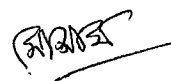


Dhaka Electric Supply Company Limited (DESCO)
Statement of Financial Position (un-audited)
As at December 31, 2017

	Dec 31, 2017 Taka		June 30, 2017 Taka
APPLICATION OF FUND:			
Non Current Assets:			
Property, Plant & Equipment	18,923,968,924	1	16,389,376,671
Capital Work -in- Progress	4,674,646,035		4,078,349,998
	23,598,614,959		20,467,726,669
Current Assets:			
Stores and Spares	4,693,303,394	2	7,040,185,610
Accounts Receivable	4,143,320,254		4,205,233,504
Advances & Deposits	752,361,564		582,799,971
Advance Income Tax	848,722,870	3	786,323,070
Cash and Bank Balances	15,016,503,691	4	15,032,516,674
	25,454,211,774		27,647,058,830
Total Assets	49,052,826,733		48,114,785,497
Equity & Liabilities:			
Capital & Reserves:			
Share Capital	3,975,698,044		3,975,698,044
GOB Equity	3,490,140,000	5	3,100,140,000
Retained Earnings	8,286,357,965	6	7,945,740,236
Equity	15,752,196,009		15,021,578,280
Long Term Liabilities:			
Share Money Deposit	37,500,000		56,250,000
Long Term Loans (ADB & GOB)	14,350,602,768	7	12,099,346,138
Deferred Tax Liability	2,386,268,130	8	2,217,755,794
Due to DESA / DPDC (for assets taken over)	4,039,671,539		4,039,671,539
Consumer Security Deposits	2,694,880,990		2,384,802,056
	23,508,923,427		20,797,825,526
Current Liabilities:			
Accounts Payable	4,619,389,031	9	6,299,552,429
Creditors for Goods/Works	153,719,807	10	514,967,500
Creditors for Other Finance	2,268,516,196	11	2,496,773,858
Creditors for Expenses	246,819,204	12	323,345,647
Current Maturity of Long Term Loans	379,552,345	13	727,227,833
Accrued Interest on Loans	1,910,368,918	14	1,769,571,524
Provision for Income Tax	213,341,797	15	163,942,896
	9,791,707,297		12,295,381,689
Total Equity & Liabilities	49,052,826,733		48,114,785,497



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




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

Dhaka Electric Supply Company Limited (DESCO)
Statement of Comprehensive Income (un audited)
For the half year ended December 31, 2017

	July to Dec 2017 Taka	Notes	July to Dec 2016 Taka	Oct to Dec 2017 Taka	Oct to Dec 2016 Taka
Operating Revenue:					
Energy Sales	19,109,938,985	16	17,712,676,306	8,721,165,532	8,167,673,187
Other Operating Revenue	269,802,435	17	270,803,525	140,454,940	100,972,708
Total Revenue from Operation	19,379,741,420		17,983,479,831	8,861,620,472	8,268,645,895
Cost of energy Sales:					
Energy Purchase	16,704,416,912	18	15,592,436,906	7,439,196,691	7,089,835,766
Operating expenditure	354,283,585	19	356,057,799	207,252,601	178,974,815
Depreciation (Operating)	402,649,151	20	328,496,688	231,324,575	164,248,344
	17,461,349,648		16,276,991,393	7,877,773,867	7,433,058,925
Gross Margin	1,918,391,772		1,706,488,438	983,846,605	835,586,970
Cost & Expenditures:					
Administrative expenses	161,906,857	21	124,983,665	78,491,398	69,437,830
Employee expenses	751,430,134	22	734,338,322	346,907,575	337,622,348
Bad debts Provision	2,899,621		-	2,899,621	-
Depreciation (Non Operating)	26,298,302	20	19,033,531	13,149,151	7,766,766
	942,534,914		878,355,518	441,447,745	414,826,944
Operating Profit	975,856,858		828,132,920	542,398,860	420,760,026
Non Operating Income/(Expense)					
Interest Income	72,831,116	23	136,493,723	66,980,033	130,528,313
Interest Expense	(272,129,678)	24	(228,409,616)	(141,748,144)	(116,492,576)
Exchange Loss/Gain provision	(320,970,507)		(41,499,681)	(290,995,629)	(41,499,680)
Miscellaneous Income	4,143,375		6,712,171	377,209	6,343,134
Total Non Operating Income/(Expens.	(516,125,694)		(126,703,403)	(365,386,531)	(21,120,809)
Net Profit before tax	459,731,164		701,429,517	177,012,329	399,639,217
Current Tax Provision	49,398,902	25	(175,357,379)	88,680,398	(99,909,804)
Deferred Tax Provision	(168,512,337)	26	-	(133,929,808)	-
	(119,113,434)		(175,357,379)	(45,249,410)	(99,909,804)
Net Profit After Tax	340,617,729		526,072,138	131,762,919	299,729,413
Basic Earning per share (EPS)	0.86		1.32	0.33	0.75
Restated EPS	0.86		1.32	0.33	0.75
No of Shares	397,569,805		397,569,805	397,569,805	397,569,805



