

Bangladesh Shipping Corporation

Auditors' Report & Financial Statements as at 30 June 2020

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Chartered Accountants

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**Independent auditors' report
to the Shareholders of Bangladesh Shipping Corporation
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of BANGLADESH SHIPPING CORPORATION ("the Corporation"), which comprise the statement of financial position as at 30th June, 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Corporation as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted in Bangladesh, Bangladesh Shipping Corporation Act 2017, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters (KAM)

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

Key Audit Matters (KAM)	How our audit addressed the KAM
Appropriateness of revenue recognition and disclosure on the impact of the initial application of IFRS 15.	
<p>Revenue of BDT 2,799,001,413 is recognised in the statement of profit or loss and other comprehensive income of the Corporation. This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, and recording considering the application of the new standard on revenue recognition, International Financial Reporting Standard 15 "Revenue from Contracts with Customers". Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives, rebates and exchange rates.</p>	<p>In light of the fact that the high degree of complexity and estimates and assumptions give rise to an increased risk of accounting misstatements, we assessed the Corporation's processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> • Assessing the environment of the measurement as well as other relevant systems supporting the accounting of revenue. • Assessing controls for systems and procedures supporting revenue recognition. • Assessing the invoicing and measurement system up to entries in the general ledger. • Examining customer invoices and receipts of payment on a test basis in accordance with contract. • Testing the revenue recognition in line with contract and reporting standard. <p>Furthermore, we assessed the accounting effects of new business and price models. We assured ourselves of the appropriateness of the systems, Processes, and Controls in place and that the estimates and assumptions made by management are sufficiently documented and substantiated to ensure that revenue is properly recognised.</p> <p>Please refer to the note # 26 & 27 to the financial statements.</p>



Impairment of property, plant and equipment	
<p>Property, plant and equipment (PPE) represents about 71% of total assets of the Corporation which is thus a material items to the financial statements. PPE includes fleet vessels (imported), land and building being parts of PPE. There is a risk whether market value of those assets could materially fall because of non-marketability and arise risk of impairment.</p> <p>Management's review regarding determination of impairment involves forecasting and discounting future cash flows and estimation of recoverable amounts which are inherently uncertain. This is one of the key judgmental areas that our audit has concentrated on.</p>	<ul style="list-style-type: none"> Reviewed the management's assessment of impairment taking consideration of the future economic benefits of the assets. Reviewed the internal control system implemented by management for safeguarding of those assets. Tested the operating effectiveness of key controls over asset including observing the process of management's year-end physical Tested on sample basis the physical condition of the assets whether the assets become idle, obsolesces, damage and there is a plan to discontinue or restructure the operation to which the assets belongs. <p>Please refer to note # 5 to the financial statements.</p>

Measurement of Deferred Tax	
<p>The Corporation have reported net deferred tax liability totalling BDT 428,240,914 as at 30th June, 2020. Corporation has deferred tax liability for temporary differences and deferred tax asset for deductible temporary differences which has been netted off as both levied upon same authority.</p> <p>Significant judgement is required in relation to deferred tax assets as their settlement is dependent on forecasts of future profitability over a number of years.</p>	<ul style="list-style-type: none"> We obtained an understanding of the Corporation's key controls over the recognition and measurement of deferred tax assets /liability and the assumptions used in estimating the corporation's future taxable We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. We assessed key assumptions, controls, recognition and measurement of deferred tax Finally, we assessed the appropriateness and presentation disclosures as per "IAS 12 Income Tax". <p>Please refer to note # 19 & 37 to the financial statements. (Annexure : B)</p>

Provision for Gratuity	
<p>The corporation operates an unfunded gratuity scheme for its permanents employees. Gratuity for shore employees is provided at two terminal monthly basic pay for each completed year of service and gratuity for afloat employees is provided at one month to two months terminal basis pay depending on the length of service subject to a maximum of twenty-five months. A period of six months is taken as a full year.</p>	<p>We have taken into consideration the complexity of accounting and Our</p> <ul style="list-style-type: none"> Discussing with the management regarding policy of provision and Reviewing the related policy of the corporation. Recalculation of provisions and final settlement. Substantive procedures performed including vouching, account reconciliations and tracing amounts to the appropriate underlying support.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, Bangladesh Shipping Corporation Act 2017, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Bangladesh Shipping Corporation Act 2017 and the Securities and Exchange rules 1987, we also report that:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Corporation so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- d) the expenditure incurred was for the purposes of the corporation business.

The engagement partner on the audit resulting in this independent auditor's report is Mainuddin Ahmed FCA on behalf of S. F. Ahmed & Co. and S K Basak FCA on behalf of Shafiq Basak & Co.



Shafiq Basak & Co.
Chartered Accountants

Place : Chattogram
Dated : November 10, 2020



S. F. Ahmed & Co.
Chartered Accountants

Place : Chattogram
Dated : November 10, 2020



BANGLADESH SHIPPING CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

Particulars	Notes	Amount In BDT		
		June 30, 2020	June 30, 2019 (Restated)	July 01, 2018 (Restated)
Assets				
Non Current Assets				
Property, Plant and Equipment	5.00	19,211,925,743	19,697,725,921	4,930,137,174
Capital Work -in -Progress	6.00	164,655,617	146,432,894	46,865,172
		19,376,581,360	19,844,158,814	4,977,002,346
Current Assets				
Inventories	7.00	138,832,955	144,749,176	44,307,663
Short-Term Investment	8.00	4,830,159,139	3,963,009,559	4,218,458,869
Trade Receivables	9.00	512,874,394	383,362,101	166,304,954
Advances, Deposits and Pre-payments	10.00	300,219,332	139,947,704	30,438,240
Other Receivables	11.00	528,322,623	468,941,469	516,943,485
Advance Income Taxes	12.00	240,463,327	208,828,208	172,379,929
Cash and Cash Equivalents	13.00	1,164,955,721	923,600,390	121,510,369
Deferred Tax Assets	19.00	-	-	67,519,450
		7,715,827,490	6,232,438,607	5,337,862,959
Total Assets		27,092,408,850	26,076,597,421	10,314,865,305
Equity & Liabilities				
Equity				
Share Capital	14.00	1,525,350,400	1,525,350,400	1,525,350,400
Share Premium	15.00	4,647,680,000	4,647,680,000	4,647,680,000
Capital Reserve	16.00	130,360,425	130,360,425	130,360,425
Revaluation Reserve	SOCE	4,076,100,142	4,076,100,142	4,076,100,142
Retained Earnings	SOCE	(1,832,482,417)	(2,174,093,294)	(2,305,356,242)
		8,547,008,549	8,205,397,673	8,074,134,725
Liabilities				
Non-current Liabilities				
Long Term Loan	17.00	15,667,837,192	15,686,205,219	699,273,246
Defined Benefit Obligations - Gratuity	18.00	287,401,790	309,963,641	378,069,740
Deferred Tax Liabilities	19.00	428,240,914	99,782,906	-
		16,383,479,896	16,095,951,765	1,077,342,986
Current Liabilities				
Long Term Loan - Current Portion	20.00	36,736,054	36,736,054	18,368,027
Creditors and Accruals	21.00	1,018,349,478	944,560,315	555,178,950
Contract Liability	22.00	-	9,544,052	-
Interest on Long Term Loans	23.00	886,996,082	597,309,243	441,687,505
Provision for Income Tax	24.00	189,186,601	157,551,481	121,103,202
Dividend Payable	25.00	30,652,190	29,546,838	27,049,910
		2,161,920,405	1,775,247,983	1,163,387,594
Total Liabilities		18,545,400,300	17,871,199,748	2,240,730,580
Total Equity and Liabilities		27,092,408,850	26,076,597,421	10,314,865,305
Net Asset Value Per Share (NAVPS)	35.00	56.03	53.79	52.93

The annexed notes 5 to 37 form an integral part of these financial statements.

Secretary

Executive Director (Finance)

Signed in terms of our annexed report of eventdate.

Managing Director
Commodore Mahmud Sabbir, BN
Managing Director
Bangladesh Shipping Corporation

Shafiq Basak & Co.
Chartered Accountants

Kazi Md. Shafiqul Alam
Joint Secretary
&
Executive Director (Finance)
Bangladesh Shipping Corporation
Chattogram.

S. F. Ahmed & Co.
Chartered Accountants

Place : Chattogram
Dated : November 10, 2020

Place : Chattogram
Dated : November 10, 2020

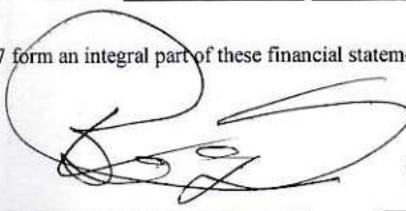


BANGLADESH SHIPPING CORPORATION
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020

Particulars	Notes	Amount In BDT		
		June 30, 2020	June 30, 2019 (Restated)	June 30, 2019
Revenue				
Freight Revenue	26.00	2,510,051,379	1,555,043,320	1,555,043,320
Service Revenue	27.00	288,950,034	295,857,199	295,857,199
		2,799,001,413	1,850,900,519	1,850,900,519
Operating Expenses				
Fleet Expenses (Direct)	28.00	1,666,428,512	1,165,282,133	1,200,659,529
Fleet Expenses (Indirect)	29.00	110,894,478	90,789,671	90,789,672
		1,777,322,989	1,256,071,804	1,291,449,201
Operating Profit		1,021,678,424	594,828,715	559,451,318
Other Income	30.00	429,406,580	378,875,624	378,875,624
		1,451,085,004	973,704,339	938,326,942
Administrative Expenses	31.00	364,334,375	435,791,809	446,791,809
Financial Expenses	32.00	311,975,024	159,055,986	12,516,127
		676,309,399	594,847,795	459,307,936
Net Profit Before Tax		774,775,605	378,856,544	479,019,006
Income Tax Expenses				
Corporate Tax	24.00	(31,635,120)	(36,448,279)	(119,754,751)
Deferred Tax	19.00	(328,458,008)	(167,302,356)	193,049,961
		(360,093,128)	(203,750,635)	73,295,209
Net Profit After Tax		414,682,477	175,105,909	552,314,215
Other Comprehensive Income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign operations - foreign currency translation differences		-	-	1,833,113
Related Tax		-	-	(458,278)
		-	-	1,374,834
Other Comprehensive Income for the Year		-	-	1,374,834
Total Comprehensive Income for the Year		414,682,477	175,105,909	553,689,049
Basic Earning Per Share (EPS)	34.00	2.72	1.15	3.62

The annexed notes 5 to 37 form an integral part of these financial statements.


