladesh.

BO ID NO:

Name of the Shareholder / Proxy.....

Signature.....

Date:

Note: Please present this slip at the Reception Desk.



ঢাকা ইলেকট্রিক সাপ্লাই কোম্পানি লিমিটেড
ISO 9001:2008 Certified

নিবন্ধিত কার্যালয়

২২/বি ফারুক সরণি, নিকুঞ্জ-২
খিলক্ষেত, ঢাকা-১২২৯
Visit us at : www.desco.org.bd

প্রতিনিধিপত্র

আমি/আমরা

ঠিকানা

ঢাকা ইলেকট্রিক সাপ্লাই কোম্পানি লিমিটেড-এর সদস্য হিসেবে

জনাব/বেগম

ঠিকানা

কে আমার/আমাদের প্রতিনিধি হিসেবে আমার/আমাদের অনুপস্থিতিতে শনিবার, ০৬ জানুয়ারি ২০১৮ তারিখ সকাল ১০ ঘটিকায় অনুষ্ঠিতব্য কোম্পানির ২১তম বার্ষিক সাধারণ সভায় এবং তার মূলতবি ঘোষিত সভায় উপস্থিত হওয়া ও ভোটদানের জন্য নিযুক্ত করলাম।

রেভিনিউ
স্ট্যাম্প
২০/=

.....
(শেয়ারহোল্ডারের স্বাক্ষর)

.....
(প্রতিনিধির স্বাক্ষর)

ফোলিও/বিও নম্বর : -

দ্রষ্টব্য:

১. অনিবার্য কারণবশতঃ কোনো সদস্য তার অনুপস্থিতিতে মনোনীত প্রতিনিধিকে তার পক্ষ থেকে ভোট প্রদানের জন্য পাঠাতে পারবেন
২. প্রতিনিধিপত্র সঠিকভাবে পূরণ ও স্ট্যাম্প সংযুক্ত করে কোম্পানির নিবন্ধিত অফিসে ০৪ জানুয়ারি ২০১৮ তারিখের মধ্যে জমা দিতে হবে
৩. কোম্পানির নথিভুক্ত নমুনা স্বাক্ষর ও সদস্যের স্বাক্ষর একই হতে হবে।



ঢাকা ইলেকট্রিক সাপ্লাই কোম্পানি লিমিটেড
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উপস্থিতিপত্র

আমি/আমরা অদ্য ০৬ জানুয়ারি ২০১৮ রোজ শনিবার সকাল ১০ ঘটিকায় পিএসসি কনভেনশন হল, পুলিশ স্টাফ কলেজ, সেকশন-১৪, মিরপুর, ঢাকা-১২১৬ অনুষ্ঠিত কোম্পানির ২১তম বার্ষিক সাধারণ সভায় আমার/আমাদের উপস্থিতি লিপিবদ্ধ করছি।

