

# Bangladesh Submarine Cable Company Limited

## Statement of Financial Position (Un-audited)

As at 31 March 2022

	Notes	Amount in Taka 31 March 2022	Amount in Taka 30 June 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	6,556,751,833	6,816,455,730
Capital Work in Progress SMW-6	4.1	667,412,703	4,048,086
<b>Current Assets</b>		<b>9,210,926,547</b>	<b>7,086,118,261</b>
Trade and other receivables	5	2,466,896,576	1,943,558,845
Advances and deposits	6	153,477,050	23,412,700
Advance income tax	7	1,245,686,206	1,169,718,384
Investment in shares	8	30,731,795	29,501,318
Cash and cash equivalents	9	5,314,134,920	3,919,927,014
<b>TOTAL ASSETS</b>		<b>16,435,091,083</b>	<b>13,906,622,077</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share capital	10	1,649,055,100	1,649,055,100
Equity Money from GoB	11	2,410,000,000	1,660,000,000
Share premium	12	723,293,759	723,293,759
Tax holiday reserve	13	830,916,062	788,905,267
Revaluation reserve	14	1,031,400,176	1,037,294,938
Retained earnings	15	4,555,979,975	2,798,121,902
<b>Non Current Liabilities</b>		<b>3,116,584,878</b>	<b>3,164,993,865</b>
Deferred tax liabilities	16	613,434,651	606,110,821
Security deposits received from clients	17	446,275,459	357,068,437
Employees' pension, gratuity & provident fund	18	22,668,855	15,394,307
Long Term loan-net off current portion	19	2,034,205,912	2,186,420,299
<b>Current Liabilities</b>		<b>2,117,861,133</b>	<b>2,084,957,245</b>
Long Term loan-current portion	19	249,759,575	192,249,252
Sundry creditors	20	429,206,412	84,170,223
Provision for income tax	21	1,278,587,228	1,037,421,348
Provision for WPPF and WF	22	114,124,804	119,991,410
VAT payable	23	(6,940,882)	(25,398,163)
Liabilities for expenses	24	46,994,542	57,437,162
Amount to be distributed as dividend (Proposed)		-	610,150,387
Unclaimed Dividend Account	25	6,129,455	8,935,626
<b>Total Liabilities</b>		<b>5,234,446,010</b>	<b>5,249,951,110</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,435,091,083</b>	<b>13,906,622,077</b>
<b>Net Asset Value per share</b>	46	<b>67.92</b>	<b>52.49</b>


  
 Chief Financial Officer      Company Secretary



  
 Managing Director      Director      Chairman

Dated, Dhaka;  
25 April 2022

**Bangladesh Submarine Cable Company Limited**  
Statement of Profit or Loss and Other Comprehensive Income (Un-audited)  
For the Period ended 31 March 2022

Notes	Amount in Taka		Amount in Taka	
	July-March-2022	July-March-2021	Jan-March-2022	Jan-March-2021
<b>Revenue</b>				
26	2,266,060,970	1,870,313,127	814,768,613	668,188,834
27	11,652,700	9,341,000	2,542,700	2,350,000
28	811,238,149	499,380,258	304,796,680	186,825,620
29	75,121,660	62,086,344	26,455,080	21,838,577
30	14,861,269	-	5,031,367	-
	<b>3,178,934,748</b>	<b>2,441,120,729</b>	<b>1,153,594,439</b>	<b>879,203,031</b>
<b>Direct cost of operation</b>				
31	11,956,439	10,213,001	4,147,435	3,231,546
32	3,939,704	1,225,613	1,169,847	567,381
33	75,699,862	68,655,775	27,244,950	20,498,631
34	70,120,366	46,134,584	28,312,994	17,535,268
35	343,631	298,810	-	-
36	328,712,035	319,892,339	111,712,584	106,959,045
	<b>490,772,037</b>	<b>446,420,122</b>	<b>172,587,810</b>	<b>148,791,871</b>
	<b>2,688,162,711</b>	<b>1,994,700,607</b>	<b>981,006,628</b>	<b>730,411,160</b>
<b>Gross profit</b>				
<b>Operating expenses</b>				
37	121,338,524	140,835,580	48,475,370	41,368,567
38	197,337,056	158,223,690	67,887,310	49,313,854
39	34,615,778	(15,131,198)	-	(83,727,098)
40	26,107,806	26,609,314	8,743,887	8,881,368
	42,279	(78,435)	30,861	(10,440)
	<b>379,441,443</b>	<b>310,458,951</b>	<b>125,137,428</b>	<b>15,826,251</b>
	<b>2,308,721,268</b>	<b>1,684,241,656</b>	<b>855,869,200</b>	<b>714,584,909</b>
<b>Operating profit</b>				
<b>Non-operating income/(Expenses)</b>				
41	190,387,503	131,067,769	71,437,717	49,455,241
	(103,718,386)	(112,063,667)	(34,015,620)	(36,829,364)
	-	163,343	-	163,343
42	1,230,477	13,473,470	(784,643)	(2,746,518)
	<b>87,899,594</b>	<b>32,640,915</b>	<b>36,637,455</b>	<b>10,042,702</b>
	<b>2,396,620,863</b>	<b>1,716,882,571</b>	<b>892,506,655</b>	<b>724,627,611</b>
	114,124,803	81,756,313	42,500,317	34,506,077
	<b>2,282,496,060</b>	<b>1,635,126,258</b>	<b>850,006,338</b>	<b>690,121,534</b>
43	481,198,122	344,183,326	175,858,786	129,141,987
44	7,323,831	43,427,140	9,340,350	33,555,305
	<b>488,521,953</b>	<b>387,610,466</b>	<b>185,199,136</b>	<b>162,697,292</b>
	<b>1,793,974,107</b>	<b>1,247,515,792</b>	<b>664,807,202</b>	<b>527,424,242</b>
<b>Net profit after tax</b>				
<b>Other Comprehensive Income, net of tax</b>				
<b>Gain on revaluation of Property Plant and equipment</b>				
	-	-	-	-
	<b>1,793,974,107</b>	<b>1,247,515,792</b>	<b>664,807,202</b>	<b>527,424,242</b>
45	<b>10.88</b>	<b>7.57</b>	<b>4.03</b>	<b>3.20</b>
45.1	<b>9.98</b>	<b>6.94</b>	<b>3.70</b>	<b>2.93</b>

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Dated, Dhaka;  
25 April 2022



**Bangladesh Submarine Cable Company Limited**

Statement of Changes in Equity (Un-audited)

For the Period ended 31 March 2022

(Amount in Taka)

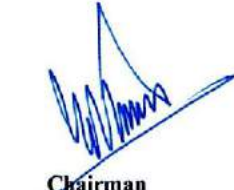
Particulars	Share capital	Equity money from GoB	Share premium	Tax holiday reserve	Revaluation reserve	Retained earnings	Total equity
<b>Balance as at 01 July 2021</b>	<b>1,649,055,100</b>	<b>1,660,000,000</b>	<b>723,293,759</b>	<b>788,905,267</b>	<b>1,037,294,938</b>	<b>2,798,121,902</b>	<b>8,656,670,966</b>
<b>Transactions with shareholders:</b>	-	-	-	-	-	-	-
Net profit after tax for the period	-	-	-	-	-	1,793,974,107	1,793,974,107
Equity money from GoB	-	750,000,000	-	-	-	-	750,000,000
Excess Depreciation of Revalued amount	-	-	-	-	(5,894,762)	5,894,762	-
Tax holiday reserve	-	-	-	42,010,796	-	(42,010,796)	-
<b>Balance as at 31 March 2022</b>	<b>1,649,055,100</b>	<b>2,410,000,000</b>	<b>723,293,759</b>	<b>830,916,062</b>	<b>1,031,400,176</b>	<b>4,555,979,975</b>	<b>11,200,645,072</b>
<b>Balance as at 30 July 2020</b>	<b>1,649,055,100</b>	<b>1,660,000,000</b>	<b>723,293,759</b>	<b>741,577,846</b>	<b>336,165,684</b>	<b>1,639,922,628</b>	<b>6,750,015,018</b>
<b>Transactions with shareholders:</b>	-	-	-	-	-	-	-
Net profit after tax for the period	-	-	-	-	-	1,247,515,792	1,247,515,792
Tax holiday reserve	-	-	-	32,432,791	-	(32,432,791)	-
<b>Balance as at 31 March 2021</b>	<b>1,649,055,100</b>	<b>1,660,000,000</b>	<b>723,293,759</b>	<b>774,010,637</b>	<b>336,165,684</b>	<b>2,855,005,629</b>	<b>7,997,530,810</b>

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Dated, Dhaka;  
25 April 2022

**Bangladesh Submarine Cable Company Limited**

Statement of Cash Flows (Un-audited)

For the Period ended 31 March 2022


	Notes	Amount in Taka	
		July-March-2022	July-March-2021
<b>A. Cash flows from operating activities</b>			
Cash received from clients		3,094,631,768	1,485,294,473
Cash paid to suppliers and others		(410,475,269)	(176,638,149)
Exchange fluctuation loss/ (gain)		42,279	67,995
Payroll and other payments to employees		(313,126,082)	(86,621,499)
Income tax paid		(316,000,064)	(160,471,861)
Interest received		175,166,783	81,281,557
Receipts from rest house rent and others		21,161,841	387,882
Payment for WPPF/Gratuity		-	(56,339,112)
<b>Net cash flow from operating activities</b>	47.1	<b>2,251,401,256</b>	<b>1,086,961,286</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(96,936,598)	(11,639,100)
Investment in SMW-6		(663,364,617)	-
Dividend received		695,072	-
<b>Net cash flow from/ (used in) investing activities</b>		<b>(759,606,144)</b>	<b>(11,639,100)</b>
<b>C. Cash flows from financing activities</b>			
Dividend paid		(612,956,559)	(29,218,219)
Financial charges		(139,879,053)	(79,396,516)
Equity money received		750,000,000	-
Unclaimed IPO subscription		(47,527)	-
Loan repaid		(94,704,066)	(84,143,335)
<b>Net cash flow from/(used in) financing activities</b>		<b>(97,587,205)</b>	<b>(192,758,070)</b>
Net surplus/ deficit during the period (A+B+C)		1,394,207,906	882,564,116
Cash and cash equivalents at beginning of the period		3,919,927,014	2,418,539,714
<b>Cash and cash equivalents at end of the period</b>	9	<b>5,314,134,920</b>	<b>3,301,103,830</b>
Net Operating Cash Flows Per Share (NOCFPS)	47	<b>13.65</b>	<b>6.59</b>

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Dated, Dhaka;  
25 April 2022



Bangladesh Submarine Cable Company Limited (BSCCL)  
Notes to the Financial Statements  
For the period ended 31 March 2022

**1. Reporting entity**

**1.1 The Company**

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 period 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 People's 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 system at Kuakata, Patuakhali, Bangladesh (SEA-ME-WE-5-South East Asia Middle East Western Europe).

