Annual Report 2016 - 2017

BDCOM®

Connecting Progress

FINANCE STOCK



The Document provided you with detailed and comprehensive information about the overall performance of BDCOM Online Ltd. as on 30th June 2017.

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A Printable version is also available at the BDCOM website: www.bdcom.com

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Letter of Transmittal

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

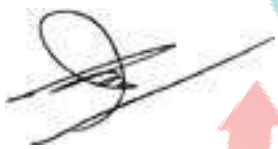
Dear Sir/Madam,

ANNUAL REPORT FOR THE YEAR ENDED ON JUNE 30, 2017

We are pleased to enclose a copy of Annual Report for the year ended on 30th June 2017 together with the Audited Financial Statements including Statements of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the Financial Statements for the above mentioned period of the Company for your kind information and record.

Thanking you,

Sincerely yours,



A.K.M. Kutub Uddin
Executive Director
&
Company Secretary

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NOTICE OF THE 21ST ANNUAL GENERAL MEETING

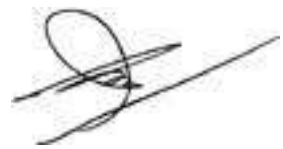
Notice is hereby given that, the 21st Annual General Meeting of the shareholders of BDCOM Online Limited will be held on Thursday the December 14, 2017 at 11:00 a.m. at the AMM Convention Center, House No. 56/A, Road No. 3/A, Dhanmondi R/A, Dhaka-1209 to transact the following business.

AGENDA:

ORDINERY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2017 together with the Auditors' Report and the Directors' Report thereon;
2. To declare a Cash Dividend @5% & Stock Dividend @5% for the year ended June 30, 2017;
3. To elect Directors & to approve the Re-appointment of Managing Director;
4. To appoint Auditors for the year ended June 30, 2018 and to fix their remuneration;
5. To transact any other business with the permission of the Chair.

By order of the Board



(A.K.M. Kutub Uddin)
Executive Director
&
Company Secretary

Dated: October 28, 2017

Notes:

1. The Record Date shall be on November 16, 2017.

2. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

3. Admission into the meeting hall will be strictly on production of the attendance slip attached with the proxy form as well as verifications of signature of Member(s) and/or Proxy-holder(s).

4. No benefit in cash or kind other than in the form of cash/stock dividend shall be paid to the holders of equity securities in terms of Clause (c) of the BSEC Notification No. SEC/SRMI/2000-953/1950 dated 24th October 2000 for attending the Annual General Meeting of the Company.

CORPORATE INFORMATION

REGISTERED OFFICE
RANGS Nilu Square (5th Fl), Satmosjid Road
House No-75, Road-5/A
Dhanmondi R/A, Dhaka-1209

LEGAL STATUS
Public Limited Company Registered with the Joint Stock Companies & Firm Bangladesh

DATE OF INCORPORATION
Certificate of Incorporation
No. C-32328(1449)/97
Dated: February 12, 1997

DATE OF COMMERCIAL OPERATION
February 12, 1997

REGULATORY AUTHORITY
- Registrar of Joint Stock Companies and Firms (RJSC)
- National Board of Revenue (NBR)
- Bangladesh Telecommunication Regulatory Commission (BTRC)
- Bangladesh Securities And Exchange Commission (BSEC)

LISTED IN STOCK MARKET
- Dhaka Stock Exchange Ltd.
- Chittagong Stock Exchange Ltd.

AUTHORIZED CAPITAL
Taka 1000m

PAID-UP CAPITAL
Taka 443m

NUMBER OF SHAREHOLDERS
4556

NUMBER OF EMPLOYEE
347

ISO
ISO 9001:2008 Certified
Certificate No. 63806/A/0001/UK/En
May 11, 2015 Upto May 10, 2018

CREDIT RATING
by EMERGING Credit Rating Ltd, Bangladesh
On Dec 30, 2016 Upto Dec 29, 2017
Long Term Rating: A+
Short Term Rating: ECRL-2
Outlook : Stable

SHARE OFFICE
Rangs Nilu Square (5th Fl), Satmosjid Road
House-75, Road-5/A, Dhanmondi R/A
Dhaka-1209
Phone : +88 09666333666, 01716 057251
+88 09666333697, 01713 339850
+88 09666333610, 01741 896081
Fax : +88 029124849
Email : bdcomshare@office.bdcom.com

AUDITORS
M/S. Ahmed Zaker & Co.
Chartered Accountants

BANKERS & FINANCIAL INSTITUTIONS
- Al-Arafa Islami Bank Ltd. • MidLand Bank Ltd.
- Bank Al-Falah Ltd. • NCC Bank Ltd.
- Bank Asia Ltd. • NRB Commercial Bank Ltd.
- Dutch Bangla Bank Ltd. • Prime Bank Ltd.
- Eastern Bank Ltd. • Pubali Bank Ltd.
- Exim Bank Ltd. • Rupali Bank Ltd.
- First Securities Bank Ltd. • Sonali Bank Ltd.
- IFIC Bank Ltd. • United Commercial Bank Ltd.
- South Bangla Agricaltural & Commercial Bank Ltd.
- Islami Bank Bangladesh Ltd.
- Meghna Bank Ltd. • Lanka Bangla Finance Ltd.
- Delta Brac Housing Finance Corporation Ltd.
- IDLC Finance Ltd. • Uttara Finance & Investment Ltd.

INSURER
- Asia Pacific General Insurance Co. Ltd.
- Delta Life Insurance Co. Ltd.

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POINT OF PRESENCE (POP) OFFICES

Dhanmondi (Head Office)
Rangs Nilu Square, Level -5
House # 75, Road -5/A
Satmosjid Road , Dhanmondi
Dhaka-1209

Gulshan
House # 36 (1st Floor)
Road # 117, Gulshan -1
Dhaka-1212

Bashundhara
Plot -749 (Ground Floor)
Road -23, Block-J, Bashundhara
Dhaka

Chittagong
Lokman Tower (6th Floor)
House-1646, Sk. Mujib Road
Pathantuli, Chownuhani
Agrabad, Chittagong

Sylhet
Anonda Tower & Shopping
Complex, Flat-7/A, Jail Road
Dopa Uttor Par, Sylhet

Uttara, Sector-11
House-4 (4th Floor), Road # 19
Sector-11, Uttara, Dhaka

Shyamoli
14 PC Culture Bhaban
Ring Road, Shamoly, Dhaka

Dhanmondi 27
House-43 (Ground Floor)
Road-27, Dhanmondi
Dhaka-1209

Savar
SB-123, Siraj Auto Engeering
Market, Saver Bus Stand, Saver
Dhaka

Motijheel
1/B DIT Avenue (10th Floor)
The Daily Daiynak Bangla More
Motijheel, Dhaka-1000

Mirpur 6
Basic Electronic Complex
(5th Floor), Plot #1/1, Avenue-4
MainRoad-3, Section-7
11 No. Bus Station

Uttara, Sector-7
Sayed Grand Centerm
(4th Floor), House-89, Road -28
Sector-7, Uttata, Dhaka-1230

GEC, Chittagong
GEC Dampara
18 Zakir Hossain Road
Chittagong

Khulna
Mullick Shopping Complex
(5th Floor), House -99
Khan A Sabur Road
Dak Bangla, Khulna

Mirpur DOHS
House 1274 (1st Floor)
Road # 10, Mirpur DOHS
Dhaka

Amborkhana , Sylhet
Wave: B-103, Dorgahgate
Amborkhana , Sylhet

Halishahar, Chittagong
House # 4430, Natun Bazar
Word # 12, Saraipara
Halishahar, Chittagong

Hemayetpur
Hazi Ashraf Shopping Complex
Hemeyetpur, Saver, Dhaka

Panthapath
Firoz Tower (15th Floor), 152/3B
Bir Uttam Nuruzzaman Sarak
Panthapath, Dhaka

Banasree, Rampura
House-32 (Ground Floor)
Block-A, Banasree, Rampura
Dhaka-1219

Lalbagh
53-54 Hornath Gosh Road
(1st Floor), Lalbagh
Dhaka-1206

Laldhigi, Chittagong
947 Andarkilla, Kotwali
Chittagong-4000

Bhaderhat, Chittagong
Jahan Manjil, 760 Alamin Lane
Bahadderhat, Panchlaish
Chittagong

Mirpur -2
House # 3, Road 2, Block- D
Mirpure, Dhaka

Bogra
Rabu Tower (4th Floor)
House # 739/A
Bogra-Rangpur Road, Borogola
Bogra

Rangpur
Karamotia Moshid More
Munshipara, Rangpur

Narayangong
1/1 BB Road (4th Floor)
Alam lane
Narayangong

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BDCOM AT A GLANCE

BDCOM Online Ltd is a trusted name for Internet Service, e-commerce Service, IT Infrastructure Development and Industry Standard Software. BDCOM was incorporated as a private limited company on February 12, 1997 under the Companies Act, 1994, and registered with the Registrar of Joint Stock Companies. Subsequently, the Company has converted into a public limited company in 2001 with a view to float its share to the public. Fast forward 21 years since its inception, BDCOM now provides a much wider variety of services in the market. BDCOM provides nationwide Internet and Data Communication Service, IP Telephony & IP PABX Service & Solution, Vehicle Tracking & Fleet Management System, Network Appliances & Accessories, Graphic Design & Image Editing (Business Process Outsourcing), System Integration and Consultancy, Software & Web Development, Network Appliances & Accessories (Cisco, Juniper etc.) and Enterprise Hosting, In the last five years, the company has generated a total of 1.87 billion Taka in sales revenue. This year alone, our sales has increased by 17% from last year. The company, as of now, is involved in several other promising and enticing projects and from here on, we can only move forward towards prosperity.