 Secretary


 Executive Director (Finance)


 Managing Director
 Commodore Mahmud Sabbir, BN
 Managing Director
 Bangladesh Shipping Corporation

Signed in terms of our annexed report of event date.

Kazi Md. Shafiqul Alam
 Joint Secretary
 &
 Executive Director (Finance)
 Bangladesh Shipping Corporation
 Chattogram.


 S. F. Ahmed & Co.
 Chartered Accountants


 Shafiqul Alam & Co.
 Chartered Accountants

Place : Chattogram
 Dated : November 10, 2020

Place : Chattogram
 Dated : November 10, 2020



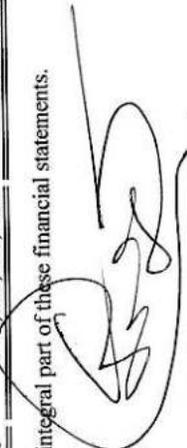
BANGLADESH SHIPPING CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2020

Particulars	Amount In BDT					Total Equity
	Share Capital	Share Premium	Revaluation Reserve	Capital Reserve	Retained Earnings	
Balance as at 01st July, 2019	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	(2,174,093,294)	8,205,397,673
Net Profit After Tax	-	-	-	-	414,682,477	414,682,477
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	414,682,477	8,620,080,150
Transactions with owners of the corporation						
Contributions and distributions						
Issue of ordinary shares	-	-	-	-	-	-
Prior adjustments	-	-	-	-	(73,071,600)	(73,071,600)
Dividend Paid	-	-	-	-	(73,071,600)	(73,071,600)
Total contributions and distributions	-	-	-	-	(73,071,600)	(73,071,600)
Balance as at 30th June, 2020	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	(1,832,482,417)	8,547,008,550
Balance as at 01 July, 2018	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	(2,201,720,763)	8,177,770,204
Impact of correction of errors	-	-	-	-	(103,635,479)	(103,635,479)
Balance as at 01 July, 2018	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	(2,305,356,242)	8,074,134,725
Net Profit After Tax	-	-	-	-	175,105,909	175,105,909
Other comprehensive income	-	-	-	-	-	-
Impact of correction of errors	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	175,105,909	175,105,909
Transactions with owners of the corporation						
Contributions and distributions						
Issue of ordinary shares	-	-	-	-	(43,842,961)	(43,842,961)
Dividend Paid	-	-	-	-	(43,842,961)	(43,842,961)
Total contributions and distributions	-	-	-	-	(2,174,093,294)	8,205,397,673
Restated balance as at 30th June, 2019	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	(2,174,093,294)	8,205,397,673

The annexed notes 5 to 37 form an integral part of these financial statements.


 Secretary




 Executive Director (Finance)
Kazi Md. Shafiqul Alam
 Signed in terms of our annexed certificate of appointment.
 Bangladesh Shipping Corporation
 Chattogram.




 Managing Director
Commodore Mahmud Sabbir, BN
 Managing Director
 Bangladesh Shipping Corporation

BANGLADESH SHIPPING CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

Particulars	Amount In BDT	
	June 30, 2020	June 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	2,610,107,966	1,645,220,538
Cash Received from Other Income and Other Sources	424,866,137	425,044,527
Cash Payment to Suppliers and Others	(1,747,923,273)	(655,165,254)
Cash Payment on behalf of Employees	-	(647,189,577)
Cash Generated from/ (used in) Operations	1,287,050,831	767,910,234
Interest Paid	(19,558,900)	-
Income Tax paid	(31,635,120)	(36,448,279)
	(51,194,020)	(36,448,279)
Net cash from/(used in) Operating Activities	1,235,856,811	731,461,955
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant & Equipment	(23,335,346)	(15,145,615,355)
Addition in Capital Work in Progress	(18,222,723)	-
Investment in Short Term Investment	(867,149,581)	255,449,310
Net cash from/(used in) Investing Activities	(908,707,650)	(14,890,166,045)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) of Long Term Loan	(18,368,027)	15,005,300,000
Dividend paid	(71,966,248)	(41,346,033)
Net cash from/(used in) Investing Activities	(90,334,275)	14,963,953,967
Net Increase/ (Decrease) in Cash & Cash Equivalents	236,814,887	805,249,877
Cash & Cash Equivalents at the Beginning of the year	923,600,390	121,510,369
Effect of Movements In Exchange Rates on Cash Held	4,540,443	(3,159,856)
Cash & Cash Equivalents at the End of the year	1,164,955,721	923,600,390
Net Operating Cash Flows per Share (NOCFPS)	36.00	8.10
		4.80

The annexed notes 5 to 37 form an integral part of these financial statements.

Secretary

Executive Director (Finance)

Managing Director

Commodore Mahmud Sabbir, BN

Managing Director

Bangladesh Shipping Corporation

Signed in terms of our annexed report of event date

Kazi Md. Shafiqul Alam
Joint Secretary

Executive Director (Finance)
Bangladesh Shipping Corporation
Chattogram.



BANGLADESH SHIPPING CORPORATION

Notes to the Financial Statements

For the year ended As at 30th June, 2020

1.00 Reporting Entity

1.01 Legal Form of Corporation

Bangladesh Shipping Corporation was established under President's Order (PO) No. 10 of February 05, 1972.

1.02 Address of Registered Office:

The Registered office of the Corporation is situated at BSC Bhaban, Soltgola Road, Chattogram.

1.03 Principal activities of the Corporation:

The Corporation is primarily engaged in shipping and ancillary businesses in International routes as national flag carrier. The Corporation was started commercial operation at 5th February, 1972.

2.00 Going Concern

The Directors have a reasonable expectation, through internal and external assessment, that the corporation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to be on going concern basis in preparing the Financial Statements based on the current revenue generation and resources of the corporation provide sufficient fund to meet the present requirement of its existing business and operation. A long-term planning has been undertaken for business expansion and diversification.

3.00 Basis of Preparation

3.01 Statement of Compliance

The financial statements of the corporation under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

3.02 Basis of Reporting

The financial statements are prepared and presented for external users by the corporation in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- A statement of financial position as at 30th June, 2020;
- A Statement of profit or loss and other comprehensive income for the year ended 30th June, 2020;
- A statement of changes in equity for the year ended 30th June, 2020;
- A statement of cash flows for the year ended 30th June, 2020; and

Notes, comprising summary of significant accounting policies and explanatory information.

3.03 Other Regulatory Compliances

The corporation is also required to comply with the following major laws and regulations along with the Bangladesh Shipping Corporation Act 2017 as per Bangladesh Gazette:

- The Income Tax Ordinance 1984;
- The Income Tax Rules 1984;
- The Value Added Tax Act 1991;
- The Value Added Tax Rules 1991;
- The Securities and Exchange Rules 1987;
- The Securities and Exchange Ordinance 1969;

3.04 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT) which is the corporation's functional currency. All the financial information presented in Bangladesh Taka has been rounded off to the nearest Taka except when otherwise indicated.

3.05 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 - "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 1987.



3.06 Use of Estimates and Judgments

The preparation of the financial statements in conformity with IFRSs 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. Estimates and assumptions on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, in the year of revision and future years if the revision affects both current and future years.

Estimates and Assumptions

Key estimates and assumptions used in preparation of these financial statements are:

Applicable tax rate for Income Year 2019-2020 will be declared by Finance Act 2019-2020. For the purpose of these financial statements, management has assumed that the existing corporate tax rate (25%) will be applicable for Income Year 2019-2020 as well.

Appropriate financial and demographic assumptions have been used in consultation with a certified actuary to measure defined benefit obligation as at 30th June, 2020.

Key assumptions about the likelihood and magnitude of outflow of resources have been used to recognize and measure provisions and contingencies.

Interest on fixed term deposits has been taken into financial statements on the basis of encashment and accrual basis.

3.07 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended on 30th June, 2020 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended on 30th June, 2019.

3.08 Comparative Information

Comparative information has been disclosed in respect of the year ended 30th June, 2019 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year presentation. Figures for the year ended 30th June, 2019 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

3.09 Reporting Period

The financial statements cover one financial year from 01st July, 2019 to 30th June, 2020.

4.00 Significant Accounting Policies:

The Corporation has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow:

Section	Description	Notes
A.	Foreign Currency Translations	30
B.	Revenue from contract with customers	27 & 28
C.	Other Income	30
D.	Employee benefits	18, 21 & 31
E.	Finance income and finance costs	30 & 32
F.	Borrowing costs	23
G.	Income taxes	24
H.	Inventories	7
I.	Property, plant and equipment	5
J.	Financial Assets	9 & 11
K.	Impairment of Assets	5
L.	Share Capital	14
M.	Earnings per share	34
N.	Creditors and Accruals	21
O.	Contingencies	4 (O)



A. Foreign Currency Translation

Foreign Currency Transactions are recorded at the applicable rates of exchange prevailing on the respective dates of transaction. The monetary assets and liabilities, if any, denominated in foreign currencies at the Statement of Financial Position date are translated at applicable rates of exchange ruling at that date. Exchange differences are charged of as Revenue Expenditure in compliance with the provisions of IAS – 21, “The effects of Changes in Foreign Exchange Rates.”

B. Revenue from Contract with Customers

Bangladesh Shipping Corporation has applied IFRS 15 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under IAS 18. Under IFRS 15, revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The corporation recognizes revenue when it satisfies a performance obligation by transferring control over services to a customer.

The corporation considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Revenue was recognized when services rendered, to the extent it was probable that the economic benefits from the transactions would flow to the corporation and the revenue could be reliably measured.

