

BANGLADESH SHIPPING CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

Particulars	Notes	Amount In BDT	
		30-Jun-19	30-Jun-18
Assets			
Non Current Assets		19,859,767,328	4,977,002,345
Property, Plant & Equipment	5.00	19,713,334,434	4,930,137,173
Capital Work -in -Progress	6.00	146,432,894	46,865,172
Current Assets		6,423,158,312	5,270,343,510
Inventories	7.00	144,749,176	44,307,663
Short-Term Investment	8.00	3,963,009,559	4,218,458,869
Trade Receivables	9.00	383,362,101	166,304,954
Advances, Deposits & Pre-payments	10.00	139,947,704	30,438,240
Other Receivables	11.00	470,774,582	516,943,485
Advance Income Taxes	12.00	208,828,208	172,379,929
Cash and Cash Equivalents	13.00	923,600,390	121,510,369
Deferred Tax Assets	19.00	188,886,592	-
Total Assets		26,282,925,640	10,247,345,855
Equity & Liabilities			
Equity		8,687,616,292	8,177,770,204
Share Capital	14.00	1,525,350,400	1,525,350,400
Share Premium	15.00	4,647,680,000	4,647,680,000
Capital Reserve	16.00	130,360,425	130,360,425
Revaluation Reserve	-	4,076,100,142	4,076,100,142
Fair Value Gain on Foreign Currency Translation	-	1,374,834	-
Retained Earnings	-	(1,693,249,509)	(2,201,720,763)
Liabilities			
Non-current Liabilities		16,032,904,914	1,099,416,103
Long Term Loan	17.00	15,722,941,273	717,641,273
Defined Benefit Obligations - Gratuity	18.00	309,963,641	378,069,740
Deferred Tax Liability	19.00	-	3,705,090
Current Liabilities		1,562,404,434	970,159,548
Creditors and Accruals	20.00	831,686,207	380,318,931
Contract Liability	21.00	9,544,052	-
Interest on Long Term Loans	22.00	450,769,384	441,687,505
Provision for Income Tax	23.00	240,857,953	121,103,202
Dividend Payable	24.00	29,546,838	27,049,910
Total Liabilities		17,595,309,348	2,069,575,651
Total Equity and Liabilities		26,282,925,640	10,247,345,855
Net Asset Value Per Share (NAVPS)	36.00	56.95	53.61

The annexed notes 1 to 44 form an integral part of these financial statements.

Secretary

Executive Director (Finance)

Managing Director

Signed as per our separate report of same date

Ahmed Zaker & Co.
Chartered Accountants

Mahfel Huq & Co.
Chartered Accountants

These financial statements have been authorised by the Board of Directors on 15th October, 2019.

BANGLADESH SHIPPING CORPORATION
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Notes	Amount In BDT	
		30-Jun-19	30-Jun-18
Revenue			
Freight Revenue	25.00	1,555,043,320	574,609,155
Service Revenue	26.00	295,857,199	257,265,450
		1,850,900,519	831,874,605
Operating Expenses			
Fleet Expenses (Direct)	27.00	(1,200,659,529)	(518,984,229)
Fleet Expenses (Indirect)	28.00	(90,789,672)	(56,100,352)
Operating Profit		559,451,318	256,790,024
Other Income	29.00	378,875,624	433,310,450
Administrative Expenses	30.00	(446,791,809)	(551,539,896)
Financial Expenses	31.00	(12,516,127)	(10,581,932)
Net Profit Before Tax		479,019,006	127,978,646
Income Tax Expenses		73,295,209	(2,820,833)
Corporate Tax	23.00	(119,754,751)	(31,994,661)
Deferred Tax	19.00	193,049,961	29,173,829
Net Profit After Tax		552,314,215	125,157,813
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)	-
Other Comprehensive Income for the Year		1,374,834	-
Total Comprehensive Income for the Year		553,689,049	125,157,813
Basic Earning Per Share (EPS)	35.00	3.62	0.82

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Secretary

Executive Director (Finance)

Managing Director

Signed as per our separate report of same date

Ahmed Zaker & Co.
Chartered Accountants

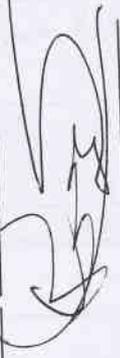
Mahfel Huq & Co.
Chartered Accountants

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BANGLADESH SHIPPING CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Amount in BDT						Total Equity
	Share Capital	Share Premium	Revaluation Reserve	Capital Reserve	Fair Value Reserve	Retained Earnings	
Balance as at 01st 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
Net Profit After Tax	-	-	-	-	-	552,314,215	552,314,215
Other comprehensive income	-	-	-	-	1,374,834	-	1,374,834.00
Total comprehensive income for the year					1,374,834	552,314,215	553,689,049
Transactions with owners of the corporation							
Contributions and distributions							
Issue of ordinary shares	-	-	-	-	-	(43,842,961)	(43,842,960.90)
Dividend Paid	-	-	-	-	-	(43,842,961)	(43,842,961)
Total contributions and distributions		4,647,680,000	4,076,100,142	130,360,425	1,374,834	(1,693,249,509)	8,687,616,292
Balance as at 30th June, 2019	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	-	(2,340,737,610)	8,038,753,357
Balance as at 01st July, 2017	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	-	86,930,634	86,930,634
Impact of correction of errors	-	-	-	-	-	(2,253,806,976)	(2,253,806,976)
Restated balance as at 01st July, 2017	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	-	125,157,813	125,157,813
Net Profit After Tax	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	125,157,813	125,157,813
Total comprehensive income for the year						125,157,813	125,157,813
Transactions with owners of the corporation							
Contributions and distributions							
Issue of ordinary shares	-	-	-	-	-	(73,071,600)	(73,071,600)
Dividend Paid	-	-	-	-	-	(73,071,600)	(73,071,600)
Total contributions and distributions		4,647,680,000	4,076,100,142	130,360,425	-	(2,201,720,763)	8,177,770,204
Balance as at 30th June, 2018	1,525,350,400	4,647,680,000	4,076,100,142	130,360,425	-	(2,201,720,763)	8,177,770,204

The annexed notes 1 to 44 form an integral part of these financial statements.