The major business lines of BDCOM are as follows:

- Nationwide Internet and Data Connectivity
- IP Telephony Service
- Software Development
- System Integration
- Managed Services
- Fleet Management & Tracking Solution
- Hospitality Management & Hotspot Solution
- MFS HUB Solution
- Pre-Press BPO

The majority of BDCOM's clients are Banks, NBFI, corporate, telecom and home users. Having more than 300 employees with over a 100 of them being highly qualified, skilled and experienced in providing technical expertise, BDCOM aims to provide high quality and efficient service throughout Bangladesh.

BOARD, MANAGEMENT AND OTHER QUALITATIVE FACTORS

BOARD OF DIRECTORS

Mr. Wahidul Haque Siddiqui	-	Chairman
Mrs. Qurrattul Ann Siddiqui	-	Director
M/S. Hornbill Apparel Ltd.	-	Director
Mr. Das Deba Prashad	-	Independent Director
Mr. S.M. Golam Faruk Alamgir	-	Managing Director
Mr. A.K.M. Kutub Uddin	-	Company Secretary

EXECUTIVE COMMITTEE

Mr. Wahidul Haque Siddiqui Director & Chairman	-	Chairman
Mrs. Qurrattul Ann Siddiqui Director	-	Member
Mr. S.M. Golam Faruk Alamgir Managing Director	-	Member

AUDIT COMMITTEE

Mr. Das Deba Prashad Independent Director	-	Chairman
Mrs. Qurrattul Ann Siddiqui Director	-	Member
M/S. Hornbill Apparel Ltd. Director	-	Member

MANAGEMENT COMMITTEE

Mr. S.M. Golam Faruk Alamgir Managing Director	-	Chairman
Mr. A.K.M. Kutub Uddin Executive Director & Company Secretary	-	Member Secretary
Mr. Chitta Ranjan Halder, FCA Chief Financial Office	-	Member
Mr. S.M. Kamruzzaman Chief Technical Officer	-	Member
Mr. Gazi Zehadul Kabir General Manager & Head of System Integration	-	Member
Mr. Kazi Md. Abdullah General Manager & Head of Graphics	-	Member
Mr. Anowar Hasan Sabir General Manager & Head of IPTSP	-	Member

PURCHASE COMMITTEE

Mr. Chitta Ranjan Halder, FCA Chief Financial Officer	-	Chairman
Mr. A.K.M. Kutub Uddin Executive Director & Company Secretary	-	Member Secretary
Mr. S.M. Kamruzzaman Chief Technical Officer	-	Member

HUMAN RESOURCES

We believe that our human resources are our finest asset which significantly contributes to the company's growth and success in both the short run as well as the long run. Dynamism in a corporate body has a close relationship with the development of human resources. In line with this perception, we have sharpened our focus on recruiting, training and developing our human resources by a series of development activities throughout the year. We have also created a sense of community among the employees, encouraging them to interact with each other in numerous Management Committee meetings across all departments. These discussions have helped the employees to learn each other's responsibility, grow their individual skill and develop a deep understanding about the company's culture as a whole through interpersonal communication. This in turn, has led to a development of mutual respect among the employees and a positive atmosphere in the workplace.

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The company also provides festival bonus, incentive bonus, provident fund and Worker's Profit Participation Fund (as per Labor Law by transferring 5% of the Net Profit before tax) to all the employees. All employees are under coverage of "Group Term Life Insurance" and employees and their dependents are under coverage of "Hospitalization Insurance Scheme". Transportation facilities are provided to the top executives of the company. Adequate allowances are also given to the employees. Lunch and refreshments are also provided to the employees at a subsidized rate. The company has nine major departments and 178 highly qualified, trained and skilled personnel and 120 non-officer staffs. We also have specialized internship programs which helps to groom the younger generation and helps them take their first step towards a prosperous and successful corporate career. Many of the interns are retained by the company and are trained to tackle and deal with challenges.

BDCOM strongly values the importance of human resources and the significance it has not just on the company itself, but also from the individual perspective as well as from the economy's perspective.

KEYS TO SUCCESS

- Skill Matrix
- Domain Expertise
- Service Innovation
- Company Financial Stability
- International Standard Quality Policy
- Effective Communication
- High Value Customer Profile
- Skilled and Efficient Workforce
- Long Service Experience Portfolio
- Quality Service & Customer Satisfaction

COMPANY STRENGTHS

- Very low dependence of debt financing
- Strong base of resources to meet financial obligations
- Strong client base with many banks and corporate houses
- Good trend in revenue and Industry growth
- In operation since introduction of Internet in Bangladesh and Good Brand Image and equity
- Wide presence throughout the Country

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CODE OF CONDUCT & ETHICS

- We are always professional. We care with integrity while being ethical when dealing with different stakeholders, especially customers and government agencies. We promote integrity through our tasks and dealings.
- We always act and encourage people around us to behave in a professional manner by setting examples ourselves for others to follow.
- Respect confidential data of our customers, ensuring our customer's privacy is always maintained.
- We always ensure that we are complying with the rules and regulations which are being enforced in Bangladesh.
- We strive to maintain and improve the competence of the stakeholders with whom we do business.
- We disclose all conflicts of interest in the workplace with our customers to create the bondage of long lasting partnership.
- We use proper judgment with care in dealing with dubious situations.
- We refrain ourselves from all unprofessional acts like fraud, dishonesty, deceit, misinforming, or any act which will hamper the reputation of our company and hinder it's growth.
- We ensure customer satisfaction by working relentlessly to provide stable connectivity. We do ensure value for money through our service.
- We always encourage our employees to share ideas and knowledge with management as well as between ourselves.

OBJECTIVES

The Objective of BDCOM Online Limited are set out as follows:

- Facilitate and promote use of ICT in all sectors of the economy according to Digital Bangladesh Vision.
- Develop an efficient ICT infrastructure that provides open access to international and national network.
- To facilitate high speed, dedicated broadband connectivity directly to client's premises over a radio/wireless and Optical Fiber link.
- To provide data connectivity almost anywhere in the country through its network.
- Create employment opportunity in ICT sector.
- To help corporate houses create and maintain their identity in an attractive way through dynamic & innovative web sites.
- To provide enterprise-grade data security solutions to corporate houses in order to protect their sensitive information.

BDCOM IS ENVIRONMNT FRIENDLY

BDCOM has always maintained a certain standard when doing business, ensuring that what we do does not affect the society as well as the people living in these societies, in a negative way. The use of **Low Radiation Equipments** has always been a priority for us. These high tech equipments are not only safe, but are also environment friendly to all. We ensure that these equipments are purchased from vendors who guarantee maximum durability and efficiency.

We also minimize on our use of electricity by ensuring that we use daylight as an alternative to electrical light source. This not only saves electricity, but also minimizes its waste. Glass walls are designed in such a way, in our office that there is limited use of electrical light. The electrical lights which are in use are LED lights which, as we all know, are highly efficient in the use of electricity.