**1.2 Nature of business**

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 on compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994, Securities and Exchange Rules, 1987 and other relevant laws applicable in Bangladesh.

**2.2 Other regulatory compliances**

The Company is also required to comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations in Bangladesh:

- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax and Supplementary duty Act, 2012
- The Value Added Tax and Supplementary duty Rules, 2016
- The Customs Act, 1969
- The Stamp Act, 1899
- The Bangladesh Securities and Exchange Commission Act, 1993
- The Bangladesh Securities and Exchange Commission Rules, 1987
- DSE/CSE Rules
- Listing Regulations, 2015
- Bangladesh Labour Act, 2006 (as amended to 2013)
- Financial Reporting Act, 2015.

**2.3 Basis of measurement**

The financial statements have been prepared on historical cost basis except for certain assets such as Property, Plant & Equipment which are stated at revalued amount (fair market value) as explained in the accompanying notes (Note- 3.1) and equity instruments which are stated at fair value as explained in the accompanying notes ( Note- 3.7).



## **2.4 Accrual basis of accounting**

Bangladesh Submarine Cable Company Limited (BSCCL) prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IAS or IFRS conceptual Framework.

## **2.5 Presentation of financial statements**

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements. The financial statements comprise of:

- (a) Statement of Financial Position as at 31 March 2022.
- (b) Statement of Profit or Loss and Other Comprehensive Income for the Period ended 31 March 2022.
- (c) Statement of Changes in Equity for the Period ended 31 March 2022.
- (d) Statement of Cash Flows for the Period ended 31 March 2022.
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

## **2.6 Functional and presentation currency**

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

## **2.7 Use of estimates and judgments**

The preparation of financial statements in conformity with International Financial Reporting Standards and International Accounting Standards 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 and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

## **2.8 Materiality, aggregation and offsetting**

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the Period.

## **2.9 Going concern assumption**

As per IAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. Management of the Company makes such assessment each year. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

There is no indication of declining of economic activity in terms of demand for services those BSCCL provides due to severity of COVID-19 which might have negative impact of future business and cash flows rather the industry is booming because online activities using Internet bandwidth is growing rapidly.



## **2.10 Reporting period**

The reporting period of the company covers 9 (Nine) months from 01 July 2021 to 31 March 2022.

## **2.11 Comparative information**

Comparative information has been disclosed in respect of 01 July 2021 to 31 March 2022 in accordance with **IAS 01: Presentation of Financial Statements** for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been rearranged wherever considered necessary to ensure comparability with the current year.

## **3. Significant accounting policies**

### **3.1 Property, plant and equipment**

#### **Recognition and measurement**

An item shall be recognized as property, plant and equipment if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Up to the financial period 31 March 2022, after recognition, items of property, plant and equipment are measured at cost less accumulated depreciation as per **IAS 16: Property, Plant and Equipment**.

BSCCL follows Revaluation model instead of Cost model regarding measurement after recognition of Assets from the year 2020-2021. As such, after recognition as asset, items of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses from the year 2020-2021 as per **IAS 16: Property, Plant and Equipment**.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/ implementation of the Property, Plant and Equipment, if the recognition criteria are met.

The cost of self-constructed assets includes the cost of material and direct labor and other costs directly attributable to bringing the assets to a working condition inclusive of inward freight, duties and non-refundable taxes for their intended use.

#### **Subsequent costs**

The subsequent expenditure is only capitalized as part of assets when the useful life or economic benefit or both of that asset is increased provided that it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of day to day servicing of property, plant and equipment are recognized in the Statement of Profit or loss and Other Comprehensive Income as 'Repair and Maintenance' when it is incurred.

#### **Depreciation on Non-current assets**

Depreciation is provided to amortize the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provision of **IAS 16 Property, Plant and Equipment**. Depreciation is charged on additions made during the year for the full year in which those assets are put into ready for use and on which depreciation is charged on Straight line basis. Depreciation is charged on all the fixed assets except land and land development cost at the following rates according to the estimated life disclosed in the valuation report.



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	2.70%	Straight line
Building-SMW-4	4.00%	Straight line
Building-Low cost Quarter	2.50%	Straight line
Floor development	4.00%	Straight line
Security barak & security wall	4.00%	Straight line
Deep tube-well & pump house-SMW-4	-	Straight line
Deep tube-well & pump house-SMW-5	-	Straight line
500 KV sub-station-SMW-4	11.11%	Straight line
500 KV sub-station-SMW-5	3.13%	Straight line
Power system-SMW4	16.67%	Straight line
Generator-500KVA(SMW#5)	8.33%	Straight line
Power system-SMW5	5.88%	Straight line
Power System-IIG	33.33%	Straight line
Boundary wall-SMW-4	3.85%	Straight line
Boundary wall-SMW-5	2.70%	Straight line
Ducting from beach manhole-SMW-4	9.09%	Straight line
Ducting from beach manhole-SMW-5	6.25%	Straight line
Vehicles	10.00%	Straight line
Office equipment and furniture	5-10%	Straight line
Co-Location point-SMW-4	25.00%	Straight line
Co-Location point-SMW-5	5.88%	Straight line
Office decoration	10%	Straight line
Water Treatment Plant & Others	20%	Straight line
Surveillance System	20%	Straight line

Depreciation methods, useful lives and residual values are reviewed after each reporting period.

#### **Revaluation of property, plant and equipment**

As per IAS 16: **Property, Plant and Equipment** paragraph 34, “the frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five periods”.

To comply with the above paragraph The Company made its first valuation of and at Cox's Bazar on 30 June 2011 by an independent valuer to reflect fair value (prevailing market price) there of following “both Depreciated Replacement Costs and Revaluation Method”.



**Details of revaluation of property, plant and equipment:**

Amount in Taka

Particulars of the assets	Name of the Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of Assets after revaluation	Revaluation Surplus
Land and Land Development	A B SAHA & CO.	Chartered Accountants	June 30, 2011	170,391,471	352,300,000	181,908,529
<b>Total:</b>				<b>170,391,471</b>	<b>352,300,000</b>	<b>181,908,529</b>

Other Non-Current Assets were kept outside the scope of the revaluation works. These are expected to be realizable at written down value (WDV) as mentioned in the Statement of Financial Position of the company

A further revaluation has been made by a profession valuer named Hussain Farhad & Co, Chartered Accountants. Valuation work has been carried out by visiting, surveying, indentifying and verifying the assets physically of all offices of BSCCL considering cutoff date for valuation on 30 June 2020. At the time of valuation the valuer firm has considered the following guidelines:

- Valuation Guideline for listed companies provided by Bangladesh Securities and Exchange Commission (No. SEC/CMRRCD/2009-193/150/Admin dated August 18, 2013;
- International Accounting Standard-16 (IAS-16). Property, Plant and Equipment.
- International Financial Reporting Standard-13 (IFRS-13). Fair Value Measurement.
- PWD's rates 2018.
- Procurement Procedures of BSCCL; and
- Relevant purchase documents of BSCCL.

The valuer firm has followed replacement value or fair value method for valuation of fixed assets and straight line method has been followed for the computation of depreciation and to find out the estimated evaluated value of respective fixed asset as on 30th June 2020.

**Details of revaluation of property, plant and equipment:**

Amount in Taka

Particulars of the assets	Name of the Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of Assets after revaluation	Revaluation Surplus
Property Plant and Equipment	Hussain Farhad & Co	Chartered Accountants	June 30, 2020	6,484,407,739	7,224,238,645	739,830,906
<b>Total (Net off revaluation loss)</b>				<b>6,484,407,739</b>	<b>7,224,238,645</b>	<b>739,830,906</b>

The increase in the carrying amount of revalued assets is recognized in the separate component of equity as Revaluation Reserve.

**Impairment**

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future periods based on the actual experience.



### **Disposal of property, plant and equipment**

An item of Property, Plant and Equipment is removed from the statement of financial position when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of Property, Plant and Equipment is included in the statement of profit or loss of the period in which the de-recognition occurs.

### **3.2 Intangible assets and research and development expenditure**

Intangible assets are stated at cost less provisions for amortization and impairments, if any. License, patents, know-how and marketing rights acquired are amortized over their estimated useful lives, using the straight-line basis, from the time they are available for use. The cost of acquiring and developing computer software for internal use and internet sites for external use are capitalized as intangible assets where the software or site supports a significant business system and the expenditure leads to the creation of a durable asset.

In compliance with the requirements of **IAS 38: Intangible assets**, research, development and experimental costs are usually absorbed as revenue charges as and when incurred. However, the research and development expenditures that is definite to yield benefit to the Company and is material in the Company's and/ local context, are capitalized as per IAS 38: Intangible Assets.

### **3.3 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

### **3.4 Authorization date for issuing financial statements**

The financial statements were authorized by the Board of Directors on **25 April 2022** for issue after completion of review.

### **3.5 Revenue from contract with customers**

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange of services when (or as) it transfers control to the customer. To achieve that core principle, IFRS-15 establishes a five-step model as follows:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised service to a customer. Service is considered as transferred when (or as) the customer obtains control of that service. Revenue from sale of service is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT). Where the amounts received or receivable from customers exceeded the revenues recognized for contracts, contract liabilities or advance billings are recognized in the statement of Financial Position as Unearned Revenue. Contract liabilities or advance billings are recognized as revenue when services are provided to customers satisfying the performance obligation.

Revenues primarily comprise of:

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

#### **3.5.1 Revenue from International Private Leased Circuit (IPLC) Rent**

Revenue from IPLC rent are recognized over the period of time (i.e. monthly) through satisfying the performance obligation as the customer simultaneously receives and consumes the services provided by BSCCL as it promises to perform in the contract.

#### **3.5.2 Revenue from circuit activation charge**



Circuit activation is non-recurring service mostly comprise of registration and installation services provided by BSCCL. This charge imposed to clients for activation of new circuits in the form of Registration and Installation charge through demand notes. Revenue from this charge are recognized at a certain point in time when the services or benefits passed to its customers.

### **3.5.3 Revenue from IP Transit Service Fees**

IP Transit service charges for providing internet bandwidth to IIGs and ISPs on a recurring basis. Invoice regarding IP Transit service is generated at the beginning of each month but recognize the revenue over the period of time (i.e. monthly) through satisfying the performance obligation as the customer simultaneously receives and consumes the services provided by BSCCL as promise to perform in the contract.

