

বার্ষিক প্রতিবেদন

২০১৪-২০১৫

ANNUAL REPORT

2014-2015



বাংলাদেশ সাবমেরিন কেবল কোম্পানী লিমিটেড (বিএসসিসিএল)

Bangladesh Submarine Cable Company Limited (BSCCL)

বার্ষিক প্রতিবেদন

২০১৪-২০১৫

ANNUAL REPORT

2014-2015



BANGLADESH SUBMARINE CABLE COMPANY LTD. (BSCCL)

Contents

Letter of Transmittal	03
Notice of the 7th Annual General Meeting	04
Connecting the World	05
Background of the Company	06
Corporate Information	06
Performance at a Glance	08
Board of Directors of BSCCL	09
Brief Description of Chairman & Directors	10
Management Team	13
Brief Description of Top Management	14
Board's Committee	16
Communications with Shareholders	17
Human Resource Management	18
From BSCCL Archive	19
Message of the Chairman	22
Message of the Managing Director	23
Directors' Report	24
স্বাধীনতা পুরস্কার	37
Corporate Governance Compliance Report	46
Value Added Statement	53
Status of Compliance with the Corporate Governance Guidelines	54
Audit Committee Report	57
Corporate Governance Compliance Certificate	59
Statement on the Duties of Managing Director and Chief Financial Officer	60
Five Year's Financial Summary	61
Auditor's Report and Financial Statements	62
Proxy Form and Attendance Slip	95

Letter of Transmittal

30 September 2015

To,

Shareholders
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies and Firms

Respected/Honorable Sir(s) / Madam(s)

Annual Report for the year ended on 30 June 2015

The undersigned, on behalf of the Board of Directors and Management of BANGLADESH SUBMARINE CABLE COMPANY LIMITED (BSCCL), is pleased to present herewith the Annual Report for the year ended on 30 June 2015 alongwith the audited Financial Statements (Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes of Equity, Statement of Cash Flows and Notes) for the above mentioned period of the company.

Thanking you,

Yours Truly



Md. Abdus Salam Khan, FCS
Company Secretary



NOTICE OF THE 7TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 7th Annual General Meeting of the Shareholders of the **BANGLADESH SUBMARINE CABLE COMPANY LIMITED (BSCCL)** is scheduled to be held at Marina Ballroom of "SAYEMAN BEACH RESORT", Cox'sbazar on Sunday 18th October 2015 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS;

Agenda #	1	To receive and adopt the directors' report and the audited financial statements for the year ended on 30 June 2015 together with auditors report thereon.
Agenda #	2	To declare dividend for the year ended on 30 June 2015.
Agenda #	3	To elect directors as per article # 120, 121 and 122 of the Articles of Association of the company.
Agenda #	4	To appoint auditors for the financial year 2015-2016 and fix their remuneration.
Agenda #	5	To approve the appointment of Independent Director of the company.
Agenda #	6	To approve the appointment of Managing Director of the company.

All the Shareholders are requested to kindly make it convenient to attend the AGM.

BY ORDER OF THE BOARD

Md. Abdus Salam Khan, FCS
Company Secretary

Phone: 8879240, Cell: 01552369905
E-mail: salam@bsccl.com.bd

Dated : Dhaka
30 September 2015

Notes :

- The shareholders whose names appeared in the Share Register of the company or in the Depository Register on the Record Date i.e. 29 September 2015 will be entitled to attend the Annual General Meeting and to receive the dividend.
- Members entitled to attend at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The Proxy form must be affixed with requisite revenue stamp and must be submitted to the Registered Office of the company not less than 48 hours before the time fixed for the Annual General Meeting.
- Admission to the meeting room will be allowed strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member (s) and or Proxy-holder (s).
- No benefit in cash or kind other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities in terms of Notification No. SEC/CMRRCD/ 2009-193/154 dated 24 October 2013 for attending the AGM of the Company.
- The Annual Report will be sent by Courier Services to all members to their respective registered address and it is also available in the Company's website at **www.bsccl.com.bd**



Background of the Company

Bangladesh Submarine Cable Company Limited was originated and incorporated after separating from erstwhile BTTB with assets situated at Jhlongjha, Cox-Bazar named the Landing Station and the equipments thereon and subsequently the equipment installed in Head Office at 191, Tejgaon-Gulshan Link Road, Dhaka-1208. Before the separation the whole project named "Establishment of International Telecommunication System Through Submarine Cable" was undertaken by BTTB participating in an International agreement with an International Consortium namely SEA-ME-WE 4 (South East Asia Middle East Western Europe 4).

A vendor's agreement was signed between the representatives of GoB and the BSCCL on 30 June 2008 incorporating a statement showing a net worth of the company subtracting the liabilities from the assets. The balance is treated as Net Worth payable to the Government in share capital. BSCCL obtained IIG License and the relevant equipment have been installed in the Head Office at Dhaka and all costs of establishing IIG equipment were financed from the Company's own fund.

Corporate Information

Registration No. _____

C 71845(4351)/08 Dated 24-06-2008

Registered Office _____

Rahmans Regnum Centre (7th & 8th Floor)
191, Tejgaon-Gulshan Link Road
Dhaka-1208

Website _____

www.bscccl.com.bd

Legal Adviser _____

Legacy Legal Corporate
Unit C3, Plot # 13, Road # 27
Block # J, Banani
Dhaka-1213

Tax Adviser _____

Shahadat Rashid & Co., Chartered Accountants
House# 406(1st Floor), Road#29, New DOHS
Mohakhali, Dhaka-1206

Auditor _____

ACNABIN, Chartered Accountants
BDBL Bhaban (Level-13)
12, Karwan Bazar
Dhaka-1215

Membership _____

SEA-ME-WE 4 (South East Asia Middle East
Western Europe 4)
SEA-ME-WE 5 (South East Asia Middle East
Western Europe 5)

Bankers: _____

United Commercial Bank Limited (UCBL)
Tejgaon-Gulshan Link Road Branch

IFIC Bank Limited
Motijheel Branch, Dhaka

Sonali Bank Limited
Ruposhi Bangla Hotel Branch, Dhaka.

Landing Station: _____

Jhlongjha, Cox'sbazar
Alipur, Kuakata, Patuakhali (Under
Construction)

Milestones:

Memorandum of Understanding (MoU) Signing for Joining SMW-4 Consortium	: 04 September 2002
Construction & Maintenance Agreement Signing (SMW-4)	: 27 March 2004
Inauguration of Cox'sbazar Landing Station	: 21 May 2006
Date of Incorporation of Business	: 24 June 2008
Vendor's Agreement with Government	: 30 June 2008
Commercial Launching of Operation	: 01 July 2008
1st Annual General Meeting	: 14 December 2009
Memorandum of Understanding (MoU) Signing for Joining SMW-5 Consortium	: 28 December 2011
Inaugurate Upgrade 3 of SMW-4	: 04 April 2011
Obtaining IIG License	: 04 March 2012
Listing with DSE & CSE	: 14 June 2012
Commercial Operation of IIG Unit	: 01 July 2013
Inauguration of IIG Services	: 09 July 2013
Contract Signing for Joining SMW-5 Consortium	: 07 March 2014
Obtaining ISP License	: 01 June 2015
Contract Signing for Lease of Bandwidth to BSNL (India)	: 06 June 2015

Ethics & Code of Conduct

BSCCL has adopted clearly defined Codes of Conduct ("Code"), which reflects BSCCL's values of integrity, respect, trust and openness. It provides clear direction on conducting business, interacting with the community, government and business partners; and general workplace behavior. It also includes guidance on disclosure of conflict of interest situations, maintaining confidentiality and disclosure of information, good practices and internal control, and the duty to report where there is a breach against the Code. The Codes are properly communicated to all the employees including the Board members and others acting on behalf, who are strictly required to abide by them. All of them have certified in writing that they have read and understood the Codes.

Restrictions on dealings in BSCCL Shares by Insiders

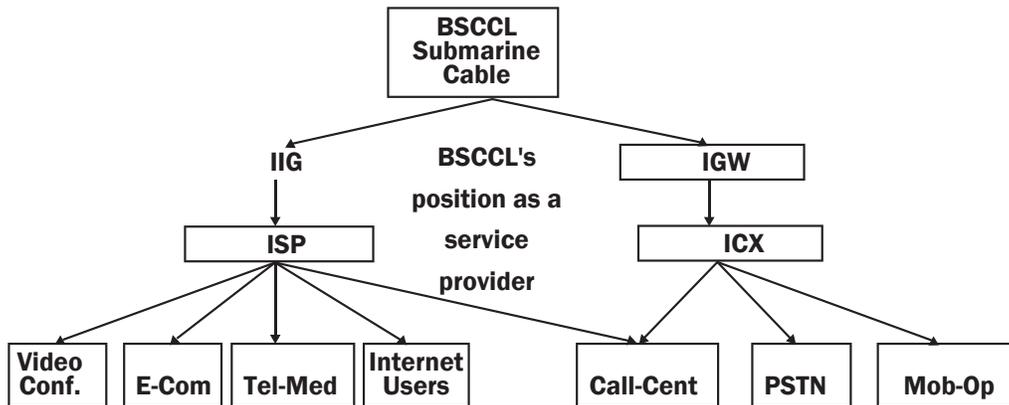
The Company has restricted of trading of BSCCL shares by Directors, Employees and other Insiders. The securities laws also impose restrictions on similar transactions. All the Insiders are prohibited from trading of the BSCCL shares, while in possession of unpublished price sensitive information in relation to the Company during prescribed restricted trading period. Directors and Employees are also required to notify their intention to trade in the BSCCL shares prior to initiating the same.

Product and Services

BSCCL is the root service provider of submarine cable bandwidth and handles country's lone submarine cable and it is also an IIG and ISP service provider. Presently, BSCCL is providing the following services:

- Bandwidth service for different routes and different levels such as E-1, STM-1, STM-4, STM-16, 1Gbps, 10Gbps to the International Internet Gateway (IIG) companies through International Private Leased Circuits (IPLC).
- Bandwidth service for different routes and different levels such as E-1, STM-1, STM-4, STM-16, 1Gbps, 10Gbps to the International (Voice) Gateway (IGW) companies.
- IP transit.
- ISP Services

Bandwidth Distribution flow chart of BSCCL



Performance at a Glance

Business Performance

The capacity and utilization level of bandwidth by the company is presented as follows:

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Capacity (Gbps)	44.60	146.93	200.00	200.00	200.00
Utilization (Gbps)	21.86	26.00	38.75	22.50	33.52
Capacity Utilization (%)	49.00	17.70	19.38	11.25	16.76

Financial Performance:

The comparative financial performance for the last five years is given below:

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue (Amount Tk. in mill.)	837.79	1,214.52	1,248.38	753.75	540.68
Growth in Revenue (%)	38.85	44.96	2.79	(39.62)	(28.27)
Operating Cost of Sales Growth (%)	(7.38)	21.63	16	24.97	10.79
Gross Profit Margin (%)	84.03	86.60	84.88	68.70	51.66
Operating Profit Margin (%)	73.25	74.95	72.34	42.25	13.10
Net Profit Margin (%)	36.42	61.32	69.86	48.07	23.87
Return on Average Asset After Tax (%)	12.31	20.95	19.13	7.68	2.47
Return on Average Equity After Tax (%)	22.02	30.67	23.99	9.05	3.19
Return on Average Capital Employed (%)	26.36	27.25	26.60	11.28	2.95
Direct Cost to Revenue Ratio (%)	15.97	13.40	15.12	31.30	48.34
Administrative Expense to Revenue Ratio (%)	2.99	2.68	4.53	10.72	17.93
Finance Cost to Revenue Ratio (%)	3.40	2.10	-	-	-

Board of Directors of BSCCL

Chairman

Md. Faizur Rahman Chowdhury

Secretary, Posts & Telecommunications Division
Ministry of Posts, Telecommunications & Information Technology (MoPT & IT)

Directors

Jalal Ahmed

Additional Secretary
Ministry of Finance.

Col. Md. Arefin Talukder, PSC

Colonel GS, DGFI
Ghatail Detachment

Dr. Md. Mahbubul Alam Joarder

Director & Professor
Institute of Information Technology
University of Dhaka.

Hossain Khaled

President
Dhaka Chamber of Commerce & Industry
and Independent Director, BSCCL.

Shawkat Mostafa

Additional Secretary
Posts & Telecommunications Division
Ministry of Posts, Telecommunications &
Information Technology (MoPT & IT).

Rabindra Nath Roy Chowdhury

Additional Secretary
Ministry of Science & Technology.

Nasir Uddin Ahmed

Council Member & Past President
ICAB and Independent Director, BSCCL

Engr. Md. Monwar Hossain

Managing Director
Bangladesh Submarine Cable Co. Ltd.

Brief Description of Chairman



Mr. Md. Faizur Rahman Chowdhury, Secretary, Posts & Telecommunications Division, Ministry of Posts, Telecommunications & Information Technology (MoPT & IT) was born in an aristocratic Muslim family of Mohanganj Upzilla of Netrakona District on 16th December 1959. He is the proud son of Late Mr. Sayedur Rahman Chowdhury and Atika Khatun Chowdhury. Then they used to live at Atika Villa of Mohanganj Upzilla Sadar. He has completed his SSC from & HSC from the Railway Government High School, Mymensingh and the Ananda Mohan College, Mymensingh respectively. He did his LL.B (Hons) and LL.M in 1981 & 1982 respectively from the University of Dhaka. He joined in Bangladesh Civil Service (BCS) in 1982 as Magistrate of the then Comilla District.

In his career he has served in several important positions of the State; such as Upazila Magistrate, Upazila Executive Officer, Additional District Magistrate, Deputy Secretary, Joint Secretary and Secretary of the Anti-Corruption Commission. He joined as the Secretary Posts and Telecommunications Division on 22 July 2014. In his career he has participated in various trainings, seminars and workshops both in home and abroad. In Personal life, he is married and has two children. His wife Mrs. Nasima Begum (BCS Administration) is the Secretary of Ministry of Women & Children Affairs, Government of Bangladesh.

Brief Description of Directors



Mr. Jalal Ahmed, Additional Secretary, Ministry of Finance & Director, BSCCL He was born in January 03, 1961. He obtained Masters degree from Dhaka University. He was promoted to the rank of Additional Secretary to the Government in October 10, 2011. He joined Ministry of Finance as Additional Secretary in September 2012. He was trained on various administrative and financial affairs inside and outside the country. Apart from being a Director of the Bangladesh Submarine Cable Company Limited, he is representing Finance Division in British American Tobacco, Bangladesh Telecommunication Company Limited, Bangladesh Services Limited, IFIC Bank Ltd. & IPDC as a Director. He joined Bangladesh Civil Service (Administration) Cadre in 1983. Mr. Ahmed was Vice Chairman of Export Promotion Bureau (EPB), the Trade Promotion Body of the country (August 2010 - October 2011). During that period, the country attained export growth history (i.e. 41.47%) which has not happened ever before. Earlier he was Chairman, Bangladesh Oil, Gas and Minerals Corporation (Petrobangla), one of the largest Public Enterprise of Bangladesh.



Mr. Shawkat Mostafa, Additional Secretary, Post and Telecommunications Division, Ministry of Post, Telecommunications and Information Technology is a member of Bangladesh Administrative Service. He started his career as Assistant Commissioner of Dhaka Collectorate through BCS-1984. Before Joining into the service he passed BA(Hons) and M.A in Economics from Chittagong University. He also obtained his PhD degree in Development Economics from WIU, USA.

Mr. Mostafa processes diversified career. During his long and versatile career in the civil service he served in the District & Upazilla Administration, Local Government Institutes and in different Ministries. Prior to his present Assignment he was Administrator of Dhaka South City Corporation. He also served as Additional Secretary Ministry of Home Affairs, Joint Secretary Ministry of Home Affairs and Deputy Secretary (Fiscal Policy) of Finance Division. He has major contributions in

formulating and drafting of several Laws and Policies, to name a few, Anti Terrorism Act & Rule, Money Laundering and Prevential Act (MLPA) and Draft National Telecommunication Policy-2015.

He took part in different senior level training program at home and abroad. which includes Singapore Civil Service College, Manchester University and Asian Urban Information Centre of Kobe, Japan. As a part of his responsibility he attended different meetings, summits, workshops and negotiation sessions in international arena.



Mr. Rabindranath Roy Chowdhury, Additional Secretary, MoSICT & Director, BSCCL He was born September 01, 1956. He was working as Joint Secretary (Development) in the Ministry of Science and ICT (1 year : November 2009 - December 2010). He served as Joint Secretary (Environment) in the Ministry of Environment and Forest (3 years : October 2006 - October 2009) and also worked as Deputy Commissioner (D.C) in the District of Nilphamari (2004-2006). He obtained his B.A Hons (English) & M.A (English) degree.



Colonel Md. Arefin Talukder psc, Colonel GS, DGFI, Ghatail Detachment and Director BSCCL. He was born on 14 December 1968 in Tangail. He was commissioned in the 'Corps of Signals' of Bangladesh Army on 22 December 1989. He is a graduate from Chittagong University and also from Bangladesh University of Engineering and Technology (BUET) in Electrical and Electronics Engineering. He also completed his Masters of Defence Studies (MDS) from National University. Colonel Md. Arefin Talukder, psc is a graduate of Defence Services Command and Staff College (DSCSC), Mirpur, Bangladesh. He was also trained on various communications and IT related matters from home and abroad.

As a peacekeeper he participated in Two United Nations Mission namely United Nations Mission in Congo (MONUC) as Military Observer in 2004 and in United Nations Mission in Sudan (UNMIS) as Chief Operations Officer in 2010-2011. He is a widely traveled person and traveled many countries across Asia, Africa, Australia and Europe.



Dr. Md. Mahbubul Alam Joarder, Director, BSCCL is a Professor of the Institute of Information Technology (IIT), University of Dhaka and trustee member, Rajshahi Science and Technology University. He also served as Director of the Institute of Information Technology (IIT) and as Provost, Sir Salimullah Muslim Hall, University of Dhaka. He received a B.Sc. in Applied Physics & Electronics from Dhaka University in 1990, and an M.Sc. from the same University in 1991. He received his Ph.D. in Computer Science & Engineering (Information Systems) from the University of Ibaraki, Japan in 2002. From 2005 to 2007, he was the PiL (Partners in Learning) advisor of Microsoft Bangladesh Ltd.

Last few years, he successfully implemented some projects for the betterment of the Dhaka University. One is Remodeling of the two modern computer lab with the assistantship of KOICA in his Institute, Institute of Information Technology (IIT), University of Dhaka and another was Campus Network for Dhaka University under the guidance of University Grants Commission of Bangladesh funded by World Bank. As an independent consultant he completed many projects, two most successful projects are Public Investment Management (PIM) of Planning Commission's (PC) Programming Division and making a report which is intended to provide objective

assessment of the current IT Systems and Architecture, and to make concrete, practical recommendations for improvement funded by World Bank, SGL for windows funded by Ibaraki University, Japan.

Now, He is also serving as Director of Bangladesh sub marine cables company limited. His research interests center on improving the understanding, design, and performance of non-linear systems, recognition problems, computer simulation of complex systems and risk factors in software engineering. He has already published more than 33 research papers and 02 books in his field. He serves as a reviewer in many peer to peer national and international conferences and journals. He has given numerous invited talks and tutorials, and consultant to companies involved in Internet technologies home and abroad.



Mr. Hossain Khaled, Independent Director, BSCCL is a versatile new age business personality. He obtained his BBA in Accounting from the University of Toledo, Ohio and MBA degree in International Banking from Texas A&M University (TAMU), Texas, USA. Mr. Khaled joined the family conglomerate of Anwar Group of Industries during the year 2000. Since then he has held and led successfully many portfolios among which few noteworthy ones are his being the youngest President of Dhaka Chamber of Commerce & Industry and Co-Chairman of Bangladesh Better Business Forum. He is currently the President of Dhaka Chamber of Commerce & Industry. Mr. Khaled is also holds director positions of number of companies of Anwar Group.



Mr. Nasir U Ahmed, Independent Director, BSCCL is a Chartered Accountant by profession, who passed C A in 1987 from ICAB. He was awarded ICAB Medal for his outstanding performance in CA Intermediate examination. Nasir worked for more than two decades in two British MNCs, British American Tobacco Bangladesh and Coats Bangladesh, who left corporate jobs in 2010 as Finance Director of Coats Bangladesh Ltd. and subsequently started public practice.

Nasir was the President of the Institute of Chartered Accountants of Bangladesh (ICAB) in 2009 and has been a Council Member of ICAB since 2001. He was Vice President twice in 2003 and 2004. He was a Board Member of South Asian Federation of Accountants (SAFA), based in Delhi, India.

He was closely involved in various academic activities of ICAB and ICSB. He is a fellow member of both ICAB and ICSB. He is also member of various professional institutions at home and abroad including an Associate Member of Certified Fraud Examiners, USA. He regularly attends on TV talk show on Capital Market as an expert in this discipline.

He held the Position of Board Director in many companies and organizations namely, Bangladesh Commerce Bank Ltd., Dhaka Stock Exchange Ltd., BTCL, Coats Bangladesh Ltd., Coats Crafts Bangladesh Ltd. Commerce Bank Securities and Investment Ltd etc. He was also Chairman, Board Audit Committee of Bangladesh Commerce Bank Ltd and Commerce Bank Securities and Investment Ltd. Currently he is also in the Board of Leads Corporation Ltd and Color City Ltd and Chairman of the Audit Committee of these companies.

We worked as a member of Expert Panel and Jury Board of Dhaka Stock Exchange Ltd.

He was General Secretary of Dhaka University Accounting Alumni and served for a term of two years.

Nasir holds a first class in Bachelor of Commerce with honours in Accounting and also Post Graduation in the same subject from University of Dhaka. He is currently a Partner of MABS & J Partners, Chartered Accountants.

Management Team

Md. Monwar Hossain

Managing Director

Md. Abdus Salam Khan, FCS

Company Secretary

Parvez Monon Ashraf

DGM (Customer Care)

Md. Jahangir Alam

Project Director-SMW-5 Project

Mohammad Zakirul Alam

DGM (Bandwidth Planning)

Shukanto Kumar Debnath, ACA

DGM (F & A)

Abdul Wahab

DGM (IIG Operation)

Md. Shakawat Hussain

Manager (Maintenance)

Nazia Hassan

Manager (Development)

Muhammed Shoeb Ali

Manager (Bandwidth Planning)

Muhammad Tajul Islam

Manager (Accounts)

Mohammad Shahadat Hossain

Manager (Audit)

Arifur Rahman

Manager (IIG)

Subrom Kishor Das

Manager (Estate)

Mohammad Anisul Islam, ACS

Manager (Share)

Md. Soriful Haque

Manager (Operation)

Brief Description of Top Management:



Mr. Md. Monwar Hossain was appointed as a Managing Director in BSCCL, effective from October 01, 2009. Before joining BSCCL, he was working as Member (Planning & Development) BTTB and he also served as the GM/PD of Submarine Cable Project in BTCL. He was working two terms in Oman on Lien from BTCL. He was the only expatriate Engineer declared as the best engineer of the month (May' 1999). He joined the BTTB in 1978 as BCS Telecom Engineer, and held several managerial position and international assignments. He has extensive experience over 35 years in his career. He obtained his B.Sc. Engineering (Electrical & Electronics Engineering) degree from Bangladesh University of Engineering & Technology (BUET). He started his career as a Teacher in RUET for 2 years, then switched over to Telecom Cadre in 1978. He obtained his MBA (Marketing) from Darul Ahsan University.



Mr. Abdus Salam Khan, FCS was appointed as Company Secretary in BSCCL, effective from September 15, 2008. Before joining BSCCL, he was the Senior Deputy Company Secretary in GSP Finance Company Limited and he also worked in Sabinco, Prosika and Haque group of Industries. He has vast experience over 22 years in his career. He obtained his M.Com in Accounting from National University and MBA (Major in Finance) from Daffodil International University. He passed C.A. (Intermediate) examination from the Institute of Chartered Accountant of Bangladesh. He is also a Fellow Member of Institute of Chartered Secretaries of Bangladesh. He has attended various meetings, seminars and workshops both at home and abroad.



Mr. Parvez Monon Ashraf, Deputy General Manager (Bandwidth Planning), has been working with BSCCL from February 8, 2009. Before joining BSCCL, he worked as a Technical Consultant in Epower US Inc. (USA). He also worked in SMU (USA), PBL (IT Division), Zip-Sirius Broadband Limited, CITN Ltd., etc. His professional experience spans over nearly 15 years. He has obtained BSc. and MSc. degrees (with Thesis in Digital Signal Processing) from the Dept. of Applied Physics, Electronics & Communication Engineering, University of Dhaka and MS in Electrical Engineering (with concentration in Communications and Networking) from Southern Methodist University, USA.



Mr. Md. Jahangir Alam was appointed as a DGM (Operation) and he is working with BSCCL since May 6, 2009. Before joining BSCCL, he was working as a Computer Programmer in University Grants Commission of Bangladesh and he also worked in the Premier Bank, Software Shop Ltd etc. He has extensive experience over 19 years in his career. He obtained his B.Sc. Engineering (Electrical & Electronic) degree from Rajshahi University of Engineering & Technology (RUET).