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



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

Dhaka Electric Supply Company Limited (DESCO)
Statement of Changes in Equity (un-Audited)
For the half year ended December 31, 2017

Particulars	Share Capital	Share Money Deposit	GOB Equity	Reserve & Surplus	Total
Balance at 30 June' 2017	3,975,698,044	-	3,100,140,000	7,945,740,236	15,021,578,280
Addition during the period			390,000,000		390,000,000
Half yearly net profit	-	-		340,617,729	340,617,729
Balance at 31 Dec' 2017	3,975,698,044	-	3,490,140,000	8,286,357,965	15,752,196,009

Particulars	Share Capital	Share Money Deposit	GOB Equity	Reserve & Surplus	Total
Balance at 30 June' 2016	3,975,698,044	75,000,000	2,722,140,000	7,951,353,677	14,724,191,721
Addition during the period			90,000,000		90,000,000
Half yearly net profit	-	-		526,072,138	526,072,138
Balance at 31 Dec' 2016	3,975,698,044	75,000,000	2,812,140,000	8,477,425,815	15,340,263,859



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



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

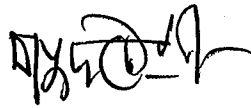
DHAKA ELECTRIC SUPPLY COMPANY LIMITED (DESCO)
Statement of Cash Flow (un-audited)
For the half year ended December 31, 2017

SL. NO.	PARTICULARS	Dec'31, 2017	Notes	Dec'31, 2016
A.	Cash Flow from operating Activities	Taka		Taka
	Received from Energy Sales	19,206,729,194	27	17,762,053,449
	Collection of Govt. Duty, VAT & Tax	1,092,196,562		1,039,060,098
	Received from Other Operating & Non Operating Activities	739,290,578	28	301,987,762
	Received against Financial Income	72,831,116		136,493,723
	Payment for Energy Purchase	(18,340,606,673)	29	(17,326,536,785)
	Payment for Employees Expenses	(725,600,828)	30	(676,599,205)
	Payment for Operating Expenses	(222,631,624)		(191,445,585)
	Payment for Administrative & Other Expenses	(120,807,321)		(87,097,990)
	Payment for Interest on Long Term Loan	(131,332,284)		(137,303,967)
	Income tax Paid	(72,969,286)		(51,891,540)
	Payment for Govt. Duty, Vat & Tax	(1,081,859,267)		(1,040,448,685)
	Net cash inflow from operating activities:	415,240,167		(271,728,725)
B.	Cash Flow from Investing Activities:			
	Acquisition of Property & Plant	(268,016,293)		(380,654,322)
	Acquisition of Stores & Equipment	(2,279,981,343)		(1,054,230,399)
	Net cash used in investing activities:	(2,547,997,636)		(1,434,884,721)
C.	Cash Flow from Financing Activities:			
	Long Term Loan received	2,338,137,165		838,192,068
	Long Term Loan Paid	(365,526,529)		(354,518,387)
	Dividend Paid	(59,223,683)		(7,432)
	Consumer Security Deposit	203,357,532		189,776,472
	Net cash inflow from financing activities:	2,116,744,485		673,442,721
D.	Cash & Cash equivalents increase /(decrease) during the year	(16,012,983)		(1,033,170,725)
E.	Cash & Cash equivalents at the begaining of the year	15,032,516,674		15,141,555,339
F.	Cash & Cash equivalents at the ending of the year	15,016,503,691		14,108,384,614

Net operating cash flow per share

1.10

(0.72)



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



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

Dhaka Electric Supply Company Limited
Notes to the financial statements - (Un Audited)
For the period 1st July - 2017 to Dec'31 - 2017

