

**Auditor's Report and Financial Statements
of
Bangladesh Submarine Cable Company Limited**

191/B Bir Uttam Mir Shawkat Sarak, Dhaka 1208

For the Year ended 30 June 2023

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

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Bangladesh Submarine Cable Company Limited (BSCCL), which comprise the statement of financial position as at 30 June 2023 and the 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 notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. Reference to **Note # 17** of the Financial Statements, BSCCL received amounting to Taka 1,660,000,000 during the Financial Years 2015-2016 and 2016-2017 as Equity Money in six different phases from the Government of the People's Republic of Bangladesh for the purpose of implementing the Regional Submarine Telecommunications Project, Bangladesh (Installation and Establishment of Second Submarine Cable System (SMW5) with condition that the said amount will be converted into Equity Capital in favor of Ministry of Posts, Telecommunications and Information Technology through issuing shares after implementing the project and getting proper approval from the concerned authority of the Government of the People's Republic of Bangladesh and in compliance with the guidelines and policies issued by Ministry of Finance (Finance Division) for issuing equity capital.

Furthermore, BSCCL received amounting to Taka 862,360,790 during the Financial Year 2021-2022 and 2022-2023 as Equity Money in four different phases from the Government of the People's Republic of Bangladesh for implementing the installation of 3rd Submarine Cable (Work in progress) for expansion of International Telecommunications System of Bangladesh. Hence, total Equity Money stands at Taka 2,522,360,790 as on 30 June 2023.

On 11 February 2020 Financial Reporting Council (FRC) issued a notification (Notification No. 146/FRC/Admin/Notification/2020/01) regarding Accounting and Reporting on Share Money Deposit. As per the said notification any amount received from investor as Share Capital or call by whatever name that was considered as part of equity in the Financial Statements shall be converted to share capital within six months. Further, till to date of conversion of share money deposit to share capital, the amount of share money deposit shall be considered as potential share.

Although the official process with the Ministry of Posts, Telecommunications and Information Technology has been completed but BSCCL is awaiting for final approval from the Ministry of Finance to transfer the Equity Money to Share Capital. Hence, no Equity/Share Money has been converted into Share Capital by BSCCL as of 30 June 2023.

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We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

Without modifying our opinion, we report as follows:

1. Reference to **Note # 25 "Employees' pension, gratuity, LE & provident fund"** of its financial statements, the Company has carried forward the amount of Taka 13,808,952 of "Employees' Pension Fund" for a long period of time without adjustments which should be remeasured by the company and take initiative to adjust. Although the Company does not have any pension fund.
2. Reference to **Note # 62** to its financial statements, the company has disclosed the "**Contingent Liabilities and commitment**" where they are involved a number of legal proceedings, including inquiries from, or discussions with, governmental authorities that are incidental to its operations. However, the Company has a dispute with the revenue authorities for an amount of Tk. 25,240,639 demanded by DCT for AY 2011-12 against of which appeal is processed to High Court Division.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
<p>Revenue Recognition</p> <p>We considered revenue recognition as a key audit matter because:</p> <ul style="list-style-type: none"> • Revenue is the most financially significant item in the statement of profit and loss and other comprehensive income. • The company has reported revenue of Taka 5,154,911,960 for the year ended 30 June 2023. • The Company's revenue is primarily generated from the provision of International Private Leased Circuit (IPLC) Service, Circuit activation charge, Co-Location Service, IP Transit Service - Local and Export. There is an inherent risk over the accuracy and timing of revenue recognition given the complexity of billing systems and processing various data 	<p>Our procedures included obtaining an understanding of management's revenue recognition policies and process. We tested sample of transactions to verify whether the revenue was accounted for in accordance with the revenue accounting policy as disclosed in Note 3.5 and 33 to 37 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the revenue recognition accounting standard.



Key Audit Matters	How our audit addressed the key audit matters
<p>which are impacted by the prices and rates including different rates based on services consumed, and discounts arrangements. As a result, the application of accounting standards is complex and involves, to a certain extent, a number of key judgments and estimates made by the management.</p> <p>Following the application of the new revenue recognition standard (IFRS 15, Revenue from Contracts with Customers), the company adopted its accounting policies.</p> <p>Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service. In addition, the application of the new standard, IFRS 15: Revenue from Contract with Customer for the current financial year immaterially impact on the financial statements.</p> <p>Details of the accounting policies for revenue recognition are set out in Note 3.5 to the financial statements and the various revenue streams for the company have been disclosed in Note 33-37 to the financial statements.</p>	<ul style="list-style-type: none">• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. <p>Selected a sample of continuing and new contracts and performed the following procedures:</p> <ul style="list-style-type: none">• Read, analyzed and identified the distinct performance obligations in these contracts.• Compared these performance obligations with that identified and recorded by the Company.• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.• Testing the key controls over the calculation of the amounts billed to customers and the capturing and recording of the revenue transactions.• Testing the key controls over the authorization of the rate changes and the input of such rates to the billing systems.• Testing the accuracy of customer bill calculations and the respective revenue transactions recorded.• Testing the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures.• examining material journal entries and other adjustments posted to revenue.• performed enquiries with management to understand their risk assessments and inspected



Key Audit Matters	How our audit addressed the key audit matters
	<p>meeting minutes to identify relevant changes in their assessments and estimates.</p> <p>We specifically put emphasis on those transactions occurring close before or after the financial position date to obtain sufficient evidence over the accuracy of cut-off.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p> <p>Based on our work, we noted no significant issues regarding the accuracy of revenue reported for the year.</p>
Property Plant and Equipment	
<p>The company incurred a significant level of capital expenditure in connection with the expansion of its equipped capacity and improvements of bandwidth. The carrying value of Property Plant and Equipment aggregating to Taka 6,021,293,160 represents a significant amount in the company's statement of financial position as at 30 June 2023 and carries the risk of:</p> <ul style="list-style-type: none"> • There are a number of areas where management judgement impacts the carrying value of PPE, and the related depreciation profiles. • determining which costs meet the criteria for capitalization; • determining the date on which the assets is recognized to property, plant and equipment and depreciation commences; • the estimation of economic useful lives and residual values assigned to property, plant and equipment. • useful lives of assets shortening and technological obsolescence, <p>The management reviews the estimated depreciable lives and the residual value of property, plant and equipment annually. After conducting a review on the depreciable lives of the property, plant and equipment of the company during this year, the management resolved to change the accounting estimates of the depreciable lives of certain equipment.</p> <p>We identified the carrying value of property, plant and equipment as a key audit matter</p>	<p>Our audit procedures to assess the carrying value of PPE included the following:</p> <p>Our audit procedures included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> • assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment, including the key internal controls over the estimation of useful economic lives and residual values; • assessing on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization. • Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment. • Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents.





Key Audit Matters	How our audit addressed the key audit matters
<p>because of the high level of management judgement involved and because of its significance to the financial statements.</p> <p>See note no 3.1 and 4 to the financial statements</p>	
Revaluation of PPE	
<p>The financial statements contain material entries on the SOFP as well as material disclosure notes in relation to the entity's holding of PPE by revaluating it's all class of assets. The revaluation reserve amounting to Taka 996,929,484 as at 30 June, 2023. Although BSCCL employs a valuation expert to provide information on valuations, there remains a high degree of estimation, uncertainty associated with the revaluation of PPE due to the significant judgements and number of variables involved in providing revaluations. Disclosed in Note- 3.1, 4 and 20.</p>	<p>We considered the entity's arrangements for ensuring that PPE values were reasonable and engaged our own expert to provide data to assist us in assessing the reasonableness of the valuations provided by the Professional valuer. We also assessed the competence, skills and experience of the valuer. We performed further audit procedures on individual assets to ensure that the basis and level of revaluation was appropriate.</p>
Measurement of deferred tax Liability	
<p>Company reported net deferred tax liability totaling Taka. 629,158,656 as at 30 June 2023.</p> <p>Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> <p>See note no. 3.16 (b) and 22 to the financial statements</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</p> <p>We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax assets.</p> <p>We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</p> <p>We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.</p>



Key Audit Matters	How our audit addressed the key audit matters
	Finally assessed the appropriateness and presentation of disclosures against IAS 12: Income Tax.
Equity Money from GoB	
<p>In the Financial Years 2014-2015 & 2020-2021, BSCCL received the approval for the purpose of implementing the Regional Submarine Telecommunications Project, Bangladesh (Installation and Establishment of Second Submarine Cable System (SMW5) and Third Submarine Cable System (SMW6) for International Telecommunications in Bangladesh for the amount of Taka 1,660,000,000 and Taka 862,360,790 respectively from the Government of the People's Republic of Bangladesh (GoB) as Equity Money with condition that the said amount will be converted into Equity Capital in favour of Ministry of Posts, Telecommunications and Information Technology through issuing Shares after implementing the project and getting proper approval from the Concerned Authority of the Government of the People's Republic of Bangladesh and in compliance with the guidelines and policies issued by Finance Division for issuing equity capital.</p> <p>On 11 February 2020 Financial Reporting Council (FRC) has issued a notification (Notification No. 146/ FRC/ Admin/ Notification /2020/ 01) regarding Accounting and Reporting on Share Money Deposit. As per the said notification any amount received from investor as share capital or call by whatever name that was considered as part of equity in the Financial Statements shall be converted to share capital within six months. Further, till to date of conversion of share money deposit to share capital, the amount of share money deposit shall be considered as potential share. Disclosed in Note 17.</p>	<p>To assess the implementation of the condition applied by the Inter-Ministerial Meeting under the Ministry of Finance for approval of these project, following audit procedure has been followed:</p> <ol style="list-style-type: none">approval from ECNEC dated 11 June 2015 and 01 December 2020 have been checked.approval from Ministry of Posts, Telecommunications and Information Technology, the Government of the People's Republic of Bangladesh dated 29 June 2015 & 26 January 2021 for these projects.approved amount of Taka 1,660,000,000 as GOB equity money has been received through six installments from the year 2015-2016 to 2016-2017.approved amount of Taka 249,600,000 as GOB equity money has been received through two installments from the year 2021-2022.approved amount of Taka 612,760,790 (613,500,000-739,209) as GOB equity money has been received through two installments from the year 2022-2023. <p>To evaluate the steps taken by management after considering the notification by FRC, following audit procedure has been followed.</p> <ol style="list-style-type: none">analysis of the minutes of meetings of the Board of Directors & has appointed ICB Capital Management Limited on 22 July 2020 as Issue Manager regarding issue of shares against Equity money by Taka 1,660,000,000 from -GOB to Share Capital.reviewed the notification (Notification No. 146/ FRC/ Admin/Notification/2020/01) and related correspondence from management of BSCCL regarding the guidance on limitation to comply the said notification.reviewed the appointment of Valuer for revaluation of assets and liabilities of BSCCL andcommunicated the issue of noncompliance of the notification (Notification No. 146/ FRC/ Admin /Notification/ 2020/ 01) to the Management who are in Charged with the Governance.



Key Audit Matters	How our audit addressed the key audit matters
Legal and regulatory matters	
<p>The Company has aggregating claims of Taka 25,240,639 in respect of previous years. The Company has tax claim from the previous assessment year. Other than this there are no legal proceedings, claims and government investigations and inquiries pending that expose it to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Company's best estimate for existing legal matters that have a probable and estimable impact on the Company's financial position.</p> <p>See note no. 29 and 62 to the financial statements</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We discussed material legal cases with the company's legal department for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel. We have analyzed of responses in legal letters independently obtained from the external legal counsels of the Company;</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Company's provisions and contingent liabilities disclosures.</p> <ul style="list-style-type: none">• Analysis of the minutes of meetings of the Board of Directors and the Board Audit Committee;• Analysis of assessment of contingent liabilities and changes in provisions for claims and litigations which are updated on a quarterly basis;• Assess disclosures in the financial statements which are potentially of material contingent nature and their measurement.

Other Information

Management is responsible for the other information. The other information comprises all the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.



Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRSs as explained in note 02 and 03, 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. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements 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 accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business for the year.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC: 2308280535AS889885

Place: Dhaka, Bangladesh

Dated: 28 August 2023

Bangladesh Submarine Cable Company Limited

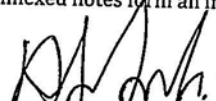
Statement of Financial Position

As at 30 June 2023

Particulars	Notes	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
ASSETS			<u>Restated</u>	<u>Restated</u>
Non-Current Assets		13,140,585,699	8,146,753,480	6,820,503,816
Property, plant and equipment	4	6,021,293,160	6,441,535,808	6,816,455,730
Capital Work in Progress SMW-6	5	6,650,600,147	1,591,351,700	4,048,086
Right of Use Assets	6	51,469,354	-	-
Capital Work in Progress SMW-4	7	307,745,906	-	-
Intangible Assets	8	109,477,132	113,865,972	-
Current Assets		7,688,620,098	8,745,019,770	7,108,334,035
Trade and other receivables	9	3,598,168,933	2,752,498,640	1,939,899,097
Advances and deposits	10	123,664,951	79,771,775	23,412,700
Advance income tax	11	1,022,866,431	820,905,007	1,169,718,384
Advance VAT	12	30,328,899	29,889,387	25,875,521
Investment in shares	13	30,432,911	31,073,048	29,501,318
Cash and cash equivalents	14	229,962,026	210,798,632	354,642,122
Investment in FDR	15	2,653,195,948	4,820,083,283	3,565,284,893
TOTAL ASSETS		20,829,205,797	16,891,773,250	13,928,837,851
EQUITY AND LIABILITIES				
Shareholders' Equity		14,025,513,555	10,628,536,634	8,648,787,447
Share capital	16	1,649,055,100	1,649,055,100	1,649,055,100
Equity Money from GoB	17	2,522,360,790	1,909,600,000	1,660,000,000
Share premium	18	723,293,759	723,293,759	723,293,759
Tax holiday reserve	19	876,412,889	847,740,119	788,905,267
Revaluation reserve	20	996,929,484	1,032,360,394	1,037,294,938
Retained earnings	21	7,257,461,533	4,466,487,262	2,790,238,383
Non Current Liabilities		4,511,991,461	3,579,450,193	3,164,993,865
Deferred tax liabilities	22	629,158,656	613,107,389	606,110,821
Lease Liability	23	14,471,192	-	-
Security deposits received from clients	24	484,411,186	451,258,714	357,068,437
Employees' pension, gratuity, LE & provident fund	25	30,965,587	32,221,023	15,394,307
Long Term loan-net off current portion	26	3,352,984,839	2,482,863,067	2,186,420,299
Current Liabilities		2,291,700,781	2,683,786,421	2,115,056,537
Lease Liability-Current portion	23	11,624,527	-	-
Long Term loan-current portion	26	319,863,917	301,502,419	192,249,252
Sundry creditors	27	299,633,870	208,565,363	86,112,152
Unearned Revenue	28	390,721,598	347,834,326	2,759,200
Provision for income tax	29	960,269,166	821,805,495	1,037,421,348
Provision for WPPF and WF	30	179,082,561	160,053,970	119,991,410
Liabilities for expenses	31	125,950,559	79,632,880	57,437,162
Amount to be distributed as dividend (Proposed)		-	758,565,346	610,150,387
Unclaimed Dividend Account	32	4,554,582	5,826,620	8,935,626
Total Liabilities		6,803,692,242	6,263,236,615	5,280,050,403
TOTAL EQUITY AND LIABILITIES		20,829,205,797	16,891,773,250	13,928,837,851
Net Asset Value (NAV) per Share	54	85.05	64.45	52.45

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


Chief Financial Officer

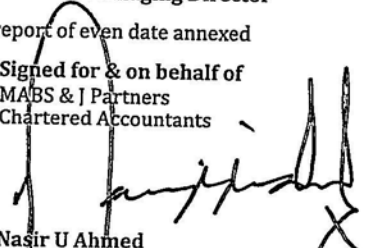

Company Secretary


Managing Director


Director

Signed in terms of our report of even date annexed

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)
ICAB Enrollment No: 535
DVC: 2308280535AS889885

Place: Dhaka, Bangladesh
Dated: 28 August 2023

Bangladesh Submarine Cable Company Limited

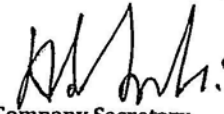
Statement of Profit or Loss and Other Comprehensive Income

For the Year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Restated			
Revenue			
IPLC (International Private Leased Circuit) rent	33	3,929,939,306	3,156,137,972
Circuit activation charge	34	19,821,142	14,102,700
IP Transit service	35	1,075,108,389	1,122,797,969
Co-location charges	36	104,673,656	101,899,326
IPLC-export (SMW#5)	37	25,369,468	19,892,636
		5,154,911,960	4,414,830,603
Direct cost of operation			
Electricity and generator fuel	38	20,895,261	16,393,892
Landing station and cable route repair	39	4,051,300	3,958,133
Backhaul, data connectivity charge and Revenue Sharing	40	280,285,020	149,059,351
IP Transit cost	41	104,621,491	84,660,465
Lease rent	42	390,733	343,631
Amortization of License Fee		5,750,000	1,134,028
Depreciation of core machinery and Right of use assets	43	460,993,474	438,931,414
		876,987,279	694,480,914
Gross profit		4,277,924,681	3,720,349,689
Operating expenses			
Operation and maintenance expenses	44	227,098,063	171,529,434
General and administrative expenses	45	293,723,625	277,116,533
Provision for bad & doubtful debts	46	40,434,961	34,615,778
Depreciation on property, plant and equipment	47	38,387,392	33,659,348
Exchange fluctuation loss/(gain)		5,836,693	(2,012,113)
		605,480,733	514,908,980
Operating profit		3,672,443,948	3,205,440,709
Non-operating income/(Expenses)			
Bank interest and other income	48	215,037,225	264,068,872
Financial and Other charges	49	(126,107,280)	(136,514,690)
Gain on sale of Property, Plant & equipment		-	326,160
Gain/(Loss) on investment in shares	50	(640,137)	1,571,730
		88,289,808	129,452,072
Profit before WPPF & WF		3,760,733,756	3,334,892,781
Provision for contribution to WPPF & WF		179,082,560	160,053,969
Profit before taxation		3,581,651,196	3,174,838,812
Current tax expenses	51	802,875,078	690,326,921
Deferred tax (income)/expenses	52	(11,519,959)	10,533,426
		791,355,119	700,860,347
Net profit after tax		2,790,296,078	2,473,978,465
Other Comprehensive Income, net of tax			
Gain on revaluation of Property, Plant and Equipment		-	-
Total comprehensive income		2,790,296,078	2,473,978,465
Earnings Per Share (EPS) - Basic	53	16.92	15.00
Earnings Per Share (EPS) - Diluted	53.1	15.19	13.67

