

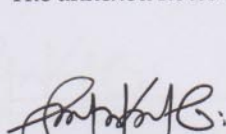
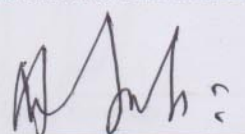
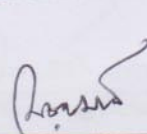
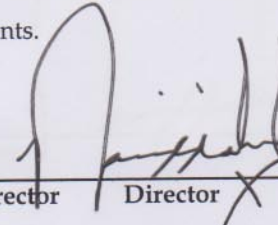
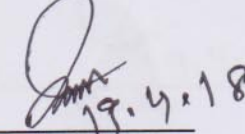
Bangladesh Submarine Cable Company Limited

Statement of Financial Position (Un-audited)

As at 31 March 2018

	Notes	Amount in Taka	
		31 March 2018	30 June 2017
ASSETS			
Non-current assets		7,264,532,018	7,250,260,832
Property, plant and equipment	4	7,264,532,018	1,721,800,006
Investment in SMW-5	5	-	5,528,460,826
Current Assets		3,098,481,005	2,712,755,209
Trade and other receivables	6	1,785,843,674	1,374,904,965
Advances and deposits	7	133,737,658	379,088,162
Advance income tax	8	284,374,005	246,918,612
Investment in shares	9	36,207,964	40,150,006
Cash and cash equivalents	10	858,317,704	671,693,463
TOTAL ASSETS		10,363,013,022	9,963,016,041
EQUITY AND LIABILITIES			
Shareholders' Equity		5,834,193,599	6,008,997,673
Share capital	11	1,649,055,100	1,649,055,100
Equity Money from GoB	12	1,660,000,000	1,660,000,000
Share premium	13	723,293,759	723,293,759
Tax holiday reserve	14	693,976,716	662,947,522
Revaluation reserve	15	336,165,684	336,165,684
Retained earnings	16	771,702,341	977,535,608
Non Current Liabilities		3,181,435,039	3,175,633,805
Deferred tax liabilities	17	303,729,681	157,100,759
Security deposits received from clients	18	155,176,077	128,503,173
Employees' pension, gratuity & provident fund	19	20,192,745	23,696,005
Long Term loan-net off current portion	20	2,702,336,536	2,866,333,868
Current Liabilities		1,347,384,384	778,384,564
Long Term loan-current portion	20	370,366,142	-
Sundry creditors	21	225,455,032	111,386,373
Provision for income tax	22	316,426,002	299,126,594
Provision for WPPF and WF	23	9,350,545	19,475,633
VAT payable	24	419,745,513	342,001,761
Liabilities for expenses	25	6,041,150	6,394,203
Total Liabilities		4,528,819,423	3,954,018,368
TOTAL EQUITY AND LIABILITIES		10,363,013,022	9,963,016,041
Net Asset Value per share	46	35.38	36.44

The annexed notes form an integral part of these financial statements.

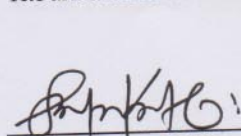
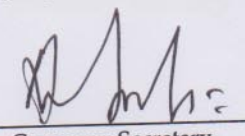
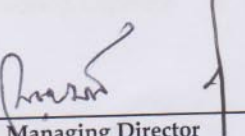


Chief Financial Officer Company Secretary Managing Director Director Chairman

Dhaka
19 April 2018

Bangladesh Submarine Cable Company Limited
Statement of Profit or Loss and Other Comprehensive Income (Un-audited)
For the period ended 31 March 2018

Notes	Amount in Taka		Amount in Taka	
	July-March-2018	July-March-2017	Jan-March-2018	Jan-March-2017
Revenue				
IPLC (International Private Leased Circuit) rent	26	649,073,860	350,969,756	242,828,056
IPLC-Export		-	2,374,380	137,835,917
Circuit activation charge	27	8,810,000	6,743,000	2,374,380
IP Transit Service	28	274,199,484	301,736,424	2,975,000
Co-Location Charges	29	34,558,057	8,515,000	90,422,240
IP Transit Service-Export	30	55,029,020	70,554,737	106,390,581
		<u>1,021,670,421</u>	<u>740,893,297</u>	<u>350,486,666</u>
				<u>277,085,157</u>
Direct cost of operation				
Electricity and generator fuel	31	9,213,051	5,378,762	3,175,405
Landing station and cable route repair	32	617,748	383,959	446,860
Backhaul & Data connectivity Charge	33	113,571,299	90,675,136	34,885,737
IP Transit Cost	34	33,629,834	81,098,043	11,182,615
Expenses for Operation of SMW-5		-	41,250,000	-
Lease Rent	35	339,768	-	-
Depreciation of core machinery	36	310,607,075	98,167,974	103,666,253
		<u>467,978,775</u>	<u>316,953,873</u>	<u>153,356,870</u>
		<u>553,691,646</u>	<u>423,939,423</u>	<u>172,770,482</u>
Gross profit				
Operating expenses				
Operation and maintenance expenses	37	130,675,841	83,153,761	40,134,756
General and administrative expenses	38	112,443,381	110,424,748	35,488,893
Provision for bad & doubtful debts	39	23,551,827	41,531,219	7,142,870
Depreciation on property, plant and equipment	40	19,434,801	7,244,536	6,336,502
		<u>286,105,850</u>	<u>242,354,264</u>	<u>89,103,021</u>
		<u>267,585,795</u>	<u>181,585,159</u>	<u>108,026,774</u>
				<u>66,272,079</u>
Operating profit				
Non-operating income/(Expenses)				
Bank interest and other income	41	36,717,659	28,259,995	14,355,833
Financial charges		(104,000,000)	-	(47,000,000)
(Loss)/Gain on investment in shares	42	(3,942,042)	9,578,359	(3,747,399)
		<u>(71,224,384)</u>	<u>37,838,354</u>	<u>(36,391,566)</u>
		<u>196,361,411</u>	<u>219,423,513</u>	<u>71,635,208</u>
		<u>9,350,544</u>	<u>10,448,739</u>	<u>3,411,200</u>
		<u>187,010,867</u>	<u>208,974,774</u>	<u>68,224,008</u>
				<u>76,898,107</u>
Profit before WPPF & WF				
Provision for contribution to WPPF & WF				
		<u>17,299,407</u>	<u>43,071,305</u>	<u>6,609,083</u>
		<u>146,628,922</u>	<u>(10,164,382)</u>	<u>48,260,174</u>
		<u>163,928,329</u>	<u>32,906,923</u>	<u>54,869,257</u>
		<u>23,082,539</u>	<u>176,067,851</u>	<u>13,354,751</u>
				<u>66,106,741</u>
Net profit after tax				
Total comprehensive income				
		<u>23,082,539</u>	<u>176,067,851</u>	<u>13,354,751</u>
				<u>66,106,741</u>
Earnings Per Share (EPS) - Basic				
	45	<u>0.14</u>	<u>1.07</u>	<u>0.08</u>
				<u>0.40</u>

The annexed notes form an integral part of these financial statements.