### **3.5.4 Revenue from co-location charges**

Revenue from Co-location charges arises for using BSCCL's resources by the customers on a recurring basis at Cox's bazaar, Kuakata and Dhaka. Invoice regarding Co-location service is generated at the beginning of each month but recognize the revenue over the period of time (i.e. monthly) through satisfying the performance obligation as the customer simultaneously receives and consumes the services provided by BSCCL as promise to perform in the contract.

### **3.5.5 Revenue from IP transit service – export**

IP Transit Service - Export represents IP transit services provided to international customer Bharat Sanchar Nigam Limited (BSNL) on a recurring basis. Invoice regarding IP Transit service is generated at the beginning of each quarter in advance but recognize the revenue over the period of time (i.e. monthly) through satisfying the performance obligation as the customer simultaneously receives and consumes the services provided by BSCCL as promise to perform in the contract.

In case of revenue recognition, BSCCL Management applied their judgment that due to COVID-19 ,there is no possibility of cancellation of orders and modification of contractual arrangement with customers regarding return, discount and timing of transferring risk and reward due to supply chain disruption before recognizing revenue as per IFRS-15.

### **3.5.6 Revenue from investment income**

#### **(a) Interest income**

Interest on bank deposits have been accounted for on accrual basis.

#### **(b) Dividends**

Dividend Income is recognized when the company's right to receive the payment is established or after received of dividend, which is generally when shareholders approve the dividend.

### **3.6 Leases**

Financial Reporting Principles IFRS 16: Leases effective from annual periods beginning on or after January 1, 2019 has significantly changed how the company accounts for its lease contracts. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized in the statement of financial position as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempt. In such cases the lease payments associated with those leases as an expense on either a straight line basis over the lease term or another systematic basis in the statement of profit or loss and other comprehensive income

In compliance with the standard, BSCCL has elected not to recognise right of use assets and lease liabilities for short term leases that have a lease term (non-cancellable period) of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### **3.7 Financial instruments**

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.



The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

#### **Classification and measurement of financial assets and financial liabilities**

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on the company's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the cost is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

**A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:**

- a. it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:**

- a. it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

#### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.



**Financial assets at amortized cost**

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss. Trade receivables are classified as financial assets measured at amortized cost.

**Debt investments at FVOCI**

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

**Equity investments at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

**Impairment of financial assets**

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities. The company measures loss allowances at an amount equal to ECL from trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the company in full, without recourse by the company to actions such as realizing security (if any is held).

**Presentation of impairment**

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset.

Impairment losses related to trade receivables and others, including contract assets, are presented separately in the notes to the financial statement.

**3.8 Cash and cash equivalents**

Cash and cash equivalents consists of cash on hand and with banks on current accounts, deposit accounts and short-term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

**3.9 Earnings Per Share(EPS)**

Earnings Per Share (EPS) are calculated in accordance with the International Accounting Standard IAS 33: Earnings Per Share.

**Basic earnings per share**

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the entity by the weighted average number of ordinary shares outstanding during the period.



### **Diluted earnings per share**

For the purpose of calculating Diluted earnings per shares, an entity adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Diluted EPS is only calculated where the company has commitment to issue ordinary share in future at reporting date. There is a commitment to issue share to Ministry of Posts, Telecommunication and Information Technology against equity money received for an amount of Tk. 1,660,000,000. The Board of Directors of BSCCL has approved in its 195th BoD meeting held on 28th December 2021 issuance of 1,48,69,037 nos. of shares according to the recommendation of ICB Capital Management Ltd. being an issue manager. It is to be mentioned that 1,27,04,174 nos. of shares to be issued against Tk. 1,40,00,00,000 received as equity money during the year 2015-2016 divided by the market value of Tk. 110.20 at the last working day of the financial year 2015-2016 and 21,64,863 nos. of shares to be issued against Tk. 26,00,00,000 received as equity money during the year 2016-2017 divided by the market value of Tk.120.10 at the last working day of the financial year 2016-2017. Please note that the above issuance is subject to approval of concerned Ministry, Shareholders and Bangladesh Securities and Exchange Commission.

### **3.10 Foreign currency transactions**

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates.

- a) Foreign currency monetary items are translated using the closing rate.
- b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in Profit or loss in the period in which they arise.

### **3.11 Employee benefits**

The company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. The plan is funded and recognized/approved under Income Tax Ordinance 1984.

#### **(a) Defined contribution plan (Provident fund)**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. BSCCL has a separate recognized provident fund scheme. All permanent employees of BSCCL contribute 10% of their basic salary to the provident fund and the company makes matching contributions.

#### **(b) Defined Benefit Plan (Gratuity)**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The 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 current and former employees.

#### **(c) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.



### 3.12 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: Note No. 08.01.0000.035.01.0021.2013 dated 12 February 2014) for a period of 10 periods 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 periods (1 July 2013 to 30 June 2015)	100%
Third period (1 July 2015 to 30 June 2016)	80%
Fourth period (1 July 2016 to 30 June 2017)	70%
Fifth period (1 July 2017 to 30 June 2018)	60%
Sixth period (1 July 2018 to 30 June 2019)	50%
Seventh period (1 July 2019 to 30 June 2020)	40%
Eighth period (1 July 2020 to 30 June 2021)	30%
Ninth period (1 July 2021 to 30 June 2022)	20%
Tenth period (1 July 2022 to 30 June 2023)	10%

### 3.13 Accruals, provisions and contingencies

#### (a) Accruals

Accruals are liabilities to pay for services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of Trade and other payables.

#### (b) Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting period the company has made sufficient provisions where applicable.

#### (c) 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 but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a 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 company. At the reporting date the company does not have any contingent asset.

### 3.14 Statement of cashflows

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generating from operating activities has been reported using the Direct Method and Indirect Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.



### **3.15 Related party disclosures**

As per International Accounting Standards IAS 24: Related Party Disclosures, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note 49.

### **3.16 Income tax**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

#### **(a) Current tax**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period was 22.5% as a publicly traded company.

#### **(b) Deferred tax**

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with as Other Comprehensive income (such as a revaluation) is recognized as tax relating to Other Comprehensive income within the statement of Profit or loss and Other Comprehensive income.

#### Taxable Temporary difference

A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

#### Revaluations to fair value – Property, Plant and Equipment

The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between carrying amount and tax base. An upward revaluation is therefore give rise to a deferred tax liability.

#### Deductible temporary difference

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

### **3.17 Events after the Reporting period**

Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements as per International Accounting Standards IAS 10: Events after the Reporting Period.

All material events occurring after the balance sheet date have been considered and where necessary, adjusted for or disclosed.



**Compliance with financial reporting standards as applicable in Bangladesh:**

The Company as per Para-12 of Securities & Exchange Rule-1987, with the following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

<b>IAS No.</b>	<b>IAS Title</b>	<b>Compliance Status</b>
1	Presentation of Financial Statements	Complied
2	Inventories	Not applicable
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
27	Separate Financial Statements	Not applicable
28	Investments in Associates and Joint Ventures	Not applicable
29	Financial Reporting in Hyperinflationary Economies	Not applicable
31	Interest in Joint Ventures	Not applicable
32	Financial Instruments: Presentation	Complied
33	Earnings per Share	Complied
34	Interim Financial Reporting	Complied
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Not applicable

<b>IFRS No.</b>	<b>IFRS Title</b>	<b>Compliance Status</b>
1	First-time adoption of International Financial Reporting Standards	Not applicable
2	Share-based Payment	Not applicable
3	Business Combinations	Not applicable
4	Insurance Contracts	Not applicable
5	Non-current Assets Held for Sale and Discontinued Operations	Not applicable
6	Exploration for and Evaluation of Mineral Resources	Not applicable
7	Financial Instruments: Disclosures	Complied
8	Operating Segments	Not applicable
9	Financial Instruments	Complied
10	Consolidated Financial Statements	Not applicable
11	Joint Arrangements	Not applicable
12	Disclosure of Interests in other Entities	Not applicable
13	Fair Value Measurement	Complied
14	Regulatory Deferral Accounts	Not applicable
15	Revenue from Contracts with Customers	Complied
16	Leases	Complied
17	Insurance Contracts	Not applicable

Amount in Taka	
31 March 2022	30- June 2021

#### 4 Property, plant and equipment

##### Cost/ revaluation (A)

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

10,375,599,671	10,321,328,540
95,115,945	60,600,130
-	(6,329,000)
<b>10,470,715,614</b>	<b>10,375,599,671</b>

##### Accumulated Depreciation (B)

Opening balance as reported  
Add: Charged during the period  
  
Less: Adjustment during the period

3,559,143,940	3,097,958,639
354,819,841	466,970,644
<b>3,913,963,781</b>	<b>3,564,929,283</b>
-	(5,785,343)
<b>3,913,963,781</b>	<b>3,559,143,940</b>
<b>6,556,751,833</b>	<b>6,816,455,730</b>

##### Written Down Value (A-B)

A schedule of property, plant & equipment is given in **Annexure-A**. Adjustment in Cost and Accumulated Depreciation is for non-current asset property plant & equipment.

#### 4.1 Capital Work in Progress SMW-6

<b>667,412,703</b>	<b>4,048,086</b>
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This represents previous year balance. During the year 2020-2021 an amount of USD 47,664.38 equivalent Tk.4,048,086 has been paid as SMW6 Pre C&MA under MOU cost. During the period an amount of USD 7,709,016.68 equivalent Tk. 66,33,64,617 has been paid as Core Segment Capital Cost. The total Capital Work in Progress cost will be recognised as asset after completion of the project.