Nature of Services

The following is a description of the principal activities from which the corporation generates its revenue.

Charter Hire Income

Income from time charter is recognized over the period of the time charter agreement on an accrual basis. Any losses arising from time charters are provided for in full as soon as they are anticipated.

Operation Income

Revenue from freight of lighters is measured at the fair value of the consideration received or receivable on the basis of ullage quantity or B/L (Bill of Lading) net quantity whichever is less.

Address Commission

Revenue from address commission on foreign chartered vessel is measured at the fair value of the consideration received or receivable at the rate of 2.5% on B/L (Bill of Lading) net quantity.

Service Charge

Revenue from the service charge on foreign chartered vessel is measured at the fair value of the consideration received or receivable at the rate of 5% on B/L (Bill of Lading) net quantity.

C. Other Income

Other income includes Interest Income, Rental Income, Service Charge – BSC Dhaka Building and miscellaneous receipts. Other income except interest income is recognized as revenue income as and when realized. Rental Income from the BSC own building and infrastructure are recorded accrual basis on the basis of agreement between the BSC and tenants.

D. Employee Benefits

(i) Short-Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the corporation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. Following benefits are provided as short-term benefits

- Absences: Paid annual leave and sick leave, recreation leave.
- Basic Pay: Salary as per national pay scale.
- Non-monetary Benefit: Car facilities, telephone.
- Performance Pay: Profit Bonus.



(ii) Defined Contributions Plan

a) Employee Gratuity Scheme

The corporation operates an unfunded gratuity scheme for its permanent employees and obtaining recognition from national board of revenue for funding is under proceeds. Gratuity for shore employees is provided at two terminal monthly basic pay for each completed year of service and gratuity for afloat employees is provided at one month to two months terminal basis pay depending on the length of service subject to a maximum of twenty-five months. A period of 04 (four) months is taken as a full year.

b) Provident Fund

The corporation operates a contributory provident fund scheme for its permanent employees. Provident fund is administered by a Board of Trustees and is funded by contributions 12.50% from employees and 10% from the corporation. These contributions are managed by Trustee Board.

E. Finance Income and Finance Costs

The Bangladesh Shipping Corporation's finance income and finance costs include:

- Interest income;
- Interest expense;
- The foreign currency gain or loss on financial assets and financial liabilities; and
- The fair value loss on contingent liabilities classified as a financial liability.

Interest income or expense is recognized using the effective interest method.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

F. Borrowing Costs

Interest and other costs incurred by the corporation in with the borrowing of funds are recognized as expense in the year in which they are incurred, unless such borrowing cost relates to acquisition/construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs". Borrowing Cost incurred against loan for Bangladesh Government Loan and Govt. Loan – Marine W/S Modernization project has been capitalized under effective interest rate method.

G. Income Taxes

The income tax expense represents the sum of the tax currently payable and deferred tax.

Corporate tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Corporation's liability for current tax is calculated using tax rates (25%) that have been enacted or substantively enacted by Finance Act 2019 and applicable at the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgment of tax professionals within the corporation supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.



Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

Corporate Tax and Deferred Tax for the year

Corporate and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the corporate and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where corporate tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

H. Inventories

Inventories refers Deck and Engine, Electric, Saloon Stores, Spares parts, Stock of Stationary, Bunker Fuel - Stores, Lubricant Oil and Victualing are valued at the lower of cost and net realizable value, after making due allowances for obsolete and slow-moving items.

The cost incurred in bringing inventories to its present location and conditions are accounted using the following cost formula:

Consumables - At purchase cost on First in First out basis (FIFO)

I. Property, Plant and Equipment

Recognition and Measurement

In accordance with "IAS 16: Property, Plant and Equipment" items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. The cost of self-constructed asset includes the cost of material, direct labor and any other cost directly attributable to bringing the assets to a working condition for their intended use. It also includes any costs directly attributable to the asset to the location and condition necessary.

Cost to relation fleet vessels comprises cost of acquisition including initial delivery and acquisition expenses.

Any gain or loss on disposal of an item or property, plant and equipment are recognized in profit or loss.

Subsequent Costs

The costs of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the corporation and its costs can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment over their estimated useful lives, and is generally recognized in profit or loss. Depreciation is charged from the day assets are ready for use as intended. Depreciation method used reflect the pattern in which the asset economic benefit are consumed by the corporation.

Items of property, plant and equipment except Fleet (06 New Vessels) are depreciated using the reducing balance method. Fleet (06 New Vessels) are depreciated by applying the straight-line method over their expected useful lives which have been assumed at 25 years from the year built in case of new vessels and estimated lives in case of second hand as per recommendation of international values.



The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

SL. No.	Nature	Depreciation rate
1.00	Vacuator	10%
2.00	Machinery Marine Workshop	15%
3.00	Electric Installation Marine Workshop	20%
4.00	Motor Vehicles	20%
5.00	Building	2.5%
6.00	Building-Marine Workshop	15%
7.00	Office Machine and Equipment	10%
8.00	Furniture and Fixtures	10%
9.00	Equipment on board of the Vessels	6% to 20%

Depreciation on fleet and Vacuator has been allocated at actual to operating expenses (direct) 65% of total on other items of assets have been allocated to operating expenses (indirect) and remaining 35% has been allocated to administrative expenses during the year under review.

The economic life of most of the ships owned by BSC is 25 years. The life of only old two ships over 25 years.

Expires and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined by the difference between the net disposal proceeds and the carrying amount of an asset and is recognized in profit or loss.

Capital Work in Progress

Property, plant and equipment that is in the process of acquisition/import is accounted for as capital work in progress until acquisition/import is completed and measured at cost.

J. Financial Assets

The Corporation initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the corporation becomes a party to the contractual provisions of the instrument.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Financial assets are classified into the following categories: financial assets at fair value through profit or loss, held to maturity, loans and receivables and available-for-sale financial assets.

At Fair Value through Profit or Loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the corporation manages such investment and makes purchase or sale decisions based on their fair value in accordance with the corporation's documented risk management or investment strategy. Attributable transactions costs are recognized in profit and loss as incurred.

Held to Maturity

These assets are initially recognized at fair value plus any directly attributable transaction Cost. Subsequent recognition, they are measured at amortized cost using the effective interest method. Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables comprise cash and cash equivalents, loans, accounts receivables and deposits.

(a) Trade Receivable

Trade receivable are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized. There is no fixed corporation policy regarding provision for impairment loss on receivables, if any receivables are not realized within the credit period. It has been dealt with on case to case basis.



(b) Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads Such as Property, Plant and Equipment, Inventory or Expenses. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

(c) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant rise of changes in value.

(d) Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein Other than impairment losses are recognized in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognized in the other comprehensive income are reclassified from equity to profit or loss upon derecognition for reclassification.

Financial Liabilities

The corporation initially recognizes all financial liabilities on the trade date which is the date the corporation becomes a party to the contractual provisions of the instrument. The corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. The Corporation classifies non-derivative financial liabilities into the other financial liabilities Category, such financial liabilities are recognized initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortized cost: other financial liabilities comprise loans and borrowings, bank overdrafts and creditors and accruals.

The corporation recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the corporation of resources embodying economic benefits.

K. Impairment of Assets

The carrying amount of the corporation assets is reviewed at each Statement of Financial Position date whenever there is any such indication of impairment. There is no impairment loss and profit exist as on June 30, 2020.

L. Share capital

Authorized Capital

Authorized Capital has increased to 10,000,000,000 Tk. (One Thousand) crore divided into 1,000,000,000 ordinary shares of Tk.10 each reference to proclamation and passing of Bangladesh Shipping Corporation Act 2017 and Gazette Notification date 21-03-2017.

Paid-up Capital

As per the section 18(3) of the Bangladesh Shipping Corporation Act-2017 published on 21 march 2017, the minimum paid-up capital will be Tk. 3,500,000,000 crore that would be divided by 350,000,000 crore shares. But the present paid-up capital is Tk. 1,525,350,400. There is no option to issue new share until the full utilization of RPO fund that received from share market. However, in this regard, the necessary steps are recently taken to enhance the paid-up capital to comply the requirement of this Law.

M. Earnings per Share (EPS)

The corporation calculates Earning/ (Loss) per share (EPS) in accordance with IAS-33 "Earning per Share".

Basic Earning

The corporation calculates earning for the year attributable of the ordinary shareholders. As there is no preference dividend Minority interest or extra ordinary items. The net profit after tax for the year has been considered or fully attributable to ordinary.



Basic Earnings Per Share

This has been calculated by divided the basic earning by the weighted average number of ordinary share outstanding during the year.

Diluted Earnings Per Share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

N. Creditors and Accruals

Creditors

The corporation has recognized accruals as expenses that have already been incurred by the corporation for goods and services received and which are going to be due for payment in the future.

Accruals

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

O. Contingencies

Contingent Assets

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 entity.

Contingent Liabilities

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 entity.