Brief Description of Top Management:



Mr. Mohammad Zakirul Alam has been working with BSCCL since June 4, 2009. He is currently posted as DGM (Development) and with additional responsibility of DGM (Customer Care). Previously he served the Company in various positions such as DGM (Bandwidth Planning) and DGM (Operations). Before joining BSCCL, he worked as Network Manager in ConnectBD Ltd and he also worked in Digitech Datalink. He has extensive experience of 15 years in his career. He obtained his B.Sc. Engineering degree from Bangladesh University of Engineering & Technology (BUET). He also obtained his Executive MBA (Finance) degree from North South University (NSU).



Mr. Shukanta Kumar Debnath ACA was appointed as a DGM (Finance & Accounts) effective from April 1, 2013. Before joining BSCCL, he was Senior Manager (Accounts) in Apex Textile Group and he also worked in Otobi Ltd. He has extensive experience over 10 years in his career. He obtained his M.Com in Management from National University and qualified as Chartered Accountant from the Institute of Chartered Accountants of Bangladesh (ICAB).



Mr. Abdul Wahhab was appointed as a DGM (IIG) in BSCCL. He joined BSCCL on September 01, 2013. Before joining BSCCL, he was working in BDCOM Online Limited as Manager (NOC). He also worked in DRIKNET. His professional experience spans more than 14 years. He obtained his BSc. and MSc. degree from the Department of Applied Physics, Electronics and Communication Engineering, the University of Dhaka.

Board's Committee:**Executive Committee****Chairman****Shawkat Mostafa**

Additional Secretary

Posts & Telecommunications Division, Ministry of Posts
Telecommunications & Information Technology (MoPT & IT) & Director, BSCCL.**Members****Dr. Md. Mahbubul Alam Joarder**
Director & Professor
Institute of Information Technology
University of Dhaka.**Md. Monwar Hossain**
Managing Director, BSCCL**Management Committee****Chairman****Md. Monwar Hossain**

Managing Director

Members**Md. Abdus Salam Khan, FCS**
Company Secretary**Shukanto Kumar Devnath**
Deputy General Manager (F & A)**Parvez Monon Ashraf**
Deputy General Manager (B/P)**Outstanding Realization Committee****Convenor****Md. Abdus Salam Khan, FCS**

Company Secretary

Members**Shukanto Kumar Devnath**
Deputy General Manager (F & A)**Shoeb Ali**
Manager (P/L)**Abdul Wahab**
DGM (IIG Operation)**Zahid Hossain**
Deputy Manager (Marketing)

Communications with Shareholders

We believe good Corporate Governance involves openness and full cooperation amongst all stakeholders of the Company, including the owners of the Company-the Shareholders. Information is communicated to the Shareholders regularly through a number of forums and publications. The Company has adopted a detailed policy on information disclosure and communication. In compliance with continuous disclosure requirements, the Company's policy is that Shareholders will be informed in a routine manner about all major developments that impact the business of the Company and also being able to make the shareholders informed about all important decisions of the company.

Information Disclosure

In accordance with the disclosure requirements, the Company follows these three main forms of information disclosure:

Continuous disclosure - Continuous disclosures are the core disclosure and primary method of informing the market and Shareholders;

Periodic disclosure - in the form of quarterly, half yearly and yearly reporting of financial results and others issues; and event based disclosure - as and when required, of administrative and corporate developments, usually in the form of stock exchanges & press releases. All information provided to the BSEC and Stock Exchanges are immediately made available to Shareholders and the market on the Company's Investor Relations section of the website:
www.bscccl.com.bd.

General Meeting

The General Meeting is the supreme governing body in BSCCL. The Company recognizes the rights of Shareholders and the Shareholders' interests are primarily ensured through BSCCL's Annual General Meeting ("AGM"). The Company requires its Board and Auditors to attend each AGM so as to be available to answer Shareholders' queries on the activities of the Company.

Website

All financial results, key performance indicators, other relevant financial and non-financial data, Price Sensitive Disclosure etc. are posted on the Investor Relations section of the Company's Web site:
www.bscccl.com.bd

Shareholders Queries

Whilst the Company aims to provide sufficient information to Shareholders and Investors about the Company and its activities, it also recognizes that Shareholders may have specific queries relating to their shareholding. To ensure that Shareholders can obtain all relevant information to assist them in exercising their rights as Shareholders, these queries may be directed at:

Bangladesh Submarine Cable Company Limited (BSCCL)
Rahmans' Regnum Center (7th & 8th Floor)
191, Tejgaon Gulshan Link Road
Dhaka-1208
Phone: 880-2-8878162, 8879192 & 4
Fax: 880-2-8879193

Human Resource Management

One of BSCCL's principal strength is the quality and dedication of its employees and their shared sense of being part of a team. Their diverse vantage points and unique abilities create a broad range of skills and knowledge that underpin the Company's work. In order for BSCCL to continue its steady growth, it is essential that it retains key employees and provides an attractive opportunity for new personnel.

A great part of success in the financial services industry depends, more than anything else on the know-how, experience, talent and commitment of a Company's human capital. For BSCCL to continue the success, the Company must be able to benefit from its strong business principles, its fast moving and entrepreneurial spirit and the broad opportunity for individual and team success.

BSCCL places great emphasis on keeping employees informed about the Company's vision, strategy and its future plans. Moreover, the Company provides regular communication to its employees with information regarding current-news of events and achievements.

Recruitment

A career with BSCCL demands a high level of diligence and dedication. The work of the Company requires individuals of uncommon ability and to this end efforts have been made in assembling company's current group of employees. BSCCL consistently seeks to recruit personnel who can strengthen this diversity, but still support its corporate culture. Likewise, as the Company has grown and expanded its operations, the number of applications from highly qualified people has increased indicating interest from people who are attracted by the Company's distinct position and ideology. BSCCL believes that having a broad range of age and experience in its workforce helps the Company meet the varied needs of its clients. This is reflected in the structure of the workforce. BSCCL places a special emphasis that new positions are filled by the most accomplished candidates, in the terms of their education, experience and ability.

BSCCL recruitment strategy is based on attracting highly qualified candidates through employee networks, selective head-hunting and advertisement. Sub-Committee is responsible for recruiting diverse talent. The Human Resource Department is an important wing in achieving this.

Career and Development

BSCCL comprises of a league of enterprising women and men who are distinguished by their initiative, diligence, imagination and ambition. The Company's network is driven by a sense of teamwork and solidarity that transcends Company's hierarchy. The people of BSCCL are part of a culture of integrity and leadership. They have an active role to play in the Company. They form a community in which people's potential and talents are cultivated with the aim of establishing lifelong careers. High quality employees are trained and fostered with the goal of developing tomorrow's leader.

Job satisfaction and retention

BSCCL seeks not only to attract the most qualified personnel but also to retain them by creating a superior working environment and attending to their needs. To ensure success for the Company as a whole, employees are encouraged to engage in synergetic teamwork, and every effort is made to facilitate communication and flow of information. Employee initiative and responsibility are promoted through challenging assignments where rewards are determined by results.

Employee turnover at the Company was at a comparable level to the previous year. The total turnover rate for the Company was around zero percent, which is largely dependent on external factors.

Incentives

By rewarding good result, BSCCL encourages its people to fulfill their potential and in this way support the optimal performance of the Company. The system of profit-sharing in the form of profit bonus exemplifies how the Company works as a community and by the same token, shares the spoils of success as community. By aligning the interest of employees and shareholders, BSCCL enables its people to take an even more active role in bringing the success of their own community.

Transport

Transport facilities are provided to the top executives of the Company. Moreover, adequate allowances are given to other employees for their transportation.

Provident Fund

Both employees and company contribute @ 10% of basic salaries to employees' Provident Fund.

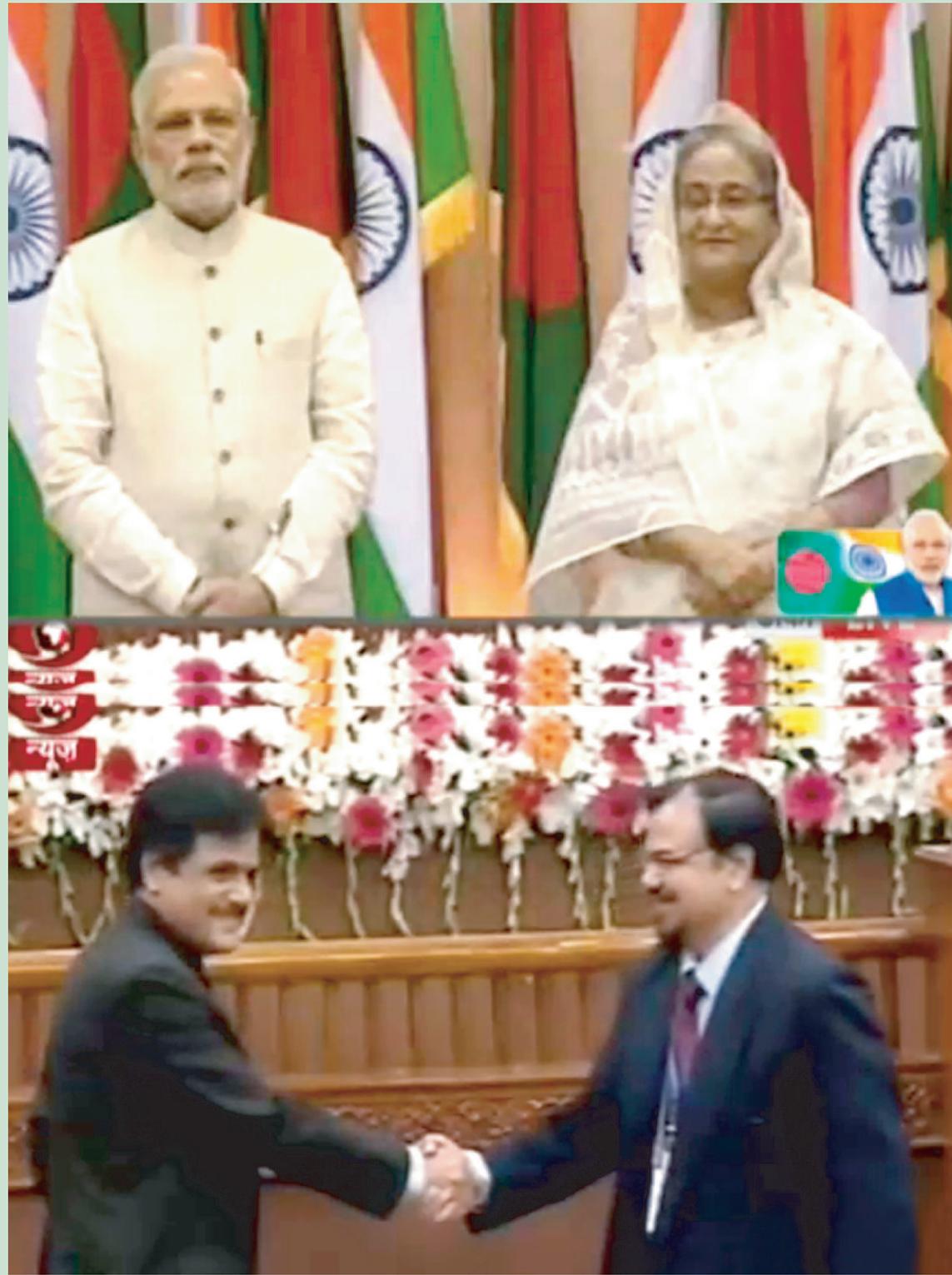
Gratuity Fund

Employees who have served more than five years are be entitled for gratuity facilities.

Workers Profit Participation Fund

The company maintains a Workers Profit Participation Fund as per Labour Law by transferring 5% of the Net Profit Before Tax. Trustees have been formed to maintain and manage the distribution of profits to the beneficiaries as per the Labour Laws.

From BSCCL Archive



১৯ই আগস্ট ২০১৫ সালে ভারতের প্রধানমন্ত্রী শ্রী নরেন্দ্র মোদী (বামে) এবং বাংলাদেশের প্রধানমন্ত্রী শ্রী শেখ হাসিনা (ডানে) দুই দেশের সৌহার্দ্য বন্ধনকে আরও দৃঢ় করে তুলে দিতে একটি সৌহার্দ্যপূর্ণ আলোচনা সভায় অংশগ্রহণ করেছেন।

From BSCCL Archive



ICMAB Best Corporate Award



ICSB Corporate Governance Excellence National Award 2013



RwZi RbK eZeÜztkL gyRej ingv4bi 40 Zg knrv`vZ ewll Rk cvj b |

From BSCCL Archive



Photograph of 6th Annual General Meeting 2014



তুতুকালীন সেন্সিটিভ
কি... রাষ্ট্র সুরক্ষায়... জিত
নেতিবাচক...
কম্পানী...
বা হারি...



Implementation of 2nd Submarine Cable Landing Station at Kuakata is in Progress.



Message of the Chairman

**Respected Directors,
Dear Shareholders, Members of the Press, Ladies and Gentlemen**

I welcome all the shareholders to this 7th Annual General Meeting (AGM) and we already forwarded the Annual Report containing audited Financial Statements and reports thereon for your consideration and approval. This year was not a good year for us but I may assure you that coming year shall be much better.

I believe that the Company is under a capable Management with full support and contribution of you all and the Board of Directors. I am hopeful that this company will achieve high degree of prosperity. I also feel obliged to unambiguously mention the other contributors including, but not being limited to, the MoPT&IT, BSEC, DSE, CSE, CDBL, RJSC, Banks, Financers, Insurers, Distributors, Patrons and the Society at large who consider the Company as their own. The Company is holding high position amongst the peers with outstanding contribution to the society with quality bandwidth for data and voice communications. All these make the Company a unique one in the Country's Corporate Register.

The growth rate of GDP despite continued recession in the West/Developed economics, is on an average is more than 6% per annum. Investment in diversified telecom business seems to be inevitable for the economic growth of the Country.

I wish sincerely about the strong financial growth of this Company and strongly believe that its gradual development and market stability would raise it to a reasonably high level in the years to come. As you all know that the Company is doing a second Submarine Cable with Taka 660.64 crore and as such the company has a very strong future for business of Bandwidth in Bangladesh & abroad.

Thanking you all and wish you a good health and safe return home.



Md. Faizur Rahman Chowdhury
Chairman, BSCCL

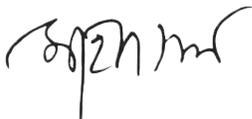


Message of the Managing Director to the Shareholders

**Hon'ble Chairman, Directors,
Dear shareholders, Colleagues, Ladies and Gentlemen**

We are thankful for your kind participation in the 7th AGM of the Company. The last financial year 2014-2015, BSCCL had to face some extra challenges like price reduction for bandwidth, opening of new business (IP Transit), bandwidth export process to neighboring countries and a huge investment in our second submarine cable project. As you know we are going to invest about Tk. 660.64 Crore for SMW-5 Cable System. Our IP Transit sale is getting a new impetus after the price reduction.

I have no hesitation to mention that the Company this year, has taken conservative approach for dividend package for all shareholders of this company. We sincerely hope and assure you all that we shall do much better in the coming year. The hope includes (a) Major stake of Bandwidth sale (b) Export of Bandwidth to Agartala (c) IRU Sales proposals. I am hopeful that by 2016 we will able commission our new project in Kuakata. This second cable will provide not only redundancy to the existing SMW-4 cable but also would add about 1300 Gbps additional bandwidth for the country. We have several prospects of export of unused bandwidth to our neighbors. Let us work together and put our efforts to achieve prosperity of this company. We have enough chances to grow further and now it is required to utilize these possibilities with your co-operation. Thank you all for your kind presence and patient hearing.



Md. Monwar Hossain
Managing Director, BSCCL.

Directors' Report (2014-2015)

Dear Shareholders

The Board of Directors of Bangladesh Submarine Cable Co. Ltd. (the "Company") welcomes you at the 7th Annual General Meeting of the Company. We also take the pleasure in presenting the operational activities and the audited financial statements for the year ended on 30 June 2015 together with the report of the auditors thereon.

Economic Scenario and Prospect of the Industry:

The economy of Bangladesh has flourished at a growth rate of more than 6% per annum in the last few years. Amidst a recessionary trend throughout the world Bangladesh is among the first few countries in Asia according to growth rate. Bangladesh is basically an agro-based country with rice as the main produce. The industrial, manufacturing and service sector is gaining importance in the economy with time. With a huge 160 million population, the successes of agricultural researches particularly on Jute and Rice made the country self-supportive in food-grain. Bangladesh is a unique example of high quality manpower development in the country. Bangladesh has supplied more than 8 million of skilled, semi-skilled and unskilled manpower to the Middle East, East Asia, Europe and America. Their remittances to the country as well as export of Readymade Garments (RMG) are the two main sources of foreign exchange earnings. Economic growth is rather indigenous with remarkable growth of foreign direct investment (FDI) in telecom, gas and power sectors.

Bangladesh in the recent years earned special mention in comparison with other South-Asian countries in terms of poverty alleviation, decreasing child-mortality rate, recognition of women rights, per capita income, life expectancy of the people removing digital divide, literacy rate and some other indices. It has already achieved some of the Millennium Development Goal (MDG) before the stipulated time frame. It is improving at a good pace in terms of infrastructure development in road transportation, communication, power supply and water distribution. The main exports are Readymade Garments (RMG), Jute, Jute goods, Leather, Tea, Medicine, Ocean Going Ships, Frozen Fish and Sea-Food, Ceramics and Cement. The main imports are capital machineries & equipment, industrial raw materials, chemicals, iron and steel, raw cotton, crude oil and petroleum products. The country's main endowments include its vast human resources base, rich agricultural land, green forests, relatively abundant water and substantial reserves of natural gas and coal but its resources in sea and shore are yet to be explored in full. In the last few years it has seen tremendous development in the ICT sectors also. The country recently reached to lower middle income country from lower income group.

In this era of globalization, thus communication has become the most significant factor. In a densely populated country like Bangladesh, telecommunication can play a vital role to boost the economy and social level of the people. Though Bangladesh telecommunication industry is rapidly growing, it still has a long way to go. Unfavorable growth conditions due to weak marketing strategies and lack of infrastructure in rural areas is hampering the growth of telecommunication and broadband penetration in the country. However, the growth of mobile telephone is quite significant. Broadband internet services are spreading gradually as the Government is taking up special projects to bring school and colleges under internet service and also reducing the prices of internet service cost to an affordable level for the common people.

Business Operation and External Environment

Bangladesh Submarine Cable Company Limited (BSCCL) is a core Telecommunications service provider through the international Submarine (fiber optic) Cable. The service provided by BSCCL represents the Ultra High Bandwidth through Submarine Cable between Bangladesh and the rest of the world. BSCCL presently handles Bangladesh's only submarine cable called the SEA-ME-WE-4 (South East Asia-Middle East-Western Europe-4) and represents our country in the SEA-ME-WE-4 international submarine cable consortium. By providing submarine cable Bandwidth, BSCCL is contributing to the revenue earning of the Government of Bangladesh. BSCCL is one of the growing companies in the Telecom sector and company's submarine cable network is the main telecommunications infrastructure of the country for international communications.

Currently, BSCCL is the unique provider in the Submarine Cable Telecommunications sector and is the sole supplier of bulk bandwidth. It has secured the permit/license from the Government of Bangladesh for providing services through the submarine cable. The IIG and IGW companies are taking lease of bandwidth from BSCCL according to the tariff system approved by the Government and based on the license guidelines, terms & conditions and regulations of the Government.

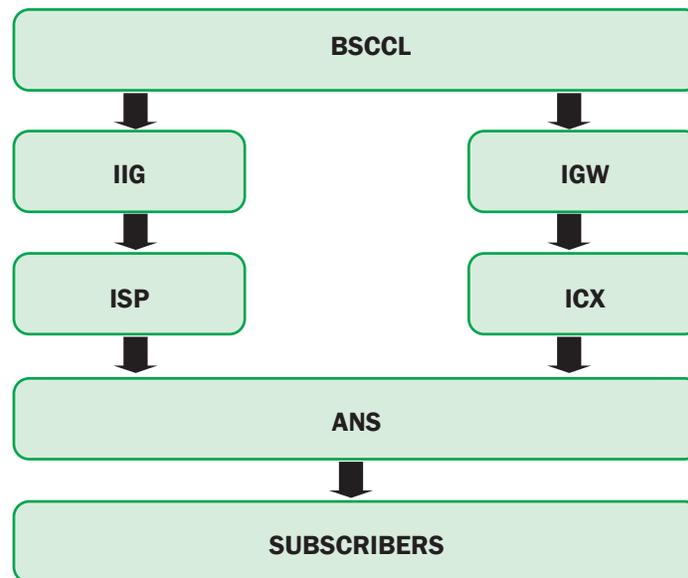
Six (6) International Terrestrial Cable (ITC) licenses have been issued by Bangladesh Telecommunication Regulatory Commission (BTRC). ITC license holders built International Terrestrial links with neighboring countries and offer IPLC services. Hence, ITC license holders are the main competitors of BSCCL and they are providing substantial bandwidth to the customers through terrestrial links with India for which the usage the submarine cable bandwidth is declining mainly due to price factor. To remain competitive in the market, BSCCL has also reduced the IPLC and IP Transit prices substantially.

BSCCL got IIG & ISP licenses from BTRC and already started the commercial operation of IIG unit. The Company has earned remarkable revenue during the reporting year by introducing these new services.

Product Line

BSCCL is authorized to sell or lease Bandwidth and provides IP Transit Service to the following, within the framework of the Licensing Guidelines and with the approval of the Bangladesh Telecommunication Regulatory Commission.

1. IIG (International Internet Gateway) Companies.
2. IGW (International Voice Gateway) Companies.
3. ISP (Internet Service Provider) Companies.
4. Any other corporate users interested in IPLC connections with dedicated bandwidth.

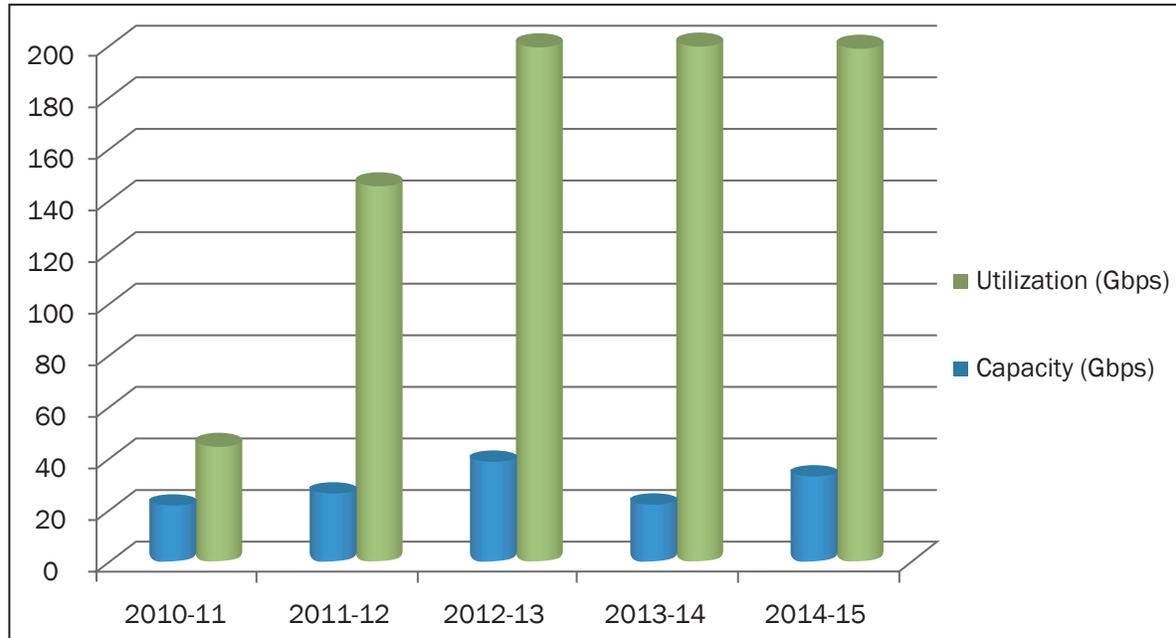


Capacity, Utilization and Upgrade#3 of SMW-4 Consortium

As a member of SMW-4 consortium, Bangladesh started with 7.5 Gbps bandwidth in the year 2006. Through upgrade 1 & 2, we received some bandwidth as a member country without any investment and our bandwidth capacity increased to 44.60 Gbps in 2008. BSCCL participated in Upgrade#3 of SEA-ME-WE-4 consortium to achieve additional around 6.8 million MIU*km capacity by investing Taka 48 crore from its own sources. Additional capacity has already been added with existing capacity and total bandwidth capacity of BSCCL reached to 200 Gbps and whole country is now using 33.52 Gbps from Submarine Cable.

Capacity and utilization chart are given below:

	2010-11	2011-12	2012-13	2013-14	2014-15
Utilization (Gbps)	21.86	26.00	38.75	22.50	33.52
Capacity (Gbps)	44.60	146.93	200.00	200.00	200.00



Establishing 2nd Submarine Cable (SEA-ME-WE-5 Submarine Cable System)

Submarine Cable is regarded as the main Telecommunications infrastructure for any country and it is one of the most important components for building a Digital Bangladesh by the year 2021. Bangladesh is connected to the SEA-ME-WE-4 submarine cable system through a branch cable from Cox'sBazar to the main cable in the deep sea. Due to natural calamities and manmade reasons, existing submarine cable is vulnerable to disruptions due to cutting up of cable and other incidents (such as repeater failure) of link outage. Therefore, an alternative submarine cable was a necessity to add redundancy to the existing submarine cable network as well as for route diversity of International Circuits.