Our office also has a garden which is located on the balcony of the building which gives a Green Effect. We believe having a green effect is a positive thing not only for the environment, but also for the people.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) has become a vital activity for any business in the 21st century. It is no longer a buzz word which one uses to show what they are doing for the society. To some, it has simply become "a way of life". We at BDCOM, strongly believe in the CSR activities in which we engage in. One of the key activities we do is that we invest in the development of the youth in our country. We strongly believe that the youth hold the key to the future, not just of our company, but also of the ICT sector of Bangladesh. The interns who work in our organization are an integral part of our future plans. The internship opportunity provides them with a solid platform to kick launch their professional careers in the ICT sector of Bangladesh. The skills they develop during their internship period helps them tackle everyday challenges in the corporate world. It also helps them in their decision making process. The corporate culture itself is such in BDCOM that the employees themselves help out the interns by training them, sharing their knowledge and experience and making them aware of the future potential challenges which lie ahead. Under the guidance and supervision of our highly qualified employees, the interns flourish. The ones who leave are well equipped to tackle any kind of challenges and thus end up getting quality jobs in the competitive ICT job market. Hence, if we look at the bigger picture, this eventually goes on to help in developing the labor force of our country in the ICT sector.

BDCOM also provides free internet WiFi services in many parts of the country (Dhaka University's TSC being one of them). We also provide free WiFi services in educational events.

We have also financially helped NGOs which work for a noble cause such as Naripokkho. Naripokkho is an NGO which works for the welfare and empowerment of women in Bangladesh.

QUALITY POLICY

The milestone of BDCOM's Quality, Reliability & Service (QRS) program is to achieve 100% customer satisfaction by producing the most technically advanced product with the best quality and also with on-time delivery and service, and so far, we have thrived on this. As per our policy, we constantly seek to improve our products and services and hence our products and services deliver solutions of the highest value to our valued customers. This helps us to gain competitive advantage in the market. We at BDCOM accomplish this through our team efforts and by using state-of-the-art technology in all of our products, and thus become a force to reckon with in the IT industry. BDCOM as an ISP is committed to develop human resource to maintain its pioneering and leadership position. As an example, we have formulated our quality system such that it is consistent with ISO 9001:2008 and other regulatory requirements. The procedures and practices that comprise and implement with standardization system are documented and made known to all employees through employee orientation and training and by the uniform application of them in the daily operations of the business.

PRODUCT AND SERVICES

BDCOM provides superior IT infrastructure and professional solutions, products & services to business and organizations throughout Bangladesh and Overseas:

Major product and services:

- Nationwide Internet and Data Communication Service
- "KOTHA" IP Telephony & IP PABX Service & Solution
- Vehicle Tracking & Fleet Management System
- Network Appliances & Accessories
- Graphic Design & Image Editing (Business Process Outsourcing)
- System Integration and Consultancy
- Software & Web Development
- Network Appliances & Accessories (Cisco, Juniper etc.)
- Enterprise Hosting
- Hardware Sale

RISKS/CHALLENGES

- Rapid shift in technology
- Stiff competitive environment
- Increasing dominance if Telco's in internet service
- Potential change in regulatory policies and guidelines
- Natural Disasters

VISION, MISSION AND BUSINESS STRATEGY

BDCOM seamlessly working to reach its vision to be the largest Digital Lifestyle facilitator of the Country. BDCOM boasts of its availability of technically trained people and highly improved IT infrastructure. Thus it offers Companies, Government Institutions, Non-Government Organizations (NGO), Multinational Organizations (MNO) and Individuals a reliable, high-quality, and cost-effective services and product development for various purposes.

We are in the mission to connect Bangladesh and that is in PROGRESS.

To provide highly integrated solutions, Inherit and follow the best business practices, On-time delivery of products & services, complete linkage between up, mid and downstream sectors through establishment of:

- Effective Communication
- Improved profit realization and thus enabling competitive edge in pricing
- Ease price pressures on account of intense competition
- Improves Customer Services and thus larger market penetration
- Optimal utilization of resource capacity
- Achievement of high productivity
- Accurate planning, capacity scheduling
- Follow up activities
- Quicker response
- Rational Decision Making

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Message From The

Chairman

Dear Shareholders,

As-salamu Alaikum Warahmatullahi Wabarakatu and a very warm welcome to the 21st Annual General Meeting of BDCOM Online Ltd.

Firstly, I would like to thank each and every one of you for your consistent support throughout the years. This support has been pivotal for our success. With your advice and continuous support, BDCOM is now young and energetic of 21 years. We are now grown up but we have the thirst of further growth and we believe we can grow further if we get your accompany in future as we have received in the past. It has been a challenging year for us as we have faced a very tough reality of price competition. With your undivided support and blessings, we have turned it into a successful one.

Technology is phenomenal. And if technology is combined with the power of the internet, it becomes a wonder. BDCOM has always believed that technology and the wonders it brings with it should be reachable to everyone, irrespective of their identity. Hence, this mindset of ours has worked as a motivation to drive us towards innovating and coming up with newer ideas to help advance technology and also at the same time, being consistent with the ideology and the vision of our Honorable Prime Minister of a Digital Bangladesh. PROGRESS therefore is, and will always be POSSIBLE.

As you know every company needs proper investment and caring and without that no sustainable development. Therefore we have to invest on upgrading our technology so that our services match the level of satisfaction and expectation of our customers which will ultimately influence them to retain with us. By investing heavily on enhancing our server stability, we can ensure that our service level would be upgraded like never before. We have also to heading for significant improvements in our 24x7 helpdesk services.

You will also be glad to know that our data connectivity network covers almost all the thanas across Bangladesh and we are in the same stand to flourish our broadband internet as I am saying from last couple of years. In line with this idea, we have enhanced our broadband internet connectivity to all the districts across Bangladesh and we are now concentrating in micro level.

It makes me proud to be a part of BDCOM. The 21 years of our journey has truly been a remarkable one. I sincerely hope we carry on our partnership for years to come and together, along with the support of the government, make this country a better place to live for everyone.

I want to thank all of you from the bottom of my heart.



Wahedul Haque Siddiqui
Chairman of the Board
BDCOM Online Limited

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Review From The

Managing Director

Dear Shareholder,

As-salamu Alaikum and Welcome to this 21st Annual General Meeting.
Every year in AGM we accumulate all valuable suggestions and advices of all valued Shareholders and try our best to put it in the process so far possible. It really helps us a lot, thank you very much for your kind contribution to invest in BDCOM and loving it as well.

BDCOM's wide network operating footprint countrywide, a determined self-help agenda and a focus on differentiated services and solutions, enable the company to deliver a resilient performance against considerable headwinds in past few years.

As we all know the business environment in last few years has put our people to the test, individually and collectively. BDCOM Employees, has faced many many challenges. Through their effort, BDCOM is navigating the market very robust way, may be more than that. We are very fortunate to have very effective Board and Management Team who are laying the foundations to make the company more resilient and better able to capture the opportunities ahead.

This year BDCOM will be more focused on home segment in addition to corporate segment, after lot of hurdles, network and other infrastructure are now more supportive than before. BDCOM is striving hard to keep its commitment to have safe and stable internet, phone and other related services to the community, also will ensure round the clock efficient helpdesk team to support our valued customer, we highly appreciate government initiative in this regard.

Thank you for gracing this occasion with your valuable presence and support.

With Best Regards.

S. M. Golam Faruk Alamgir
Managing Director
BDCOM Online Limited

SMARTSTOCK

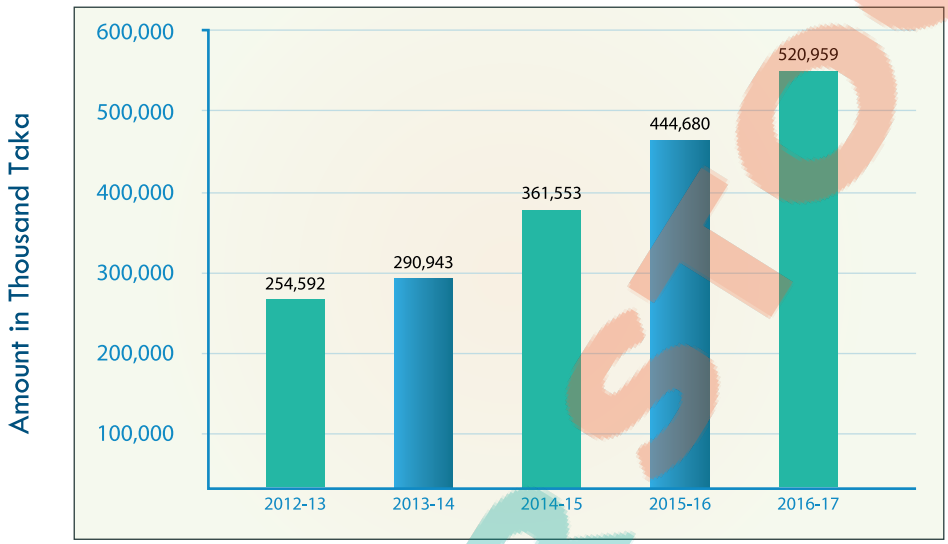
FINANCIAL HISTORY OF FIVE YEAR

(Annexure - I)

