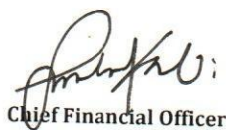


**Bangladesh Submarine Cable Company Limited**  
**Statement of Financial Position (Un-audited)**

As at 31 December 2022

Particulars	Notes	Amount in Taka	
		31 Dec. 2022	30 June 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	6,214,774,967	6,441,934,356
Capital Work in Progress SMW-6	4.1	4,767,398,232	1,591,351,700
Capital Work in Progress SMW-4	4.2	307,745,906	-
Intangible Assets	5	112,678,243	113,865,972
<b>Current Assets</b>		<b>8,151,797,910</b>	<b>8,721,400,798</b>
Trade and other receivables	6	3,131,251,067	2,758,769,054
Advances and deposits	7	106,114,408	79,771,775
Advance income tax	8	1,124,793,795	820,905,007
Investment in shares	9	29,984,699	31,073,048
Cash and cash equivalents	10	998,100,976	210,798,632
Investment in FDR	10.3	2,761,552,966	4,820,083,283
<b>TOTAL ASSETS</b>		<b>19,554,395,260</b>	<b>16,868,552,825</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share capital	11	12,392,785,079	10,662,571,054
Equity Money from GoB	12	1,649,055,100	1,649,055,100
Share premium	13	2,209,600,000	1,909,600,000
Tax holiday reserve	14	723,293,759	723,293,759
Revaluation reserve	15	863,327,863	847,740,119
Retained earnings	16	1,029,314,766	1,032,360,394
		5,918,193,590	4,500,521,682
<b>Non Current Liabilities</b>			
Deferred tax liabilities	17	4,008,490,385	3,579,539,867
Security deposits received from clients	18	604,989,015	613,197,063
Employees' pension, gratuity, LE & provident fund	19	539,596,778	451,258,714
Long Term loan-net off current portion	20	37,631,785	32,221,023
		2,826,272,807	2,482,863,067
<b>Current Liabilities</b>			
Long Term loan-current portion	20	3,153,119,796	2,626,441,902
Sundry creditors	21	408,092,679	301,502,419
Provision for income tax	22	551,405,656	528,467,200
Provision for WPPF and WF	23	1,199,339,415	821,805,495
VAT payable	24	107,977,306	160,053,970
Liabilities for expenses	25	(8,472,596)	(29,412,028)
Amount to be distributed as dividend (Proposed)	25	130,456,258	79,632,881
Unclaimed Dividend Account	26	-	758,565,346
		764,321,078	5,826,620
<b>Total Liabilities</b>		<b>7,161,610,181</b>	<b>6,205,981,770</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,554,395,260</b>	<b>16,868,552,825</b>
Net Asset Value (NAV) per Share	47	75.15	64.66

  
Chief Financial Officer

  
Company Secretary

  
Managing Director


  
Director

  
Chairman

Place: Dhaka, Bangladesh  
Dated: 30 January 2023

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

Particulars	Notes	Amount in Taka		Amount in Taka	
		July-Dec.-2022	July-Dec.-2021	Oct-Dec.2022	Oct-Dec.2021
<b>Revenue</b>					
IPLC (International Private Leased Circuit) rent	27	1,961,314,309	1,451,292,357	1,001,923,016	765,707,443
Circuit activation charge	28	17,735,000	9,110,000	5,890,000	9,019,313
IP Transit service	29	572,854,852	506,441,470	272,948,483	272,539,735
Co-location charges	30	54,314,258	48,666,580	26,329,706	21,849,125
IPLC-export (SMW#5)	31	10,062,734	9,829,902	5,031,367	5,031,777
		<b>2,616,281,153</b>	<b>2,025,340,309</b>	<b>1,312,122,571</b>	<b>1,074,147,394</b>
<b>Direct cost of operation</b>					
Electricity and generator fuel	32	9,174,954	7,809,004	4,010,621	3,695,342
Landing station and cable route repair	33	1,086,894	2,769,857	554,655	1,352,284
Backhaul,data connectivity charge and Revenue Sharing	34	131,845,171	48,445,462	65,873,937	24,581,059
IP Transit cost	35	54,051,956	41,816,822	21,816,616	19,815,748
Lease rent	36	-	343,631	-	-
Depreciation of core machinery	37	220,396,784	216,999,451	110,198,392	108,789,751
		<b>416,555,759</b>	<b>318,184,227</b>	<b>202,454,221</b>	<b>158,234,184</b>
<b>Gross profit</b>		<b>2,199,725,393</b>	<b>1,707,156,082</b>	<b>1,109,668,350</b>	<b>915,913,209</b>
<b>Operating expenses</b>					
Operation and maintenance expenses	38	123,143,162	72,863,155	61,784,407	43,496,050
General and administrative expenses	39	138,070,456	129,620,745	69,510,703	61,947,264
Provision for bad & doubtful debts	40	20,588,688	34,615,777	13,029,850	28,779,390
Depreciation on property, plant and equipment	41	16,495,754	17,363,919	8,258,611	8,759,344
Exchange fluctuation loss/(gain)		2,977,027	11,418	1,696,834	(77,502)
		<b>301,275,086</b>	<b>254,475,015</b>	<b>154,280,404</b>	<b>142,904,547</b>
<b>Operating profit</b>		<b>1,898,450,307</b>	<b>1,452,681,067</b>	<b>955,387,946</b>	<b>773,008,662</b>
<b>Non-operating income/(Expenses)</b>					
Bank interest and other income	42	100,771,638	118,949,764	50,648,367	62,118,240
Financial and Other charges		(63,834,357)	(69,702,767)	(31,289,231)	(34,259,483)
Amortization of License Fee		(2,889,179)	-	(1,451,679)	-
Gain on sale of Property, Plant & equipment		-	-	-	-
Gain/(Loss) on investment in shares	43	(1,088,349)	2,015,121	(382,876)	(1,761,626)
		<b>32,959,753</b>	<b>51,262,118</b>	<b>17,524,581</b>	<b>26,097,131</b>
<b>Profit before WPPF &amp; WF</b>		<b>1,931,410,060</b>	<b>1,503,943,185</b>	<b>972,912,527</b>	<b>799,105,793</b>
Provision for contribution to WPPF & WF		91,971,908	71,616,342	46,329,168	38,052,657
<b>Profit before taxation</b>		<b>1,839,438,153</b>	<b>1,432,326,843</b>	<b>926,583,359</b>	<b>761,053,136</b>
Current tax expenses	44	412,499,984	305,339,336	208,844,960	164,135,211
Deferred tax (income)/expenses	45	(7,323,834)	(2,016,519)	(2,324,084)	(2,552,310)
		<b>405,176,150</b>	<b>303,322,817</b>	<b>206,520,876</b>	<b>161,582,901</b>
<b>Net profit after tax</b>		<b>1,434,262,003</b>	<b>1,129,004,026</b>	<b>720,062,483</b>	<b>599,470,235</b>
<b>Other Comprehensive Income, net of tax</b>					
Gain on revaluation of Property, Plant and Equipment		-	-	-	-
<b>Total comprehensive income</b>		<b>1,434,262,003</b>	<b>1,129,004,026</b>	<b>720,062,483</b>	<b>599,470,235</b>
<b>Earnings Per Share (EPS) - Basic</b>	46	<b>8.70</b>	<b>6.85</b>	<b>4.37</b>	<b>3.64</b>
<b>Earnings Per Share (EPS) - Diluted</b>	46.1	<b>7.98</b>	<b>6.28</b>	<b>4.01</b>	<b>3.33</b>

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Place: Dhaka, Bangladesh  
Dated: 30 January 2023

## Bangladesh Submarine Cable Company Limited

### Statement of Changes in Equity (Un-audited)

For the Half-Year ended 31 December 2022


Particulars	Share capital	Equity money from GoB	Share premium	Tax holiday reserve	Revaluation reserve	Retained earnings	Total equity
<b>Balance as at 01 July 2022</b>	1,649,055,100	1,909,600,000	723,293,759	847,740,119	1,032,360,394	4,500,521,682	10,662,571,055
<b>Transactions with shareholders:</b>	-	-	-	-	-	-	-
Net profit after tax for the Period	-	-	-	-	-	1,434,262,003	1,434,262,003
Amount to be distributed as dividend (Proposed 2021-2022)	-	-	-	-	-	-	-
Equity money from GoB	-	300,000,000	-	-	-	-	300,000,000
Excess Depreciation of Revalued amount net off deferred tax	-	-	-	-	(3,045,627)	3,045,627	-
Tax holiday reserve	-	-	-	15,587,745	-	(15,587,745)	-
Adjustment for deferred tax ( FY 2020-21)	-	-	-	-	-	-	-
Adjustment for deferred tax ( FY 2022-23 Q2)	-	-	-	-	-	884,214	884,214
Adjustment for Sale of Revalued Assets	-	-	-	-	-	-	-
Tax Settlement for the year 2016-17	-	-	-	-	-	(4,932,192)	(4,932,192)
<b>Balance as at 31 December 2022</b>	<b>1,649,055,100</b>	<b>2,209,600,000</b>	<b>723,293,759</b>	<b>863,327,864</b>	<b>1,029,314,767</b>	<b>5,918,193,590</b>	<b>12,392,785,079</b>
<b>Balance as at 01 July 2021</b>	<b>1,649,055,100</b>	<b>1,660,000,000</b>	<b>723,293,759</b>	<b>788,905,267</b>	<b>1,037,294,938</b>	<b>2,798,121,902</b>	<b>8,656,670,966</b>
<b>Transactions with shareholders:</b>	-	-	-	-	-	-	-
Net profit after tax for the period	-	-	-	-	-	1,129,004,026	1,129,004,026
Equity money from GoB	-	750,000,000	-	-	-	-	750,000,000
Excess Depreciation of Revalued amount	-	-	-	-	(3,929,842)	3,929,842	-
Tax holiday reserve	-	-	-	26,142,510	-	(26,142,510)	-
<b>Balance as 31 December 2021</b>	<b>1,649,055,100</b>	<b>2,410,000,000</b>	<b>723,293,759</b>	<b>815,047,777</b>	<b>1,033,365,096</b>	<b>3,904,913,260</b>	<b>10,535,674,992</b>