Ministry of Posts, Telecommunications & Information Technology (MoPT&IT) permitted BSCCL to join the SMW-5 Submarine Cable consortium. BSCCL signed Construction & Maintenance Agreement (C&MA) on 7 March 2014 to join in the SMW-5 Consortium. To be connected with SMW-5 Cable the government initiated a project in the title of "Regional Submarine Cable Telecommunications Project, Bangladesh" which has been approved by ECNEC on 12th May, 2015. It is expected that by 2016 BSCCL will be able to be connected with the SMW-5 Cable.

Objective of the Project:

The main objectives of the project are:

- To be a part of developing an alternative submarine cable link, which will cater for complete redundancy if the SEA-ME-WE-4 submarine cable is disconnected.
- To diversify the route for submarine cable to additional destinations.
- To earn additional revenue by providing restorable circuits to the clients.
- To achieve additional bandwidth with diversity for the country.
- To provide backup for ICT related services like call center, software export, data entry, free lancing etc.

System Configuration:

SMW-5 will be a high capacity single backbone fiber optic network linking South East Asia, Middle East, East Africa and Europe. The members in SMW-5 are Singapore, Indonesia, Myanmar, Bangladesh, Sri Lanka, United Arab Emirates (DU), Saudi Arabia, France, China Mobile, China Unicom, China Telecom, Turkey, Tele Yemen, Egypt, Djibouti, Italy, Pakistan & Oman.

Financial Information:

1. The Total Amount of Investment would be Taka 660.64 crore.
2. Islamic Development Bank (IDB) will finance up to USD 44 million (App. Taka 352 corer) as loan.
3. The government will provide Taka 166.00 crore through year wise allocation in the Annual Development Program (ADP).
4. The rest amount of Taka 142.64 crore will be arranged from the company's own source.

SWOT Analysis for BSCCL;

Strengths:

- a. BSCCL has the sole ownership of submarine cable in the country under SMW-4.
- b. BSCCL is the Govt. owned public limited company.
- c. After implementation of 2nd submarine cable under SEA-ME-WE-5 consortium BSCCL will have redundancy and also a huge amount of bandwidth for national consumption as well as for export to the neighboring countries/International Market.
- d. BSCCL has secured a very good reputation over the Telecommunication industries of Bangladesh and abroad as well.
- e. The company has been using latest technology & provides high quality bandwidth.
- f. BSCCL is a profitable company since its incorporation.

Weaknesses:

- a. In future, BSCCL would not remain as the sole agency to supply bulk bandwidth to IGW, IIG and other corporate users. The competitors would be the ITC License holders. Thus BSCCL would require diversifying its business since the total Bandwidth sales might reduce for BSCCL.
- b. Currently BSSCL has a monopoly offering bandwidth to internet users in Bangladesh through Submarine Cable. However, BTRC licensed six companies for International Terrestrial Cable (ITC) services in January 2012, permitting international connectivity through terrestrial optical fiber links to neighboring countries' backbone networks. It may prove to be a cheaper source of bandwidth and thus impact BSCCL's business adversely.

Opportunities:

- a. GoB is making efforts to expand the reach of internet services in the country. Also, with more and more businesses going online, the demand in this segment is expected to rise at a healthy rate
- b. High speed bandwidth in IT Villages (Govt. initiated one in Kaliakoir, Gazipur District and other in Mohakhali, Dhaka) will enhance IT related businesses like Data Entry, Software Export, Call Centre services.
- c. The company is actively looking to offer more Bandwidth to North-East Indian states, the contract of which has already been signed between BSNL of India and BSCCL of Bangladesh. This will offer significant growth opportunities to BSCCL.
- d. Continued technological development is expected to see much higher bit-rates per user than currently in use, especially as patterns in the developed world are followed, flourish new business sectors like BPO.
- e. BSCCL might plan to provide backhaul service in future based on the two businesses.
- f. To implement the Vision 2021 GoB will require huge bandwidth and BSCCL is owner & supplier of bulk bandwidth.

Threats:

- a. The most crucial threat of the company faces is rapid technology change or damage to the current undersea cable system that the company operates. Since the operation is highly capital intensive, any change in technology used will severely affect BSCCL's business. Also, any serious defect in the equipments may affect the services offered and revenue source of the company.

Export of Bandwidth to Neighboring Countries:

The Government of India & Bangladesh has signed a contract for leasing 10 Gbps (extendable up to 40Gbps) IP bandwidth to BSNL from BSCCL of Bangladesh for meeting up the bandwidth requirements for data and voice of the eight North-Eastern provinces of India. The provinces are Assam, Meghalaya, Tripura, Mizoram, Manipur, Nagaland, Arunachal Pradesh and Sikkim. The said contract was signed in presence of the Prime Ministers of India & Bangladesh at time of the historic visit of Shri Narendra Modi to Bangladesh during June, 2015.

Nevertheless, the growth in telecommunications in Bangladesh has been phenomenal. Through export of bandwidth to our neighbors, the Company will be able to earn a sizable foreign currency in the near future.

Industry Risk

Customers always want to avail the services at lower rate that may reduce IPLC charges as well as total revenue of the company. Our competitors (6 ITCs) are giving the same services at much lower rate than of us.

Management Perception

Demand is increasing day by day regarding data and voice service. If the management of the company reduces charges of the product then volume of sales will be higher. This will increase the total revenue and thus decrease of price may not affect the earning of the company rather increase profit of the company.

Technology Risk

The most crucial risk in IT sector is rapid technological change. At present the world is going through technological revolution. However, the company has been using the latest technology and has the provision to upgrade system only through changing terminal equipment. Already the system has been upgraded three times which has enhanced the capacity and efficiency. It is expected that within the next couple of years there will be no significant investment requirements for the existing infrastructure of the company. So risk exposure for the company regarding technology remains at as acceptable level.

Market Risk

One of the major market risks for BSCCL is new competition. BSCCL handles the only submarine cable of Bangladesh; however the government has recently awarded licenses to six companies for International Terrestrial Cable (ITC). As a result, some of the existing clients might switch from BSCCL to new vendors to get bandwidth support. Companies who have been awarded the license are Novocom Limited, One Asia Alliance Ltd, BD Link Communication Ltd., Mango Teleservices Ltd., Summit Communications Ltd. and Fibre@Home Limited. ITC establishments are already operational from mid 2013. However it is expected that the ITC operators will not be able to offer services at relatively competitive prices since they involve long transmission cost from Mumbai and Chennai. The quality of bandwidth will be also be better in Submarine Cable System. Thereafter the exposure of market risk remains low for the company. In the recent days, the ITC companies went in to unholy price war and spoiled the market stability. BSCCL has actively reduced their bandwidth prices to match the market prices.

Operational Risk

Presently, Bangladesh has only one submarine cable system, and if the submarine cable is cut, the country would suffer adversely in terms of voice and data communication for at least 7-10 days till the cable gets repaired. Although some relative magnitude of communication through satellite system and ITC will be available, that will be less in comparison to Submarine Cable. However the company can cope with such a situation through diversion facilities availed through other submarine cables and thereafter operational risk associated to the concern remains low.

Pricing Risk

BSCCL is in a monopoly position in the submarine cable market; therefore it has enough flexibility to change the price of their service when required. However, BTRC and the Government are the bodies that control the price. Government and stakeholders are creating pressure to reduce IPLC charges which

reduction impacts adversely over the revenue generation of the company. However the company has intended to adjust price versus volume to address this risk and keeping exposure towards the risk at an acceptable level.

Extra Ordinary Gain (Loss)

There was no extra ordinary gain by the company during the year under reporting.

Related Party Transactions

The related party transactions entered by Company has been presented in Note no. 49 of the audited financial statements.

Utilization of Proceeds from IPO

The company received Taka 108.5 crore proceeds from IPO and spent Taka 5.17 crore for IPO expenses. The remaining amount of Tk. 103.33 crore has been utilized for payment of 1st installment of SEA-ME-WE-5 Project which was approved by the shareholders.

Significant Variance of Financial Statements:

Revenue as well as net profit after tax has been declined significantly in the financial statements during the year ended on 30 June 2015 due entering new competitors in the business.

Remuneration to Directors:

During the financial year 2014-2015 Taka 7,36,000 (including VAT) was paid as Directors Remuneration for attending Board of Directors Meeting. The Board of Directors in its 76th meeting held on 19 February 2013 increased the Board Meeting attendance fees from Taka 4,000 to Taka 5,000 for each Director as per Articles of Association of the Company.

Appointment of Managing Director:

Upon nomination by Bangladesh Government the Board of Directors of BSCCL in its 100th meeting has appointed Mr. Md. Monwar Hossain as Managing Director of BSCCL for a period of two years. It was done through a Country wide open Competition. The selection committee was formed by the Ministry, comprising senior Govt officials of various Ministries.

Credit Rating of the Company:

Credit Rating Information & Services Limited (CRISL) has rated BSCCL consecutive 3 years as "AAA" in the long term and "ST-1" in the short term, both Government support and stand-alone basis.

The above ratings have been assigned after due consideration to its good fundamentals such as substantial Government ownership, strong equity base, good financial and operating performance, sound liquidity, experienced management team and diversified business.

Human Resources Policy:

Total approved human resource of the company stood 170 under the new organogram and at present working staff are 78 on 30 June, 2015. Among the employees 35 are in the Officer Level and 43 are support Staff. Compared to the officers, the number of staff has been found to be on the higher side. Again the Company has 70 permanent, 08 contractual employees. The Company has separate services regulations approved by the Board. There was no employee turnover of the Company during this reporting period. After incorporation in 2008, only two employees resigned from the Company. The Company provides festival bonus, profit bonus, provident fund, gratuity to all employees and hospitalization benefits after due analysis of cases. The performance of the employees is evaluated on regular basis which is the key factor for promotion.

IT and MIS:

As an IT based telecom organization, BSCCL has been operating with a good IT infrastructure for the tasks related with technology. BSCCL has SSEOPS and GO-Global UX 2.1.2 to communicate with other landing stations in real time virtual online network. Submarine cable landing station has data management system called System Surveillance Equipment (SSE) which allows the operator to monitor and control the entire submarine system. The Company has Network Operation Center (NOC) modules like Trouble Ticket, Inventory Management, System Status, Restoration Status, Termination Station Module etc. Other supporting tasks are less complicated.

The Directors report that:

- The Financial Statements of the Company present fairly state of affairs, results of its operation, cash flows and changes in equity.
- Proper books of account as required by the prevailing laws have been maintained.
- Appropriate accounting policies have been consistently applied in preparing the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- The financial statements have been prepared in accordance with applicable IAS/BAS/IFRS/BFRS.
- The internal control system is sound in design and has been effectively implemented and monitored.
- There is no significant doubt about the Company's ability to continue as a growing concern.

Board of Directors Meeting: During the financial year 2014-2015, 16 (sixteen) Meetings of the Board of Directors was held to discuss routine business issue of the Company as per the following:

Name of Directors	Designation	No. of Meetings held	Attendance	Tenure of the relevant director
Mr. Md. Faizur Rahman Chowdhury	Chairman	15	15	Aug' 2014 to Jun' 2015
Mr. Abubakar Siddique	Chairman	1	1	Till Aug' 2014
Mr. Jalal Ahmed	Director	16	14	Full year
Mr. Md. Feroz Salah Uddin	Director	14	14	July' 2014 to May' 2015
Mr. Shawkat Mostafa	Director	2	2	May' 2015 to Jun' 2015
Mr. Rabindra Nath Roy Chowdhury	Director	16	12	Full year
Col. Md. Arefin Talukder	Director	16	15	Full year
Dr. Md. Mahbubul Alam Joarder	Director	16	16	Full year
Mr. Mohammad Shahjahan Khan	Independent Director	16	9	Full year
Mr. Nasir Uddin Ahmed FCA	Independent Director	16	14	Full year
Mr. Md. Monwar Hossain	Managing Director	14	14	July' 2014 to Sep' 2015 & 06 Nov' 2014 to Jun' 2015
Mr. Abdus Salam Khan, FCS	Managing Director (Additional Charge)	2	2	06 Oct' 2014 to 05 Nov' 2014

The pattern of shareholding as required by clause 1.5 (xxi) of the SEC Notification dated 7th

SI No	Name of Shareholder	Status	Shares held	Percentage
i)	Parent/Subsidiary/Associate Companies			
	Ministry of Post & Telecommunications		11,06,98,922	73.84%
ii)	Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses and minor children			
	Mr. Md. Faizur Rahman Chowdhury	Chairman	0	0.00%
	Mr. Jalal Ahmed	Director	0	0.00%
	Mr. Shawkat Mostafa	Director	0	0.00%
	Mr. Rabindra Nath Roy Chowdhury	Director	25	0.00%
	Dr. Md. Mahbulul Alam Joarder	Director	0	0.00%
	Col. Md. Arefin Talukder	Director	0	0.00%
	Mr. Nasir Uddin Ahmed	Independent Director	0	0.00%
	Mr. Mohammad Shahjahan Khan	Independent Director	0	0.00%
	Mr. Md. Monwar Hossain	Managing Director	25	0.00%
	Mr. Md. Monwar Hossain	CEO	92,615	0.06%
	Mr. Shukanta Kumar Debnath	CFO	0	0.00%
	Mr. Md. Abdus Salam Khan	Company Secretary	164	0.00%
	Mr. Mohammad Shahadat Hossain	Head of Internal Audit	0	0.000%
iii)	Executives (as explained in the SEC Notification No: SEC/CMRRCD/2006 158/Admin/02-08 dated 20 February, 2006			
	Mr. Parvez Monon Ashraf	DGM (BWP)	9,665	0.01%
	Mr. Mohammad Zakirul Alam	DGM (Development)	40	0.00%
	Mr. Abdul Wahhab	DGM (IIG)	0	
	Mr. Md. Shakawat Hussain	Manager (Maintenance)	0	0.00%
	Mrs. Nazia Hassan	Manager (Sales)	8,300	0.01%
	Mr. Muhammed Shoeb Ali	Manager (BWP)	30	0.00%
iv)	Shareholders holding ten percent or more voting interest		Nil	
v)	Individual Shareholders holding ten percent or more voting interest		Nil	

Appointment / Re-appointment of Directors

As per Articles of Association of the company, Dr. Md. Mahbubul Alam Joarder, Director, and Col. Md. Arefin Talukder, Director will retire at the 7th Annual General Meeting by rotation and being eligible for re-election they offer themselves for re-election in the same Annual General Meeting.

After completion of 6th AGM the Board of Directors has appointed Mr. Shawkat Mostafa, Additional Secretary, Posts and Telecommunications Division, Ministry of Posts, Telecommunications & Information Technology as the Directors of the company in place of Mr. Md. Feroz Salah Uddin, Ex- Additional Secretary, Posts and Telecommunications Division, Ministry of Posts, Telecommunications & Information Technology and Ex- Director of the company. Furthermore during that time, the Board of Directors has appointed Mr. Hossain Khaled, President, DCCI as Independent Directors of BSCCL in place of Mr. Mohammad Shahjahan Khan, Ex-President, DCCI & Ex-Independent Directors of BSCCL. Apart from above the Board of Directors of BSCCL in its 100th Meeting appointed Mr. Md. Monwar Hossain as the Managing director of the company for a period of 2 (two) years. The appointment of above mentioned Directors would be placed at the 7th AGM for the approval of shareholders. The Brief Resume of the Directors who seek appointment/re-appointment in the ensuing 7th AGM are given in Page no 10 to page no 12.

Compliance of Notification No. SEC/CMRRCD/2006-58/134/Admin/44, dated 7th August 2012.

Board of Directors:

1.1 Board Size:

The number of members of the Board of Directors stands at 9 (including Independent Directors & Managing Director) which are within the limits given by BSEC.

1.2 Independent Director:

1.2.1 Mr. Nasir Uddin Ahmed, FCA, FCS

In terms of the provision of Corporate Governance Guidelines of BSEC, the Board of Directors has appointed Mr. Nasir Uddin Ahmed, FCA, FCS as Independent Director of the Company on 28 April 2014 in place of Mr. Nanda Gopal Chakraborty, Independent Director, BSCCL. Mr. Nasir is Ex-President and current Council member of the Institute of Chartered Accountants of Bangladesh (ICAB). He is a Partner of a well reputed CA firm namely MABS & J Partners, Chartered Accountants. He is member of various professional bodies both at home & abroad. He has participated in various seminars, conferences at home & abroad and represented ICAB at various professional events at home and abroad. He worked for two British Multinational Companies for more than two decades at various finance positions and finally as Finance Director. He has served various organizations as Director/Independent Director previously and is currently on the board of few other companies.

1.2.2 Mr. Hossain Khaled

In terms of the provision of Corporate Governance Guidelines of BSEC, the Board of Directors appointed Mr. Hossain Khaled, President, Dhaka Chamber of Commerce & Industry (DCCI) on 5th July 2015 in place of Mr. Mohammad Shahjahan Khan as Independent Director of the Company. Mr. Khaled is a highly educated and is well known business personality. He is engaged in Financial Services, Manufacturing, housing and many other business.

1.3 Qualification of Independent Directors:

Mr. Nasir Uddin Ahmed, FCA, FCS is a Partner of a well reputed CA firm namely MABS & J Partners, Chartered Accountants. He is the fellow member of Institute of Chartered Accountants of Bangladesh (ICAB) and Institute of Chartered Secretaries of Bangladesh (ICSB). He is also a member of the Institute of Internal Auditors, Singapore. He holds a first class in Bachelor of

Commerce with honours in Accounting and also Post Graduation in the same subject from University of Dhaka Mr. Hossain Khaled, President, Dhaka Chamber of Commerce & Industry (DCCI) is a vastly experienced business personality. He has obtained his BBA in Accounting from University of Toledo, Ohio, USA and MBA in International Banking from Texas A&M University, Texas, USA. As business leader he is related with various organizations in different capacities.

1.4 Chairman of the Board and Chief Executive Officer:

The position of the Chairman of the Board and the Chief Executive Officer stand separated. The roles of the Chairman and CEO/Managing Director are clearly defined in the Articles of Association of the Company.

1.5 Directors Report to Shareholders:

All the requirements have been fulfilled.

1. Chief Financial Officer (CFO), Head of Internal Audit (HIA) and Company Secretary (CS).

The Company appointed Chief Financial Officer (CFO), Head of Internal Audit (HIA) and Company Secretary (CS) as per Corporate Governance Guidelines of BSEC.

2. Audit Committee:

The Audit Committee, as a Sub-Committee of the Board, was constituted on 25 September, 2012. Recently the Audit Committee has been reconstituted with two Independent Director and one other Director. The Company Secretary acts as Secretary to the Committee. Role of the Audit Committee as per provision of the SEC regulation has been duly adopted by the Board. The report of the Audit Committee is included in the Annual Report for 2014-15.

3. External Statutory Auditors:

The BSEC guidelines are being strictly followed in engaging statutory Auditors.

4. Subsidiary Company:

The company has no Subsidiary Company.

5. Duties of CEO & CFO:

The provision of BSEC regulations has been complied.

6. Reporting and Compliance of Corporate Governance:

Requirements on the above are being complied with.

Capital Structure:

The Company is incorporated with an authorized capital of Taka 1,000 crore divided into 100 crore ordinary shares of Taka 10/- each out of which the paid up capital is Taka 1,499,141,000 divided into 149,914,100 ordinary shares of Taka 10/- each.

State of the Company's affairs:

Generally the company is formed for providing bandwidth and to get the telecommunications services easily accessible to the people. The main achievement during the year under review was to enhance the IIG business, in which we have achieved a very good growth in bandwidth utilization and financial growth. At the same time, BSCCL has entered in SEA-ME-WE-5 consortium by signing C&MA for establishing 2nd Submarine Cable of the country. It is expected that by 2016 the 2nd Submarine Cable of the country will become operational.

Financial Results:

During the year ended on 30 June 2015 the Company has earned comprehensive income of Taka 129.06 million. A brief result is shown as under:

Particulars	Figures in million (Tk.)		Growth (%)
	2014-15	2013-14	
Revenue	540.68	753.74	(28.27)
Direct Operating Cost	261.38	235.92	10.79
Gross Profit	279.30	517.83	(46.06)
Operating Exp.	208.49	199.35	4.58
Operating Profit	70.81	318.48	(77.77)
Non operating Income (Expenses)	75.12	194.07	(61.29)
Net profit before tax	138.99	488.15	(71.53)
Income tax expenses	9.93	125.80	(92.11)
Net profit after tax	129.06	362.35	(64.39)
Tax Holiday Reserve for 2014-15	20.17	23.70	(14.89)
Total Comprehensive Income	129.06	362.35	(64.39)
Proposed Dividend	149.91	149.91	

Dividend:

The net profit after tax of the Company stands at Taka 129.06 million during the year ended 30 June 2015. The Board of Directors recommends 10% Stock Dividend for the year ended on 30 June 2015.

Fairness of the Financial Statements and Accounting Policies:

It is the responsibility of the directors as per the provisions of the Companies Act, 1994 to prepare financial statements for each year. The financial statements and other financial information included in this report fairly present all material respects, the financial conditions, results of operations, cash flow statements and the changes in equity of the company for the year under review.

The company has used appropriate accounting policies in preparation of these financial statements supported by reasonable and prudent judgments and estimates as necessary. International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), as applicable in Bangladesh have been followed in preparation of these financial statements in compliance with the relevant accounting policies.

Duties of the CEO and CFO:

The CEO and CFO have certified that

- To the best of their knowledge and belief, they have reviewed the financial statements for the year ended on 30th June 2015.
- These statements did not contain any materially untrue statement or omit any material fact or did not contain any misleading statements.
- These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- There were no transactions entered into by the company during the year which are fraudulent, illegal, or violation of the company's code of conduct.

Directors:

Pursuant to the provision of article 120,121 and 122 of the Articles of Association of the Company read in conjunction with those of the Companies Act, 1994 at the 7th Annual General Meeting, one third of the directors of Bangladesh Submarine Cable Co. Ltd. shall retire from office. Accordingly two directors namely Dr. Md. Mahbulul Alam Joarder and Col. Md. Arefin Talukder, who are longest time in the office, shall retire at the 7th Annual General Meeting. Both of them have expressed their interest to be reappointed and are eligible for re-election.

The Board of Directors in its 109th and 111th Meeting appointed the following Directors/Independent Directors in place of replaced/resigned Directors/Independent Directors. As per Companies Act 1994 and Articles of Association of the company, all the directors mentioned below except Independent Directors shall not retire in the 7th AGM. All of them have expressed their willingness to be reappointed as they are eligible for re-election.

SL	Name & Occupation of Newly Appointed Directors	Name & Occupation of Retiring Directors	The Board Meeting in which the change was incorporated	The Date of Board Meeting in which the change was incorporated
1.	Mr. Md. Monwar Hossain Managing Director, BSCCL.	Mr. Abdus Salam Khan Company secretary & Managing Director (Additional charge), BSCCL.	100 th	05 th November 2014
2.	Mr. Shawkat Mostafa Additional Secretary, Ministry of Posts, Telecommunications & Information Technology, Bangladesh Secretariat, Dhaka.	Mr. Md. Feroz Salah Uddin Ex-Additional Secretary, Ministry of Posts, Telecommunications & Information Technology, Bangladesh Secretariat, Dhaka.	109 th	20 th May 2015
3.	Mr. Hossain Khaled, President, Dhaka Chamber of Commerce & Industry, Motijheel, Dhaka. (Appointed as Independent Director, BSCCL).	Mr. Mohammad Shahjahan Khan Ex-President, Dhaka Chamber of Commerce & Industry, Motijheel, Dhaka.	111 th	05 th July 2015

Apart from above the Board of Directors of BSCCL in its 100th Meeting appointed Mr. Md. Monwar Hossain as the Managing director of the company for a period of 2 (two) years. The appointment of Mr. Md. Monwar Hossain will be placed in the upcoming AGM for the approval.

Auditors:

The office of the present Auditor ACNABIN Chartered Accountants will expire with the completion of 7th Annual General Meeting (AGM). As the existing Auditor has completed 3(three) successive years with BSCCL, in accordance with the BSEC direction we have to appoint a new Auditor for our Company for the FY 2015 -2016.



Conclusion:

The Board of Directors would like to convey its deep gratitude to all the shareholders for their cooperation and support towards development of the Company. The Board of Directors would like to express its grateful appreciation for the support and guideline received from the Ministries of Posts, Telecommunications & Information Technology, Finance, Commerce, Science & Technology, Bangladesh Telecommunication Regulatory Commission (BTRC), Bangladesh Telecommunications Co. Ltd. (BTCL), BSEC, DSE, CSE, CDBL, RJSC, NBR and other Government Organizations.

The Directors also wish to express their thanks for BSCCL Management for good team spirit, hard work, and dedicated services towards the growth and progress of the Company. The Directors also thank all the staff of the company, the suppliers of goods and services and Banks and Financial Institutes for their support. The Board of Directors expects that IT related services would flourish in the country and we would achieve a digital service based society. Thank you very much for your kind participation.