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


Chief Financial Officer

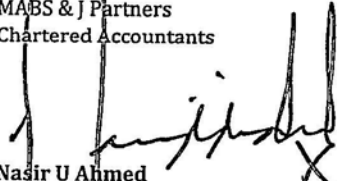

Company Secretary


Managing Director


Director

Signed in terms of our report of even date annexed

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales)
ICAB Enrollment No: 535
DVC: 2308280535AS889885

Place: Dhaka, Bangladesh
Dated: 28 August 2023

Bangladesh Submarine Cable Company Limited

Statement of Changes in Equity
For the Year ended 30 June 2023

Particulars	Share capital	Equity money from GoB	Share premium	Tax holiday reserve	Revaluation reserve	Retained earnings	Total equity
Balance as at 01 July 2022	1,649,055,100	1,909,600,000	723,293,759	847,740,119	1,032,360,394	4,466,487,262	10,628,536,634
Transactions with shareholders:							
Net profit after tax for the Year	-	-	-	-	-	2,790,296,078	2,790,296,078
Amount to be distributed as dividend (Proposed 2021-2022)	-	-	-	-	-	-	-
Equity money from GoB	-	612,760,790	-	-	-	-	612,760,790
Excess Depreciation of Revalued amount net off deferred tax	-	-	-	-	(6,091,254)	6,091,254	-
Tax holiday reserve	-	-	-	28,672,770	-	(28,672,770)	-
Adjustment for deferred tax (FY 2022-23)	-	-	-	-	(29,339,656)	1,768,429	(27,571,227)
Adjustment for Sale of Revalued Assets	-	-	-	-	-	-	-
Adjustment for Tax Provision of previous years (Note:21)	-	-	-	-	-	21,491,281	21,491,281
Balance as at 30 June 2023	1,649,055,100	2,522,360,790	723,293,759	876,412,889	996,929,484	7,257,461,533	14,025,513,555
Balance as at 01 July 2021	1,649,055,100	1,660,000,000	723,293,759	788,905,267	1,037,294,938	2,798,121,902	8,656,670,966
Transactions with shareholders:							
Adjustment due to restatement (Note: 21.1)	-	-	-	-	-	(7,883,519)	(7,883,519)
Restated Balance as at 01 July 2021	1,649,055,100	1,660,000,000	723,293,759	788,905,267	1,037,294,938	2,790,238,383	8,648,787,447
Transactions with shareholders:							
Net profit after tax for the Year	-	-	-	-	-	2,473,978,465	2,473,978,465
Amount to be distributed as dividend (Proposed 2021-2022)	-	-	-	-	-	(758,565,346)	(758,565,346)
Equity money from GoB	-	249,600,000	-	-	-	-	249,600,000
Excess Depreciation of Revalued amount net off deferred tax	-	-	-	-	(5,782,380)	5,782,380	-
Tax holiday reserve	-	-	-	58,834,852	-	(58,834,852)	-
Adjustment for deferred tax (FY 2020-21)	-	-	-	-	1,768,429	-	1,768,429
Adjustment for deferred tax (FY 2021-22)	-	-	-	-	-	(144,107)	(1,064,700)
Adjustment for Sale of Revalued Assets	-	-	-	-	(920,593)	-	-
Tax Settlement for the year 2016-17	-	-	-	-	-	12,263,911	12,263,911
Balance as 30 June 2022	1,649,055,100	1,909,600,000	723,293,759	847,740,119	1,032,360,394	4,466,487,262	10,628,536,634

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

[Signature]
Chief Financial Officer

[Signature]
Company Secretary

[Signature]
Managing Director

[Signature]
Director



Place: Dhaka, Bangladesh
Dated: 28 August 2023


Bangladesh Submarine Cable Company Limited

Statement of Cash Flows

For the Year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
A. Cash flows from operating activities			
Cash received from clients		4,437,407,752	3,658,525,649
Cash paid to suppliers and others		(663,423,629)	(81,345,238)
Exchange fluctuation loss/ (gain)		(5,836,693)	2,012,113
Payroll and other payments to employees		(190,878,064)	(171,764,799)
Income tax paid		(844,881,551)	(544,865,485)
Receipts from rest house rent and others		(150,995,803)	21,644,353
Payment for WPPF		(160,053,969)	(119,991,409)
Net cash flow from operating activities	55.1	2,421,338,044	2,764,215,184
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(59,650,191)	(95,731,353)
Investment in SMW-6 and SMW-4		(5,366,994,354)	(1,587,303,614)
Investment in FDR		2,166,887,335	(1,254,798,390)
Interest received		228,626,104	240,299,813
Payment against Lease Liabilities		(10,675,000)	-
License Acquisition Fees & Intangible Assets		(1,701,450)	(115,000,000)
Proceeds from disposal of Fixed Assets		-	974,160
Dividend received		1,518,839	1,390,751
Net cash flow from/ (used in) investing activities		(3,041,988,717)	(2,810,168,634)
C. Cash flows from financing activities			
Dividend paid		(759,837,384)	(613,259,393)
Right of Use Assets		(36,000,000)	-
Financial charges		(65,592,609)	(139,879,053)
Equity money received		612,760,790	249,600,000
Loan Receipts from GoB		1,086,500,000	500,400,000
Unclaimed IPO subscription Paid		-	(47,527)
Loan repaid		(198,016,730)	(94,704,066)
Net cash flow from/(used in) financing activities		639,814,067	(97,890,039)
Net surplus/ deficit during the Year (A+B+C)		19,163,394	(143,843,489)
Cash and cash equivalents at beginning of the year		210,798,632	354,642,122
Cash and cash equivalents at end of the year	14	229,962,026	210,798,632
Net Operating Cash Flows Per Share (NOCFPS)	55	14.68	16.76

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


Chief Financial Officer


Company Secretary


Managing Director


Director

Place: Dhaka, Bangladesh

Dated: 28 August 2023



Bangladesh Submarine Cable Company Limited (BSCCL)

Notes to the Financial Statements

For the Year ended 30 June 2023

1. Reporting entity

1.1 The Company

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

The Company was originated from Bangladesh Telegraph and Telephone Board (BTTB) with all assets situated at Zilonjha, Cox's Bazar, the Landing Station. Before origination a project namely "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). The Company has established 2nd Submarine Cable system at Kuakata, Patuakhali, Bangladesh through another consortium named SEA-ME-WE-5-South East Asia Middle East Western Europe.

1.2 Nature of business

The principal activities of the Company are to provide high capacity bandwidth through Submarine Cable to all operators (IGW, IIG, ISP etc) those are delivering high capacity voice and data bandwidth to all important places in Bangladesh so that all type of customers can get the benefit of all the Telecom and IT related services.

2. Basis of preparation of financial statements

2.1 Statement on compliance

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

2.2 Other regulatory compliances

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

- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- Income Tax Act 2023
- The Value Added Tax and Supplementary duty Act, 2012
- The Value Added Tax and Supplementary duty Rules, 2016
- The Customs Act, 1969
- The Stamp Act, 1899
- The Bangladesh Securities and Exchange Commission Act, 1993
- The Bangladesh Securities and Exchange Commission Rules, 1987
- DSE/CSE Rules
- Listing Regulations, 2015
- Bangladesh Labour Act, 2006 (as amended to 2013).
- Financial Reporting Act, 2015.



2.3 Basis of measurement

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

2.4 Accrual basis of accounting

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

2.5 Presentation of financial statements

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

- (a) Statement of Financial Position as at 30 June 2023.
- (b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023.
- (c) Statement of Changes in Equity for the year ended 30 June 2023.
- (d) Statement of Cash Flows for the year ended 30 June 2023.
- (e) Notes, comprising summary of significant accounting policies and other explanatory information.

2.6 Functional and presentation currency

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

2.7 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards and International Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

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

2.8 Materiality, aggregation and offsetting

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



2.9 Going concern assumption

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

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

2.10 Reporting period

The reporting period of the company covers 12 months from 01 July 2022 to 30 June 2023.

2.11 Comparative information

Comparative information has been disclosed in respect of 01 July 2022 to 30 June 2023 in accordance with **IAS 01: Presentation of Financial Statements** for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been rearranged wherever considered necessary to ensure comparability with the current year.

3. Significant accounting policies

3.1 Property, plant and equipment

Recognition and measurement

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

Up to the financial period 30 June 2020, after recognition, items of property, plant and equipment are measured at cost less accumulated depreciation as per **IAS 16: Property, Plant and Equipment**.

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

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

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



Subsequent costs

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

Depreciation on Non-current assets

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

Name of Assets	Depreciation rate	Basis
Core equipment-IPLC-SMW-4	10%	Straight line
Core equipment-IIG	14.29%	Straight line
Core equipment-IIG(Foreign/Singapore)	10%	Straight line
Core equipment-IPLC-SMW-5	5.00%	Straight line
Building -SMW-5	2.70%	Straight line
Electrical Installation	20%	Straight line
Building-SMW-4	4.00%	Straight line
Building-Low cost Quarter	2.50%	Straight line
Floor development	4.00%	Straight line
Security barak & security wall	4.00%	Straight line
Fire Extinguishing, Protection and Detection System	10%	Straight line
Deep tube-well & pump house-SMW-4	-	Straight line
Deep tube-well & pump house-SMW-5	-	Straight line
500 KV sub-station-SMW-4	11.11%	Straight line
500 KV sub-station-SMW-5	3.13%	Straight line
Power system-SMW4	16.67%	Straight line
Generator-500KVA(SMW#5)	8.33%	Straight line
Power system-SMW5	5.88%	Straight line
Power System-IIG	33.33%	Straight line
Boundary wall-SMW-4	3.85%	Straight line
Boundary wall-SMW-5	2.70%	Straight line
Ducting from beach manhole-SMW-4	9.09%	Straight line
Ducting from beach manhole-SMW-5	6.25%	Straight line
Vehicles	10.00%	Straight line
Office equipment and furniture	5-10%	Straight line
Co-Location point-SMW-4	25.00%	Straight line
Co-Location point-SMW-5	5.88%	Straight line
Office decoration	10%	Straight line
Water Treatment Plant & Others	20%	Straight line
Surveillance System	20%	Straight line

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



Revaluation of property, plant and equipment

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

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

Details of revaluation of property, plant and equipment:

(Amount in Taka)

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

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

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

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

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

Details of revaluation of property, plant and equipment:

(Amount in Taka)

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



The increase in the carrying amount of revalued assets is recognized in the separate component of equity as Revaluation Reserve. There was a revaluation reserve of Tk.16,46,54,032 at the formation of the company. Revaluation reserve has been shown after adjustment of related Deferred Tax.

Impairment

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

Disposal of property, plant and equipment

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

3.2 Intangible assets and research and development expenditure

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

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

3.3 Borrowing costs

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

3.4 Authorization date for issuing financial statements

The financial statements were authorized by the Board of Directors on 28 August 2023 for issue after completion of review.

3.5 Revenue from contract with customers

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

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

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



recognized in the statement of Financial Position as Unearned Revenue. Contract liabilities or advance billings are recognized as revenue when services are provided to customers satisfying the performance obligation.

Revenues primarily comprise of:

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

3.5.1 Revenue from International Private Leased Circuit (IPLC) Rent

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

3.5.2 Revenue from circuit activation charge

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

3.5.3 Revenue from IP Transit Service Fees

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

3.5.4 Revenue from co-location charges

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

3.5.5 Revenue from IP transit service – export

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

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

3.5.6 Revenue from IPLC – export

This represents partial recognition of total amount received from Saudi Telecom Company against transfer of capacity equivalent to 25.31% of BSCCL's capacity between Yanbou-Toulon-Marseilles segments based on IRU and also partial recognition of total amount received from Orange, France against transfer of 0.13x100G capacity between Equinix, Singapore and Marseilles France based on IRU considering the remaining cable life (i.e.16 years) of SMW-5 to comply the criteria mentioned in the



IFRS-15. This amount also includes the partially recognized portion of total billed amount under the agreement between BSCCL and Telekom Malaysia to lease the Lit-up Capacity between Djibouti and Marseilles France based on the agreement period following the guidelines of IFRS-15.

3.5.7 Revenue from investment income

(a) Interest income

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

(b) Dividends

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

3.6 Leases

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

In compliance with the standard, BSCCL has elected to recognize right of use assets and lease liabilities. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term of three years based on the lease agreement signed on 21st day of June 2022 between Sony Chocolate Industries Ltd. and Bangladesh Submarine Cable Company Ltd. with effect from 1st September 2023.

3.7 Financial instruments

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

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

Classification and measurement of financial assets and financial liabilities

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

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

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

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

- a. it is held within a business model whose objective is to hold assets to collect contractual cash flows; and



- b. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

Financial assets at FVTPL

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

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

Debt investments at FVOCI

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

Equity investments at FVOCI

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

Impairment of financial assets

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

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

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



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

Presentation of impairment

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

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

3.8 Cash and cash equivalents

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

3.9 Earnings Per Share (EPS)

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

Basic earnings per share

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

Diluted earnings per share

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

3.10 Foreign currency transactions

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

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

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

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



3.11 Employee benefits

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

(a) Defined contribution plan (Provident fund)

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts.

BSCCL has a separate recognized provident fund scheme. All permanent employees of BSCCL contribute 10% of their basic salary to the provident fund and the company makes matching contributions.

(b) Defined Benefit Plan (Gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The employee gratuity plan is considered as defined benefit plan as it meets the recognition criteria. The company's obligation is to provide the agreed benefits to current and former employees.

(c) Short-term employee benefits

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

3.12 Tax Holiday Reserve

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

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

3.13 Accruals, provisions and contingencies

(a) Accruals

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



(b) Provisions

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

(c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. At the reporting date the company does not have any contingent asset.

3.14 Statement of cash flows

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

3.15 Related party disclosures

As per International Accounting Standards **IAS 24: Related Party Disclosures**, parties are **considered** to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note-64.

3.16 Income tax

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

(a) Current tax

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

(b) Deferred tax

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



Taxable Temporary difference

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

Revaluations to fair value – Property, Plant and Equipment

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

Deductible temporary difference

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

3.17 Events after the Reporting period

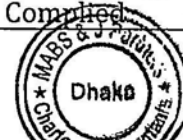
Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements as per International Accounting Standards **IAS 10: Events after the Reporting Period**.

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

Compliance with financial reporting standards as applicable in Bangladesh:

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

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



IAS No.	IAS Title	Compliance Status
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied

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



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
				Restated
4	Property, plant and equipment: Tk. 6,021,293,160			
	The break-up of the above amount is as follows:			
	Cost/ revaluation (A)			
	Opening balance	10,469,504,945	10,375,599,671	10,321,328,540
	Add: Addition during the year	59,342,314	99,383,539	60,600,130
	Less: Adjustment during the year	-	(5,478,264)	(6,329,000)
		<u>10,528,847,259</u>	<u>10,469,504,945</u>	<u>10,375,599,671</u>
	Accumulated Depreciation (B)			
	Opening balance as reported	4,027,969,137	3,559,143,941	3,097,958,639
	Add: Charged during the year	479,584,961	472,590,761	466,970,644
		<u>4,507,554,099</u>	<u>4,031,734,702</u>	<u>3,564,929,283</u>
	Less: Adjustment during the year	-	(3,765,565)	(5,785,343)
		<u>4,507,554,099</u>	<u>4,027,969,137</u>	<u>3,559,143,941</u>
	Written Down Value (A-B)	<u>6,021,293,160</u>	<u>6,441,535,808</u>	<u>6,816,455,730</u>
	A schedule of property, plant & equipment is given in Annexure-A. Adjustment in Cost and Accumulated Depreciation is for non-current asset property plant & equipment.			
4.1	An amount of Tk.3,98,548.00 was under charged during the year 2021-2022 as depreciation hence restated.			
5	Capital Work in Progress SMW-6: Tk. 6,650,600,147			
	The break-up of the above amount is as follows:			
	Opening Balance	1,591,351,700	4,048,086	4,048,086
	Add: Addition during the year	5,059,248,447	1,587,303,614	-
	Closing Balance	<u>6,650,600,147</u>	<u>1,591,351,700</u>	<u>4,048,086</u>
	An amount of USD 5,04,99,615.01 equivalent Tk. 505,92,48,446.60 has been paid to Consortium as Core Segment Capital Cost during the year 2022-2023. During the year 2020-2021 an amount of USD 47,664.38 equivalent Tk.4,048,086 has been paid as SMW6 Pre C&M under MOU cost. The amount of Capital Work in progress includes Tk.1,587,303,614 (USD 173,49,421.14) which has been paid as Core Segment Capital Cost during the year 2021-2022. The total Capital Work in Progress cost will be recognised as asset after completion of the project.			
6	Right of use of Asstets: Tk. 51,469,354			
	The break-up of the above amount is as follows:			
	A. Cost			
	Opening Balance	-	-	-
	Add: Addition during the year	71,265,259	-	-
	Total Cost	<u>71,265,259</u>	-	-
	A. Accumulated Depreciation			
	Opening Balance	-	-	-
	Add: Depreciation during the year	19,795,905	-	-
	Total Accumulated Depreciation	<u>19,795,905</u>	-	-
	Written Down Value (WDV)	<u>51,469,354</u>	-	-
7	Capital Work in Progress SMW-4: Tk. 307,745,906			
	The break-up of the above amount is as follows:			
	Opening Balance	-	-	-
	Add: Addition during the year	307,745,906	-	-
	Closing Balance	<u>307,745,906</u>	-	-
	During the year 2022-2023 an amount of USD 31,80,438.47 equivalent Tk.30,77,45,906 has been paid for 6th Upgradation of SMW-4 Cable System. The total Capital Work in Progress cost will be recognised as asset after completion of upgradation.			
8	Intangible Assets: Tk. 109,477,132			
	The break-up of the above amount is as follows:			
	Cost/ revaluation (A)			
	Opening balance	115,000,000	-	-
	Add: Addition during the year (Billing Software)	1,701,450	115,000,000	-
		<u>116,701,450</u>	<u>115,000,000</u>	-
	Accumulated Amortization (B)			
	Opening balance as reported	1,134,028	-	-
	Add: Charged during the year	-	-	-
	On License	5,750,000	1,134,028	-
	On Software	340,290	-	-
		<u>7,224,318</u>	<u>1,134,028</u>	-
	Written Down Value (A-B)	<u>109,477,132</u>	<u>113,865,972</u>	-

The amount Tk.11,50,00,000 has been recognised as Intangible Assets for License issued on 19 April 2022 from BTRC named Build, Operate and Maintain Submarine Cable Systems and Services. A portion of the License Acquisition Fee has been amortised considering the validity of the license of 20 years. During the year a Billing Software has been purchased and a portion of the amount has also been amortised considering 20% according the Income Tax Act 2023.