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Place: Dhaka, Bangladesh  
Dated: 30 January 2023

**Bangladesh Submarine Cable Company Limited**  
**Statement of Cash Flows (Un-audited)**

For the Half-Year ended 31 December 2022

Particulars	Notes	Amount in Taka	
		July-Dec-2022	July-Dec-2021
<b>A. Cash flows from operating activities</b>			
Cash received from clients		2,318,489,307	1,967,194,994
Cash paid to suppliers and others		(379,629,002)	(295,016,348)
Exchange fluctuation loss/ (gain)		(2,977,027)	11,418
Payroll and other payments to employees		(98,675,462)	(229,901,067)
Income tax paid		(343,787,044)	(149,415,851)
Receipts from rest house rent and others		804,570	18,870,052
Payment for WPPF		(144,048,572)	-
<b>Net cash flow from operating activities</b>	<b>48.1</b>	<b>1,350,176,770</b>	<b>1,311,743,198</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(11,933,239)	(28,642,116)
Investment in SMW-6 and SMW-4		(3,483,792,439)	-
Investment in FDR		2,058,530,317	(1,254,798,390)
Interest received		125,753,989	111,835,997
License Acquisition Fee		(1,701,450)	-
Proceeds from disposal of Fixed Assets		-	-
Dividend received		339,286	276,194
<b>Net cash flow from/ (used in) investing activities</b>		<b>(1,312,803,536)</b>	<b>(1,171,328,315)</b>
<b>C. Cash flows from financing activities</b>			
Dividend paid		(70,888)	(4,571,633)
Financial charges		-	(71,360,089)
Equity money received		300,000,000	750,000,000
Loan Receipts from GoB		450,000,000	-
Unclaimed IPO subscription Paid		-	(47,527)
Loan repaid		-	-
<b>Net cash flow from/(used in) financing activities</b>		<b>749,929,112</b>	<b>674,020,751</b>
Net surplus/ deficit during the Year (A+B+C)		787,302,345	814,435,634
Cash and cash equivalents at beginning of the period		210,798,631	354,032,874
<b>Cash and cash equivalents at end of the period</b>	<b>10</b>	<b>998,100,976</b>	<b>1,168,468,508</b>
Net Operating Cash Flows Per Share (NOCFPS)	<b>48</b>	<b>8.19</b>	<b>7.95</b>

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Place: Dhaka, Bangladesh  
Dated: 30 January 2023

# **Bangladesh Submarine Cable Company Limited (BSCCL)**

## **Notes to the Financial Statements**

For the period ended 31 December 2022

### **1. Reporting entity**

#### **1.1 The Company**

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

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

#### **1.2 Nature of business**

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

### **2. Basis of preparation of financial statements**

#### **2.1 Statement on compliance**

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

#### **2.2 Other regulatory compliances**

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

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

### 2.3 Basis of measurement

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

### 2.4 Accrual basis of accounting

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

### 2.5 Presentation of financial statements

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

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

### 2.6 Functional and presentation currency

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

### 2.7 Use of estimates and judgments

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

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

### 2.8 Materiality, aggregation and offsetting

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

## 2.9 Going concern assumption

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

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

## 2.10 Reporting period

The reporting period of the company covers 6 months from 01 July 2022 to 31 December 2022.

## 2.11 Comparative information

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

## 3. Significant accounting policies

### 3.1 Property, plant and equipment

#### Recognition and measurement

An item shall be recognized as property, plant and equipment if, and only 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-IPLC-SMW-5	5.00%	Straight line
Building -SMW-5	2.70%	Straight line
Building-SMW-4	4.00%	Straight line
Building-Low cost Quarter	2.50%	Straight line
Floor development	4.00%	Straight line
Security barak& security wall	4.00%	Straight line
Deep tube-well & pump house-SMW-4	-	Straight line
Deep tube-well & pump house-SMW-5	-	Straight line
500 KV sub-station-SMW-4	11.11%	Straight line
500 KV sub-station-SMW-5	3.13%	Straight line
Power system-SMW4	16.67%	Straight line
Generator-500KVA(SMW#5)	8.33%	Straight line
Power system-SMW5	5.88%	Straight line
Power System-IIG	33.33%	Straight line
Boundary wall-SMW-4	3.85%	Straight line
Boundary wall-SMW-5	2.70%	Straight line
Ducting from beach manhole-SMW-4	9.09%	Straight line
Ducting from beach manhole-SMW-5	6.25%	Straight line
Vehicles	10.00%	Straight line
Office equipment and furniture	5-10%	Straight line
Co-Location point-SMW-4	25.00%	Straight line
Co-Location point-SMW-5	5.88%	Straight line
Office decoration	10%	Straight line
Water Treatment Plant & Others	20%	Straight line
Surveillance System	20%	Straight line

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



## Revaluation of property, plant and equipment

As per IAS 16: Property, Plant and Equipment paragraph 34, "the frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five 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
<b>Total:</b>				<b>170,391,471</b>	<b>352,300,000</b>	<b>181,908,529</b>

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

A further revaluation has been 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
<b>Total (Net off revaluation loss)</b>				<b>6,484,407,739</b>	<b>7,224,238,645</b>	<b>739,830,906</b>

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

### **Impairment**

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

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

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

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

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

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

### **3.3 Borrowing costs**

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

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

The financial statements were authorized by the Board of Directors on 30 January 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 are recognized over the period of time (i.e. monthly) through satisfying the performance obligation as the customer simultaneously receives and consumes the services provided by BSCCL as it promises to perform in the contract.

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

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

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

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

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

Revenue from Co-location charges arises for using BSCCL's resources by the customers on a recurring basis at Cox's Bazar, Kuakata, Chattogram 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.

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

### **3.7 Financial instruments**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **3.10 Foreign currency transactions**

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

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

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

- c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

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

### 3.11 Employee benefits

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

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

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

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

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

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

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

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

### 3.12 Tax Holiday Reserve

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

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

### 3.13 Accruals, provisions and contingencies

#### (a) Accruals

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

#### (b) Provisions

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

#### (c) Contingencies

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

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

### 3.14 Statement of 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-57.

### 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	Not applicable

<b>IAS No.</b>	<b>IAS Title</b>	<b>Compliance Status</b>
	Assistance	
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
36	Impairment of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied

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

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
4	<b>Property, plant and equipment: Tk. 6,214,774,967</b> The break-up of the above amount is as follows:		
	<b>Cost/ revaluation (A)</b>		
	Opening balance	10,469,504,945	10,375,599,670
	Add: Addition during the period	9,733,150	99,383,539
	Less: Adjustment during the period	-	(5,478,264)
		<u>10,479,238,095</u>	<u>10,469,504,945</u>
	<b>Accumulated Depreciation (B)</b>		
	Opening balance as reported	4,027,570,589	3,559,143,940
	Add: Charged during the period	236,892,538	472,192,213
		<u>4,264,463,127</u>	<u>4,031,336,153</u>
	Less: Adjustment during the period	-	(3,765,565)
		<u>4,264,463,127</u>	<u>4,027,570,589</u>
	<b>Written Down Value (A-B)</b>	<u>6,214,774,967</u>	<u>6,441,934,356</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 Capital Work in Progress SMW-6: Tk. 4,767,398,232**

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

Opening Balance	1,591,351,700	4,048,086,00
Add: Addition during the period	3,176,046,532	1,587,303,614
Closing Balance	<u>4,767,398,232</u>	<u>1,591,351,700</u>

During the period an amount of USD 3,28,69,208.42 equivalent Tk 317,60,46,532 has been paid to Consortium. During the year 2020-2021 an amount of USD 47,664.38 equivalent Tk 4,048,086 has been paid as SMW6 Pre C&MA under MOU cost. During the year 2021-2022 an amount of USD 173,49,421.14 equivalent Tk 1,587,303,614 has been paid as Core Segment Capital Cost. The total Capital Work in Progress cost will be recognised as asset after completion of the project.

**4.2 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 period	307,745,906	-
Closing Balance	<u>307,745,906</u>	<u>-</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.