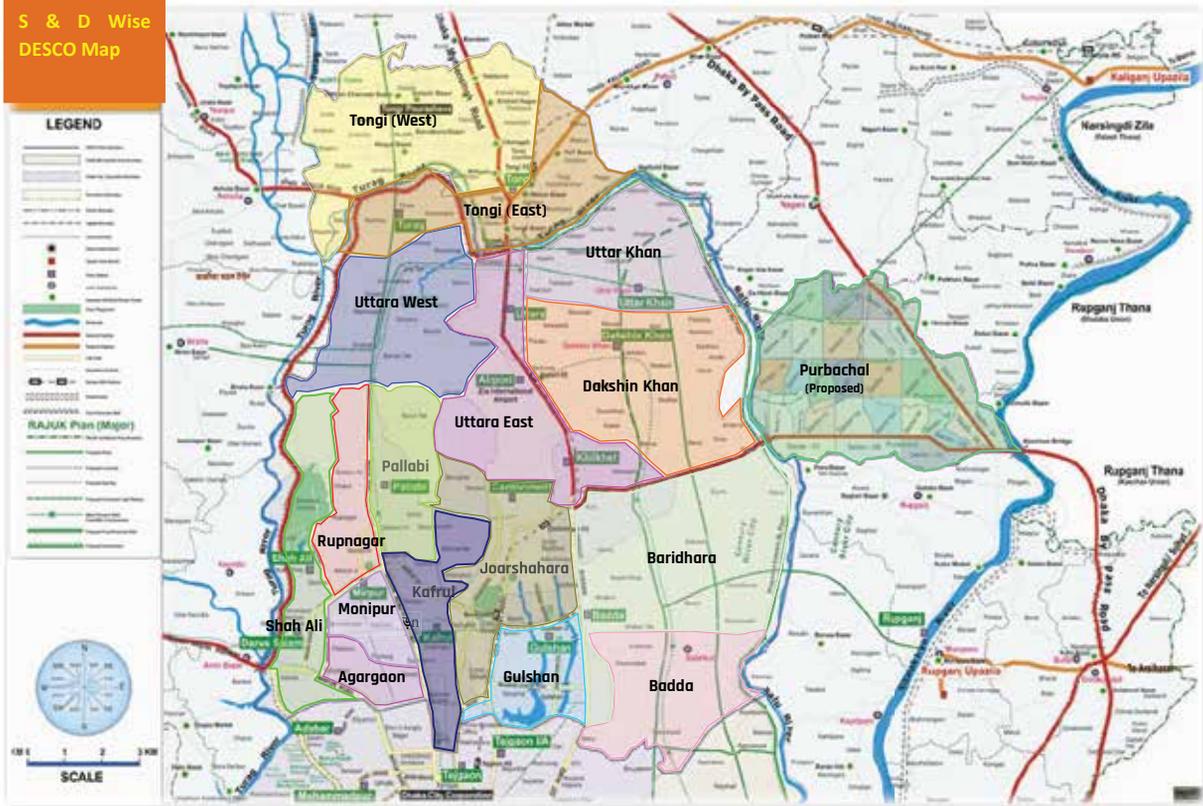
শেয়ারহোল্ডার/প্রতিনিধির নাম:.....

বিও/ফোলিও আইডি নং:.....

.....
(শেয়ারহোল্ডার/প্রতিনিধির স্বাক্ষর)

দ্রষ্টব্য ১: অনুগ্রহপূর্বক, এজিএম-এর দিন সকাল ১০ ঘটিকায় বা তার আগে রেজিস্ট্রেশন কাউন্টারে এই উপস্থিতিপত্রটি দেখাবেন।

DESCO Service Area



ডেসকোর সেবা এখন আপনার হাতের মুঠোয়

মোবাইল অ্যাপস এর ফিচারসমূহ

- বিদ্যুৎ বিল পরিশোধ করা যায়
- বিদ্যুৎ বিল সংক্রান্ত তথ্য জানা যায়
- বিদ্যুৎ ব্যবহার সংক্রান্ত তথ্য জানা যায়
- ডক্টরি নম্বরে সরাসরি ডায়াল করা যায়
- গ্রাহক সেবা কেন্দ্রের ঠিকানা ও অবস্থান ম্যাপে দেখা যায়



অ্যাপস টি সরাসরি ডাউনলোড করতে
নিচের QR Code টি স্ক্যান করুন



যে কোড মোবাইল হতে ৬৯৬৯ নম্বরে এ এস এম
এস সেভ করে সেবাসমূহ পাওয়া যাবে

সেবা	এস এম এস ফরম্যাট
রেজিস্ট্রেশন করতে	DESCO [space] REG [space] Account No
বিল সম্পর্কিত তথ্য জানতে	DESCO [space] BILL [space] BILL No
বিলের সর্বশেষ তথ্য পেতে	DESCO [space] ACC [space] Account No
হিসাব নম্বর সংশ্লিষ্ট অফিসের ঠিকানা	DESCO [space] ADD [space] Account No
বিদ্যুৎ বিসিটি বা বিলের জন্য ডক্টরি যোগাযোগ	DESCO [space] EMC [space] Account No
পরিবর্তিত মোবাইল নম্বরে তথ্যাদি পেতে	DESCO [space] RREG [space] Account No



Dhaka Electric Supply Company Limited

22/B, Faruk Sarani, Nikunja-2, Khilkhet, Dhaka-1229

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