01.00 Property, Plant & Equipment:

	Amount in Taka	
	1st July to 31 Dec' 2017	30 June, 2017
Cost:		
Opening Balance	24,946,867,964	21,983,522,671
Less: Disposal of distribution equipment	(69,000)	(1,032,553)
	24,946,798,964	21,982,490,118
Additions during the year	2,963,564,106	2,964,377,846
Closing Balance	27,910,363,070	24,946,867,963
Depreciation:		
Opening Balance	8,557,491,292	7,819,986,787
Less: Adjustment for disposals	(44,600)	(390,400)
	8,557,446,692	7,819,596,387
Charged for the year and including prior year adjustment.	428,947,453	737,894,905
Closing Balance	8,986,394,145	8,557,491,292
Written Down Value (WDV)	18,923,968,924	16,389,376,671

02.00 Stores & Spares :

	1st July to 31 Dec' 2017	30 June, 2017
Stores & Spares (Note-02.01)	4,332,763,701	6,700,505,094
Stores in Transit (Note-02.02)	360,539,693	339,680,517
Total	4,693,303,394	7,040,185,611

02.01 Cost of Stores & Spares

	1st July to 31 Dec' 2017	30 June, 2017
Cable & Accessories	3,608,034,967	4,224,933,631
Pole & Pole fittings	487,580,504	483,769,115
Distribution transformers	460,469,036	590,870,180
Meter & Meter accessories	31,077,096	473,967,610
Sub-station equipment & spares	762,142,040	813,780,880
Tools, equipment & others	113,768,412	113,183,678
Total:	4,332,763,701	6,700,505,094

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

03.00 Advance Income Tax:

	1st July to 31 Dec' 2017	30 June, 2017
Income Tax paid for 2011-12	141,567,000	141,567,000
Income Tax paid for 2012-13	49,135,498	49,135,498
Income Tax paid for 2013-14	69,253,387	69,253,387
Income Tax paid for 2014-15	133,215,392	133,215,392
Income Tax paid for 2015-16	242,891,810	242,891,810
Income Tax paid for 2016-17	150,259,982	150,259,982
Income Tax paid for July'17 - Dec'17	62,399,801	-
Closing Balance	848,722,870	786,323,070

03.01 Advance Income Tax paid during the year:

	1st July to 31 Dec' 2017	30 June, 2017
Deducted at source (on interest on FDR & STD)	7,570,974	76,348,899
Deducted at source (on imported materials)	54,820,827	72,781,006
Income tax paid for July'17 - Dec'17	8,000	1,130,077
Total	62,399,801	150,259,982

(M)

T

04.00 Cash and Bank Balance

	1st July to 31 Dec' 2017	30 June, 2017
Imprest Cash Account	1,933,833	1,933,833
FDR	10,773,643,205	10,381,256,874
STD Account	500,414,884	1,274,676,597
Çurent Account (Revenue Account)	3,504,599,259	3,172,754,284
Vat Account	235,912,510	201,895,085
Total Cash & Bank Balance	15,016,503,691	15,032,516,673

05.00 GOB Equity

	1st July to 31 Dec' 2017	30 June, 2017
Opening Balance	3,100,140,000	2,722,140,000
Addition during the period	390,000,000	378,000,000
Closing Balance	3,490,140,000	3,100,140,000

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

06.00 Retained Earnings

	1st July to 31 Dec' 2017	30 June, 2017
Opening Balance	7,945,740,236	7,951,353,689
Prior year's adjustment		216,142,700
Net Profit for the Period	340,617,729	175,813,664
Sub Total	8,286,357,965	8,343,310,052
Dividend paid/ Bonus shares issued for previous FY	-	(397,569,804)
Closing Balance	8,286,357,965	7,945,740,236

07.00 Long term Loan (ADB & GOB)

	1st July to 31 Dec' 2017	30 June, 2017
Opening Balance	12,099,346,137	10,534,771,717
Addition during the period	2,251,256,631	2,241,309,809
Paid during the period	-	(676,735,389)
Closing Balance	14,350,602,768	12,099,346,137

08.00 Deferred Tax Liability

	1st July to 31 Dec' 2017	30 June, 2017
Opening Balance	2,217,755,793	1,928,129,606
Addition during the period	168,512,337	289,626,187
Closing Balance	2,386,268,130	2,217,755,793

09.00 Accounts Payable

	1st July to 31 Dec' 2017	30 June, 2017
Opening Balance	6,299,552,426	6,103,227,542
Addition during the period	16,707,110,802	30,527,355,536
Sub Total	23,006,663,228	36,630,583,078
Paid During the Year	(18,387,274,197)	(30,331,030,650)
Closing Balance	4,619,389,031	6,299,552,428

10.00 Creditors for Goods/ Works :

	1st July to 31 Dec' 2017	30 June, 2017
Equipment & Materials	153,719,807	127,793,450
Imported materials against ADB Loan	-	387,174,050
Closing Balance	153,719,807	514,967,500