**5 Intangible Assets: Tk. 112,678,243**

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

<b>Cost/ revaluation (A)</b>		
Opening balance	115,000,000	-
Add: Addition during the period	1,701,450	115,000,000
	<u>116,701,450</u>	<u>115,000,000</u>
<b>Accumulated Amortization (B)</b>		
Opening balance as reported	1,134,028	-
Add: Charged during the period	2,889,179	1,134,028
	<u>4,023,207</u>	<u>1,134,028</u>
<b>Written Down Value (A-B)</b>	<u>112,678,243</u>	<u>113,865,972</u>

This amount 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.

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
6	<b>Trade and other receivables: Tk. 3,131,251,067</b> The break-up of the above amount is as follows:		
	Trade receivables: Tk. 3,084,322,232 (Note: 6.1)	3,084,322,232	2,685,714,011
	Other receivables: Tk. 46,928,835 (Note: 6.2)	46,928,835	73,055,043
	<b>Total</b>	<b>3,131,251,067</b>	<b>2,758,769,054</b>
6.1	<b>Trade receivables: Tk. 3,084,322,232</b> The break-up of the above amount is as follows:		
	Opening Balance	3,078,004,789	2,228,912,756
	Add: Addition during the period	2,843,274,824	5,160,847,986
		<b>5,921,279,612</b>	<b>7,389,760,742</b>
	Less: Collection/Adjustment during the period	(2,424,077,915)	(4,311,755,953)
	Closing Balance	<b>3,497,201,698</b>	<b>3,078,004,789</b>
	Less: Provision for bad and doubtful debts		
	Opening Balance	392,290,777	357,674,999
	Add: Addition during the period	20,588,688	34,615,778
		<b>412,879,466</b>	<b>392,290,777</b>
	<b>Trade receivables, net of provision</b>	<b>3,084,322,232</b>	<b>2,685,714,011</b>
6.2	<b>Other receivables: Tk. 46,928,835</b> The break-up of the above amount is as follows:		
	Dividend	3,150	3,150
	ICB Securities Trading Co. Ltd.	415,231	416,131
	FDR Interest & Others	46,510,455	72,635,762
	<b>Total</b>	<b>46,928,835</b>	<b>73,055,043</b>
7	<b>Advances and Deposits: Tk. 106,114,408</b> The break-up of the above amount is as follows:		
	<b>Advances</b>		
	<u>Advance to:</u>		
	Sony Chocolate Industries Ltd. (Note: 7.1)	33,122,000	37,372,000
	Employees against Expenses	1,123,814	1,337,595
	ACE Autos (Pvt) Ltd.	-	-
	Advance to Employee against Salary	2,058,420	4,895,120
	Advance to Pragati Life Insurance	598,327	-
	Bangladesh Porjoton Corporation	-	-
	CUET BRTC Test Fund	970,000	-
	Deputy Commissioner of Customs CTG	-	-
	Dream 71 Bangladesh Ltd	-	-
	Desh Nirmata	11,106,641	-
	Express Systems Ltd	5,723,500	5,473,500
	Guriga Engineering	240,000	-
	James International	56,011	56,011
	ICB Capital Management Ltd.	287,500	287,500
	Innovative Technology & Engineering	7,808,801	707,937
	National Traders	12,095,925	8,063,950
	Systems & Services Ltd	810,832	810,832
	Spectrum Engineering Consortium Ltd	5,301,600	-
	Tech Valley Networks Ltd	4,098,308	-
	Hamida Trader Ltd	15,648,839	15,648,839
	Mustafa Tariq Hossain & Associates	670,500	670,500
	Others	104,890	159,490
		<b>101,825,908</b>	<b>75,483,275</b>

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
	<b>Deposits</b>		
	Security deposit - Duncan Products Limited	-	-
	BTCL - for phone line	23,000	23,000
	UCB-locker Service	4,500	4,500
	CDBL - as security deposit	500,000	500,000
	Security deposit - BTRC for International Internet Gateway (IIG) license	600,000	600,000
	Security Deposit-Sikder Filing Station	100,000	100,000
	Kamal Trading Agency	50,000	50,000
	Southern Automobiles Ltd.	250,000	250,000
	Patuakhali Palli Bidyut Samity	2,761,000	2,761,000
		<u>4,288,500</u>	<u>4,288,500</u>
	<b>Total</b>	<u><b>106,114,408</b></u>	<u><b>79,771,775</b></u>

**7.1 Sony Chocolate Industries Ltd. (Advance for Office Rent): Tk. 33,122,000**

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

Opening balance	37,372,000	6,872,000
Add: Paid during the period	-	36,000,000
Less: Adjustment during the period	(4,250,000)	(5,500,000)
<b>Total</b>	<u><b>33,122,000</b></u>	<u><b>37,372,000</b></u>

**8 Advance Income Tax: Tk. 1,124,793,795**

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

Opening balance	820,905,007	1,169,718,384
Add: Payment made during the period	303,888,788	544,865,486
	<u>1,124,793,795</u>	<u>1,714,583,870</u>
Less: Settlement for the year (F-Y:2020-21)	-	(459,812,378)
Less: Settlement/Adjustment (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)	-	(19,387,162)
Less: Settlement for the year (F-Y:2016-17)	-	(62,223,548)
Less: Settlement for the year (F-Y:2015-16)	-	(30,902,290)
<b>Total</b>	<u><b>1,124,793,795</b></u>	<u><b>820,905,007</b></u>

**9 Investment in Shares: Tk. 29,984,699**

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

Sl.	Ordinary shares of	Quantity	Cost price (Tk)	Market value	Market value
1	AB Bank Limited	156,233	3,209,275	1,546,707	1,640,447
2	ACI Limited	5,697	764,725	1,482,359	1,535,558
3	BATASHOE	1,000	696,429	952,300	936,200
5	IFIC Bank Limited	164,203	1,765,186	1,888,335	2,036,117
6	Islami Bank BD Limited	39,091	951,084	1,290,003	1,286,094
7	Jamuna Oil Limited	23,716	4,392,440	3,967,687	4,202,475
8	M Petroleum	24,816	4,962,456	4,928,458	5,032,685
9	NCC Bank Limited	208,765	1,698,208	2,880,957	3,006,216
10	Padma Oil Limited	18,150	4,835,160	3,796,980	3,885,915
11	Square Pharma	26,847	2,633,566	5,632,501	5,817,745
12	Titas Gas	39,570	2,744,885	1,618,413	1,693,596
<b>Total</b>			<u><b>28,653,413</b></u>	<u><b>29,984,699</b></u>	<u><b>31,073,048</b></u>

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

**10 Cash and cash equivalents: Tk. 998,100,976**

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

Cash in hand	(Note: 10.1)	3,616,313	315,922
Cash at bank	(Note: 10.2)	994,484,663	210,482,710
<b>Total</b>		<u><b>998,100,976</b></u>	<u><b>210,798,632</b></u>

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
10.1	Cash in hand: Tk. 3,616,313 The break-up of the above amount is as follows:		
	Head Office-Dhaka	2,938,545	155,320
	Landing Station-Kuakata	366,206	67,640
	Landing Station-Cox's Bazar	311,562	92,962
	<b>Total</b>	<b>3,616,313</b>	<b>315,922</b>
10.2	Cash at bank: Tk. 994,484,663 The break-up of the above amount is as follows:		
	<b>Savings and current deposits with:</b>		
	Brac Bank Limited	758,570,000	846
	IFIC Bank Limited	1,121,672	1,121,672
	Mutual Trust Bank Limited	4,689,929	8,774,961
	Mutual Trust Bank Limited-Cox's bazar	620,742	1,441,817
	National Bank Limited-Kuakata	1,380	46,372
	Agrani Bank Limited-Dhaka	-	739,209
	Agrani Bank Limited-Kuakata	1,751,086	1,458,591
	Sonali Bank Limited-Cox's bazar	45,407	45,407
	Sonali Bank Limited-Dhaka	10,958,773	1,160,917
	The City Bank Limited	157,958,627	83,713,424
	United Commercial Bank Limited	58,767,046	111,979,494
	<b>Total</b>	<b>994,484,663</b>	<b>210,482,710</b>
10.3	Investment in FDR: Tk. 2,761,552,966 The fixed deposits will be matured within 3 (three)/6 (Six) months/9 (nine) months, and yearly.		
	Agrani Bank Limited	418,254,890	1,041,912,090
	Bangladesh Development Bank Limited	133,706,808	375,419,473
	Bank Asia Ltd.	-	30,000,000
	BASIC Bank Limited	-	164,134,320
	Brac Bank Limited	163,636,284	114,228,910
	Exim Bank Ltd	-	20,540,001
	First Security Islami Bank Ltd.	209,368,709	203,522,810
	IFIC Bank Limited	219,710,307	325,729,474
	Jamuna Bank Limited	-	-
	Janata Bank Limited	481,410,396	742,507,113
	Meghna Bank Ltd.	165,174,753	150,000,000
	Mercantile Bank Limited.	75,350,786	72,669,924
	Mutual Trust Bank Limited	71,463,567	70,000,000
	NRB Commercial Bank Ltd.	40,930,000	71,129,500
	One Bank Limited	83,262,022	113,259,789
	Padma Bank Ltd	-	20,540,000
	Pubali Bank Limited	72,421,479	257,240,673
	Pemier Bank Ltd	82,080,000	80,000,000
	Rupali Bank Limited	51,305,000	50,000,000
	Social Islami Bank Ltd.	74,607,831	116,252,049
	Sonali Bank limited	-	-
	Southeast Bank Ltd.	-	24,360,517
	Standard Bank Limited	71,369,114	169,492,896
	South Bangla Agriculture & Commerce Bank Ltd.	40,000,000	20,574,058
	The City Bank Limited	40,000,000	40,000,000
	Trust Bank Ltd.	-	21,050,000
	Union Bank Ltd.	267,501,020	385,519,685
	United Commercial Bank Limited	-	140,000,000
	<b>Total</b>	<b>2,761,552,966</b>	<b>4,820,083,283</b>