Chief Financial Officer Company Secretary Managing Director Director Chairman

Dhaka
19 April 2018

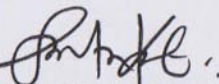
Bangladesh Submarine Cable Company Limited


Statement of Changes in Equity (Un-audited)

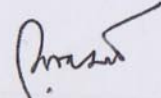
For the period ended 31 March 2018

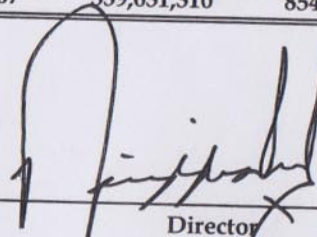
(Amount in Taka)

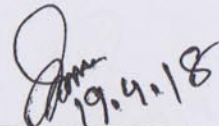
Particulars	Share capital	Equity Money from GoB	Share premium	Tax holiday reserve	Revaluation reserve	Retained earnings	Total Equity
Balance as at 01 July 2017	1,649,055,100	1,660,000,000	723,293,759	662,947,522	336,165,684	977,535,608	6,008,997,673
Transactions with shareholders:							
Received during the period	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	(197,886,612)	(197,886,612)
Net profit after tax for the period	-	-	-	-	-	23,082,539	23,082,539
Tax holiday reserve	-	-	-	31,029,194	-	(31,029,194)	-
Balance as at 31 March 2018	1,649,055,100	1,660,000,000	723,293,759	693,976,716	336,165,684	771,702,341	5,834,193,599
Balance as at 01 July 2016	1,649,055,100	1,400,000,000	723,293,759	600,100,158	339,631,310	887,057,954	5,599,138,281
Received from GoB	-	130,000,000	-	-	-	-	130,000,000
Transactions with shareholders:							
Dividend Paid	-	-	-	-	-	(164,905,510)	(164,905,510)
Bonus Issue	-	-	-	-	-	176,067,851	176,067,851
Net profit after tax for the period	-	-	-	-	-	(43,291,549)	-
Tax holiday reserve	-	-	-	43,291,549	-	(43,291,549)	-
Balance as at 31 March 2017	1,649,055,100	1,530,000,000	723,293,759	643,391,707	339,631,310	854,928,746	5,740,300,622


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

Dhaka
19 April 2018

Bangladesh Submarine Cable Company Limited

Statement of Cash Flows (Un-audited)

For the period ended 31 March 2018

Notes	Amount in Taka	
	July-17-March-2018	July-16-March-2017

A. Cash flows from operating activities

Cash received from clients	694,134,880	459,618,626
Cash paid to suppliers and others	(272,828,846)	(199,568,395)
Payment for WPPF/Gratuity	(25,395,013)	(22,484,769)
Payroll and other payments to employees	(71,973,278)	(63,963,700)
Income tax paid	(37,455,393)	(39,101,665)
Interest received	32,075,659	23,119,908
Receipts from rest house rent and others	736,090	315,624
Net cash flow from operating activities	319,294,099	157,935,629

B. Cash flows from investing activities

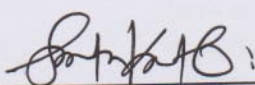
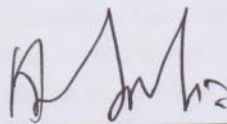
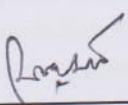
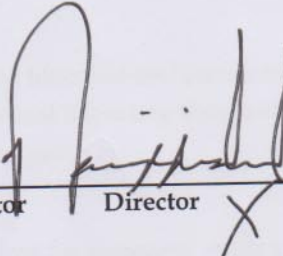
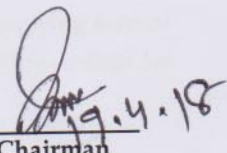
Acquisition of property, plant and equipment	(39,344,577)	(16,207,748)
Investment in SMW-5	-	(644,410,573)
Investment in Share	-	(2,055,816)
Dividend received	1,367,571	1,101,267
Net cash flow from/ (used in) investing activities	(37,977,006)	(661,572,870)

C. Cash flows from financing activities

Dividend paid	(197,061,665)	(163,933,811)
Equity Money from GoB	-	130,000,000
Loan Received from Bank	102,368,811	167,189,636
Loan Payment to Bank	-	-
Net cash flow from/(used in) financing activities	(94,692,854)	133,255,825
Net surplus/ deficit during the period (A+B+C)	186,624,241	(370,381,416)
Cash and cash equivalents at beginning of the period	671,693,463	779,194,162
Cash and cash equivalents at end of the period	858,317,704	408,812,745

Net Operating Cash Flows Per Share (NOCFPS) 47 1.94 0.96

The annexed notes form an integral part of these financial statements.

Chief Financial Officer Company Secretary Managing Director Director Chairman

1. Corporate information

Bangladesh Submarine Cable Company Limited (BSCCL) (hereinafter referred to as "the Company") was incorporated in Bangladesh as a public limited company on 24 June 2008 under the Companies Act 1994 with an authorized capital of Taka 10,000,000,000 divided into 100,000,000 ordinary shares of Taka 100 each. In the year 2010-2011, the Company converted denomination of its shares from Taka 100 to Taka 10 and accordingly, present authorized capital is Taka 10,000,000,000 divided into 1,000,000,000 ordinary shares of Taka 10 each. The Company obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies and Firms on 24 June 2008. The Company is substantially owned by the Government of the Peoples' Republic of Bangladesh and represented by various Ministries of the Government.

The Company was originated after separating from Bangladesh Telecommunications Company Limited (BTCL) (previously BTTB) with all assets situated at Zilonjha Cox's -Bazar, the Landing Station. Before separation a project namely "Establishment of International Telecommunication System through Submarine Cable" was undertaken by BTCL participating in an international agreement with an International Consortium namely SEA -ME-WE 4 (South East Asia Middle East Western Europe). The Company has established 2nd Submarine Cable in Kuakata namely Regional Submarine Telecommunications Project, Bangladesh (SEA-ME-WE-5-South East Asia Middle East Western Europe).

The principal activities of the Company are to provide high capacity voice and data bandwidth to all important places in Bangladesh to get benefit of all the IT related services.

2. Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), the Companies Act 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations in Bangladesh.

The financial statements have been authorised for issue by the Board of Directors of the Company on 19 April 2018.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention applying accrual basis of accounting in accordance with Bangladesh Financial Reporting Standards (BFRSs) except for the following items in the financial statements of financial position :

- (a) Land and land development is measured at fair value.
- (b) Financial instruments at fair value through profit or loss are measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest Integer.

2.4 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future periods if the revision affects both current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note: 4 Property, plant and equipment (useful life of depreciable assets)

Note: 17 Deferred tax liabilities (manner of recovery of temporary differences for determination of deferred tax liabilities)

Note: 39 Provision for bad & doubtful debts

Note: 43 Current tax expense

Note: 44 Deferred tax (income)/expense

3. Significant accounting policies

Accounting policies set out below have been applied consistently for all periods for which the financial statements have been presented herein.

3.1 Property, plant and equipment

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with BAS-16: Property Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct attributable cost of bringing the assets to its working condition for its intended use.

3.2 Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is charged on reducing balance method and Straight Line method considering the economic and useful lives of such assets. Periodical depreciation has been charged during the period where applicable. On the other hand, straightline method has been charged on newly recognised fixed assets relating to SMW-5 (2nd Submarine Cable). Depreciation method, useful lives and residual values are reviewed at each year-end and adjusted if appropriate.