#### 5 Trade and other receivables

Trade receivables  
Other receivables

(Note: 5.1)  
(Note: 5.2)

2,401,211,681	1,871,237,757
65,684,895	72,321,088
<b>2,466,896,576</b>	<b>1,943,558,845</b>

#### 5.1 Trade receivables

Opening Balance  
Add: Addition during the period  
  
Less: Collection/Adjustment during the period  
Closing Balance

2,228,912,756	2,874,240,783
3,776,853,635	3,836,827,477
<b>6,005,766,391</b>	<b>6,711,068,259</b>
(3,212,263,933)	(4,482,155,503)
<b>2,793,502,458</b>	<b>2,228,912,756</b>

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

357,674,999	384,396,603
34,615,778	(26,721,604)
<b>392,290,777</b>	<b>357,674,999</b>
<b>2,401,211,681</b>	<b>1,871,237,757</b>

Trade receivables, net of provision

#### 5.2 Other receivables

Dividend  
ICB Securities Trading Co. Ltd.  
FDR Interest & Others

2,903	3,150
416,131	17,416,131
65,265,861	54,901,807
<b>65,684,895</b>	<b>72,321,088</b>



Amount in Taka	
31 March 2022	30- June 2021

## 6 Advances and Deposits

### Advances

#### Advance to:

Sony Chocolate Industries Ltd.	(Note: 6.1)
Employees against Expenses	
ACE Autos (Pvt) Ltd.	
Advance to Employee against Salary	
Advance to BTRC (Submarine Cable License Acquisition Fees)	
Bangladesh Porjoton Corporation	
Deputy Commissioner of Customs CTG	
Express Systems Ltd	
James International	
ICB Capital Management Ltd.	
National Traders	
Pragati Life Insurance Ltd	
Hamida Trader Ltd	
Mustafa Tariq Hossain & Associates	
Others	

2,372,000	6,872,000
423,914	1,254,350
-	20,162
4,553,620	1,187,554
115,000,000	-
-	343,631
-	8,147,619
5,473,500	-
56,011	56,011
287,500	287,500
4,031,975	-
511,200	-
15,648,839	-
670,500	670,500
159,490	279,874
<b>149,188,550</b>	<b>19,119,200</b>

### Deposits

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

-	5,000
23,000	23,000
4,500	4,500
500,000	500,000
600,000	600,000
100,000	100,000
50,000	50,000
250,000	250,000
2,761,000	2,761,000
<b>4,288,500</b>	<b>4,293,500</b>
<b>153,477,050</b>	<b>23,412,700</b>

## 6.1 Sony Chocolate Industries Ltd. (Advance for Office Rent)

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

6,872,000	12,872,000
-	-
(4,500,000)	(6,000,000)
<b>2,372,000</b>	<b>6,872,000</b>

## 7 Advance Income Tax

Opening balance	
Add: Payment made during the period	

1,169,718,384	603,695,577
316,000,064	601,298,510
1,485,718,448	1,204,994,087
(240,032,242)	(35,275,703)
<b>1,245,686,206</b>	<b>1,169,718,384</b>

## 8 Investment in Shares

Sl.	Ordinary shares of	Quantity	Cost price (Tk)	Market value	Market value
1	AB Bank Limited	151,683	3,209,275	1,774,691	2,244,908
2	ACI Limited	5,426	764,725	1,584,935	1,244,400
3	BATASHOE	1,000	696,429	898,400	650,200
5	IFIC Bank Limited	156,384	1,765,186	2,142,461	1,986,077
6	Islami Bank BD Limited	39,091	951,084	1,282,185	1,161,003
7	Jamuna Oil Limited	23,716	4,392,440	3,870,451	3,851,478
8	M Petroleum	24,816	4,962,456	4,856,491	4,531,402
9	NCC Bank Limited	200,736	1,698,208	3,091,334	2,930,746
10	Padma Oil Limited	18,150	4,835,160	3,740,715	3,698,970
11	Square Pharma	26,847	2,633,566	5,887,547	5,785,529
12	Titans Gas	39,570	2,744,885	1,602,585	1,416,606
			<b>28,653,413</b>	<b>30,731,795</b>	<b>29,501,318</b>

Investment in shares is recognised and measured according to IFRS 9 as stated in note 3.7

Amount in Taka	
31 March 2022	30- June 2021

## 9 Cash and cash equivalents

Cash in hand	(Note: 9.1)	3,880,242	609,248
Cash at bank	(Note: 9.2)	5,310,254,679	3,919,317,766
		<b>5,314,134,921</b>	<b>3,919,927,014</b>

### 9.1 Cash in hand

Head Office-Dhaka	3,197,159	181,562
Landing Station-Kuakata	272,240	309,120
Landing Station-Cox's Bazar	410,843	118,566
	<b>3,880,242</b>	<b>609,248</b>

### 9.2 Cash at bank

#### Savings and current deposits with:

Brac Bank Limited	676,251	676,318
IFIC Bank Limited	1,029,904	314,831
Mutual Trust Bank Limited	17,913,072	14,635,701
Mutual Trust Bank Limited-Cox'sbazar	1,776,733	-
National Bank Limited-Kuakata	45,965	6,527,272
Agrani Bank Limited-Dhaka	86,594,455	-
Agrani Bank Limited-Kuakata	2,020,408	-
Sonali Bank Limited-Cox'sbazar	45,407	9,314,864
Sonali Bank Limited-Dhaka	9,563,733	28,301,421
The City Bank Limited	69,081,605	121,556,543
United Commercial Bank Limited	220,246,332	172,705,923
	<b>408,993,864</b>	<b>354,032,874</b>

#### Fixed deposits (FDR) with:

Agrani Bank Limited	1,116,104,218	948,990,297
Bangladesh Development Bank Limited	473,173,920	239,317,303
Bank Asia Ltd.	29,999,999	10,807,501
BASIC Bank Limited	161,064,871	331,950,817
Brac Bank Limited	74,228,910	28,698,433
Exim Bank Ltd	20,000,001	-
First Security Islami Bank Ltd.	203,213,157	50,516,250
IFIC Bank Limited	348,430,875	355,565,728
Jamuna Bank Limited	-	72,687,087
Janata Bank Limited	790,020,415	250,070,000
Meghna Bank Ltd.	80,000,000	30,000,000
Mercantile Bank Limited.	72,669,924	50,000,000
Mutual Trust Bank Limited	30,000,000	-
NRB Commercial Bank Ltd.	80,525,000	40,000,000
One Bank Limited	104,325,770	126,829,188
Padma Bank Ltd	30,000,000	-
Pubali Bank Limited	214,451,483	162,322,875
Pemier Bank Ltd	80,000,000	-
Rupali Bank Limited	50,000,000	-
Social Islami Bank Ltd.	76,252,049	71,890,000
Sonali Bank limited	32,018,310	71,750,732
Southeast Bank Ltd.	55,126,577	85,616,238
Standard Bank Limited	192,476,292	90,045,333
South Bangla Agricultur & Commerce Bank Ltd.	40,510,000	-
The City Bank Limited	-	86,470,000
Trust Bank Ltd.	21,050,000	40,000,000
Union Bank Ltd.	383,639,045	301,757,111
United Commercial Bank Limited	141,980,000	120,000,000
	<b>4,901,260,815</b>	<b>3,565,284,893</b>
	<b>5,310,254,679</b>	<b>3,919,317,766</b>

The fixed deposits will be matured within 3 (three)/6 (Six) months, 9 (nine) months, and yearly.



Amount in Taka	
31 March 2022	30- June 2021

**10 Share capital**

**Authorized:**

**10,000,000,000      10,000,000,000**

1,000,000,000 ordinary shares of Taka 10 each

**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
66,590,730 Ordinary shares of Tk. 10 each issued as Bonus Share	665,907,300	665,907,300
	<b>1,649,055,100</b>	<b>1,649,055,100</b>

**11 Equity Money from GoB**

Regional Submarine Telecommunications Project, Bangladesh-SMW-5	1,660,000,000	1,660,000,000
Installation of 3rd Submarine Cable-SMW-6	750,000,000	-
	<b>2,410,000,000</b>	<b>1,660,000,000</b>

Tk.166 crore has been received (during the year 2015-16 Tk. 140 crore and 2016-17 Tk. 26 Crore )from Government for implementing the Regional Submarine Telecommunications Project, Bangladesh (Installation and Establishment of Second Submarine Cable System (SMW5) for International Telecommunications in Bangladesh). During the year 2021-2022 Tk. 75 crore has been received from Government for implementing the project named Installation of 3rd Submarine Cable for expansion of International Telecommunications System of Bangladesh.

The Board of Directors of BSCCL has approved in it's 195th BoD meeting held on 28th December 2021 issuance of 1,48,69,037 nos. of shares according to the recommendation of ICB Capital Management Ltd. being an issue manager. It is to be mentioned that 1,27,04,174 nos. of shares to be issued against Tk.1,40,00,00,000 received as equity money during the year 2015-2016 divided by the market value of Tk. 110.20 at the last working day of the financial year 2015.2016 and 21,64,863 nos. of shares to be issued against Tk. 26,00,00,000 received as equity money during the year 2016-2017 divided by the market value of Tk.120.10 at the last working day of the financial year 2016.2017. Please note that the above issuance is subject to approval of concerned Ministry, Shareholders and Bangladesh Securities and Exchange Commission.

**12 Share premium**

**723,293,759      723,293,759**

In the year 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 IAS 32: Financial Instruments: Presentation.

**13 Tax holiday reserve**

Opening balance	788,905,267	741,577,846
Add: Current period's reserve	42,010,796	47,327,421
	<b>830,916,062</b>	<b>788,905,267</b>

**14 Revaluation reserve**

Opening balance	1,037,294,938	1,042,041,533
Less: Adjustment for Excess Depreciation on Revalued Amount	(5,894,762)	(7,859,683)
Less: Adjustment with deferred tax liability	-	3,113,088
	<b>1,031,400,176</b>	<b>1,037,294,938</b>

Amount in Taka	
31 March 2022	30- June 2021

The opening balance represents the revalued amount of Property, plant & equipment at Dhaka, Cox's Bazar and Kuakata. First revaluation has been done by a Professional Valuer named A B SAHA & CO., Chartered Accountants in the financial year 2010-11. A further revaluation for all class of assets has been made by a professional valuer named Hussain Farhad & Co, Chartered Accountants. Valuation work has been carried out by visiting, surveying, identifying and verifying the assets physically of all offices of BSCCL considering cut off date for valuation on 30 June 2020.