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019 (Restated)	July 01, 2018 (Restated)

5.00 Property, Plant and Equipment

Historical Cost

Opening Balance

Property, Plant & Equipment	5,060,296,317	5,060,296,317	4,958,262,205
Fleet (02 Vessels)	304,394,089	304,394,089	304,394,089
Fleet (06 Vessels)	15,046,047,633	-	-
	20,410,738,040	5,364,690,407	5,262,656,294

Addition during the year

Disposal during the year

Closing Balance

Less: Accumulated Depreciation

Opening Balance

Property, Plant & Equipment	369,707,807	330,606,788	288,597,414
Fleet (02 Vessels)	127,430,917	103,946,445	81,674,485
Fleet (06 Vessels)	215,873,395	-	-
	713,012,119	434,553,233	370,271,898

Charged During the Year

Disposal during the year

Closing Balance

Carrying Amount as on 30th June,2020

***Under the project of procuring 06(six) new vessels three (03) "Product Oil Tankers" and three (03) "Bulk Carriers" of about 39,000 DWT each, Bangladesh Shipping Corporation (BSC) has collected a 06(Six) number of ships for its fleets and added those to the "Property and Plant and Equipment". A concessional loan agreement was signed between the "Government of the People's Republic of Bangladesh" and the "Government of the People's Republic of China". The cost price and delivery date of those ships in details are mentioned below:

SL. No.	Name of Vessels	COST PRICE	Delivery Date
1	M.V. BANGLAR JOYJATRA	2,044,240,000	July 27, 2018
2	M.V. BANGLAR SAMRIDDHI	2,044,240,000	October 28, 2018
3	M.V. BANGLAR ARJAN	2,069,540,000	December 30, 2018
4	M.T. BANGLAR AGRAJATRA	2,924,960,000	January 25, 2019
5	M.T. BANGLAR AGRADOOT	2,961,160,000	January 3, 2019
6	M.T. BANGLAR AGRAGOTI	2,961,160,000	May 25, 2019
Total		15,005,300,000	

6.00 Capital Work -in -Progress

Six Vessels Project (Note - 6.01)	161,473,955	143,251,232	43,683,510
Installation of Electrical Sub Station (Note - 6.02)	3,181,662	3,181,662	3,181,662
	164,655,617	146,432,894	46,865,172

6.01 Six Vessels Project

Opening Balance	143,251,232	43,683,510	-
Addition During the Year	18,222,723	99,567,722	43,683,510
Closing Balance	161,473,955	143,251,232	43,683,510



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019 (Restated)	July 01, 2018 (Restated)

*** The allocated cost of the approved six vessel project comprised of two components mentioned below:

- i) Project Aid
ii) BSC's own fund

The part of project aid within the perview of Commercial Contract between the Bangladesh Government and Chinless Exam Bank are being paid by the Bangladesh Government and at the same time the ships have already delivered to BSC. Therefore, the six vessels are added to the Property Plant and Equipment in the financial statement.

On the other hand, BSC's own fund included Registration cost, supervision fee and Advance Income Tax are in process to the payment till today. After the total completion of capital in working progress through the project completion Report (PCR) ,the costs are added to the Property Plant and Equipment through reallocation of the cost to the ships based on the nature and Dead Weight Tonnage(DWT)

The cost of Tk. 18,222,723 "is incurred from BSC own Fund as revenue expenditures Presented Under the Head of Capital Working Progress" in the financial statement and the expenditures related to the six vessel project is not completed yet. Therefore, after getting of the Project Completion Report (PCR) those costs will be added to the six vessels separately in the Property Plant and Equipment in the Next Financial Year.

Importantly the supplementary loan agreement (SLA) is still not made between the ministry and Bangladesh Shipping Corporation (BSC).

6.02 Installation of Electrical Sub Station

Opening Balance	3,181,662	3,181,662	3,127,722
Addition During the Year	-	-	53,940
	<u>3,181,662</u>	<u>3,181,662</u>	<u>3,181,662</u>
Transfer to Property, Plant & Equipment	-	-	-
Closing Balance	<u>3,181,662</u>	<u>3,181,662</u>	<u>3,181,662</u>

7.00 Inventories

Deck and Engine, Electric, Saloon Stores	26,994,788	51,309,274	2,757,923
Spares	24,529,959	-	15,175,479
Stock of Marine Workshop	11,185,983	8,771,014	10,150,702
Stock of Stationary	305,048	38,831	199,916
Stock of Stationary (Khulna)	7,050	-	-
Bunker Fuel-stores	9,618,853	5,495,550	12,152,599
Lub Oil	63,318,202	74,921,362	3,871,044
Victualing	2,873,073	4,213,146	-
	<u>138,832,955</u>	<u>144,749,176</u>	<u>44,307,663</u>

8.00 Short-Term Investment

****Details shown in Annexure - D

	<u>4,830,159,139</u>	<u>3,963,009,559</u>	<u>4,218,458,869</u>
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9.00 Trade Receivables

Opening Balance	383,362,101	166,304,954	72,638,631
Addition During the Period	2,716,195,279	1,764,079,966	705,896,453
	<u>3,099,557,380</u>	<u>1,930,384,920</u>	<u>778,535,084</u>
Realized During the Period	(2,586,682,986)	(1,547,022,819)	(612,230,130)
Closing Balance	<u>512,874,394</u>	<u>383,362,101</u>	<u>166,304,954</u>

The made-up of closing trade receivables as follows:

Trade Debtor	265,048,927	209,574,829	166,304,954
Six Vessels Charterer Account	247,825,467	173,787,272	-
	<u>512,874,394</u>	<u>383,362,101</u>	<u>166,304,954</u>

10.00 Advances, Deposits and Pre-payments

Advances (Note - 10.01)	294,467,882	134,076,252	24,632,788
Deposits (Note - 10.02)	5,751,450	5,871,452	5,805,452
	<u>300,219,332</u>	<u>139,947,704</u>	<u>30,438,240</u>



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019 (Restated)	July 01, 2018 (Restated)
10.01	Advances			
	Employees (Note - 10.01A)	8,923,918	7,591,656	8,041,799
	Other Advances (Note - 10.01B)	285,543,964	126,484,596	16,590,989
		<u>294,467,882</u>	<u>134,076,252</u>	<u>24,632,788</u>
10.01A	Employees			
	Officers & Staff (Shore)	7,114,745	5,406,930	6,569,365
	Officers & Staff (Afloat)	1,283,145	1,384,790	929,790
	Crew Advance	175,630	449,538	192,246
	House Building Loan	350,399	350,398	350,398
		<u>8,923,918</u>	<u>7,591,656</u>	<u>8,041,799</u>
10.01B	Other Advances			
	Masters' Control Account	123,448,289	49,890,490	2,630,415
	Advance to Party	162,095,675	76,594,106	13,960,574
		<u>285,543,964</u>	<u>126,484,596</u>	<u>16,590,989</u>
10.02	Deposits			
	Franking Machine Deposits	320,406	320,408	320,408
	Security Deposits	5,431,044	5,551,044	5,485,044
		<u>5,751,450</u>	<u>5,871,452</u>	<u>5,805,452</u>
11.00	Other Receivables			
	Agents Control Account (Note - 11.01)	319,499,992	319,499,992	319,499,992
	Insurance Claims (Note - 11.02)	7,543,962	8,493,749	8,360,772
	Rent Receivable	18,101,704	9,419,855	11,602,605
	Service Charge Receivable	1,695,736	-	-
	War risk adjustment	8,743,572	-	-
	Interest Receivable	172,737,657	131,527,873	177,480,116
		<u>528,322,623</u>	<u>468,941,469</u>	<u>516,943,485</u>
11.01	Agents Control Account			
	Opening Balance	319,499,992	319,499,992	324,092,492
	Addition During the Year	-	-	-
		<u>319,499,992</u>	<u>319,499,992</u>	<u>324,092,492</u>
	Realized During the year	-	-	(4,592,500)
	Closing Balance	<u>319,499,992</u>	<u>319,499,992</u>	<u>319,499,992</u>
11.02	Insurance Claims			
	Medical & Hull	7,543,962	8,493,749	8,360,772
		<u>7,543,962</u>	<u>8,493,749</u>	<u>8,360,772</u>
12.00	Advance Income Tax			
	Opening Balance	208,828,208	172,379,929	148,801,703
	Deducted At Source During The Year	31,635,119	36,448,279	23,578,226
		<u>240,463,327</u>	<u>208,828,208</u>	<u>172,379,929</u>
	Adjustment During The Year	-	-	-
	Closing Balance	<u>240,463,327</u>	<u>208,828,208</u>	<u>172,379,929</u>



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019 (Restated)	July 01, 2018 (Restated)
	Year Wise details are as follows:			
	2013-2014	47,283,051	47,283,051	47,283,051
	2014-2015	46,043,580	46,043,580	46,043,580
	2015-2016	27,063,612	27,063,612	27,063,612
	2016-2017	28,411,460	28,411,460	28,411,460
	2017-2018	23,578,226	23,578,226	23,578,226
	2018-2019	36,448,279	36,448,279	-
	2019-2020	31,635,119	-	-
		240,463,327	208,828,208	172,379,929
13.00	Cash and Cash Equivalents			
	Cash in Hand (Note - 13.01)	749,859	730,165	736,529
	Cash at Bank (Note - 13.02)	1,164,205,862	922,870,225	120,773,840
		1,164,955,721	923,600,390	121,510,369
13.01	Cash in Hand			
	Chattogram	139,718	117,664	130,629
	Dhaka	6,880	11,395	57,125
	Khulna	87,319	38,831	47,772
	BSC M/WS	149,205	184,709	124,400
	Other:			
	Imprest Account	366,737	377,566	376,603
		749,859	730,165	736,529
13.02	Cash at Bank			
	Short Notice Deposit (Annexure - E)	451,854,105	615,925,198	38,923,971
	Dividend Account (Note - 13.02A)	31,946,230	30,301,644	27,414,202
	Current Deposits - Local Currency (Annexure - F)	118,186,893	5,949,778	9,947,273
	Other Deposits (Note - 13.02B)	2,858,937	2,558,937	2,558,936
	Current Deposits - Foreign Currency (Note - 13.02C)	559,359,697	268,134,668	41,929,458
		1,164,205,862	922,870,225	120,773,840
13.02A	Dividend Account			
	Mutual Trust Bank Ltd. CDA Avenue A/C 0210011049	2,770,575	2,773,765	2,785,179
	Mutual Trust Bank Ltd. CDA Avenue A/C 0210011343	8,328,194	8,331,384	8,336,716
	Mutual Trust Bank Ltd. CDA Avenue A/C 0210018171	4,240,480	4,243,670	4,249,402
	Mutual Trust Bank Ltd. CDA Avenue A/C 0320001913	2,616,488	2,659,577	2,784,711
	Southeast Bank Ltd. Agrabad Branch A/C 13100002566	2,461,008	2,408,136	2,356,598
	Southeast Bank Ltd. Agrabad Branch A/C 13100002575	7,214,339	7,055,703	6,901,596
	One Bank Ltd. CEPZ Branch A/C - 0843000000233	1,718,636	2,829,409	-
	One Bank Ltd. CEPZ Branch A/C 0843000000288	2,596,511	-	-
		31,946,230	30,301,644	27,414,202
13.02B	Other Deposits			
	Custom Port Revolving Deposits	986,840	92,853	597,321
	Port Deposit & Revolving Deposits- Khulna	1,961,615	2,466,084	1,961,615
	Revolving Deposits- Khulna	(89,519)	-	-
		2,858,937	2,558,937	2,558,936
13.02C	Current Accounts - Foreign Currency			
	HSBC Singapore	557,399,035	266,180,409	39,975,198
	HSBC Singapore - 003	1,460,698	1,429,457	1,429,457
	HSBC Singapore (Feeder)	358,330	350,666	350,666
	Rupali Bank, Karachi, Pakistan	82,311	111,943	111,943
	Sonali Bank Limited, Calcutta, India	59,323	62,194	62,194
		559,359,697	268,134,668	41,929,458

*** Due to non operation of commercial activities in those regions the account bearing with HSBC Singapore -003, HSBC Singapore (Feeder), Rupali Bank Ltd, Karachi, Pakistan and Soanli Bank Limited, Calcutta, India are in non-active position till now. But in near future, our operation will commence in above mentioned areas again.



