

DIVIDEND POLICY OF BSCCL

Introduction:

Bangladesh Submarine Cable Company Limited (the “Company”) intends to pay dividends to its shareholders and will use the guidelines herein to determine and pay such dividend as is approved. The policy shall accordingly be applied in determining any claim by any shareholder, individual or institution regarding the dividend payable by the Company, subject to any provisions in the Company’s Articles of Association.

Definitions:

“**Dividend(s)**” refers to a Final Dividend.

“**Share Registrar**” means a company specifically appointed by the Company to undertake share registrar and related services for the Company.

Declaration and Payment of Dividends:

1. The dividend policy of the Company is to distribute to its shareholders surplus funds from its distributable profits and/or general reserves, as may be determined by the Board of Directors, subject to:
 - a) The recognition of profit and availability of cash for distribution;
 - b) Any banking or other funding requirements by which the Company is bound from time to time;
 - c) The operating and investment needs of the Company;
 - d) The anticipated future growth and earnings of the Company;
 - e) Provisions of the Company’s Articles of Association;
 - f) Emerging trends in Dividend payouts in the industry; and
 - g) Any relevant applicable laws.
2. The Company shall endeavor to maintain a dividend payout ratio of not less than the percentage of net earnings of the respective year required to get relief from any excess tax obligation(s), subject to the above considerations.
3. The Company may, prior to declaration of any Dividend, transfer such percentage of its profit for that financial year as it may consider appropriate, to the reserves of the Company.
4. The Company’s Board of Directors shall be responsible for generating all proposed resolutions on the declaration and payment of dividends.
5. The Company will not declare any Dividends where the law prevents such payment and if there are reasonable grounds for believing that the Company is or would be, after a Dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due.
6. The decision to declare and pay Dividends shall be approved at the shareholders Annual General Meeting (“AGM”), upon the recommendation of the Board of Directors. It shall be a separate agenda item at the AGM.
7. The list of persons entitled to receive Dividends at the Book Closure/ Record date shall be prepared by the Service provider appointed for this purpose according to the Company’s instructions and prevailing legislation. The time, place and procedure for payment of Dividends shall be publicly communicated to shareholders in advance of the register closure date i.e. Record date and payment date.
8. Any unclaimed Dividends shall be dealt with in accordance with the circulars/directives of BSEC or other regulatory authorities in this regard from time to time.

9. The Company shall continue to pay declared Dividends for shares on which accrued dividends have not been received by any shareholder until the accrued dividends has been transferred to the Capital Market Stabilization Fund in accordance with the directives of BSEC or any other regulatory authority from time to time.
10. No interest shall accrue on unclaimed Dividends held by the Company.

Policy Context:

This Dividend Policy Statement is formulated in accordance with the directive issued by BSEC, the Companies Act 1994, tax legislation, and internationally recognized best practices and principles.

Amendment:

This Policy Statement shall be effective from the date of execution and may be amended from time to time with the approval of the Board of Directors of the Company.

Disclaimer:

The above Policy Statement does not represent a commitment on the future Dividends of the Company but represents a general guidance on the Dividend Policy.

Policy Approval:

This policy is approved by the Company's Board on 21 October 2021.

Summary of Unclaimed Dividend & IPO Subscription Money

Particulars	Amount in Taka	Remarks
Unclaimed IPO Subscription Money	47,526.52	Transferred to CMSF
Dividend Payable for the FY 2011-2012	404,807.95	Transferred to CMSF
Dividend Payable for the FY 2012-2013	1,136,722.13	Transferred to CMSF
Dividend Payable for the FY 2013-2014	1,087,733.56	Transferred to CMSF
Dividend Payable for the FY 2014-2015	91,419.18	Transferred to CMSF
Dividend Payable for the FY 2015-2016	945,351.49	Transferred to CMSF
Dividend Payable for the FY 2016-2017	794,396.75	Transferred to CMSF
Dividend Payable for the FY 2017-2018	401,664.23	Available for collection
Dividend Payable for the FY 2018-2019	1,926,705.44	Available for collection
Dividend Payable for the FY 2019-2020	2,105,601.30	Available for collection
Grand Total at 30-Sep-2021	8,941,928.55	-

- **CMSF** stands for Capital Market stabilization fund established by BSEC
- Details has been presented in the website of the company