 Executive Director (Finance)


 Managing Director



Secretary

These financial statements have been authorised by the Board of Directors on 15th October, 2019.

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BANGLADESH SHIPPING CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

Particulars	Amount In BDT	
	30-Jun-19	30-Jun-18
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	1,645,220,538	738,208,281
Cash Received from Other Income and Other Sources	425,044,527	257,088,808
Cash Payment to Suppliers and Others	(655,165,254)	(444,080,462)
Cash Payment to and on behalf of Employees	(647,189,577)	(393,598,418)
Cash Generated from/(used in) Operations	767,910,234	157,618,210
Prior Year Adjustment	-	86,930,634
Interest Paid	(36,448,279)	(23,578,226)
Income Tax Paid	-	-
Net Cash from/(used in) Operating Activities	731,461,955	220,970,617
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant & Equipment	(15,145,615,355)	(71,650,108)
Proceeds from Sale of Property, Plant and Equipment	-	92,095,978
Investment in Fixed Deposit Receipts	255,449,310	(4,218,458,869)
Net Cash from/(Used in) Investing Activities	(14,890,166,045)	(4,198,012,999)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of Long Term Loan	15,005,300,000	(1,157,210)
Dividend Paid	(41,346,033)	(73,071,600)
Net Cash from/(Used in) Financing Activities	14,963,953,967	(74,228,810)
Net Increase/ (Decrease) in Cash & Cash Equivalents	805,249,877	(4,051,271,192)
Cash and Cash Equivalents at the Beginning of the Year	121,510,369	4,172,530,738
Effect of Movements In Exchange Rates on Cash Held	(3,159,856)	250,824
Cash and Cash Equivalents at the End of the Year	923,600,390	121,510,369
Cash and Cash Equivalents		
Cash in Hand (Note - 13.01)	730,165	736,529
Cash at Bank (Note - 13.02)	922,870,225	120,773,840
	923,600,390	121,510,369
Net Operating Cash Flows Per Share (NOCFPS) - (Note - 37)	4.80	1.45

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Secretary

Executive Director (Finance)

Managing Director

These financial statements have been authorised by the Board of Directors on 15th October, 2019.



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BANGLADESH SHIPPING CORPORATION
NOTE TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 Reporting Entity

1.1 Legal Form of Corporation

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

1.2 Address of Registered Office:

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

1.3 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 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 Basis of Preparation

3.1 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)

3.2 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 June 30, 2019;
- A statement of profit or loss and other comprehensive income for the year ended June 30, 2019;
- A statement of changes in equity for the year ended June 30, 2019;
- A statement of cash flows for the year ended June 30, 2019; and
- Notes, comprising summary of significant accounting policies and explanatory information.

3.3 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;



3.4 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.

3.5 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.

3.6 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 are 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 2018-2019 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 2018-2019 as well.
- Appropriate financial and demographic assumptions have been used in consultation with a certified actuary to measure defined benefit obligation as at June 30, 2019.
- 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.

3.7 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended on June 30, 2019 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended on June 30, 2018.

3.8 Comparative Information

Comparative information has been disclosed in respect of the year ended June 30, 2018 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 June 30, 2018 have been re-arranged wherever considered necessary to ensure better comparability with the current year.

3.9 Reporting Period

The financial statements cover one financial year from July 01, 2018 to June 30, 2019.



4 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	Page
A.	Foreign Currency Translation	12
B.	Revenue from contract with customers	12
C.	Other Income	12
D.	Employee benefits	12
E.	Finance income and finance costs	13
F.	Borrowing Costs	13
G.	Income taxes	14
H.	Inventories	14
I.	Property, plant and equipment	15
J.	Financial Assets	16
K.	Impairment of Assets	17
L.	Share capital	17
M.	Earnings per share	17
N.	Creditors and Accruals	18
O.	Contingencies	18



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 vessel 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 six 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.

c) Worker's Profit Participation Fund

Bangladesh Shipping Corporation (BSC) is a Statutory body established through President Order No 10 of 1972, under the ministry of Shipping. All the functions and Operation of BSC are conducted by the Bangladesh shipping corporation Act-2017. As BSC is unlike other Public Limited corporation and it has been functioning as a corporation having its unique entity which is not similar with others.

View above, the provision for Worker's Profit Participation Fund is not applicable in case of Bangladesh Shipping Corporation (BSC). However, Accordance with BSC Service Rules-1997 Section-(31) and subject to the approval of Board of Director, Profit Bonus for Officers and Staffs are made provision and paid duly.

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 corporate 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, Sallon Stores, Spares parts, Stock of Stationary, Bunker Fuel - Stores, Lub 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)



L 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 except fleet vessels 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.