Notes	Particulars	Amount in Taka			
		30 June 2023	30 June 2022	01 July 2021	
9	Trade and other receivables: Tk. 3,598,168,933				
	The break-up of the above amount is as follows:		<u>Restated</u>	<u>Restated</u>	
	Trade receivables: Tk. 3,389,225,805	(Note: 9.1)	3,389,225,805	2,679,443,597	1,867,578,009
	Other receivables: Tk. 208,943,128	(Note: 9.2)	208,943,128	73,055,043	72,321,088
	Total		3,598,168,933	2,752,498,640	1,939,899,097

9.1 Trade receivables: Tk. 3,389,225,805

The break-up of the above amount is as follows:

Opening Balance		3,071,734,374	2,225,253,008	2,874,240,783
Adjustment due to restatement	(Note: 9.1.1)	-	(2,610,666)	(3,659,748)
		3,071,734,374	2,222,642,342	2,870,581,035
Add: Addition during the year		5,562,003,920	5,160,847,986	3,836,827,477
		8,633,738,295	7,383,490,328	6,707,408,511
Less: Collection/Adjustment during the year		(4,811,786,751)	(4,311,755,953)	(4,482,155,503)
Closing Balance		3,821,951,543	3,071,734,374	2,225,253,008
Less: Provision for bad and doubtful debts				
Opening Balance		392,290,777	357,674,999	384,396,603
Add: Addition during the year		40,434,961	34,615,778	(26,721,604)
		432,725,738	392,290,777	357,674,999
Trade receivables, net of provision		3,389,225,805	2,679,443,597	1,867,578,009

9.1.1 Due to rectification of error for cancellation of invoice, trade receivable was overstated by Tk. 36,59,748 which is adjusted in the opening balance as on 01 July 2021 of trade receivables and corresponding retained earnings (Note:21.1) and Advance VAT (Note:12). There was an overstatement of receivable due to excess recognition of revenue of Tk. 26,10,266 relating to IP Transit Service Export in the year 2021-2022 Hence restated.

Aging of Trade receivables

The aging of gross trade receivables as at the statement of Financial Position date is as follows:

		<u>Restated</u>	<u>Restated</u>
Past due 0-90 days	1,250,043,597	1,251,221,716	596,641,340
Past due 91-180 days	762,895,248	645,573,104	367,900,422
Past due 181 -365 days	876,208,808	622,168,831	189,305,793
Past due more than 365 days	932,803,891	552,770,724	1,071,405,453
	3,821,951,543	3,071,734,374	2,225,253,008

To realise the long pending outstanding from disconnected parties different types of suits have been filed against those parties. Details of litigation alongwith amount involved is given below:

Sl. No.	Types of litigation	No. of Parties	Amount involved
1	Money suit	3	28,187,110
2	Arbitration	2	12,653,417
3	Execution suit	3	147,411,103
4	Cheque Dishonour suit	6	2,149,020
5	Dissolution suit	5	50,650,787

9.2 Other receivables: Tk. 208,943,128

The break-up of the above amount is as follows:

Dividend	3,150	3,150	3,150
ICB Securities Trading Co. Ltd.	415,231	416,131	17,416,131
Orange	454,643	-	-
TM Technology Services SDN BHD	158,148,389	-	-
FDR Interest & Others	49,921,714	72,635,762	54,901,807
Total	208,943,128	73,055,043	72,321,088

10 Advances and Deposits: Tk. 123,664,951

The break-up of the above amount is as follows:

Advances

Sony Chocolate Industries Ltd.	(Note: 10.1)	1,122,000	37,372,000	6,872,000
Employees against Expenses		2,239,898	1,337,595	1,254,350
ACE Autos (Pvt) Ltd.		-	-	20,162
Advance to Employee against Salary		2,203,220	4,895,120	1,187,554
Bangladesh Porjoton Corporation		-	-	343,631
CUET BRTC Test Fund		970,000	-	-
Deputy Commissioner of Customs CTG		-	-	8,147,619
Desh Nirmata		17,350,768	-	-
Express Systems Ltd		5,723,500	5,473,500	-
Guriga Engineering		478,000	-	-
James International		56,011	56,011	56,011



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
	ICB Capital Management Ltd.	287,500	287,500	287,500
	Innovative Technology & Engineering	7,808,801	707,937	-
	National Traders	15,283,311	8,063,950	-
	Systems & Services Ltd	810,832	810,832	-
	Spectrum Engineering Consortium Ltd	5,301,600	-	-
	Tech Valley Networks Ltd	41,548,854	-	-
	Hamida Trader Ltd	17,416,766	15,648,839	-
	Mustafa Tariq Hossain & Associates	670,500	670,500	670,500
	Others	104,890	159,490	279,874
		119,376,451	75,483,275	19,119,200
	Deposits			
	Security deposit - Duncan Products Limited	-	-	5,000
	BTCL - for phone line	23,000	23,000	23,000
	UCB-locker Service	4,500	4,500	4,500
	CDBL - as security deposit	500,000	500,000	500,000
	Security deposit - BTRC for International Internet Gateway (IIG) license	600,000	600,000	600,000
	Security Deposit-Sikder Filing Station	100,000	100,000	100,000
	Kamal Trading Agency	50,000	50,000	50,000
	Southern Automobiles Ltd.	250,000	250,000	250,000
	Patuakhali Palli Bidyut Samity	2,761,000	2,761,000	2,761,000
		4,288,500	4,288,500	4,293,500
	Total	123,664,951	79,771,775	23,412,700

10.1 Sony Chocolate Industries Ltd. (Advance for Office Rent): Tk. 1,122,000

The break-up of the above amount is as follows:

Opening balance

Add: Paid during the year

Less: Adjustment during the year

Total

37,372,000	6,872,000	12,872,000
(36,000,000)	-	-
-	36,000,000	-
(250,000)	(5,500,000)	(6,000,000)
1,122,000	37,372,000	6,872,000

10.2 Aging of Advances and Deposits: Tk. 123,664,951

The break-up of the above amount is as follows:

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

Total

11,347,825	43,430,925	1,588,670
45,580,600	7,190,225	16,010,254
34,047,608	21,916,210	574,402
32,688,918	7,234,415	5,239,374
123,664,951	79,771,775	23,412,700

11 Advance Income Tax: Tk. 1,022,866,431

The break-up of the above amount is as follows:

Opening balance

Add: Payment made during the year

Add: Adjustment for the year 2010-2011

Less: Settlement for the year (F-Y:2021-22)

Less: Settlement for the year (F-Y:2020-21)

Less: Settlement/Adjustment (F-Y:2019-20)

Less: Settlement for the year (F-Y:2018-19)

Less: Settlement for the year (F-Y:2017-18)

Less: Settlement for the year (F-Y:2016-17)

Less: Settlement for the year (F-Y:2015-16)

Less: Settlement for the year (F-Y:2014-15)

Total

820,905,007	1,169,718,384	603,695,577
804,983,293	-	-
40,400,283	544,865,486	601,298,510
1,666,288,583	1,714,583,870	1,204,994,087
(544,865,486)	-	-
(41,863,078)	(459,812,378)	-
(33,447,681)	(240,032,242)	-
(23,245,907)	(81,321,243)	-
-	(19,387,162)	-
-	(62,223,548)	-
-	(30,902,290)	-
-	-	(35,275,703)
1,022,866,431	820,905,007	1,169,718,384

12 Advance VAT : Tk. 30,328,899

The break-up of the above amount is as follows:

VAT payable against Receivable

VAT payable against Deduction at source

	Restated	Restated
30,627,473	30,649,598	45,833,797
(298,574)	(760,212)	(19,958,276)
30,328,899	29,889,387	25,875,521

The amount of Tk. 3,06,27,473 represents advance VAT paid to NBR which is adjustable against VAT receivable from clients related to revenue receivable arising from International Private Leased Circuit (IPLC) rentals, IP transit service, and Co-location charges. In addition to that the amount of Tk. (2,98,574) includes VAT deducted from other parties and suppliers.

Notes	Particulars	Amount in Taka				
		30 June 2023	30 June 2022	01 July 2021		
13	Investment in Shares: Tk. 30,432,911 The break-up of the above amount is as follows:					
	Sl. Ordinary shares of	Quantity	Cost price	Market value	Market value	Market value
	1 AB Bank Limited	159,357	3,209,275	1,545,763	1,640,447	2,244,908
	2 ACI Limited	5,697	764,725	1,482,359	1,535,558	1,244,400
	3 BATASHOE	1,000	696,429	1,016,800	936,200	650,200
	5 IFIC Bank Limited	168,308	1,765,186	1,885,050	2,036,117	1,986,077
	6 Islami Bank BD Limited	39,091	951,084	1,274,367	1,286,094	1,161,003
	7 Jamuna Oil Limited	23,716	4,392,440	4,266,508	4,202,475	3,851,478
	8 M Petroleum	24,816	4,962,456	5,042,611	5,032,685	4,531,402
	9 NCC Bank Limited	219,203	1,698,208	2,871,559	3,006,216	2,930,746
	10 Padma Oil Limited	18,150	4,835,160	3,796,980	3,885,915	3,698,970
	11 Square Pharma	26,847	2,633,566	5,632,501	5,817,745	5,785,529
	12 Titas Gas	39,570	2,744,885	1,618,413	1,693,596	1,416,606
	Total		28,653,413	30,432,911	31,073,048	29,501,318

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

- 14 Cash and cash equivalents: Tk. 229,962,026
The break-up of the above amount is as follows:

Cash in hand	(Note: 14.1)	1,131,737	315,922	609,248
Cash at bank	(Note: 14.2)	228,830,289	210,482,710	354,032,874
Total		229,962,026	210,798,632	354,642,122

- 14.1 Cash in hand: Tk. 1,131,737
The break-up of the above amount is as follows:

Head Office-Dhaka	560,176	155,320	181,562
Landing Station-Kuakata	46,928	67,640	309,120
Landing Station-Cox's Bazar	524,633	92,962	118,566
Total	1,131,737	315,922	609,248

- 14.2 Cash at bank: Tk. 228,830,289
The break-up of the above amount is as follows:

Savings and current deposits with:

Brac Bank Limited	6,203,851	846	676,318
IFIC Bank Limited	1,223,352	1,121,672	314,831
Mutual Trust Bank Limited	4,691,191	8,774,961	14,635,701
Mutual Trust Bank Limited-Cox's bazar	1,307,334	1,441,817	-
National Bank Limited-Kuakata	1,391	46,372	6,527,272
Agrani Bank Limited-Dhaka	-	739,209	-
Agrani Bank Limited-Kuakata	4,435,501	1,458,591	-
Sonali Bank Limited-Cox's bazar	45,407	45,407	9,314,864
Sonali Bank Limited-Dhaka	25,979,039	1,160,917	28,301,421
The City Bank Limited	146,301,796	83,713,424	121,556,543
United Commercial Bank Limited	38,641,426	111,979,494	172,705,923
	228,830,289	210,482,710	354,032,874

- 15 The fixed deposits will be matured within 3 (three)/6 (Six) months/9 (nine) months, and yearly: Tk. 2,653,195,948

Agrani Bank Limited	405,226,894	1,041,912,090	948,990,297
Al-Arafa Islami Bank Ltd	20,000,000	-	-
Bangladesh Development Bank Limited	137,268,705	375,419,473	239,317,303
Bank Asia Ltd.	-	30,000,000	10,807,501
BASIC Bank Limited	30,000,000	164,134,320	331,950,817
Brac Bank Limited	110,166,880	114,228,910	28,698,433
Exim Bank Ltd	-	20,540,001	-
Eastern Bank Ltd	42,240,001	-	-
First Security Islami Bank Ltd.	22,959,086	203,522,810	50,516,250
IFIC Bank Limited	226,439,077	325,729,474	355,565,728
Jamuna Bank Limited	-	-	72,687,087
Janata Bank Limited	653,815,675	742,507,113	250,070,000
Meghna Bank Ltd.	207,809,572	150,000,000	30,000,000
Mercantile Bank Limited.	54,285,862	72,669,924	50,000,000
Mutual Trust Bank Limited	31,463,567	70,000,000	-
NRB Commercial Bank Ltd.	42,004,413	71,129,500	40,000,000
One Bank Limited	144,380,012	113,259,789	126,829,188



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
	Padma Bank Ltd	-	20,540,000	-
	Pubali Bank Limited	42,245,120	257,240,673	162,322,875
	Pemier Bank Ltd	20,000,000	80,000,000	-
	Rupali Bank Limited	132,501,552	50,000,000	-
	Social Islami Bank Ltd.	41,088,000	116,252,049	71,890,000
	Sonali Bank limited	-	-	71,750,732
	Southeast Bank Ltd.	-	24,360,517	85,616,238
	Standard Bank Limited	73,253,427	169,492,896	90,045,333
	South Bangla Agriculture & Commerce Bank Ltd.	40,545,000	20,574,058	-
	The City Bank Limited	-	40,000,000	86,470,000
	Trust Bank Ltd.	-	21,050,000	40,000,000
	Union Bank Ltd.	175,503,106	385,519,685	301,757,111
	United Commercial Bank Limited	-	140,000,000	120,000,000
	Total	2,653,195,948	4,820,083,283	3,565,284,893

16 Share capital: Tk. 1,649,055,100

The break-up of the above amount is as follows:

Authorized:	10,000,000,000	10,000,000,000	10,000,000,000
1,000,000,000 ordinary shares of Taka 10 each			
Issued, subscribed and paid up capital:			
31,000,000 Ordinary Shares of Tk. 10 each fully paid up in cash	310,000,000	310,000,000	310,000,000
140 Ordinary share of Tk. 10 each fully paid up in cash to GOB	1,400	1,400	1,400
67,314,640 ordinary shares of Tk.10 each fully paid up other than cash to MoPT, GOB	673,146,400	673,146,400	673,146,400
66,590,730 Ordinary shares of Tk. 10 each issued as Bonus Share	665,907,300	665,907,300	665,907,300
Total	1,649,055,100	1,649,055,100	1,649,055,100

16.1 Percentage of shareholding

The break-up of the above amount is as follows:

Shareholding position as at 30 June 2023

Name of shareholders	Percentage of shareholding	No. of shares	Value in Taka
Sponsor/Director	0.01%	189	1,890
Govt.	73.84%	121,768,814	1,217,688,140
Institute	15.52%	25,597,818	255,978,180
Foreign Investor	2.75%	4,539,985	45,399,850
Public	7.88%	12,998,704	129,987,040
Total	100.00	164,905,510	1,649,055,100

Shareholding position as at 30 June 2022

Name of shareholders	Percentage of shareholding	No. of shares	Value in Taka
Posts & Telecommunications division, MoPT & IT	0.00%	189	1,890
Sponsor/Director	73.84%	121,768,814	1,217,688,140
Institute	16.59%	27,365,547	273,655,470
Public	2.72%	4,480,577	44,805,770
Foreign Investor	6.85%	11,290,383	112,903,830
Total	100%	164,905,510	1,649,055,100

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

Slabs wise number of shares	No. of share holders		No. of shares		
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	01 July 2021
Less than 500	9208	9208	1,075,239	1,075,239	1,075,239
500-5,000	1903	1903	3,714,132	3,714,132	3,714,132
5,001-10,000	196	196	1,705,290	1,705,290	1,705,290
10,001-20,000	94	94	2,211,088	2,211,088	2,211,088
20,001-30,000	47	47	1,355,486	1,355,486	1,355,486
30,001-40,000	24	24	924,132	924,132	924,132
40,001-50,000	21	21	659,103	659,103	659,103
50,001-100,000	49	49	3,887,896	3,887,896	3,887,896
100,001-1,000,000	58	58	12,128,150	12,128,150	12,128,150
1,000,001-1,000,000,000	9	9	137,244,994	137,244,994	137,244,994
	11,609	11,609	164,905,510	164,905,510	164,905,510

Market Price:

Shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk.218.90 per share as (2022: Tk.219.10) and Tk 217.20 per share (2022: Tk. 218.00) in the Dhaka and Chittagong Stock Exchanges respectively on 30 June 2023.