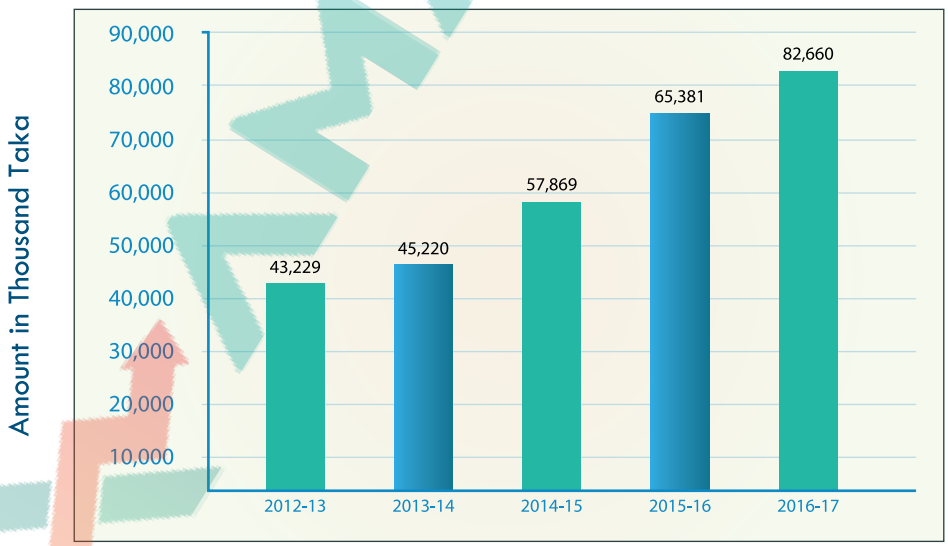
Operational Results (in thousand 000' taka)	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue	254,592	290,943	361,553	444,680	520,959
Operating Profit	43,229	45,220	57,869	65,381	82,660
Profit before tax	51,013	57,415	69,685	80,104	85,698
Net Profit after tax	44,668	49,568	59,782	67,084	64,293
Financial Positions (in thousand 000' taka)					
Paid up Capital	303,090	333,399	383,409	414,082	443,067
Shareholders' equity	478,451	527,316	585,893	623,388	677,301
Total Assets	520,103	582,689	669,828	766,490	863,181
Total Liabilities	41,652	55,372	83,935	143,102	185,880
Current Assets	244,921	298,572	368,595	412,205	515,409
Current liabilities	39,642	52,143	80,134	134,743	174,945
Non Current Assets	275,182	284,116	301,232	350,555	347,772
Non Current Liabilities	2,009	3,229	3,800	4,629	10,935
Financial Ratios					
Current Ratio	6.18	6.27	4.59	3.05	2.95
Acid-test Ratio	5.85	5.95	4.30	2.94	2.85
Net Profit Margin	18.33%	17.04%	16.53%	15.09%	12.34%
Return on Assets	9.71%	9.34%	8.92%	8.80%	7.45%
Return on Equity	9.71%	9.40%	10.20%	10.76%	9.50%
Total Assets Turnover Ratio	0.53	0.55	0.54	0.58	0.60
Fixed Asset Turnover Ratio	0.93	1.02	1.2	1.26	1.51
Debt-to-Equity Ratio	0.08	0.09	0.14	0.22	0.02
Debt-to-Assets Ratio	0.08	0.09	0.12	0.18	0.015
Ordinary Shares Information					
Ordinary Shares Outstanding (in thousands)	30,309	33,339	38,340	41,408	44,306
Face Value per share (BDT)	10	10	10	10	10
NAV per Share	15.85	15.91	15.38	15.05	15.29
Net Operating Cash Flow per Share	2.09	1.96	2.21	3.35	2.39
Basic Earning Per Share	1.34	1.29	1.44	1.51	1.45

GRAPHICAL VIEW OF SELECTED GROWTH INDICATORS FOR LAST 5 YEARS

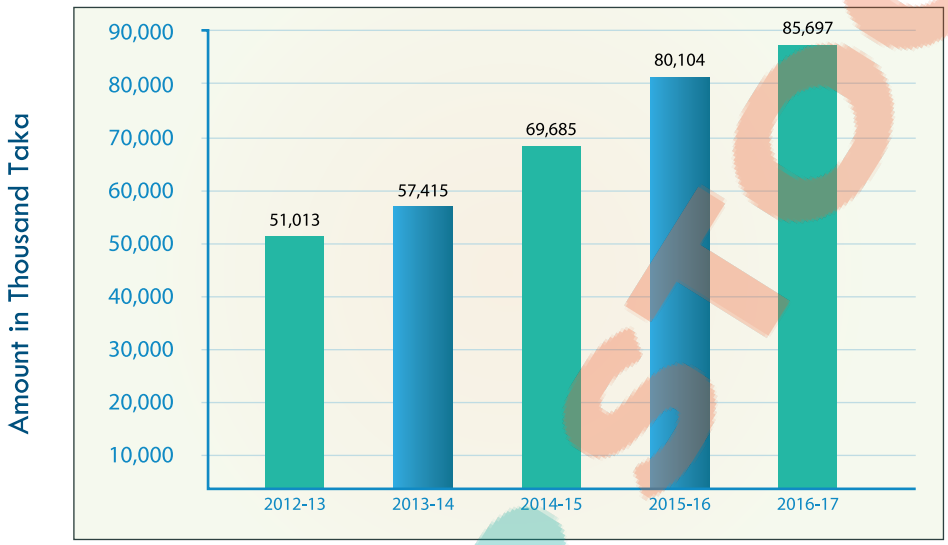
REVENUE (NET OF VAT)