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. Depreciation on addition of property, plant and equipment except Fleet (06 New Vessels) are charged for one year and in case of Fleet (06 New Vessels) are depreciated from the date of operation.

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

SL No.	Nature	Depreciation rate
1	Vacuvator	10%
2	Machinery Marine Workshop	15%
3	Electric Installation Marine Workshop	20%
4	Motor Vehicles	20%
5	Building	2.5%
6	Building-Marine Workshop	15%
7	Office Machine and Equipment	10%
8	Furniture and Fixtures	10%
9	Equipment on board of the Vessels	6% to 20%



Depreciation on fleet and Vacuvator 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 ship 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 liability's 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.

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 received 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 30.06.2019.

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 creditors 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

Accruals 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	
		30-Jun-19	30-Jun-18
5.00	Property, Plant & Equipment		
	Historical Cost		
	Opening Balance		
	Property, Plant & Equipment	5,060,296,317	4,958,262,205
	Fleet (02 Vessels)	304,394,089	304,394,089
		5,364,690,406	5,262,656,294
	Addition During the Year	15,046,047,633	102,784,112
		20,410,738,039	5,365,440,406
	Disposal During the Year	-	(750,000)
	Closing Balance	20,410,738,039	5,364,690,406
	Less: Accumulated Depreciation		
	Opening Balance		
	Property, Plant & Equipment	330,606,787	288,597,414
	Fleet (02 Vessels)	103,946,445	81,674,485
		434,553,232	370,271,899
	Charged During the Year	262,850,372	64,785,574
		697,403,604	435,057,473
	Disposal During the Year	-	(504,240)
	Closing Balance	697,403,604	434,553,233
	Carrying Amount as on 30th June, 2019	19,713,334,434	4,930,137,173

***Details Shown in Annexure - A

***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	27/Jul/18
2	M.V. BANGLAR SAMRIDDHI	2,044,240,000	28/Oct/18
3	M.V. BANGLAR ARJAN	2,069,540,000	30/Dec/18
4	M.T. BANGLAR AGRAJATRA	2,924,960,000	25/Jan/19
5	M.T. BANGLAR AGRADOOT	2,961,160,000	3/Jan/19
6	M.T. BANGLAR AGRAGOTI	2,961,160,000	22/May/19
Total		15,005,300,000	

6.00	Capital Work -in -Progress		
	Six Vessels Project (Note - 6.01)	143,251,232	43,683,510
	Installation of Electrical Sub Station (Note - 6.02)	3,181,662	3,181,662
		146,432,894	46,865,172
6.01	Six Vessels Project		
	Opening Balance	43,683,510	-
	Addition During the Year	99,567,722	43,683,510
	Transfer to Property, Plant & Equipment	-	-
	Closing Balance	143,251,232	43,683,510
6.02	Installation of Electrical Sub Station		
	Opening Balance	3,181,662	3,127,722
	Addition During the Year	-	53,940
	Transfer to Property, Plant & Equipment	-	-
	Closing Balance	3,181,662	3,181,662



Note No:	Particulars	Amount in BDT	
		30-Jun-19	30-Jun-18
7.00	Inventories		
	Deck and Engine, Electric, Saloon Stores	51,309,274	2,757,923
	Spares	-	15,175,479
	Stock of Marine Workshop	8,771,014	10,150,702
	Stock of Stationary	38,831	199,916
	Bunker Fuel-stores	5,495,550	12,152,599
	Lub Oil	74,921,362	3,871,044
	Victualing	4,213,146	-
		144,749,176	44,307,663
8.00	Short-Term Investment	3,963,009,559	4,218,458,869
	<i>***Details shown in Annexure - D</i>		
9.00	Trade Receivables		
	Opening Balance	166,304,954	72,638,631
	Addition During the Year	1,764,079,966	705,896,453
		1,930,384,920	778,535,084
	Realized During the Year	(1,547,022,819)	(612,230,130)
	Closing Balance	383,362,101	166,304,954
	The made-up of closing trade receivables as follows:		
	Trade Debtor	209,574,829	166,304,954
	Six Vessels Charterer Account	173,787,272	-
		383,362,101	166,304,954
10.00	Advances, Deposits & Pre-payments		
	Advances (Note - 10.01)	134,076,252	24,632,788
	Deposits (Note - 10.02)	5,871,452	5,805,452
		139,947,704	30,438,240
10.01	Advances		
	Employees (Note - 10.01A)	7,591,656	8,041,799
	Other Advances (Note - 10.01B)	126,484,596	16,590,989
		134,076,252	24,632,788
10.01A	Employees		
	Officers & Staff (Shore)	5,406,930	6,569,365
	Officers & Staff (Afloat)	1,384,790	929,790
	Crew Advance	449,538	192,246
	House Building Loan	350,398	350,398
		7,591,656	8,041,799
10.01B	Other Advances		
	Masters' Control Account	49,890,490	2,630,415
	Advance to Party	76,594,106	13,960,574
		126,484,596	16,590,989
10.02	Deposits		
	Franking Machine Deposits	320,408	320,408
	Security Deposits	5,551,044	5,485,044
		5,871,452	5,805,452
11.00	Other Receivables		
	Agents Control Account (Note - 11.01)	319,499,992	319,499,992
	Insurance Claims (Note - 11.02)	8,493,749	8,360,772
	Unrealised Gain or Loss on Foreign Currency Translation	1,833,113	-
	Rent Receivable	9,419,855	11,602,605
	Interest Receivable	131,527,873	177,480,116
		470,774,582	516,943,485