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
17	Equity Money from GoB: Tk. 2,522,360,790			
	The break-up of the above amount is as follows:			
	Regional Submarine Telecommunications Project, Bangladesh-SMW-5	1,660,000,000	1,660,000,000	1,660,000,000
	Installation of 3rd Submarine Cable-SMW-6	862,360,790	249,600,000	-
	Total	2,522,360,790	1,909,600,000	1,660,000,000

Tk.166 crore has been received (during the year 2015-16 Tk. 140 crore and 2016-17 Tk. 26 Crore) from Government for implementing the Regional Submarine Telecommunications Project, Bangladesh (Installation and Establishment of Second Submarine Cable System (SMW5) for International Telecommunications in Bangladesh). During the year 2021-2022 Tk. 24.96 crore has been received along with Tk. 61.27 crore during the year 2022-2023 as equity from Government for implementing the project named Installation of 3rd Submarine Cable for expansion of International Telecommunications System of Bangladesh.

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

18	Share premium	723,293,759	723,293,759	723,293,759
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The break-up of the above amount is as follows:

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

19	Tax holiday reserve: Tk. 876,412,889			
	The break-up of the above amount is as follows:			

Opening balance

Add: Current year's reserve

Total

847,740,119	788,905,267	741,577,846
28,672,770	58,834,852	47,327,421
876,412,889	847,740,119	788,905,267

20	Revaluation reserve: Tk. 996,929,484			
	The break-up of the above amount is as follows:			

Opening balance

Less: Adjustment for Excess Depreciation on Revalued Amount: net off deferred tax

Less: Adjustment for Sale of Revalued Assets

Less: Adjustment with deferred tax liability (FY 2022-23)

Less: Adjustment with deferred tax liability (FY 2020-21)

Total

1,032,360,394	1,037,294,938	1,042,041,533
(6,091,254)	(5,782,380)	(7,859,683)
-	(920,593)	-
(29,339,656)	-	-
-	1,768,429	3,113,088
996,929,484	1,032,360,394	1,037,294,938

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

21	Retained Earnings: Tk. 7,257,461,533			
	The break-up of the above amount is as follows:			

Opening balance

Add: Profit for the year

Adjustment for Excess Depreciation on Revalued Amount

Adjustment with deferred tax liability for (FY 22-23)

Adjustment with deferred tax liability for (FY 2021-22)

Adjustment for previous year's Tax (FY:2017-18)

Adjustment for previous year's Tax (FY:2016-17)

Adjustment for previous year's Tax (FY:2016-17)

Adjustment for previous year's Tax (FY:2012-13)

Adjustment for previous year's Tax (FY:2011-12)

Adjustment for previous year's Tax (FY:2010-11)

Adjustment for previous year's Tax (FY:2010-11)

	Restated	Restated
4,466,487,262	2,790,238,383	1,513,286,463
2,790,296,078	2,473,978,465	1,907,331,861
6,091,254	5,782,380	7,859,683
1,768,429	-	-
-	1,768,429	-
5,108,807	-	-
-	12,263,911	27,121,703
301,497	-	-
3,383	-	-
16,777,255	-	-
70,622	-	-
7,286,904,586	5,284,031,568	3,455,599,710

Less: Amount to be distributed as dividend (Proposed)

Adjustment for previous year's Tax (FY:2010-11)

Adjustment for Sale of Revalued Assets

Transferred to Tax Holiday Reserve

Adjustment for previous years

(Note: 21.1)

-	758,565,346	610,150,387
770,283	-	-
-	144,107	-
28,672,770	58,834,852	47,327,421
-	-	7,883,519
29,443,053	817,544,305	665,361,327
7,257,461,533	4,466,487,262	2,790,238,383

Total

21.1	Adjustment due to restatement: Tk. 7,883,519			
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Restatement for less recognition of expenses

Restatement for excess recognition of Revenue

Note:27.1

5,083,519
2,800,000
7,883,519



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021

22 Deferred tax liabilities: Tk. 629,158,656

The break-up of the above amount is as follows:

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of IAS 12: Income Taxes. Related deferred tax expense/(income) have been disclosed in Note: 52. Deferred tax assets and liabilities are attributable to the following:

		Restated		
Deferred tax relating to statement of profit or loss	(Note: 22.1)	547,766,832	559,286,791	548,753,365
Deferred tax relating to other comprehensive income	(Note: 22.2)	81,391,824	53,820,597	57,357,456
Total		629,158,656	613,107,389	606,110,821

22.1 Deferred tax relating to Statement of Profit or Loss: Tk. 547,766,832

The break-up of the above amount is as follows:

	Carrying Amount	Tax base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
As at 30 June 2023			
Property, plant and equipment (excluding land)	4,919,989,597	2,021,152,654	2,898,836,943
Accounts receivable (Note: 9.1)	3,389,225,805	3,821,951,543	(432,725,738)
Carrying value of ROU Asset less advance	25,469,354	-	25,469,354
Carrying value of lease liability	(26,095,719)	-	(26,095,719)
Provision for pension, gratuity fund and provident fund, Leave Encashment (Note: 25)	(30,965,587)	-	(30,965,587)
Net Taxable Temporary Difference			2,434,519,254
Applicable tax rate			22.50%
Deferred tax liability			547,766,832
As at 30 June 2022			
Property, plant and equipment (excluding land)	5,340,630,793	2,430,399,920	2,910,230,873
Accounts receivable (Note: 9.1)	2,679,443,597	3,071,734,374	(392,290,777)
Provision for pension, gratuity fund and provident fund (Note: 25)	(32,221,023)	-	(32,221,023)
Net Taxable Temporary Difference			2,485,719,073
Applicable tax rate			22.50%
Deferred tax liability			559,286,791

22.2 Deferred tax relating to other comprehensive income: Tk. 81,391,824

The break-up of the above amount is as follows:

	Carrying Amount	Tax base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
As at 30 June 2023			
Revaluation reserve on Land and Land Development	977,988,523	-	977,988,523
Applicable tax rate			6.00%
Deferred tax liability			58,679,311
Add: Revaluation reserve on PPE other than land			124,523,554
Applicable tax rate			22.50%
Deferred tax liability on Other Assets			28,017,800
Adjustment of deferred tax on depreciation of revalued assets (FY 2020-21)			(1,768,429)
Adjustment of deferred tax on depreciation of revalued assets (FY 2021-22)			(1,768,429)
Adjustment of deferred tax on depreciation of revalued assets (FY 22-23)			(1,768,429)
Total Deferred Tax relating to other comprehensive income			81,391,824
As at 30 June 2022			
Revaluation reserve on Land and Land Development	977,988,523	-	977,988,523
Applicable tax rate			3.00%
Deferred tax liability			29,339,656
Add: Revaluation reserve on PPE other than land			124,523,554
Applicable tax rate			22.50%
Deferred tax liability on Other Assets			28,017,800
Adjustment of deferred tax on depreciation of revalued assets (FY 2020-21)			(1,768,429)
Adjustment of deferred tax on depreciation of revalued assets (FY 2021-22)			(1,768,429)
Total Deferred Tax relating to other comprehensive income			53,820,597



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
23	Lease Liabilities: Tk. 26,095,719			
	The break-up of the above amount is as follows:			
	Opening Balance	-	-	-
	Add: Addition during the year	35,265,259	-	-
	Less: Payment during the year	9,169,540	-	-
	Closing Balance	26,095,719	-	-
23.01	Principal Payment due within one year	11,624,527	-	-
23.02	Principal Payment due within two years	14,471,192	-	-
		26,095,719	-	-
24	Security deposits received from clients: Tk. 484,411,186			
	The break-up of the above amount is as follows:			
	Opening Balance	451,258,714	357,068,437	294,955,533
	Add: Addition during the year	107,511,844	147,284,978	107,225,439
		558,770,558	504,353,415	402,180,971
	Less: Adjustment during the year	(74,359,371)	(53,094,701)	(45,112,535)
	Total	484,411,186	451,258,714	357,068,437
	A detailed schedule of security deposit received from clients is given in Annexure -C. Adjustment amount represents the amount adjusted with monthly bill as collection and the amount refunded to clients.			
25	Employees' pension, gratuity, Leave Encashment(LE) and provident fund: Tk. 30,965,587			
	The break-up of the above amount is as follows:			
	Employees' pension fund (Note: 25.1)	13,808,952	13,808,952	13,808,952
	Employees' gratuity fund (Note: 25.2)	1,868,119	5,609,295	1,592,234
	Employees' provident fund (Note: 25.3)	1,320,411	3,837,281	(6,879)
	Provision for Leave Encashment (Note: 25.4)	13,968,105	8,965,495	-
	Total	30,965,587	32,221,023	15,394,307
25.1	Employees' pension fund: Tk. 13,808,952	13,808,952	13,808,952	13,808,952
	This represents amount payable to BTTB employees worked on deputation and the amount incorporated in the vendor agreement. The above noted amount is adequate against the liabilities on account of the employees worked for the Company as deputed from BTCL and therefore no additional provision has been made in the accompanying financial statements. The Company however, does not have any pension fund.			
25.2	Employees' gratuity fund: Tk. 1,868,119			
	The break-up of the above amount is as follows:			
	Opening balance	5,609,295	1,592,234	3,611,732
	Add: Provision made during the year	12,804,683	17,701,813	16,890,968
		18,413,978	19,294,047	20,502,700
	Less: Paid/Transferred to Gratuity Fund during the year	(16,545,859)	(13,684,752)	(18,910,466)
	Total	1,868,119	5,609,295	1,592,234
25.3	Employees' provident fund: Tk. 1,320,411			
	The break-up of the above amount is as follows:			
	Opening balance	3,837,281	(6,879)	794,317
	Add: Employees' Contribution	6,921,029	5,745,850	5,176,665
	Employer's Contribution	6,921,029	5,743,034	5,176,665
	Less: Transferred to RCPF during the year	(16,358,928)	(7,644,723)	(11,154,526)
	Total	1,320,411	3,837,281	(6,879)
25.4	Provision for Leave Encashment: Tk. 13,968,105			
	The break-up of the above amount is as follows:			
	Opening balance	8,965,495	-	-
	Add: Provision made during the year	8,604,649	8,965,495	-
	Less: Payment during the year	(3,602,039)	-	-
	Total	13,968,105	8,965,495	-
26	Term Loan: Tk. 3,352,984,839			
	The break-up of the above amount is as follows:			
	Opening balance	2,784,365,486	2,378,669,551	2,730,693,883
	Received during the Year	1,086,500,000	500,400,000	-
	Total	3,870,865,486	2,879,069,551	2,730,693,883
	Less: Payment during the year	(198,016,730)	(94,704,065)	(352,024,332)
		3,672,848,756	2,784,365,486	2,378,669,551
	Current portion of Long Term Loan	(319,863,917)	(301,502,419)	(192,249,252)
	Non-current portion of Long Term Loan	3,352,984,839	2,482,863,067	2,186,420,299

Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021

Term Loan Particulars:

Islamic Development Bank (IDB)

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

Development Loan From Government People's Republic of Bangladesh

During the year 2022-2023 Tk.45.00 core and the year 2021-2022 Tk. 50.04 crore has been received as loan from Government for implementing the project named Installation of 3rd Submarine Cable for expansion of International Telecommunications System of Bangladesh approved at the ECNEC meeting held on 1st December, 2020.

27 Sundry creditors: Tk. 299,633,870

The break-up of the above amount is as follows:

		Restated	Restated
Alpha Engineering	-	24,197	-
ACE Autos	18,491	16,346	83,237
ACE Workshop Ltd	16,841	-	-
Amader Somoy	-	32,601	32,601
Arra Technologies Ltd.	-	36,480	36,480
Allhar Dan Automobiles	-	110,880	-
Bangladesh Science House	100,000	100,000	100,000
BD Jobs.Com	-	-	12,285
Biz Bangla Media Ltd.	-	-	108,675
BCS Telecom Somity	-	150,000	-
Biswas Motors	11,682	-	-
Bangla Hour	5,000	-	-
Banmech Ltd	771,839	-	-
Capital Law Chamber	-	8,280	146,280
Caps Lock	-	13,500	13,500
Cogent Communication Ltd	1,256,415	927,615	435,283
Cosmo Bangla	849,101	-	-
China Mobile International	1,347,873	-	-
Credit Rating Information & Services Ltd	-	-	80,625
Cyber Link	1,225	1,225	1,225
CDBL	4,711	-	-
DE-CIX(IIG)	735,257	845,728	433,290
Design Associates	-	-	47,899
Desh Nirmata	750,522	-	-
Dream71 Bangladesh Ltd	408,450	-	-
Equinix Singapore PTE Ltd.	5,089,496	6,411,089	2,570,521
Express Systems Ltd.	9,503,476	2,021,500	2,021,500
Elias Enterprise	-	-	47,380
Fames & R	-	119,025	264,025
Fiber@Home Ltd	5,511,846	13,412,392	6,898,833
Farid Automobiles Engineering & Works	23,080	92,400	-
F&M Automobiles	27,775	-	-
Guriga Engineering	-	69,308	-
H.S. Engineering	1,316,740	1,556,174	1,316,740
Habib Intelligent Software Ltd.	322,875	322,875	518,743
HKT Global (Singapore) Pte. Ltd.	2,881,250	5,832,095	3,672,301
Hurricane Electric Internet Service	4,092,854	1,938,508	2,405,538
Hussain Farhad & Co.	-	-	1,035,000
ICB Securities Trading Company Limited	-	450	1,617,982
Innovative Technology & Engineering	300	24,133	300
International Computers Solution	33,300	33,300	33,300
Jewel Motors	15,340	-	-
J.S.Enterprise	48,311	-	-
Kazi Mynul Hassan	107,875	107,875	107,875
Khondoker Advertisement	-	-	70,000
KK Enterprise	-	1,011,854	2,782,771
Kamal Trading Agency	538,421	185,798	-
Kashem Automobiles	24,750	-	-
M/S Khondokar Brothers	142,936	1,584,095	-
M/S MS Power Engineering	-	-	36,400
M2M Communications Ltd.	5,850	11,700	-
M/S National Traders	1,350,618	712,628	-
Milky & Associates	-	-	104,602
Murad Reza	143,750	143,750	143,750
Md.Hafizur Rahman Khan	50,600	-	-

Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
	Md.Tameem Rahman	-	8,625	-
	MABS&J Partners	-	379,500	-
	M.Mahsin &Co	-	51,750	-
	Mashik Peshajibi Barta	20,000	-	-
	Mahabub&Associate	31,510	-	-
	Next Tech Ltd.	5,600	5,600	5,600
	NRB Telecom Ltd	10,941	5,000	10,000
	NTT communications Ltd.	5,408,420	6,549,462	5,384,457
	Nabil Enterpirse	-	154,901	-
	Nobrupa Builders	-	63,484	-
	Pabna Automobiles	10,010	12,694	9,130
	Padakkhep Bangladesh	-	-	60,000
	Payable to Orange	-	8,640,000	-
	Payable to BTCL	Note:27.1	150,714,975	23,651,864
	Payable to BTRC- Under IIG License	4,667,298	10,066,019	9,231,020
	Payable to BTRC - Under ILDC License	Note:27.1	63,419,009	-
	Payable to Kuakata-Revenue Stamp	3,940	3,940	-
	Prochito IMC Ltd.	-	-	123,140
	Pradip Electric	-	7,175	-
	Performance art Center	50,000	-	-
	Prisma Technologies	1,551,488	-	-
	Rich Digital Communications	2,370	2,370	2,370
	Royal Office Equipment	-	-	16,000
	Rotary Club of Dhaka Mega City	-	30,000	-
	RETN	571,386	-	-
	S.A. Basher & Co, Ltd.	-	-	207,656
	S.F.Ahmed & Co.	-	-	379,500
	S.T. Enterprise	68,703	41,918	41,918
	SA Rashid & Associates	28,750	28,750	28,750
	Sadhan Das & Co.	10,710	10,710	64,300
	Sharebazarnews.com	3,500	3,500	4,025
	Sikder Filling & Service Station	16,020	39,160	-
	Singapore Internet Exchange	2,430,617	277,739	-
	Sony Chocolate Industries Ltd.	708,423	359,224	278,723
	Southern Automobiles Ltd.	78,780	86,496	37,291
	Spectrum Engineering Consortium Limited	184,492	184,492	589,492
	Summit Communications Ltd.	11,632,737	4,775,706	1,676,004
	Suraya Parveen & Associates	-	-	56,925
	Sys solution	23,000	23,000	-
	Systems & Services Ltd	951,884	3,196,619	-
	Shakil Motors	-	31,600	-
	Telecom Italia Sparkle Ltd.	16,024,369	11,243,351	15,818,964
	Telecom Malaysia Berhad	-	-	-
	Telephone Shilpa Sangstha Ltd.	1,089,033	673,208	673,208
	Telnet Communication Ltd.	3,675	3,675	3,675
	Temporary Loan from Ex-Project Director # SMW5	1,000	1,000	1,000
	Tiertech Engineering	23,811	23,811	-
	The Daily Bangladesh Shomachar	20,000	-	-
	The Daily Kaler Kantho	-	-	37,260
	The Daily Jugantor	46,575	46,575	-
	The Daily Janakantha	-	-	-
	The Daily Observer	46,163	27,946	78,526
	The Daily Our Time	-	-	22,273
	The Daily Sun	-	-	16,860
	The Daily Samakal	-	-	-
	The Daily Vorer Kagoj	-	-	27,945
	The Daily Ittefaq	24,840	-	-
	The Financial Express	183	183	62,002
	Unclaimed IPO subscription	61,574	61,574	109,101
	Urban Solution	-	70,273	-
	Withholding tax payable	2,157,670	3,560,101	224,232
	Z.S Engineering	21,565	-	-
	Zero Pest	-	13,992	-
	Total	299,633,870	208,565,363	86,112,152

27.1 Due to non availability of Invoices from BTCL against Backhaul services an amount of Tk.50,83,519 was under charged during the year 2020-21 and amount of Tk.2,00,07,283 was also under reported in the year 2021-2022. there was also an under charge of amount of Tk. 32,81,003 against revenue sharing to BTRC. Hence,payable for sundry creditors has been restated due to less recognition of expenses in previous years.