Name of Assets	Depreciation rate	Basis
Core equipment-IPLC-SMW-4	10%	Straight line
Core equipment-IIG	14.29%	Straight line
Core equipment-IPLC-SMW-5	5.00%	Straight line
Building -SMW-5	5.00%	Straight line
Building-SMW-4	4%	Reducing balance
Floor development	10%	Reducing balance
Security barak & security wall	4%	Reducing balance
Deep tube-well & pump house-SMW-4	10%	Reducing balance
Deep tube-well & pump house-SMW-5	5%	Straight line
500 KV sub-station-SMW-4	10%	Straight line
500 KV sub-station-SMW-5	5%	Straight line
Power system-SMW4	10%	Straight line
Power system-SMW5	5%	Straight line
Boundary wall-SMW-4	4%	Reducing balance
Boundary wall-SMW-5	5%	Straight line
Ducting from beach manhole-SMW-4	10%	Straight line
Ducting from beach manhole-SMW-5	5%	Straight line

Vehicles	20%	Reducing balance
Office equipment and furniture	10%	Reducing balance
Co-Location point-SMW-4	10%	Reducing balance
Co-Location point-SMW-5	5%	Straight line
Office decoration	10%	Reducing balance

3.3 Foreign currency transactions

The financial statements are presented in Taka /Tk./BDT, which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities outstanding at 31 March 2018 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the financial position date. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the Statement of Profit or Loss and Other Comprehensive Income as per BAS 21: The Effects of Changes in Foreign Exchange Rates.

3.4 Employee Benefit

BSCCL maintains defined benefit plan for its eligible permanent employees. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligation is to provide the agreed benefits to employees as per condition of the fund. The eligibility is determined according to the terms and conditions set in the service rules of the company. The plan funded is registered under Income Tax Ordinance 1984.

3.5 Tax holiday reserve

Tax holiday reserve has also been created using applicable exemption rate of income tax as prescribed by the Income Tax Ordinance 1984 for IIG operation income (IP Transit service) as the Company has been granted tax holiday by the National Board of Revenue (NBR) (Ref: nothi no.08.01.0000.035.01.0021.2013 dated 12/02/2014) for a period of 10 years effective from 01 July 2013 to 30 June 2023 under section 46(c) of ITO 1984 in the following manner:

<u>Period</u>	<u>Tax exemption rate</u>
First two years (1 July 2013 to 30 June 2015)	100%
Third year (1 July 2015 to 30 June 2016)	80%
Fourth year (1 July 2016 to 30 June 2017)	70%
Fifth year (1 July 2017 to 30 June 2018)	60%
Sixth year (1 July 2018 to 30 June 2019)	50%
Seventh year (1 July 2019 to 30 June 2020)	40%
Eighth year (1 July 2020 to 30 June 2021)	30%
Ninth year (1 July 2021 to 30 June 2022)	20%
Tenth year (1 July 2022 to 30 June 2023)	10%

3.6 Income tax expenses

Income tax expenses comprise current and deferred taxes. Income taxes are recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that relates to items recognized directly in equity or in other comprehensive income.

3.6.1 Current tax

Provision for income tax is made as per Finance Act 2017. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The Company has been granted 60% tax exemption for IIG operation income (IP Transit service). Required provision for income tax has been made in the accompanying financial statements based on proportionate income.

3.6.2 Deferred tax

Deferred tax has been recognized in accordance with the provision of BAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets / liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income / expense is recognized as well in the Statement of Profit or Loss and Other Comprehensive Income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.7 Revenue recognition

Revenues are recognised when products are delivered or services rendered, to the extent that it is probable that the economic benefits from the transactions will flow to the company and the revenues can be reliably measured. Revenues are measured at the fair value of the consideration received or receivable, net of discounts and sales related taxes. These taxes are regarded as collected on behalf of the authorities.

Revenues primarily comprise of:

1. IPLC Rent
2. IPLC -Export
3. Circuit Activation Charge
4. IP Transit Service
5. Co-location Charges
6. IP Transit Service-Export

3.7.1 IPLC rent

IPLC (International Private Leased Circuit) rent is billed at the beginning of each month and recorded as income on delivery of the bills to clients and the bills are dispatched once in every month.

3.7.2 Circuit activation charge

Revenue from Circuit activation charges consists of charges imposed to clients for activation of new circuits. These are recognized when amounts are billed through demand notes.

3.7.3 IP Transit service

IP Transit service charges for providing internet bandwidth to IIGs and ISPs.

3.7.4 Co-location Charges

Income from Co-location charges arise for using BSCCL's resources at Cox'sbazar and Dhaka.

3.7.5 IP Transit service-Export

This represents charges to Bharat Sanchar Nigam Limited (BSNL) for IP transit service.

3.8 Dividend income

Dividend income is recognised when the right to receive payment is established.

3.9 Trade receivables

Trade receivables are amounts due from customers for services provided in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at carrying amount less provision for impairment.

3.10 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

3.11 Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

3.12 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events.

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the group.

3.13 Earning per share (EPS)

The company presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant period.

3.14 Investment in shares

Investment in shares and securities are designated at fair value, classified as Held for Trading, with fair value changes recognized immediately in statement of profit or loss and other comprehensive income.

3.15 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

Amount in Taka	
31 March 2018	30 June 2017

4. Property, plant and equipment

Cost/ revaluation (A)

Opening balance
Add: Purchased/ Recognised during the period
Less: Adjustment during the period

3,507,733,270	3,471,744,172
5,872,773,887	35,989,098
-	-
9,380,507,157	3,507,733,270

Accumulated Depreciation (B)

Opening balance
Add: Charged during the period

Less: Adjustment during the period

1,785,933,264	1,639,535,845
330,086,527	146,397,419
2,116,019,791	1,785,933,264
(44,651)	-
2,115,975,140	1,785,933,264
7,264,532,018	1,721,800,006

Written Down Value (A-B)

A schedule of property, plant & equipment is given in Annexure-A.

5 Investment in SMW-5

Opening Balance
Add: Addition during the period
Payment made to Central Billing Party
Expenses Relating to Project

5,528,460,826	4,819,111,878
22,120,081	701,041,829
-	8,307,119
22,120,081	709,348,948
5,550,580,907	5,528,460,826
(5,550,580,907)	-
-	5,528,460,826

Recognised as fixed asset during the period

The above amount of investment has been paid for light up CV07 to TM Malaysia.

6 Trade and other receivables

Trade receivables (Note:6.1)
Other receivables (Note:6.2)

1,778,882,545	1,370,482,175
6,961,129	4,422,790
1,785,843,674	1,374,904,965

6.1 Trade receivables

Opening Balance
Add: Addition during the period

Less: Collection during the period
Closing Balance
Less: Provision for bad and doubtful debts
Opening Balance
Add: Addition during the period

1,502,697,984	1,205,647,864
1,243,346,480	1,272,558,266
2,746,044,464	2,478,206,130
811,394,282	975,508,146
1,934,650,182	1,502,697,984
132,215,809	96,451,829
23,551,827	35,763,980
155,767,636	132,215,809
1,778,882,545	1,370,482,175

Trade receivables, net of provision

Provision for bad and doubtful debts has been made as per company policy and as recommended by Audit Committee.