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019	July 01, 2018 (Restated)
14.00	Share Capital			
	<i>Authorised Capital</i>			
	1,000,000,000 Ordinary Shares of Tk 10 Each	10,000,000,000	10,000,000,000	10,000,000,000
	<i>Issued, Subscribed and Paid - up Capital</i>			
	20,000,000 Ordinary Shares of Tk. 10 each	200,000,000	200,000,000	200,000,000
	62,740,000 Ordinary Shares of Tk. 10 each	627,400,000	627,400,000	627,400,000
	53,452,000 Ordinary Shares of Tk. 10 each	534,520,000	534,520,000	534,520,000
	16,343,040 Ordinary Shares of Tk. 10 each	163,430,400	163,430,400	163,430,400
		1,525,350,400	1,525,350,400	1,525,350,400
	Shareholding Position:			
	Particulars			
	Govt. Share	794,634,400	794,634,400	794,634,400
	Public Share	730,716,000	730,716,000	730,716,000
		1,525,350,400	1,525,350,400	1,525,350,400
14.01	Classification of Shares by holding at 30th June, 2020			
	Class by number of shares	30-Jun-20		
		Number of Holders	Number of Shares	% of Share Holding
	Less than 500 Shares	102,035	5,728,672	3.76
	From 500 to 5,000 Shares	6,355	10,835,512	7.10
	From 5,001 to 10,000 Shares	835	6,140,348	4.03
	From 10,001 to 20,000 Shares	433	6,083,577	3.99
	From 20,001 to 30,000 Shares	121	3,050,576	2.00
	From 30,001 to 40,000 Shares	65	2,273,950	1.49
	From 40,001 to 50,000 Shares	39	1,790,526	1.17
	From 50,001 to 100,000 Shares	70	4,936,230	3.24
	From 100,001 to 1,000,000 Shares	40	8,409,316	5.51
	From 1,000,001 and Above	10	103,286,333	67.71
		110,003	152,535,040	100
14.02	Composition of Shareholders at 30th June, 2020			
	Name of Shareholders	30-Jun-20		
		No. of Shares	% of Share Holding	
	Govt. of the People's Republic of Bangladesh	79,463,440	52.10	
	Institutes	19,970,054	13.09	
	Other Shareholders	53,101,546	34.81	
		152,535,040	100	
15.00	Share Premium	4,647,680,000	4,647,680,000	4,647,680,000
16.00	Capital Reserve			
	Danish - Grant	51,613,078	51,613,078	51,613,078
	Adjusted in Year, 1982-83	97,050,240	97,050,240	97,050,240
	Valuation of Donated and Impounded Vessels, Vacuators and spares	29,398,902	29,398,902	29,398,902
	Excess of Assets over Liabilities of Bangladesh	10,835,211	10,835,211	10,835,211
	Valuation of Stores Received at the Time of Delivery of Vessels	5,512,616	5,512,616	5,512,616
	Excess of Assets Over Liabilities at BSC's Formation	4,415,906	4,415,906	4,415,906
	Workshop on Incorporation of the Same in the Books of the Corporation	100,395	100,395	100,395
	Profit/(Loss) on Sale of Fixed Assets	(86,488,461)	(86,488,461)	(86,488,461)
	Penalty for Late Delivery	17,922,538	17,922,538	17,922,538
		130,360,425	130,360,425	130,360,425



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019	July 01, 2018 (Restated)
17.00	Long Term Loan			
	Overseas Economic Co-operation Fund, Japan (Note - 17.01)	536,003,698	536,003,698	536,003,698
	Bangladesh Government Loan (Note - 17.02)	103,200,000	103,200,000	103,200,000
	Government Loan - Marine Workshop Modernization (Note - 17.03)	23,333,494	41,701,521	60,069,548
	Chinese Concessional Loan (06 Vessels) (Note - 17.04)	15,005,300,000	15,005,300,000	-
		<u>15,667,837,192</u>	<u>15,686,205,219</u>	<u>699,273,246</u>
17.01	Overseas Economic Co-operation Fund and BD Govt. loan were shown since long time.			
	To buy 04 (four) fleet vessels for Bangladesh Shipping Corporation (BSC), a loan agreement of amounting 09 (nine) billion yen equivalent to BDT 60.07 crore was signed on 20th April, 1979 between the Government of Bangladesh and Overseas Economic Co-operation Fund, Japan. This loan's payback period was 30 (thirty) years including 10 years grace period with 60 (sixty) half yearly installment and interest rate was 2.75%. As per a Government order of dated 22nd June, 1997 the amount of BDT 6,46,55,302 had been converted into "SHARES". The rest of the payable loan amount is BDT 53,60,44,698 only. BSC paid to the Government a total amount of BDT 15,52,29,688.36 only as interest payment of the said loan amount. Japan Government exempted the total amount of loan and interest to the Government of Bangladesh vide a memo no. ERD/JAP-3/Miscellaneous/12/93-601; dated 13th September, 1990 of Ministry of Finance. BSC submitted an application to the Government to consider full exemption from the said loan. According to that application the Government rescheduled the loan a total amount of BDT 60.07 crore with interest rate 2.75% vide an office order Ref: Finance /FD/MC/BS/94/49; dated 09th September, 1995 of Ministry of Finance. Finally, in the 204th Board meeting of BSC Board of Directors it was approved that the rest of the payable loan amount of BDT 53,60,03,698 only shall be converted into the Government equity which was submitted to Ministry of Finance for approval. But the ministry of finance not yet approved this application and no interest on this balance have been provided 2009-2010 to till now.			
17.02	The loan amounting to BDT 103,200,000 received from Bangladesh Government for payment of retirement benefits of 140 employees retired under Self-Retirement Scheme undertaken by management in 2002. The loan is repayable after 1 year grace period with interest at a rate 5%. The balance has been remained unpaid since 2002.			
17.03	The loan taken from Bangladesh Government for the purpose of Modernization of BSC Marine Workshop as at 15th April, 2012. Total loan amount is BDT 79,594,785. The loan period is 15 years including 2 years grace period and interest rate is 5% per annum.			
17.04	Under the project of procuring 06 (six) new vessels three (03) "Product Oil Tankers" and three (03) "Bulk Carriers" of about 39,000 DWT each, Bangladesh Shipping Corporation (BSC) has collected 06 (six) number of ships for its fleets. A concessional Loan Agreement of an amount RMB ¥ 1,200,000,000.00 (Ren-min-bi Yuan One Billion Two Hundred Million Only) equivalent to BDT 1500.53 crore (Fifteen Hundred Crore and Fifty Three Lac only) was signed on 05th October, 2016 and 14th October, 2016 respectively between the Government of the People's Republic of Bangladesh and the Government of the People's Republic of China. The loan pay back period is 20 (twenty) years including utilization, grace and repayment period. The grace period of this loan is 05 (five) years and the interest rate is 2% per annum. Informartively, the supplementary loan agreement (SLA) is still not made between the Ministry of Finance and Bangladesh Shipping Corporation (BSC).			
18.00	Defined Benefit Obligations - Gratuity			
	Opening Balance	309,963,641	378,069,740	413,947,820
	Provision made during the year	39,032,679	39,844,500	81,149,802
		<u>348,996,320</u>	<u>417,914,240</u>	<u>495,097,622</u>
	Paid during the year	(61,594,530)	(107,950,599)	(117,027,882)
	Closing Balance	<u>287,401,790</u>	<u>309,963,641</u>	<u>378,069,740</u>
19.00	Deferred Tax Liability/(Assets)			
	Opening Balance	99,782,906	(67,519,450)	32,878,919
	Increase/(Decrease) of Deferred Tax Liability	(328,458,008)	(167,302,356)	100,398,369
	Closing Balance	<u>428,240,914</u>	<u>99,782,906</u>	<u>(67,519,450)</u>
	****Details shown in Annexure - B			
20.00	Current Portion of Long Term Loan			
	Government Loan - Marine Workshop Modernization	36,736,054	36,736,054	18,368,027
		<u>36,736,054</u>	<u>36,736,054</u>	<u>18,368,027</u>