Note No:	Particulars	Amount In BDT	
		30-Jun-19	30-Jun-18
13.02A	Dividend Account		
	Mutual Trust Bank Ltd. CDA Avenue A/C 0210011049	2,773,765	2,785,179
	Mutual Trust Bank Ltd. CDA Avenue A/C 0210011343	8,331,384	8,336,716
	Mutual Trust Bank Ltd. CDA Avenue A/C 0210018171	4,243,670	4,249,402
	Mutual Trust Bank Ltd. CDA Avenue A/C 0320001913	2,659,577	2,784,711
	Southeast Bank Ltd. Agrabad Branch A/C 13100002566	7,055,703	2,356,598
	Southeast Bank Ltd. Agrabad Branch A/C 13100002575	2,408,136	6,901,596
	One Bank Ltd. CEPZ Branch A/C	2,829,409	-
		30,301,644	27,414,202
13.02B	Other Deposits		
	Custom Port Revolving Deposits	92,853	597,321
	Port Deposits "Khulna "	2,466,084	1,961,615
		2,558,937	2,558,936
13.02C	Current Accounts - Foreign Currency		
	HSBC Singapore	266,180,409	39,975,198
	HSBC Singapore - 003	1,429,457	1,429,457
	HSBC Singapore (Feeder)	350,666	350,666
	Rupali Bank, Karachi, Pakistan	111,943	111,943
	Sonali Bank Limited, Calcutta, India	62,194	62,194
		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	
		30-Jun-19	30-Jun-18
14.00	Share Capital		
	<i>Authorised Capital</i>		
	1,000,000,000 Ordinary Shares of Tk 10 Each	<u>10,000,000,000</u>	<u>10,000,000,000</u>
	<i>Issued, Subscribed and Paid - up Capital</i>		
	20,000,000 Ordinary Shares of Tk.10 each	200,000,000	200,000,000
	62,740,000 Ordinary Shares of Tk.10 each	627,400,000	627,400,000
	53,452,000 Ordinary Shares of Tk.10 each	534,520,000	534,520,000
	16,343,040 Ordinary Shares of Tk.10 each	163,430,400	163,430,400
	Fully Paid-up as Bonus Shares (For the Year 2016)		
		<u>1,525,350,400</u>	<u>1,525,350,400</u>
	Shareholding Position:		
	Particulars		
	Govt. Share	794,634,400	794,634,400
	Public Share	730,716,000	730,716,000
		<u>1,525,350,400</u>	<u>1,525,350,400</u>

14.01 Classification of Shares by holding at 30th June, 2019

Class by number of shares	30-Jun-19		
	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
	<u>110,003</u>	<u>152,535,040</u>	<u>100</u>

14.02 Composition of Shareholders at 30th June, 2019

Name of Shareholders	30-Jun-19	
	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
	<u>152,535,040</u>	<u>100</u>

15.00 Share Premium

<u>4,647,680,000</u>	<u>4,647,680,000</u>
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Note No:	Particulars	Amount in BDT	
		30-Jun-19	30-Jun-18
16.00	Capital Reserve		
	Danish - Grant	51,613,078	51,613,078
	Adjusted in Year, 1982-83	97,050,240	97,050,240
	Valuation of Donated and Impounded Vessels, Vacuators and spares	29,398,902	29,398,902
	Excess of Assets over Liabilities of Bangladesh	10,835,211	10,835,211
	Valuation of Stores Received at the Time of Delivery of Vessels	5,512,616	5,512,616
	Excess of Assets Over Liabilities at BSC's Formation	4,415,906	4,415,906
	Workshop on Incorporation of the Same in the Books of the Corporation.	100,395	100,395
	Profit /(Loss) on Sale of Fixed Assets	(86,488,461)	(86,488,461)
	Penalty for Late Delivery	17,922,538	17,922,538
		130,360,425	130,360,425
17.00	Long Term Loan		
	Overseas Economic Co-operation Fund, Japan (Note - 17.01)	536,003,698	536,003,698
	Bangladesh Government Loan (Note - 17.02)	103,200,000	103,200,000
	Government Loan - Marine Workshop Modernization (Note - 17.03)	78,437,575	78,437,575
	Chinese Concessional Loan (06 Vessels) (Note - 17.04)	15,005,300,000	-
		15,722,941,273	717,641,273

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 a 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 core and fifth 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).