Thanks & regards

For and on behalf of the Board of Directors

NASIR UDDIN AHMED, FCA, FCS
DIRECTOR

MD. MONWAR HOSSAIN
MANAGING DIRECTOR



cwi Pvj KgUj xi cZte` b

m=šwbZ tkqvi tñvi vi e,` ,

evsj vt` k mvetgwi b tKej tKv=úvbx wj wgtUW -Gi 7g ewl R mvaviY mfvq Avcbvt` i tK `MZ Rvbw`Q| GKB mvt_ tKv=úvbx cwi Pvj bv Kvhp`g, 30 Rb 2015mLt Zwi tL mgvB A_`ermi chS`-wbixw`jZ Aw_`R weeiYx Ges wbiX`jv cZte` b mgn Avcbvt` i Df`i tK` Dc`-vcb Ki tZ tcti Avgiv Avb` Z|

Av_`mgwRK tc`jvcU Ges AvŠRwZK tUwj thvMvthvM wki LvZ t

wemZ KtqKwU eQti evsj vt` tki A_`BwZ evrmwi K 6% Gi tekx cE`p` nvi mnKvti weKwZ ntqtQ| DbZ wetkji A tK t`k A_`BwZK g`vi Kej cotj I evsj vt` k `w`jY Gwqv Ai KtqKwU t` tki gta` GKwU hvi ewl R wRwMv cE`p` mvi wetkji `w` AvKI` Ki tZ m`jg ntqtQ| tUwj thvMvthvM, M`vm I we`jr LvZ I `ef` wK mivmwi webtqvtMi dtj D tL thvM` cE`p` N tU tQ|

`wi` wvetgPb, wki gZinvi nwm, bviX AwKvi ev`evqb, gv`wvcQz Avq, Avqy cZ`vkv, wWvRUj wetf` nwm, mgZvi nvi Ges Ab`vb` mP`Ki t`j tI mvc`ZK eQi t`j vtZ `w`jY Gkxq Acivci t`k wj i Zj bvq evsj vt` tki K_v wetkl fite Avtj vPbvq Avm tQ| w`gtj w`vqg tWfj ctgU tMvj` Gi j`j`mg`ni gta` wK`vsk evsj vt` k cZ`wKZ mg`qi AvtMB ARB Kti dtj tQ| moK cwienb I thvMvthvM, we`jr I cwb mieivn e`e`vi AeKwVtgv Dbqtb evsj vt` k m`šw RbK MwZ tZ GwM`q P t j tQ| MZ KtqKwU eQti evsj vt` k Z_` I thvMvthvM ch`p` i t`j tI e`vcK AM`wZ ARB Kti tQ| m=úwZ evsj vt` k w`v`Avtqi t` tki Zwj Kv ntZ w`v`aga`g Avtqi t` tki Zwj Kvq DbwZ ntqtQ|

wektq`bi GB h`M tUwj thvMvthvM nt`Q AZ`š-Zvrch`Y`GKwU w`lq Ges A_`BwZK Dbqtb `i`Zc`Y`f`w`Kv cvj b Kti | evsj vt` k miKv`i GKwU `i`Zc`Y`Dbqtb j`j` nt`Q t` tki Rb` GKwU kw`kvj x tUwj thvMvthvM e`e`v Mto tZvj v| AvŠRwZK tUwj thvMvthvM e`e`vi i`i`Z Avgv` i t`k w`j U, Zwj ever`, teZevbqv Ges gnvLvj tZ Aew`Z f`-tK` t` gva`tg DcM` e`e`vi m`š msh`p` w`j | K`v`DUvi, tgvevBj I mvetgwi b tKej tBU qvK`e`e`vi Awef`ei dtj tUwj thvMvthvM LvZ GK bZb h`Mi mPbv ntqtQ hvi dtj thvMvthvM ch`p` I B`Uvi tBU e`envi e`vcK fite ep` tctqtQ| evsj vt` tki gZ GKwU NbemwZc`Y` t` tUwj thvMvthvM A_`BwZK I RbM`Yi R`ebgvb Dbqtb GKwU w`vqgK f`w`Kv cvj b Ki tZ cv`i | Avgv` i t` tK 1990 mvj t` tK AvR chS`-tgvevBj thvMvthvM e`e`vi D tL thvM` AM`wZ mwaZ ntqtQ Ges tgvevBj e`envi Kvixi msL`v GLb c`q 12.6 tKwU| miKvi `j I K t j R ch`q B`Uvi tBU tmev t`ctQ t` qvi j t`j` w`f`b`c` t`j`c M`Y Ki tQ Ges B`Uvi tBU tmev me`mvavi`Yi m`q`j`Zvi gta` w`b`q Avmvi Rb` gj` nwm Kti tQ| hvi dtj eWe`vU B`Uvi tBU tmev ax`i ax`i mvi t` tK Qw`q cotQ| eZ`v`b evsj vt` tK B`Uvi tBU e`envi Kvixi msL`v nt`Q 5.07 tKwU| mvetgwi b tKej & e`e`vi gva`tg eWe`vU B`Uvi tBU i `Z` ch`vi N tU tQ| G`j` tI mvetgwi b tKej & e`e`v tK tUwj thvMvthvM i gj` w`f`E` w`nt`m`e MYbv Kiv ntq `vtK| mvetgwi b tKej & e`e`v q DbZ ch`p` e`envi AwZD`P gv`vi e`v`DBW` Ges DbZ gv`bi tmev mieiv`ni gva`tg evsj vt` k Ges ew`f`etkji mvt_ tUwj thvMvthvM i`j`v Kiv nq|

evsj vt` tK weGmwmGj -Gi mvetgwi b tKej & e`e`vi gva`tg WvUw `v`v`š`i e`envi D tL thvM` mPK nvti ep` tctqtQ Ges w`f`b`etmev c`v`v`vix ms`v thg`b- IIG, BWA, tgvevBj Acv`iUi Gi m`y`e`av t`f`vM Kti Avm tQ| w`f`kb -2010 ev`evq`bi Rb` evsj vt` k miKvi tek wKz D tL thvM` c` t`j`c M`Y Ki tQ Ges tm j t`j` eWe`vU e`envi 7% (2011) t` tK 2015 mvtj i gta` 30% chS`-e`env`i i j`j` gv`v` w`b`a`f`Y Kiv ntqtQ| GQov mKj B`Uv`q`b cwi l`, 17 j`j` w`k`j`v c`Z`v`b` tK eWe`vU thvMvthvM e`e`vi AvL Zvq Avbvi cwi Kiv M`Y Ki tQ| w`f`kb 2010 ev`evq`bi Rb` c`bi e`v`DBW` Gi c`q`v`Rb ntZ cv`i hvi c`v`b thvMv`v`Zv nte weGmwmGj |

wegmwmGj evsj vt` k miKv`i i vR`^Av`q `i`Zc`Y`f`w`Kv cvj b Ki tQ| weGmwmGj Gi mvetgwi b tKej & e`e`v AvŠRwZK tUwj thvMvthvM AeKwVtgv gj` w`f`E` mvetgwi b tKej & Gi D`PMwZ m=ú`b`etmev I w`f`P`thvM` m`š`thvM eZ`v`b wetkji eWe`vU B`Uvi tBU e`e`v Lp` `Z` DbwZ m`v`b` Kti tQ| eZ`v`b` c`q` mKj AvŠRwZK U`w`K mvetgwi b tKej & Gi gva`tg mieivn ntq `vtK| Acw`K`v`j mvetgwi b tKej & e`e`v D`Eg Pw`v` i tqtQ Ges G_`tj`v Ask`v`ix t` kmg`ni Rb` `i`Zc`Y`R`v`Z`q m=ú` |

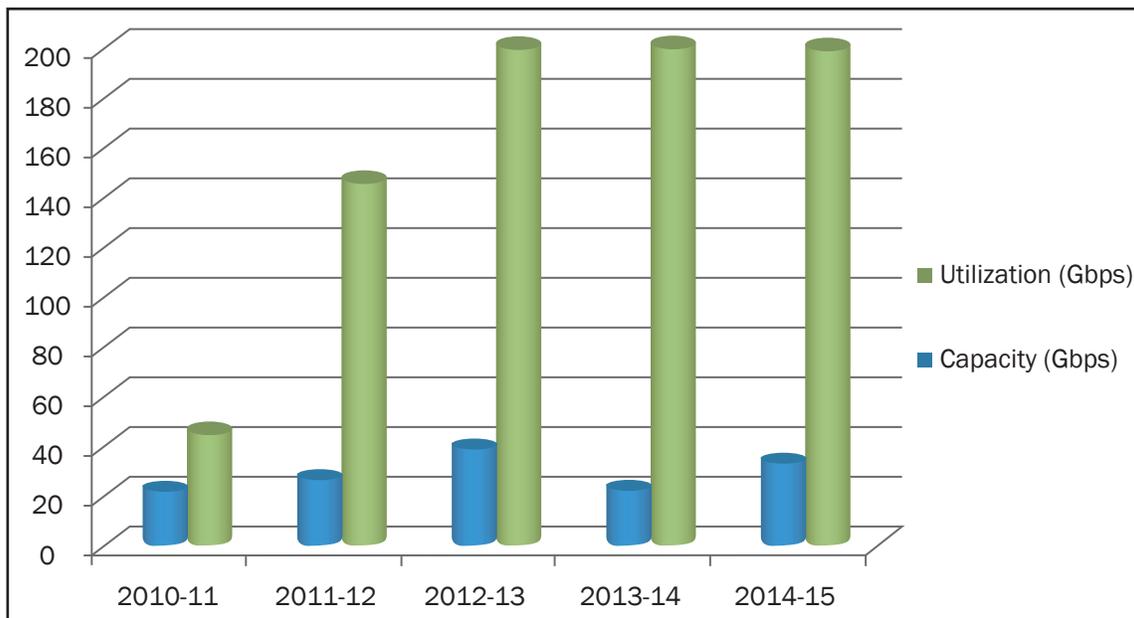


K'vcwmU, e'vÜDBW&_i e'envi Ges SMW-4 KbtmU@tg tKetj i AvctMÜ-3 cüq

SMW-4 KbtmU@tg m`m` wntmte evsj v`k 2006 mtj 7.5 wRveicGm e'vÜDBW_ wbtq hv`v`i` Kti | AvctMÜ-1 Ges 2 Gi gva`tg tKvb wbtqM OvovB Avgiv wKQye'vÜDBW& ARB Kwi Ges 2008 mtj weGmimGj Gi K'vcwmU `wvq cüq 44.60 wRveicGm | fvel`tZi K'vcwmU Ges Pwn`vi wetePbvq cZxqgvb ntqtQj th 2013-14 A_`eQti i tkl bvm` we`gvb K'vcwmU e'eüz ntq thZ cvti | tUvj thvMthvM t`q`i emvR`K Kvh`rg cñwi Z nI qvi dtj e'vÜDBW& Pwn`v tetob Pj wQj | GgZve`vq, SMW-4 KbtmU@tg AvctMÜ-3 cüq weGmimGj AskMöY Kti AvZwi` 6.8 wgvj qb wgd wKtugt K'vcwmU ARB Kti | GtZ weGmimGj 48 tKwU UvKv wvR`^Znvej ntZ wbtqM Kti`Q | we`gvb K'vcwmU i m`½ BtZvgta`B AvZwi` 3 K'vcwmU thvM ntqtQ hv`Z tguU K'vcwmU `wbtqQ cüq 200 wRveicGm Ges t`ke`v`x cüq 33.52 wRveicGm K'vcwmU mvetgwi b tKetj &t_K e'eüz nt`Q |

K'vcwmU Ges e'envi PvU@bP t`qv nj t

	2010-11	2011-12	2012-13	2013-14	2014-15
e'envi (wRveicGm)	21.86	26.00	38.75	22.50	33.52
K'vcwmU (wRveicGm)	44.60	146.93	200.00	200.00	200.00



wZxq mvetgwi b tKetj (SMW-5 mvetgwi b tKetj wnt`÷g)

GKwU t`tki Rb` mvetgwi b tKetj tK tUvj thvMthvM AeKvWvtgvi gj wfvE wntmte wetePbv Kiv nq Ges 2021 mtj wvRwUvj evsj v`k Movi t`q`i` GwU metPtq `i`ZcY`w`elqmg`ni gta` GKwU | Avgiv Rwb th, K` evRvi ntZ GKwU kvLv tKetj i Oviv Mfivi mgf` SMW-4 Gi gj tKetj i m`½ evsj v`k mshy` ntqtQ | cÜKwZK `thvM Ges Ab`vb` cñy`MZ mgm`vi Kvi`Y we`gvb mvetgwi b tKetj w`tKetj KvuÜ ev i`q`Yvte`q`b Kv`Ri Rb` msthvM mvgwKfvte` q`wZMÖ`ev wew`Qbe ntZ cvti | mZi`v Av`iv GKwU mvetgwi b tKetj i gva`tg we`gvb e`e`vi GKwU weKí msthvM wvöZ KivUv Acwi nvh` wQj |

wK, tUvj thvMthvM I Z_`cñy` gS`Yvj q weGmimGj tK SMW-5 mvetgwi b tKetj KbtmU@tg thvM`vbi Rb` AbgvZ cÜvb Kti | weGmimGj MZ 7B gvP` 2014wL` Zwi`L SMW-5 KbtmU@tg thvM`vbi Rb` wbgP Ges msi`q`Y (wvGÜGgG) Pw` 3 `q`i Kti | wZxq mvetgwi b tKetj i m`nZ mshy` nI qvi Rb` miKvi "Regional Submarine Cable Telecommunications Project, Bangladesh" kvR` cKí MÖY Kti`Q | D` 3 cKí GKtbK KZR` MZ 12B tg, 2015wL` Zwi`L Ab`gwi` Z nq | Avkv Kiv hvq, weGmimGj 2016 mvj bvm` D` 3 tKetj mshy` ntZ cvite |



cwi Pvj bv SñK t

eZgvtb ersj vt`tki mvetgwi b tKej & gvĠ GKwU Ges GB mvetgwi b tKej wU KvUv cotj f`tqm I tWUv KwgDwbtkKktbi tġġġġ ASZ 7 t`tk 10 w`tbi Rb` t`ktk tek wect` i gġL cotZ nte| hw` I DcMh e`e`v I AvBwUmi gva`tg wKQWv thvMvthvM ivLv mæe nte wKS` mvetgwi b tKetj i mvt` Zj bv Kitj Zv ht`ó KggvĠvi | Zte Acivci mvetgwi b tKetj i mjevav e`envi Kti tKvæúvbx G aiġYi cwi w`wZ tgvKvtej vq mġġg ZvB cwi Pvj bv SñKi gvĠvi Kg wntmte ej v hvq|

gj` wbaġġYi tġġġġ SñK t

mvetgwi b tKetj i tġġġġ tKvæúvbx GKġPwUqv Awact`Z`i Rb` cġqvRb gZ gj` cwi eZġbi tġġġġ tKvæúvbx `vaxbZv i tġġġġ| Zte miKvi I weUAviwm gj`nvi vbqSġ Kti `vġK| miKvi Ges t`-K tnvġ vi eġ` AvBwGj wm PvR`Kgvġbvi Rb` tek AvMhX ntj I GġZ Kti tKvæúvbx tgvU ti wfvbD Ktg thġZ cvti | mZivs gj` wbaġġYi tġġġġ tKvæúvbx Rb` wKQWv SñK we`gvb| G aiġYi gj` nvtmi tġġġġ tKvæúvbx Avq e`vcKfvte ġwZMġ` nġZ cvti | Zte weGmwmGj e`vÜDBW& Gi mieivn epxi weciġZ gj` mstKvPġbi gva`tg gj` wbaġġYi SñK MhYthvM` gvĠvq mwgZ ivLġZ Pvq |

A`vfvweK Avq ev e`q t

wetepbvaxb eQti tKvæúvbx A`vfvweK tKvb Avq ev e`qi NUbv NġUwb|

AvstæmæúwKZ tKvæúvbx tj bt` b t

Pj wZ A`eQti AvstæmæúwKZ tKvæúvbx tj bt` b BAS-24 Abynti Aw`R cġZte`tbi tbtU bvævi 49-G we`wi Z ewYZ AvġQ|

Aw`R cġZte`t ZvrcheY`ePzvwZ t

Pj wZ A`eQti bZb cġZthvMx tKvæúvbx Aw`fvtei dtj Ges e`vÜDBW& Gi gj` wbaġġY GKwU Amg cġZthvMZvi KviġY tKvæúvbx Avq I bxU gbjvqv ZvrcheY`ePzvwZ cwi j wġġZ ntġġQ|

cwi Pvj Keġ` i mæġbx t

A`ermi 2014-2015 -G teW`mfivq Dcw`wZ eve` cwi Pvj KMYġK tgvU 7,36,000/- UvKv mæġbx wntmte cġvb Kiv ntġġQ|

e`e`vcbv cwi Pvj tKi vbġqM t

mgMġt ke`wac GKwU cwi "ObwæġZthvMZvi gva`tg miKvi e`e`vcbv cwi Pvj K vbġqM Kivi e`e`v MhY Kti Ges ZġZ cġg `vb Awakvi Kivq MYcRvZSġ ersj vt`k miKvi gġbvqb cġvb Kitj tKvæúvbx cwi Pvj bv clġ i 100Zg mfivq Rbve tgvv gġbvqi tnvġmbġK `ġ eQi tgvv tKvæúvbx e`e`vcbv cwi Pvj K wntmte vbġqM cġvb Kiv nq|

tKvæúvbx tµwU tiwS t

tµwU tiwS Bbditgkb GÜ mwf`m wj wġġUW (CRISL) KZġ tKvæúvbx tµwU tiwS Kiv nq Ges cici ZZxqvti i gZ `xN`tgqv`x tiwS "AAA" Ges `f tgqv`x tiwS "ST-1" ARġ Kti | tKvæúvbx KZ`tjv tgġj vbqvgK h`v - miKviti i chġB Ask`wi Zi; gj`atbi chġBZv, mġsh RbK Aw`R Ges cwi Pvj b gbjvqv, cġqvRbxq Zvij`, `ġ e`e`vcbv Ges eúmea e`emv BZ`w`i wfvġZ tµwU tiwS Gi gvb wbiġcZ nq|

gvbe mæú` e`e`vcbv t

Abġgwi`Z gvbemæú` Kwġtgv Abhvqx tKvæúvbx tgvU KgRZP I KgPvixi msL`v 170| 30tk Rb 2015 Zwi ġL tKvæúvbxZ vbhġ KgRZPKgPvixi msL`v wQj 78 Rb| KgRZP35 Rb Ges KgPvix 43 Rb Gi ġta` 70 Rb `vqxvte vbhġ Ges A`vqxvte vbhġ AvġQ 8 Rb| weGmwmGj Gi teW`KZġ Abġgwi`Z vbR`^gvbe mæú` e`e`vcbv bwiZgij v i tġġġġ| Pj wZ A`ermi tKvæúvbx tKvb KgRZP I KgPvixi PvKix nġZ B`elv cġvġbi bwiRi `wacZ nqvb| 2008 mvġj



tKv'ubx MVtbi ci t_tk gvT 2 Rb KgRZP I KgPvi Pvkix nZ B`dv c0vb KtiQb| tKv'ubx mKj KgRZP I KgPvix`i Drme fvZv, gbrdvi Ask, fivel`Z Znjev, M0PBU mjeav c0vb Kti _vtK| GQovl tKv'ubx hvPB evQvB mvtc`q c0hvr` t`qT` wPukrmv LiP c0vb Kti _vtK| ct`vbuzi t`qT` KgRZPKgPvix`i `qZv gj`vqb Kiv nq, hw I GLb chS`-tKv'ubx MVtbi ci nZ tKv KgRZPKgPvix GLbl ct`vbuz nqib|

Z` I ch` t

Z` ch` wbfP ms`v wntmte weGmwmGj DbZ Z` ch` 0viv cwi Pwj Z| weGmwmGj SSEOPS, Go-Global U X 2.1.2 Gi gva`g Ab`vb` m`m` t`tki mvt_ Real time virtual online thvMvthvM i`qV Kti | GB tKv'ubx j`w0s t`-ktb `wc System Surveillance Equipment (SSE) Gi gva`g m'uy`mve`gmi b c`xwZ ch`e`q Ges wqsy` Kti _vtK| weGmwmGj hvezxq wmwve msi`qT`Yi Rb` Tally Software e`envi Kti _vtK|

Aw`R c0Zte` b m'ut`K`cwi Pvj KMtbi tNvl bv t

cwi Pvj KMY `i`ZimnKv`i tNvl bv KtiQ th;

- (K) e`e`vcbv KZE`q KZR` c0ZKZ Aw`R weebx h_vh_ fvt`e c0Zxqgvb nqtQ |
- (L) tKv'ubxi GKvDwUs msp`vSj`wrmve eB weavb Ab`hvx h_vh_ fvt`e i`qV nqtQ|
- (M) Aw`R weei Yx c0Z Kv`j h_vh_ GKvDwUs bxwZgvj v mvg`Am`cb`fvt`e Ab`ni Y Kiv nqtQ Ges GKvDwUs msp`vS` c0`j b h`h` Ges weP`qY we`ePbvi dmj |
- (N) evsj vt`k c0hvr` GKvDwUs ÷`v0wW` (we.G.Gm)/evsj vt`k dvBb`wYqvj wi`tcvUs ÷`v0wW` (we.Gd.Avi.Gm) h_vh_ fvt`e c0qvM Kiv nqtQ|
- (O) tKv'ubx Pj gvb c0Z0vb wntmte (Going Concern) Ae`vnZ _vKvi e`vcvti tKvb m`n`n bvB|
- P) Af`si`xY wqsy` c0`qv h_vh_ fvt`e Kv`h`i nqtQ|

cwi Pvj K ch` i mfv t

2014-15 A`ermti e`emwqK Kh`pug Av`j vPbv Ges Ab`tgv`tbi Rb` cwi Pvj K ch` i tgvU 16wU mfv Ab`y0Z nq|

cwi Pvj KMtYi cpt wbtqvM t

tKv'ubxi msNwea Ab`hvx tKv'ubxi cwi Pvj K Rbve Wt tgv gnev`j Av`g tRvq`h Ges Kt`b` Av`i wdb Zvj K`vi, wcGmwm 7g ewl`R mvari Y mfvq Aemi M0Y Kiteb Ges cpt wbtqv`Mi thvM` weavq c`pivq wbtqv`RZ nZ Av`M0 c0Kv KtiQb|

60 ewl`R mvari Y mfv mgw`Bi ci tKv'ubxi cwi Pvj bv cl` Rbve kI KZ tgv`dv, Aw`Zwi`3 mwp`e, WvK I tUvj thvMvthvM wefvM, WvK, tUvj thvMvthvM I Z`ch` gsy`vq tK Rbve tgv wdtivR mvj vn`Dwi`b, mvt`eK Aw`Zwi`3 mwp`e, WvK I tUvj thvMvthvM wefvM, WvK, tUvj thvMvthvM I Z`ch` gsy`vq Gi `tj wbtqvM c0vb Kti | D`3 mg`q tKv'ubxi cwi Pvj bv cl` Rbve tnv`mb Ltj`, mfv`cwZ, XvKv tP`vi Ae KgvM`G`v0 B0w`-`a (wMwmAvB) tK Rbve tgvn`vS` kvnRvnb Lvb, mvt`eK mfv`cwZ, XvKv tP`vi Ae KgvM`G`v0 B0w`-`a (wMwmAvB) Gi `tj tKv'ubxi `Z`Sj` cwi Pvj K wntmte wbtqvM c0vb Kti | ZvQov tKv'ubxi cwi Pvj bv cl` i 100Zg mfvq Rbve tgv gtbvqi tnv`mbt`K` `B` eQi tgvq` tKv'ubxi e`e`vcbv cwi Pvj K wntmte wbtqvM c0vb Kiv nq| Av`Mvgx 7g ewl`R mvari Y mfvq Dcti D`tj wLZ cwi Pvj KMtYi wbtqvM mb`vnbZ tkqv`itvi vt`i Ab`tgv`tbi Rb` Dc`vcv Kiv nte| wbtqvM Ges cpt wbtqvM c0B cwi Pvj KMtYi msv`qB cwi vPvZ ewl`R c0Zte`tbi 10 nZ 12 c0vq ewY` Av`q|

evsj vt`k wmwKDwi`UR G0 G` tP`A Kvgkb thvUw`dt`Kkb bs- SEC/CMRRCD/2006-58/134/Admin/44, Dated 7th August 2012 -Gi Av`j vt`K tKv'ubxi c0qvRbxq Z` wbtg` I qv n`j v t

6. **বিস্ময়কর ঘটনা**

ACNABIN, Chartered Accountants 7g ewl R̄ m̄vay m̄fvq Aemi M̄h̄y Kiṭeb Ges th̄tnZi eZ̄ḡvb Aw̄W̄Ui D³ t̄Kv̄úv̄bxi m̄v̄t_ w̄Zb eQi mgqKvj Aw̄Zew̄nZ K̄tiṭQb Z̄vB weGm̄B̄m̄Ōi w̄b̄t` R̄bv Ab̄h̄vq̄x Aw̄M̄vḡx ewl R̄ m̄vay m̄fvq 2015-16 w̄nm̄ve eQi i R̄b` weGm̄B̄m̄Ōi Z̄w̄j K̄v̄f³ Aw̄W̄UiMY n̄tZ GK̄w̄ c̄ŌZ̄öb̄t̄K t̄Kv̄úv̄bxi w̄bix̄ŋ̄K w̄nt̄m̄te w̄b̄t̄q̄M̄ c̄Ōvb KiṭZ̄ n̄te| D̄t̄j L` th, t̄Kv̄úv̄bxi c̄wi P̄vj bv cl̄ Ḡg.ṭR̄ Av̄te`xb ḠŪ t̄K̄vs P̄vUw̄ḠK̄vDb̄t̄Ūm̄t̄K Aw̄M̄vḡx ewl R̄ m̄vay m̄fv t̄kl̄ bv n̄l̄qv̄ ch̄S̄-m̄gt̄qi R̄b` 1,85,000.00 Ūv̄K̄v (F̄v̄Ū e`Z̄xZ̄) Ō̄ud̄Ō c̄Ōvb m̄v̄t̄c̄t̄ŋ̄ t̄Kv̄úv̄bxi ew̄nt̄ w̄bix̄ŋ̄K w̄nt̄m̄te w̄b̄t̄q̄M̄ c̄Ōv̄t̄bi m̄pc̄wi k̄ K̄tiṭQ̄|