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
27.2	Aging of sundry creditors: Tk. 299,633,870 The break-up of the above amount is as follows: The aging of Sundry creditors as at the statement of financial position date is as follows:			
	Past due 0-90 days	169,159,264	83,074,057	34,221,971
	Past due 91-180 days	39,325,871	39,824,143	2,451,360
	Past due 181 -365 days	47,947,912	36,642,633	26,508,124
	Past due more than 365 days	43,200,822	49,024,530	22,930,697
	Total	299,633,870	208,565,363	86,112,152
28	Unearned Revenue: Tk. 390,721,598			
	Unearned Revenue-Saudi Telecom Company	268,695,000	287,887,500	-
	Unearned Revenue-Orange	13,320,646	14,253,614	-
	Unearned Revenue-TM Technology Services SDN BHD	97,356,000	-	-
	Unearned Revenue-Local Clients	11,349,952	45,693,212	2,759,200
	Total	390,721,598	347,834,326	2,759,200
28.1	This amount represents the unrecognised portion of total amount (i.e. 3.6 million USD) received from Saudi Telecom Company against transfer of capacity equivalent to 25.31% of BSCCL's capacity between Yanbou-Toulon-Marseilles segments based on IRU and the unrecognised portion of total amount (i.e.USD 175000) received from Orange, France against transfer of 0.13x100G capacity between Equinix, Singapore and Marseilles France based on IRU considering the remaining cable life (i.e.16 years) of SMW-5. This amount includes the unrecognised portion of total billed amount USD 9,50,000 under the agreement between BSCCL and TM Technology Services SDN BHD to lease the Lit-up Capacitybetween Djibouti and Marseilles France based on the agreement period. Unearned revenue -Local Clints represents the amount received against demand note issued but does not satisfy the performance obligations according to creteria mentioned in the IFRS-15 Note : 37			
29	Provision for income tax: Tk. 960,269,166 The break-up of the above amount is as follows:			
	Opening balance	821,805,495	1,037,421,348	633,906,543
	Add: Provision made during the year	802,875,078	674,057,788	459,812,378
	Add: Provision for the year (F-Y:2016-17)	-	-	-
	Add: Provision for the year(F-Y:2014-15)	-	-	5,648,994
	Add: Provision for the year(F-Y:2015-16)	-	5,199,628	-
	Add: Provision for the year(F-Y:2018-19)	-	11,069,505	-
	Add: Adjustment for the year(F-Y:2010-11)	41,170,566	-	-
	Less: Adjustment for the year (F-Y:2012-13)	(3,384)	-	-
	Less: Settlement for the year (F-Y:2021-22)	(674,057,789)	-	-
	Less: Settlement for the year (F-Y:2020-21)	-	(459,812,378)	-
	Less: Settlement for the year (F-Y:2019-20)	-	(240,032,242)	-
	Less: Settlement for the year (F-Y:2018-19)	-	(81,321,243)	-
	Less: Settlement for the year (F-Y:2017-18)	(5,108,807)	(19,387,162)	-
	Less: Settlement for the year (F-Y:2016-17)	(9,262,619)	(74,487,459)	-
	Less: Settlement for the year (F-Y:2015-16)	-	(30,902,290)	-
	Less: Settlement for the year (F-Y:2009-10)	(70,622)	-	-
	Less: Settlement for the year (F-Y:2009-10)	(301,497)	-	-
	Less: Settlement for the year (F-Y:2011-12)	(16,777,255)	-	-
	Less: Settlement for the year (F-Y:2012-13)	-	-	(27,125,086)
	Less: Settlement for the year (F-Y:2014-15)	-	-	(34,821,481)
	Total	960,269,166	821,805,495	1,037,421,348
	Details Tax Status report is given in the annexure-F			
30	Provision for WPPF and WF: Tk. 179,082,561 The break-up of the above amount is as follows:			
	Opening balance	160,053,970	119,991,410	62,599,014
	Add: Provision made during the year	179,082,560	160,053,969	119,991,410
		339,136,530	280,045,379	182,590,424
	Less: Settlement for previous year	(160,053,969)	(119,991,409)	(62,599,014)
	Total	179,082,561	160,053,970	119,991,410
31	Liabilities for expenses: Tk. 125,950,559 The break-up of the above amount is as follows:			
	Office rent	4,800,000	4,800,000	4,800,000
	Audit & other fees	480,700	69,000	161,000
	Provision for different expenses	722,307	13,537,639	428,447
	IIG Licence Fee	-	287,500	-
	Innovation Expenses	-	30,000	-
	Meeting Fees	-	151,819	-
	Group Insurance Premium	-	-	-
	Telephone bill	158,238	133,253	130,166
	Electricity bill	379,397	222,964	290,831
	Payable for Cable route shifting SMW4	22,138,350	22,138,350	10,000,000
		28,678,992	41,370,525	15,810,444
	Accrued Interest on IDB loan	97,271,567	38,262,355	41,626,718
	Total	125,950,559	79,632,880	57,437,162



Notes	Particulars	Amount in Taka		
		30 June 2023	30 June 2022	01 July 2021
32	Unclaimed Dividend Account: Tk. 4,554,582 The break-up of the above amount is as follows: Year wise details of unclaimed dividend is given below:			
	Year			
	2011-2012	-	-	404,808
	2012-2013	-	-	188,133
	2013-2014	-	-	524,594
	2014-2015	-	-	1,603,322
	2015-2016	-	-	945,351
	2016-2017	-	-	794,397
	2017-2018	-	-	401,664
	2018-2019	-	1,924,218	1,967,756
	2019-2020	1,909,705	1,990,217	2,105,601
	2020-2021	1,390,150	1,912,185	-
	2021-2022	1,254,728	-	-
Total		4,554,582	5,826,620	8,935,626



Notes	Particulars	Amount in Taka	
		30 June-2023	30 June-2022
33	IPLC (International Private Leased Circuit) Rent: Tk. 3,929,939,306 The break-up of the above amount is as follows:		
	SMW-4	1,092,751,885	930,918,710
	SMW-5	2,837,187,421	2,225,219,263
	Total	3,929,939,306	3,156,137,972
	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.		
34	Circuit activation charge: Tk. 19,821,142 The break-up of the above amount is as follows:		
	Circuit Activation Charge-IPLC-SMW-4	5,430,000	2,070,000
	Circuit Activation Charge-IPLC-SMW-5	10,410,000	9,695,000
	Circuit Activation Charge-IIG	1,238,000	930,000
	Circuit Activation Charge-ISP(IIG)	-	64,000
	Circuit Activation Charge-Co-location-IIG	15,000	23,700
	Circuit Activation Charge-Co-location-SMW-4	797,142	350,000
	Circuit Activation Charge-Co-location-SMW-5	1,931,000	970,000
	Total	19,821,142	14,102,700
	This represents charges imposed to clients for activation of new circuits.		
35	IP Transit Service: Tk. 1,075,108,389 The break-up of the above amount is as follows:		Restated
	Local	964,249,300	1,083,971,935
	Export	110,859,089	38,826,034
	Total	1,075,108,389	1,122,797,969
	This represents the service charges for providing internet bandwidth to IIGs and ISPs and Export to BSNL. There was an overstatement of Tk. 26,10,666 against Ip transit Service Export in the year 2021-2022. hence Revenue Income has been restated.		
36	Co-Location Charges: Tk. 104,673,656 The break-up of the above amount is as follows:		
	SMW-4	42,335,756	40,841,788
	SMW-5	61,514,115	60,784,306
	IP Transit -IIG	823,785	273,232
	Total	104,673,656	101,899,326
	This represents charges to customers for using BSCCL's resources at Cox's Bazar, Kuakata and Dhaka.		
37	IPLC -Export (SMW # 5): Tk. 25,369,468		
	Saudi Telecom Company	19,192,500	19,192,500
	Orange	932,968	700,136
	TM Technology Services SDN BHD	5,244,000	-
	Total	25,369,468	19,892,636
	This represents partial recognition of total amount (i.e. 3.6 million USD) received from Saudi Telecom Company against transfer of capacity equivalent to 25.31% of BSCCL's capacity between Yanbou-Toulon-Marseilles segments based on IRU and also partial recognition of total amount (i.e.USD 175000) received from Orange, France against transfer of 0.13x100G capacity between Equinix, Singapore and Marseilles France based on IRU considering the remaining cable life (i.e.16 years) of SMW-5 to comply the criteria mentioned in the IFRS-15. This amount also includes the partially recognised portion of total billed amount USD 9,50,000 under the agreement between BSCCL and Telekom Malaysia to lease the Lit-up Capacitybetween Djibouti and Marseilles France based on the agreement period following the guidelines of IFRS-15.		
	Referring to the note number 33 to 37 , Bangladesh Submarine Cable Company Limited (BSCCL)'s turnover is mainly comprised of IPLC Rent, IP Transit Service and Co-location Service alongwith partial recognition of unearned revenue.In addition to that, substantial effort of BSCCL's management, Govt. policy of digitalization of govt. service and introduction of 4G services contributed to increase in overall IPLC consumption in the country. Consequently, BSCCL's revenue also increased.		
38	Electricity and generator fuel: Tk. 20,895,261 The break-up of the above amount is as follows:		
	Electricity bill	16,095,486	13,129,122
	Fuel for generator	4,799,775	3,264,770
	Total	20,895,261	16,393,892
	This cost is directly related to cost of operation.		

Notes	Particulars	Amount in Taka	
		30 June-2023	30 June-2022

39 Landing station and cable route repair: Tk. 4,051,300 4,051,300 3,958,133

This cost is directly related to cable route and landing station maintenance for Cox's Bazar and Kuakata.

40 Backhaul ,Data Connectivity Charge & Revenue Sharing: Tk. 280,285,020

The break-up of the above amount is as follows:

			<u>Restated</u>
Backhaul Charge	Note-40.1	96,114,060	115,463,198
Data Connectivity & Fiber Core Charge		554,772	455,081
Revenue Sharing Cost Under IIG License		7,812,892	7,563,630
Revenue Sharing Cost Under ILDC License	Note-40.1	174,874,365	25,154,356
License & Membership fees		688,243	367,886
Co-location cost		240,689	55,200
Total		<u>280,285,020</u>	<u>149,059,351</u>

This cost represents backhaul charges and for data connectivity & fiber core charge. This amount also includes the Revenue Sharing amount based on the condition of the license issued from BTRC.

40.1 Due to non availability of Invoices from BTCL against Backhaul services an amount of Tk.2,00,07,283 and Tk. 32,81,003 relating to revenue sharing to BTRC was under reported in the year 2021-2022. Hence,Backhaul charges and revenue sharing cost have been restated due to less recognition of expenses.

41 IP Transit Cost: Tk. 104,621,491 104,621,491 84,660,465

This cost represents the cost of purchasing IP bandwidth from Telecom Italia Sparkle, NTT Communications Ltd, Equinix Singapore Pte Ltd., Cogent Communications Ltd, DE-CIX,PCCW (HKT) Global (Singapore) Pte. Ltd. , RETN, Hurricane Electric Internet Service and Singapore Internet Exchange.

42 Lease Rent: Tk. 390,733 390,733 343,631

This rent represents rent of leasing land of beach manhole for Kuakata landing station from Bangladesh Parjaton Corporation.

43 Depreciation -Core Machinery and Right of use assets: Tk. 460,993,474

The break-up of the above amount is as follows:

Prtoperty, plant and equipment- Core Machenery	441,197,569	438,931,414
Right of use assetes	19,795,905	-
Total	<u>460,993,474</u>	<u>438,931,414</u>

This represents the depreciation charged on core machinery which are directly related to IPLC and IP transit revenue. For further details Annexure-A is referred.

44 Operation and maintenance expenses: Tk. 227,098,063

The break-up of the above amount is as follows:

This represents amount paid to SEA-ME-WE 4 & 5 during the year for expenses of cable operation and maintenance purpose. The break-up of the expenses is as under:

SEA-ME-WE-4	12,699,090	6,453,191
SEA-ME-WE-5	214,398,972	165,076,242
Total	<u>227,098,063</u>	<u>171,529,434</u>

45 General and administrative expenses: Tk. 293,723,625

The break-up of the above amount is as follows:

Advertisement and publicity expenses	2,712,983	3,504,992
AGM expenses	1,324,283	1,255,897
APA expenses	1,414,675	232,604
Audit Fees	480,700	431,250
Amortization of Software	340,290	-
Bank charges and commission	4,557,459	4,236,327
Board and other meetings fees	4,372,992	5,243,906
Books & Periodicals	26,544	34,090
Business Development Expenses	4,840,631	6,049,597
Consortium meeting expenses	2,579,539	458,170
Consultancy fees	841,800	1,030,113

Notes	Particulars	Amount in Taka	
		30 June-2023	30 June-2022
	CSR Expenses	10,372,600	8,877,715
	Entertainment	2,710,796	2,566,769
	Fees and Subscription	38,638,029	1,624,577
	Festival bonus	12,336,971	13,729,506
	Gratuity provision	12,804,683	17,701,813
	Honorarium	441,783	-
	Innovation Expenses	916,951	675,235
	Insurance Premium	214,208	500,100
	Legal Fees	1,304,622	1,167,642
	Managing Director's remuneration	2,014,120	3,434,081
	Medical Expenses	3,280	9,764
	National Integrity and Strategy Training Exp.	590,585	517,094
	Newspaper & Periodicals	32,089	12,808
	Office Expenses	999,330	1,157,632
	Office rent	10,302,550	19,609,800
	Postage and courier expenses	31,573	45,469
	Printing and Office stationery	1,861,060	1,600,475
	Reception & Dinner	2,274,148	1,625,081
	Recruitment expenses	-	636,825
	Rent, rates & taxes	630,000	459,600
	Repair and maintenance	3,781,680	4,362,327
	Salary and allowances	159,562,052	164,638,008
	Telephone Bill	91,222	1,584,301
	Training Expenses	342,771	2,251,219
	Travelling & conveyance	2,223,058	1,242,982
	Vehicles Maintenance	2,309,643	1,932,786
	Vehicles running expenses	3,441,927	2,675,977
	Total	293,723,625	277,116,533
46	Provision for bad and doubtful debts: Tk. 40,434,961		
	The break-up of the above amount is as follows:		
	Closing balance of provision for bad & doubtful debts	432,725,738	392,290,777
	Less: Opening balance of provision for bad & doubtful debts	<u>(392,290,777)</u>	<u>(357,674,999)</u>
	Total	40,434,961	34,615,778
	BSCCL makes provision for bad and doubtful debts according to the company policy and following advice of the Audit Committee.		
47	Depreciation on property, plant and equipment: Tk. 38,387,392		
		38,387,392	33,659,348
	This represents the depreciation charged on other than core machinery. For further details Annexure-A is referred.		
48	Bank interest and other income: Tk. 215,037,225		
	The break-up of the above amount is as follows:		
	Rest house rent and others	1,198,063	1,094,740
	Other Income	6,408,267	3,549,613
	Interest on FDR & Others	205,912,056	258,033,768
	Dividend income	1,518,839	1,390,751
	Total	215,037,225	264,068,872
49	Financial and Other Charges: Tk. 126,107,280		
	The break-up of the above amount is as follows:		
	Interest on Loan from IDB	124,601,821	136,514,690
	Interest on Lease	1,505,460	-
	Total	126,107,280	136,514,690
50	Gain/(Loss) on investment in shares: Tk. -640,137		
	The break-up of the above amount is as follows:		
	Opening market value of investment	31,073,048	29,501,318
	Add: Investment during the period	-	-
	Less: Market Value of Sales of Share	-	-
	Total cost of investment(B)	31,073,048	29,501,318
	Closing Market Value of Investment (A)	30,432,911	31,073,048
	Gain/(Loss)=(A-B)	(640,137)	1,571,730

Notes	Particulars	Amount in Taka	
		30 June-2023	30 June-2022
51	Current tax expenses: Tk. 802,875,078		
	The break-up of the above amount is as follows:		
	For the year F-Y:2021-22 (Annexure-E)	802,875,078	674,057,788
	For the year F-Y:2015-16 (Annexure-F)	-	5,199,628
	For the year F-Y:2018-19 (Annexure-F)	-	11,069,505
		802,875,078	690,326,921

Detail calculation of current tax expenses has presented in Annexure - E and Annexure-F.