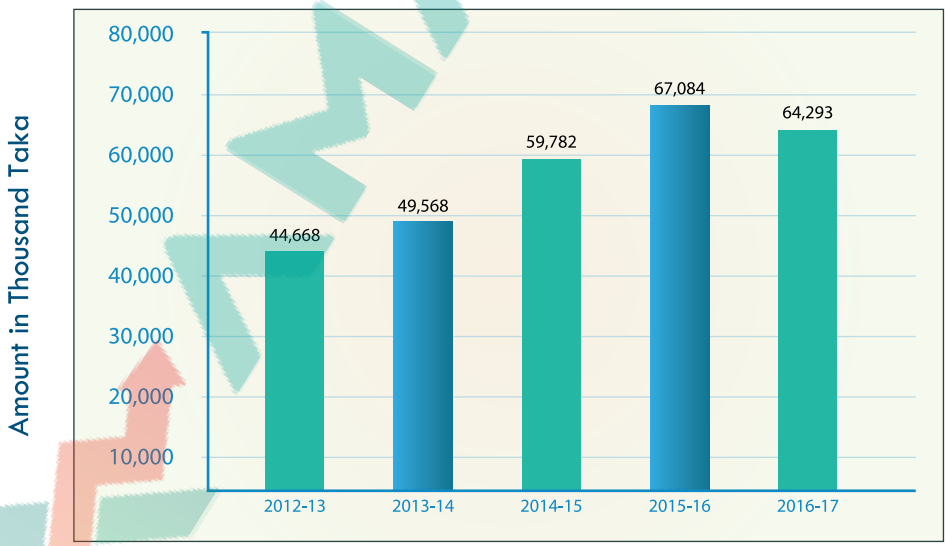
OPERATING PROFIT



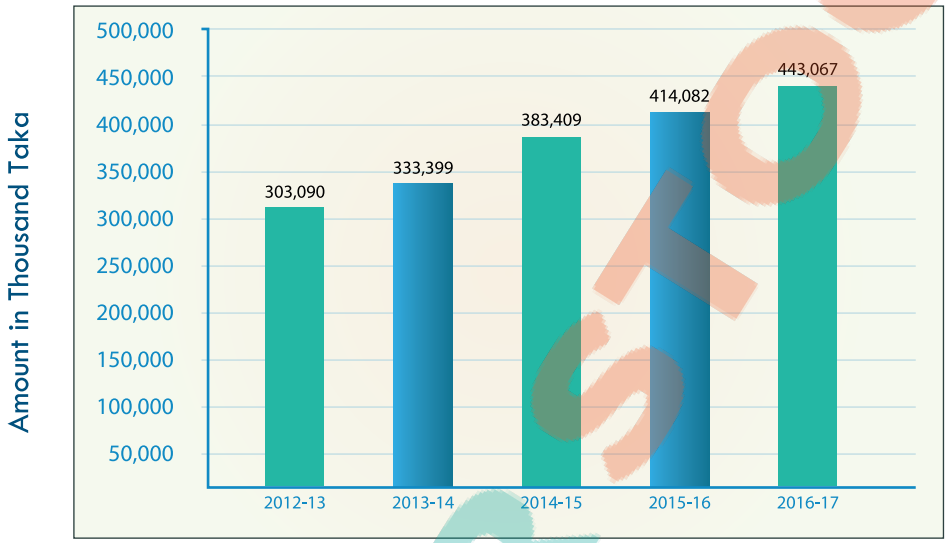
PROFIT BEFORE TAX



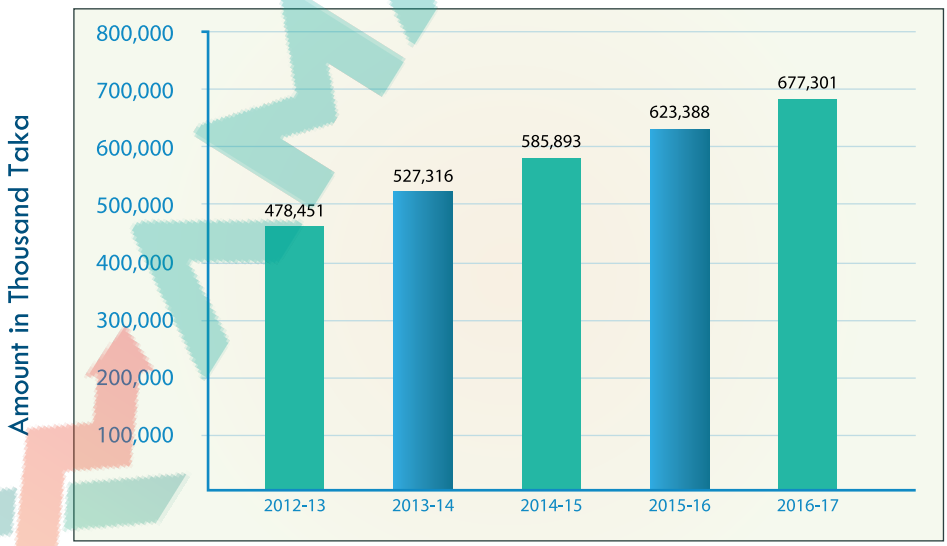
NET PROFIT AFTER TAX



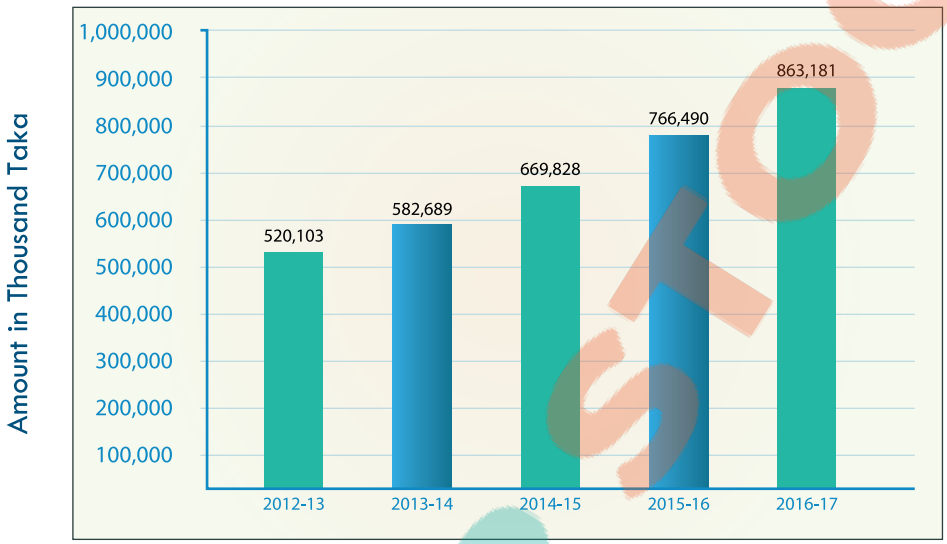
SHARE CAPITAL



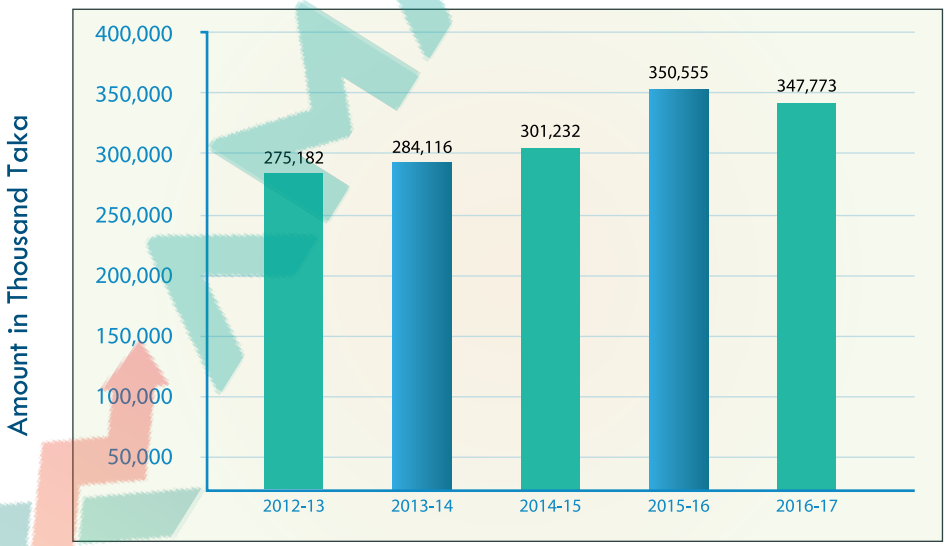
SHAREHOLDERS' EQUITY



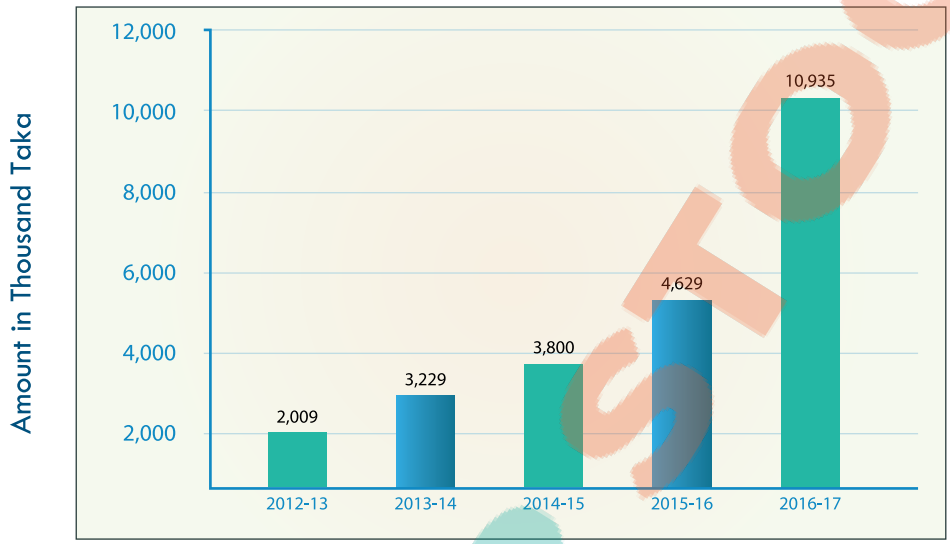
TOTAL ASSETS (NET OF DEPRICIATION)