7. **ডেমন্স্ট্রেশন**

2014-15 A_erm̄ti md̄j Z̄vi m̄v̄t_ KḡR̄v̄Ū c̄wi P̄vj bv KiṭZ̄ t̄c̄ti c̄wi P̄vj bv cl̄ ḡn̄vb Av̄j vn̄ c̄v̄t̄Ki `i K̄wi q̄v Av̄`v̄q̄ K̄tiṭQ̄b| c̄wi P̄vj bv cl̄ M̄f̄xi KZ̄ÁZ̄v̄ Áv̄cb KiṭQ̄b m̄=š̄wb̄Z̄ M̄Ōh̄K, t̄k̄q̄v̄i t̄n̄v̄Ūvi Ges c̄ŏt̄c̄v̄l̄ K̄t̄` i mg_Ō̄ I m̄n̄t̄h̄w̄M̄Z̄vi R̄b`| c̄wi P̄vj bv cl̄ m̄n̄t̄h̄w̄M̄Z̄v̄ I m̄w̄K̄ w̄`K̄ w̄b̄t` R̄b̄vi R̄b` ab̄`ev̄` Áv̄cb K̄tiṭQ̄b MYc̄R̄v̄Z̄š̄ ev̄sj̄ v̄t̄`k̄ mi K̄v̄t̄i i W̄iK, t̄Ūw̄j t̄h̄v̄M̄v̄t̄h̄v̄M̄ I Z̄`c̄h̄y³ ḡš̄ȳvj̄q, A_`ḡš̄ȳvj̄q, ew̄YR̄` ḡš̄ȳvj̄q, weÁv̄b I c̄h̄y³ ḡš̄ȳvj̄q, weŪm̄Ḡj, weŪAv̄i w̄m, weGm̄B̄im, w̄W̄Gm̄B, w̄m̄Gm̄B, Av̄iṭR̄Ḡm̄w̄m, w̄m̄W̄veḠj Ges Ab̄`vb` w̄bq̄š̄K̄ m̄s`v̄t̄K̄|

c̄wi P̄vj bv cl̄ Z̄` I c̄h̄y³ t̄m̄evi `Z̄ weK̄vk̄ j̄v̄f̄ Kiṭe Ges GK̄w̄Ū w̄W̄iR̄Ūvj̄ t̄m̄ev̄ w̄f̄v̄ĒK̄ mḡv̄R̄ e`e`v̄ M̄t̄Ō DV̄te ēt̄j c̄Ō`v̄k̄v̄ KiṭQ̄|

m̄tēc̄wi t̄Kv̄úv̄bxi Db̄w̄Z̄i j̄t̄ŋ̄` KḡR̄Z̄P̄ I KḡP̄v̄ix̄t̄` i w̄bij̄m̄ c̄ŌP̄Ōv̄, GK̄w̄M̄Ōt̄m̄ev̄ I m̄n̄t̄h̄w̄M̄Z̄vi R̄b` c̄wi P̄vj bv cl̄ Av̄š̄wi K̄ ab̄`ev̄` Áv̄cb K̄tiṭQ̄b|

c̄wi P̄vj K̄ ḡŪj̄xi c̄t̄ŋ̄|


 b̄w̄mi D̄w̄i b̄ Av̄n̄t̄g` Ḡd̄w̄m̄G, Ḡd̄w̄m̄Gm
 c̄wi P̄vj K̄


 t̄ḡvt̄ ḡt̄b̄v̄qi t̄n̄v̄t̄m̄b
 e`e`v̄cb̄v̄ c̄wi P̄vj K̄

Corporate Governance Compliance Report

Bangladesh Submarine Cable Company Limited (BSCCL) throughout its entire business operations puts persistent efforts to ensure stakeholders' trust and confidence as governance and stakeholders' interests are interconnected. With this end in view, BSCCL has been providing and maintaining innovative, user-friendly and best-value telecommunications, Internet services to create sustainable stakeholders' interests. To reach to these objectives, the Board of Directors of the Company is dedicated to ensure the highest standards of Corporate Governance to keep the Company's business integrity and performance on the right track. Being a responsible corporate entity, BSCCL maintains adequate transparency and encouraging sound business conduct both in its in-house practices and in its external relationship with the community as well as suppliers, customers and business partners. The Company, at the same time, expects acts of honesty and integrity from its Board of Directors, employees and suppliers.

BSCCL being a public listed company, its Board of Directors plays a crucial role in upholding the interests of all its stakeholders. The Board of Directors and the Management Team are also dedicated to maintaining a well-established culture of accountability, transparency, easy-to-understand policies and procedures to ensure effective Corporate Governance at every level of its operations. The Board of Directors and the Management Team also put their best efforts to comply with all the laws of the country and all the internal regulations, policies and procedures to make BSCCL a thoroughly transparent company. Moreover, recognizing the fact that compliance has been the corner stone of good governance, the Company meticulously undergoes through the process of statutory audit and compliance certification as required by laws of the land. As a result, BSCCL has been able to maintain the highest level of integrity and accountability of national standards over the years and awarded with the prestigious ICMAB Best Corporate Award & ICSB National Award on Corporate Governance Excellence.

Board Organization, & Structure

a) Role of the Board

The Directors of the Board are appointed by the Shareholders at the Annual General Meeting (AGM) and accountable to the Shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled. The Directors keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate control. The Board also ensures that BSCCL's Policies, Procedures and Codes of Conduct are implemented and maintained as well as the Company adheres to generally accepted principles for good governance and effective control for Company activities. In addition to other legal guidelines, the Board has also adopted "Rules of Procedure for the Board of Directors" for ensuring better governance in the work and the administration of the Board. The Board is also guided by a Delegation of Authority which spells out the practices and processes in discharging its responsibilities.

b) Board Composition

The Board of BSCCL is comprised of nine (9) Directors, including the Managing Director. In compliance with the Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) the Board of Directors has appointed two (2) Independent Directors. We believe that our Board has the optimum level of knowledge, composure and technical understanding about the Company's business which, combined with its diversity of culture and background, stands as the perfect platform to perform and deliver.

c) Board Meetings

The Articles of Association of the Company requires the Board to meet at least four times a year or more when duly called for in writing by a Board member. Dates for Board Meetings in a year are decided in advance and notice of each Board Meeting is served in writing well in advance. Such notice contains detailed statement of business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention.

Board Structure and Its Operation

Size of the Board

The Board of BSCCL comprises of 9 Members including the Managing Director. As per BSEC notification, a listed Company should have Independent Director of at least one-fifth of the Directors with a minimum of one. As per Article of Association of the company the Managing Director is an Ex-officio Director.

Composition of the Board

The Board of BSCCL comprise of nine members as under:

Non-executive Director	6
Executive Director	1
Independent Director	2

None Executive Director

There are eight Non-executive Directors. None of the directors take part in the day to day operations of the Company. They attend only in the Board/Board Committees meeting to discuss the agenda reserved for the Board/Committee.

Independent Director

In order for a Director to qualify as an Independent Director, the Board affirmatively determines that the Director has no material relationship with BSCCL (either as a partner, shareholder or officer of an organization that has a relationship with BSCCL that would preclude that nominee from being an independent Director. For the purpose of such determination, the directors consider that the Independent Director does not hold any share or holds less than one percent shares of the total paid up capital of this Company and who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company. He/she does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associate companies, who is not a member, Director or Officer of the Stock exchange and who is not a shareholder, director or officer of any stock exchange or an intermediary of the capital market. He/ she poses the required qualifications as stated in the Corporate Governance Guideline issued by BSEC.

Tenure & Retirement

The office of Non-executive Directors (except Independent Directors) is subject to retirement by rotation. At least one-third of the non-executive Directors shall retire by rotation in every Annual General Meeting (AGM). The Managing Director is appointed by the Board of Directors and the office of the Managing Director being an Ex-officio Director is not subject to retirement in Annual General Meeting (AGM). On the other hand the Independent Directors should retire at the end of their tenure of three years.

Directors Responsibility

Each Director devotes his or her best efforts to attend in all the meeting of the Board and the Board committee to which such Director is appointed. The Directors are responsible for developing and upgrading BSCCL Governance principles, Code of Business Conduct and the charter of each committee on which such Director serves. For better decision making, materials are provided to the members in advance of the Board/Committee meetings.

Role of the Board

The Board's main roles are to define the company's strategic objectives, to provide entrepreneurial leadership for the company, to create value for the shareholders and to ensure that the necessary financial and other resources are available to enable the company and the Board to meet these objectives. The specific responsibilities reserved to the board include the approval of all information supplied to the shareholders in the annual and interim accounts, the setting of company strategy, approving annual budgets; reviewing operational and financial performance; approving capital expenditure; the setting of borrowing limits; reviewing the Company's systems of financial control and risk management; ensuring that appropriate management development and succession plans are in place; approving appointments to the Board and ensuring the satisfactory dialogue takes place with shareholders over the Company's and its aspiration for the future.

Delegation of Authorities

The company runs under the delegation of authority as approved by the Board. Bank accounts of the Company are being operated by constituting two groups from management considering one from each group. The Board has delegated certain responsibilities to the management on some matters within defined parameters. These include development and recommendation of strategic plans for consideration of the Board reflecting the longer term objectives and priorities established by the Board; monitoring the operating and financial results against plans and budgets; monitoring business operation against objectives; prioritizing the allocation of capital; management and control of borrowing limits and implementing risk management systems.

Directors Independence

Majority of the Directors are non-executive directors. Only the Managing Directors is an executive director. The Board considers that all the directors have independence in minds, strength of character and judgment. There are no such relationships or circumstance relating to any of them not to be considered independent. The Board considered constitution brings an appropriate balance of strategy, performance, resources, internal controls, and corporate governance. Their wide-ranging experience and particulars areas of knowledge and expertise continue to add value to the deliberations of the Board.

Separate Role of the Chairman & Managing Director

The responsibilities of the Chairman and the Managing Director are separate, thereby preventing unfettered powers of decision making on a single hand. The Chairman is a non-executive Director while the Managing Director is an Executive Director.

Role of the Chairman

The Chairman leads the Board in determination of its strategy and achievement of its objectives. The Chairman is responsible for organizing the business of the Board, ensuring its effectiveness and setting its agenda. The Chairman is also responsible for ensuring that the Directors receive accurate, timely and clear information. The Chairman has no engagement in the day-to-day business of the company. The Chairman facilitated the effective contribution of Non-Executive directors and ensures that constructive relations exists amongst the Directors.

Minutes of the meeting are signed by the Chairman. He also signs the proposal for appointment of the Managing Director and for revision of MD's salaries and allowances.

Role of the Managing Director

The Managing Director is responsible for running the business and for formulating and implementing Board strategy and policy. He also has direct charge and overall control of the company on a day-to-day basis and is accountable to the Board for the financial and operational performance of the Company. The Managing Director is also responsible for imparting a dynamic leadership, evolution of diversification and expansion of business and take the Company to a good height of financial strength.

Role of the Company Secretary

The company secretary is responsible for ensuring proper information flow within the Board and its committees and between the senior management and non-executive directors. He is also responsible for advising the Board through the Chairman on all governance matters. He ensures that Board procedures are complied with. The authority of both the appointment and removal of the Company Secretary is vested to the Board as a whole. The company secretary is also responsible for implementation of the Board decisions. He is also responsible for organizing the AGM/EGM.

Role of the Head of Internal Control & Compliance

The head of Internal Control & Compliance is responsible for reporting to the Board Audit Committee regarding any deviation from accounting and internal control systems of the Company. He is also responsible for ensuring regulatory compliance of the company. The authority of both appointment and removal of the head of Internal Control & Compliance is vested to the Board as a whole.

Price Sensitive Information

Price Sensitive information means any such information if it is published may influence market price of the concerned security. Every listed Issuer shall disseminate its any or all price sensitive information within 30 minutes of the decision making or immediately upon getting such information to the BSEC and the Stock Exchanges under the signature of its Chairman, the Chief Executive Officer or the Company Secretary through Fax and by special messenger, and through courier service in special cases and at the same time cause publishing the same in two widely circulated daily newspapers, one in Bangla and the other in English. BSCCL always comply with the statutory requirements in this regards.

Appointment to the Board

Appointment of any new Director is made with the consent of the directors and his/her appointment is placed for the shareholder's approval in the upcoming Annual General Meeting (AGM). The Managing Director nominated by the Government is also appointed by the Board and his/her appointment is also placed for the shareholder's approval in the upcoming Annual General Meeting (AGM). Any new appointment to the Board requires intimation to the Bangladesh Securities and Exchange Commission (BSEC) and Stock Exchanges.

Board Committees

There are several Board Sub-Committees, each with a defined scope of work and terms of reference. These committees are responsible for providing independent and expert advice to the Board on the subjects assigned. The Board is assisted by different Board Committee who discharges duties within the delegated and prescribed job responsibilities. All the members of the Committee are Directors and members of the Management. The Board Committees are as under:

- Board Audit Committee
- Executive Committee

Appraisal of the Managing Director

The Managing Director is entrusted with the Management of the Company's operations and he is fully accountable to the Board. Performance of the Managing Director including the Management is assessed by the Board annually.

Directors' Remuneration

The Directors do not get any performance based remuneration or incentive. The Board members get only fees for attending Board/Committee meetings to the maximum of TK 5,000 per meeting. The remuneration package of the Managing Director is determined by the Board. The remunerations of the Directors can be determined/changed by the Board as per the Article of Association.

Discloser of Directors' remuneration

Directors of the Company are not eligible for any remuneration other than the meeting attendance fees as prescribed by the Law. During the year under review, Board of Directors was eligible for attendance fee of TK 5,000 per meeting of Board, Executive Committee and Audit Committee.

Employees' Remuneration

The objective of the Company's remuneration policy is to attract, motivate, reward and retrain quality staff. The Board ensures that the remuneration policies are in line with the strategic objectives and the corporate values of the Company, and do not give rise to conflicts between the objectives of the Company and the interests of the individual Directors and key executive. The company has separate Service Regulations and pay role structure for each position which is approved by the Board of Directors and also by the line Ministry and the Ministry of Finance.

Disclosers on the Performance and Prospect of the Company

BSCCL attaches high priority on timely publication of Quarterly, half-yearly and annual report with comprehensive details in excess of regulatory requirements. Mediums of publication include printed materials, newspapers and the website of the company. Price sensitive information released to the regulators is disseminated within half an hour of decision making. The financial statements are prepared in accordance with IAS and IFRS as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

Internal Control

The Board has ultimate responsibility for establishing an effective system of Internal Control. It is designed to manage rather than eliminate the risk of failure to achieve the business objectives and to provide reasonable but not absolute assurance that the assets are safeguarded against unauthorized use or material loss and those transactions are properly authorized and recorded. The internal control system embraces all business risk, including financial, operational and strategic risks.

Accountability and Audit

Board Audit Committee comprises of three non-executive Directors, including two independent Directors are in place. The Chief Financial Officers (CFO) and the head of Internal Audit attend the meeting by invitation. The Company Secretary attends all the meetings to provide secretarial assistance to the committee. The full report of this committee including the terms of reference and specific task carried out during the period on the date of accounts approval is given later on.

Division of work for the Board and Chief Executive Officer

The roles of the Board and Chief Executive Officer are separate and delineation of their responsibilities is clearly established, set out in writing and agreed by the Board to ensure transparency and better corporate governance. To that end, BSCCL has also adopted "Rules of Procedure for Chief Executive Officer". The CEO is the authoritative head for day-to-day management of BSCCL. He acts to reasonably ensure that BSCCL operates business as per the Articles of Association, decisions made by the Board and Shareholders, as well as according to BSCCL Policies and Procedures and applicable regulatory legislations.

Access to Information

The Board recognizes that the decision-making process is highly dependent on the quality of information furnished. In furtherance to this, every Director has access to all information within the Company. Throughout their tenure in office, the Directors are continually updated on the Company's business and the regulatory and industry specific environments in which it operates. These updates are by way of written briefings and meetings with senior executives and, where appropriate, external sources.

Statutory Audit

Statutory Audit of the Company is governed by the Companies Act, 1994 and Securities and Exchange Rules 1987. As per these regulations, auditors are appointed at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors. In addition to the audit of annual financial statements, the auditors also carry out interim audit and review the quarterly financials of the Company.

Internal Audit

Internal Audit supports the Company in achieving its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of its risk management, control and governance processes. In order to ensure organizational independence of Internal Audit, the Head of Internal Audit reports functionally to the Audit Committee and administratively to the Chief Executive Officer. BSCCL Internal Audit is empowered to carry out its activities in the Company. Internal Audit activities are governed by the Internal Audit Charter, which is approved by the Board.

BSCCL, Internal Audit department discharges its assurance and consulting activities through management of three distinct audit streams: Finance, Technology and General Business processes. Additionally, a separate team is responsible for quality assurance of internal audit activity. A risk-based annual audit plan is in place, which takes into consideration the strategic imperatives and major risks surrounding BSCCL.

Internal Control

Corporate Governance is well-built in BSCCL and is reached to even greater height in terms of sound internal control pursuits within the organization. In 2011, the practice has been shifted from passive to active as control owner/performers are now getting more involved, aware and proactive to ensure internal control rather than being enforced. The outcome of the effort is award winning and true fair representation of financial report. The scope of Internal Control over Financial Reporting (ICFR) includes Company Level Control (CLC) along with General Computer Control (GCC) as well to ascertain operational efficacy, consistent and dependable financial reporting, information security and legal compliance. This reasonable assurance has become even more crucial after being a listed company in the country's Stock Exchanges.

Related Party Transactions

A Director who has an interest in a transaction must abstain from deliberation and voting on the relevant resolutions in respect of the transactions at the Board meetings. Details of these transactions are set out under Notes to the Financial Statements.

Dividend Policy

The Board of Directors has established a consistent Dividend Policy which forms the basis for the proposals on dividend payments that it makes to the Shareholders taking into consideration the business performance of the Company and its strategic initiatives. The Board believes that it is in the best interest of BSCCL to draw up a long-term and predictable Dividend Policy. The objective of the policy is to allow the Shareholders to make informed investment decisions.

Risk Management & Risk Mitigation

Risk Management at BSCCL is concerned with earning competitive returns from the Company's various business activities at acceptable risk level. It supports the Company's competitiveness by developing a culture, practice and structure that systematically recognizes and addresses future opportunities whilst managing adverse effects (i.e. threats) through recognizing risk and acting appropriately upon it. The Company has well defined risk management policy, procedures and processes to mitigate strategic and enterprise level risks.

Compliance with Rules & Regulations of the Country

Compliance builds stakeholders' trust. To have governance cascaded right through the whole Company, the Management Team of BSCCL the leaders of a compliant Company adopted ways that assure compliance to all regulatory requirements and instill organizational trust amongst the Board Members, Shareholders and customers. The regulatory bodies maintain a close monitoring process on BSCCL and has heightened the focus on transparency, as well as an increased need to provide accurate and periodic reporting of issues/events and certifications. In this context, the Company provides complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), Stock Exchanges, National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Telecommunication Regulatory Commission (BTRC), the Board of Investment (BOI) and all other relevant bodies and authorities. In order to conduct day to day business, BSCCL has been rendering its best efforts to comply with the existing applicable laws of the country as well as with the directives/guidelines/ regulations of various Government Authorities. The Company has also taken various initiatives to conduct various awareness sessions on existing and proposed laws and regulations of the country within the Company to ensure compliance throughout the Company as a whole. On the whole, BSCCL has always strived to remain a fully compliant Company accommodating every possible ways and strategies to ensure the same.

Corporate Social Responsibility of BSCCL

Being a Government Company under the Posts & Telecommunications Division of Ministry of Posts, Telecommunications, and Information Technology (MoPT&IT) Bangladesh Submarine Cable Company Limited (BSCCL) has strategic responsibility for the welfare of other quarter of the society along with the IT Sector of the Country. BSCCL revamped its CSR strategy in 2012-13 with the goal to ensure long-term sustainability of the CSR initiatives. Under the refurbished strategy CSR initiatives will be related to the Company's main strength - communication technology. Besides, BSCCL may extend its hands to support the victims of any natural disaster as and when required.

As a part of Corporate Social Responsibility for sustainable community development, BSCCL performed the following activities during the year 2014-15:

Online Essay Competition

As a socially responsible company, BSCCL strives to find a way to intervene through which quality education can be ensured even in deep rural areas of the country through ICT. With this objective in mind, BSCCL launched 'Online Essay Competition' under 3 categories on The World Telecommunication and Information Society Day 2015. The sprite of "Online Essay Competition" is to establish more Communication under the ICT through using the internet and to inspire the students to using the ICT. BSCCL announced a competition for students of Schools, Colleges and Universities in Bangladesh to celebrate the day. The competition is termed as innovative projects implemented by the students. The honorable Prime Minister Sheikh Hasina awarded "Tab" as prizes to the winners of this competition of all the categories.

Ambulance to Shorno Kishoree Network Foundation(SKNF)

In response of the appeal of the Shorno Kishoree Network Foundation for safe motherhood BSCCL handed over an Ambulance to SKNF for carrying the pregnant ladies to the hospital. The honorable State Minister for Posts & Telecommunications Division Advocate Tarana Halim MP handed over the key of the Ambulance to SKNF.

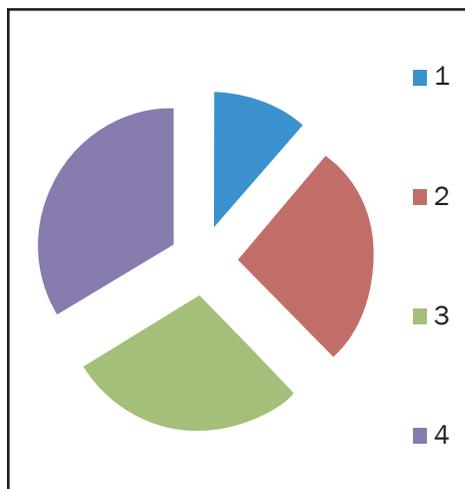
Going Concern

While approving the financial statements, the Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the Company has adequate resources and legal instruments to continue its operations without interruptions. Therefore the Company adopted the going concern basis in preparing these financial statements.