(W)

[Handwritten signature]

11.00 Creditors for Other Finance:

VAT collected against electricity bills
 Tax / VAT deducted from contractors, suppliers & others
 Retention money (contractors & suppliers)
 Receipts against deposit works
 Unpaid dividend
 Others
Total

107,682,691	209,443,743
15,403,265	15,939,734
60,326,898	127,162,309
1,767,140,003	1,770,403,747
292,520,561	351,744,304
25,443,765	22,080,021
2,268,516,196	2,496,773,858

12.00 Creditors for Expenses:

Audit Fees
 Creditor for Gratuity Fund
 Creditor for Contributory Provident Fund
 Line maintenance & commercial services and others
 BERC sales charge
Total

41,275	308,275
-	-
15,336,276	15,447,976
181,653,358	238,844,381
49,788,295	68,745,013
246,819,204	323,345,646

13.00 Current Maturity to long term loan

ADB Loan
 GOB Loan
Total

1st July to 31st December' 2017	30 June, 2017
358,508,404	685,139,951
21,043,941	42,087,882
379,552,345	727,227,833

14.00 Accrued Interest on Loan

Opening Balance (ADB & GOB)
 Addition during the period
 Paid during the period
Closing Balance

1st July to 31 Dec' 2017	30 June, 2017
1,769,571,524	1,568,076,097
272,129,678	472,566,122
(131,332,284)	(271,070,695)
1,910,368,918	1,769,571,524

15.00 Provision for Income Tax

Opening Balance
 Add Provided During the year
 Less Provision adjustwith advance Income Tax
Sub total
 Less prior year adjustment
Provision for Income Tax

1st July to 31 Dec' 2017	30 June, 2017
163,942,895	745,665,875
49,398,902	(231,739,133)
-	(393,273,970)
213,341,797	120,652,772
-	43,290,123
213,341,797	163,942,895

16.00 Energy Sales

Sales in Unit (MKH)		Sales in Tk	
July-Dec'17	July-Dec'16	July-Dec'17	July-Dec'16
2603.16	2445.94	19,109,938,985	17,712,676,306

Energy Sales has increased due to increase of retail tariff and number of consumer increased. This change effect from December - 2017.

(M)

[Handwritten signature]

17.00	Other Operating Revenue	1st July to 31 Dec' 2017	1st July to 31 Dec' 2016
-------	--------------------------------	---------------------------------	---------------------------------

Other operating Revenue	269,802,435	270,803,525
-------------------------	--------------------	--------------------

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

18.00	Energy Purchase	1st July to 31 Dec' 2017	1st July to 31 Dec' 2016
-------	------------------------	---------------------------------	---------------------------------

	Unit (MKH)	Amount in Tk.	Unit (MKH)	Amount in Tk.
Energy Purchase (Including wheeling)	2713.96	16,704,416,912	2,558	15,592,436,906

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

19.00 **Operating Expenses**

Description	1st July to 31st December' 2017	1st July to 31st December' 2017
Commercial Operation Support Service	75,058,527	71,455,431
Schedule & Preventive Maintenance	124,745,793	111,694,570
Consultancy Survey & Inspection	5,096,079	1,988,957
Special Action Team & Collection Drive	291,845	401,477
Maintenance of distribution line & equipment	20,058,013	18,958,555
R&M of Grid Sub-Station/ Sub-Station/ Switching Station	24,451,656	11,647,433
Repair & Maintenance of Transformer	483,973	4,773,651
Meter & Service cable issue	73,499,875	103,056,537
Revenue Stamp Charge against Consumer Bill	30,597,824	32,081,188
Total	354,283,585	356,057,799

20.00 **Depreciation:**

	1st July to 31st December' 2017	1st July to 31st December' 2016
Depreciation (operating)	402,649,151	328,496,688
Depreciation (non operating)	26,298,302	19,033,531
Total	428,947,453	347,530,219