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019	July 01, 2018 (Restated)
21.00	Creditors and Accruals			
	Other Finance	29,523,762	24,342,827	33,585,954
	BADC Claim Adjustments	571,876	-	-
	Income Tax- Contractors and Suppliers	2,970,385	3,490,145	811,706
	Demurrage Payment Account - BPC	103,064,802	108,767,514	73,825,740
	Security Deposits (Crew)	3,613,224	-	-
	Security Deposits Received	72,902,337	74,127,337	92,107,342
	VAT Account	3,739,829	2,555,068	466,611
	Service charge (Advertisement)	84,290	58,025	28,808
	Welfare Fund	9,491	8,291	-
	Vehicle Repair and Maintenance	138,733	138,733	-
	Group Insurance Payable	24,825	-	-
	Provision for Expenses (Note - 21.01)	801,705,925	731,072,376	354,352,787
		<u>1,018,349,478</u>	<u>944,560,315</u>	<u>555,178,950</u>
21.01	Provision for Expense			
	Salary & Allowance - Afloat	34,738,897	27,594,248	21,500,000
	Crew Bonus	237,860	-	-
	Victualing	12,832,500	27,623,737	817,570
	Provident Fund	6,276,600	7,024,593	63,945,000
	Fresh Water Supply	-	29,670,307	-
	Deck Engine, Electrical & Saloon	52,426,157	10,000,000	1,420,588
	Spare Parts	20,000,000	-	1,445,306
	Operating Expenses	15,340,983	47,260,075	811,265
	Port Light Canal Custom	73,699,794	170,627,480	178,178,866
	Insurance	8,239,683	17,982,392	4,156,440
	Provision for Bad Debts (Trade Receivables) - (Note-21.01A)	75,852,942	74,176,021	2,769,117
	Provision for Bad Debts (Agent C/A) - (Note-21.01B)	48,154,625	32,179,625	16,204,625
	Provision for Bad Debts (Employee Advance) - (Note-21.01C)	328,910	-	-
	Vessel Repair & Survey Fees	374,977,930	236,798,800	50,015,037
	Voyage Charter Expenses	27,600,000	-	-
	Share Expenses	-	3,000,000	4,607,880
	Audit Fee	260,000	120,000	120,000
	Telephone & Trunkcall	50,000	70,000	69,770
	Light, Power & Water	10,002,524	11,550,000	259,320
	Recruitment Expenses	6,191,768	5,000,000	-
	Office General Expenses (Vehicle Running Repairs)	383,220	-	8,000,000
	Internet & Website (Alpha level)	1,093,487	30,000	32,000
	Legal Fees	160,000	200,000	-
	Ship Delivery Expenses	-	7,000,000	-
	Fleet Communication	7,103,254	2,530,000	-
	Office Machinery and Equipment's	-	3,735,098	-
	Profit Bonus	21,820,382	15,000,000	-
	Medical Expenses	2,782,404	-	-
	BSC Marine Workshops	1,152,005	1,900,000	-
		<u>801,705,925</u>	<u>731,072,376</u>	<u>354,352,787</u>

21.01A Provision for Bad Debts (Trade Receivables)

***An amount of BDT 3,35,38,427.46 receivable from three (03) parties namely Sundry Debtors BDT. 15,037,323.15, Bangladesh Jute Mills Corporation BDT.13,383,356.02, & Directorate General of Defence Purchase BDT. 5,117,748.29 respectively have been carried forward from the financial year 2006-2007 under the head of "Trade Receivable", which indicates doubtful of recovery. In the current financial year 2018-2019 provision for bad debts have been charged 5% on above said amount as per section -21(2) of Bangladesh Shipping Corporation Act - 2017.



Note No:	Particulars	Amount In BDT		
		June 30, 2020	June 30, 2019	July 01, 2018 (Restated)
21.01B	Provision for Bad Debts (Agent C/A)			
	***An amount of BDT. 319,499,992 under "Agents Control Account" have been carried forward since 2006-2007 under the head of Other Receivable, which indicates doubtful of recovery. In the current financial year 2018-2019 provision for bad debts have been charged 5% on above said amount as per section -21(2) of Bangladesh Shipping Corporation Act-2017.			
21.01C	Provision for Bad Debts (Employee Advance)			
	An amount of BDT 6,578,198.89 advanced to the 42 employees of BSC and that are remained unrealized for more than three years. As per BSC Act 2017, provision is made 5% on the BDT 328,909.94.			
22.00	Contract Liability			
	Six Vessels Charter Account	-	9,544,052	-
		-	9,544,052	-
23.00	Interest on Long Term Loans			
	Overseas Economic Co-operation Fund, Japan	319,826,404	319,826,404	319,826,404
	Bangladesh Government Loan	99,072,000	93,912,000	88,752,000
	Government Loan - Marine Workshop Modernization	21,451,819	37,030,980	33,109,101
	Chinese Concessional Loan	446,645,859	146,539,859	-
		886,996,082	597,309,243	441,687,505
24.00	Provision for Income Tax			
	Opening Balance	157,551,481	121,103,202	89,108,540
	Provision made During the Year	31,635,120	36,448,279	31,994,661
		189,186,601	157,551,481	121,103,202
	Paid During the Year	-	-	-
	Closing Balance	189,186,601	157,551,481	121,103,202
	Year wise details are as follows:			
	Income year (2012-2013)	16,429,813	16,429,813	16,429,813
	Income year (2013-2014)	8,886,995	8,886,995	8,886,995
	Income year (2014-2015)	14,609,942	14,609,942	14,609,942
	Income year (2015-2016)	25,175,725	25,175,725	25,175,725
	Income year (2016-2017)	24,006,064	24,006,064	24,006,064
	Income year (2017-2018)	31,994,661	31,994,661	31,994,661
	Income year (2018-2019)	36,448,279	36,448,279	-
	Income year (2019-2020)	31,635,120	-	-
		189,186,601	157,551,481	121,103,202
25.00	Dividend Payable			
	Opening Balance	29,546,838	27,049,910	24,449,973
	Declared During the Year	73,071,600	43,842,961	73,071,600
		102,618,438	70,892,871	97,521,573
	Paid During the Year	(71,966,248)	(41,346,033)	(70,471,663)
	Closing Balance	30,652,190	29,546,838	27,049,910
	Year wise details are as follows:			
	Dividend (2010-2011)	4,304	4,304	4,304
	Dividend (2011-2012)	2,306,102	2,306,102	2,306,102
	Dividend (2012-2013)	6,749,580	6,749,580	6,750,120
	Dividend (2013-2014)	4,250,970	4,250,970	4,253,052
	Dividend (2014-2015)	2,778,765	2,778,765	2,787,679
	Dividend (2015-2016)	8,345,884	8,345,884	8,348,716
	Dividend (2016-2017)	2,330,195	2,425,180	2,599,937
	Dividend (2017-2018)	1,511,083	2,686,053	-
	Dividend (2018-2019)	2,375,308	-	-
		30,652,190	29,546,838	27,049,910

*** Dividend had declared for the financial year 2018-2019 amounting BDT 152,535,040, out of which BDT 79,463,440 for Government Shareholding and BDT 73,071,600 for Public Shareholding. Subsequently, the corporation paid dividend to public through bank and the dividend portion of Government is not paid because of not approving for required fund from respective authority.



Note No:	Particulars	Amount In BDT	
		June 30, 2020	June 30, 2019
26.00	Freight Revenue		
	Lighterage	587,024,927	626,569,251
	Time Charter (Six Vessels)	1,923,026,452	928,474,069
		<u>2,510,051,379</u>	<u>1,555,043,320</u>
	*** In the the year 2019-2020 compared to that of 2018-2019, the freight revenue has been increased significantly. As the newly procured 06 (Six) vessels from China are commercially employed on Time Charter/ voyage charter in full capacity for this reason freight revenue has increased.		
27.00	Service Revenue		
	Address Commission	126,944,429	143,033,680
	Service Charges	158,399,015	152,823,519
	Birth Right Charge	3,606,590	-
		<u>288,950,034</u>	<u>295,857,199</u>
28.00	Fleet Expenses (Direct)		
	Salary and Allowances (Afloat)	360,755,742	251,988,693
	Fuel, Oil and Water	189,699,211	97,630,696
	Fresh Water Supply	-	29,670,309
	Insurance	108,589,759	71,707,613
	Agency Commissions & Brokerage	2,156,506	932,531
	Deck and Engine Expenses	58,116,861	54,685,897
	Dispatch / Demurrage	630,046	34,941,774
	Fleet Communication	3,204,060	8,843,731
	General Expenses	-	49,036,579
	Port, Canal and Custom Dues	14,955,282	7,832,174
	Spares parts	35,993,154	51,044,577
	Vessel Repairs & Survey Fees	363,290,747	242,557,609
	Victualing Expenses	26,333,714	24,774,670
	Depreciation (Annexure - A)	473,218,545	239,635,279
	Operating Sundry Expenses	1,726,445	-
	Hatching Cleaning Charges	158,440	-
	Voyage Expense (Joyjatra)	27,600,000	-
		<u>1,666,428,512</u>	<u>1,165,282,133</u>
29.00	Fleet Expenses (Indirect)		
	Salary and Allowances	60,649,600	27,653,333
	Chart & Publications	3,138,349	1,909,001
	General Agent Expense	-	6,701,022
	Ship Delivery Expenses	-	7,000,000
	VAT (Service Charges)	23,760,493	22,290,971
	Depreciation (Annexure - A)	23,346,036	25,235,344
		<u>110,894,478</u>	<u>90,789,671</u>

*** Compared to the financial year 2018-19, Fleet Expenses (Direct and Indirect) have increased considerably in the year of 2019-20. As because, the above mentioned new 06 (six) ships are fully employed commercially all over the world in this year and these employment enhances crew salary and allowances, fleet communications, vessels surveys, victualing, insurance, and vessel depreciation expenses etc. in the form of operational expenditures in large.