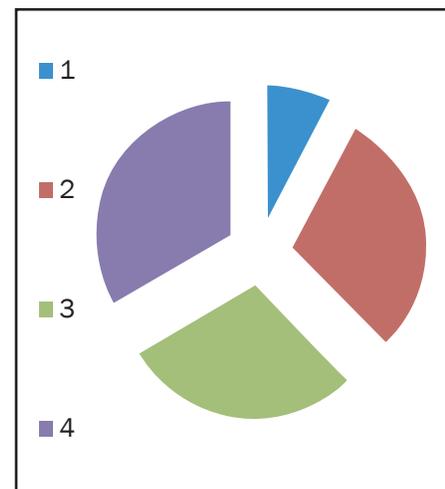
Value Added Statement

	2014-15	%	2013-14	%
Value Added				
Revenue	540,684		753,745	
Other income including interest income	94,366		194,071	
VAT on revenue and other income	109,744		145,623	
	744,794		1,093,439	
Less : Cost of Operation and Maintenance	221,406		189,344	
Available for distribution	523,388	100%	904,094	100%
Distributions				
Employees	58,596	11.20%	69,860	7.73%
Government	138,916	26.54%	271,422	30.02%
Shareholders	149,914	28.64%	260,720	28.84%
	347,426	66.38%	602,003	66.59%
Value reinvested and retained				
Depreciation & Retention	175,962	33.62%	302,092	33.41%
	523,388	100%	904,094	100%

2014-2015



2013-2014



Status of compliance with the Corporate Governance Guidelines

Annexure-I

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

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status ("✓" in appropriate column)		Remarks (If any)
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1.1	Board's Size [number of Board members to be 5 - 20]	✓		
1.2	Independent Directors			
1.2 (i)	Number of Independent Directors [at least 1/5]	✓		
1.2 (ii)	Independent Director (ID) means a director:			
1.2 (ii) (a)	Holding no share or holding less than 1% shares	✓		
1.2 (ii) (b)	Not being a sponsor and connected with any sponsor or director or shareholder holding 1% or more shares	✓		
1.2 (ii) (c)	Not having any pecuniary or otherwise relationship with the company or its subsidiary/associated companies	✓		
1.2 (ii) (d)	Not being member/director/officer of any stock exchange	✓		
1.2 (ii) (e)	Not being shareholder/director/officer of any member of stock exchange or intermediary of capital market	✓		
1.2 (ii) (f)	Not being partner/executive at present or during the preceding 3 years of the company's statutory audit firm	✓		
1.2 (ii) (g)	Not being an ID in more than 3 listed companies	✓		
1.2 (ii) (h)	Not convicted as defaulter in any loan of a bank or NBFI	✓		
1.2 (ii) (i)	Not convicted for a criminal offence	✓		
1.2 (iii)	To be appointed by BOD and approved in the AGM	✓		
1.2 (iv)	The post cannot remain vacant for more than 90 days	-	-	N/A
1.2 (v)	Laying down of code of conduct of Board members and recording of annual compliance of the code	✓		
1.2 (vi)	Tenure of ID : 3 years, may be extended for one term	✓		
1.3	Qualification of Independent Director			
1.3 (i)	Being knowledgeable, having integrity, ability to ensure compliance with laws and make meaningful contribution	✓		
1.3 (ii)	Being a Business Leader/ Corporate Leader/ Bureaucrat/ University Teacher(Economics/Business/Law)/CA/CMA/CS having 12 years of management/professional experience	✓		
1.3 (iii)	Prior approval of the Commission in special cases	-	-	N/A
1.4	Appointment of Chairman and CEO, defining their roles	✓		
1.5	The Director's Report to Shareholders shall include			
1.5 (i)	Industry outlook and possible future developments	✓		
1.5 (ii)	Segment-wise or product-wise performance	✓		
1.5 (iii)	Risks and concerns	✓		
1.5 (iv)	Discussion on COGS, Gross Profit and Net Profit Margins	✓		
1.5 (v)	Discussion on continuity of Extra-Ordinary gain or loss	✓		
1.5 (vi)	Basis for and a statement of related party transactions	✓		
1.5 (vii)	Utilization of proceeds from issuing instruments	✓		
1.5 (viii)	Explanation, if the financial results deteriorate after going for IPO, RPO, Right Offer, Direct Listing, etc	-	-	N/A
1.5 (ix)	Explanation about significant variance between Quarterly Financial performance and Annual Financial Statements	-	-	N/A

1.5 (x)	Remuneration to directors including IDs	✓		
1.5 (xi)	Fair presentation in financial statements	✓		
1.5 (xii)	Maintaining proper books of accounts	✓		
1.5 (xiii)	Consistent application of appropriate accounting policies, and accounting estimates being reasonable and prudent	✓		
1.5 (xiv)	Following applicable IAS/BAS/IFRS/BFRS, and adequate disclosure for any departure there -from, if any	✓		
1.5 (xv)	Soundness and monitoring of internal control system	✓		
1.5 (xvi)	Statement regarding ability to continue as going concern	✓		
1.5 (xvii)	Significant deviations from last year's operating results	--	--	N/A
1.5 (xviii)	Summary of key operating/financial data of last 5 years	✓		
1.5 (xix)	Reason for non declaration of Dividend	--	--	N/A
1.5 (xx)	Number of Board meetings and attendance of directors	✓		
1.5 (xxi)	Pattern of shareholding (along with name wise details) by-			
1.5 (xxi) (a)	Parent/Subsidiary/Associate Companies & related parties	--	--	N/A
1.5 (xxi) (b)	Directors, CEO, CS, CFO, HOIA, their spouses & children	✓		
1.5 (xxi) (c)	Executives (Top 5 salaried employees other than above)	✓		
1.5 (xxi) (d)	Shareholders holding 10% or more voting interest	--	--	N/A
1.5 (xxii)	In case of the appointment/re-appointment of a director			
1.5 (xxii) (a)	A brief resume of the directors	✓		
1.5 (xxii) (b)	Nature of his/her expertise in specific functional areas	✓		
1.5 (xxii) (c)	Names of companies in which he/she holds directorship and the membership of committees of the board	✓		
2	CFO, HEAD OF INTERNAL AUDIT AND CS:			
2.1	Appointment of a CFO, a Head of Internal Audit and a CS and defining their roles, responsibilities & duties	✓		
2.2	Attendance of CFO and CS in the meetings of the Board	✓		
3	AUDIT COMMITTEE:			
3 (i)	Having Audit Committee as a sub-committee of the BOD	✓		
3 (ii)	Audit Committee to assist the BOD in ensuring fairness of financial statements and a good monitoring system	✓		
3 (iii)	Audit Committee being responsible to the BOD; duties of Audit Committee to be clearly set forth in writing	✓		
3.1	Constitution of the Audit Committee			
3.1 (i)	Audit Committee to be composed of at least 3 members	✓		
3.1 (ii)	Audit Committee members to be appointed by BOD and at least one Independent Director to be included	✓		
3.1 (iii)	Audit Committee members to be "financially literate" and at least one to have accounting/financial experience	✓		
3.1 (iv)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within 1 month	✓		
3.1 (v)	The CS to act as the secretary of the Audit Committee	✓		
3.1 (vi)	No quorum in Audit Committee meeting without one ID	✓		
3.2	Chairman of the Audit Committee			
3.2 (i)	Chairman to be an ID, selected by the BOD	✓		
3.2 (ii)	Chairman of audit committee to remain present in AGM	✓		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process	✓		
3.3 (ii)	Monitor choice of accounting policies and principles	✓		
3.3 (iii)	Monitor Internal Control Risk management process	✓		
3.3 (iv)	Oversee hiring and performance of external auditors	✓		

3.3 (v)	Review the annual financial statements	✓		
3.3 (vi)	Review the quarterly and half yearly financial statements	✓		
3.3 (vii)	Review the adequacy of internal audit function	✓		
3.3 (viii)	Review statement of significant related party transactions	✓		
3.3 (ix)	Review Letters issued by statutory auditors	✓		
3.3 (x)	Review disclosures/statements/declarations about uses of funds raised through IPO/RPO/Rights Issue	✓		
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1 (i)	Reporting on the activities of Audit Committee	✓		
3.4.1 (ii) (a)	Reporting on conflicts of interests	--	--	N/A
3.4.1 (ii) (b)	Reporting on suspected/presumed fraud or irregularity or material defect in the internal control system	--	--	N/A
3.4.1 (ii) (c)	Reporting on suspected infringement of laws	--	--	N/A
3.4.1 (ii) (d)	Reporting on any other matter to disclose immediately	--	--	N/A
3.4.2	Reporting to BSEC	--	--	N/A
3.5	Reporting to the Shareholders and General Investors	✓		
4	EXTERNAL / STATUTORY AUDITORS			
4.00 (i)	Non-engagement in appraisal/valuation/fairness opinions	✓		
4.00 (ii)	Non-engagement in designing & implementation of FIS	✓		
4.00 (iii)	Non-engagement in Book Keeping or accounting	✓		
4.00 (iv)	Non-engagement in Broker-Dealer services	✓		
4.00 (v)	Non-engagement in Actuarial services	✓		
4.00 (vi)	Non-engagement in Internal Audit services	✓		
4.00 (vii)	Non-engagement in services determined by Audit Com.	✓		
4.00 (viii)	Possessing no share by any partner or employee of the external audit firm during the tenure of assignment	✓		
4.00 (ix)	Non-engagement in Audit /Certification Services on Compliance of Corporate Governance as required under clause (i) of condition no. 7	✓		
5	SUBSIDIARY COMPANY			
5 (i)	Composition of BOD to be similar to holding company	--	--	N/A
5 (ii)	One ID to be in both holding and subsidiary company	--	--	N/A
5 (iii)	Minutes of Board meetings of subsidiary company to be placed at following Board meeting of holding company	--	--	N/A
5 (iv)	Minutes of respective Board meeting of holding company to state that affairs of subsidiary company be reviewed	--	--	N/A
5 (v)	Audit Committee of holding company to review financial statements / investments of subsidiary company	--	--	N/A
6	DUTIES OF CEO AND CFO:			
6 (i) (a)	To certify that they've reviewed FSs which contain no untrue or misleading statement or omit no material fact	✓		
6 (i) (b)	To certify that the statements present a true and fair view of affairs and are in compliance with accounting standards and applicable laws	✓		
6 (ii)	To certify that no transaction is fraudulent, illegal or violation of company's code of conduct	✓		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	Obtaining certificate regarding compliance and sending it to shareholders along with the Annual Report	✓		
7 (ii)	To state, in accordance with annexure, in directors' report whether the conditions has been complied with	✓		

AUDIT COMMITTEE REPORT

For the year ended on 30 June 2015

The Audit Committee is appointed by the Board of Directors, as per the requirements of Bangladesh Securities and Exchange Commission (BSEC) notification. The Audit Committee consists of three members, of which two are Independent Directors. Meetings are attended by the Managing Director, Chief Financial Officer and Head of Internal Auditor of the company on invitation. The Company Secretary performs the secretarial function of the Committee.

The Audit Committee of Bangladesh Submarine Cable Co. Ltd. (BSCCL) is a sub-committee of the Board, to support the Board in fulfillment of its oversight responsibilities. The Terms of Reference (ToR) of the Audit Committee is set by the Board of Directors in line with BSEC notification.

Composition of Audit Committee of BSCCL is as follows:

The Audit Committee consists of the following members of the Board of Directors:

Chairman : Mr. Nasir Uddin Ahmed, FCA, FCS, Independent Director

Member : Mr. Rabindra Nath Roy Chowdhury, Director

Member : Mr. Mohammad Shahjahan Khan, Independent Director

(Mr Hossain Khaled, Independent Director, appointed as member in place of Mr. Mohammad Shahjahan Khan on July 5, 2015.)

Authority

The Audit Committee of Bangladesh Submarine Cable Co. Ltd. (BSCCL) is a sub-committee of the Board, is authorized by the Board to review any activity within the business operations of the company as per its Terms of Reference (ToR). It is authorized to seek any information it requires from, and require the attendance at any of its meetings of, any director or member of management, and all employees are expected to co-operate with any request made by the Committee.

The Committee is also authorized to have information and advice from the Company Legal Advisor, Tax Consultant and Statutory Auditor if required. The Terms of Reference of Audit Committee may be amended from time to time as required for the business in line with BSEC notifications subject to approval by the Board

Key Responsibilities of the Audit Committee:

The purpose, authority, composition, duties and responsibilities of the Audit Committee are delineated in its Charter. Key responsibilities of the Audit Committee include:

- Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, standards and principles
- Monitor internal control and business risk management process.
- Oversee appointment and performance of external auditors.
- Monitor and review the effectiveness of internal audit function.
- Review of the annual, half-yearly and quarterly financial statements and other financial results, and upon its satisfaction recommend the same to the Board for approval.
- Review of non-audit services performed by statutory auditors to the extent permitted by the relevant law, rules and regulations.
- Review the audit findings and material weaknesses and monitor implementation of audit action plans.
- Other matters as per Terms of Reference of the Audit Committee.

The Audit Committee met six times during the year 2014-15. The details of attendance of each member at the Audit Committee meetings during 2013 are as follows:

Composition of Audit Committee	Number of Audit Committee Meeting		
	Held	Attended	%
Mr. Nasir Uddin Ahmed, Chairman	6	6	100
Mr. Rabindra Nath Roy Chowdhury, Member	6	5	83.33
Mr. Mohammad Shahjahan Khan, Member	6	2	33.33

The Managing Director, Chief Financial Officer, Head of Internal Audit of Bangladesh Submarine Company Limited, and representatives of the external auditors had attended meetings upon invitation by the Audit Committee. From time to time, other senior members of the management have also been invited by the Audit Committee to attend Audit Committee meetings.

Major Activities of the Audit Committee in 2014-2015

The Committee held 6 (six) meetings during the financial year 2014-2015. The Managing Director, Chief Financial Officer and Head of Internal Audit attended meetings on invitation. The major activities of the Audit Committee in 2014-2015 are stated below-

- Reviewed the quarterly, half yearly and annual financial statements for the year ended June 30, 2015.
- Reviewed the Management Report submitted by the external auditor and follow up implementation of the agreed recommendations
The Committee after considering proposals from few external auditors, recommended the Board the remuneration and appointment of M/S. M. J. Abedin & Co., Chartered Accountants as external auditor for the year 2015-2016, for shareholders' approval at the AGM .
- Considered and made recommendation to the Board on the appointment and remuneration for the VAT & Tax Consultant of the company.
- Prepared Report of the Audit Committee for the shareholders.
- Reviewed the Internal Control System of BSCCL.
- Approved the Internal Audit Plan for 2014-2015, monitored progress and advised revisions when necessary.
- Discussed Internal Audit reports and findings in detail with auditors and members of Management and monitored the status of implementation of audit action plans and provided guidance to ensure timely completion of action plans.
- Reviewed and received report on the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).
- Reviewed queries from the regulatory bodies and helped drafting appropriate replies..
- Reviewed implementation status of all agreed decisions of the Audit Committee since 01st meeting of the Committee and advised immediate actions on unimplemented agreed decisions.

The above matters are significant for continuous improvement and therefore duly noted and taken care of by the Committee.

On behalf of the Audit Committee



Nasir Uddin Ahmed FCA, FCS
Chairman,
Audit Committee
September 05, 2015

ITRAT HUSAIN & ASSOCIATES

CHARTERED SECRETARIES IN PRACTICE

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

1. We have examined the compliance of conditions of Corporate Governance by **BANGLADESH SUBMARINE CABLE COMPANY LIMITED (BSCCL)** (“the Company”) for the year ended 30 June, 2015 as per the Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. SEC/CMRRCD/2006-158/134/Admin 44 dated 7 August 2012.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the BSEC notification mentioned above.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.



Itrat Husain & Associates
Chartered Secretaries in Practice

Signed by : Itrat Husain FCMA, FCS
CEO

Dhaka, 17 September, 2015

Statement on the Duties of Managing Director and Chief Financial Officer

In accordance with the notification of Bangladesh Securities and Exchange Commission No: SEC/ CMRRCD/2006-158/134/Admin/44, dated: 07th August 2012, we the undersigned hereby certify to the Board that -

i) We have reviewed the financial statements for the year and that to the best of our knowledge and belief:

- a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) these financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.



Shukanta Kumar Debnath, ACA
Chief Financial Officer



Md. Monwar Hossain
Managing Director & CEO

Bangladesh Submarine Cable Company Ltd.

Five Years' Financial Summary

Operational Results in thousands BDT	2014-15	2013-14	2012-13	2011-12	2010-11
Revenue	540,684	753,745	1,248,381	1,214,530	837,786
Gross Profit	279,303	517,829	1,059,607	1,051,808	704,002
Operating Profit	70,811	318,484	903,131	910,280	613,709
Profit before tax	138,991	488,147	1,095,934	831,292	544,789
Net Profit after tax	129,055	362,348	872,111	744,760	305,105
Financial Position in thousands BDT					
Paid-up Capital	1,499,141	1,499,141	1,303,601	1,185,092	875,092
Shareholders' equity	4,033,610	4,054,469	3,952,841	3,317,748	1,538,385
Total assets	5,699,059	4,765,770	4,672,285	4,443,920	2,665,490
Total liabilities	1,665,450	711,302	719,444	1,126,172	1,127,106
Current assets	1,553,310	2,599,323	2,554,217	2,146,001	389,237
Current liabilities	647,318	400,772	382,632	494,877	326,978
Non currents assets	4,145,749	2,166,447	2,118,068	2,297,919	2,276,253
Non current liabilities	1,018,132	310,529	336,813	631,294	800,128
Financial Ratios					
Current Asset to Current Liability	2.40	6.49	6.68	4.34	1.19
Debt to Equity	41%	18%	18%	34%	73%
Gross Profit Margin	51.66%	68.70%	84.88%	86.60%	84.03%
Operating Profit Margin	13.10%	42.25%	72.34%	74.95%	73.25%
Net Profit Margin	23.87%	48.07%	69.86%	61.32%	36.42%
Return on Average Equity	3.19%	9.05%	23.99%	30.67%	22.02%
Return on Average Total Assets	2.47%	7.68%	19.13%	20.95%	12.31%
Ordinary Shares Information					
Ordinary Shares outstanding (in Thousands)	149,914	149,914	130,360	118,509	87,509
Face Value per share	Tk.10	Tk.10	Tk.10	Tk.10	Tk.10
Dividend	S-10%	C-10%	S-15%,C-20%	S-10%,C-20%	C-20%
Cash Dividend on paid up capital	-	149,914	260,720	237,048	175,018
Dividend payout (Cash)	-	41.32%	29.90%	25.61%	57.30%
NAV per Share**	26.91	27.05	30.32	28.00	17.58
Net Operating Cash Flow per Share	0.22	2.06	6.11	4.91	8.39
Earnings Per Share*	0.86	2.42	6.69	7.81	3.49

* EPS has been calculated using weighted average no. of shares and not Restated

** NAV has been calculated using no. of shares outstanding at the end of period



ACNABIN
Chartered Accountants

BDBL Bhaban (Level-13)
12 Kawran Bazar Commercial Area
Dhaka-1215, Bangladesh.

Telephone: (88 02) 8144347 to 52
(88 02) 8189428 to 29
Facsimile: (88 02) 8144353
e-mail: <acnabin@bangla.net>
web: www.acnabin.com

Independent Auditor's Report To the Shareholders of Bangladesh Submarine Cable Company Limited

We have audited the accompanying financial statements of Bangladesh Submarine Cable Company Limited, which comprise the Statement of Financial Position as at 30 June 2015, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above give a true and fair view of the financial position of Bangladesh Submarine Cable Company Limited as at 30 June 2015, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.



ACNABIN
Chartered Accountants

Report on Other Legal and Regulatory Requirements:

We, as required by the Companies Act 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulation, further report that-

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account maintained by the Company and examined by us; and
- d) the expenditure incurred was for the purpose of the business of the Company.

Dhaka,
5 September 2015


ACNABIN
Chartered Accountants

Bangladesh Submarine Cable Company Limited

Statement of Financial Position

As at 30 June 2015

	Notes	30 June 2015 Taka	30 June 2014 Taka
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,995,368,725	2,156,933,181
Deferred expenditure	5	15,085,331	9,513,969
Investment in SMW-5	6	2,135,295,340	-
		1,553,310,091	2,599,323,034
Current Assets			
Trade and other receivables, net	7	1,178,087,568	965,502,073
Advances and deposits	8	132,495,046	21,126,710
Advance income tax	9	158,779,960	128,038,325
Investment in shares	10	32,573,325	33,263,107
Cash and cash equivalents	11	51,374,192	1,451,392,819
		5,699,059,487	4,765,770,184
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	12	1,499,141,000	1,499,141,000
Share premium	13	723,293,759	723,293,759
Tax holiday reserve	14	565,408,278	545,233,830
Revaluation reserve	15	339,631,310	339,631,310
Retained earnings	16	906,135,166	947,168,623
		1,018,132,397	310,529,295
Non-Current Liabilities			
Deferred tax liabilities	17	178,640,860	197,877,745
Security deposits received from clients	18	90,511,707	89,200,933
Employees' pension, gratuity & provident fund	19	31,895,599	23,450,617
Long Term Loan	20	717,084,231	-
		647,317,577	400,772,368
Current Liabilities			
Current portion of long term loan		109,633,045	-
Sundry creditors	21	89,117,642	11,241,545
Provision for income tax	22	197,553,163	168,380,676
Provision for WPPF and WF	23	9,390,270	24,407,352
VAT payable	24	235,857,730	191,000,306
Liabilities for expenses	25	5,765,727	5,742,489
		1,665,449,974	711,301,663
Total Liabilities		1,665,449,974	711,301,663
TOTAL EQUITY AND LIABILITIES		5,699,059,487	4,765,770,184

The annexed notes from 1 to 51 form an integral part of these financial statements.



Chief Financial Officer



Company Secretary



Managing Director



Director

This is the Statement of Financial Position referred to in our separate report of even date.

Dhaka,
5 September 2015



ACNABIN
Chartered Accountants

Bangladesh Submarine Cable Company Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2015

	Notes	2014-2015 Taka	2013-2014 Taka
Revenue			
IPLC (International Private Lease Circuit) rent	26	342,633,247	669,095,788
Circuit activation charge	27	4,581,600	3,295,750
IP Transit Service	28	188,506,679	79,589,919
Co-Location Charges	29	4,962,258	1,763,333
		540,683,784	753,744,790
Direct cost of operation			
Electricity and generator fuel	30	7,869,250	7,974,601
Landing station and cable route repair	31	1,218,480	1,646,176
Backhaul & Data connectivity Charge	32	45,195,093	39,096,898
IP Transit Cost	33	46,327,220	9,986,617
Depreciation of core machinery	34	160,770,797	177,211,747
		261,380,840	235,916,039
		279,302,944	517,828,751
Gross profit			
Operating expenses			
Operation and maintenance expenses	35	75,521,722	95,283,341
General and administrative expenses	36	96,920,339	80,809,796
Provision for bad & doubtful debts	37	26,184,803	13,428,310
Depreciation on property, plant and equipment	38	9,584,473	9,543,180
Amortization of deferred expenditure		280,600	280,600
		208,491,937	199,345,227
		70,811,008	318,483,525
Operating profit			
Non-operating income			
Bank interest and other income	39	75,819,002	190,846,713
(Loss)/Gain on investment in shares	40	(689,782)	3,224,160
		75,129,220	194,070,873
		145,940,227	512,554,398
Provision for contribution to WPPF & WF		6,949,535	24,407,352
		138,990,693	488,147,045
Profit before taxation			
Less: Current tax expense	41	29,172,487	118,394,089
Deferred tax (income)/expense	42	(19,236,884)	7,404,929
		9,935,603	125,799,018
		129,055,090	362,348,028
Net profit after tax			
Other comprehensive income, net of tax			
		-	-
Total comprehensive income			
		129,055,090	362,348,028
Earnings Per Share (EPS) - Basic			
	43	0.86	2.42

The annexed notes from 1 to 51 form an integral part of these financial statements.



Chief Financial Officer



Company Secretary



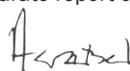
Managing Director



Director

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka,
5 September 2015



ACNABIN
Chartered Accountants

Bangladesh Submarine Cable Company Limited

Statement of Changes in Equity

For the year ended 30 June 2015

Particulars	Share capital	Share premium	Tax holiday reserve	Revaluation reserve	Retained earnings	Total Equity
Balance as at 01 July 2014	1,499,141,000	723,293,759	545,233,830	339,631,310	947,168,623	4,054,468,523
Transactions with shareholders:						
Cash dividend paid	-	-	-	-	(149,914,100)	(149,914,100)
Net profit after tax for the year	-	-	-	-	129,055,090	129,055,090
Tax holiday reserve	-	-	20,174,447	-	(20,174,447)	-
Balance as at 30 June 2015	1,499,141,000	723,293,759	565,408,278	339,631,310	906,135,166	4,033,609,513
Balance as at 01 July 2013	1,303,600,870	723,293,759	521,535,079	339,631,310	1,064,779,651	3,952,840,668
Transactions with shareholders:						
Bonus share issued	195,540,130	-	-	-	(195,540,130)	-
Cash dividend paid	-	-	-	-	(260,720,174)	(260,720,174)
Net profit after tax for the year	-	-	-	-	362,348,028	362,348,028
Tax holiday reserve	-	-	23,698,751	-	(23,698,751)	-
Balance as at 30 June 2014	1,499,141,000	723,293,759	545,233,830	339,631,310	947,168,623	4,054,468,522

Dhaka,
5 September 2015


Chief Financial Officer


Company Secretary


Managing Director


Director


ACNABIN
Chartered Accountants

Bangladesh Submarine Cable Company Limited

Statement of Cash Flows

For the year ended 30 June 2015

Notes	2014-2015 Taka	2013-2014 Taka
A. Cash flows from operating activities		
Cash received from clients	358,236,198	584,859,294
Cash paid to suppliers and others	(297,650,320)	(234,916,606)
Payment for WPPF	(21,966,617)	-
Payroll and other payments to employees	(46,044,930)	(41,901,800)
Income tax paid	(30,771,548)	(214,830,631)
Interest received	37,524,278	173,721,845
Receipts from rest house rent and others	33,983,248	41,639,748
Net cash flow from operating activities	33,310,310	308,571,850
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(16,291,584)	(87,344,592)
Payment for deferred expenditure	(5,851,962)	(8,110,969)
Investment in SMW-5	(2,058,578,064)	-
Refund from Upgradation -4	45,363,649	-
Investment in Share	-	(24,987,692)
Dividend received	879,280	738,534
Net cash flow from / (used in) investing activities	(2,034,478,681)	(119,704,719)
C. Cash flows from financing activities		
Dividend paid	(148,850,256)	(259,570,183)
Loan Received from IFIC Bank Ltd.	750,000,000	-
Net cash flow from / (used in) financing activities	601,149,744	(259,570,183)
Net deficit in cash and cash equivalents during the year (A+B+C)	(1,400,018,626)	(70,703,051)
Cash and cash equivalents at beginning of the year	1,451,392,818	1,522,095,870
Cash and cash equivalents at end of the year	51,374,192	1,451,392,819
Net Operating Cash Flows Per Share (NOCFPS)	43.3	0.22
		2.06

The annexed notes from 1 to 51 form an integral part of these financial statements.



Chief Financial Officer



Company Secretary



Managing Director



Director

Dhaka,
5 September 2015



ACNABIN
Chartered Accountants

Bangladesh Submarine Cable Company Limited

Notes to the financial statements

For the year ended 30 June 2015

1. Corporate information

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

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

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

2. Basis of preparation of financial statements

2.1 Statement of compliance

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

The financial statements have been authorised for issue by the Board of Directors of the Company on 5 September 2015.

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgments

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

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

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

- Note:4 Property, plant and equipment (useful life of depreciable assets)
 Note:17 Deferred tax liabilities (manner of recovery of temporary differences for determination of deferred tax liabilities)
 Note: 37 Provision for bad & doubtful debts
 Note: 41 Current tax expense
 Note: 42 Deferred tax (income)/expense

3. Significant accounting policies

Accounting policies set out below have been applied consistently for all periods for which the financial statements have been presented herein. Certain comparative amounts have been reclassified to conform to the current year's presentation.