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
11	<b>Share capital: Tk. 1,649,055,100</b> The break-up of the above amount is as follows:		
	<b>Authorized:</b>	<b>10,000,000,000</b>	<b>10,000,000,000</b>
	1,000,000,000 ordinary shares of Taka 10 each		
	<b>Issued, subscribed and paid up capital:</b>		
	31,000,000 Ordinary Shares of Tk. 10 each fully paid up in cash	310,000,000	310,000,000
	140 Ordinary share of Tk. 10 each fully paid up in cash to GOB	1,400	1,400
	67,314,640 ordinary shares of Tk.10 each fully paid up other than cash to MoPT, GOB	673,146,400	673,146,400
	66,590,730 Ordinary shares of Tk. 10 each issued as Bonus Share	665,907,300	665,907,300
	<b>Total</b>	<b>1,649,055,100</b>	<b>1,649,055,100</b>
12	<b>Equity Money from GoB: Tk. 2,209,600,000</b> 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
	Installation of 3rd Submarine Cable-SMW-6	549,600,000	249,600,000
	<b>Total</b>	<b>2,209,600,000</b>	<b>1,909,600,000</b>
	Tk.166 crore has been received (during the year 2015-16 Tk. 140 crore and 2016-17 Tk. 26 Crore )from Government for implementing the Regional Submarine Telecommunications Project, Bangladesh (Installation and Establishment of Second Submarine Cable System (SMW5) for International Telecommunications in Bangladesh). During the year 2021-2022 Tk. 24.96 crore has been received along with Tk. 30 crore during the period 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 it's 195th BoD meeting held on 28th December 2021 issuance of 1,48,69,037 nos. of shares according to the recommendation of ICB Capital Management Ltd. being an issue manager.It is to be mentioned that 1,27,04,174 nos. of shares to be issued against Tk.1,40,00,00,000 received as equity money during the year 2015-2016 divided by the market value of Tk. 110.20 at the last working day of the financial year 2015-2016 and 21,64,863 nos. of shares to be issued against Tk. 26,00,00,000 received as equity money during the year 2016-2017 divided by the market value of Tk.120.10 at the last working day of the financial year 2016.2017.Please note that the above issuance is subject to approval of concerned Ministry, Shareholders and Bangladesh Securities and Exchange Commission.		
13	<b>Share premium</b>	<b>723,293,759</b>	<b>723,293,759</b>
	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.		
14	<b>Tax holiday reserve: Tk. 863,327,863</b> The break-up of the above amount is as follows:		
	Opening balance	847,740,119	788,905,267
	Add: Current period's reserve	15,587,745	58,834,852
	<b>Total</b>	<b>863,327,863</b>	<b>847,740,119</b>
15	<b>Revaluation reserve: Tk. 1,029,314,766</b> The break-up of the above amount is as follows:		
	Opening balance	1,032,360,394	1,037,294,938
	Less: Adjustment for Excess Depreciation on Revalued Amount: net off deferred tax	(3,045,628)	(5,782,380)
	Less: Adjustment for Sale of Revalued Assets	-	(920,593)
	Less: Adjustment with deferred tax liability ( FY 2020-21)	-	1,768,429
	<b>Total</b>	<b>1,029,314,766</b>	<b>1,032,360,394</b>

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022

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.

**16 Retained Earnings: Tk. 5,918,193,590**

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

Opening balance	4,500,521,682	2,798,121,902
Add: Profit for the period	1,434,262,003	2,500,219,040
Adjustment for Excess Depreciation on Revalued Amount	3,045,628	5,782,380
Adjustment with deferred tax liability for (FY 22-23 Q2)	884,214	-
Adjustment with deferred tax liability for (FY 2021-2022)	-	1,678,755
Adjustment for previous year's Tax (FY:2016-17)	-	12,263,911
	<b>5,938,713,527</b>	<b>5,318,065,988</b>
Less: Amount to be distributed as dividend (Proposed)	-	758,565,346
Adjustment for previous year's Tax (FY:2016-17)	4,932,192	-
Adjustment for Sale of Revalued Assets	-	144,107
Transferred to Tax Holiday Reserve	15,587,745	58,834,852
	<b>20,519,937</b>	<b>817,544,305</b>
<b>Total</b>	<b>5,918,193,590</b>	<b>4,500,521,682</b>

**17 Deferred tax liabilities: Tk. 604,989,015**

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: 45. Deferred tax assets and liabilities are attributable to the following:

Deferred tax relating to statement of profit or loss	(Note: 17.1)	551,962,957	559,286,791
Deferred tax relating to other comprehensive income	(Note: 17.2)	53,026,057	53,910,271
<b>Total</b>		<b>604,989,015</b>	<b>613,197,063</b>

**17.1 Deferred tax relating to Statement of Profit or Loss: Tk. 551,962,957**

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

	Carrying Amount	Tax base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
<b>As at 31 Dec. 2022</b>			
Property, plant and equipment (excluding land)	5,113,471,404	2,209,791,455	2,903,679,950
Accounts receivable (Note: 6.1)	3,084,322,232	3,497,201,698	(412,879,466)
Provision for pension, gratuity fund and provident fund, Leave Encashment (Note: 19)	(37,631,785)	-	(37,631,785)
Net Taxable Temporary Difference			2,453,168,699
Applicable tax rate			22.50%
<b>Deferred tax liability</b>			<b>551,962,957</b>
<b>As at 30 June 2022</b>			
Property, plant and equipment (excluding land)	5,340,630,793	2,430,399,920	2,910,230,873
Accounts receivable	2,685,714,011	3,078,004,789	(392,290,778)
Provision for pension, gratuity fund and provident fund (Note:19)	(32,221,023)	-	(32,221,023)
Net Taxable Temporary Difference			2,485,719,072
Applicable tax rate			22.50%
<b>Deferred tax liability</b>			<b>559,286,791</b>



Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022

**17.2 Deferred tax relating to other comprehensive income: Tk. 53,026,057**

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

	Carrying Amount	Tax Base	Taxable/ (deductible) temporary difference
	Taka	Taka	Taka
<b>As at 31 Dec 2022</b>			
Revaluation reserve on Land and Land Development	977,988,523	-	977,988,523
Applicable tax rate			3.00%
Deferred tax liability			<u>29,339,656</u>
Add: Revaluation reserve on PPE other than land			124,523,554
Applicable tax rate			22.50%
Deferred tax liability on Other Assets			<u>28,017,800</u>
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)			(1,678,755)
Adjustment of deferred tax on depreciation of revalued assets ( FY 22-23 Q2)			(884,214)
			<u>23,686,402</u>
<b>Total Deferred Tax relating to other comprehensive income</b>			<u><b>53,026,057</b></u>
<b>As at 30 June 2022</b>			
Revaluation reserve on Land and Land Development	977,988,523	-	977,988,523
Applicable tax rate			3.00%
Deferred tax liability			<u>29,339,656</u>
Add: Revaluation reserve on PPE other than land			124,523,554
Applicable tax rate			22.50%
Deferred tax liability on Other Assets			<u>28,017,800</u>
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)			(1,678,755)
			<u>24,570,616</u>
<b>Total Deferred Tax relating to other comprehensive income</b>			<u><b>53,910,271</b></u>

**18 Security deposits received from clients: Tk. 539,596,778**

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

Opening Balance	451,258,714	357,068,437
Add: Addition during the period	90,377,190	147,284,978
	<u>541,635,904</u>	<u>504,353,415</u>
Less: Adjustment during the period	(2,039,126)	(53,094,701)
<b>Total</b>	<u><b>539,596,778</b></u>	<u><b>451,258,714</b></u>

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

**19 Employees' pension, gratuity, Leave Encashment(LE) and provident fund: Tk. 37,631,785**

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

Employees' pension fund	(Note: 19.1)	13,808,952	13,808,952
Employees' gratuity fund	(Note: 19.2)	1,020,222	5,609,295
Employees' provident fund	(Note: 19.3)	11,347,128	3,837,281
Provision for Leave Encashment	(Note:19.4)	11,455,483	8,965,495
<b>Total</b>		<u><b>37,631,785</b></u>	<u><b>32,221,023</b></u>

**19.1 Employees' pension fund**

**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.

**19.2 Employees' gratuity fund: Tk. 1,020,222**

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

Opening balance	5,609,295	1,592,234
Add: Provision made during the period	8,664,700	17,701,813
	<u>14,273,995</u>	<u>19,294,047</u>
Less: Paid/Transferred to Gratuity Fund during the period	(13,253,773)	(13,684,752)
<b>Total</b>	<u><b>1,020,222</b></u>	<u><b>5,609,295</b></u>