Amount in Taka	
31 March 2018	30 June 2017

6.2 Other receivables

Dividend
ICB Securities Trading Co. Ltd.
FDR Interest

3,150	332,486
5,140	5,140
6,952,839	4,085,164
6,961,129	4,422,790

7 Advances and deposits

Advances

Advance to:

Sony Chocolate Industries Ltd. (Note: 7.1)
Employees against Expenses
Civil Works Consultant Limited
Atlas Bangladesh Limited
Modern Engineers Planners and Consultants Ltd.
M/S Reliance Traders
Milky & Associates
BUET
BTCL
M/S Palli Store
Bangladesh Porjoton Corporation
Spectrum Engineering & Consortium Ltd.
M/S K.K Enterprise
M.M.International
Mustafa Tariq Hossain & Associates
Hasan Enterprise
Others

25,250,000	2,796,364
221,606	1,294,011
1,014,400	2,468,383
143,000	-
-	365,000
-	17,100,016
-	12,000
39,004	194,235
10,000,000	10,000,000
-	7,686,807
322,715	322,715
-	66,882,028
88,124,448	265,202,651
2,549,993	-
200,000	-
-	6,800
1,468,894	571,152
129,334,060	374,902,162

Deposits

Security deposit - Duncan Products Limited
BTCL - for phone line
CDBL - as security deposit
Security deposit - BTRC for International Internet Gateway
Security Deposit-Sikder Filing Station
Kamal Trading Agency
Southern Automobiles Ltd.
Patuakhali Palli Bidyut Samity

5,000	5,000
27,000	20,000
500,000	500,000
600,000	600,000
100,000	-
50,000	50,000
250,000	250,000
2,871,598	2,761,000
4,403,598	4,186,000
133,737,658	379,088,162

7.1 Advance for Office Rent (Sony Chocolate Industries Ltd.)

Opening balance
Add: Paid during the period
Less: Adjustment during the period

2,796,364	4,713,018
30,000,000	-
7,546,364	1,916,654
25,250,000	2,796,364

Advance given to K.K.Enterprise, Spectrum Engineering Consortium Ltd., Palli Store, Reliance Traders,, Civil Works Consultant Ltd. and Modern Engineers, Planners and Consultants Ltd. has been recognised as different fixed assets as the properties are available for use.The remaining amount to KK enterprise was paid against running bill for Dormatory,Officers Quarter, rest house building etc.

Amount in Taka	
31 March 2018	30 June 2017

8. Advance Income Tax

Opening balance
Add: Payment made during the period

Less: Settlement/ Adjustment

246,918,612	187,077,343
37,455,393	59,841,269
284,374,005	246,918,612
-	-
284,374,005	246,918,612

9. Investment in Shares

SL #	Ordinary shares of	Quantity	Cost price (Taka)	Market value	Market value
1	AB Bank Limited	137,581	3,209,765	2,173,780	2,627,797
2	ACI Limited	3,605	764,725	1,438,756	1,697,676
3	BATASHOE Ltd.	1,000	696,429	1,184,300	1,134,300
4	BEXIMCO Limited	206,537	10,731,965	5,018,849	6,707,538
5	IFIC Bank Limited	109,902	1,246,570	1,637,540	1,923,286
6	Islami Bank BD Limited	39,091	951,084	1,067,184	1,270,458
7	Jamuna Oil Limited	23,716	4,392,440	4,207,218	4,923,442
8	Mpetroleum Ltd.	24,816	4,962,456	4,387,469	4,913,568
9	NCC Bank Limited	174,354	1,698,208	2,667,616	2,318,908
10	Padma Oil Limited	18,150	4,835,160	3,914,955	4,615,545
11	Square Pharma Ltd.	22,334	2,633,566	6,923,540	6,027,118
12	Titas Gas D & T Ltd.	39,570	2,744,885	1,586,757	1,990,371
			38,867,252	36,207,964	40,150,006

Investment in shares is treated as held for trading financial assets as per BAS

39-Financial Instruments :

Recognition and Measurement and any fluctuation in market price is accounted for through Statement of Profit or Loss and Other Comprehensive Income . Investment in shares has been presented at fair market value as per BAS
39- Financial Instruments: Recognition and Measurement.

10. Cash and cash equivalents

Cash in hand	(Note:10.1)	1,663,579	93,903
Cash at bank	(Note:10.2)	856,654,126	671,599,560
		858,317,704	671,693,463

10.1 Cash in hand

Head Office-Dhaka	1,569,051	31,983
Landing Station-Kuakata	94,129	61,557
Landing Station-Cox's Bazar	399	363
	1,663,579	93,903

10.2 Cash at bank

Savings and current deposits with:

Sonali Bank Limited	1,443,142	6,351,464
National Bank Limited	1,624,359	1,281,596
Mutual Trust Bank Limited	10,324,643	5,541,188
Farmers Bank Limited	286,390	287,115
Brac Bank Limited	695,081	686,187
IFIC Bank Limited	172,004	6,516,582
United Commercial Bank Limited	43,539,196	65,184
	58,084,815	20,729,316

Amount in Taka	
31 March 2018	30 June 2017

Fixed deposits (FDR) with:

Brac Bank Limited	105,726,806	25,000,000
Bangladesh Krishi Bank Limited	-	20,000,000
Bank Asia Ltd.	30,000,000	-
BASIC Bank Limited	181,210,793	148,081,075
Mutual Trust Bank Limited	31,181,696	30,000,000
IFIC Bank Limited	154,618,800	-
NRB Bank Limited	-	182,250,000
NRB Commercial Bank Limited	-	32,159,078
Premier Bank Limited	61,582,599	94,663,762
One Bank Limited	60,000,000	-
Southeast Bank Ltd.	40,162,188	-
Standard Bank Limited	43,806,678	83,716,329
Jamuna Bank Limited	20,279,750	-
Pubali Bank Limited	20,000,000	-
United Commercial Bank Limited	50,000,000	-
Sonali Bank Limited	-	35,000,000
	798,569,310	650,870,244
	856,654,126	671,599,560

The fixed deposits will be matured within 3 (three)/6 (Six) months and yearly.

Share capital

Authorized:

1,000,000,000 ordinary shares of Taka 10 each	10,000,000,000	10,000,000,000
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Issued, subscribed and paid up capital:

31,000,000 Ordinary Shares of Taka 10 each fully paid up in cash	310,000,000	310,000,000
140 Ordinary share of Taka 10 each fully paid up in cash to GOB	1,400	1,400
67,314,640 ordinary shares of Tk.10 each fully paid up other than cash to MoPT, GOB	673,146,400	673,146,400
133,905,510(2015:51,599,320) Ordinary shares of Tk. 10 each issued as Bonus Share	665,907,300	665,907,300
	1,649,055,100	1,649,055,100

Equity Money from GoB

1,660,000,000	1,660,000,000
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The above amount has been received from Government for implementing the Regional Submarine Telecommunications Project, Bangladesh (Installation and Establishment of Second Submarine Cable System (SMW5) for International Telecommunications in Bangladesh.) as Equity Money which will be converted into shares after implementing the project and getting proper approval from Concerned Authority.

Share premium

723,293,759	723,293,759
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In 2011-2012, total amount of Tk. 775,000,000 was received as share premium in respect of shares issued to shareholders. Net issue cost of Tk 51,706,241 was set off against share premium as per BAS 32: Financial Instruments: Presentation.