3.1 Property, plant and equipment

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

3.2 Depreciation on property, plant and equipment

Depreciation on all property, plant and equipment is charged on reducing balance method considering the economic and useful lives of such assets. Periodical depreciation has been charged during the year under audit. Depreciation method, useful lives and residual values are reviewed at each year-end and adjusted if appropriate.

Name of Assets	Depreciation rate
Core equipment-IPLC	10%
Core equipment-IIG	12%
Building	4%
Floor development	10%
Security barak & security wall	4%
Deep tube-well & pump house	10%
500 KV sub-station	15%
Power system	10%
Boundary wall	4%
Ducting from beach manhole	5%
Vehicles	20%
Office equipment and furniture	10%
Co-Location point	10%
Office decoration	10%

3.3 Foreign currency transactions

The financial statements are presented in Taka/Tk./BDT, which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities outstanding at 30 June 2015 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the financial position date. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the Statement of Profit or Loss and Other Comprehensive Income as per BAS 21: The Effects of Changes in Foreign Exchange Rates.

3.4 Employee Benefit

BSCCL maintains defined benefit plan for its eligible permanent employees. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligation is to provide the agreed benefits to employees as per condition of the fund. The eligibility is determined according to the terms and conditions set in the service rules of the company. The plan funded is not registered under Income Tax Ordinance 1984.

3.5 Amortization

Amortization of deferred expenditure is recognised in Statement of Profit or Loss and Other Comprehensive Income (profit or loss) on a straight line basis over 5 (five) years from the date of recognition.

3.6 Tax holiday reserve

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

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

3.7 Income tax expense

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

3.7.1 Current tax

Provision for income tax is made as per Finance Act 2015. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The Company has been granted 100% tax exemption for IIG operation income (IP Transit service). Required provision for income tax has been made in the accompanying financial statements based on proportionate income.

3.7.2 Deferred tax

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

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

3.8 Revenue recognition

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

Revenues primarily comprise of:

- 1. IPLC Rent

2. Circuit Activation Charge
3. IP Transit Service
4. Co-location Charges

3.8.1 IPLC rent

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

3.8.2 Circuit activation charge

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

3.8.3 IP Transit service

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

3.8.4 Co-location Charges

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

3.9 Dividend income

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

3.10 Trade receivables

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

3.11 Cash and cash equivalents

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

3.12 Accounts payable

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

3.13 Contingencies

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

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

3.14 Earning per share (EPS)

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

3.15 Investment in shares

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

3.16 Events after the reporting period

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

3.17 Compliance with Financial Reporting Standards as applicable in Bangladesh

Sl. No.	BAS No.	BAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Not applicable
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	11	Construction Contracts	Not applicable
7	12	Income Taxes	Complied
8	16	Property, Plant & Equipment	Complied
9	17	Leases	Complied
10	18	Revenue	Complied
11	19	Employee Benefits	Complied
12	20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
13	21	The Effects of Changes in Foreign Exchange Rates	Complied
14	23	Borrowing Costs	Complied
15	24	Related Party Disclosures	Complied
16	26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
17	27	Consolidated and Separate Financial Statements	Not applicable
18	28	Investments in Associates	Not applicable
19	31	Interest in Joint Ventures	Not applicable
20	32	Financial Instruments: Presentation	Complied
21	33	Earnings per Share	Complied
22	34	Interim Financial Reporting	Complied
23	36	Impairment of Assets	Complied
24	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
25	38	Intangible Assets	Not complied*
26	39	Financial Instruments: Recognition and Measurement	Complied
27	40	Investment Property	Not applicable
28	41	Agriculture	Not applicable

* As per BAS 38 paragraph 69 any pre-operational, preliminary expenses or start-up costs should be recognised as an expense when it is incurred. But the company recognised deferred expenses as an asset for the project SEA-ME-WE-5 (Note-5) which is permitted as per Companies Act 1994.

Sl. No.	BFRS No.	BFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Not applicable
2	2	Share-based Payment	Not applicable
3	3	Business Combinations	Not applicable
4	4	Insurance Contracts	Not applicable
5	5	Non-current Assets Held for Sale and Discontinued Operations	Not applicable
6	6	Exploration for and Evaluation of Mineral Resources	Not applicable
7	7	Financial Instruments: Disclosures	Complied
8	8	Operating Segments	Not applicable
9	9	Financial Instruments	Not yet adopted in BD
10	10	Consolidated Financial Statements	Not applicable
11	11	Joint Arrangements	Not applicable
12	12	Disclosure of Interests in other Entities	Not applicable
13	13	Fair Value Measurement	Not applicable

4. Property, plant and equipment
Cost/ revaluation (A)

	30.06.2015 Taka	30.06.2014 Taka
Opening balance	3,504,139,179	3,277,116,511
Add: Purchased during the year	40,013,479	227,022,668
Less: Adjustment during the year (Note:4.1)	45,363,649	-
	3,498,789,009	3,504,139,179

Accumulated Depreciation (B)

Opening balance as reported	1,347,205,998	1,160,451,072
Add: Charged during the year	170,355,270	186,754,927
	1,517,561,268	1,347,205,998
Less: Adjustment during the year (Note:4.1)	14,140,984	-
	1,503,420,284	1,347,205,998

Written Down Value (A-B)

	1,995,368,725	2,156,933,181
--	----------------------	----------------------

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

- 4.1 During the year 2014-15 Tk.45,363,649 was reimbursed which was against Core Equipment-IPLC and thus accumulated depreciation amounting Tk.14,140,984 was adjusted against Core Equipment. The gain arised from this adjustment was reported in other income.

5. Deferred expenditure

Opening balance	9,513,969	1,403,000
Add: Addition during the year (Note: 5.1)	5,851,962	8,391,569
	15,365,931	9,794,569
Less: Amortization made during the year	280,600	280,600
	15,085,331	9,513,969

- 5.1 An amount of Tk.5,851,962 has been considered as deferred expenditure since this amount is identified as expenditure relating to Regional Submarine Telecommunications Project (SMW-5). As the project implementation has been in progress, these expenses are deferred as per Company Act, 1994.

6. Investment in SMW-5

Payment made to Central Billing Party	2,058,578,064	-
Interest on Term Loan	76,717,276	-
	2,135,295,340	-

Payment made to Central Billing Party, Telekom Malaysia Berhed as 50% of Core Contract Price for CIF, Payment for BMO, BM1, BM2, BM 3a, BM3b and BM 3c , for Kuakata Branch. The Interest of term loan for the period from July 2014 to June 2015 has been capitalized in investment in SMW-5 as per BAS 23: Borrowing

		30.06.2015	30.06.2014
		Taka	Taka
7. Trade and other receivables, net			
Trade receivables, net	(Note:7.1)	1,157,107,272	954,659,190
Other receivables	(Note:7.2)	20,980,296	10,842,883
		1,178,087,568	965,502,073

7.1 Trade receivables, net

Opening Balance		1,015,568,483	801,455,177
Add: Addition during the year		761,108,365	1,099,431,620
		1,776,676,848	1,900,886,797
Less: Collection during the year		532,475,480	885,318,314
Closing Balance		1,244,201,368	1,015,568,483
Less: Provision for bad and doubtful debts			
Opening Balance		60,909,293	47,480,983
Add: Addition during the year		26,184,803	13,428,310
		87,094,096	60,909,293
Trade receivables, net of provision		1,157,107,272	954,659,190

A detailed schedule of trade receivable is given in Annexure - B.

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

Ageing of trade receivables

The ageing of gross trade receivables as at the statement of financial position date was:

Past due 0-90 days	148,075,000	186,693,797
Past due 91-180 days	104,806,402	145,930,395
Past due 181 -365 days	200,858,451	383,124,307
Past due more than 365 days	790,461,515	299,819,984
	1,244,201,368	1,015,568,483

To Collect the outstanding amount from disconnected parties legal action like money suit has been filed against 7 (seven) parties for taka 66,881,299.89. Arbitration procedure has been initiated against 2 (two) parties for taka 14,301,565.28. Other disconnected parties who are not paying money will bring under legal action soon.

7.2 Other receivables

Dividend receivable	3,150	255,333
Receivable from ICB Securities Trading Co. Ltd.	12,158	12,220
Meghna Petroleum Co.Ltd.	131,600	-
FDR interest receivable from different Banks	-	8,159,562
Receivable from TM Malaysia	20,833,388	2,415,768
	20,980,296	10,842,883

8. Advances and deposits
Advances

Advance to:

Advance for Office Rent

Employees for foreign travelling

Employees against Expenses

Pragati Industries Limited for vehicle

Zibran & Associates

Civil Works Consultant Limited

Evan Enterprise

Mr. Shahjalal (Office Rent Patuakhali)

Milky & Associates

Future Link Technology

M/S K.K Enterprise

Kamal Trading Agency

Southern Automobiles

(Note: 8.1)

	30.06.2015 Taka	30.06.2014 Taka
	6,790,782	8,868,546
	-	121,000
	769,519	216,164
	-	6,926,000
	-	42,000
	1,316,500	990,000
	1,075,250	-
	246,000	246,000
	12,000	12,000
	-	20,000
	118,099,995	-
	50,000	50,000
	250,000	250,000
	128,610,046	17,741,710
	5,000	5,000
	19,000	19,000
	500,000	500,000
	600,000	100,000
	2,761,000	2,761,000
	3,885,000	3,385,000
	132,495,046	21,126,710
	8,868,546	10,946,310
	2,077,764	2,077,764
	6,790,782	8,868,546

8.1 Advance for Office Rent

Opening balance

Less: Adjustment during the year

8.2 Aging of Advances and Deposits

The aging of Advances, Deposits & Prepayments as at the statement of financial position date was as follows:

For 0-90 days

For 91-180 days

For 181 -365 days

For more than 365 days

52,173,416	8,443,448
31,266,009	382,713
37,266,416	2,785,628
11,789,205	9,514,921
132,495,046	21,126,710

9. Advance Income Tax

Opening balance

Add: Payment made during the year

Less: Settlement for previous year

128,038,325	93,697,824
30,771,548	128,038,324
158,809,873	221,736,147
29,913	93,697,822
158,779,960	128,038,325

10. Investment in Shares

				30.06.2015 Taka	30.06.2014 Taka
SL #	Ordinary shares of	Quantity	Cost price (Taka)	Market value	Market value
1	AB Bank Limited	77,167	2,657,979	1,821,141	1,742,262
2	ACI Limited	2,980	764,718	1,540,958	675,734
3	BEXIMCO Limited	133,654	9,731,184	4,343,755	3,264,303
4	Islami Bank Bangladesh Ltd.	39,091	951,084	672,365	989,002
5	NCC Bank Limited	174,354	1,697,578	1,673,798	1,695,993
6	BATA Shoe Limited	1,000	696,429	1,259,900	972,900
7	IFIC Bank Limited	46,287	1,246,945	893,339	986,125
8	Jamuna Oil Limited	23,716	4,392,440	4,662,565	4,585,812
9	Meghna Petroleum Limited	24,816	4,962,456	4,839,120	6,172,416
10	Padma Oil Limited	18,150	4,835,160	4,434,045	5,837,040
11	Square Pharma Limited	16,790	2,633,512	4,402,338	4,120,120
12	Titas Gas Distribution Co. Ltd.	29,000	2,242,120	2,030,000	2,221,400
			36,811,604	32,573,325	33,263,107

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

11. Cash and cash equivalents

Cash in hand	(Note:11.1)	142,704	128,166
Cash at bank	(Note:11.2)	51,231,488	1,451,264,653
		51,374,192	1,451,392,819

11.1 Cash in hand

Head Office-Dhaka	94,823	88,189
Landing Station-Kuakata	44,948	255
Landing Station-Cox's Bazar	2,933	39,722
		142,704
		128,166

11.2 Cash at bank**Savings and current deposits with:**

Sonali Bank Limited	8,400,889	85,635,193
National Bank Limited	94,586	91,950
Mutual Trust Bank Limited	2,849,912	1,487,596
Farmers Bank Limited	631,537	1,496,233
Brac Bank Limited	655,795	669,618
IFIC Bank Limited	4,227,916	2,131,054
United Commercial Bank Limited	31,774,919	461,104,795
		48,635,555
		552,616,439

Fixed deposits (FDR) with:

Basic Bank Limited	-	452,302,603
Bank Asia Limited	2,595,933	51,204,375
Sonali Bank Limited	-	116,441,080
Bangladesh Krishi Bank Limited	-	79,671,499
United Commercial Bank Limited	-	10,000,000
Meghna Bank Limited	-	144,460,062
Other Banks	-	44,568,594
		2,595,933
		898,648,214
		51,231,488
		1,451,264,653

The fixed deposits will be matured within 3 (three) months.

12. Share capital
Authorized:

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

30.06.2015 Taka	30.06.2014 Taka
--------------------	--------------------

10,000,000,000	10,000,000,000
-----------------------	-----------------------

Issued, subscribed and paid up capital:

149,914,100 Ordinary Shares of Taka 10 each

1,499,141,000	1,499,141,000
----------------------	----------------------

12.1 Percentage of Shareholding
Shareholding position as at 30 June 2015

Name of shareholders	Percentage of shareholding	No. of shares	Value in Taka
Posts & Telecommunications division, MoPT & IT	73.84%	110,698,922	1,106,989,220
Sponsor/Director	0.00%	175	1,750
Institute	10.98%	14,670,313	146,703,130
Public	14.85%	24,023,740	240,237,400
Foreign Investor	0.33%	520,950	5,209,500
	100%	149,914,100	1,499,141,000

Shareholding position as at 30 June 2014

Name of shareholders	Percentage of shareholding	No. of shares	Value in Taka
Posts & Telecommunications division, MoPT & IT	73.84%	110,698,922	1,106,989,220
Sponsor/Director	0.00%	175	1,750
Institute	9.81%	14,707,314	147,073,140
Public	15.80%	23,690,426	236,904,260
Foreign Investor	0.55%	817,263	8,172,630
	100%	149,914,100	1,499,141,000

12.2 Classification of shareholders by range of number of shares held:

Slab wise number of shares	No. of share holders		No. of shares	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Less than 500	23,755	25,703	2,878,968	2,954,871
500-5,000	8,095	7,690	11,389,517	10,605,481
5,001-10,000	495	471	3,554,232	3,363,289
10,001-20,000	191	216	2,629,913	2,975,293
20,001-30,000	64	74	1,597,655	1,821,077
30,001-40,000	29	27	1,058,545	962,750
40,001-50,000	8	11	368,651	493,610
50,001-100,000	31	39	2,163,894	2,699,485
100,001-1,000,000	28	30	6,058,058	5,877,304
1,000,001-1,000,000,000	4	4	118,214,667	118,160,940
	32,700	34,265	149,914,100	149,914,100

13. Share premium

723,293,759	723,293,759
--------------------	--------------------

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

	30.06.2015 Taka	30.06.2014 Taka
14. Tax holiday reserve		
Opening balance	545,233,830	521,535,079
Add: Current year's reserve	20,174,447	23,698,751
	565,408,278	545,233,830
15. Revaluation reserve	339,631,310	339,631,310
16. Retained Earnings		
Opening balance	947,168,623	1,064,779,651
Add: Profit for the year	129,055,090	362,348,028
	1,076,223,713	1,427,127,678
Less: Dividend paid during the Year	149,914,100	260,720,174
Appropriation for Stock Dividend	-	195,540,130
Transferred to Tax Holiday Reserve	20,174,447	23,698,751
	170,088,547	479,959,055
	906,135,166	947,168,623

17. Deferred tax liabilities

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of BAS 12: Income Taxes. Related deferred tax expense/(income) have been disclosed in Note: 42. Deferred tax assets and liabilities are attributable to the following:

Deferred tax relating to profit or loss account components	(Note: 17.1)	171,709,609	190,946,494
Deferred tax relating to components of other comprehensive income	(Note: 17.2)	6,931,251	6,931,251
		178,640,860	197,877,745

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

	Carrying amount	Tax base	Taxable/(deduc- table) temporary difference
	Taka	Taka	Taka
As at 30 June 2015			
Property, plant and equipment (excluding land)	1,558,676,026	752,847,894	805,828,132
Accounts receivable	1,157,107,272	1,244,201,368	(87,094,096)
Provision for pension, gratuity fund and provident fund	(31,895,599)	-	(31,895,599)
Net Taxable Temporary Difference			686,838,437
Applicable tax rate			25%
Deferred tax liability			171,709,609
As at 30 June 2014			
Property, plant and equipment (excluding land)	1,725,634,553	946,923,757	778,710,796
Accounts receivable	954,659,190	1,015,568,483	(60,909,293)
Provision for pension, gratuity fund and provident fund	(23,450,617)	-	(23,450,617)
Net Taxable Temporary Difference			694,350,886
Applicable tax rate			27.50%
Deferred tax liability			190,946,494

17.2 Deferred tax relating to components of other comprehensive income

	Carrying amount	Tax base	Taxable/(deductible) temporary difference
	Taka	Taka	Taka
As at 30 June 2015			
Revaluation reserve of property, plant and equipment	346,562,561	-	346,562,561
Applicable tax rate			2%
Deferred tax liability			6,931,251
As at 30 June 2014			
Revaluation reserve of property, plant and equipment	346,562,561	-	346,562,561
Applicable tax rate			2%
Deferred tax liability			6,931,251

30.06.2015 Taka	30.06.2014 Taka
--------------------	--------------------

18. Security deposits received from clients

Opening Balance	89,200,933	129,792,124
Add: Addition during the year	27,230,007	26,116,051
	116,430,940	155,908,175
Less: Adjustment during the year	25,919,233	66,707,242
	90,511,707	89,200,933

A detailed schedule of security deposit received from clients is given in Annexure - C.

19. Employees' pension, gratuity and provident fund

Employees' pension fund	(Note: 19.1)	13,808,952	13,808,952
Employees' gratuity fund	(Note: 19.2)	9,848,120	6,089,040
Employees' provident fund	(Note: 19.3)	8,238,527	3,552,625
		31,895,599	23,450,617

19.1 Employees' pension fund

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

19.2 Employees' gratuity fund

Opening balance	6,089,040	2,738,808
Add: Provision made during the year	3,759,080	3,350,232
	9,848,120	6,089,040

19.3 Employees' provident fund

Opening balance	3,552,625	-
Add: Employees' Contribution	2,342,951	1,776,312
Employer's Contribution	2,342,951	1,776,312
	8,238,527	3,552,625

20. Term Loan

IFIC Bank Limited	826,717,276	-
Less: Current portion of long term loan	109,633,045	-
	717,084,231	-

An amount of Taka 75 crore has been taken from IFIC Bank Limited for implementation of Regional Submarine Telecommunications Project, Bangladesh (SMW-5) Project. The Interest amount for the year from July'14 to June'15. of Tk.76,717,276 has been accumulated with the term loan. The Interest of term loan for the year from July 2014 to June 2015 has been capitalized in investment in SMW-5 as per BAS 23: Borrowing Cost.

Term Loan Particulars

IFIC Bank Limited

Facilities	Limit Tk.1,198,000,000 (Principal: Tk.100,000,0000 + Interest During Grace Period: Tk.198,000,000)
Rate of Interest	12%
Loan Period	66 Month from the date of 1st Disbursement
Grace Period	18 Month from the date of 1st Disbursement
Repayment Mode	12 Equal Quarterly Instalments after Grace Period
Service Charges	100 % Waiver
Loan Processing Fees	100 % Waiver

Security & Support:

1. Hypothecation on Fixed (Excluding land & Building) & floating assets of the company comprising of Plant and Machinery/Equipment, Furniture & Fixture, Vehicles, Book Debts, Receivables, etc.
2. 1st Charges to be Registered with the RJSC over Fixed (Excluding land & Building) & floating assets of the company comprising of Plant and Machinery/Equipment, Furniture & Fixture, Vehicles, Book Debts, Receivables, etc.

21. Sundry creditors

	30.06.2015 Taka	30.06.2014 Taka
Share money deposit	119,622	119,622
Telecom Technology	49,800	-
Withholding tax payable	82,518	333,287
The Daily Janakantha	-	201,825
Sony Chocolate Industries Limited	-	291,657
Milky Associates	156,602	-
Telecom Italia Sparkle	13,853,330	177,750
Best IT Solutions	-	115,000
Unclaimed dividend	2,662,924	1,599,079
Fibre @ Home	2,624,852	650,095
Spectrum Engineering Consortium Limited	5,157,320	184,500
ICB Securities Trading Company Limited	1,257,165	1,257,165
Advance Received from BD REN/UGC	-	1,114,300
Bangla Phone Limited	753,940	358,703
Payable to BTCL	42,098,242	4,243,170
Uttara Motors Limited	1,095,000	-
Bangladesh Business Corporation	1,793,000	-
Shahadat Rashid & Co.	37,742	-
Huawei Technologies (BD). Limited	16,795,895	-
Others	579,691	595,392
	89,117,642	11,241,545

21.1 Aging of sundry creditors

The aging of Sundry creditors as at the statement of financial position date was as follows:

Past due 0-90 days	32,931,890	10,039,707
Past due 91-180 days	28,526,672	633,128
Past due 181 -365 days	19,629,148	-
Past due more than 365 days	8,029,932	568,710
	89,117,642	11,241,545

22. Provision for income tax

	30.06.2015 Taka	30.06.2014 Taka
Opening balance	168,380,676	230,476,717
Add: Provision made during the year	29,172,487	118,394,089
	197,553,163	348,870,806
Less: Settlement for previous year	-	86,792,308
Tax paid directly from bank account through challan	-	93,697,822
Adjustment from advance income tax	-	180,490,130
	197,553,163	168,380,676

For the income year 2010-11 an amount of Tk.29,662,008 is claimed by NBR under section 135 of Income Tax Ordinance, 1984 against which an appeal is pending on Taxes Appellate Tribunal Bench 1.

23. Provision for WPPF and WF

Opening balance	24,407,352	-
Add: Provision made during the year	6,949,535	24,407,352
	31,356,887	24,407,352
Less: Settlement for previous year	21,966,617	-
	9,390,270	24,407,352

24. VAT Payable

235,857,730 191,000,306

This represents the amount received and deducted from clients arising from International Private Leased Circuit (IPLC) rentals, IP transit service, Circuit activation and Co-location charges. In addition to that this amount includes VAT receivable from clients against revenue receivable.

25. Liabilities for expenses

Office rent	4,923,000	4,923,000
Repair & Maintenance	15,900	6,900
Audit & other fees	201,250	189,750
Salary payable-Kuakata	-	201,275
Telephone bill	13,489	12,200
Electricity bill	602,724	400,000
Others	9,364	9,364
	5,765,727	5,742,489

26. IPLC (International Private Leased Circuit) Rent

IPLC rent	342,633,247	669,095,788
-----------	--------------------	--------------------

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

	2014-2015 Taka	2013-2014 Taka
Circuit Activation Charge-IPLC	2,801,600	2,095,750
Circuit Activation Charge-IP Transit	1,560,000	980,000
Circuit Activation Charge-ISP	220,000	220,000
	4,581,600	3,295,750

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

	2014-2015 Taka	2013-2014 Taka
28. IP Transit Service	188,506,679	79,589,919
This represents the service charges for providing internet bandwidth to IIGs and ISPs.		
29. Co-Location Charges	4,962,258	1,763,333
This represents charges to customers for using BSCCL's resources at Cox's Bazar and Dhaka.		
30. Electricity and generator fuel		
Electricity bill	7,039,002	6,556,987
Fuel for generator	830,248	1,417,614
	7,869,250	7,974,601
This cost is directly related to cost of operation.		
31. Landing station and cable route repair	1,218,480	1,646,176
This cost is directly related to repair and maintenance for landing station and cable route.		
32. Backhaul & Data Connectivity Charge		
Backhaul Charge	43,148,131	37,422,540
Data Connectivity & Fiber Core Charge	1,974,757	1,594,926
Membership & IP resource Allocation Fee	72,205	79,432
	45,195,093	39,096,898
This cost represents backhaul charges and for data connectivity & fiber core charge.		
33. IP Transit Cost	46,327,220	9,986,617
This cost represents the cost of purchasing IP bandwidth from Telecom Italia Sparkle.		
34. Depreciation of core machinery	160,770,797	177,211,747
This represents the depreciation charged on core machinery which are directly related to IPLC rent revenue. For further details Annexure-A is referred.		
35. Operation and maintenance expenses	75,521,722	95,283,341
This represents amount paid to SEA-ME-WE 4 during the year for expenses of cable operation and maintenance purpose after netting reimbursement of expenses from consortium received/receivable by the company.		