Note No:	Particulars	Amount In BDT	
		June 30, 2020	June 30, 2019
30.00	Other Income		
	Difference in Exchange Gain	4,540,443	-
	Birth Right Charges	-	3,791,876
	Others	-	2,585,000
	Interest Income - On FDR	309,208,270	278,655,189
	Misc. Receipt- Scrap, Tender, Bond Money etc.	9,839,742	2,397,817
	Call Charge	2,123,750	-
	Rent Rates Income	77,854,119	78,345,777
	Service Charge - BSC Dhaka Building	5,470,264	-
	Bond Money	-	711,300
	Interest Income - On Dividend Account	652,661	-
	Interest Income - On SND Account	19,717,331	12,388,665
		429,406,580	378,875,624
31.00	Administrative Expenses		
	Office General Expenses	78,913,044	63,852,484
	Difference in Exchange Expenses	10,099,725	3,159,856
	Salary & Allowances	177,739,368	197,402,664
	Professional Expenses	34,400	163,000
	BSC Anniversary Celebration	1,419,767	1,433,201
	Gratuity	38,800,408	39,844,500
	Provident Fund	18,523,430	11,368,129
	Insurance-Group	47,912	-
	Insurance - Shore Assets	560,382	688,058
	Bad debt Expenses	17,980,831	87,381,904
	Share Expenses	2,493,838	11,789,751
	Professional Fee - Statutory Audit	140,000	120,000
	Recruitment Expenses	5,000,000	5,000,000
	Depreciation (Annexure - A)	12,570,942	13,588,262
	VAT	10,328	-
		364,334,375	435,791,809
32.00	Financial Expenses		
	Interest on Bangladesh Government Loan	5,160,000	5,160,000
	Interest on Marine Workshop Modernization	3,979,739	3,921,879
	Interest on Chinese Concessional Loan	300,106,000	146,539,859
	Bank Charge	2,729,285	3,434,248
		311,975,024	159,055,986



Note No:	Particulars	Amount In BDT	
		June 30, 2020	June 30, 2019
33.00	Reconciliation of Net Income with Cash Flows from Operating Activities		
	Net Profit Before Tax	774,775,605	378,856,544
	Adjustments for :		
	Depreciation Expense	509,135,523	278,458,886
	Foreign Exchange (Gain)/Loss	(4,540,443)	3,159,856
		<u>504,595,080</u>	<u>281,618,742</u>
	Changes in Working Capital :		
	Trade and Other Receivable	(188,893,447)	(169,055,131)
	Inventories	5,916,221	(100,441,513)
	Advances, Deposits and Prepayments	(160,271,628)	(109,509,464)
	Defined Benefit Obligation - Gratuity	(22,561,851)	(68,106,099)
	Creditors and Accruals	73,789,163	389,381,365
	Contract Liability	(9,544,052)	9,544,052
		<u>(301,565,594)</u>	<u>(48,186,790)</u>
	Cash Generated from/(used in) Operations	<u>977,805,091</u>	<u>612,288,496</u>
	Interest on Long Term Loan	289,686,839	155,621,738
	Income Tax Paid	(31,635,120)	(36,448,279)
		<u>258,051,719</u>	<u>119,173,459</u>
	Net Cash from/(used in) Operating Activities	<u>1,235,856,811</u>	<u>731,461,955</u>
34.00	Basic Earning Per Share (EPS)		
	Net Profit After Tax	414,682,477	175,105,909
	Number of Ordinary Shares During the year	152,535,040	152,535,040
		<u>2.72</u>	<u>1.15</u>
35.00	Net Asset Value Per Share (NAVPS)		
	Total Assets	27,092,408,850	26,076,597,421
	Total Liabilities	(18,545,400,300)	(17,871,199,748)
	Net Assets Value	<u>8,547,008,550</u>	<u>8,205,397,673</u>
	Number of Ordinary Shares During the year	152,535,040	152,535,040
	Net Asset Value Per Share	<u>56.03</u>	<u>53.79</u>
36.00	Net Operating Cash Flows per Share (NOCFPS)		
	Net cash from/(used in) Operating Activities	1,235,856,811	731,461,955
	Number of Ordinary Shares During the year	152,535,040	152,535,040
	Net Operating Cash Flows per Share	<u>8.10</u>	<u>4.80</u>



37.00 Impact of Restatement

The impact of the adjustments led to a restatement of financial statements as at and for the ended 30 June 2019 the immediate corresponding period and as at 01 July 2018 the additional IFRS balance sheet date.

Statement of Financial Position	Impact of Restatement		
	As previously reported	Adjustment	As restated
As on 30 June, 2018			
Deferred Tax Asset	-	67,519,450	67,519,450
Total Assets	-	67,519,450	-
Long Term Loan	717,641,273	(18,368,027)	699,273,246
Current Portion of Long Term Loan	-	18,368,027	18,368,027
Deferred Tax Liability	3,705,090	(3,705,090)	-
Creditors and Accruals	380,318,931	174,860,019	555,178,950
Total Liability	380,318,931	171,154,929	555,178,950
Retained Earnings	(2,201,720,763)	(103,635,479)	(2,305,356,242)
Total Equity		(103,635,479)	
As on 30 June, 2019			
Property, Plant and Equipment	19,713,334,435	(15,608,514)	19,697,725,921
Other Receivables	470,774,582	(1,833,113)	468,941,469
Deferred Tax Asset	188,886,592	(188,886,592)	-
Total Assets	19,713,334,435	(206,328,220)	19,697,725,921
Long Term Loan	15,722,941,273	(36,736,054)	15,686,205,219
Current Portion of Long Term Loan	-	36,736,054	36,736,054
Interest on Long Term Loans	450,769,384	146,539,859	597,309,243
Creditors and Accruals	831,686,207	112,874,108	944,560,315
Provision for Income Tax	240,857,953	(83,306,472)	157,551,481
Deferred Tax Liabilities	-	99,782,906	99,782,906
Total Liability	1,523,313,544	275,890,400	1,799,203,944
Retained Earnings	(1,693,249,509)	(480,843,785)	(2,174,093,294)
Fair Value Gain on Foreign Currency Translation	1,374,834	(1,374,834)	-
Total Equity		(482,218,619)	

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June, 2019	Impact of Restatement		
	As previously reported	Adjustment Required	As restated
Financial Expenses	12,516,127	146,539,859	159,055,986
Corporate Tax	119,754,751	(83,306,472)	36,448,279
Deferred Tax	(193,049,961)	360,352,317	167,302,356
Operating Expenses (Fleet Expense (Direct))	1,200,659,529	(35,377,397)	1,165,282,133
Administrative Expenses	446,791,809	(11,000,000)	435,791,809
Total		377,208,306	

Reconciliation of Audited P/L & OCI Vs. Restated P/L & OCI (For the year ended 30 Jun 2019)

Net Profit After Tax As per Audited FS	552,314,215
Less : Impact of correction of errors	377,208,306
Net Profit After Tax (Restated)	<u>175,105,909</u>

Secretary

Executive Director (Finance)

Kazi Md. Shafiqul Alam
Joint Secretary

Executive Director (Finance)
Bangladesh Shipping Corporation
Chattogram.

Managing Director

Commodore Mahmud Sabbir, BN
Managing Director
Bangladesh Shipping Corporation



BANGLADESH SHIPING CORPORATION
Schedule Of Property, Plant & Equipment

For the Year Ended June 30, 2020

Annexure-A

SL. No.	PARTICULARS	C O S T				Rate of Dep.	D E P R E C I A T I O N				Written Down value as at June 30, 2020
		Balance as at July 01, 2019	Addition during the year	Disposal During the Year	Balance as at June 30, 2020		Balance as at July 01, 2019	Charged for the year	Disposal During the Year	Balance as at June 30, 2020	
1	Land	3,830,850,000	-	-	3,830,850,000	-	-	-	-	-	3,830,850,000
2	Building (Head Office)	250,093,506	-	-	250,093,506	2.5%	87,897,361	-	91,952,264	-	158,141,242
3	Building (Marine Workshop)	141,685,265	-	-	141,685,265	15%	77,779,565	-	87,365,420	-	54,319,845
4	Building (Dhaka Office)	630,618,000	-	-	630,618,000	2.5%	39,046,586	-	53,835,871	-	576,782,129
5	Motor Vehicle	37,091,521	-	-	37,091,521	20%	26,245,316	-	28,414,557	-	8,676,964
6	Office Machine & Equipment	12,868,020	5,128,616	-	17,996,636	10%	3,735,242	-	5,161,382	-	12,835,255
7	Furniture and Fixture	6,327,571	200,936	-	6,528,507	10%	1,970,478	-	2,426,281	-	4,102,227
8	Workshop Machine	116,631,076	417,300	-	117,048,376	15%	97,762,099	-	100,655,040	-	16,393,336
9	Electric Installation	35,261,916	-	-	35,261,916	20%	32,547,870	-	33,090,680	-	2,171,237
10	Vacuator	5,220,000	-	-	5,220,000	10%	2,723,290	-	2,972,961	-	2,247,039
Fleet (02 Old Vessels)											
1	MV Banglar Sourabh	160,246,802	10,214,537	-	170,461,339	10%	60,525,273	-	71,518,880	-	98,942,459
2	MV Banglar Jyoti	178,544,362	7,373,957	-	185,918,319	10%	66,905,644	-	78,806,911	-	107,111,408
Fleet (06 New Vessels)											
1	MV Banglar Joyjatra	2,044,240,000	-	-	2,044,240,000	4%	53,912,945	-	112,132,545	-	1,932,107,455
2	MV Banglar Sammridhi	2,044,240,000	-	-	2,044,240,000	4%	39,078,910	-	97,298,510	-	1,946,941,490
3	MV Banglar Arjan	2,069,540,000	-	-	2,069,540,000	4%	29,534,661	-	88,766,261	-	1,980,773,739
4	MV Banglar Agrajatra	2,924,960,000	-	-	2,924,960,000	4%	38,680,478	-	129,182,878	-	2,795,777,122
5	MV Banglar Agradoot	2,961,160,000	-	-	2,961,160,000	4%	44,841,565	-	136,791,965	-	2,824,368,035
6	MV Banglar Agragoti	2,961,160,000	-	-	2,961,160,000	4%	9,824,837	-	101,775,237	-	2,859,384,763
TAKA = (2020)		20,410,738,040	23,335,346	-	20,434,073,386		713,012,119	-	1,222,147,642	-	19,211,925,744
TAKA = (2019)		5,364,690,406	15,046,047,633	-	20,410,738,040		434,553,233	-	713,012,119	-	19,697,725,921

Allocation Of Depreciation	Notes	30-Jun-20	30-Jun-19
Direct (Fleet & Vacuator)	28.00	473,218,545	239,635,279
Indirect (Other Assets) - 65%	29.00	23,346,036	25,235,344
Administrative Expenses (Other Assets) - 35%	31.00	12,570,942	13,588,262
Total		509,135,523	278,458,886



BANGLADESH SHIPPING CORPORATION
DEFERRED TAX
FOR THE YEAR ENDED JUNE 30, 2020

Deferred tax (assets)/ Liability recognized in accordance with the provision of IAS-12, is arrived as follows:

Annexure- B

Particulars	Amount In BDT		
	June 30, 2020	June 30, 2019	June 30, 2018
Opening Balance	99,782,906 (328,458,008)	(67,519,450) (167,302,356)	32,878,919 100,398,369
Closing Balance	<u>428,240,914</u>	<u>99,782,906</u>	<u>(67,519,450)</u>

Reconciliation of Deferred Tax Liabilities/ (Assets) are as follows:

Deferred Tax Liability/ (Assets)	Amount of Financial Performance	Tax Base	Temporary Differences
At June 30, 2020			
Property, Plant & Equipment (Except Land)	15,381,075,744	13,256,702,731	2,124,373,012
Liability to Employees (Gratuity)	(287,401,790)	-	(287,401,790)
Bad Debt Provision	(124,007,567)	-	(124,007,567)
Net Temporary Differences	<u>14,969,666,387</u>	<u>13,256,702,731</u>	<u>1,712,963,656</u>
Applicable Tax Rate			25%
Deferred Tax Liability/ (Assets)			<u>428,240,914</u>

Deferred Tax Liability/ (Assets)	Amount of Financial Performance	Tax Base	Temporary Differences
At June 30, 2019			
Property, Plant & Equipment (Except Land)	15,866,875,921	15,051,425,011	815,450,910
Liability to Employees (Gratuity)	(309,963,641)	-	(309,963,641)
Bad Debt Provision	(106,355,646)	-	(106,355,646)
Net Temporary Differences	<u>15,450,556,634</u>	<u>15,051,425,011</u>	<u>399,131,623</u>
Applicable Tax Rate			25%
Deferred Tax Liability/ (Assets)			<u>99,782,906</u>

Deferred Tax Liability/ (Assets)	Amount of Financial Performance	Tax Base	Temporary Differences
At June 30, 2018			
Property, Plant & Equipment (Except Land)	1,099,287,174	972,321,492	126,965,682
Liability to Employees (Gratuity)	(378,069,740)	-	(378,069,740)
Bad Debt Provision	(18,973,742)	-	(18,973,742)
Net Temporary Differences	<u>702,243,692</u>	<u>972,321,492</u>	<u>(270,077,800)</u>
Applicable Tax Rate			25%
Deferred Tax Liability/ (Assets)			<u>(67,519,450)</u>



BANGLADESH SHIPPING CORPORATION
Schedule Of Property, Plant & Equipment

For the Year Ended June 30, 2020

Depreciation allowance as per 3rd schedule of ITO 1984

Annexure-C

SL. No.	PARTICULARS	HISTORICAL COST				Rate of dep.	ACCUMULATED DEPRECIATION				Written Down value as at June 30, 2020
		Balance as at July 01, 2019	Addition during the year	Disposal during the Year	Balance as at June 30, 2020		Balance as at July 01, 2019	Charged for the year	Disposal during the Year	Balance as at June 30, 2020	
1	Land	3,830,850,000	-	-	3,830,850,000	-	-	-	-	-	3,830,850,000
2	Building (General)	186,771,254	-	-	186,771,254	10%	16,809,413	-	35,486,538	-	151,284,716
3	Building(Dhaka Office)	510,800,580	-	-	510,800,580	10%	45,972,052	-	97,052,110	-	413,748,470
4	Motor Vehicle	13,539,111	-	-	13,539,111	20%	2,707,822	-	4,874,080	-	8,665,031
5	Office Machine and Equipment	8,198,228	5,128,616	-	13,326,844	20%	2,337,440	-	3,977,086	-	9,349,758
6	Furniture and Fixture	4,827,870	200,936	-	5,028,806	10%	482,787	-	937,389	-	4,091,417
7	Workshop Machine	18,546,731	417,300	-	18,964,031	20%	3,050,937	-	6,760,283	-	12,203,748
8	Electric Installation	3,392,557	-	-	3,392,557	20%	542,809	-	1,221,320	-	2,171,237
9	Vacuator	1,368,392	-	-	1,368,392	20%	218,943	-	492,621	-	875,771
10	Fleet New Vessels (06 Vessels)	15,005,300,000	-	-	15,005,300,000	12%	1,700,487,569	-	2,535,057,829	-	12,470,242,171
11	Fleet Old Vessels (02 Vessels)	265,624,403	17,588,494	-	283,212,897	20%	46,017,603	-	99,142,484	-	184,070,413
	TAKA = (2020)	19,849,219,125	23,335,346	-	19,872,554,471		1,818,057,626	-	2,785,001,740	-	17,087,552,731
	TAKA = (2019)	4,803,171,492	15,046,047,633	-	19,849,219,125		966,944,114	-	966,944,114	-	18,882,275,011



BANGLADESH SHIPPING CORPORATION
SCHEDULE OF SHORT TERM INVESTMENT
AS AT JUNE 30, 2020

Annexure- D

SL No.	BANK NAME	ACCOUNT NUMBER	June 30, 2020	June 30, 2019
1	Agrani Bank Limited	Various	333,326,958	583,156,507
2	Basic Bank Limited	Various	700,787,281	750,787,281
3	BRAC Bank Limited	Various	98,942,200	80,000,000
4	Eastern Bank Limited	Various	10,000,000	60,000,000
5	First Security Islami Bank Limited	Various	-	42,095,979
6	HSBC Bank Limited	Various	103,468,300	107,900,000
7	Janata Bank Limited	Various	1,668,687,119	1,193,700,000
8	Mutual Trust Bank Limited	Various	142,095,979	40,000,000
9	Rupali Bank Limited	Various	1,772,851,303	1,105,369,793
Total			4,830,159,139	3,963,009,559



**BANGLADESH SHIPPING CORPORATION
SCHEDULE OF SHORT NOTICE DEPOSITS
AS AT JUNE 30, 2020**

Annexure- E

SL No.	BANK NAME	BRANCH	ACCOUNT NUMBER	June 30, 2020	June 30, 2019
1	Agrani Bank Limited	Agrabad	0200-011798943	7,657,420	505,627,802
2	Agrani Bank Limited	Khulna	0200-02171572	22,657	22,298
3	Agrani Bank Limited	Port	0200-001988265	24,062,599	2,729,119
4	Dhaka Bank Limited	Andarkilla	0271-500001001	108,166	108,894
5	Dhaka Bank Limited	Foreign Exchange	2031-500001682	2,025,860	1,416,311
6	Dhaka Bank Limited	Foreign Exchange	2031-500001694	2,129,815	2,860,964
7	Dhaka Bank Limited	Foreign Exchange	2031-500001708	9,620,764	6,195,268
8	Eastern Bank Limited	Khulna Branch	2001-040000133	4,564	5,667
9	Eastern Bank Limited	Agrabad	0011-040000499	364,682	362,786
10	HSBC Bank Limited	Agrabad	004-091633067	132,171,852	7,413,389
11	Janata Bank Limited	Khulna	0100-009181045	6,795	7,821
12	Janata Bank Limited	Port	0100-005261583	80,577,249	20,816,582
13	Janata Bank Limited	Port	Old(349)0100-005261214	14,029	132,978
14	Janata Bank Limited	Port	0100-005261435	287,856	280,167
15	One Bank Limited	EPZ	0843-000000049	36,071,248	7,478,055
16	Pubali Bank Limited	Agrabad	0332-102000044	401,188	390,020
17	Pubali Bank Limited	Khulna	0886-102000116	3	441
18	Rupali Bank Limited	-	240000202	91,267	91,267
19	Rupali Bank Limited	BSC M/W	1404-024000001	8,416,713	4,408,462
20	Sonali Bank Limited	Agrabad Corp.	0801-136000195	549,744	534,545
21	Sonali Bank Limited	Dhaka	1604-836000369	63,298	61,427
22	Standard Chartered Bank	Agrabad	0224-7525101	173,145	173,835
23	Standard Chartered Bank	Agrabad	3224-7525101	35,222,995	54,268,029
24	Islami Bank Limited	Agrabad	20501030900010100	111,267,605	-
25	Trust Bank Limited	Dilkhusha Branch	Various	542,589	539,072
Total				451,854,105	615,925,198



BANGLADESH SHIPPING CORPORATION
SCHEDULE OF CURRENT DEPOSIT
AS AT JUNE 30, 2020

Annexure- F

SL No.	BANK NAME	BRANCH NAME	ACCOUNT NUMBER	June 30, 2020	June 30, 2019
1	SBAC Bank Limited	Dhaka	0067111001078	36,542	-
2	Agrani Bank Limited	Agrabad	0200-011798942	188,073	473,685
3	Agrani Bank Limited	Khulna	0200-002165233	9,472	10,162
4	Agrani Bank Limited	Port Corporate	0200-001985848	54,747	267,137
5	Eastern Bank Limited	Agrabad	0011-060005899	563	-
6	Eastern Bank Limited	Khulna	2001-060000637	23,130	24,281
7	HSBC Bank Limited	Agrabad	004-091633-016	108,033,294	-
8	Janata Bank Limited	Khulna	0100008790340	85,855	1,539,873
9	Janata Bank Limited	Port Corporate	0100-005356291	47,766	48,456
10	Janata Bank Limited	Port Corporate	0100-005231048	129,102	39,913
11	Janata Bank Limited	Port Corporate	0100-005301828	80,522	81,212
12	Janata Bank Limited	Port Corporate	0100-005356495	120,517	121,357
13	Pubali Bank Limited	BSC M.W	0332-901034085	3,023	3,022
14	Pubali Bank Limited	Agrabad	0332-901016937	31,791	32,941
15	Pubali Bank Limited	Khulna	0886-901015934	132,354	132,964
16	Rupali Bank Limited	BSC M.W	1404-020000499	6,524,021	1,419,647
17	Sonali Bank Limited	Dhaka	1621-200001645	182,918	182,918
18	Sonali Bank Limited	Dhaka	1604-833002731	2,222,423	1,364,979
19	Islami Bank Limited	Agrabad	1030100609107	73,580	-
20	Standard Chartered Bank Limited	Agrabad	0124-7525101	207,201	207,231
Total				118,186,893	5,949,778