Amount in Taka	
31 March 2018	30 June 2017

14 Tax holiday reserve

Opening balance	662,947,522	600,100,158
Add: Current period's reserve	31,029,194	62,847,364
	<u>693,976,716</u>	<u>662,947,522</u>

15 Revaluation reserve

Opening balance	336,165,684	339,631,310
Less: Adjustment with deferred tax liability	-	3,465,626
	<u>336,165,684</u>	<u>336,165,684</u>

This amount represents the revalued amount of Land at Cox's Bazar. This revaluation has been done by a Professional Valuer named A B SAHA & CO., Chartered Accountants in the financial year 2010-11. Valuation work has been carried out on the basis of Guidelines issued by the Ministry of Finance in valuing Assets of State Owned Companies as well as professional Judgement. In making Valuation of Assets both Depreciated Replacement Costs and Revaluation Method as suggested in the aforementioned guidelines were followed. In addition requirements of IAS and IFRS was considered. Valuation was made on the basis of 100% inventory, Present condition of assets, Current Market price, inflationary trend of the country, Estimated life time of assets etc.

16 Retained Earnings

Opening balance	977,535,608	887,057,954
Add: Profit for the period	23,082,539	318,230,528
	<u>1,000,618,147</u>	<u>1,205,288,482</u>
Less: Dividend paid during the period	197,886,612	164,905,510
Transferred to Tax Holiday Reserve	31,029,194	62,847,364
	<u>228,915,806</u>	<u>227,752,874</u>
	<u>771,702,341</u>	<u>977,535,608</u>

7 Deferred tax liabilities

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of BAS 12: Income Taxes. Related deferred tax expense / (income) have been disclosed in Note: 44. Deferred tax assets and liabilities are attributable to the following:

Deferred tax relating to profit or loss account components	(Note: 17.1)	293,332,804	146,703,882
Deferred tax relating to components of other comprehensive income	(Note: 17.2)	10,396,877	10,396,877
		<u>303,729,681</u>	<u>157,100,759</u>

Amount in Taka	
31 March 2018	30 June 2017

17.1 Deferred tax relating to Statement of Profit or Loss and Other Comprehensive Income

	Carrying amount	Tax base	Taxable/(deductable) temporary difference
	Taka	Taka	Taka
As at 31 March 2018			
Property, plant and equipment (excluding land)	6,795,268,678	5,445,977,082	1,349,291,596
Accounts receivable	1,778,882,545	1,934,650,182	(155,767,637)
Provision for pension, gratuity fund and provident fund	(20,192,745)	-	(20,192,745)
Net Taxable Temporary Difference			1,173,331,214
Applicable tax rate			25%
Deferred tax liability			<u>293,332,804</u>

Deferred tax relating to Statement of Profit or Loss and Other Comprehensive Income

	Carrying amount	Tax base	Taxable/(deductable) temporary difference
	Taka	Taka	Taka
As at 30 June 2017			
Property, plant and equipment	1,288,143,778	545,416,437	742,727,341
Accounts receivable	1,370,482,175	1,502,697,984	(132,215,809)
Provision for pension, gratuity fund and provident fund	(23,696,005)	-	(23,696,005)
Net Taxable Temporary Difference			586,815,527
Applicable tax rate			25%
Deferred tax liability			<u>146,703,882</u>

17.2 Deferred tax relating to components of other comprehensive income

	Carrying Amount	Tax Base	Taxable/(deductable) temporary difference
As at 31 March 2018			
Revaluation reserve of property, plant and equipment	346,562,561	-	346,562,561
Applicable tax rate			3%
Deferred tax liability			<u>10,396,877</u>

Deferred tax relating to components of other comprehensive income

	Carrying Amount	Tax Base	Taxable/(deductable) temporary difference
As at 30 June 2017			
Revaluation reserve of property, plant and equipment	346,562,561	-	346,562,561
Applicable tax rate			3%
Deferred tax liability			<u>10,396,877</u>

As the applicable Tax rate on collection of Tax on Transfer of property has been changed to 3%, Deferred Tax liabilities is increased by Tk.34,65,626 which has been net off with Revaluation reserve of Land.

Amount in Taka	
31 March 2018	30 June 2017

18. Security deposits received from clients

Opening Balance	128,503,173	104,731,766
Add: Addition during the period	41,522,575	39,107,021
	170,025,748	143,838,787
Less: Adjustment during the period	14,849,671	15,335,614
	<u>155,176,077</u>	<u>128,503,173</u>

19. Employees' pension, gratuity and provident fund

Employees' pension fund	(Note: 19.1)	13,808,952	13,808,952
Employees' gratuity fund	(Note: 19.2)	4,467,917	5,919,380
Employees' provident fund	(Note: 19.3)	1,915,876	3,967,673
		<u>20,192,745</u>	<u>23,696,005</u>

19.1 Employees' pension fund

<u>13,808,952</u>	<u>13,808,952</u>
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This represents amount payable to BTCL employees worked on deputation and the amount incorporated in the vendor agreement. The above noted amount is adequate to take care of the liabilities on account of the employees worked for the Company as deputed from BTCL and therefore no additional provision has been made in the accompanying financial statements. The Company however, does not have any pension fund.

19.2 Employees' gratuity fund

Opening balance	5,919,380	14,443,556
Add: Provision made during the period	4,467,917	5,919,380
	10,387,297	20,362,936
Less: Paid/Transferred during the period	5,919,380	14,443,556
	<u>4,467,917</u>	<u>5,919,380</u>

19.3 Employees' provident fund

Opening balance	3,967,673	1,883,713
Add: Employees' Contribution	2,908,958	3,952,266
Employer's Contribution	2,908,958	3,952,266
Less: Transferred to RCPF during the period	(7,869,714)	(5,820,572)
	<u>1,915,876</u>	<u>3,967,673</u>

20 Term Loan

Opening balance	2,866,333,868	2,520,522,570
Received during the period	102,368,810	345,811,298
Accrued Interest on IDB loan	104,000,000	-
Total IDB Loan	<u>3,072,702,678</u>	<u>2,866,333,868</u>
Current portion of Long Term Loan	370,366,142	-
Payable later than one year	<u>2,702,336,536</u>	<u>2,866,333,868</u>

Amount in Taka	
31 March 2018	30 June 2017

Term Loan Particulars:

Islamic Development Bank (IDB)

Loan has been taken from IDB through Bangladesh Government for implementation of Regional Submarine Telecommunications Project , Bangladesh (SMW-5) Project. An agreement named Installment Sale Agreement between The Government of People 's Republic of Bangladesh and IDB has been signed on 27 August 2014 with effect from 24 November 2014 for loan amount of USD 44 million. Actual loan received by BSCCL in USD 38.048 million but according to agreement with IDB the sale value has been determined USD 39.173 million. Subsequently Bangladesh Submarine Cable Company Limited signed a subsidiary loan agreement with The Government of People's Republic of Bangladesh, Ministry of Finance, Finance Division on 15 February 2015. This sub-loan is for a 13 years term with a gestation period of 3 years and the interest payable will be @ 6% per annum.