#### 15 Retained Earnings

Opening balance	2,798,121,902	1,513,286,463
Add: Profit for the period	1,793,974,107	1,907,331,861
Adjustment for Excess Depreciation on Revalued Amount	5,894,762	7,859,683
Adjustment for previous periods Tax	-	27,121,703
	<b>4,597,990,771</b>	<b>3,455,599,710</b>
Less: Amount to be distributed as dividend (Proposed)	-	610,150,387
Transferred to Tax Holiday Reserve	42,010,796	47,327,421
	<b>42,010,796</b>	<b>657,477,808</b>
	<b>4,555,979,975</b>	<b>2,798,121,902</b>

#### 16 Deferred tax liabilities

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 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 statement of profit or loss	(Note: 16.1)	556,077,196	548,753,365
Deferred tax relating to other comprehensive income	(Note: 16.2)	57,357,455	57,357,455
		<b>613,434,651</b>	<b>606,110,821</b>

#### 16.1 Deferred tax relating to Statement of Profit or Loss

	Carrying Amount	Tax base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
<b>As at 31 March 2022</b>			
Property, plant and equipment (excluding land)	5,456,151,831	2,569,737,995	2,886,413,835
Accounts receivable (Note: 5.1)	2,401,211,681	2,793,502,458	(392,290,777)
Provision for pension, gratuity fund and provident fund, Leave Encashment (Note: 18)	(22,668,855)	-	(22,668,855)
Net Taxable Temporary Difference			2,471,454,203
Applicable tax rate			22.50%
<b>Deferred tax liability</b>			<b>556,077,196</b>

#### As at 30 June 2021

Property, plant and equipment (excluding land)	5,713,620,812	2,901,647,660	2,811,973,152
Accounts receivable	1,871,237,757	2,228,912,756	(357,674,999)
Provision for pension, gratuity fund and provident fund (Note: 18)	(15,394,307)	-	(15,394,307)
Net Taxable Temporary Difference			2,438,903,846
Applicable tax rate			22.50%
<b>Deferred tax liability</b>			<b>548,753,365</b>



**16.2 Deferred tax relating to other comprehensive income**

		Amount in Taka	
		31 March 2022	30- June 2021
	Carrying Amount	Tax Base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
<b>As at 31 March 2022</b>			
Revaluation reserve on Land and Land Development	977,988,523	-	977,988,523
Applicable tax rate			3.00%
<b>Deferred tax liability</b>			<b>29,339,656</b>
Add: Revaluation reserve on PPE other than land			124,523,554
Applicable tax rate			22.50%
<b>Deferred tax liability on Other Assets</b>			<b>28,017,800</b>
<b>Total Deferred Tax relating to other comprehensive income</b>			<b>57,357,455</b>
<b>As at 30 June 2021</b>			
Revaluation reserve on Land and Land Development	977,988,523	-	977,988,523
Applicable tax rate			3.00%
<b>Deferred tax liability</b>			<b>29,339,656</b>
Add: Revaluation reserve on PPE other than land			124,523,554
Applicable tax rate			22.50%
<b>Deferred tax liability on Other Assets</b>			<b>28,017,800</b>
<b>Total Deferred Tax relating to other comprehensive income</b>			<b>57,357,455</b>

**17 Security deposits received from clients**

Opening Balance	357,068,437	294,955,533
Add: Addition during the period	119,518,997	107,225,439
	<b>476,587,433</b>	<b>402,180,971</b>
Less: Adjustment during the period	(30,311,974)	(45,112,535)
	<b>446,275,459</b>	<b>357,068,437</b>

**18 Employees' pension, gratuity and provident fund**

Employees' pension fund	(Note: 18.1)	13,808,952	13,808,952
Employees' gratuity fund	(Note: 18.2)	3,378,714	1,592,234
Employees' provident fund	(Note: 18.3)	962,189	(6,879)
Provision for Leave Encashment	(Note: 18.4)	4,519,000	-
		<b>22,668,855</b>	<b>15,394,307</b>

**18.1 Employees' pension fund**

<b>13,808,952</b>	<b>13,808,952</b>
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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 against 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.



**18.2 Employees' gratuity fund**

Opening balance  
Add: Provision made during the period  
  
Less: Paid/Transferred during the period

Amount in Taka	
31 March 2022	30- June 2021

1,592,234	3,611,732
15,471,232	16,890,968
<b>17,063,466</b>	<b>20,502,700</b>
(13,684,752)	(18,910,466)
<b>3,378,714</b>	<b>1,592,234</b>

**18.3 Employees' provident fund**

Opening balance  
Add: Employees' Contribution  
Employer's Contribution  
Less: Transferred to RCPF during the period

(6,879)	794,317
4,306,896	5,176,665
4,306,896	5,176,665
(7,644,723)	(11,154,526)
<b>962,189</b>	<b>(6,879)</b>

**18.4 Provision for Leave Encashment**

Opening balance  
Add: Made during the period  
Less: Payment during the period

-	-
4,519,000	-
-	-
<b>4,519,000</b>	<b>-</b>

**19 Term Loan**

Opening balance  
Received during the period  
Total IDB Loan  
Less: Payment during the period  
  
Current portion of Long Term Loan  
Non-current portion of Long Term Loan

2,378,669,551	2,730,693,883
-	-
<b>2,378,669,551</b>	<b>2,730,693,883</b>
(94,704,065)	(352,024,332)
<b>2,283,965,486</b>	<b>2,378,669,551</b>
(249,759,575)	(192,249,252)
<b>2,034,205,912</b>	<b>2,186,420,299</b>

**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. 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.

**20 Sundry creditors**

Alpha Engineering  
ACE Autos  
Amader Somoy  
Arra Technologies Ltd.  
Accounting Alumni University of Dhaka  
Bangladesh Science House  
BD Jobs.Com  
Biz Bangla Media Ltd.  
BCS 85 Batch  
Capital Law Chamber  
Caps Lock  
Cogent Communication Ltd  
Credit Rating Information & Services Ltd  
Cyber Link  
DE-CIX(IIG)  
Design Associates

24,197	-
44,209	83,237
32,601	32,601
36,480	36,480
100,000	-
100,000	100,000
-	12,285
27,945	108,675
50,000	-
8,280	146,280
13,500	13,500
563,439	435,283
-	80,625
162,475	1,225
660,651	433,290
-	47,899

	Amount in Taka	
	31 March 2022	30- June 2021
Elias Enterprise	-	47,380
Equinix Singapore PTE Ltd.	4,349,574	2,570,521
Express Systems Ltd.	2,021,500	2,021,500
Fames & R	238,050	264,025
Fiber@Home Ltd	7,375,994	6,898,833
Farid Automobiles Engineering & Works	158,290	-
H.S. Engineering	1,316,740	1,316,740
Habib Intelligent Software Ltd.	322,875	518,743
HKT Global (Singapore) Pte. Ltd.	4,263,369	3,672,301
Hurricane Electric Internet Service	6,370,139	2,405,538
Hussain Farhad & Co.	-	1,035,000
ICB Securities Trading Company Limited	450	1,617,982
Innovative Technology & Engineering	68,025	300
International Computers Solution	33,300	33,300
Irams Ltd	85,982	-
Kazi Mynul Hassan	107,875	107,875
Khondoker Advertisement	-	70,000
KK Enterprise	1,011,854	2,782,771
Kamal Trading Agency	227,797	-
M/S MS Power Engineering	-	36,400
M/S National Traders	356,314	-
Milky & Associates	-	104,602
Mohammad Sanaullah & Associates	-	-
Murad Reza	143,750	143,750
Md.Tameem Rahman	253,230	-
Next Tech Ltd.	22,400	5,600
NRB Telecom Ltd	20,000	10,000
NTT communications Ltd.	4,348,567	5,384,457
N.Islam Trading	79,516	-
Pabna Automobiles	23,100	9,130
Padakkhep Bangladesh	-	60,000
Payable to BTCL	51,975,194	18,950,735
Payable to BTRC	8,420,943	9,231,020
Payable to Kuakata-Revenue Stamp	2,550	-
Prochito IMC Ltd.	-	123,140
Pradip Electric	7,175	-
Rich Digital Communications	2,370	2,370
Royal Office Equipment	-	16,000
S.A. Basher & Co, Ltd.	103,828	207,656
S.F.Ahmed & Co.	-	379,500
S.T. Enterprise	41,918	41,918
SA Rashid & Associates	28,750	28,750
Sadhan Das & Co.	10,710	64,300
Sharebazarnews.com	-	4,025
Sikder Filling & Service Station	30,705	-
Singapore Internet Exchange	78,522	-
Sony Chocolate Industries Ltd.	315,078	278,723
Southern Automobiles Ltd.	75,475	37,291
Spectrum Engineering Consortium Limited	184,492	589,492
Summit Communications Ltd.	7,194,026	1,676,004
Suraya Parveen & Associates	-	56,925
Sys solution	23,000	-
Telecom Italia Sparkle Ltd.	13,709,369	15,818,964
Telephone Shilpa Sangstha Ltd.	673,208	673,208
Telnet Communication Ltd.	3,675	3,675
Temporary Loan from Ex-Project Director # SMW5	1,000	1,000
Tiertech Engineering	50,000	-
The Daily Kaler Kantho	-	37,260
The Daily Jugantor	46,575	-
The Daily Observer	56,046	78,526



The Daily Our Time
The Daily Sun
The Daily Vorer Kagoj
The Detective
The Dhaka Tribune
The Financial Express
The Monthly Oporajeo Bangladesh
The Weekly Banglar Protichobi
The Daily Ittefaq Group of Publications
Unclaimed IPO subscription
Unearned Revenue-Saudi Telecom Company & Orange Telecom
Urban Solution
Withholding tax payable

Amount in Taka	
31 March 2022	30- June 2021
-	22,273
22,480	16,860
-	27,945
30,000	-
41,214	-
183	62,002
20,000	-
25,000	-
24,840	-
61,574	109,101
307,172,481	2,759,200
70,273	-
3,681,289	224,232
<b>429,206,412</b>	<b>84,170,222</b>

- 20.1 The significant increase in Sundry creditors is mainly due to unrecognised portion of of total amount (i.e. 3.6 million USD) received from Saudi Telecom Company against transfer of capacity equivalent to 25.31% of BSCCL's capacity between Yanbou-Toulon-Marseilles segments based on IRU also partial recognition of total amount (i.e.USD 175000) received from Orange, France against transfer of 0.13x100G capacity between Equinix, Singapore and Marseilles france based on IRU considering the remaining cable life (i.e.16 years ) of SMW-5 according to comply the criteria mentioned in the IFRS-15. Note : 30

**21 Provision for income tax**

Opening balance	1,037,421,348	633,906,543
Add: Provision made during the period	481,198,122	459,812,378
Add: Provision for the year-2014-2015	-	5,648,994
Less: Settlement for the year 2019-20	(240,032,242)	(61,946,567)
	<b>1,278,587,228</b>	<b>1,037,421,348</b>

**22 Provision for WPPF and WF**

Opening balance	119,991,410	62,599,014
Add: Provision made during the period	114,124,803	119,991,410
	<b>234,116,213</b>	<b>182,590,424</b>
Less: Settlement for previous period	(119,991,409)	(62,599,014)
	<b>114,124,804</b>	<b>119,991,410</b>

**23 VAT**

VAT payable against Receivable	(8,130,781)	(45,356,439)
VAT payable against Deduction at source	1,189,899	19,958,276
	<b>(6,940,882)</b>	<b>(25,398,163)</b>

The amount of Tk. (81,30,781) represents advance VAT paid to NBR which is adjustable against VAT receivable from clients related to revenue receivable arising from International Private Leased Circuit (IPLC) rentals, IP transit service, and Co-location charges. In addition to that the amount of Tk. 11,89,899 includes VAT deducted from other parties and suppliers.