52	Deferred tax (income)/expenses: Tk. -11,519,959		
	The break-up of the above amount is as follows:		
	Closing balance of deferred tax liability	547,766,832	559,286,791
	Opening balance of deferred tax liability	559,286,791	548,753,365
	Deferred tax (income)/expense	(11,519,959)	10,533,426

53	Basic Earnings Per Share (EPS): Tk. 16.92		Restated
	The break-up of the above amount is as follows:		
	Earnings attributable to the Ordinary Shareholders	2,790,296,078	2,473,978,465
	Weighted average number of ordinary Shares outstanding during the year	164,905,510	164,905,510
	Earnings Per Share (EPS)-Basic	16.92	15.00
	Earnings Per Share (EPS)-Dilluted (Note: 53.1)	15.19	13.67

53.1 Diluted earnings per share has been calculated taking into account the potential 1,88,07,515 nos. of shares following the recommendation of ICB Capital Management Ltd. being an issue manager and approval of the Board of Director's in it's 195th BoD meeting held on 28th December 2021 considering the market value of last working day of each year of receiving Equity money. Please note that the above issuance is subject to approval of concerned Ministry, Shareholders and Bangladesh Securities and Exchange Commission. Details calculation of potential number of shares are given below:

Year	Amount of Equity Money	Market value of Last working day	Potential No. of Shares as on 30.06.2023	Potential No. of Shares as on 30.06.2022
2015-16	1,400,000,000	110.2	12704174	12704174
2016-17	260,000,000	120.1	2164863	2164863
2021-22	249,600,000	219.1	1139206	1139206
2022-23	612,760,790	218.9	2799273	-
Total No. of Poteltial Shares to be issued			18807515	16008243

	Amount in Taka		
	30 June 2023	30 June 2022	01 July 2021
54	Net Asset Value (NAV) Per Share: Tk. 85.05		
	The break-up of the above amount is as follows:		
	Total Assets	20,829,205,797	16,891,773,250
	Less: Total Liabilities	6,803,692,242	6,263,236,615
	Total	14,025,513,555	10,628,536,635
	Number of Ordinary Shares of Tk. 10 each at Financial Position date	164,905,510	164,905,510
	NAV-Per Share	85.05	52.45
		64.45	52.45

55	Net operating cash flows per share (NOCFPS): Tk. 14.68		
	Net cash flows from operating activities (A)	2,421,338,044	2,764,215,184
	Number of Ordinary Shares of Tk. 10 each at Financial Position date (B)	164,905,510	164,905,510
	Net operating cash flows per share (NOCFPS) (C=A/B)	14.68	16.76

Notes	Particulars	Amount in Taka	
		30 June-2023	30 June-2022
55.1	Reconciliation of Net income or Net profit with cash flows from operating activities		
		Amount (Tk.)	Amount (Tk.)
		30 June 2023	30 June 2022
	Net Profit Before Tax	3,581,651,196	3,201,079,387
	Adjustment to reconcile profit to net cash provided :		
	Depreciation	499,380,866	472,192,213
	Amortization of License Fee	6,090,290	1,134,028
	Financial Charges	126,107,280	136,514,690
	Loss/(gain) on Investment in Share	640,137	(1,571,730)
	Loss/(Gain) on disposal of fixed assets	-	(326,160)
	Provision for Bad debts	40,434,961	34,615,778
	Other Income	(215,037,225)	(264,068,872)
	(Increase)/Decrease in Provision for income tax	(642,920,126)	(893,678,863)
	(Increase)/Decrease in Advance Income tax	(201,961,424)	348,813,378
	(Increase)/ Decrease in adv. & deposit	(43,893,176)	(56,359,075)
	(Increase)/ Decrease in debtors	(750,217,169)	(849,092,033)
	(Increase)/ Decrease in other receivable	(150,995,803)	21,644,353
	Increase/(Decrease) in sundry creditors	134,263,655	440,692,318
	Increase/(Decrease) in Security Deposit	33,152,473	94,190,277
	Increase/(Decrease) in Employees Pension, Gratuity and PF	(1,255,436)	16,826,717
	Increase/(Decrease) in Provision for WPPF and WF	19,028,591	40,062,560
	Increase/(Decrease) in VAT Payable	(439,512)	(4,013,865)
	Increase/(Decrease) in Liability for Expenses	(12,691,533)	25,560,081
	Net cash flows from operating activities	<u>2,421,338,044</u>	<u>2,764,215,184</u>



56 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

56.1 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 2023, receivables from Mango Teleservices Limited and other clients against whom litigations has been initiated are subject to significant credit risk. Risk exposures from other financial assets, i.e. cash at bank and other external receivables are nominal.

The uncertain economic environment has resulted in increase in credit risk and liquidity risk for many companies and BSCCL also faces some challenges in recovering the receivables due to COVID-19. But BSCCL management critically observed the situation. It is found that the overall market demand is in upward trend despite COVID-19 pandemic and hence it is expected that BSCCL could manage to minimize the dues to a reasonable extent in the near future. As such BSCCL management assumes that there is no need to provide sensibility disclosure regarding Credit and Liquidity Risk related to receivables.

(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:

		Amount in Taka	
		30 June 2023	30 June 2022
Trade receivables, net	(Note: 9.1)	3,389,225,805	2,679,443,597
Other receivables	(Note: 9.2)	208,943,128	73,055,043
Financial assets - investment in shares	(Note: 13)	30,432,911	31,073,048
Cash and cash equivalents	(Note: 14)	229,962,026	210,798,632
Investment in FDR	(Note: 15)	2,653,195,948	4,820,083,283
		6,511,759,818	7,814,453,602

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

Domestic	3,808,244,072	3,050,405,547
Foreign (Export to India)	13,707,471	21,328,827
	3,821,951,543	3,071,734,374

b) Ageing of trade receivables

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

Past due 0-90 days	1,250,043,597	1,251,221,716
Past due 91-180 days	762,895,248	645,573,104
Past due 181-365 days	876,208,808	622,168,831
Past due more than 365 days	932,803,891	552,770,724
	3,821,951,543	3,071,734,374

c) Impairment losses

Impairment losses on the above receivables were recognised as per the company policy and recommendation made by Audit Committee.

56.2 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 2023

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Security deposits received from clients	484,411,186	48,441,119	435,970,068
Employees' pension, gratuity and Provident fund	30,965,587	30,965,587	-
Sundry creditors and Unclaimed Dividend	304,188,453	304,188,453	-
Provision for WPPF and WF	179,082,561	179,082,561	-
Liabilities for expenses	125,950,559	125,950,559	-
Total	1,124,598,345	688,628,277	435,970,068

As at 30 June 2022

	Contractual cash flows (Taka)	1 year or less Taka	More than 1 year Taka
Security deposits received from clients	451,258,714	45,125,871	406,132,842
Employees' pension and gratuity fund	32,221,023	32,221,023	-
Sundry creditors and Unclaimed Dividend	214,391,983	214,391,983	-
Provision for WPPF and WF	160,053,970	160,053,970	-
Liabilities for expenses	79,632,880	79,632,880	-
Total	937,558,570	531,425,728	406,132,842

56.3 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, its reimbursement to and from consortium members and payment to foreign creditors against Upstream purchase. 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:

	Amount in Taka	
	30 June 2023	30 June 2022
Foreign currency denominated liabilities		
Payable against IP transit cost	(39,837,937)	(34,025,587)
Unclaimed IPO Fund	(61,574)	(61,574)
Net exposure	(39,899,512)	(34,087,162)

The following rate has been applied:

	Taka	Taka
US Dollar (\$)	107.15	86.43

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.

	Profit or loss		Equity	
	Increase	Decrease	Increase	Decrease
2022-2023				
US Dollar (10% movement)	3,989,951	(3,989,951)	-	-
2021-2022				
US Dollar (10% movement)	3,408,716	(3,408,716)	-	-

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 2023.

Profile

As at 30 June 2023, the interest rate profile of the company's interest bearing financial instruments was:

Fixed rate instruments

Financial assets (short term investments-FDR)	2,653,195,948	4,820,083,283
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Financial liabilities 3,672,848,756 2,784,365,487
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 2023		As at 30 June 2022	
	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	30,432,911	30,432,911	31,073,048	31,073,048
Advance VAT	30,328,899	30,328,899	29,889,387	29,889,387
Held to maturity assets				
Short term investment-FDR	2,653,195,948	2,653,195,948	4,820,083,283	4,820,083,283
Loans and receivables				
Trade receivables, net	3,389,225,805	3,389,225,805	2,679,443,597	2,679,443,597
Other receivables	208,943,128	208,943,128	73,055,043	73,055,043
Financial assets for trading purpose				
	-	-	-	-
	6,312,126,691	6,312,126,691	7,633,544,358	7,633,544,358
Financial Liabilities:				
Liabilities carried at fair value through profit or loss				
Liabilities carried at amortised costs				
Security deposits received from clients	(484,411,186)	(484,411,186)	(451,258,714)	(451,258,714)
Sundry creditors	(299,633,870)	(299,633,870)	(208,565,363)	(208,565,363)
Provision for WPPF and WF	(179,082,561)	(179,082,561)	(160,053,970)	(160,053,970)
Liabilities for expenses	(125,950,559)	(125,950,559)	(79,632,880)	(79,632,880)
	(1,089,078,177)	(1,089,078,177)	(899,510,928)	(899,510,928)

	Gbps	Gbps
57 Bandwidth capacity		
Present Capacity	3,050	3,000
Utilization (Monthly Average)	2,469	1,852
Percentage of utilization	80.95%	61.73%

58 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.

59 Remittance of dividend

No amount has been remitted as dividend during the year.

60 Remittance of foreign currency to consortium and others

	30 June 2023 USD	30 June 2022 USD
Property, Plant and Equipment	71,882	1,004,839
Operation and maintenance expenses	1,574,209	1,807,692
IP Transit & Membership cost	843,642	654,142
	2,489,734	3,466,674



61 Earnings in foreign Exchange

During the year, earnings in foreign exchange for export of royalty know-how professional and consultation fees, interest & dividend is nil. But the company received foreign exchange against IP Transit Export, O&M reimbursement and against IRU based capacity sale etc. of US\$12,39,770 equivalent to Tk.13,40,27,342

62 Contingent liabilities and commitments

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

(i) BTCL claim office rent:

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

(ii) Income Tax:

For the income year 2010-2011 an amount of Tk. 25,240,639 has been demanded by DCT against of which appeal is processed to High Court Division.

(iii) BSCCL has to spent 22.83 (Appx.) million USD for implementetion of the project named Installation of 3rd Submarine Cable for Expansion of International Telecommunications System of Bangladesh during the period 2023-2025.

63 Director's responsibility statement

The Board of Directors take the responsibility for the preparation and presentation of the financial statements.



64 Related party disclosures

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

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

(a) Name of the Directors along with all related Firms/Companies/Institutions/Parties as at 30 June 2023.

Sl. No.	Name of the Directors	Status with the company	Name of the related Ministries/ Companies/ Parties etc.	Remarks
1	Mr. Abu Hena Morshed Zaman	Chairman	Secretary, Posts & Telecommunications Division, MoPT & IT	Nominated by GOB
2	Dr.Nasima Akhter	Director	Joint Secretary, Finance Division, MoF	Nominated by GOB
3	Mr. Mohammad Golam Sarware Kainat	Director	Joint Secretary-Posts & Telecommunications division, MoPT & IT	Nominated by GOB
4	Mr. Md.Abdul Momin	Director	Joint Secretary, MoST	Nominated by GOB
5	Col Ekram Ahmed Bhuyan, afwc, psc	Director	Col Staff, AHQ, GS Br (SD Dte), Dhaka Cantonment, Dhaka	Nominated by GOB
6	Dr.Md. Mostofa Akbar	Director	Professor -Computer Science and Engineering Department,BUET	Nominated by GOB
7	Mr. Syed Mamnun Quader	Independent Director	Former Director-DCCI	Nominated by GOB
8	Mr.Azam Ali	Managing Director	BSCCL	Nominated by GOB

(b) Transactions with the following companies where the Directors of the company are related for the year ended 30 June 2023:

Sl No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Transactions during the year
1	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman	Chairman	Bandwidth sale	684,391,003
2	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Backhaul Purchase	119,481,724
3	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Port charge	18,900
4	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Co-location Purchase	677,248
5	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Co-location Sale	-
6	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Bandwidth sale	46,476,868



(c) Outstanding balances at 30 June 2023

Sl. No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Opening balance 01.07.2022	Amount of transaction during the year 2022-2023		Closing balance 30.06.2023
						Addition	Adjustment/ Received	
1	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman	Chairman	Bandwidth sale	837,838,909	684,391,003	(404,051,022)	1,118,178,890
2	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Co-location Sale	21,463,462	-	-	21,463,462
3	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Backhaul Purchase	69,452,820	119,481,724	(39,542,568)	149,391,972
4	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Backhaul (Co-location) Purchase	626,850	696,148	-	1,322,998
5	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Bandwidth sale	27,534,209	46,476,868	(49,832,350)	24,178,727
6	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Co-location Sale	13,119	-	-	13,119

64.2 Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. (Para 9; IAS 24- Related Party Disclosure).

Even though it is very difficult to differentiate and exact the key personnel management in the organization's hierarchy of the Company (BSCCL), generally, MD, CS, GM and DGM possess authority and responsibility for planning and controlling the activities of the company, directly or indirectly.

The company's key management personnel compensation in total and for each of the following categories are stated below:

	Amount in Taka	
	30 June 2023	30 June 2022
(i) MD's Remuneration		
Salary	3,492,000	3,434,081
Bonuses	560,000	822,500
WPPF	730,527	503,901
	<u>4,782,527</u>	<u>4,760,482</u>
ii) Other Key Management personnel remuneration and benefit		
Salary	26,331,572	23,044,811
Bonuses	4,129,542	5,227,098
WPPF	7,222,948	4,535,109
Leave encashment	738,920	1,874,785
	<u>38,422,982</u>	<u>34,681,803</u>
b) Post Employment Benefits - Employee benefits such as Gratuity, provident fund		
Gratuity	12,804,683	17,701,813
Provident Fund	13,842,058	11,488,883
	<u>26,646,741</u>	<u>29,190,696</u>
c) Other Long Term Employees Benefits		
Employee benefits that is not due to be paid wholly within twelve months after the end of the period in which the employees render the related service. Such as - long service benefits or sabbatical leave, jubilee or other long service benefits, long term disability benefits.		
No such benefits are available in the Company hence, it is not applicable		
d) Termination Benefits		
Employee benefits payable as result of either: (i) an entity's decision to terminate an employee's employment before normal retirement date; or (ii) an entity's decision to accept voluntary redundancy in exchange for those benefits.		
e) Share based payment		
An entity shall recognize the goods or services received or acquired in a share based payment transaction when it obtains the goods or as the services are received. The entity shall recognize a corresponding increase in equity if the goods or services were received in an equity settle share based payment transaction, or a liability if the goods or services were acquired in a cash settled share based payment transaction.		
No such benefits are available in the Company hence, it is not applicable.		
f) Director's Board Meeting Attendance Fees	<u>1,241,834</u>	<u>746,752</u>



g) Other Disclosures

The Directors of the company did not take any benefit from the company other than the board meeting attendance fees as disclosed above.

1. Expense reimbursed to the managing agent - Nil
2. Commission or other remuneration payable separately to a managing agent or his associate - Nil
3. 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
4. The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into the Company with the managing agent or his associate during the financial year
5. Any other perquisites or benefit in cash or in kind stating - Nil
6. Other allowances and commission including guarantee commission - Nil.
7. i) Pensions- Nil ii) Gratuities- Nil iii) Payment from Provident Fund, in excess of own subscription and interest thereon- Nil. iv) Compensation for loss of office - Nil and v) Consideration in connection with retirement from office - Nil

65 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.

66 Comparatives

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

67 Number of employees

(a) The number of employees employed in the company throughout the year who received aggregate remuneration not less than Tk.36,000 was Nil.

(b) The number of employees employed in the company for part of the year who received aggregate remuneration not less than Tk.3,000 per month was Nil.

(c) As at 30 June 2023 the number of regular employees receiving remuneration of Tk.36,000 or above per annum was 137 (2022: 142).

68 Events after the reporting period

The Board of Directors of BSCCL, at its 214th meeting held on 28 August 2023 proposed 51% Cash Dividend on the paid-up capital for the year 2022-2023. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.