Note No:	Particulars	Amount In BDT	
		30-Jun-19	30-Jun-18
18.00	Defined Benefit Obligations - Gratuity		
	Opening Balance	378,069,740	413,947,820
	Provision made during the year	39,844,500	81,149,802
		417,914,240	495,097,622
	Paid during the year	(107,950,599)	(117,027,882)
	Closing Balance	309,963,641	378,069,740
19.00	Deferred Tax Liability/(Assets)		
	Opening Balance	3,705,090	32,878,919
	Increase/(Decrease) of Deferred Tax Liability	(192,591,682)	(29,173,829)
	Closing Balance	(188,886,592)	3,705,090
	<i>****Details shown in Annexure - B</i>		
20.00	Creditors and Accruals		
	Other Finance	5,805,755	15,048,882
	Income Tax- Contractors and Suppliers	3,490,145	811,706
	Demurrage Payment Account - BPC	14,430,478	14,430,478
	Security Deposits Received	74,127,337	92,107,342
	VAT Account	2,555,068	466,611
	Service charge (Advertisement)	58,025	28,808
	Welfare Fund	8,291	-
	Vehicle Loan (Govt)	138,733	-
	Provision for Expenses (Note - 20.01)	731,072,376	257,425,102
		831,686,207	380,318,931
20.01	Provision for Expense		
	Salary & Allowance - Afloat	27,594,248	21,500,000
	Victualing	27,623,737	817,570
	Provident Fund	7,024,593	63,945,000
	Fresh Water Supply	29,670,307	-
	Deck Engine, Electrical & Saloon	10,000,000	1,420,588
	Spare Parts	-	1,445,306
	Operating Expenses	47,260,075	811,265
	Port Light Canal Custom	170,627,480	81,251,181
	Provision for Bad Debts (Trade Receivables)- (Note-20.01A, 20.01B)	74,176,021	2,769,117
	Provision for Bad Debts (Agent C/A) - (Note-20.01C)	32,179,625	16,204,625
	Insurance	17,982,392	4,156,440
	Vessel Repair & Survey Fees	236,798,800	50,015,037
	Share Expenses	3,000,000	4,607,880
	Professional Fee	120,000	120,000
	Telephone & Trunkcall	70,000	69,770
	Light, Power & Water	11,550,000	259,320
	Recruitment Expenses	5,000,000	-
	Office General Expenses	-	8,000,000
	Internet & Website	30,000	32,000
	Legal Fees	200,000	-
	Ship Delivery Expenses	7,000,000	-
	Fleet Communication	2,530,000	-
	Office Machinery and Equipment's	3,735,098	-
	Profit Bonus	15,000,000	-
	Medical Expenses	1,900,000	-
		731,072,376	257,425,102



Note No:	Particulars	Amount In BDT	
		30-Jun-19	30-Jun-18

20.01A 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.

20.01B Provision for Bad Debts (Trade Receivables)

*** An amount of BDT 6,88,85,801/- receivables from BPC has been carried forward since 2001. On the other hand, the receivables & payables between BSC and BPC for the period of July 2007- to November 2015 have been settled by the formal realized committee. Despite this, the mentioned amount taka 6,88,85,801/= has been unsettled till today. Therefore, this amount has been shown as a provision for bad debts.

20.01C Provision for Bad Debts (Agent C/A)

***An amount of BDT. 324,092,492 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.

21.00 Contract Liability

9,544,052

***Advance received from charterer against charter hire treated as contract liability.

22.00 Interest on Long Term Loans

Bangladesh Government Loan
Overseas Economic Co-operation Fund, Japan
Government Loan - Marine Workshop Modernization

93,912,000	88,752,000
319,826,404	319,826,404
37,030,980	33,109,101
450,769,384	441,687,505

23.00 Provision for Income Tax

Opening Balance
Provision made During the Year

121,103,202	89,108,540
119,754,751	31,994,661
240,857,953	121,103,202

Paid During the Year

Closing Balance

240,857,953	121,103,202
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Year wise details are as follows:

Income Year

2012-2013
2013-2014
2014-2015
2015-2016
2016-2017
2017-2018
2018-2019

16,429,813	16,429,813
8,886,995	8,886,995
14,609,942	14,609,942
25,175,725	25,175,725
24,006,064	24,006,064
31,994,661	31,994,661
119,754,751	-
240,857,953	121,103,202

24.00 Dividend Payable

Opening Balance
Declared During the Year

27,049,910	24,449,973
43,842,961	73,071,600

Paid During the Year

Closing Balance

70,892,871	97,521,573
(41,346,033)	(70,471,663)
29,546,838	27,049,910



Note No:	Particulars	Amount In BDT	
		30-Jun-19	30-Jun-18

Year wise details are as follows:

Dividend (2010-2011)	4,304	4,304
Dividend (2011-2012)	2,306,102	2,306,102
Dividend (2012-2013)	6,749,580	6,750,120
Dividend (2013-2014)	4,250,970	4,253,052
Dividend (2014-2015)	2,778,765	2,787,679
Dividend (2015-2016)	8,345,884	8,348,716
Dividend (2016-2017)	2,425,180	2,599,937
Dividend (2017-2018)	2,686,053	-
	29,546,838	27,049,910

***Dividend had declared for the financial year 2017-2018 amounting BDT 91,521,025, out of which BDT 47,678,064 for Government Shareholding and BDT 43,842,961 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	
		30-Jun-19	30-Jun-18
25.00	Freight Revenue		
	Lighterage	626,569,251	574,609,155
	Time Charter (Six Vessels)	928,474,069	-
		1,555,043,320	574,609,155
	*** In the financial year of 2018-2019 compared to that of 2017-2018, the freight revenue has been increased significantly. As the newly procured 06 (Six) vessels from China are delivered in this year at various date (mentioned in note - 5.00) and subsequently those are commercially employed on time charter for this reason freight revenue has increased.		
26.00	Service Revenue		
	Address Commission	143,033,680	130,510,524
	Service Charges	152,823,519	126,754,926
		295,857,199	257,265,450
27.00	Fleet Expenses (Direct)		
	Afloat Salary and Allowances	251,988,693	91,702,899
	Fuel, Oil and Water	97,630,696	157,334,032
	Fresh Water Supply	29,670,309	-
	Insurance	71,707,613	36,184,041
	Agency Commissions & Brokerage	932,531	-
	Deck and Engine Expenses	54,685,897	5,272,474
	Fleet Communication	8,843,731	13,800
	General Expenses	49,036,579	2,201,349
	Port, Canal and Custom Dues	93,759,859	85,000,000
	Spares	51,044,577	24,338,289
	Vessel Repairs & Survey-Fees	242,557,609	84,679,243
	Victualing Expenses	24,774,670	9,677,906
	Depreciation (Annexure - A)	224,026,765	22,580,196
		1,200,659,529	518,984,229
28.00	Fleet Expenses (Indirect)		
	Salary and Allowances	27,653,333	9,653,617
	Chart & Publications	1,909,001	-
	General Agent Expense	6,701,022	-
	Ship Delivery Expenses	7,000,000	-
	VAT (Service Charges)	22,290,971	19,013,239
	Depreciation (Annexure - A)	25,235,344	27,433,496
		90,789,672	56,100,352