**24 Liabilities for expenses**

Office rent	4,800,000	4,800,000
Audit & other fees	161,000	161,000
Provision for different expenses	13,279,641	428,447
Telephone bill	133,253	130,166
Electricity bill	1,016,247	290,831
Payable for Cable route shifting SMW4	22,138,350	10,000,000
	<b>41,528,491</b>	<b>15,810,444</b>
Accrued Interest on IDB loan	5,466,051	41,626,718
	<b>46,994,542</b>	<b>57,437,162</b>

**25 Unclaimed Dividend Account**

Year wise details of unclaimed dividend is given below:

Amount in Taka	
31 March 2022	30- June 2021

Year		
2011-2012	-	404,808
2012-2013	-	188,133
2013-2014	-	524,594
2014-2015	-	1,603,322
2015-2016	-	945,351
2016-2017	-	794,397
2017-2018		401,664
2018-2019	1,926,705	1,967,756
2019-2020	2,033,737	2,105,601
2020-2021	2,169,012	-
	<u>6,129,455</u>	<u>8,935,626</u>



Amount in Taka		Amount in Taka	
July-March 2022	July-March 2021	Jan-March 2022	Jan-March 2021
<b>26 IPLC (International Private Leased Circuit) Rent</b>			
SMW-4	682,354,867	616,114,676	230,911,420
SMW-5	1,583,706,103	1,254,198,451	583,857,193
	<b>2,266,060,970</b>	<b>1,870,313,127</b>	<b>814,768,613</b>
			<b>668,188,834</b>

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	1,470,000	2,750,000	50,000	1,320,000
Circuit Activation Charge-IPLC-SMW-5	7,870,000	4,810,000	2,060,000	520,000
Circuit Activation Charge-IIG	930,000	420,000	210,000	100,000
Circuit Activation Charge-ISP(IIG)	64,000	30,000	2,000	-
Circuit Activation Charge-ITC	-	-	-	-
Circuit Activation Charge-Co-location-IIG	23,700	10,000	20,700	10,000.00
Circuit Activation Charge-Co-location-SMW-4	300,000	500,000	-	300,000
Circuit Activation Charge-Co-location-SMW-5	995,000	821,000	200,000	100,000
	<b>11,652,700</b>	<b>9,341,000</b>	<b>2,542,700</b>	<b>2,350,000</b>

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

**28 IP Transit Service**

Local	794,498,949	499,380,258	292,919,480	186,825,620
Export	16,739,200	-	11,877,200	-
	<b>811,238,149</b>	<b>499,380,258</b>	<b>304,796,680</b>	<b>186,825,620</b>

This represents the service charges for providing internet bandwidth to IIGs and ISPs and Export to BSNL.

**29 Co-Location Charges**

SMW-4	30,228,691	24,811,729	10,190,783	8,526,671
SMW-5	44,729,583	36,377,729	16,218,335	13,060,944
IP Transit -IIG	163,386	896,886	45,962	250,962
	<b>75,121,660</b>	<b>62,086,344</b>	<b>26,455,080</b>	<b>21,838,577</b>

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

**30 IPLC -Export (SMW # 5)**

14,861,269	-	5,031,367	-
<b>14,861,269</b>	<b>-</b>	<b>5,031,367</b>	<b>-</b>

This represents partial recognition of total amount (i.e. 3.6 million USD) received from Saudi Telecom Company against transfer of capacity equivalent to 25.31% of BSCCL's capacity between Yanbou-Toulon-Marseilles segments based on IRU and also partial recognition of total amount (i.e.USD 175000) received from Orange, France against transfer of 0.13x100G capacity between Equinix, Singapore and Marseilles france based on IRU considering the remaining cable life (i.e.16 years ) of SMW-5 according to comply the criteria mentioned in the IFRS-15. Referring to the note number 26 to 30 , Bangladesh Submarine Cable Company Limited (BSCCL)'s turnover is mainly comprised of IPLC Rent, IP Transit Service and Co-location Service. In addition to that, substantial effort of BSCCL's management, Govt. policy of digitalization of govt. service and introduction of 4G services contributed to increase in overall IPLC & IP transit consumption in the country. Consequently, BSCCL's revenue also increased.

Amount in Taka		Amount in Taka	
July-March 2022	July-March 2021	Jan-March 2022	Jan-March 2021

### 31 Electricity and generator fuel

Electricity bill  
Fuel for generator

9,753,209	8,843,841	3,198,965	2,801,586
2,203,230	1,369,160	948,470	429,960
<b>11,956,439</b>	<b>10,213,001</b>	<b>4,147,435</b>	<b>3,231,546</b>

This cost is directly related to cost of operation.

### 32 Landing station and cable route repair

<b>3,939,704</b>	<b>1,225,613</b>	<b>1,169,847</b>	<b>567,381</b>
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This cost is directly related to cable route and landing station maintenance for Cox's Bazar, Kuakata.

### 33 Backhaul & Data Connectivity Charge

Backhaul Charge  
Data Connectivity & Fiber Core Charge  
Revenue Sharing Cost  
License & Membership fees  
Co-location cost

69,308,741	62,464,945	25,255,268	18,140,114
347,631	318,465	113,400	106,155
5,918,554	5,440,364	1,775,796	2,151,211
80,386	372,351	80,386	84,851
44,550	59,650	20,100	16,300
<b>75,699,862</b>	<b>68,655,775</b>	<b>27,244,950</b>	<b>20,498,631</b>

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

### 34 IP Transit Cost

<b>70,120,366</b>	<b>46,134,584</b>	<b>28,312,994</b>	<b>17,535,268</b>
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This cost represents the cost of purchasing IP bandwidth from Telecom Italia Sparkle, NTT Communications Ltd, Equinix Singapore Pte Ltd. and Cogent Communications Ltd, DE-ICX(IIG),PCCW (HKT) Global (Singapore) Pte. Ltd., Hurricane Electric Internet Service and Singapore Internet Exchange.

### 35 Lease Rent

<b>343,631</b>	<b>298,810</b>	<b>-</b>	<b>-</b>
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This rent represents rent of leasing land of beach manhole for Kuakata landing station from Bangladesh Parjaton Corporation.

### 36 Depreciation of core machinery

<b>328,712,035</b>	<b>319,892,339</b>	<b>111,712,584</b>	<b>106,959,045</b>
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This represents the depreciation charged on core machinery which are directly related to IPLC and IP transit revenue. For further details Annexure-A is referred.

### 37 Operation and maintenance expenses

This represents amount paid 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	3,247,093	22,154,219	1,632,137	6,383,881
SEA-ME-WE-5	118,091,431	118,681,361	46,843,233	34,984,685
	<b>121,338,524</b>	<b>140,835,580</b>	<b>48,475,370</b>	<b>41,368,567</b>



Amount in Taka		Amount in Taka	
July-March 2022	July-March 2021	Jan-March 2022	Jan-March 2021

### 38 General and administrative expenses

Advertisement and publicity expenses	2,925,425	1,950,754	1,101,395	493,998
AGM expenses	968,100	729,288	60,030	109,000
Bank charges and commission	3,057,831	2,600,609	1,165,279	1,312,498
Board and other meetings fees	4,305,808	4,019,841	1,001,418	1,304,960
Books & Periodicals	27,990	13,136	5,905	1,050
Business Development Expenses	4,511,335	1,538,678	591,185	851,318
Consortium meeting expenses	-	-	-	-
Consultancy fees	411,038	891,750	261,763	3,000
CSR Expenses	2,573,000	3,766,328	288,000	-
Entertainment	2,052,438	1,657,143	553,599	746,885
Fees and Subscription	1,494,811	1,549,106	1,281,524	1,294,136
Festival bonus	5,128,890	9,375,200	-	-
Gratuity provision	15,471,232	11,198,608	3,378,714	3,186,735
Innovation Expenses	52,004	350,662	-	36,521
Insurance Premium	-	3,881	-	-
Internet Expenses	-	-	-	-
Legal Fees	951,296	765,312	417,105	160,700
Managing Director's remuneration	2,098,589	2,269,090	367,589	865,500
Medical Expenses	8,979	26,506	510	1,705
National Integrity and Strategy Training Exp.	203,182	619,672	76,600	141,077
Newspaper & Periodicals	9,277	11,813	3,499	4,683
Office Expenses	833,377	719,594	339,185	263,011
Office rent	14,707,350	14,707,350	4,902,450	4,902,450
Postage and courier expenses	37,241	33,378	13,379	10,268
Printing and Office stationery	1,295,809	1,297,644	275,776	272,878
Reception & Dinner	296,556	499,000	296,556	499,000
Recruitment expenses	636,825	88,852	-	-
Rent, rates & taxes	350,000	360,328	-	-
Repair and maintenance	3,258,381	2,258,376	1,376,669	751,955
Salary and allowances	121,862,190	89,174,095	46,321,096	29,973,514
Telephone Bill	1,573,416	216,051	1,531,374	189,471
Training Expenses	1,720,684	557,302	923,659	170,889
Travelling & conveyance	1,047,236	1,521,531	294,770	449,079
Vehicles Maintenance	1,388,216	1,579,478	438,125	670,270
Vehicles running expenses	2,078,550	1,873,335	620,156	647,303
	<b>197,337,056</b>	<b>158,223,690</b>	<b>67,887,310</b>	<b>49,313,853</b>

### 39 Provision for bad & doubtful debts

Closing balance of provision for bad & doubtful debts	392,290,777	369,265,405	392,290,777	369,265,405
Less: Opening balance of provision for bad & doubtful debts	(357,674,999)	384,396,603	(392,290,777)	452,992,503
	<b>34,615,778</b>	<b>(15,131,198)</b>	<b>-</b>	<b>(83,727,098)</b>

### 40 Depreciation on property, plant and equipment

<b>26,107,806</b>	<b>26,609,314</b>	<b>8,743,887</b>	<b>8,881,368</b>
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This represents the depreciation charged on other than core machinery. For further details Annexure-A is referred.

### 41 Bank interest and other income

Rest house rent and others	842,585	626,958	319,609	239,076
Other Income	3,319,256	421,454	1,972,180	66,139
Gain on Sale of Share	-	5,045,913	-	5,045,913
Interest on FDR & Others	185,530,837	124,380,667	68,727,297	43,511,336
Charge for backhaul shifting	-	-	-	-
Dividend income	694,825	592,777	418,631	592,777
	<b>190,387,503</b>	<b>131,067,769</b>	<b>71,437,717</b>	<b>49,455,241</b>

Amount in Taka		Amount in Taka	
July-March 2022	July-March 2021	Jan-March 2022	Jan-March 2021
Opening market value of investment	29,501,318	25,201,905	31,516,438
Add: Investment during the period	-	-	-
Less: Market Value of Sales of Share on 31.12.2020	-	(12,361,191)	(12,361,191)
Total cost of investment(B)	29,501,318	12,840,714	29,060,702
Closing Market Value of Investment (A)	30,731,795	26,314,184	30,731,795
Gain/(Loss)(A-B)	1,230,477	13,473,470	(784,643)
	481,198,122	344,183,326	175,858,786
			129,141,987

#### 42 Gain/(Loss) on investment in shares

Opening market value of investment	29,501,318	25,201,905	31,516,438	41,421,893
Add: Investment during the period	-	-	-	-
Less: Market Value of Sales of Share on 31.12.2020	-	(12,361,191)	-	(12,361,191)
Total cost of investment(B)	29,501,318	12,840,714	31,516,438	29,060,702
Closing Market Value of Investment (A)	30,731,795	26,314,184	30,731,795	26,314,184
Gain/(Loss)(A-B)	1,230,477	13,473,470	(784,643)	(2,746,518)

#### 43 Current tax expense

Detail calculation of current tax expenses has presented in **Annexure - B**.