21.00 **Administrative Expenses**

Description	1st July to 31st December' 2017	1st July to 31st December' 2016
Advertisement & Notices	2,312,995	2,939,594
Bank Charges	552,918	530,617
Conveyance	936,041	770,882
Cleaning Expenses	5,271,111	2,723,076
Directors' Fees	875,000	712,500
Electricity, gas & water	12,342,835	11,851,399
Entertainment	2,186,400	2,183,352
Fuel/ CNG for Vehicles	6,908,399	7,646,087
Honorarium to various committee members	794,500	1,269,800
Insurance of vehicles	2,093,146	520,412
Legal & Professional fees	3,426,387	2,097,922
Newspaper & Periodicals	235,114	173,496
Office Upkeep	916,848	903,786
Office Rent	20,263,720	22,397,011
Office Security	18,574,633	19,748,705
Postage, telephone & internet	2,981,717	3,117,117
Printing & Stationery	7,214,705	5,763,546
Rates & Taxes	454,611	1,066,803
Repair & Maintenance of Non operating Assets	4,576,306	5,895,005
Repair & Servicing of Vehicle	3,926,044	4,636,432
Inspection, Survey & Consultancy fees	20,291,787	749,350
Staff Training	14,017,222	8,382,870
Listing Fee & annual charges & BERC Charge	1,916,790	106,000
Hired Transport	12,660,121	10,633,000
Corporate Social Expenses	13,778,355	6,574,241
Different Days Celebration	94,152	16,520
Listing Fee & annual charges & BERC Charge	2,305,000	1,150,000
Other Expenses and Contingency	100,040	424,142
Total	161,906,857	124,983,665

(W)

22 Employee Expenditure

Description	1st July to 31st December' 2017	1st July to 31st December' 2016
Salary & Allowances	609,418,788	585,031,775
Festival Bonus	61,175,568	58,422,272
Earned Leave Encashment	41,000	1,138,867
Company's Contribution to provident fund	34,971,678	45,947,634
Electricity Expenses	10,088,962	9,734,747
Telephone expense reimbursed	71,910	102,017
Medical expense reimbursed	35,033,093	32,924,884
Medical Retainer Fee	300,000	225,000
Uniform	329,135	811,126
Total	751,430,134	734,338,322

23 Interest Income

	1st July to 31st December' 2017	1st July to 31st December' 2016
Interest Income from FDR, STD Account	72,831,116	136,493,723

Interest income decrease due to lower interest rate on FDR & STD Accounts then previous year .

24 Interest Expenses

	1st July to 31st December' 2017	1st July to 31st December' 2016
Interest Expenses on ADB & GOB Loan	(272,129,678)	(228,409,616)

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

25 Current tax expenses

	Amount in Taka	
	1st July to 31st December' 2017	30, June 2017
Profit before tax as per income statement	459,731,164	233,700,717
Add: Accounting depreciation	428,947,453	737,894,905
Add: Bad debt Provision	2,899,621	2,286,013
Add: Corporate Social Expenses (CSR)	13,778,355	17,025,194
	905,356,592	990,906,829
Less: Depreciation as per 3rd Schedule of Tax Ordinance, 1984.	1,102,952,201	(1,917,863,363)
Taxable Income as per calculation	(197,595,609)	(926,956,534)
Current Tax (at 25%)	(49,398,902)	(231,739,134)
Current tax expenses	(49,398,902)	(231,739,134)

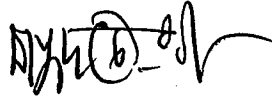
26 Deffered Tax
Provision:

	1st July to 31 Dec' 2017	30, June 2017
Opening Balance	2,217,755,793	1,928,129,606
Provision for the period	168,512,337	289,626,187
Closing Balance	2,386,268,130	2,217,755,793

Deffered tax provision has been arrived at as under:

Carrying amount of assets	18,923,968,924	16,389,376,671
Tax base amount of assets	9,378,896,406	7,518,353,501
Temporary Difference	9,545,072,519	8,871,023,170
Effective Tax Rate	25%	25%
Total Deffered tax Provision required	2,386,268,130	2,217,755,793
Already provided up to last year	2,217,755,793	1,928,129,606
Deffered tax Provision during the year	168,512,337	289,626,187

	1st July to 31st December' 2017	1st July to 31st December' 2016
27 Cash in flow from energy sales		
Cash received from energy sales	19,206,729,194	17,762,053,449
Energy sales received increased due to increase of sales volume and price.		
28 Cash in flow from other operating & non operating activities		
Received from Deposit Work	69,290,578	301,987,762
Received from Deposit Work (MRT)	670,000,000	
Cash flow other operating & non operating activities	739,290,578	301,987,762
29 Cash paid for energy purchase		
Cash paid for energy purchase	18,340,606,673	17,326,536,785
Energy purchase payment increased due to increase of consumption.		
30 Cash out flow from employee expenses		
Salary and other expenses	(725,600,828)	(676,599,205)
Cash flow from employee expenses	(725,600,828)	(676,599,205)



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



Brig General Md. Shahid Sarwar (Rtd)
Managing Director