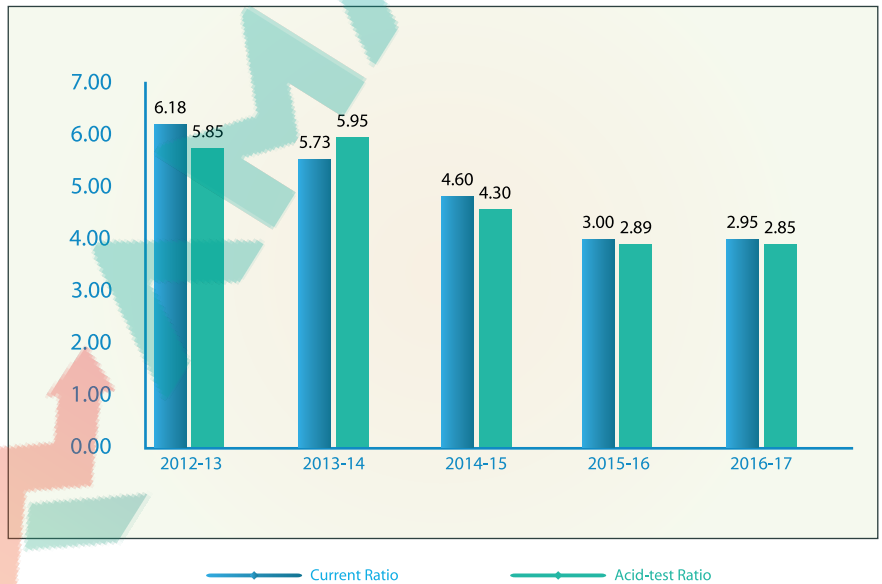
NON CURRENT ASSETS



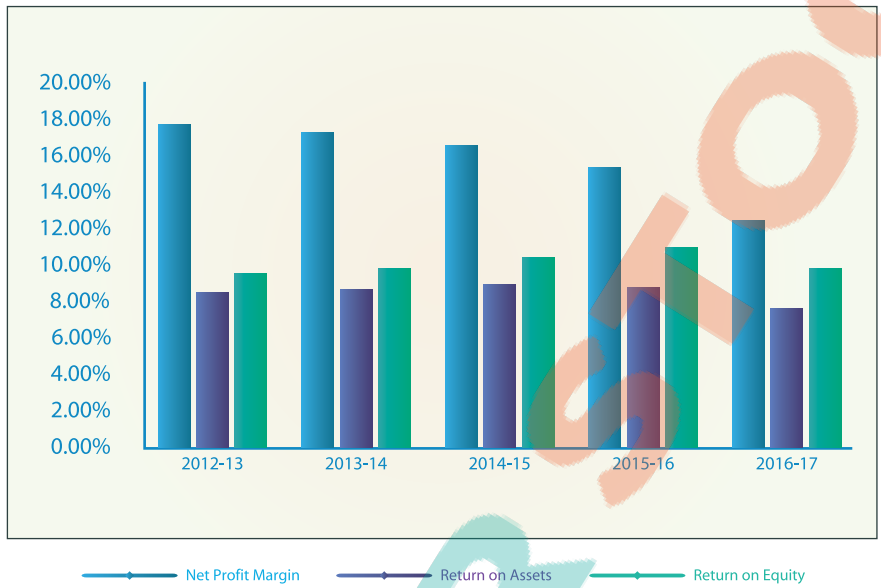
NON CURRENT LIABILITIES



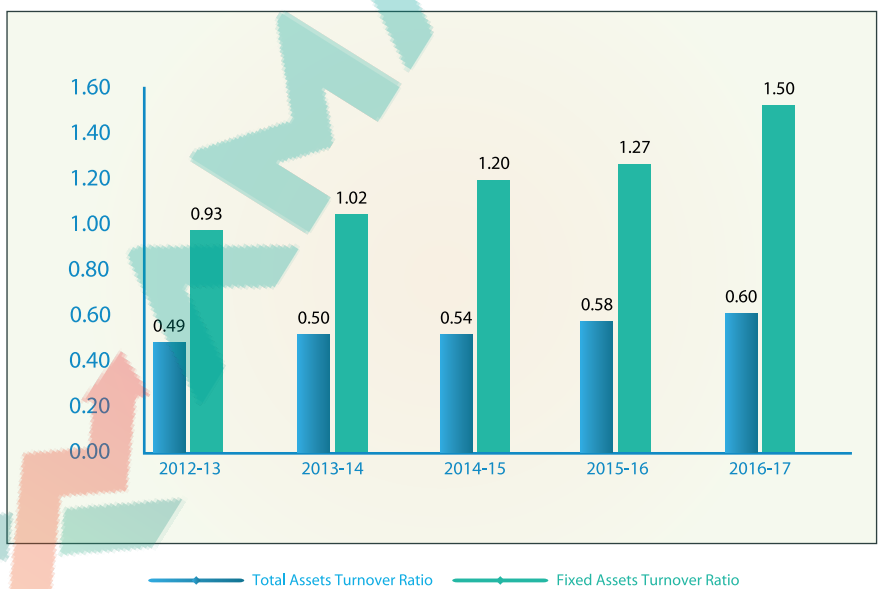
CURRENT AND ACID TEST RATIOS



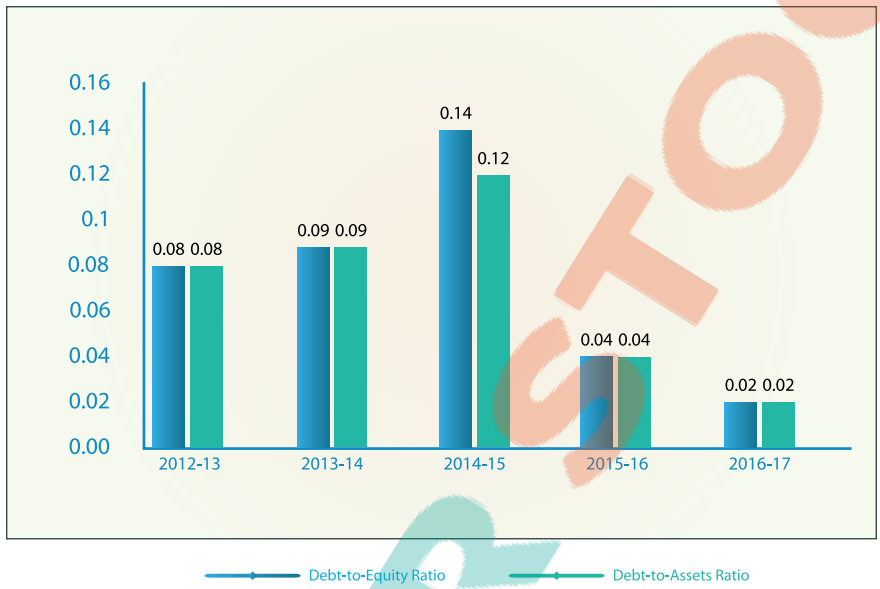
RETURN ON ASSETS, EQUITIES ALONG WITH NET PROFIT MARGIN



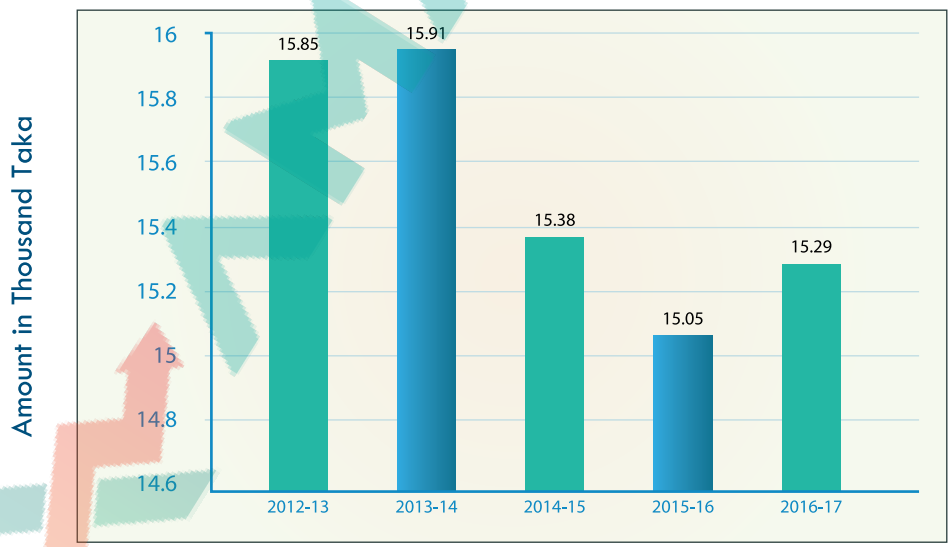
ASSET TURNOVER RATIOS



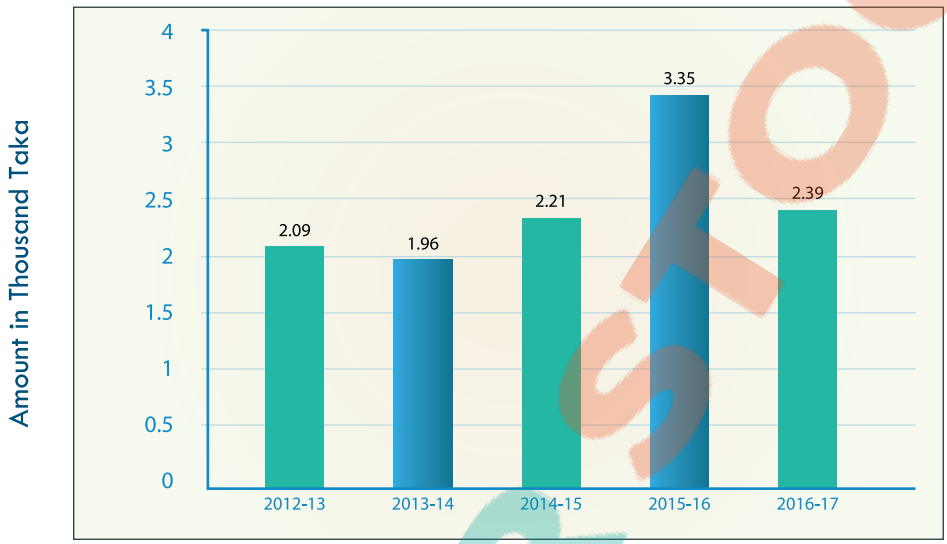
DEBT RATIOS



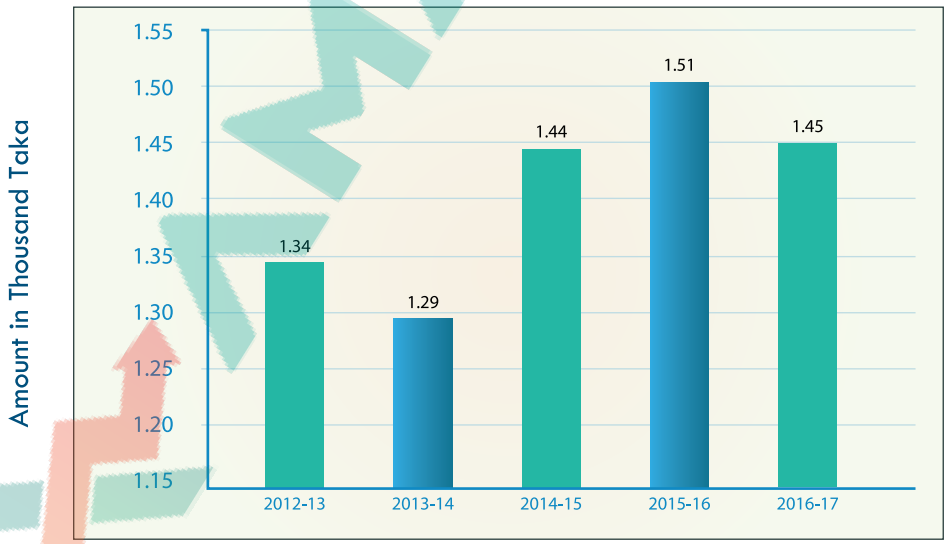
NAV PER SHARE



NET OPERATING CASH FLOW PER SHARE



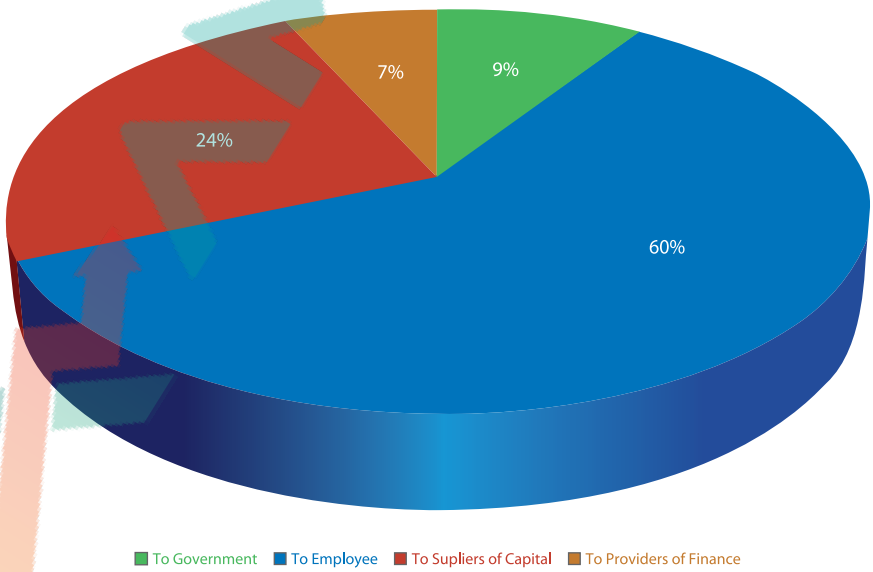
BASIC EARNING PER SHARE



VALUE ADDED STATEMENT 2016-17

Particulars	2016-17	
	Taka	%
Revenue (Net)	520,959,045	
Other Income (Net)	7,322,439	
Less: Cost of network and services	254,170,862	
Sub Total	274,110,622	
Depreciation	(47,429,773)	
Provision for Bad Doubtful Debts	(6,227,888)	
Provision for Deferred Tax Expenses	(6,913,847)	
Value Added (Available for Distribution or Retention)	213,539,114	**100%**