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
<b>19.3 Employees' provident fund: Tk. 11,347,128</b>			
The break-up of the above amount is as follows:			
Opening balance		3,837,282	(6,879)
Add: Employees' Contribution		3,754,923	5,745,850
Employer's Contribution		3,754,923	5,743,034
Less: Transferred to RCPF during the period		-	(7,644,723)
<b>Total</b>		<b>11,347,128</b>	<b>3,837,281</b>
<b>19.4 Provision for Leave Encashment: Tk. 11,455,483</b>			
The break-up of the above amount is as follows:			
Opening balance		8,965,495	-
Add: Provision made during the period		5,122,129	8,965,495
Less: Payment during the period		(2,632,141)	-
<b>Total</b>		<b>11,455,483</b>	<b>8,965,495</b>
<b>20 Term Loan: Tk. 2,826,272,807</b>			
The break-up of the above amount is as follows:			
Opening balance		2,784,365,486	2,378,669,551
Received during the period		450,000,000	500,400,000
<b>Total</b>		<b>3,234,365,486</b>	<b>2,879,069,551</b>
Less: Payment during the period		-	(94,704,065)
		<b>3,234,365,486</b>	<b>2,784,365,486</b>
Current portion of Long Term Loan		(408,092,679)	(301,502,419)
Non-current portion of Long Term Loan		<b>2,826,272,807</b>	<b>2,482,863,067</b>
<b>Term Loan Particulars:</b>			
<b>Islamic Development Bank (IDB)</b>			
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.			
<b>Development Loan From Government People's Republic of Bangladesh</b>			
During the period 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.			
<b>21 Sundry creditors: Tk. 551,405,656</b>			
The break-up of the above amount is as follows:			
Alpha Engineering		-	24,197
ACE Autos		18,491	16,346
ACE Workshop Ltd		9,746	-
Amader Somoy		-	32,601
Arra Technologies Ltd.		-	36,480
Allhar Dan Automobiles		-	110,880
Bangladesh Science House		100,000	100,000
BD Jobs.Com		-	-
Biz Bangla Media Ltd.		-	-
BCS Telecom Somity		-	150,000
BTCL Mohila Kollyan Samity		50,000	-
Biswas Motors		11,682	-
Capital Law Chamber		-	8,280
Caps Lock		461,000	13,500
Cogent Communication Ltd		1,890,611	927,615
China Mobile International		3,346,927	-
Credit Rating Information & Services Ltd		-	-
Cyber Link		1,225	1,225
Corporate Sangbad.Com		4,025	-

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
	DE-CIX(IIG)	346,285	845,728
	Dainik Bangla Ltd	41,621	-
	Design Associates	-	-
	Desh Nirmata	480,427	-
	Dream71 Bangladesh Ltd	408,450	-
	Elias Enterprise	-	-
	Equinix Singapore PTE Ltd.	5,272,454	6,411,089
	Express Systems Ltd.	2,192,476	2,021,500
	Fames & R	-	119,025
	Fiber@Home Ltd	4,955,369	13,412,392
	Farid Automobiles Engineering & Works	11,640	92,400
	F&M Automobiles	-	-
	Guriga Engineering	69,308	69,308
	H.S. Engineering	1,316,740	1,556,174
	Habib Intelligent Software Ltd.	322,875	322,875
	HKT Global (Singapore) Pte. Ltd.	2,632,301	5,832,095
	Hurricane Electric Internet Service	5,080,078	1,938,508
	Hussain Farhad & Co.	-	-
	ICB Securities Trading Company Limited	-	450
	Innovative Technology & Engineering	24,133	24,133
	International Computers Solution	33,300	33,300
	Irams Ltd	-	-
	Inter Continental Dhaka	499,094	-
	Jewel Motors	15,340	-
	Kazi Mynul Hassan	107,875	107,875
	Khondoker Advertisement	-	-
	KK Enterprise	1,011,854	1,011,854
	Kamal Trading Agency	598,027	185,798
	M/S Khondokar Brothers	142,936	1,584,095
	M/S MS Power Engineering	-	-
	M2M Communications Ltd.	11,700	11,700
	M/S National Traders	1,068,942	-
	Milky & Associates	-	-
	Mohammad Sanaullah & Associates	-	-
	Murad Reza	143,750	143,750
	Md.Tameem Rahman	-	8,625
	MABS&J Partners	56,925	436,425
	M.Mahsin &Co	51,750	51,750
	Media New Age Ltd	17,222	-
	Next Tech Ltd.	5,600	5,600
	NRB Telecom Ltd	12,751	5,000
	NTT communications Ltd.	5,811,664	6,549,462
	Nabil Enterprise	154,900	154,901
	Nobrupa Builders	63,484	63,484
	National Traders	-	712,628
	Pabna Automobiles	-	12,694
	Padakkhep Bangladesh	-	-
	Payable to Orange	-	8,640,000
	Payable to BTCL	92,605,343	70,079,670
	Payable to BTRC- Under IIG License	4,474,401	10,066,019
	Payable to BTRC - Under ILDC License	99,239,330	21,873,353
	Payable to Kuakata-Revenue Stamp	5,600	3,940
	Prochito IMC Ltd.	-	-
	Pradip Electric	-	7,175
	Pacific Motors Ltd	-	-
	Rich Digital Communications	2,370	2,370
	Royal Office Equipment	-	-
	Rotary Club of Dhaka Mega City	-	30,000
	S.A. Basher & Co, Ltd.	-	-
	S.F.Ahmed & Co.	-	-
	S.T. Enterprise	41,918	41,918
	SA Rashid & Associates	28,750	28,750
	Sadhan Das & Co.	10,710	10,710
	Sharebazarnews.com	3,500	3,500
	Sikder Filling & Service Station	16,020	39,160
	Singapore Internet Exchange	125,980	277,739
	Sony Chocolate Industries Ltd.	371,223	359,224
	Southern Automobiles Ltd.	136,107	86,496
	Spectrum Engineering Consortium Limited	184,492	184,492
	Summit Communications Ltd.	2,900,304	4,775,706
	Suraya Parveen & Associates	-	-
	Sys solution	23,000	23,000

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
	Systems & Services Ltd	951,884	3,196,619
	Shakil Motors	60,720	31,600
	Telecom Italia Sparkle Ltd.	14,066,412	11,243,351
	Telephone Shilpa Sangstha Ltd.	1,089,033	673,208
	Telnet Communication Ltd.	7,350	3,675
	Temporary Loan from Ex-Project Director # SMW5	1,000	1,000
	Tiertech Engineering	32,811	23,811
	The Daily Kaler Kantho	-	-
	The Daily Jugantor	83,835	46,575
	The Daily Janakantha	111,780	-
	The Daily Observer	46,163	27,946
	The Daily Our Time	-	-
	The Daily Sun	18,216	-
	The Daily Samakal	37,260	-
	The Daily Vorer Kagoj	-	-
	The Daily Ittefaq	-	-
	The Dhaka Tribune	43,055	-
	The Detective	-	-
	The Financial Express	183	183
	Unclaimed IPO subscription	61,574	61,574
	Unearned Revenue-Saudi Telecom Company &	278,291,250	287,887,500
	Unearned Revenue-Orange	13,787,130	14,253,614
	Unearned Revenue-Local Clients	-	45,693,212
	Urban Solution	-	70,273
	Withholding tax payable	3,691,972	3,560,101
	Zero Pest	-	13,992
	<b>Total</b>	<b>551,405,656</b>	<b>528,467,200</b>

**22 Provision for income tax: Tk. 1,199,339,415**

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

Opening balance		821,805,495	1,037,421,348
Add: Provision made during the period	Annexure-B	412,499,984	674,057,788
Add: Provision for the year (F-Y:2016-17)		4,932,192	-
Add: Provision for the year(F-Y:2015-16)		-	5,199,628
Add: Provision for the year(F-Y:2018-19)		-	11,069,505
Less: Settlement for the year (F-Y:2021-22)		(30,635,637)	-
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)		-	(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)
<b>Total</b>		<b>1,199,339,415</b>	<b>821,805,495</b>

**23 Provision for WPPF and WF: Tk. 107,977,306**

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

Opening balance	160,053,970	119,991,410
Add: Provision made during the period	91,971,908	160,053,969
	252,025,878	280,045,379
Less: Settlement for previous period	(144,048,572)	(119,991,409)
<b>Total</b>	<b>107,977,306</b>	<b>160,053,970</b>

**24 VAT payable: Tk. -8,472,596**

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

VAT payable against Receivable	(9,246,231)	(30,172,240)
VAT payable against Deduction at source	773,635	760,212
	<b>(8,472,596)</b>	<b>(29,412,028)</b>

The amount of Tk. (92,46,231) 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. 7,73,635 includes VAT deducted from other parties and suppliers.