#### 44 Deferred tax (income)/expense

Closing balance of deferred tax liability	556,077,196	565,145,551	556,077,196	565,145,551
Opening balance of deferred tax liability	548,753,365	521,718,411	546,736,846	531,590,246
Deferred tax (income)/expense	7,323,831	43,427,140	9,340,350	33,555,305

#### 45 Basic Earnings Per Share (EPS)

Earnings attributable to the Ordinary Shareholders	1,793,974,107	1,247,515,792	664,807,202	527,424,242
Weighted average number of ordinary Shares outstanding during	164,905,510	164,905,510	164,905,510	164,905,510
Earnings Per Share (EPS)-Bsic	10.88	7.57	4.03	3.20
Earnings Per Share (EPS)-Dilluted	9.98	6.94	3.70	2.93

The increase in EPS is the result of increase in revenue for the ordinary course of the business activities which has been disclosed in the notes 26 to 30 in the Revenue Part of the Statement of Profit or Loss and Other Comprehensive Income for the period under consideration.

- 45.1 Diluted earnings per share has been calculated considering the potential 1,48,69,037 nos. of shares according to the recommendation of ICB Capital Management Ltd. being an issue manager as approved by the Board of Director's in it's 195th BoD meeting held on 28th December 2021. It is to be mentioned that 1,27,04,174 nos. of shares to be issued against Tk. 1,40,00,00,000 received as equity money during the year 2015-2016 divided by the market value of Tk. 110.20 at the last working day of the financial year 2015-2016 and 21,64,863 nos. of shares to be issued against Tk. 26,00,00,000 received as equity money during the year 2016-2017 divided by the market value of Tk. 120.10 at the last working day of the financial year 2016-2017. Please note that the above issuance is subject to approval of concerned Ministry, Shareholders and Bangladesh Securities and Exchange Commission.

Amount in Taka	
31 March 2022	30 June 2021
Total Assets	16,435,091,083
Less: Total Liabilities	13,906,622,077
	5,234,446,010
	5,249,951,111
	11,200,645,072
	8,656,670,966
Number of Ordinary Shares of Tk. 10 each at Financial Position	164,905,510
NAV-Per Share	67.92
	52.49

#### 46 Net Asset Value

Total Assets	16,435,091,083	13,906,622,077
Less: Total Liabilities	5,234,446,010	5,249,951,111
	11,200,645,072	8,656,670,966
Number of Ordinary Shares of Tk. 10 each at Financial Position	164,905,510	164,905,510
NAV-Per Share	67.92	52.49



Amount in Taka		Amount in Taka	
July-March 2022	July-March 2021	Jan-March 2022	Jan-March 2021

#### 47 Net operating cash flows per share (NOCFPS)

Net cash flows from operating activities (A)	2,251,401,256	1,086,961,286
Number of Ordinary Shares of Tk. 10 each at Financial Position date (B)	164,905,510	164,905,510
<b>Net operating cash flows per share (NOCFPS) (C=A/B)</b>	<b>13.65</b>	<b>6.59</b>

BSCCL management has emphasized on revenue collection and took some stern steps for the realisation which led to significant increment of cash received from clients as disclosed in the Statement of Cash Flows. There was no significant cash flows due to extraordinary transactions during the period.

#### 47.1 Reconciliation of Net income or Net profit with cash flows from operating activities:

	Amount (Tk.)	Amount (Tk.)
	July-March 2022	July-March 2021
<b>Net Profit Before Tax</b>	<b>2,282,496,060</b>	<b>945,004,646</b>
Adjustment to reconcile profit to net cash provided		
Depreciation	354,819,841	230,661,240
Financial Charges	103,718,386	75,234,303
Loss/(gain) on Investment in Share	(1,230,477)	(16,219,988)
Loss on disposal of fixed assets	-	-
Provision for Bad debts	34,615,778	68,595,900
Exchange fluctuation gain/loss	42,279	67,995
Other Income	(190,387,503)	(81,612,528)
(Increase)/Decrease in Provision for income tax	(240,032,242)	-
(Increase)/Decrease in Advance Income tax	(75,967,822)	(160,471,860)
(Increase)/ Decrease in adv. & deposit	(130,064,350)	(3,323,740)
(Increase)/ Decrease in debtors	(564,589,702)	(125,783,376)
(Increase)/ Decrease in other receivable	196,328,624	81,669,439
Increase/(Decrease) in sundry creditors	346,862,092	34,214,261
Increase/(Decrease) in Security Deposit	89,207,023	69,002,644
Increase/(Decrease) in Employees Pension, Gratuity and PF	7,274,549	(1,325,537)
Increase/(Decrease) in Provision for WPPF and WF	(5,866,606)	(9,088,880)
Increase/(Decrease) in VAT Payable	18,457,281	(19,842,493)
Increase/(Decrease) in Liability for Expenses	25,718,047	179,259
<b>Net cash flows from operating activities</b>	<b>2,251,401,256</b>	<b>1,086,961,286</b>

#### **48 Contingent liabilities and commitments**

BSCCL is currently involved in a number of legal proceedings, including inquiries from, or discussions with, governmental authorities that are incidental to its operations. However, the company is not currently involved in any legal proceedings which may have a significant effect on the financial position or profitability of the company as such provision has not been recognised in these financial statements.

##### **(i) BTCL claim office rent:**

On 13 January 2013, BTCL claimed some office rent for using office space by BSCCL for the period from 01 July 2008 to 30 June 2012. BTCL claimed total Tk. 11,538,320 excluding VAT regarding office rent. Due to excess rent claimed by BTCL compare to market rate, BSCCL disagreed to pay the excess office rent and made a provision of Tk. 4,800,000 regarding this claim based on the market rent rate. As a result, a dispute of Tk. 6,738,320 was arisen between BSCCL and BTCL and the decision is pending for the long time.

##### **(ii) Income Tax:**

For the income year 2010-2011 an amount of Tk. 25,240,639 has been demanded by DCT against of which appeal is processed to High Court Division. Assessment Order of income year 2015-2016 was received in which DCT demanded Tk.5,688,726 against which application was made to DCT for correction u/s 173. Return of the income year 2016-2017 was filed to DCT for assessment and DCT demanded Tk. 9,436,501 against which application was made to DCT for correction u/s 173. Now assessment for the year 2015-2016 and 2016-2017 remains under process at DCT.



#### 49 Related party disclosures

49.1 As per IAS 24 "Related Party Disclosures", a related party is a person or entity that is related to the entity (i.e. BSCCL) that is preparing its financial statements. Related party transaction is a transfer of resources, services, or obligations between a reporting entity and a related party, regardless of whether a price is charged as per IAS 24.

Related parties include the company's directors, key management personnel, associates, companies under common directorship etc. as per IAS 24 "Related Party Disclosures". All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible.

##### (a) Name of the Directors along with all related Firms/Companies/Institutions/Parties as at 31 March 2022.

Sl. No.	Name of the Directors	Status with the company	Name of the related Ministries/ Companies/ Parties etc.	Remarks
1	Mr. Md.Khalilur Rahman	Chairman	Secretary, Posts & Telecommunications Division, MoPT & IT	Nominated by GOB
2	Dr.Nasima Akhter	Director	Joint Secretary, Finance Division, MoF	Nominated by GOB
3	Mr. Khandker Md.Abdul Hye, Phd.	Director	Joint Secretary-Posts & Telecommunications division, MoPT & IT	Nominated by GOB
4	Mr. Md.Abdul Momin	Director	Joint Secretary, MoST	Nominated by GOB
5	Col Ekram Ahmed Bhuyan, afwc, psc	Director	Col Staff, AHQ, GS Br (SD Dte), Dhaka Cantonment, Dhaka	Nominated by GOB
6	Dr. Hafiz Md.Hasan Babu	Director	Professor -Institute of Information Technology, University of Dhaka	Nominated by GOB
7	Mr. N.K.A Mobin, FCA, FCS	Independent Director	Council Member, ICAB	Nominated by GOB
8	Mr. Syed Mamnun Quader	Independent Director	Former Director-DCCI	Nominated by GOB
9	Mr.A.K M Habibur Rahman	Managing Director	BSCCL	Nominated by GOB

##### (b) Transactions with the following companies where the Directors of the company are related for the period ended 31 March 2022:

Sl No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Transactions during the period
1	Bangladesh Telecommunications Company Limited	Mr. Md.Khalilur Rahman	Chairman	Bandwidth sale	404,896,621
2	Bangladesh Telecommunications Company Limited	Mr. Md.Khalilur Rahman		Backhaul Purchase	47,637,535
3	Bangladesh Telecommunications Company Limited	Mr. Md.Khalilur Rahman		Port charge	22,050
4	Bangladesh Telecommunications Company Limited	Mr. Md.Khalilur Rahman		Co-location Service	453,600
5	Teletalk Bangladesh Ltd.	Mr. Md.Khalilur Rahman		Co-location Service	104,926
6	Teletalk Bangladesh Ltd.	Mr. Md.Khalilur Rahman		Bandwidth sale	33,481,665

(c) Outstanding balances at 31 March 2022

Sl. No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Opening balance 01.07.2021	Amount of transaction during the year 2021-2022		Closing balance 31 March 2022
						Addition	Adjustment/ Received	
1	Bangladesh Telecommunications Company Limited	Mr. Md. Khalilur Rahman	Chairman	Bandwidth sale	349,699,131	404,896,621	(135,028,823)	619,566,929
2	Bangladesh Telecommunications Company Limited	Mr. Md. Khalilur Rahman		Co-location Sale	21,463,462	-	-	21,463,462
3	Bangladesh Telecommunications Company Limited	Mr. Md. Khalilur Rahman		Backhaul Purchase	18,752,284	47,637,535	(14,937,523)	51,452,296
4	Bangladesh Telecommunications Company Limited	Mr. Md. Khalilur Rahman		Backhaul (Co-location) Purchase	151,200	453,600	(151,200)	453,600
5	Bangladesh Telecommunications Company Limited	Mr. Md. Khalilur Rahman		Port charge	47,250	22,050	-	69,300
6	Teletalk Bangladesh Ltd.	Mr. Md. Khalilur Rahman		Bandwidth sale	28,146,595	33,481,665	(25,498,604)	36,129,656
7	Teletalk Bangladesh Ltd.	Mr. Md. Khalilur Rahman		Co-location Sale	93,062	104,926	(133,331)	64,657

50 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.