36. General and administrative expenses

	2014-2015 Taka	2013-2014 Taka
Salary and allowances	45,230,703	36,223,389
Managing Director's remuneration	2,656,366	3,187,524
Festival bonus	2,642,488	1,614,581
Incentive bonus	-	1,077,384
Gratuity provision	3,759,080	3,350,232
Office rent	9,397,850	8,138,900
Repair and maintenance	1,926,300	3,281,291
Business Development Expenses	1,933,215	1,585,090
Fees and Subscription	2,650,174	3,019,666
Vehicles Maintenance	1,432,224	1,440,274
Board and other meetings fees	2,595,234	2,054,768
Consultancy fees	462,959	1,590,514
Audit fees	201,250	189,750
Consortium meeting expenses	4,908,789	-
Advertisement and publicity expenses	1,406,873	1,720,908
Vehicles running expenses	2,031,716	2,021,817
Travelling & conveyance	930,881	1,611,882
Printing and Office stationery	3,494,552	3,047,449
Postage and courier expenses	171,890	124,375
Entertainment	1,276,071	1,181,662
AGM expenses	2,352,494	1,863,485
Bank charges and commission	946,740	552,872
Telephone Bill	180,826	148,796
CSR expenses	2,888,000	300,000
Rent, rates & taxes	272,838	1,320,132
Insurance premium	215,181	163,055
Legal Fees	929,390	-
Books & Periodicals	26,255	-
	96,920,339	80,809,796

37. Provision for bad & doubtful debts

Closing balance of provision for bad & doubtful debts	87,094,096	60,909,293
Less: Opening balance of provision for bad & doubtful debts	60,909,293	47,480,983
	26,184,803	13,428,310

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

38. Depreciation on property, plant and equipment

9,584,473	9,543,180
------------------	------------------

This represents the depreciation charged on other than core machinery. For further details Annexure-A is referred.

39. Bank interest and other income

Rest house rent and others	601,658	570,791
Interest on FDR	29,351,903	162,651,524
Landing Station Cross Connection Charges	30,965,760	25,783,296
Cost reimbursement from consortium	14,140,984	-
Dividend income	758,697	725,934
Reimbursement from TM Malaysia	-	1,115,168
	75,819,002	190,846,713

		2014-2015 Taka	2013-2014 Taka
40. Gain/(loss) on investment in shares			
Closing Market Value of Investment (A)	(Note: 10)	32,573,325	33,263,107
Opening market value of investment		33,263,107	5,051,255
Add: Purchase During the Year		-	24,987,692
Cost of purchase (B)		33,263,107	30,038,947
(Loss)/Gain (A-B)		(689,782)	3,224,160
41. Current tax expense		29,172,487	118,394,089
42. Deferred tax (income)/expense			
Closing balance of deferred tax liability	(Note: 17.1)	171,709,609	190,946,494
Opening balance of deferred tax liability		190,946,494	183,541,565
Deferred tax (income)/expense		(19,236,884)	7,404,929
43. Basic Earning Per Share (EPS)			
Profit attributable to ordinary shareholders (A)		129,055,090	362,348,028
Weighted average number of ordinary shares (B)	(Note: 43.1)	149,914,100	149,914,100
Basic earnings per share (A/B)*		0.86	2.42
43.1 Weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the total number of days that the specific number of shares are outstanding as a proportion of the total number of days in the year.			
43.2 Diluted earning per share			
No diluted earnings per share is required to be calculated for the years as there has no dilutive potential ordinary shares.			
43.3 Net operating cash flows per share (NOCFPS)			
Net cash flows from operating activities (A)		33,310,310	308,571,850
Weighted average number of ordinary shares (B)	(Note: 43.1)	149,914,100	149,914,100
Net operating cash flows per share (NOCFPS)		0.22	2.06
44. Financial risk management			
The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments.			
* Credit risk			
* Liquidity risk			
* Market risk			
44.1 Credit risk			
Credit risk is the risk of a financial loss to the company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables.			

As per terms and conditions of agreement with the clients, sale of Bandwidth is on prepaid basis. But for some unavoidable reasons a portion of sale remains outstanding and to make it acceptable management has made a credit recovery committee and the exposure to credit risk is monitored on an ongoing basis. As at 30 June 2015, substantial part of the receivables are those from BTCL and Mango Teleservices Limited and other clients and are subject to significant credit risk. Risk exposures from other financial assets, i.e. cash at bank and other external receivables are also nominal.

(a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Trade receivables, net	(Note: 7.1)	1,157,107,272	954,659,190
Other receivables	(Note: 7.2)	20,980,296	10,842,883
Financial assets (HFT) - investment in shares	(Note: 10)	32,573,325	33,263,107
Cash and cash equivalents	(Note: 11)	51,374,192	1,451,392,819
		1,262,035,085	2,450,157,999

The maximum exposure to credit risk for trade and other receivables as at the statement of financial position date by geographic regions was:

Domestic	1,244,348,276	965,502,073
Foreign (Malaysia)	20,833,388	2,415,768
	1,265,181,664	967,917,841

b) Ageing of trade receivables

The aging of gross trade receivables as at the statement of financial position date was:

Past due 0-90 days	148,075,000	186,693,797
Past due 91-180 days	104,806,402	145,930,395
Past due 181 -365 days	200,858,451	383,124,307
Past due more than 365 days	790,461,515	299,819,984
	1,244,201,368	1,015,568,483

c) Impairment losses

Impairment losses on the above receivables were recognised as per the company policy and recommendation made by Audit Committee. Quantitative disclosure for such impairment losses has been given in Note 7.1 of these financial statements.

44.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they falls due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

The following are the contractual maturities of financial liabilities of the company:

As at 30 June 2015

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Security deposits received from clients	90,511,707	18,102,341	72,409,366
Employees' pension and gratuity fund	31,895,599	6,379,120	25,516,479
Sundry creditors	89,117,642	89,117,642	-
Income tax payable (provision less AIT)	197,553,163	197,553,163	-
VAT payable	235,857,730	235,857,730	-
Provision for WPPF and WF	9,390,270	9,390,270	-
Liabilities for expenses	5,765,727	5,765,727	-
	660,091,838	562,165,993	97,925,845

As at 30 June 2014

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Security deposits received from clients	89,200,933	17,840,187	71,360,746
Employees' pension and gratuity fund	23,450,617	4,690,123	18,760,493
Sundry creditors	11,241,545	11,241,545	-
Income tax payable (provision less AIT)	168,380,676	168,380,676	-
Provision for WPPF and WF	24,407,352	24,407,352	-
VAT payable	191,000,306	191,000,306	-
Liabilities for expenses	5,742,489	5,742,489	-
	513,423,918	423,302,678	90,121,240

44.3 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

a) Currency risk

The company is exposed to currency risk on payment of operation and maintenance expense and its reimbursement to and from consortium members and interest expense and repayments relating to borrowings incurred in foreign currencies. All of the company's foreign currency transactions are denominated in USD.

i) Exposure to currency risk

The company's exposure to foreign currency risk was as follows based on notional amounts:

	30.06.2015 Taka	30.06.2014 Taka
Foreign currency denominated assets		
Receivable from TM Malaysia	20,833,388	2,415,768
Foreign currency denominated liabilities		
Share money deposit payable	(119,622)	(119,622)
Net exposure	20,713,766	2,296,146
The following rate has been applied:	Taka	Taka
US Dollar (\$)	77.83	77.30

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A change of 10 basis points in foreign currencies would have increased/(decreased) equity and profit or loss of the company by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

2014-2015	Profit or loss		Equity	
	Increase	Decrease	Increase	Decrease
US Dollar (10% movement)	2,071,377	-	2,071,377	-
2013-2014				
US Dollar (10% movement)	229,615	(229,615)	229,615	(229,615)

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The company is not significantly exposed to fluctuation in interest rates as it has neither floating interest rate bearing financial liabilities nor entered into any type of derivative instrument in order to hedge interest rate risk as at 30 June 2015.

Profile

As at 30 June 2015, the interest rate profile of the company's interest bearing financial instruments was:

Fixed rate instruments

Financial assets (short term investments-FDR)	2,595,933	898,648,214
Financial liabilities	826,717,276	-

Fair value of financial assets and liabilities of the company together with carrying amount shown in the statement of financial position are as follows:

	As at 30 June 2015		As at 30 June 2014	
	Carrying amount Taka	Fair value Taka	Carrying amount Taka	Fair value Taka
Financial assets				
Assets carried at fair value through profit or loss				
Investment in shares	32,573,325	32,573,325	33,263,107	33,263,107
Held to maturity assets				
Short term investment-FDR	2,595,933	2,595,933	898,648,214	898,648,214
Loans and receivables				
Trade receivables, net	1,157,107,272	1,157,107,272	954,659,190	954,659,190
Other receivables	20,980,296	20,980,296	10,842,883	10,842,883
	1,213,256,826	1,213,256,826	1,897,413,394	1,897,413,393
Financial liabilities				
Liabilities carried at fair value through profit or loss	-	-	-	-
Liabilities carried at amortised costs				
Security deposits received from clients	(90,511,708)	(90,511,708)	(89,200,933)	(89,200,933)
Sundry creditors	(89,117,642)	(89,117,642)	(11,241,545)	(11,241,545)
VAT payable	(235,857,730)	(235,857,730)	(191,000,306)	(191,000,306)
Provision for WPPF and WF	(9,390,270)	(9,390,270)	(24,407,352)	(24,407,352)
Liabilities for expenses	(5,765,727)	(5,765,727)	(5,742,489)	(5,742,489)
	(430,643,076)	(430,643,076)	(321,592,625)	(321,592,625)

45. Bandwidth capacity

Present Capacity
Utilization
Percentage of utilization

	2014-2015 Gbps	2013-2014 Gbps
	200	200
	33.52	22.50
	16.76%	11.25%

46. Capital management

Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity of the company. The Board of Directors monitors the level of capital as well as the level of dividend to the ordinary shareholders. In order to maintain or adjust the capital structure, the company may adjust the amount of dividend, return on capital to shareholders, issue new shares or obtain long-term debt. The company is not subject to any externally imposed capital requirement.

47. Remittance of foreign currency to consortium

Investment in SMW-5
Operation and maintenance expenses
IP Transit & Membership cost
Financial charge on lease

	30.06.2015 USD	30.06.2014 USD
	26,289,604	-
	1,160,522	1,403,063
	320,322	121,107
	-	-
	27,770,447	1,524,170

48. Contingent liabilities and commitments

Office rent

(Note: 48.1)

	6,738,180	6,738,180
--	------------------	------------------

48.1 There is a dispute between BSCCL and BTCL regarding office rent for office space used by BSCCL up to 30 June 2012. BTCL claimed Tk.11,538,320 excluding VAT but BSCCL kept provision for Tk.4,800,000. So there is a dispute for Tk.6,738,180.

49. Related party disclosures

As per BAS 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 BAS 24.

Related parties include the company's directors, key management personnel, associates, companies under common directorship etc. as per BAS 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.

49.1 Name of the Directors along with all related Firms/Companies/Institutions/Parties as at 30 June 2015

SI No.	Name of the Directors	Status with the company	Name of the related Ministries/ Companies/ Parties etc.	Remarks
1	Mr. Md. Faizur Rahman Chowdhury	Chairman	Secretary- Posts & Telecommunications division, MoPT & IT	Nominated by GOB
2	Mr. Jalal Ahmed	Director	Additional Secretary-MoF	Nominated by GOB
3	Mr. Shawkat Mostafa	Director	Additional Secretary- Posts & Telecommunications division, MoPT & IT	Nominated by GOB
4	Mr. Rabindranath Roy Chowdhury	Director	Additional Secretary-MoST	Nominated by GOB
5	Col. Md. Arefin Talukder, PSC	Director	Colonel GS, DGFI Bangladesh Army	Nominated by GOB
6	Dr. Md. Mahbulul Alam Joarder	Director	Professor -Institute of Information Technology, University of Dhaka	Nominated by GOB
7	Mr. Mohammad Shahjahan Khan	Independent Director	Ex-President-DCCI	Nominated by GOB
8	Mr. Nasir Uddin Ahmed, FCA, FCS	Independent Director	Council Member, ICAB & Partner, MABS & J Partners, Chartered Accountants	Nominated by GOB
9	Mr. Md. Monwar Hossain	Managing Director	BSCCL	Nominated by GOB

49.2 Related party transactions

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

SI No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Sales (in Taka)	
					2014-2015	2013-2014
1.	Bangladesh Telecommunications Company Limited	Mr. Md. Faizur Rahman Chowdhury	Chairman	Bandwidth sale	300,225,929	460,315,848

2014-2015 Taka	2013-2014 Taka
----------------	----------------

b) Key management personnel compensation

Short term employee benefits (salary and other allowances)

Provident Fund

Post employment benefits (gratuity fund)

2,656,366	3,187,524
577,312	153,256
414,000	414,000
3,647,678	3,754,780

50. Disclosure as per Schedule XI, Part II, Para 4 of the Companies Act:

Directors are also executive of the company. There executive compensation for the year 2014-2015 is given below:

Managing Director's remuneration and benefit
 Management and other personnel remuneration and benefit

(Note: 50.1)

(Note: 50.2)

2,656,366	3,187,524
47,873,191	37,837,970
50,529,557	41,025,494

50.1 Managing Director's remuneration and benefit

Salary

2,656,366	3,187,524
------------------	------------------

50.2 Management and other personnel remuneration and benefit

Salary
Bonus

2014-2015 Taka	2013-2014 Taka
45,230,703	36,223,389
2,642,488	1,614,581
47,873,191	37,837,970

Period of payment to Directors is from July 2014 to June 2015.

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

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

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

51. Other disclosures

51.1 Segment information

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

51.2 Comparatives

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

51.3 Number of employees

As at 30 June 2015 the number of regular employees receiving remuneration of Tk. 36,000 or above per annum was 78 (2014: 74).

51.4 Events after the reporting period

The Board of Directors of BSCCL, at its 116th meeting held on 05 September 2015 proposed stock dividend 10% on the paid-up capital for the year 2014-2015. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

Dhaka,
5 September 2015


Chief Financial Officer


Company Secretary


Managing Director


Director


ACNABIN
Chartered Accountants

(Annexure-A)

Bangladesh Submarine Cable Company Limited

Schedule of Property, Plant & Equipment

As at 30 June 2015

Name of assets	Cost			Accumulated depreciation			WDV as at 30 June 2015	
	As at 01 July 2014	Additions during the year	As at 30 June 2015	Rate	As at 01 July 2014	Charged during the year		Adjustment during the year
a. Freehold assets								
Land and land development	84,737,067	-	84,737,067	-	-	-	-	84,737,067
Core equipment-IPLC	2,742,706,868	-	2,697,343,219	10%	1,266,524,385	143,081,883	14,140,984	1,395,465,284
Core equipment-IG	145,550,586	26,949,494	172,500,080	12%	13,191,471	17,688,914	-	30,880,385
Building	58,488,364	718,320	59,206,684	4%	10,719,143	1,917,282	-	12,636,425
Floor development	2,654,065	-	2,654,065	10%	1,483,709	117,036	-	1,600,745
Security barak & security wall	7,827,297	-	7,827,297	4%	1,437,318	255,599	-	1,692,917
Deep tube-well & pump house	2,343,837	-	2,343,837	10%	1,335,671	100,817	-	1,436,487
500 KV sub-station	3,284,000	-	3,284,000	15%	2,390,883	133,968	-	2,524,851
Power system	35,631,806	-	35,631,806	10%	19,859,775	1,577,203	-	21,436,978
Boundary wall	8,255,575	-	8,255,575	4%	1,515,962	269,585	-	1,785,547
Ducting from beach manhole	18,088,759	-	18,088,759	5%	6,090,384	599,919	-	6,690,303
Vehicles	28,286,712	9,849,800	38,136,512	20%	16,895,214	3,047,649	-	19,932,862
Office equipment and furniture	15,317,962	2,348,009	17,665,971	10%	4,789,787	1,216,976	-	6,006,764
Co-Location point	171,554	147,856	319,410	10%	80,383	15,315	-	95,698
Office decoration	4,233,166	-	4,233,166	10%	901,913	333,125	-	1,235,038
Sub-total	3,157,577,618	40,013,479	3,152,227,448		1,347,205,998	170,355,270	14,140,984	1,503,420,284
b. Revalued assets								
Land and land development	346,561,561	-	346,561,561	-	-	-	-	346,561,561
Sub-total	346,561,561	-	346,561,561		-	-	-	346,561,561
Total balance as at 30 June 2015 (a+b)	3,504,139,179	40,013,479	3,498,789,009		1,347,205,998	170,355,270	14,140,984	1,503,420,284
As at 30 June 2014	3,277,116,511	227,022,668	3,504,139,179		1,160,451,072	186,754,927	-	1,347,205,998

During the year 2014-15 Tk.45,363,649 was reimbursed which was against Core Equipment-IPLC and thus accumulated depreciation amounting Tk.14,140,984 was adjusted against Core Equipment. The gain arising from this adjustment was reported in other income.

(Annexure-B)

Bangladesh Submarine Cable Company Limited

Schedule of Trade Receivable

As at 30 June 2015

(Amount in Taka)

SL #	Name of Customer	Opening balance	Addition during the Year	Collection during the Year	Closing Balance
1	1 Asia Alliance Communication Ltd	10,044,709	-	-	10,044,709
2	1 Asia Alliance Gateway Ltd	4,257,982	-	-	4,257,982
3	Aamra Technologies Ltd	11,307,934	16,844,377	22,219,536	5,932,776
4	Apple Global Tel Communications Ltd	3,583,087	-	-	3,583,087
5	Bangla Phone Ltd	1,418,333	1,813,182	3,001,515	230,000
6	Bangla Tel Ltd	5,973,100	11,555,664	11,208,083	6,320,681
7	Bangla Trac Communications Ltd.	8,034,842	10,910,272	14,062,722	4,882,391
8	BD Link Communication Ltd	1,244,196	8,415,941	6,480,652	3,179,486
9	BESTEC Telecom Ltd	4,256,856	-	-	4,256,856
10	BG International Gateway Ltd	12,687,131	-	-	12,687,131
11	BG Tel Ltd.	3,546,733	11,555,663	10,817,947	4,284,449
12	Bharti Airtel Limited(Airtel)	761,701	-	-	761,701
13	BTCL	467,408,950	300,225,929	67,034,235	700,600,644
14	Cel Telecom	5,413,595	1,352,030	6,765,624	1
15	Cybergate Ltd	19,487,337	67,842,495	77,419,539	9,910,294
16	DBL Telecom Ltd	4,995,478	11,578,663	12,741,236	3,832,906
17	Delta Infocom Ltd	7,126,443	-	508,085	6,618,358
18	Digicon Telecommunication Ltd	3,411,405	12,347,119	14,090,421	1,668,104
19	Earth Telecommunications Pvt.Ltd	3,889,216	-	-	3,889,216
20	Equitel Communication Ltd-IIG	117,990	707,940	699,215	126,715
21	Fiber@Home Ltd	5,413,809	29,608,802	24,580,284	10,442,327
22	First Communication Ltd	4,535,418	-	-	4,535,418
23	Global Fair Communincation Ltd	1,459,354	4,719,600	4,298,940	1,880,014
24	Global Voice Telecom Ltd	8	11,000,915	7,350,573	3,650,350
25	Greenland Technologies Ltd	1,634,656	-	700,000	934,656
26	HRC Technologies Ltd	10,421,555	11,555,663	11,785,613	10,191,606
27	I-Tel Ltd-IIG	287,574	-	12,264	275,310
28	InterCloud Ltd	-	2,437,779	1,999,147	438,632
29	Kay Telecommunication Ltd	9,313,987	1,164,248	-	10,478,235
30	Level 3 Carrier Ltd	12,798,657	25,443,122	26,826,403	11,415,376
31	Mango Tele Services Ltd.	264,223,682	35,656,624	40,046,000	259,834,306
32	Maxnet Online	16,860,017	47,196,000	37,962,000	26,094,017
33	Mir Telecom Ltd.	3,367,636	11,431,880	11,263,392	3,536,123
34	Novocom Ltd	1,230,005	21,218,335	16,334,592	6,113,749
35	Novotel Ltd	3,287,100	9,372,112	9,319,512	3,339,701
36	Platinum Communications Ltd	726,248	-	453,731	272,517
37	Radiant Communication Ltd	7,062,242	-	-	7,062,242
38	Ranks Telecom Ltd	5,135,569	11,417,906	10,751,629	5,801,845
39	Ratul Telecom Ltd	12,032,480	-	-	12,032,480
40	REGO Communication Ltd	7,339,152	-	1,000,000	6,339,152
41	Roots Communications Ltd	6,223,742	12,347,119	12,447,483	6,123,378
42	Sky Tel Communication Ltd	4,332,615	-	-	4,332,615
43	SM Communication Ltd	11,787,570	-	-	11,787,570
44	Summit Communications Ltd	4,725,839	22,087,973	20,409,761	6,404,050
45	Telex Ltd	18,880,608	-	-	18,880,608
46	Unique Infoway Ltd	3,744,564	-	-	3,744,564
47	Venus Telecom Ltd	5,141,351	12,732,246	12,415,762	5,457,835
48	Vision Tel Ltd	5,422,425	-	-	5,422,425
49	ADN Telecom Ltd-IIG(ISP)	-	8,318,456	5,816,528	2,501,928
50	BD Hub Ltd-IIG	9,070,039	28,250,306	29,653,056	7,667,289
51	BDREN/UGC-ISP	143,560	-	-	143,560
Total		1,015,568,483	761,108,365	532,475,480	1,244,201,368

Bangladesh Submarine Cable Company Limited

Schedule of Security Deposits Received from Clients

As at 30 June 2015

(Amount in Taka)

SL #	Name of Customer	Opening balance	Addition during the Year	Adjustment during the Year	Closing Balance
1	Cybergate Ltd	8,884,318	7,778,158	5,961,808	10,700,668
2	DBL Telecom Ltd	1,012,390	-	-	1,012,390
3	Aamra Technologies Ltd	4,822,013	1,618,823	2,701,310	3,739,525
4	Apple Network Ltd	1,012,390	-	-	1,012,390
5	Bangla Trac	3,038,931	-	2,025,954	1,012,977
6	BD Hub Ltd	451,356	-	451,356	-
7	BG Tel Ltd	2,328,497	-	-	2,328,497
8	BTCL	6,913,200	-	-	6,913,200
9	CEL Telecom Ltd	1,012,390	-	1,012,390	-
10	Digicon Telecommunication Ltd	5,360,754	-	3,195,974	2,164,780
11	BD Link Communication Ltd	1,658,928	-	-	1,658,928
12	Bangla Tel Ltd	4,353,276	-	-	4,353,276
13	Summit Communications Ltd	1,623,986	-	902,713	721,273
14	Novocom Ltd	2,120,702	-	-	2,120,702
15	Venus Telecom Ltd	2,164,780	595,014	-	2,759,794
16	Fiber@Home Ltd	1,750,351	5,328,180	690,000	6,388,531
17	Global Voice Ltd	0	2,328,497	-	2,328,497
18	HRC Technologies Ltd	2,094,780	-	-	2,094,780
19	InterCloud Ltd	-	425,684	-	425,684
20	Kay Telecommunication Ltd	1,012,390	-	-	1,012,390
21	Mango Teleservices Ltd	8,812,879	-	-	8,812,879
22	Mir Telecom Ltd	5,412,537	-	-	5,412,537
23	Novotel Ltd	1,012,977	-	-	1,012,977
24	Ranks Telecom Ltd	1,012,390	-	-	1,012,390
25	Roots Communication Ltd	1,082,390	-	-	1,082,390
26	Bangla Phone Ltd(IIG)	-	147,591	-	147,591
27	BD Hub Ltd-IIG	4,509,840	2,163,150	4,509,840	2,163,150
28	Novocom Ltd-IIG	-	2,097,600	-	2,097,600
29	Global Fair Communication Ltd-IIG	786,600	-	-	786,600
30	I-Tel Ltd-IIG	209,760	-	-	209,760
31	Level 3 Carrier Ltd-IIG	4,467,888	2,045,160	4,467,888	2,045,160
32	Summit Communication Ltd-IIG	2,294,250	1,141,094	-	3,435,344
33	ADN Telecom Ltd-IIG(ISP)	-	1,561,056	-	1,561,056
34	Maxnet Online-IIG	7,866,000	-	-	7,866,000
35	Equitel Communication Ltd-IIG	117,990	-	-	117,990
Total		89,200,932	27,230,007	25,919,233	90,511,707



Bangladesh Submarine Cable Company Limited

Rahmans' Regnum Center (7th & 8th Floor)
191, Tejgaon-Gulshan Link Road, Dhaka-1208, Bangladesh

PROXY FORM

I/We

of being a shareholder

of **Bangladesh Submarine Cable Company Limited** do hereby appoint

Mr./Ms.

of

(or failing his/her)

Mr./Ms.

of as my/our Proxy

to attend and vote on my/our behalf at the 7th Annual General Meeting of the Company to be held on October 18, 2015, Sunday at 10.30 a.m. at **Sayeman Beach Resort, Cox'sbazer** or at any adjournment thereof or any ballot to be taken in consequence thereof.

Signed this day of October, 2015

.....
Signature of the Proxy

.....
Signature of the Shareholder(s)

BO ID No.

No of Shares being held

Revenue
Stamp of
Tk. 10/=

Notes:

- I). This Form of Proxy, duly completed must be deposited at least 48 hours before the meeting of the Company's Registered Office. Proxy is invalid if not signed and stamped as indicated above.
- II). Signature of the Shareholder should agree with the specimen signature registered with the Company.



Bangladesh Submarine Cable Company Limited

Rahmans' Regnum Center (7th & 8th Floor)
191, Tejgaon-Gulshan Link Road, Dhaka-1208, Bangladesh

ATTENDANCE SLIP

I/We hereby record my/our attendance at the 7th Annual General Meeting of the Company to be held on October 18, 2015, Sunday at 10.30 a.m. at **Sayeman Beach Resort, Cox'sbazer**.

Name of the Shareholder(s)/Proxy (in Block Letter)

BO ID No.

No of shares being held

.....
Signature of the Shareholder(s) Proxy

Date :

N.B.: Shareholders attending the meeting in person or by proxy are requested to complete Attendance Slip and deposite the same at the entrance of the meeting hall.