Note No:	Particulars	Amount In BDT	
		30-Jun-19	30-Jun-18

***Compared to the financial year 2017-18, Fleet Expenses (Direct and Indirect) have increased remarkably in the financial year 2018-19. As because, the above mentioned new 06 (six) ships are employed commercially all over the world in this year and these employment enhances crew salary and allowances, fleet communications, vessels surveys, victualing, operating sundry, insurance, general agent, fresh water supply and vessel depreciation expenses etc. in the form of operational expenditures in large.

29.00 Other Income

Gain on Sale of Old Vessels	-	49,209,022
Gain on Sale of Motor Vehicle	-	25,255
Difference in Exchange Gain	-	250,824
Bireth Right Charges	3,791,876	-
Others	2,585,000	-
Interest Income - On FDR	278,655,189	317,439,397
Misc. Receipt- Scrap, Tender, Bond Money etc.	2,397,817	18,366,472
Rent Rates Income	78,345,777	45,430,913
Service Charge - BSC Dhaka Building	-	2,588,567
Bond Money	711,300	-
Interest Income - On SND Account	12,388,665	-
	378,875,624	433,310,450

30.00 Administrative Expenses

Office General Expenses	74,852,484	165,469,826
Difference in Exchange Loss	3,159,856	-
Salary & Allowance	197,402,664	194,114,163
Professional Expenses	163,000	12,170
BSC Anniversary Celebration	1,433,201	2,060,731
Gratuity	39,844,500	81,149,802
Provident Fund	11,368,129	63,945,000
Insurance - Shore Assets	688,058	48,226
Bad debt Expenses	87,381,904	18,973,742
Share Expenses	11,789,751	10,874,353
Professional Fee - Statutory	120,000	120,000
Recruitment Expenses	5,000,000	-
Depreciation (Annexure - A)	13,588,262	14,771,882
	446,791,809	551,539,896

31.00 Financial Expenses

Interest on -Bangladesh Government Loan	5,160,000	5,160,000
Interest on -Marine Workshop Modernization	3,921,879	3,979,739
Bank Charge	3,434,248	1,442,193
	12,516,127	10,581,932



Note No:	Particulars	Amount In BDT	
		30-Jun-19	30-Jun-18
32.00	Prior Year Adjustment		
	Charter	-	-
	Rent Rates Income	-	2,408,400
	Interest Income	-	84,522,234
	Spares	-	-
	Sundry Debtors	-	-
		-	86,930,634

****An amount of BDT 24,08,400 earned from renting in the financial year 2016-2017 but not be included as rent receivables on accrual basis. But in current financial year 2017-2018, the said above rent income are adjusted by prior period adjustment.

***An amount of BDT 84,522,234 earned interest from short-term investment in the financial year 2016-2017 but not be included as interest receivable on accrual basis. But in current financial year 2017-2018, the said above interest income are adjusted by prior period adjustment.

33.00 Professional's Remuneration

Statutory Audit Fee - Ahmed Zaker & Co.	60,000	60,000
Statutory Audit Fee - Mahfel Huq & Co.	60,000	60,000
	120,000	120,000

34.00 Reconciliation of Net Income with Cash Flows from Operating Activities

Net Profit Before Tax	479,019,006	127,978,646
Adjustments for:		
Depreciation Expense	262,850,372	64,281,334
Foreign Exchange (Gain)/Loss	3,159,856	(250,824)
	266,010,228	64,030,510
Changes In Working Capital :		
Trade & Other Receivable	(159,511,079)	(269,637,141)
Inventories	(100,441,513)	(4,744,509)
Advances, Deposits and Prepayments	(109,509,464)	3,229,737
Defined Benefit Obligations - Gratuity	(68,106,099)	(35,878,080)
Creditors and Accruals	451,367,276	263,499,309
Interest on Long Term Loans	9,081,879	9,139,739
	22,881,000	(34,390,946)
Cash Generated from/(used in) Operations	767,910,234	157,618,210
Prior Year Adjustment	-	86,930,634
Interest Paid	-	-
Income Tax Paid	(36,448,279)	(23,578,226)
Net Cash from/(used in) Operating Activities	731,461,955	220,970,618



Note No:	Particular	Amount In BDT	
		30-Jun-19	30-Jun-18
35.00	Basic Earning Per Share (EPS)		
	Net Profit After Tax	552,314,215	125,157,813
	Number of Ordinary Shares During the Year	152,535,040	152,535,040
	Weighted Average no. of Shares Outstanding	152,535,040	152,535,040
	Basic Earning Per Share	3.62	0.82
36.00	Net Asset Value Per Share (NAVPS)		
	Total Assets	26,282,925,640	10,247,345,855
	Total Liabilities	(17,595,309,348)	(2,069,575,651)
	Net Assets Value	8,687,616,292	8,177,770,204
	Number of Ordinary Shares During the Year	152,535,040	152,535,040
	Net Asset Value Per Share	56.95	53.61
37.00	Net Operating Cash Flows Per Share (NOCFPS)		
	Net Cash from/(used in) Operating Activities	731,461,955	220,970,617
	Number of Ordinary Shares During the Year	152,535,040	152,535,040
	Net Operating Cash Flows Per Share	4.80	1.45

**** In the financial Year of 2018-2019 compared to that of 2017-2018 , above ratio of the EPS, NAVPS and NOCFPS have been increased significantly. As the newly procured 06 (Six) vessels from China are delivered in this year at various date (mentioned in Note -5.00) and subsequently those are commercially employed on time charter for this reason freight revenue has increased remarkably which has impact on the mentioned ratios.