Sundry creditors

Share Money Deposit	119,622	119,622
Withholding tax payable	16,481,389	16,743,705
Fiber@Home	18,180,695	-
Equinix Singapore PTE Ltd.	871,365	-
Cogent Communication Ltd	462,147	-
Legacy Legal Corporate	-	170,676
Milky & Associates	116,602	116,602
Telecom Italia Sparkle Ltd.	11,972,152	33,206,667
Bangla phone Ltd.	95,910	-
KK Enterprise	8,812,448	24,142,338
NTT communications Ltd.	10,286,844	11,464,121
Unclaimed dividend	4,419,554	3,594,606
Spectrum Engineering Consortium Limited	13,475,089	10,597,684
ICB Securities Trading Company Limited	1,610,932	1,610,932
Payable to BTCL	130,438,003	-
Payable to BTRC	4,331,620	674,341
Sony Chocolate Industries Ltd.	99,835	1,573,641
MM International	388,905	-
M/S Evan Enterprise	-	605,570
BD REN	143,640	143,640
Huawei Technologies (BD). Limited	2,016,724	2,016,724
Sikder Filling & Service Station	131,156	-
Reliance Traders	299,433	299,433
RANGS Limited	-	2,929,000
Capital Law Chamber	-	292,515
Others	700,967	1,084,556
	225,455,032	111,386,373

Amount in Taka	
31 March 2018	30 June 2017

22. Provision for income tax

Opening balance	299,126,594	227,586,252
Add: Provision made during the period		
IPLC	4,370,576	62,536,786
IIG Unit	12,928,831	16,882,865
	17,299,407	79,419,651
	316,426,002	307,005,903
Less: Settlement for previous period:		
for 12-13 Income period	-	7,879,309
	-	-
	-	7,879,309
	316,426,002	299,126,594

For the income year 2010-11 an amount of tk. 2,52,40,639 has been demanded by DCT against of which appeal is processed to High Court Division. For the income year 2012-13 after revised assessment of DCT the demand amount is Tk. 78,79,309 which has already been paid. We have filed an appeal for the Income year 2013-14 to Tribunal and Tribunal Order has been received and further appeal has been made to the High Court Division. Assessment order of the income year 2014-15 has been received on which DCT demanded tk. 53,10,877 and appeal against the demand has been placed to Commissioner (Appeal) then appeal made to the tribunal against the order of Commissioner (Appeal). Assessment Order of income year 15-16 was received and further appeals was made to the Commissioner(Appeal).Return of the income year 2016-2017 was filed to DCT for assessment.

23. Provision for WPPF and WF

Opening balance	19,475,633	12,070,369
Add: Provision made during the period	9,350,544	19,475,634
	28,826,178	31,546,003
Less: Settlement for previous period	19,475,633	12,070,370
	9,350,545	19,475,633

24. VAT Payable

VAT payable against Receivable	418,043,028	302,987,404
VAT payable against Deduction at source	1,702,485	39,014,357
	419,745,513	342,001,761

This represents the amount of Tk . 41,80,43,028.00 VAT receivable from clients against revenue receivable from clients arising from International Private Leased Circuit (IPLC) rentals, IP transit service, and Co-location charges. In addition to that this amount of Tk. 17,02,485.00 includes VAT deducted from other parties and suppliers.

25. Liabilities for expenses

Office rent	4,923,000	4,923,000
Audit & other fees	-	273,750
Provision for different expenses	978,177	-
Telephone bill	45,000	10,949
Electricity bill	85,609	753,784
Donation	9,364	9,364
Others	-	423,356
	6,041,150	6,394,203

26. IPLC (International Private Leased Circuit) Rent

SMW-4

SMW-5

Amount in Taka		Amount in Taka	
July-17- March-2018	July-16- March-2017	Jan-March-2018	Jan-March-2017
510,572,465	350,969,756	171,485,171	137,835,917
138,501,396	-	71,342,885	-
649,073,860	350,969,756	242,828,056	137,835,917

IPLC (International Private Leased Circuit) rent is billed at the beginning of each month and recognized as income on delivery of the bills to clients.

27 Circuit activation charge

Circuit Activation Charge-IPLC-SMW-4

Circuit Activation Charge-IPLC-SMW-5

Circuit Activation Charge-IP Transit

Circuit Activation Charge-ISP

Circuit Activation Charge-ITC

Circuit Activation Charge-Co-location

2,820,000	5,510,000	1,880,000	2,630,000
5,055,000	-	960,000	-
220,000	768,000	180,000	-
240,000	-	100,000	-
-	465,000	-	345,000
475,000	-	-	-
8,810,000	6,743,000	3,120,000	2,975,000

This represents charges imposed to clients for activation of new circuits.

28 IP Transit Service

274,199,484	301,736,424	90,422,240	106,390,581
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This represents the service charges for providing internet bandwidth to IIGs and ISPs.

29 Co-Location Charges

SMW-4

SMW-5

32,439,041	8,515,000	5,952,334	3,525,000
2,119,015	-	1,939,015	-
34,558,057	8,515,000	7,891,349	3,525,000

This represents charges to customers for using BSCCL's resources at Cox's Bazar, Kuakata and Dhaka.

Amount in Taka		Amount in Taka	
July-17- March-2018	July-16- March-2017	Jan-March-2018	Jan-March-2017

30 IP Transit Service -Export	55,029,020	70,554,737	6,225,020	23,984,279
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This represents charges to Bharat Sanchar Nigam Limited(BSNL) for IP transit service.

31 Electricity and generator fuel

Electricity bill	7,851,288	5,046,962	2,774,920	1,584,008
Fuel for generator	1,361,763	331,800	400,485	62,475
	9,213,051	5,378,762	3,175,405	1,646,483

This cost is directly related to cost of operation.

32 Landing station and cable route repair	617,748	383,959	446,860	110,279
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This cost is directly related to repair and maintenance for Cox's Bazar landing station and cable route.

33 Backhaul & Data Connectivity Charge

Backhaul Charge	109,074,344	88,873,263	33,404,265	34,723,443
Data Connectivity & Fiber Core Charge	423,376	302,051	155,020	55,721
Revenue Sharing Cost	3,657,279	1,499,822	1,326,452	511,461
Co-location cost	416,300	-	-	-
	113,571,299	90,675,136	34,885,737	35,290,625

This cost represents backhaul charges and for data connectivity & fiber core charge.

34 IP Transit Cost	33,629,834	81,098,043	11,182,615	25,681,937
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This cost represents the cost of purchasing IP bandwidth from Telecom Italia Sparkle,NTT Coomunications Ltd,Equinix Singapore Pte Ltd.Cogent Communications ltd.

Amount in Taka		Amount in Taka	
July-17- March-2018	July-16- March-2017	Jan-March-2018	Jan-March-2017

35	Lease Rent	339,768	-	-	-
This rent represents rent of leasing land of beachmanhole for Kuakata landing station from Parjaton Corporation.					

36	Depreciation of core machinery	310,607,075	98,167,974	103,666,253	32,835,351
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This represents the depreciation charged on core machinery which are directly related to IPLC and IP transit revenue.

Depreciation has been charged considering 20 years estimated life of fixed assets relating to SMW-5 for the period. During the year 2016-17, considering the estimated useful life of the Assets, Management has changed depreciation method on Core Equipments of IPLC and IIG unit from Reducing Balance Method to Straight Line method to reflect fair presentation of the financial results and financial position. For further details Annexure-A is referred.