51 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

Dated, Dhaka;  
25 April 2022



Bangladesh Submarine Cable Company Limited  
Schedule of Property, Plant & Equipment  
As at 31 March 2022

Annexure-A

(Amount in Taka)

Name of assets	Cost						Accumulated depreciation					WDV as at 31 March 2022
	As at 01 July 2021	Impairment	As at 01 July 2021	Additions during the period	Adjustment during the period	As at 31 March 2022	Rate	As at 01 July 2021	Charged during the period	Adjustment during the period	As at 31 March 2022	
<b>A. Freehold assets (cost less accumulated depreciation)</b>												
Land and land development	122,611,477	-	122,611,477	-	-	122,611,477	-	-	-	-	-	122,611,477
Core equipment-IPLC-SMW-4	2,603,865,991	-	2,603,865,991	-	-	2,603,865,991	10.00%	2,031,047,895	85,922,714	-	2,116,970,610	486,895,382
Core equipment-IPLC-SMW-5	5,636,245,073	-	5,636,245,073	86,376,802	-	5,722,621,876	5.00%	1,118,091,678	215,837,353	-	1,333,929,031	4,388,692,844
Core equipment-IIG	250,590,980	-	250,590,980	527,725	-	251,118,705	14.29%	179,246,793	26,951,967	-	206,198,760	44,919,945
Building-SMW-4	63,415,462	-	63,415,462	-	-	63,415,462	4.00%	27,350,060	1,127,044	-	28,477,104	34,938,358
Building-Low cost Quarter-SMW4	5,242,135	-	5,242,135	-	-	5,242,135	2.50%	131,053	98,290	-	229,343	5,012,791
Building-SMW-5	288,918,374	-	288,918,374	-	-	288,918,374	2.70%	50,320,176	4,990,648	-	55,310,824	233,607,550
Floor development	2,535,402	-	2,535,402	-	-	2,535,402	4.00%	2,035,022	15,637	-	2,050,659	484,743
Security barak & security wall	7,827,297	-	7,827,297	-	-	7,827,297	4.00%	3,485,452	135,683	-	3,621,134	4,206,163
Deep tube-well & pump house	2,193,635	-	2,193,635	-	-	2,193,635	0.00%	1,792,622	-	-	1,792,622	401,013
Deep tube-well & pump house-SMW-5	1,334,855	-	1,334,855	-	-	1,334,855	0.00%	200,228	-	-	200,228	1,134,627
Generator-500 KVA(SMW#5)	18,414,231	-	18,414,231	-	-	18,414,231	8.33%	6,598,433	805,623	-	7,404,055	11,010,176
500 KV sub-station	3,284,000	-	3,284,000	-	-	3,284,000	11.11%	2,939,852	32,264	-	2,972,116	311,884
500 KV sub-station-SMW-5	13,146,779	-	13,146,779	-	-	13,146,779	3.13%	2,321,229	261,908	-	2,583,138	10,563,641
Power system	48,160,046	-	48,160,046	-	-	48,160,046	16.67%	31,332,172	2,524,181	-	33,856,354	14,303,693
Power system-SMW-5	21,036,315	-	21,036,315	14,754	-	21,051,069	5.88%	4,180,145	790,825	-	4,970,970	16,080,099
Power system-IIG	387,555	-	387,555	-	-	387,555	33.33%	252,533	58,133	-	290,666	96,889
Boundary wall	9,946,329	-	9,946,329	-	-	9,946,329	3.85%	4,408,390	166,138	-	4,574,528	5,371,801
Boundary wall-SMW-5	38,218,321	-	38,218,322	952,895	-	39,171,217	2.70%	6,610,736	698,195	-	7,308,931	31,862,286
Ducting from beach manhole	18,769,788	-	18,769,788	-	-	18,769,788	9.09%	12,575,783	464,550	-	13,040,334	5,729,454
Ducting from beach manhole-SMW-5	21,813,789	-	21,813,789	-	-	21,813,789	6.25%	4,430,926	869,143	-	5,300,069	16,513,720
Vehicles	48,862,012	-	48,862,012	5,371,100	-	54,233,112	10.00%	36,619,252	2,610,860	-	39,230,112	15,003,000
Office equipment and furniture	34,467,517	-	34,467,517	1,824,989	-	36,292,506	5-10%	20,549,952	3,671,795	-	24,221,747	12,070,759
Co-Location point	1,768,031	-	1,768,031	-	-	1,768,031	25.00%	762,973	251,264	-	1,014,238	753,793
Co-Location point-SMW-5	1,380,694	-	1,380,694	-	-	1,380,694	5.88%	259,024	52,578	-	311,602	1,069,092
Office decoration	7,993,459	-	7,993,459	47,679	-	8,041,138	10.00%	3,542,068	506,114	-	4,048,183	3,992,955
Water Treatment Plant & Others	186,120	-	186,120	-	-	186,120	20.00%	125,424	11,381	-	136,805	49,316
Surveillance System	471,925	-	471,925	-	-	471,925	20.00%	94,385	70,789	-	165,174	306,751
<b>Sub-total</b>	<b>9,273,087,592</b>	<b>-</b>	<b>9,273,087,593</b>	<b>95,115,945</b>	<b>-</b>	<b>9,368,203,536</b>		<b>3,551,284,258</b>	<b>348,925,078</b>	<b>-</b>	<b>3,900,209,337</b>	<b>5,467,994,201</b>
<b>Incremental value of revalued Freehold assets</b>												
(i) As per valuation based on Financial Statement as on 30 June 2020												
Land and land development	631,425,962	-	631,425,962	-	-	631,425,962	4.00%	2,886,379	2,164,784	-	5,051,162	67,108,301
Building	72,159,463	-	72,159,463	-	-	72,159,463	4.00%	84,809	3,392	-	5,937	78,873
Security barak & security wall	84,809	-	84,809	-	-	84,809	0.00%	-	-	-	-	84,809
Deep tube-well & pump house-SMW-5	95,589	-	95,589	-	-	95,589	8.33%	210,309	157,732	-	368,041	2,155,669
Generator-500 KVA(SMW#5)	2,523,709	-	2,523,709	-	-	2,523,709	11.11%	131,247	98,435	-	229,682	951,539
500 KV sub-station	1,181,221	-	1,181,221	-	-	1,181,221	3.13%	32,553	24,415	-	56,968	984,729
500 KV sub-station-SMW-5	1,041,697	-	1,041,697	-	-	1,041,697	16.67%	2,602,015	1,951,512	-	4,553,527	11,058,572
Power system	15,612,099	-	15,612,099	-	-	15,612,099	5.88%	1,594,191	1,195,643	-	2,789,834	24,322,254
Power system-SMW-5	27,112,088	-	27,112,088	-	-	27,112,088	33.33%	9,301	3,100	-	5,426	3,875
Power system-IIG	9,301	-	9,301	-	-	9,301	2.70%	27,356	20,517	-	47,873	964,295
Boundary wall-SMW-5	1,012,168	-	1,012,168	-	-	1,012,168	10.00%	369,141	276,856	-	645,997	3,045,413
Vehicle	3,691,409	-	3,691,409	-	-	3,691,409						
<b>Sub Total (i)</b>	<b>755,949,515</b>	<b>-</b>	<b>755,949,515</b>	<b>-</b>	<b>-</b>	<b>755,949,514</b>		<b>7,859,683</b>	<b>5,894,762</b>	<b>-</b>	<b>13,754,445</b>	<b>742,195,069</b>
(ii) As per previous valuation												
Land and land development	346,562,561	-	346,562,561	-	-	346,562,561	-	-	-	-	-	346,562,561
<b>Sub Total (ii)</b>	<b>346,562,561</b>	<b>-</b>	<b>346,562,561</b>	<b>-</b>	<b>-</b>	<b>346,562,561</b>						
<b>Balance as on 31 March 2022</b>	<b>10,375,599,669</b>	<b>-</b>	<b>10,375,599,669</b>	<b>95,115,945</b>	<b>-</b>	<b>10,470,715,611</b>	<b>-</b>	<b>3,559,143,940</b>	<b>354,819,841</b>	<b>(5,785,343)</b>	<b>3,913,963,782</b>	<b>6,556,751,833</b>
<b>Balance as on 30 June 2021</b>	<b>10,337,448,151</b>	<b>(16,118,611)</b>	<b>10,321,328,540</b>	<b>60,600,130</b>	<b>(6,329,000)</b>	<b>10,375,599,671</b>	<b>-</b>	<b>3,097,958,639</b>	<b>466,970,644</b>	<b>(5,785,343)</b>	<b>3,559,143,940</b>	<b>6,816,455,730</b>

**Bangladesh Submarine Cable Company Limited**  
Calculation of Current Tax Provision  
As at 31 March 2022

		Amount in Taka				
Particulars	Total Amount	Exemption rate	Exempted Amount	Chargeable Income	Tax Rate	Tax Liability
<b>Profit Before Taxation</b>	2,282,496,060					
Add: Provision for bad debt	34,615,778					
CSR expense	-					
Accounting depreciation	354,819,841					
	2,671,931,678					
Less: Tax depreciation	427,025,609					
Total taxable income	2,244,906,069					
Less: Non-operating Income	190,387,503					
Taxable profit including Tax holiday exempted	2,054,518,566					
Profit from IIG Exempted due to Tax Holiday	525,134,945					
Taxable profit from IPLC unit	<b>1,529,383,621</b>					
Taxable profit from IPLC unit	1,529,383,621	0%	-	1,529,383,621	22.50%	344,111,315
Profit-IIG as per Ratio of Sales	525,134,945	20%	105,026,989	420,107,956	22.50%	94,524,290
Tax on Other Income				189,692,678	22.50%	42,680,853
Tax on Dividend Income				694,825	20%	138,965
<b>Total</b>	<b>2,054,518,566</b>		<b>105,026,989</b>	<b>2,139,879,080</b>		<b>481,455,422</b>
		<u>CSR</u>	<u>PM R Fund</u>	<u>Total</u>		<u>Rebate</u>
Investment tax credit		-	-	2,573,000	10%	257,300
Net tax liability						<b>481,198,122</b>