Distribution of Value Added		
To Government (Taxes & Permits excepts VAT)	19,594,788	9%
To Employees	127,068,265	60%
To Provider of Capital (Dividend & Interest)	52,273,249	24%
Retained Profit	14,602,812	7%
Total	213,539,114	100%

2016-2017	
To Government (Taxes & Permits except VAT)	9%
To Employees	60%
To Provider of Capital (Dividend & Interest)	24%
Retained Profit	7%

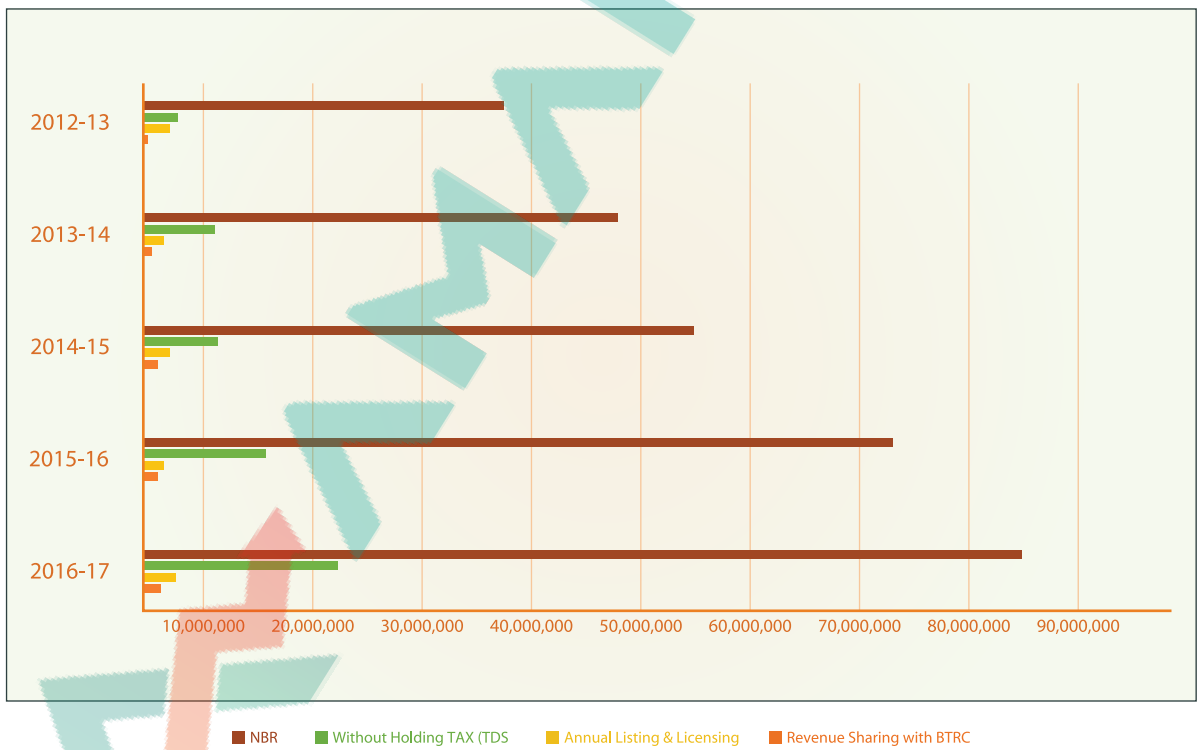


CONTRIBUTION TO NATIONAL EXCHEQUER

"Our total collective contribution to the National Exchequer for the last five years was a total figure of BDT 356.01 million until July 2017. Our total payment for the year 2016-17 was BDT 108.16 million of which we paid BDT 1.67 million to BTRC for Revenue Sharing, BDT 3.11 million for Annual Listing & Licensing, BDT 18.75 million for witholding taxes and finally, a whooping sum of BDT 84.62 million to the National Board of Revenue (NBR). In IT sector, BDCOM is one of the highest among the taxpayers for quite a while now.