Chief Financial Officer


Company Secretary


Managing Director


Director

Place: Dhaka, Bangladesh
Dated: 28 August 2023



Bangladesh Submarine Cable Company Limited
Schedule of Property, Plant & Equipment
As at 30 June 2023

Name of assets	Cost					Accumulated depreciation			WDV as at 30 June 2023			
	As at 01 July 2022	Impairment	As at 01 July 2022	Additions during the Year	Adjustment during the Year	As at 30 June 2023	Rate	As at 01 July 2022		Charged during the Year	Adjustment during the Year	As at 30 June 2023
Freehold assets (cost less accumulated depreciation)												
Land and land development	123,315,038	-	123,315,038	-	-	123,315,038	-	-	-	-	-	123,315,038
Core equipment-IPLC-SMW-4	2,603,865,991	-	2,603,865,991	-	-	2,603,865,991	10.00%	2,145,611,514	114,563,619	-	2,260,175,134	343,690,858
Core equipment-IPLC-SMW-5	5,722,621,876	-	5,722,621,876	6,739,373	-	5,729,361,249	5.00%	1,405,874,816	288,232,429	-	1,694,107,245	4,035,254,004
Core equipment-ILG	251,619,011	-	251,619,011	2,215,412	-	253,834,423	14.29%	215,432,902	38,401,521	-	253,834,423	16,537,500
Core equipment-ILG(Foreign/Singapore)	63,415,462	-	63,415,462	18,375,000	-	81,790,462	4.00%	28,852,785	1,857,500	-	30,355,510	33,059,952
Building-SMW-4	5,242,135	-	5,242,135	-	-	5,242,135	2.50%	262,107	1,502,725	-	389,800	4,852,335
Building-Low cost Quarter-SMW4	288,918,374	-	288,918,374	1,377,780	-	289,118,373	2.70%	57,018,376	6,625,714	-	63,644,090	225,274,284
Building-SMW-5	2,535,402	-	2,535,402	-	-	2,535,402	4.00%	2,055,871	275,556	-	2,076,720	1,102,224
Electrical Installation	7,827,297	-	7,827,297	9,274,990	-	17,102,287	10.00%	-	927,499	-	927,499	8,347,491
Fire Extinguishing, Protection and Detection System	2,193,635	-	2,193,635	-	-	2,193,635	4.00%	3,666,362	180,910	-	3,847,272	3,980,025
Security barak & security wall	1,334,855	-	1,334,855	-	-	1,334,855	0.00%	1,792,622	-	-	1,792,622	401,013
Deep tube-well & pump house	18,414,231	-	18,414,231	-	-	18,414,231	8.33%	7,672,596	-	-	200,228	1,134,627
Generator-500 KVA(SMW4S)	3,284,000	-	3,284,000	-	-	3,284,000	11.11%	2,982,871	1,074,163	-	8,746,760	9,667,472
500 KV sub-station	13,146,779	-	13,146,779	-	-	13,146,779	3.13%	3,492,211	43,018	-	3,025,889	256,111
500 KV sub-station-SMW-5	42,921,216	-	42,921,216	22,575	-	42,943,791	16.67%	29,884,416	3,264,844	-	33,149,260	10,127,127
Power system	21,051,069	-	21,051,069	-	-	21,051,069	5.88%	5,234,578	1,054,433	-	6,289,011	9,794,531
Power system-SMW-5	387,555	-	387,555	-	-	387,555	33.33%	310,044	38,756	-	348,799	14,762,058
Power system-ILG	9,946,329	-	9,946,329	-	-	9,946,329	3.85%	4,629,908	221,518	-	4,851,425	38,756
Boundary wall	40,755,312	-	40,755,312	-	-	40,755,312	2.70%	7,629,668	946,447	-	8,576,115	5,094,904
Boundary walk-SMW-5	18,769,788	-	18,769,788	-	-	18,769,788	9.09%	13,195,184	619,400	-	13,814,585	32,179,197
Ducting from beach manhole	21,813,789	-	21,813,789	-	-	21,813,789	6.25%	5,899,783	1,081,600	-	4,955,203	4,955,203
Ducting from beach manhole-SMW-5	54,233,112	-	54,233,112	-	-	54,233,112	10.00%	40,100,399	3,496,339	-	43,596,738	15,142,405
Vehicles	37,532,705	-	37,532,705	151,925	-	37,684,630	5.10%	25,608,925	4,346,104	-	29,955,029	10,788,299
Office equipment and furniture	1,768,031	-	1,768,031	-	-	1,768,031	25.00%	1,097,992	335,019	-	1,433,012	15,941,621
Co-Location point	1,380,694	-	1,380,694	-	-	1,380,694	5.88%	329,128	70,104	-	399,233	335,019
Co-Location point-SMW-5	8,041,138	-	8,041,138	12,821,314	-	16,862,452	10.00%	4,216,888	1,978,746	-	6,195,634	981,461
Office decoration	186,120	-	186,120	-	-	186,120	20.00%	140,598	15,174	-	155,772	14,666,818
Water Treatment Plant & Others	471,925	-	471,925	-	-	471,925	20.00%	188,770	94,385	-	283,155	30,348
Surveillance System	9,366,992,867	-	9,366,992,867	59,342,314	-	9,426,335,181	-	4,012,249,772	471,725,278	-	4,483,975,050	188,770
Sub-total	9,366,992,867	-	9,366,992,867	59,342,314	-	9,426,335,181	-	4,012,249,772	471,725,278	-	4,483,975,050	4,942,360,132
Incremental value of revalued Freehold assets												
(I) As per valuation as on 30 June 2020												
Land and land development	631,425,962	-	631,425,962	-	-	631,425,962	4.00%	5,772,757	2,886,379	-	8,659,136	631,425,962
Building	72,159,464	-	72,159,464	-	-	72,159,464	4.00%	6,785	3,392	-	10,177	63,500,328
Security barak & security wall	84,809	-	84,809	-	-	84,809	0.00%	-	-	-	74,632	95,589
Deep tube-well & pump house-SMW-5	95,589	-	95,589	-	-	95,589	0.00%	-	-	-	95,589	1,892,782
Generator-500 KVA(SMW4S)	2,523,709	-	2,523,709	-	-	2,523,709	8.33%	420,618	210,309	-	393,740	787,481
500 KV sub-station	1,181,221	-	1,181,221	-	-	1,181,221	11.11%	262,494	131,247	-	97,659	944,038
500 KV sub-station-SMW-5	1,041,697	-	1,041,697	-	-	1,041,697	3.13%	65,106	32,553	-	7,806,053	7,806,053
Power system	15,612,099	-	15,612,099	-	-	15,612,099	16.67%	5,204,031	2,602,015	-	4,782,573	22,329,515
Power system-SMW-5	27,112,088	-	27,112,088	-	-	27,112,088	5.88%	3,188,382	1,594,191	-	9,301	930,101
Power system-ILG	9,301	-	9,301	-	-	9,301	33.33%	6,201	3,100	-	82,068	930,101
Boundary wall-SMW-5	1,012,168	-	1,012,168	-	-	1,012,168	2.70%	54,712	27,356	-	1,074,233	2,583,987
Vehicle	3,691,409	-	3,691,409	-	-	3,691,409	10.00%	738,282	369,141	-	23,579,050	732,370,466
Sub Total (I)	755,949,516	-	755,949,516	-	-	755,949,516	-	15,719,367	7,859,683	-	23,579,050	346,562,561
(II) As per previous valuation	346,562,561	-	346,562,561	-	-	346,562,561	-	-	-	-	-	346,562,561
Land and land development	346,562,561	-	346,562,561	-	-	346,562,561	-	-	-	-	-	346,562,561
Balance as on 30 June 2023	10,469,504,945	-	10,469,504,945	59,342,314	-	10,528,847,259	-	4,027,969,137	479,584,961	-	4,507,554,098	6,021,293,160
Balance as on 30 June 2022	10,375,599,671	-	10,375,599,671	99,383,593	(5,478,264)	10,469,504,943	-	3,859,143,940	472,590,761	3,765,565	4,027,969,138	6,441,535,808

Bangladesh Submarine Cable Company Limited

Schedule of Trade Receivable

As at 30 June 2023

Sl. No.	Name of Customer	(Amount in Taka)			
		Opening Balance (Restated)	Addition during the year	Collection during the year	Closing Balance
1	1 Asia Alliance Communication Ltd	4,544,709	-	-	4,544,709
2	1 Asia Alliance Gateway Ltd	4,257,981	-	-	4,257,981
3	Aamra Technologies Ltd	158,081,376	216,128,909	113,629,347	260,580,939
4	Aamra Technologies Ltd(SMW#5)	298,827,842	324,562,705	247,745,869	375,644,678
5	ADN International Gateway Ltd-SMW#4	11,676,082	11,702,346	13,893,674	9,484,754
6	ADN International Gateway Ltd-SMW#5	12,782,480	23,853,903	21,259,494	15,376,889
7	ADN Telecom Ltd-IIG(ISP)	6,496,176	17,850,116	15,391,965	8,954,327
8	AKCEYCOM Ltd-IIG(ISP)	51,423	-	39,388	12,035
9	Always On Network BD Ltd-IIG(ISP)	1,622,647	3,361,976	3,272,351	1,712,272
10	Apple Communication Ltd-IIG	7,812,773	-	6,978,170	834,603
11	Apple Communication Ltd-SMW#5	7,143,120	81,354,203	71,600,363	16,896,960
12	Apple Communication-SMW#4	-	4,059,300	3,847,500	211,800
13	Apple Global Tel Communications Ltd	4,047,909	-	-	4,047,909
14	Apple Network Ltd	-	-	-	-
15	Bangla Phone Ltd-IIG(ISP)	4,009,364	-	-	4,009,364
16	Bangla Tel Ltd	384,933	-	688,608	(303,675)
17	Bangla Trac Communications Ltd.	225,573	-	-	225,573
18	Bangladesh Internet Exchange Ltd-IIG	762,142	-	62,100	700,042
19	Bahon Ltd. Power&Rack (SMW-5)	-	309,425	214,498	94,927
20	Bahon Ltd. Power&Rack (SMW-4)	-	266,998	266,998	-
21	Banglaphone Ltd-Co-Location Charge-SMW#4	730,875	-	-	730,875
22	BD Hub Ltd-IIG	58,421,435	168,682,500	159,772,630	67,331,305
23	BD Hub Ltd-Co-Location(Power&Rack)IIG	58,153	223,020	262,588	18,585
24	BD Link Communication Ltd-Coloc-IIG	93,530	569,847	400,738	262,639
25	BD Link Communication Ltd	2,012,971	3,978,112	4,092,976	1,898,107
26	BD Link Communication Ltd D/N BTCL5	3,544	-	3,544	0
27	BD Link Communication Ltd-SMW#5	962,945	3,944,209	2,283,863	2,623,291
28	BDREN/UGC-ISP	(1)	4,000,000	3,000,000	999,999
29	BDREN/IIG	-	2,215,500	2,215,500	-
30	BESTEC Telecom Ltd	2,256,856	-	-	2,256,856
31	BG International Gateway Ltd	13,246,462	-	-	13,246,462
32	Bharti Airtel Limited(Airtel)	761,701	-	-	761,701
33	Brac Net Ltd-IIG(ISP)	1,015,879	-	281,168	734,710
34	BSNL	21,328,827	113,469,755	121,091,112	13,707,471
35	BTCL	391,881,823	195,942,291	126,216,571	461,607,543
36	BTCL IGW-SMW#5	6,268,849	6,235,110	4,669,352	7,834,607
37	BTCL-Co-Location(IPLC-SMW#4)	10,033,750	-	-	10,033,750
38	BTCL-IGW	17,225,604	13,128,988	12,683,204	17,671,388
39	BTCL-Power&Rack(IPLC-SMW#4)	11,429,712	-	-	11,429,712
40	BTCL-SMW#5	422,462,633	469,084,614	260,481,895	631,065,352
41	BTRC for DC&DR	5,992,519	1,234,800	-	7,227,319
42	BTS Communication(BD) Ltd-ISP(IIG)	569,533	-	118,709	450,824
43	BG Tel Ltd.	2,231,498	-	2,328,497	(96,999)
44	Chittagong Online Ltd-IIG(ISP)	614,074	8,459,394	8,369,824	703,645
45	Cox Link IT-IIG(ISP)	973,404	1,397,794	322,500	2,048,697
46	Cybergate Ltd	-	28,551,600	22,820,493	5,731,107
47	Cybergate Ltd-SMW#5	-	17,755,500	17,755,500	-
48	Cybergate Ltd-Power&Rak-IIG	-	-	-	-
49	Cybergate Ltd-IIG	-	-	-	-
50	Coronet Corporation-IIG	-	2,130,500	1,794,669	335,831
51	Delta Infocom Ltd	(40,602)	-	-	(40,602)
52	Delta Infocom Ltd-IIG	-	26,295,184	21,807,131	4,488,053
53	Dhaka Link Communication-IIG	-	59,325	59,325	-
54	Digicon Telecommunications Ltd	-	-	-	-
55	Earth Telecommunication Ltd-IIG	1,022,469	643,571	1,505,076	160,964
56	Earth Telecommunication Ltd-SMW#5	86,656,151	260,651,213	218,811,940	128,495,424
57	Earth Telecommunications Pvt.Ltd	78,183,185	91,947,789	113,554,842	56,576,131



Sl. No.	Name of Customer	(Amount in Taka)			
		Opening Balance (Restated)	Addition during the year	Collection during the year	Closing Balance
58	Equitel Communication Ltd-IIG	494,237	772,646	841,575	425,308
59	Exabyte Ltd-IIG	226,771	29,832,572	19,511,216	10,548,127
60	Exabyte Ltd	-	4,521,300	4,521,300	-
61	Fiber @ Home Global Ltd(SMW#5)	42,176,636	291,562,571	205,971,929	127,767,279
62	Fiber@Home Global Ltd	67,031,836	94,096,357	96,022,311	65,105,882
63	Fiber@Home Golbal Ltd-IIG	114,002,979	161,869,052	203,558,917	72,313,114
64	Fiber@Home Global Ltd(ITC)	4,961,968	-	-	4,961,968
65	Fiber@Home Ltd -(SMW#4)	-	-	-	-
66	Fiber@Home Ltd(ITC)	-	-	-	-
67	Fiber@Home Ltd -Power&Rack(SMW#5)	1,324,938	2,890,330	3,212,505	1,002,762
68	Fiber@Home Ltd(Power&Rack)-SMW#4	1,470,602	2,732,288	3,340,685	862,205
69	Fiber@Home Ltd-Colocation (SMW#5)	16,292,675	30,111,329	36,187,225	10,216,779
70	Fiber@Home Ltd-Co-Location Charge(SMW#4)	8,227,726	20,893,394	23,381,261	5,739,859
71	First Communication Ltd	564,798	-	-	564,798
72	Global Fair Communication Ltd	-	-	-	-
73	Global Fair Communication Ltd-IIG	70,101	-	-	70,101
74	Global Voice Telecom Ltd	-	-	-	-
75	HRC Technologies Ltd	8,384,211	3,152,872	3,784,778	7,752,305
76	Infocom Ltd-IIG(ISP)	263,562	-	86,572	176,990
77	InterCloud Ltd	32,496	-	-	32,496
78	I-Tel Ltd	-	51,426,256	28,500,830	22,925,426
79	I-Tel Ltd-IIG	37,127,223	100,126,209	69,045,944	68,207,487
80	Intraglobe Communications Ltd.-IIG	-	4,483,054	2,540,922	1,942,132
81	Kay Telecommunication Ltd	9,465,845	-	-	9,465,845
82	Kloud Technologies Ltd-IIG(ISP)	614,935	286,831	254,534	647,231
83	Kloud Technologies Ltd-ISP-Colocati	121,641	111,504	206,115	27,029
84	KS Network Ltd-IIG(ISP)	-	-	-	-
85	Level 3 Carrier Ltd	43,668,834	108,692,562	111,704,603	40,656,793
86	Level3 Carrier Ltd(Power&Rack)-IIG	-	-	-	-
87	Level3 Carrier Ltd(Power&Rack)-SMW5	44,416	177,600	177,600	44,416
88	Level-3 Carrier Ltd(SMW#5)	191,038,735	694,764,567	701,457,251	184,346,050
89	Level 3 Carrier Ltd-IIG	-	12,173,175	12,173,175	-
90	Managewell Communication Ltd(SMW#5)	-	-	-	-
91	Managewell Communications Ltd	-	-	-	-
92	Mango Tele Services Ltd.	154,928,896	-	-	154,928,896
93	Maxnet Online	12,653,417	-	-	12,653,417
94	Maxnet Online-IIG	6,470,770	-	-	6,470,770
95	Mir Telecom Ltd.	3,400,623	-	5,412,537	(2,011,914)
96	Max Hub Ltd	-	27,096,090	12,927,600	14,168,490
97	Max Hub Ltd-IIG	-	85,784,215	7,394,257	78,389,958
98	NMS Technologies Ltd-IIG(ISP)	278,589	-	113,150	165,439
99	Novocom Ltd	1,604,712	-	-	1,604,712
100	Novocom Ltd(ITC)	4,763,463	10,395,000	9,615,541	5,542,922
101	Novocom Ltd-IIG	4,014,482	9,755,778	10,266,794	3,503,466
102	Novocom Ltd(SMW#5)	785,593	7,361,636	6,825,396	1,321,832
103	Novotel	1,173,838	-	-	1,173,838
104	Optimax Communication Ltd-IIG	58,276,425	67,797,760	75,373,140	50,701,045
105	Orange Communication Ltd-IIG(ISP)	39,210	-	-	39,210
106	Peerex Network-IIG	190,688,505	180,344,214	92,383,309	278,649,410
107	Peerex Networks Ltd-(Power&Rack)-4	-	-	-	-
108	Peerex Networks Ltd-(Power&Rack)-5	-	-	-	-
109	Peerex Networks Ltd(SMW#5)	16,393,118	30,240,000	28,702,240	17,930,878
110	PGCB-Power&Rack-SMW#4	435,221	2,142,000	2,115,225	461,996
111	PGCB-Colocation-SMW#5	459,525	2,142,000	2,115,225	486,300
112	Pioneer Services Ltd-IIG(ISP)	243,392	401,620	294,525	350,487
113	Planet Satellite-IIG(ISP)	869,231	-	165,347	703,884
114	Premium Connectivity Ltd-IIG(ISP)	574,206	633,547	48,046	1,159,707
115	Radiant Communication Ltd	2,399,999	-	2,400,000	(1)
116	Ranks Telecom Ltd	542,476	-	-	542,476
117	Ratul Telecom Ltd	13,275,840	-	-	13,275,840
118	REGO Communication Ltd	989,008	-	-	989,008