38.00 Number of Employee

Particulars	Amount In BDT	
	30-Jun-19	30-Jun-18
Number of employee whose monthly salary was below 3,000 Tk	-	-
Number of employee whose monthly salary was below 3,000 Tk	378	336

39.00 Operation Segments

Particulars	Address Commission & Service Charge	Own Vessels	Fluctuation gain, Building Rent, & others	Interest On FDR	TOTAL
Operating Income	1,555,043,320	295,857,199	-	-	1,850,900,519
Operating Expenses	(1,291,449,201)	-	-	-	(1,291,449,201)
Operating Income/(Loss)	263,594,119				559,451,318
Other Income		-	87,831,770	291,043,854	378,875,624
Other Expenses		-	-	-	(459,307,936)
Net Income/(Loss)	263,594,119	295,857,199	87,831,770	291,043,854	479,019,006

40.00 Attendance Status of Director in Board Meetings

During the year ended 30th June 2019, 05 (Five) board meetings were held. The attended status of all meetings are as follows :

Name of the Director	Position	Meeting Held	Attendance
Shajahan Khan M.P.	Chairman	5	3
Khalid Mahmud. Chowdhury M.P.	Chairman	5	2
Md. Abdus Samad	Member, BSC's Board of Directors	5	4
Commodore Yahya Sayed	Member, BSC's Board of Directors	5	5
Md. Saiful Islam Hamidi	Member, BSC's Board of Directors	5	4
Mohammed. Altaf- UL- Alam	Member, BSC's Board of Directors	5	1
A. H.M. Ahasan	Member, BSC's Board of Directors	5	3
Md. Habibur Rahaman	Member, BSC's Board of Directors	5	5
Kazi Mohammad Shafiu Alam	Member, BSC's Board of Directors	5	-
Mohammed Yousuf	Member, BSC's Board of Directors	5	5
Md. Abdul Quddus	Member, BSC's Board of Directors	5	5

41.00 Directors Remuneration

Directors Name	Position	Remuneration (TK)	Board Meeting Fees	Gross Remuneration
Shajahan Khan M.P.	Chairman	-	21,000	21,000
Khalid Mahmud. Chowdhury M.P.	Chairman	-	14,000	14,000
Md. Abdus Samad	Member, BSC's Board of Directors	-	28,000	28,000
Commodore Yahya Sayed	Member, BSC's Board of Directors	-	-	-
Md. Saiful Islam Hamidi	Member, BSC's Board of Directors	-	28,000	28,000
Mohammed. Altaf- UL- Alam	Member, BSC's Board of Directors	-	7,000	7,000
A. H.M. Ahasan	Member, BSC's Board of Directors	-	21,000	21,000
Md. Habibur Rahaman	Member, BSC's Board of Directors	-	-	-
Kazi Mohammad Shafiu Alam	Member, BSC's Board of Directors	-	-	-
Mohammed Yousuf	Member, BSC's Board of Directors	-	-	-
Md. Abdul Quddus	Member, BSC's Board of Directors	-	35,000	35,000

****The external members of the Board of Directors receive only meeting fees BDT 7000/- per meeting. On the other hand, the internal members(EC Members) of the Board of Directors receive their Salary & Allowances as per the national pay scale-2015.



42.00 Related Party Disclosures

42.01 Transactions with key management personnel

Key management personnel compensation comprised the following:

Particulars
Meeting Attendance Fee
Meeting Expense
Remuneration
Retirement Benefit Scheme
Medical and Welfare
Housing

Balance (in BDT)	
30/Jun/19	30/Jun/18
154,000	189,000
-	-
-	-
-	-
-	-
-	-
154,000	189,000

42.02 Other Related Party Transactions

During the financial year, the corporation had not occurred any number of transaction with related party in the normal course of business.

43.00 Even After the Reporting Period

The Board of Directors in their Meeting held on 15-10-2019 have recommended @ 10% Cash Dividend for the year ended 30th June,2019 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 24-11-2019. The Financial Statements for the year ended 30th June,2019 do not include the effect of the dividend which will be accounted for in the period when the shareholders right to receive the payment is established.



44.00 Financial instruments. Financial risk management

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information - the Corporation's policies for controlling risks and exposures. The management has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Corporation's risk management policies are established to identify and analyze the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Corporation's activities. This note presents information about the Corporation's exposure to each of the following risks, the Corporation's objectives, policies and processes for measuring and managing risk, and the Corporation's management of capital. The Corporation has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

44.01 Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Corporation's receivables and investments.