Notes	Particulars	Amount in Taka	
		31- Dec.2022	30 June 2022
<b>25</b>	<b>Liabilities for expenses: Tk. 130,456,258</b>		
	The break-up of the above amount is as follows:		
	Office rent	4,800,000	4,800,000
	Audit & other fees	69,000	69,000
	Provision for different expenses	93,821	13,537,639
	IIG Licence Fee	-	287,500
	Innovation Expenses	-	30,000
	Meeting Fees	-	151,819
	Group Insurance Premium	264,119	-
	Telephone bill	133,952	133,253
	Electricity bill	860,304	222,964
	Payable for Cable route shifting SMW4	22,138,350	22,138,350
		28,359,546	41,370,525
	Accrued Interest on IDB loan	102,096,712	38,262,355
	<b>Total</b>	<b>130,456,258</b>	<b>79,632,880</b>

**26 Unclaimed Dividend Account: Tk. 764,321,078**  
The break-up of the above amount is as follows:

Year wise details of unclaimed dividend is given below:

Year		
2018-2019	1,919,730	1,924,218
2019-2020	1,923,817	1,990,217
2020-2021	1,912,185	1,912,185
2021-2022	758,565,346	-
<b>Total</b>	<b>764,321,078</b>	<b>5,826,620</b>

Notes	Particulars	Amount In Taka		Amount In Taka	
		July-Dec-2022	July-Dec-2021	Oct-Dec-2022	Oct-Dec-2021

**27 IPLC (International Private Leased Circuit) Rent: Tk. 1,961,314,309**  
The break-up of the above amount is as follows:

SMW-4	532,316,960	451,443,447	269,450,273	232,397,013
SMW-5	1,428,997,349	999,848,911	732,472,743	533,310,431
<b>Total</b>	<b>1,961,314,309</b>	<b>1,451,292,357</b>	<b>1,001,923,016</b>	<b>765,707,443</b>

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

**28 Circuit activation charge: Tk. 17,735,000**  
The break-up of the above amount is as follows:

Circuit Activation Charge-IPLC-SMW-4	5,150,000	1,420,000	2,630,000	1,420,000
Circuit Activation Charge-IPLC-SMW-5	9,415,000	5,835,000	2,720,000	6,224,313
Circuit Activation Charge-IIG	858,000	720,000	110,000	520,000
Circuit Activation Charge-ISP(IIG)	-	62,000	-	2,000
Circuit Activation Charge-Co-location-IIG	12,000	3,000	-	3,000
Circuit Activation Charge-Co-location-SMW-4	470,000	300,000	-	150,000
Circuit Activation Charge-Co-location-SMW-5	1,830,000	770,000	430,000	700,000
<b>Total</b>	<b>17,735,000</b>	<b>9,110,000</b>	<b>5,890,000</b>	<b>9,019,313</b>

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

**29 IP Transit Service: Tk. 572,854,852**  
The break-up of the above amount is as follows:

Local	520,642,040	501,579,470	245,582,789	267,677,735
Export	52,212,812	4,862,000	27,365,694	4,862,000
<b>Total</b>	<b>572,854,852</b>	<b>506,441,470</b>	<b>272,948,483</b>	<b>272,539,735</b>

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

**30 Co-Location Charges: Tk. 54,314,258**  
The break-up of the above amount is as follows:

SMW-4	21,440,697	20,037,908	10,059,570	8,737,321
SMW-5	32,535,726	28,511,248	16,090,863	13,048,842
IP Transit -IIG	337,836	117,424	179,274	62,962
<b>Total</b>	<b>54,314,258</b>	<b>48,666,580</b>	<b>26,329,706</b>	<b>21,849,125</b>

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

**31 IPLC -Export (SMW # 5): Tk. 10,062,734**

	10,062,734	9,829,902	5,031,367	5,031,777
<b>Total</b>	<b>10,062,734</b>	<b>9,829,902</b>	<b>5,031,367</b>	<b>5,031,777</b>

This represents partial recognition of total amount (i.e. 3.6 million USD) received from Saudi Telecom Company against transfer of capacity equivalent to 25.31% of BSCCL's capacity between Yanbou-Toulon-Marselles 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 Marselles 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.

Referring to the note number 27 to 31 , Bangladesh Submarine Cable Company Limited (BSCCL)'s turnover is mainly comprised of IPLC Rent, IP Transit Service and Co-location Service. In addition to that, substantial effort of BSCCL's management, Govt. policy of digitalization of govt. service and introduction of 4G services contributed to increase in overall IPLC & IP transit consumption in the country. Consequently, BSCCL's revenue also increased.

**32 Electricity and generator fuel: Tk. 9,174,954**  
The break-up of the above amount is as follows:

Electricity bill	7,189,264	6,554,244	3,168,671	3,245,342
Fuel for generator	1,985,690	1,254,760	841,950	450,000
<b>Total</b>	<b>9,174,954</b>	<b>7,809,004</b>	<b>4,010,621</b>	<b>3,695,342</b>

This cost is directly related to cost of operation.

**33 Landing station and cable route repair**

	1,086,894	2,769,857	554,655	1,352,284
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This cost is directly related to cable route and landing station maintenance for Cox's Bazar and Kuakata.

**34 Backhaul ,Data Connectivity Charge & Revenue Sharing: Tk. 131,845,171**  
The break-up of the above amount is as follows:

Backhaul Charge	49,729,731	44,053,473	24,791,804	22,427,281
Data Connectivity & Fiber Core Charge	400,422	234,231	101,206	118,151
Revenue Sharing Cost Under IIG License	3,735,735	4,142,758	1,858,375	2,028,127
Revenue Sharing Cost Under ILDC License	77,365,976	-	38,805,296	-
License & Membership fees	593,057	-	305,557	-
Co-location cost	20,250	15,000	11,700	7,500
<b>Total</b>	<b>131,845,171</b>	<b>48,445,462</b>	<b>65,873,937</b>	<b>24,581,059</b>

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.

Notes	Particulars	Amount in Taka		Amount in Taka	
		July-Dec-2022	July-Dec-2021	Oct-Dec-2022	Oct-Dec-2021
35	IP Transit Cost	<u>54,051,956</u>	<u>41,816,822</u>	<u>21,816,616</u>	<u>19,815,748</u>
	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. and Hurricane Electric Internet Service and Singapore Internet Exchange.				
36	Lease Rent	<u>-</u>	<u>343,631</u>	<u>-</u>	<u>-</u>
	This rent represents rent of leasing land of beach manhole for Kuakata landing station from Bangladesh Parjaton Corporation.				
37	Depreciation of core machinery	<u>220,396,784</u>	<u>216,999,451</u>	<u>110,198,392</u>	<u>108,789,751</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.				
38	Operation and maintenance expenses: Tk. 123,143,162				
	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	9,126,122	1,614,956	5,182,991	1,614,956
	SEA-ME-WE-5	<u>114,017,039</u>	<u>71,248,198</u>	<u>56,601,416</u>	<u>41,881,094</u>
	Total	<u>123,143,162</u>	<u>72,863,155</u>	<u>61,784,407</u>	<u>43,496,050</u>

Notes	Particulars	Amount in Taka		Amount in Taka	
		July-Dec-2022	July-Dec-2021	Oct-Dec-2022	Oct-Dec-2021
<b>39</b>	<b>General and administrative expenses: Tk. 138,070,456</b>				
	The break-up of the above amount is as follows:				
	Advertisement and publicity expenses	1,143,336	1,824,110	888,098	1,174,512
	AGM expenses	970,131	908,070	970,131	908,070
	Bank charges and commission	2,298,961	1,892,552	1,053,745	1,129,975
	Board and other meetings fees	2,293,549	3,304,390	1,604,792	2,400,145
	Books & Periodicals	21,690	22,085	13,650	11,425
	Business Development Expenses	951,373	3,920,150	315,162	1,146,894
	Consortium meeting expenses	294,659	-	294,659	-
	Consultancy fees	203,875	149,275	46,000	23,350
	CSR Expenses	10,372,600	2,285,000	6,091,500	285,000
	Entertainment	1,262,162	1,498,839	527,985	857,406
	Fees and Subscription	2,576,901	213,287	444,151	65,068
	Festival bonus	1,214,180	5,128,890	-	-
	Gratuity provision	8,664,700	12,092,518	1,020,222	2,077,950
	Innovation Expenses	289,976	52,004	114,813	52,004
	Insurance Premium	-	-	-	-
	Internet expenses	-	-	-	-
	Leave Encashment	5,295,955	-	2,491,409	-
	Legal Fees	233,112	534,191	18,706	313,368
	Managing Director's remuneration	1,292,340	1,731,000	419,340	865,500
	Medical Expenses	3,280	8,469	860	1,826
	National Integrity and Strategy Training Exp.	150,233	126,582	130,668	99,074
	Newspaper & Periodicals	13,994	5,778	8,131	3,655
	Office Expenses	440,464	494,192	203,711	318,146
	Office rent	14,630,300	9,804,900	8,873,975	4,902,450
	Postage and courier expenses	14,314	23,862	6,787	11,102
	Printing and Office stationery	1,067,837	1,019,953	695,847	811,755
	Reception & Dinner	-	-	-	-
	Recruitment expenses	-	636,825	-	636,825
	Rent, rates & taxes	670,000	350,000	40,000	350,000
	Repair and maintenance	1,516,930	1,881,712	825,455	1,225,861
	Salary and allowances	76,055,488	75,712,094	40,047,096	39,931,610
	Telephone Bill	14,722	42,042	12,523	17,462
	Training Expenses	653,704	797,025	451,933	569,807
	Travelling & conveyance	669,452	752,466	400,502	449,896
	Vehicles Maintenance	1,023,391	950,091	603,811	522,459
	Vehicles running expenses	1,766,848	1,458,393	895,043	784,670
	<b>Total</b>	<b>138,070,456</b>	<b>129,620,745</b>	<b>69,510,703</b>	<b>61,947,264</b>
<b>40</b>	<b>Provision for bad and doubtful debts: Tk. 20,588,688</b>				
	The break-up of the above amount is as follows:				
	Closing balance of provision for bad & doubtful debts	412,879,466	392,290,777	412,879,466	392,290,776
	Less: Opening balance of provision for bad & doubtful debts	(392,290,777)	(357,674,999)	(399,849,616)	(363,511,386)
	<b>Total</b>	<b>20,588,688</b>	<b>34,615,777</b>	<b>13,029,850</b>	<b>28,779,390</b>

BSCCL makes provision for bad and doubtful debts according to the company policy and following advice of the Audit Committee.