Sl. No.	Name of Customer	(Amount in Taka)			
		Opening Balance (Restated)	Addition during the year	Collection during the year	Closing Balance
119	Roots Communications Ltd	6,633,773	4,034,872	4,838,756	5,829,889
120	Skytel Communications Ltd-IIG	14,357,395	21,983,266	23,560,378	12,780,282
121	Skytel Communications Ltd SMW-5	-	11,926,781	5,539,801	6,386,980
122	SM Communication Ltd	378,610	-	-	378,610
123	SS Online Ltd-IIG(ISP)	24,990	302,232	327,222	-
124	SSD-Tech Ltd-IIG(ISP)	206	-	-	206
125	Summit Communication -Power&Rack(5)	807,153	2,303,585	2,339,921	770,817
126	Summit Communication Ltd(ITC)	3,487,266	5,775,000	6,675,000	2,587,266
127	Summit Communication Ltd-Coloc-SMW5	10,962,517	29,976,728	33,692,978	7,246,267
128	Summit Communication Ltd-IIG	47,602,456	740,543	44,725,347	3,617,651
129	Summit Communication Ltd-IPLC(SMW#5)	137,447,427	588,118,201	597,777,965	127,787,662
130	Summit Communication Ltd-Power&Rack - SMW#4	661,491	1,643,040	1,740,840	563,691
131	Summit Communication-ADCN Terminati	(16,860)	-	-	(16,860)
132	Summit Communications Ltd	28,855,503	264,659,399	266,605,684	26,909,218
133	Summit Communications Ltd-Co-Loctio-SMW#4	5,927,978	18,380,616	20,143,967	4,164,627
134	Summit Communications Ltd-Power&Rack-IIG	-	48,530	45,802	2,728
135	Soudia Telecom(SMW#5)	-	16,648,289	16,648,289	-
136	Synesis IT Ltd-Co-Location-DC&DR	1,491,813	1,524,600	1,500,000	1,516,413
137	Teletalk Banglades Ltd-IPLC(SMW#4)	427,322	291,060	413,670	304,712
138	Teletalk Bangladesh Ltd-IIG(ISP)	27,106,886	46,185,808	49,418,680	23,874,014
139	Teletalk BD Ltd-Co-Location(SMW#5)	13,119	-	-	13,119
140	Telex Ltd	18,880,608	-	-	18,880,608
141	Vision Tel Ltd	5,422,425	-	-	5,422,425
142	Venus Telecom Ltd	-	-	-	-
143	Velocity Networks Ltd-IIG	3,373,650	43,270,892	28,452,347	18,192,195
144	Virgo Communication Ltd-SMW#5	6,863,444	29,925,000	18,639,000	18,149,444
145	Virgo Communication Ltd-IIG	1,252,388	2,233,777	2,203,706	1,282,460
146	Windstream Communnication Ltd(SMW#5)	54,822,795	245,700,000	215,712,402	84,810,393
147	Windstream Communnication Ltd	6,375,750	38,272,500	32,989,948	11,658,302
148	Windstream Communnication Ltd-IIG	6,582,258	45,238,378	49,567,496	2,253,139
	Grand Total	3,071,734,375	5,562,003,920	4,811,786,751	3,821,951,543



Bangladesh Submarine Cable Company Limited
Schedule of Security Deposit received from Clients
As at 30 June 2023

Sl. No.	Name of Customer	Amount in Taka			Closing Balance
		Opening Balance	Addition during the year	Adjustment during the year	
1	Aamra Technologies Ltd	26,282,869	-	-	26,282,869
2	Aamra Technologies Ltd(SMW#5)	37,362,243	-	-	37,362,243
3	ADN International Gateway Ltd-SMW#4	2,317,626	-	-	2,317,626
4	ADN International Gateway Ltd-SMW#5	1,653,750	815,850	-	2,469,600
5	ADN Telecom Ltd-IIG(ISP)	2,171,896	693,143	-	2,865,039
6	AKCEYCOM Ltd-IIG(ISP)	39,388	-	39,388.00	(1)
7	Always On Network BD LTD-IIG(ISP)	377,045	-	-	377,045
8	Apple Communication Ltd-IIG	1	-	-	1
9	Apple Communication Ltd-SMW-5	5,233,200	4,636,800	-	9,870,000
10	Apple Network Ltd	1,012,390	-	-	1,012,390
11	Bangla Phone Ltd(IIG)	-	-	-	-
12	Bangla Tel Ltd	688,608	-	688,608.00	(0)
13	Bahon Ltd-Power&Rack(SMW-4)	-	133,499	-	133,499
14	Bangladesh Internet ExchangeLtd. IIG	62,100	-	62,100.00	-
15	Bahon Ltd-Power&Rack(SMW-5)	-	104,099	-	104,099
16	BDRen-IIG	-	1,050,000	-	1,050,000
17	BD Hub Ltd-IIG	16,434,069	-	-	16,434,069
18	BD Hub Ltd-Power&Rack-IIG	18,585.00	-	-	18,585
19	BD Link Communication Ltd Coloc-IIG	8,925	53,550	-	62,475
20	BD Link Communication Ltd	2,425,712	-	-	2,425,712
21	BD Link Communication Ltd-SMW#5	363,510	-	-	363,510
22	BDREN/UGC-ISP	-	-	-	-
23	BG Tel Ltd	2,328,497	-	2,328,497.00	(0)
24	Brac Net Ltd-IIG(ISP)	-	-	-	-
25	BTS Communication(BD)Ltd-ISP	74,520	-	74,520.00	-
26	BSNL	3,930,700	-	-	3,930,700
27	Chittagong Online Ltd-IIG(ISP)	772,512	102,698	-	875,210
28	Cox Link IT-IIG(ISP)	119,538	-	-	119,538
29	Cybergate Ltd	-	5,391,225	-	5,391,225
30	Cybergate Ltd-SMW#5	-	8,079,750	5,329,800	2,749,950
31	Cybergate Online Ltd(Power & Rack)IIG	8,925	-	8,925	-
32	Coronet Corporation-IIG	-	335,833	-	335,833
33	Dhaka Link Communication-IIG	22,313	22,313	-	44,625
34	Delta Infocom Ltd-IIG	-	2,806,650	-	2,806,650
35	Exabyte Ltd.	-	1,935,150	-	1,935,150
36	Exabyte Ltd.-IIG	-	6,829,515	-	6,829,515
37	Earth Telecommunication Ltd-IIG	53,597	-	-	53,597
38	Earth Telecommunication Ltd-SMW#5	10,510,500	15,817,632	4,451,382	21,876,750
39	Earth Telecommunications Pvt.Ltd	9,140,276	-	1,557,832	7,582,444
40	Equitel Communication Ltd-IIG	362,916	-	-	362,916
41	Fiber @ Home Global Ltd(SMW#5)	8,267,764	21,735,000	-	30,002,764
42	Fiber@Home Global Ltd(SMW#4)	3,452,361	-	-	3,452,361
43	Fiber@Home Golbal Ltd-IIG	24,068,100	-	-	24,068,100
44	Fiber@Home Ltd	8,050,000	-	-	8,050,000
45	Fiber@Home Ltd-(ITC)	968,559	-	-	968,559
46	Fiber@Home Ltd-Co-Location	5,008,107	567,000	-	5,575,107
47	Fiber@Home Ltd-Colocation (SMW#5)	2,824,500	1,155,000	-	3,979,500
48	Fiber@Home Ltd-Power&Rack-(SMW#4)	202,795	5,295	-	208,090
49	Fiber@Home Ltd-Power&Rack-(SMW#5)	146,706	190,313	-	337,019
50	HRC Technologies Ltd	528,549	-	-	528,549
51	I-Tel Ltd.-IIG	11,175,570	504,630	-	11,680,200
52	I-Tel Ltd.(SMW-4)	1,915,200	5,546,100	1,815,480	5,645,820



Sl. No.	Name of Customer	Amount in Taka			Closing Balance
		Opening Balance	Addition during the year	Adjustment during the year	
53	Infocom Ltd-IIG(ISP)	86,573	-	86,573.00	(1)
54	Introglobe Communications Ltd		942,638	-	942,638
55	Kloud Technologies Ltd-IIG(ISP)	51,750	-	-	51,750
56	Kloud Technologies Ltd--ISP-Coloca	11,102	-	-	11,102
57	KS Network Ltd-IIG(ISP)	-	-	-	-
58	Level 3 Carrier Ltd	11,453,473	-	2,378,304	9,075,169
59	Level3 Carrer Ltd(Power&Rack)-IIG	9,929	-	-	9,929
60	Level3 Carrier Ltd(Power&Rack)-SMW5	14,805	-	-	14,805
61	Level-3 Carrier Ltd(SMW#5)	71,108,831	-	14,452,625	56,656,206
62	Mir Telecom	5,412,537	-	5,412,537.	(0)
63	Max Hub Ltd(SMW#4)	-	5,665,800	-	5,665,800
64	NMS Technologies Ltd-IIG(ISP)	56,350	-	56,350	-
65	Novocom Ltd (SMW-5)	477,750	668,850	-	1,146,600
66	Novocom Ltd(ITC)	1,541,736	-	-	1,541,736
67	Novocom Ltd-IIG	890,100	-	-	890,100
68	Optimax Communication Ltd-IIG	14,614,425	893,025	-	15,507,450
69	Peerex Networks Ltd-(Power & Rack)-4	15,353	-	-	15,353
70	Peerex Networks Ltd-(Power&Rack)-5	15,353	-	-	15,353
71	Peerex Networks Ltd(SMW#5)	2,721,600	-	-	2,721,600
72	Peerex Networks-IIG	15,129,636	-	-	15,129,636
73	Pioneer Services Ltd-IIG(ISP)	28,750	-	-	28,750
74	Planet Satellite-IIG(ISP)	165,347	-	165,347	-
75	Premium Connectivity Ltd-IIG(ISP)	55,000	-	-	55,000
76	Roots Communication Ltd	896,153	-	-	896,153
77	Skytel Communications Ltd-IIG	3,103,478	-	-	3,103,478
78	Skytel Communications Ltd-SMW-5		2,444,400	-	2,444,400
79	SS Online Ltd-IIG(ISP)	26,738	-	-	26,738
80	Summit Communication Ltd (ITC)	1,296,101	-	-	1,296,101
81	Summit Communication Ltd-Coloc-SW#5	3,594,750	1,025,525	2,449,158	2,171,117
82	Summit Communication Ltd-IIG	14,276,314	-	13,717,039	559,275
83	Summit Communication Ltd-Power&Rack-5	90,703	121,975	-	212,678
84	Summit Communication Ltd-Power&Rack-4		136,920	-	136,920
85	Summit Communication Ltd SMW5	46,364,063	16,758,591	17,863,747	45,258,907
86	Summit Communications Ltd	22,116,542	-	162,764	21,953,778
87	Summit Communications Ltd-Colocation	2,484,210	168,000	1,248,695	1,403,515
88	Summit Communications Ltd-IIG		9,702	9,702	-
89	Teletalk BD Ltd-IIG(ISP)	345,000	-	-	345,000
90	Venus Telecom Ltd	251,057	-	-	251,057
91	Virgo Communication Ltd. (SMW-5)	2,693,250	-	-	2,693,250
92	Virgo Communication Ltd.IIG	413,962.50	-	-	413,963
93	Velocity Networks Ltd. IIG	3,657,150.00	165,375	-	3,822,525
94	Windstream Communnication Ltd	3,189,375	-	-	3,189,375
95	Windstream Communnication Ltd-SMW-5	21,744,450	-	-	21,744,450
96	Windstream Communnication Ltd-IIG	10,470,600	-	-	10,470,600
Grand Total		451,258,714	107,511,844	74,359,371	484,411,186



Bangladesh Submarine Cable Company Limited
Statement of Profit or Loss for IIG Unit
For the year ended 30 June 2023

Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
		Taka	Taka
			<u>Restated</u>
Revenue			
Circuit Activation Charge	34	1,253,000	1,017,700
IP Transit Service-Local	35	964,249,300	1,083,971,935
IP Transit Service -Export	35	110,859,089	38,826,034
Co-Location	36	823,785	273,232
		1,077,185,174	1,124,088,901
Direct cost of operation			
Electricity and generator fuel		4,634,860	3,455,241
Backhaul & Data connectivity Charge	40	105,410,655	123,904,995
IP Transit Cost	41	104,621,491	84,660,465
Exchange Loss/ (Gain)		3,532,270	124,968
Depreciation of core machinery and Right of use assets		47,747,813	36,186,109
		265,947,088	248,331,779
		811,238,086	875,757,122
Gross profit			
Operating expenses			
General and administrative expenses		35,617,708	37,957,963
Depreciation on property, plant and equipment		541,533	688,405
Provision for Bad & Doubtful Debts		7,859,108	19,590,503
		44,018,349	58,236,872
		767,219,737	817,520,251
Operating profit			
Non-operating income			
Bank interest and other income		778,871	1,017,709
		767,998,608	818,537,960
Profit before WPPF & WF			
Provision for contribution to WPPF & WF		36,571,362	38,977,998
Profit before taxation		731,427,246	779,559,961
Less: Current tax expense		145,331,144	132,607,402
Net profit after tax		586,096,101	646,952,559
Total comprehensive income		586,096,101	646,952,559



Bangladesh Submarine Cable Company Limited
Calculation of Current Tax Provision
As at 30 June 2023

Particulars	Amount in Taka					
	Total Amount	Exemption rate	Exempted Amount	Chargeable Income	Tax Rate	Tax Liability
Profit Before Taxation	3,581,651,196					
Add: Provision for bad debt	40,434,961					
Provision for WPPF & WF	-					
Excess perquisite	713,905					
CSR expense	10,372,600					
Depreciation on ROU Asset	19,795,905					
Interest on Lease Liability	1,505,460					
Accounting depreciation	479,584,961					
	<u>4,134,058,988</u>					
Less: Tax depreciation	468,589,578					
Less: Office Rent Expense	20,675,000					
Total taxable income	3,644,794,410					
Less: Non-operating Income	215,037,225					
Taxable profit including Tax holiday exempted profit	3,429,757,185					
Profit from IIG Exempted due to Tax Holiday	716,819,252					
Taxable profit from IPLC unit	<u>2,712,937,934</u>					
Taxable profit from IPLC unit	2,712,937,934	0%	-	2,712,937,934	22.50%	610,411,035
Profit-IIG as per Ratio of Sales	716,819,252	10%	71,681,925	645,137,327	22.50%	145,155,898
Tax on Other Income				213,518,386	22.50%	48,041,637
Tax on Dividend Income				1,518,839	20.00%	303,768
Total	3,429,757,185		71,681,925	3,573,112,485		803,912,338
Investment tax credit		CSR	PM R Fund	Total		Rebate
		10,372,600	-	10,372,600	10%	1,037,260
Net tax liability						<u>802,875,078</u>



Bangladesh Submarine Cable Company Limited

Statement of Tax Status For the year ended 30 June 2023

Sl. No.	Income year	Assessment year	Tax provision as per Financial statements	Tax determined by Tax Authority	Tax paid (Tax deduction at source & cash paid and adjustment)	Tax Department's Demand/ (Refund)	Assessment Status
1	2008-2009	2009-2010	-	-	5,000	-	Minimum tax paid. Assessment completed.
2	2009-2010	2010-2011	2,029,024	1,727,527	1,782,215	-	Assessment completed.
3	2010-2011	2011-2012	39,000,000	71,398,127	44,018,384	25,240,639	Reference application filed with High Court by BSCCL.
4	2011-2012	2012-2013	112,000,000	95,222,745	95,222,745	-	Assessment completed.
5	2012-2013	2013-2014	215,497,909	188,372,823	188,372,825	-	Assessment completed.
6	2013-2014	2014-2015	118,394,089	123,944,463	128,038,324	(4,093,861)	Reference application filed with High Court by BSCCL.
7	2014-2015	2015-2016	29,172,487	34,821,481	34,821,481	-	Assessment completed.
8	2015-2016	2016-2017	30,033,089	35,232,717	35,232,717	-	Assessment completed.
9	2016-2017	2017-2018	79,419,651	67,155,740	67,155,740	-	Assessment completed.
10	2017-2018	2018-2019	24,495,969	19,387,162	42,580,876	-	Assessment completed.
11	2018-2019	2019-2020	70,251,738	81,321,243	110,650,940	-	Assessment completed.
12	2019-2020	2020-2021	240,032,242	-	240,032,242	-	Assessment completed.
13	2020-2021	2021-2022	459,812,378	459,812,378	501,675,456	-	Assessment completed.
14	2021-2022	2022-2023	674,057,788	674,057,788	674,057,788	-	Assessment completed.
15	2022-2023	2023-2024	802,875,078	-	-	-	Return submission date not yet due.

Note: Refundable amount of Tk. 2,32,45,907 for FY:2017-18, Tk.3,34,47,681 for FY:2018-19 and Tk.4,18,63,078 for FY:2020-21 have been adjusted with the assessed tax liability of FY: 2021-22.



Bangladesh Submarine Cable Company Limited

Calculation of Average Effective Tax Rate

For the year ended 30 June 2023

Components of tax expense	2022-2023 Amount in Taka	2021-2022 Amount in Taka
Current tax expense (Note-51)	802,875,078	690,326,921
Deferred tax expense (Note-52)	(11,519,959)	10,533,426
Total income tax expense	791,355,119	700,860,348

Explanation of the relationship between tax expense & profit before tax

(i) A numerical reconciliation between tax expense & the profit before tax

Profit before tax	3,581,651,196	3,201,079,387
Current tax expense		
Tax expense on business income(applicable tax rate-22.5%)	755,566,934	615,564,833
Tax expense on other income (applicable tax rate-22.5%)	48,041,637	59,102,577
Tax expense on dividend income(applicable tax rate-20%)	303,768	278,150
Gain on sale of share (applicable tax rate-10%)	-	-
Investment tax credit (applicable tax rate-10%)	(1,037,260)	(887,772)
Against assessed tax for the year-2014-15	-	16,269,133
Total Current tax expense	802,875,078	690,326,921
Deferred tax expense		
Closing balance of deferred tax liability	547,766,832	559,286,791
Opening balance of deferred tax liability (Note-52)	559,286,791	548,753,365
Total deferred tax expense(B)	(11,519,959)	10,533,426
Total income tax expense(A+B)	791,355,119	700,860,348

(ii) A numerical reconciliation between the average effective tax rate & applicable tax rate

Tax effect on business income	21.10%	19.23%
Tax effect on other income	1.34%	1.85%
Tax effect on deferred tax expense	-0.32%	0.33%
Tax effect on Dividend Income	0.01%	0.01%
Tax effect on Investment tax credit	-0.03%	-0.03%
Tax Effect against assessed tax for the year-2014-15	0.00%	0.51%
Average effective tax rate	22.09%	21.39%