44.01.A Exposure to credit risk

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

Particulars	Note(s)	Amount in BDT	
		30-Jun-19	30-Jun-18
Investment in FDR	6.00	3,963,009,559	4,218,458,869
Trade & Other Receivables	7.00 & 9.00	854,136,683	683,248,440
Advances, Deposits & Pre-payments	8.00	139,947,704	30,438,240
Advance Income Taxes	-	208,828,208	172,379,929
Cash and Cash Equivalents	10.00	923,600,390	121,510,369
		6,089,522,544	5,226,035,846

(i) Trade and Other Receivable

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate.

Particulars	Note(s)	Amount in BDT	
		30-Jun-19	30-Jun-18
Trade Receivables	7.00	383,362,101	166,304,954
Other Receivable	9.00	470,774,582	516,943,485
		854,136,683	683,248,440

Ageing of Trade and Other Receivable

The ageing of gross value at the reporting date that was not impaired was as follows:

Particulars	Amount in BDT	
	30-Jun-19	30-Jun-18
Accounts Receivable		
Up to 6 Months	280,937,873	94,117,706
Over 6 Months but less than 1 years	-	1,723,310
Over 1 Year but less than 2 years	-	-
Over 2 years	102,424,227	70,463,938
	383,362,101	166,304,954
Other Receivable		
Up to 6 Months	19,746,717	177,480,117
Over 6 Months but less than 1 years	131,527,873	19,963,377
Over 1 Year but less than 2 years	-	-
Over 2 years	319,499,992	319,499,991
	470,774,582	516,943,485

The management believes that the amounts are collectible in full, based on historic payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available

(ii) Cash at Bank

The Corporation held cash at banks of Tk. 92,28,70,225 at 30 June 2019 (30 June 2018: Tk. 12,07,73,840), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.



44.01.B Impairment of Loss

Particulars	Amount in BDT	
	30-Jun-19	30-Jun-18
Impairment Loss of the Reporting Date	Nil	Nil

44.01.C Credit exposure by credit rating

Particulars	As at 30th June 2019		
	Credit Rating	Amount in BDT	Percentage (%)
Trade Receivables	NR	383,362,101	18.03%
Advances, Deposits & Pre-payments	NR	139,947,704	6.58%
Other Receivables	NR	470,774,582	22.14%
Advance Income Taxes	NR	208,828,208	9.82%
Cash in Hand		730,165	0.03%
Cash at Bank		922,870,225	43.40%
		2,126,512,985	100%

Cash At Bank

Agrani Bank Ltd	AAA	509,130,203	53.90%
Dhaka Bank Ltd	AA	10,581,437	1.12%
Eastern Bank Ltd	AA+	392,734	0.04%
HSBC Bank Ltd	AAA	7,413,389	0.78%
Janata Bank Ltd	AAA	46,136,719	4.88%
Mutual Trust Bank Ltd.	AA	18,008,396	1.91%
One Bank Ltd.	AA	10,307,464	1.09%
Pubali Bank Ltd	AA	559,388	0.06%
Rupali Bank Ltd	AAA	5,919,376	0.63%
Sonali Bank Ltd	AAA	2,206,063	0.23%
Southeast Bank Ltd.	AA	9,463,839	1.00%
Standard Chartered Bank Ltd.	AA	54,649,095	5.79%
HSBC Singapore	-	266,531,075	28.22%
Rupali Bank, Karachi, Pakistan	-	111,943	0.01%
Sonali Bank Limited, Calcutta, India	-	62,194	0.01%
Trust Bank Ltd.	AA2	539,072	0.06%
Custom Port Revolving Deposits	-	92,853	0.01%
Port Deposits "Khulna "	-	2,466,084	0.26%
		944,571,322	100%

All bank balances are reconciled with bank statements and negative balance shown in the bank book representation book overdraft.

44.02 Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative Financial Liabilities	Carrying Amount	Interest Rate	Within 12 Months	1 to 5 years	More than 5 years	Total
Defined Benefit Obligations - Gratuity	309,963,641		39,844,500	133,486,777	136,632,364	309,963,641
Creditors and Accruals	831,686,207		663,896,260	53,118,000	8,316,301	725,330,561
Dividend Payable	29,546,838		2,686,053	24,550,379	2,310,406	29,546,838
Long Term Loan	15,722,941,273	5%	15,005,500,000		717,441,273	15,722,941,273
	16,584,174,318		15,711,926,813	211,155,156	864,700,344	16,787,782,313

44.03 Market risk

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

(a) Currency risk exposure and its management

The Corporation is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the Corporation. To manage this exposure, the Corporation is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

The Corporation is exposed to foreign currency risk relating to chattering and other transactions which are denominated in foreign currencies. As at 30 June 2018, the Corporation was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:



Exposure to currency risk	Singapore Dollar	Pound	EURO	USD	Total TK
30th June, 2019					
Cash and Cash Equivalents	28,819	699	928	3,172,232 1,924,950	270,027,633 162,658,240
Trade Receivable					
Foreign currency denominated liabilities					
Liability for accepted bills for payment	-	-	-	52,458	4,422,182
Net Exposure	28,819	699	928	5,044,724	428,263,692

The following exchange rate is applied during the year

Currency	30-Jun-19
Euro	96.13
Pound	107.38
Singapore Dollar	62.8
USD	84.5

b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.

c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to re-pay debts as they fall

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows.

Particulars	Amount in BDT
	30-Jun-19
Fixed- Rate Instruments	
Financial assets	3,963,009,559
Financial liabilities	717,641,273
	4,680,650,832
Variable- Rate Instruments	
Financial assets	-
Financial liabilities	-
	-

e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.