Notes	Particulars	Amount in Taka		Amount in Taka	
		July-Dec-2022	July-Dec-2021	Oct-Dec-2022	Oct-Dec-2021
41	<b>Depreciation on property, plant and equipment</b>	<b>16,495,754</b>	<b>17,363,919</b>	<b>8,258,611</b>	<b>8,759,344</b>
	This represents the depreciation charged on other than core machinery. For further details Annexure-A is referred.				
42	<b>Bank Interest and other income: Tk. 100,771,638</b>				
	The break-up of the above amount is as follows:				
	Rest house rent and others	590,463	522,976	303,497	282,276
	Other Income	213,207	1,347,076	66,102	23,967
	Gain on Sale of Share	-	-	-	-
	Interest on FDR & Others	99,628,682	116,803,518	50,213,198	61,717,443
	Dividend Income	339,286	276,194	65,570	94,554
	<b>Total</b>	<b>100,771,638</b>	<b>118,949,764</b>	<b>50,648,367</b>	<b>62,118,240</b>
43	<b>Gain/(Loss) on Investment in Shares: Tk. -1,088,349</b>				
	The break-up of the above amount is as follows:				
	Opening market value of investment	31,073,048	29,501,318	30,367,575	33,278,065
	Add: Investment during the period	-	-	-	-
	Less: Market Value of Sales of Share	-	-	-	-
	Total cost of Investment(B)	31,073,048	29,501,318	30,367,575	33,278,065
	Closing Market Value of Investment (A)	29,984,699	31,516,439	29,984,699	31,516,439
	<b>Gain/(Loss)=(A-B)</b>	<b>(1,088,349)</b>	<b>2,015,121</b>	<b>(382,876)</b>	<b>(1,761,626)</b>
44	<b>Current tax expenses: Tk. 412,499,984</b>				
	The break-up of the above amount is as follows:				
	For the quarter FY:2021-22 (Annexure-B)	412,499,984	305,339,336	208,844,960	164,135,211
		<b>412,499,984</b>	<b>305,339,336</b>	<b>208,844,960</b>	<b>164,135,211</b>
	Detail calculation of current tax expenses has presented in Annexure - B.				
45	<b>Deferred tax (Income)/expenses: Tk. -7,323,834</b>				
	The break-up of the above amount is as follows:				
	Closing balance of deferred tax liability	551,962,957	546,736,846	551,962,957	546,736,846
	Opening balance of deferred tax liability	559,286,791	548,753,365	554,287,041	549,289,156
	<b>Deferred tax (Income)/expense</b>	<b>(7,323,834)</b>	<b>(2,016,519)</b>	<b>(2,324,084)</b>	<b>(2,552,310)</b>

Notes	Particulars	Amount in Taka		Amount in Taka	
		July-Dec-2022	July-Dec-2021	Oct-Dec-2022	Oct-Dec-2021
46	<b>Basic Earnings Per Share (EPS): Tk. 8.70</b>				
	The break-up of the above amount is as follows:				
	Earnings attributable to the Ordinary Shareholders	1,434,262,003	1,129,004,026	720,062,483	599,470,235
	Weighted average number of ordinary Shares outstanding during the year	164,905,510	164,905,510	164,905,510	164,905,510
	<b>Earnings Per Share (EPS)-Basic</b>	<b>8.70</b>	<b>6.85</b>	<b>4.37</b>	<b>3.64</b>
	<b>Earnings Per Share (EPS)-Diluted (Note:46.1)</b>	<b>7.98</b>	<b>6.28</b>	<b>4.01</b>	<b>3.33</b>

The increase in EPS is the result of increase in revenue for the ordinary course of the business activities which has been disclosed in the notes 27 to 31 in the Revenue Part of the Statement of Profit or Loss and Other Comprehensive Income for the period under consideration. As such there is a positive impact of EPS enhancement. There was no significant Extraordinary Transactions during this period.

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

47	Net Asset Value (NAV) Per Share: Tk. 75.15	Amount in Taka	
		31 Dec 2022	30 June 2022
	The break-up of the above amount is as follows:		
	Total Assets	19,554,395,260	16,868,552,825
	Less: Total Liabilities	7,161,610,181	6,205,981,770
	<b>Total</b>	<b>12,392,785,078</b>	<b>10,662,571,055</b>
	Number of Ordinary Shares of Tk. 10 each at Financial Position date	164,905,510	164,905,510
	<b>NAV-Per Share</b>	<b>75.15</b>	<b>64.66</b>

48 Net operating cash flows per share (NOCFPS): Tk. 8.19

Net cash flows from operating activities (A)	1,350,176,770	1,311,743,198
Number of Ordinary Shares of Tk. 10 each at Financial Position date (B)	164,905,510	164,905,510
<b>Net operating cash flows per share (NOCFPS) (C=A/B)</b>	<b>8.19</b>	<b>7.95</b>

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

48.1 Reconciliation of Net Income or Net profit with cash flows from operating activities

	Amount (Tk.)	Amount (Tk.)
	July-Dec-2022	July-Dec-2021
<b>Net Profit Before Tax</b>	<b>1,839,438,153</b>	<b>1,432,326,843</b>
<b>Adjustment to reconcile profit to net cash provided :</b>		
Depreciation	236,892,538	234,363,371
Amortization of License Fee	2,889,179	-
Financial Charges	63,834,357	69,702,767
Loss/(gain) on Investment in Share	1,088,349	(2,015,121)
Loss/(Gain) on disposal of fixed assets	-	-
Provision for Bad debts	20,588,688	34,615,777
Other Income	(100,771,638)	(118,949,764)
(Increase)/Decrease in Provision for Income tax	(39,898,256)	(240,032,242)
(Increase)/Decrease in Advance Income tax	(303,888,788)	90,616,391
(Increase)/ Decrease in adv. & deposit	(26,342,633)	(133,291,466)
(Increase)/ Decrease in debtors	(419,196,909)	(521,033,862)
(Increase)/ Decrease in other receivable	804,570	18,870,052
Increase/(Decrease) in sundry creditors	25,138,545	344,245,444
Increase/(Decrease) in Security Deposit	88,338,064	84,231,173
Increase/(Decrease) in Employees Pension, Gratuity and PF	5,410,761	20,057,832
Increase/(Decrease) in Provision for WPPF and WF	(52,076,664)	(36,375,926)
Increase/(Decrease) in VAT Payable	20,939,433	22,211,919
Increase/(Decrease) in Liability for Expenses	(13,010,979)	12,200,011
<b>Net cash flows from operating activities</b>	<b>1,350,176,770</b>	<b>1,311,743,198</b>

#### 49 Related party disclosures

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

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

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

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. Hafiz Md. Hasan Babu	Director	Professor -Institute of Information Technology, University of Dhaka	Nominated by GOB
7	Mr. N.K.A Mobin, FCA, FCS	Independent Director	Council Member, ICAB	Nominated by GOB
8	Mr. Syed Mamnun Quader	Independent Director	Former Director-DCCI	Nominated by GOB
9	Mr. Azam Ali	Managing Director	BSCCL	Nominated by GOB

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

Sl No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Transactions during the period
1	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman	Chairman	Bandwidth sale	361,057,639
2	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Backhaul Purchase	34,537,266
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	283,500
5	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Co-location Sale	-
6	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Bandwidth sale	24,626,578

(c) Outstanding balances at 31 December 2022


Sl. No.	Name of the company (Related party)	Name of the Director	Relationship of the Director with the company	Type of transaction	Opening balance 01.07.2022	Amount of transaction during the year 2022-2023		Closing balance 31.12.2022
						Addition	Adjustment/Received	
1	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman	Chairman	Bandwidth sale	837,838,909	361,057,639	(266,673,463)	932,223,085
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	34,537,266	(15,097,191)	88,892,891
4	Bangladesh Telecommunications Company Limited	Mr. Abu Hena Morshed Zaman		Backhaul (Co-location) Purchase	626,850	302,400	-	929,250
5	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Bandwidth sale	27,534,209	24,626,578	(20,017,815)	32,142,972
6	Teletalk Bangladesh Ltd.	Mr. Abu Hena Morshed Zaman		Co-location Sale	13,119	-	-	13,119

  
Chief Financial Officer

  
Company Secretary

  
Managing Director

  
Director

  
Chairman

Place: Dhaka, Bangladesh  
Dated: 30 January 2023

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

Annexure-A

(Amount In Taka)