37 **Operation and maintenance expenses**

This represents amount payable to SEA-ME-WE 4 & 5 during the period for expenses of cable operation and maintenance purpose. The break-up of

the expenses is as under:

SEA-ME-WE-4	(9,158,370)	33,802,511	(29,046,426)	9,916,943
SEA-ME-WE-5	139,834,211	49,351,250	69,181,182	25,373,606
	<u>130,675,841</u>	<u>83,153,761</u>	<u>40,134,756</u>	<u>35,290,549</u>

38 General and administrative expenses

Salary and allowances
Managing Director's remuneration
Festival bonus
Office rent
Repair and maintenance
Business Development Expenses
Fees and Subscription
Gratuity provision
Vehicles Maintenance
Board and other meetings fees
Audit Fees
Consultancy fees
Consortium meeting expenses
Advertisement and publicity expenses
Vehicles running expenses
Travelling & conveyance
Insurance Premium
Printing and Office stationery
Postage and courier expenses
Entertainment
AGM expenses
Bank charges and commission
Telephone Bill
Legal Fees
Rent, rates & taxes
CSR expenses
Recruitment expenses
Books & Periodicals
Inauguration-SMW-5 expenses
Reception and Dinner
National Integrity and Strategy / Training Expenses

Amount in Taka		Amount in Taka	
July-17- March-2018	July-16- March-2017	Jan-March-2018	Jan-March-2017
64,528,554	61,390,098	20,930,411	20,810,874
2,082,573	2,672,493	807,000	908,433
3,310,355	2,865,988	-	-
10,298,248	7,502,959	3,501,750	2,514,186
1,723,088	1,153,432	569,198	433,789
1,733,423	4,910,938	71,655	2,478,050
1,630,687	1,723,362	965,249	691,923
4,467,917	4,166,434	1,647,641	2,042,124
1,377,052	1,447,029	470,287	360,778
2,190,442	1,993,120	471,617	545,970
142,000	-	50,000	-
545,250	552,466	156,350	127,133
1,516,921	4,460,996	(540,603)	1,325,700
1,607,337	1,158,662	459,300	599,410
2,156,562	2,086,784	694,516	705,131
1,010,057	1,228,872	408,005	260,471
-	129,327	-	129,327
2,394,181	2,633,845	1,927,012	377,309
45,542	51,875	13,565	27,164
1,362,543	901,557	312,212	290,616
2,291,435	1,949,823	1,132,465	-
763,962	570,714	366,546	254,503
142,795	106,174	46,053	29,053
570,160	1,502,690	222,720	652,590
394,272	250,000	39,792	250,000
-	2,890,000	-	1,390,000
-	100,000	-	-
42,505	25,110	14,455	8,307
3,181,857	-	25,553	-
504,614	-	504,614	-
429,050	-	221,530	-
112,443,381	110,424,748	35,488,893	37,212,841

Amount in Taka		Amount in Taka	
July-17- March-2018	July-16- March-2017	Jan-March-2018	Jan-March-2017

39 Provision for bad & doubtful debts

Closing balance of provision for bad & doubtful debts	155,767,636	137,983,048	155,767,636	137,983,048
Less: Opening balance of provision for bad & doubtful debts	132,215,809	96,451,829	148,624,766	106,463,772
	<u>23,551,827</u>	<u>41,531,219</u>	<u>7,142,870</u>	<u>31,519,276</u>

Provision made for the year according to the company policy and as recommended by Audit Committee

40 Depreciation on property, plant and equipment

<u>19,434,801</u>	<u>7,244,536</u>	<u>6,336,502</u>	<u>2,475,737</u>
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This represents the depreciation charged on other than core machinery. During the year 2016-17, considering the estimated useful life of the Assets, Management has changed depreciation method on Power System, Ducting from Beach Manhole, 500 KV Sub Station and Power System to Straight Line method to reflect fair presentation of the financial results and financial position. Due to change of Depreciation method from Reducing Balance Method to Straight Line method an excess amount of 5,51,409 has been charged as depreciation comparing to the amount to be charged under Reducing Balance Method during the year. For further details Annexure-A is referred.

41 Bank interest and other income

Rest house rent and others	736,090	308,834	172,448	156,170
Interest on FDR & Others	34,943,334	27,072,195	13,251,366	5,951,344
Dividend income	1,038,235	878,966	932,019	878,966
	<u>36,717,659</u>	<u>28,259,995</u>	<u>14,355,833</u>	<u>6,986,480</u>

42 Gain/(loss) on investment in shares

Opening market value of investment	40,150,006	29,474,880	39,955,363	33,624,601
Add: Investment during the period	-	2,055,816	-	-
Total cost of investment(B)	<u>40,150,006</u>	<u>31,530,696</u>	<u>39,955,363</u>	<u>33,624,601</u>
Closing Market Value of Investment (A)	36,207,964	41,109,055	36,207,964	41,109,055
Gain/ (Loss)(A-B)	<u>(3,942,042)</u>	<u>9,578,359</u>	<u>(3,747,399)</u>	<u>7,484,454</u>

(Note: 9)

		Amount in Taka		Amount in Taka	
		July-17- March-2018	July-16- March-2017	Jan-March-2018	Jan-March-2017
43 Current tax expense		<u>17,299,407</u>	<u>43,071,305</u>	<u>6,609,083</u>	<u>18,866,700</u>
Current tax has been charged on gross receipts applying regular rate.					
44 Deferred tax (income)/expense					
Closing balance of deferred tax liability (Note: 17.1)		293,332,804	144,676,998	293,332,804	144,676,998
Opening balance of deferred tax liability		146,703,882	154,841,380	245,072,630	152,752,331
Deferred tax (income)/expense		<u>146,628,922</u>	<u>(10,164,382)</u>	<u>48,260,174</u>	<u>(8,075,333)</u>
45 Basic Earnings Per Share (EPS)					
Earnings attributable to the Ordinary Shareholders		23,082,539	176,067,852	13,354,751	66,106,741
Weighted average number of ordinary Shares outstanding during the period		164,905,510	164,905,510	164,905,510	164,905,510
Earnings Per Share (EPS)		<u>0.14</u>	<u>1.07</u>	<u>0.08</u>	<u>0.40</u>

45.1 No diluted earnings per share is required to be calculated for the period as there has no dilutive potential ordinary shares.

		Amount in Taka	
		31 March 2018	30 June 2017
46 Net Asset Value			
Total Assets		10,363,013,022	9,963,016,041
(-)Total Liabilities		4,528,819,423	3,954,018,368
		<u>5,834,193,599</u>	<u>6,008,997,673</u>
Number of Ordinary Shares of Tk. 10 each at Financial Position date		164,905,510	164,905,510
NAV-Per Share		<u>35.38</u>	<u>36.44</u>

Amount in Taka	
July-17- March-2018	July-16- March-2017

Amount in Taka	
Jan-March-2018	Jan-March-2017

47 Net operating cash flows per share (NOCFPS)

Net cash flows from operating activities (A)

Number of Ordinary Shares of Tk. 10 each at Financial Position date

Net operating cash flows per share (NOCFPS)

Amount in Taka	
July-March-2018	July-March-2017

319,294,099	157,935,629
164,905,510	164,905,510
<u>1.94</u>	<u>0.96</u>

48 Related party transactions

a) The company has transacted with the following company where the Directors of the company are related:

Sl No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the	Type of transaction	Net Sales/Buy (in Taka)	
					July-March-2018	July-March-2017
1	Bangladesh Telecommunications Company Limited	Mr. Shyam Sunder Sikder	Chairman	Bandwidth sale	301,831,269	240,989,502
2	Bangladesh Telecommunications Company Limited	Mr. Shyam Sunder Sikder	Chairman	Backhaul Purchase	109,074,344	90,373,085

b) Key management personnel compensation

Short term employee benefits (salary and other allowances)
Provident Fund and gratuity
WPPF

69,921,482	66,928,579
20,192,745	7,126,166
9,350,545	10,448,739
<u>99,464,772</u>	<u>84,503,484</u>

49 Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act 1994:

Directors are also executive of the company. Their executive compensation for the year is given below:

Managing Director's remuneration and benefit	(Note: 49.1)	2,082,573	2,672,493
Management and other personnel remuneration and benefit	(Note: 49.2)	67,838,909	64,256,086
		<u>69,921,482</u>	<u>66,928,579</u>

49.1 Managing Director's remuneration

Salary and others benefit

<u>2,082,573</u>	<u>2,672,493</u>
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49.2 Management and other personnel remuneration and benefit

Salary
Bonus

64,528,554	61,390,098
3,310,355	2,865,988
<u>67,838,909</u>	<u>64,256,086</u>

Period of payment to Directors is from July -March-2018.

The Directors of the company except Managing Director did not take any benefit from the company other than the board meeting attendance fees and

- Expense reimbursed to the managing agent - Nil
- Commission or other remuneration payable separately to a managing agent or his associate - Nil
- Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company - Nil
- The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.
- Any other perquisites or benefit in cash or in kind stating - Nil
- Other allowances and commission including guarantee commission - Nil.

- 1) Pensions
- 2) Gratuities
- 3) Payment from Provident Fund
- 4) Compensation for loss of office
- 5) Consideration in connection with retirement from office

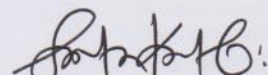
50 Other disclosures

50.1 Segment information

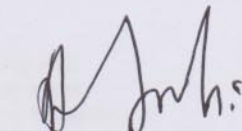
Business activities of BSCCL are not organized on the basis of differences in related services or differences in geographical areas of operations. It essentially provides similar services to clients across the country.

50.2 Comparatives

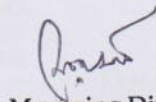
Comparative information in the following major areas has been rearranged to conform to current period's presentation:



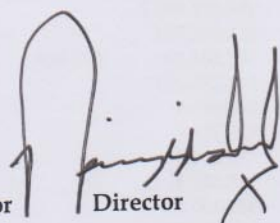
Chief Financial Officer



Company Secretary



Managing Director



Director



Chairman

Dhaka
19 April 2018

Bangladesh Submarine Cable Company Limited

Schedule of Property, Plant & Equipment

As at 31 March 2018

Annexure-A
(Amount in Taka)

Name of assets	Cost				Accumulated depreciation					WDV as at 31 March 2018
	As at 01 July 2017	Additions during the period	Adjustment during the period	As at 31 March 2018	Rate	As at 01 July 2017	Charged during the period	Adjustment during the period	As at 31 March 2018	
a. Freehold assets										
Land and land development	84,737,067	37,875,410	-	122,612,477	-	-	-	-	-	122,612,477
Core equipment-IPLC-SMW-4	2,661,109,442	-	-	2,661,109,442	10%	1,619,798,958	86,775,873	-	1,706,574,831	954,534,611
Core equipment-IPLC-SMW-5	-	5,565,100,501	-	5,565,100,501	5%	-	208,691,269	-	208,691,269	5,356,409,232
Core equipment-IIG	188,933,658	182,680	-	189,116,338	14%	68,039,188	15,139,933	-	83,179,121	105,937,217
Building	62,765,921	-	605,570	62,160,351	4%	16,554,111	1,368,187	(44,651)	17,966,950	44,193,401
Building-SMW-5	-	154,772,182	-	154,772,182	5%	-	5,803,957	-	5,803,957	148,968,225
Floor development	2,654,065	-	-	2,654,065	10%	1,800,875	63,989	-	1,864,865	789,200
Security barak & security wall	7,827,297	-	-	7,827,297	4%	2,173,853	169,603	-	2,343,456	5,483,841
Deep tube-well & pump house	2,343,837	-	-	2,343,837	10%	1,608,884	55,122	-	1,664,005	679,832
Deep tube-well & pump house-SMW-5	-	1,334,855	-	1,334,855	5%	-	50,057	-	50,057	1,284,798
Generator-500 KVA(SMW#5)	-	13,694,661	-	13,694,661	10%	-	1,027,100	-	1,027,100	12,667,561
500 KV sub-station	3,284,000	-	-	3,284,000	10%	2,703,251	48,396	-	2,751,646	532,354
500 KV sub-station-SMW-5	-	17,318,467	-	17,318,467	5%	-	649,443	-	649,443	16,669,024
Power system	35,631,806	-	-	35,631,806	10%	24,133,996	958,151	-	25,092,146	10,539,660
Power system-SMW-5	-	20,849,730	-	20,849,730	5%	-	781,865	-	781,865	20,067,865
Boundary wall	11,249,905	-	-	11,249,905	4%	2,332,831	267,512	-	2,600,343	8,649,562
Boundary wall-SMW-5	-	38,218,321	-	38,218,321	5%	-	1,433,187	-	1,433,187	36,785,134
Ducting from beach manhole	18,960,526	-	-	18,960,526	10%	8,454,413	875,509	-	9,329,922	9,630,604
Ducting from beach manhole-SMW-5	-	20,994,509	-	20,994,509	5%	-	787,294	-	787,294	20,207,215
Vehicles	52,108,512	140,000	-	52,248,512	20%	27,847,043	3,639,220	-	31,486,264	20,762,248
Office equipment and furniture	24,224,264	1,865,751	-	26,090,015	10%	8,479,284	1,213,724	-	9,693,009	16,397,006
Co-Location point	916,051	-	-	916,051	10%	192,944	54,233	-	247,177	668,874
Co-Location point-SMW-5	-	980,188	-	980,188	5%	-	36,757	-	36,757	943,431
Office decoration	4,425,358	52,202	-	4,477,560	10%	1,813,634	196,145	-	2,009,779	2,467,781
Sub-total	3,161,171,709	5,873,379,457	605,570	9,033,945,596		1,785,933,264	330,086,527	(44,651)	2,116,064,441	6,917,881,155
b. Revalued assets										
Land and land development	346,561,561	-	-	346,561,561	-	-	-	-	-	346,561,561
Sub-total	346,561,561	-	-	346,561,561		-	-	-	-	346,561,561
Total balance as at 31 March 2017 (a+b)	3,507,733,270	5,873,379,457	605,570	9,380,507,157		1,785,933,264	330,086,527	(44,651)	2,116,064,441	7,264,532,018
Total balance as at 30 June 2017(a+b)	3,471,744,172	35,989,098	-	3,507,733,270		1,639,535,845	146,397,419	-	1,785,933,264	1,721,800,006