Name of assets	Cost					Accumulated depreciation					WDV as at 31 Dec. 2022	
	As at 01 July 2022	Impairment	As at 01 July 2022	Additions during the Period	Adjustment during the Period	As at 31 Dec. 2022	Rate	As at 01 July 2022	Charged during the Period	Adjustment during the Period		As at 31 Dec. 2022
<b>Freehold assets (cost less accumulated depreciation)</b>												
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	57,281,810	-	2,202,893,324	400,972,667
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	144,116,214	-	1,549,991,030	4,179,370,219
Core equipment-IIG	251,619,011	-	251,619,011	1,811,412	-	253,430,423	14.29%	215,432,902	18,998,760	-	234,431,662	18,998,760
Building-SMW-4	63,415,462	-	63,415,462	-	-	63,415,462	4.00%	28,852,785	751,363	-	29,604,148	33,811,314
Building-Low cost Quarter-SMW4	5,242,135	-	5,242,135	-	-	5,242,135	2.50%	2,621,107	63,847	-	325,933	4,916,181
Building-SMW-5	288,918,374	-	288,918,374	-	-	288,918,373	2.70%	57,018,376	3,312,857	-	60,331,233	228,587,141
Floor development	2,535,402	-	2,535,402	-	-	2,535,402	4.00%	2,055,871	10,425	-	2,066,296	469,106
Security barak & security wall	7,827,297	-	7,827,297	-	-	7,827,297	4.00%	3,666,362	90,455	-	3,756,817	4,070,480
Deep tube-well & pump house	2,193,635	-	2,193,635	-	-	2,193,635	0.00%	1,792,622	-	-	1,792,622	401,013
Deep tube-well & pump house-SMW-5	1,334,855	-	1,334,855	-	-	1,334,855	0.00%	200,228	-	-	200,228	1,134,627
Generator-500 KVA(SMW#5)	18,414,231	-	18,414,231	-	-	18,414,231	8.33%	7,672,596	537,082	-	8,209,678	10,204,553
500 KV sub-station	3,284,000	-	3,284,000	-	-	3,284,000	11.11%	2,982,871	21,509	-	3,004,380	279,620
500 KV sub-station-SMW-5	13,146,779	-	13,146,779	-	-	13,146,779	3.13%	2,670,440	174,606	-	2,845,046	10,301,733
Power system	42,921,216	-	42,921,216	-	-	42,921,216	16.67%	29,884,416	1,629,600	-	31,514,017	11,407,200
Power system-SMW-5	21,051,069	-	21,051,069	-	-	21,051,069	5.88%	5,234,578	527,216	-	5,761,794	15,289,275
Power system-IIG	387,555	-	387,555	-	-	387,555	33.33%	310,044	19,378	-	329,422	58,133
Boundary wall	9,946,329	-	9,946,329	-	-	9,946,329	3.85%	4,629,908	110,759	-	4,740,667	5,205,662
Boundary wall-SMW-5	40,755,312	-	40,755,312	-	-	40,755,312	2.70%	7,629,668	473,223	-	8,102,892	32,652,420
Ducting from beach manhole	18,769,788	-	18,769,788	-	-	18,769,788	9.09%	13,195,184	309,700	-	13,504,884	5,264,904
Ducting from beach manhole-SMW-5	21,813,789	-	21,813,789	-	-	21,813,789	6.25%	5,589,783	540,800	-	6,130,584	15,683,205
Vehicles	54,233,112	-	54,233,112	151,925	-	54,385,037	10.00%	40,100,399	1,748,170	-	41,848,569	12,536,468
Office equipment and furniture	37,532,705	-	37,532,705	1,014,726	-	38,547,431	5-10%	25,608,925	1,638,489	-	27,247,414	11,300,017
Co-Location point	1,768,031	-	1,768,031	-	-	1,768,031	25.00%	1,097,992	167,510	-	1,265,502	502,529
Co-Location point-SMW-5	1,380,694	-	1,380,694	-	-	1,380,694	5.88%	329,128	35,052	-	364,181	1,016,513
Office decoration	8,041,138	-	8,041,138	15,714	-	8,056,852	10.00%	4,216,888	349,093	-	4,565,981	3,490,871
Water Treatment Plant & Others	186,120	-	186,120	-	-	186,120	20.00%	140,598	7,587	-	148,185	37,935
Surveillance System	471,925	-	471,925	-	-	471,925	20.00%	188,770	47,193	-	235,963	235,963
<b>Sub-total</b>	<b>9,366,992,867</b>	<b>-</b>	<b>9,366,992,867</b>	<b>9,733,150</b>	<b>-</b>	<b>9,376,726,017</b>		<b>4,012,249,772</b>	<b>232,962,697</b>	<b>-</b>	<b>4,245,212,469</b>	<b>5,131,513,549</b>
<b>Incremental value of revalued Freehold assets</b>												
<b>(i) As per valuation as on 30 June 2020</b>												
Land and land development	631,425,962	-	631,425,962	-	-	631,425,962	4.00%	5,772,757	1,443,189	-	7,215,946	631,425,962
Building	72,159,464	-	72,159,464	-	-	72,159,463	4.00%	6,785	1,696	-	8,481	76,328
Security barak & security wall	84,809	-	84,809	-	-	84,809	0.00%	-	-	-	-	84,809
Deep tube-well & pump house-SMW-5	95,589	-	95,589	-	-	95,589	0.00%	-	-	-	-	95,589
Generator-500 KVA(SMW#5)	2,523,709	-	2,523,709	-	-	2,523,709	8.33%	420,618	105,155	-	525,773	1,997,937
500 KV sub-station	1,181,221	-	1,181,221	-	-	1,181,221	11.11%	262,494	65,623	-	328,117	853,104
500 KV sub-station-SMW-5	1,041,697	-	1,041,697	-	-	1,041,697	3.13%	65,106	16,277	-	81,383	960,314
Power system	15,612,099	-	15,612,099	-	-	15,612,099	16.67%	5,204,031	1,301,008	-	6,505,039	9,107,060
Power system-SMW-5	27,112,088	-	27,112,088	-	-	27,112,088	5.88%	2,789,834	797,095	-	3,586,929	23,525,159
Power system-IIG	9,301	-	9,301	-	-	9,301	33.33%	6,201	1,550	-	7,751	1,550
Boundary wall-SMW-5	1,012,168	-	1,012,168	-	-	1,012,168	2.70%	54,712	13,678	-	68,390	943,779
Vehicle	3,691,409	-	3,691,409	-	-	3,691,409	10.00%	738,282	184,570	-	922,852	2,768,557
<b>Sub Total (i)</b>	<b>755,949,516</b>	<b>-</b>	<b>755,949,516</b>	<b>-</b>	<b>-</b>	<b>755,949,515</b>		<b>15,320,819</b>	<b>3,929,842</b>	<b>-</b>	<b>19,250,660</b>	<b>736,698,855</b>
<b>(ii) As per previous valuation</b>												
Land and land development	346,562,561	-	346,562,561	-	-	346,562,561	-	-	-	-	-	346,562,561
<b>Sub Total (ii)</b>	<b>346,562,561</b>	<b>-</b>	<b>346,562,561</b>	<b>-</b>	<b>-</b>	<b>346,562,561</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>346,562,561</b>
<b>Balance as on 31 Dec 2022</b>	<b>10,469,504,945</b>	<b>-</b>	<b>10,469,504,945</b>	<b>9,733,150</b>	<b>-</b>	<b>10,479,238,095</b>	<b>-</b>	<b>4,027,570,590</b>	<b>236,892,538</b>	<b>-</b>	<b>4,264,463,127</b>	<b>6,214,774,967</b>
<b>Balance as on 30 June 2021</b>	<b>10,375,599,671</b>	<b>-</b>	<b>10,375,599,671</b>	<b>99,383,593</b>	<b>(5,478,264)</b>	<b>10,469,504,943</b>	<b>-</b>	<b>3,559,143,940</b>	<b>472,192,213</b>	<b>3,765,565</b>	<b>4,027,570,590</b>	<b>6,441,934,356</b>

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

Amount in Taka

Particulars	Total Amount	Exemption rate	Exempted Amount	Chargeable Income	Tax Rate	Tax Liability
<b>Profit Before Taxation</b>	<b>1,839,438,153</b>					
Add: Provision for bad debt	20,588,688					
CSR expense	10,372,600					
Accounting depreciation	<u>236,892,538</u>					
	2,107,291,979					
Less: Tax depreciation	<u>230,341,613</u>					
Total taxable income	1,876,950,366					
Less: Non -operating Income	<u>100,771,638</u>					
Taxable profit including Tax holiday	1,776,178,728					
Profit from IIG Exempted due to Tax Holiday	389,693,613					
Taxable profit from IPLC unit	<u><b>1,386,485,115</b></u>					
Taxable profit from IPLC unit	1,386,485,115	0%	-	1,386,485,115	22.50%	311,959,151
Profit-IIG as per Ratio of Sales	389,693,613	10%	38,969,361	350,724,252	22.50%	78,912,957
Tax on Other Income				100,432,352	22.50%	22,597,279
Tax on Dividend Income				339,286	20.00%	67,857
<b>Total</b>	<b>1,776,178,728</b>		<b>38,969,361</b>	<b>1,837,981,004</b>		<b>413,537,244</b>
		<b>CSR</b>	<b>PM R Fund</b>	<b>Total</b>		<b>Rebate</b>
Investment tax credit		10,372,600	-	10,372,600	10%	1,037,260
Net tax liability						<u><b>412,499,984</b></u>