BDCOM is making significant contribution to national exchequer by paying taxes, sharing revenue with BTRC and paying fees for listing & licensing on regular basis. Hence, we believe we are making significant contributions to further the growth and development of Bangladesh"

Year	2016-17	2015-16	2014-15	2013-14	2012-13
Revenue Sharing with BTRC	1,677,643	1,318,641	1,378,514	775,830	374,156
Annual Listing & Licensing	3,112,102	1,922,860	2,538,722	1,922,091	2,540,417
WITH HOLDING TAX (TDS)	18,752,715	11,922,956	7,171,698	6,892,300	3,317,787
NBR	84,620,296	72,204,347	53,026,305	45,777,764	34,771,369
Total	**108,162,756**	**87,368,804**	**64,115,239**	**55,367,985**	**41,003,729**



20th Annual General Meeting
Picture At a Glance









Directors' Report to the Shareholders

For The Year Ended June 30, 2017

Dear Shareholders

The Directors of BDCOM Online Ltd. welcomes you at the 21st Annual General Meeting and have the pleasure of presenting the Director's Report of your Company together with audited financial statements for the year ended June 30, 2017.

Enhanced value of Shareholder's Investment:

During the year under review, Revenue (Net of VAT) was Tk. 520.96 million with 17.15% increase compared to the revenue of previous year.

The Directors take pleasure in reporting the financial results of the Company for the year ended June 30, 2017 (as mentioned in the Statement of Profit & Loss and Other Comprehensive Income). Details of the same are given below.:

Description	June 30, 2017	June 30, 2016
Gross Profit	291,070,848	260,406,564
Operating Profit	82,660,111	65,381,690
Non-Operating Income	16,101,017	18,938,504
Net Profit before Provision & Tax	89,982,549	84,320,194
Provision for WPPWF	(4,284,883)	(4,216,010)
Provision for Income Tax	(14,491,146)	(12,191,478)
Provision for Deferred Tax	(6,913,847)	(827,908)
Net Profit after Tax	**64,292,672**	**67,084,798**
Less: Dividend Distribution of Previous Year	(49,689,860)	(57,511,418)
Less :Prior Year Adjustment	-	2,805,770
Add: Profit brought forward	84,037,545	77,269,935
Surplus Available for Appropriation	**98,640,357**	**84,037,545**
The Board of Directors recommendation for		
Cash Dividend @ 5%	22,153,398	
Stock dividend @ 5%	22,153,398	
Retained Earnings after Proposed Dividend	**54,341,753**	

Dividend

The net profit after tax of the Company stands at Taka. 643.08 million for the year ended on 30th June 2017. The Board of directors recommends 5% Cash Dividend & 5% Stock Dividend for the year ended 30th June, 2017.

Directors

The Directors retire by rotation in terms of Articles of Association of the Company and being eligible, offer themselves for re-election is M/S. Hornbill Apparel Ltd.

Office of the Managing Director expires as per Section 110 of company Act, 1994 and as such the Board of Directors re-appointed Mr. S. M. Golam Faruk Alamgir as Managing Director on 07 March 2017 for next three (03) years, now seek shareholders post-facto approval.

Auditors

The office of the present Auditor M/S. Ahmed Zaker & Co., Chartered Accountants will expire with the completion of 21st Annual General Meeting and are eligible and offer themselves for re-appointment as Statutory Auditors and the Board of Directors recommended M/S. Ahmed Zaker & Co., BSEC Penal Auditor as Statutory Auditors for the year ended June 30, 2018 with re-fixation of remuneration and seek shareholders' approval.

Additional Statements

The directors are pleased to recount on the following additional statements in respect of report prepared under section 184 of the Companies Act, 1994:

a) The Financial statements prepared by the management for the year ended 30 June 2017 give a true and fair view of the state of the company about the result of its operation, cash flows and changes of equity.
b) Proper books of accounts as required by the prevailing laws have been maintained.
c) Appropriate accounting policies have been consistently applied in preparing the financial statement and that the accounting estimates are based on reasonable prudent judgment.
d) The financial statements have been prepared in accordance with applicable IAS/BAS/IFRS/BFRS.
e) The system of internal control and check are in effect and maintained properly.
f) The company has sound and strong operational strengths and ability to continue as a going concern. As such, there is no doubt of its continuity.
g) There is no deviation from last year operating results.
h) The key operating and financial data for the proceeding five years have been shown in the Financial History of Five years (Annexure -I) (Page-15)
i) During the year Nineteen (19) Board of Directors meeting were held and the attendance by each directors is given bellow:

1)	Mr. Wahidul Haque Siddiqui	Chairman	-	19
2)	Mrs. Qurrattul Ann Siddiqui	Director	-	19
3)	M/S. Hornbill Apparel Ltd.	Director	-	16
4)	Mr. Das Deba Prashad	Independent Director	-	11
5)	Mr. S. M. Golam Faruk Alamgir	Managing Director	-	19

j) The pattern of shareholding:
   i) Parent/Subsidiary /Associate Companies
   ii) Sponsor , Directors, Managing Director, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouse and minor children:

				Sharea Qty. as at 30 Jun-17	Sharea Qty. as at 30 Jun-16	% 2017	% 2016
a)	Mr. Wahidul Haque Siddiqui	Chairman	-	2,357,606	2,203,371	5.32	5.32
b)	Mrs. Qurrattul Ann Siddiqui	Director	-	4,258,841	3,980,226	9.61	9.61
c)	M/S. Hornbill Apparel Ltd.	Director	-	2,114,779	1,976,430	4.77	4.77
d)	Mr. Das Deba Prashad	Independent Director	-	-	-	-	-
e)	Mr. S. M. Golam Faruk Alamgir	Managing Director	-		-	-	-
f)	Mr. Sumon Ahmed Sabir	Sponsor	-	6,54,523	611,705	1.48	1.48
g)	Mr. Mohd. Zulfiquar Hafiz	Sponsor	-	4,85,977	454,185	1.10	1.10
h)	Mr. A.T.M Sayeeduzzaman	Sponsor	-	3,64,284	340,453	0.82	0.82
i)	A. K. M. Kutub Uddin	Company Secretary	-	-	-	-	-
j)	Mr. Chitta Ranjan Halder, FCA	Chief Financial officer	-	-	-	-	-
k)	Mr. Swapan Kumar Saha	Head of Internal Audit	-	-	-	-	-
iii)	Executives:						
a)	Mr. S. M. Kamruzzaman	Chief Technical Officer		-	-	-	-
b)	Mr. Gazi Zehadul Kabir	General Manager		-	-	-	-
c)	Mr. Anowar Hasan Sabir	General manager		-	-	-	-
d)	Mr. Bipul Ranjan Saha	Deputy General Manager		-	-	-	-
e)	Mr. Sharif Shabbirul Alam	Deputy General Manager		-	-	-	-
iv)	Shareholders holding 10% or more voting interest in the company			-	-	-	-

Duties of Managing Director and Chief Financial Officer

As per condition 6 of the Corporate Governance Guidelines, the Managing Director and Chief Financial Officer (CFO) has certified to the Board that-

• to the best of their knowledge and belief, they have reviewed financial statements for the year ended 30th June 2017 and that to the best of their knowledge and belief:

• the financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading

• the financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

• there were no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Brief Resume of the Director

Mr. Wahidul Haque Siddiqui

Mr. Wahidul Haque Siddiqui is the sponsor, director, founder and also the chairman of BDCOM Online Ltd. Having completed his commerce graduation from the University of Dhaka, Mr. Siddiqui set his sights on getting actively involved in business enterprises which at present are playing a vital role in the economy of Bangladesh. He happens to be a very successful and experienced tycoon in the RMG (Ready Made Garments) and apparel sector both in Bangladesh as well as abroad. His contribution in the IT sector of Bangladesh has also been significant. He has spent the last 28 years with the RMG sector for the development, up-gradation and enhancement of foreign currency reserve of the country. He is also one of the directors of Asia Pacific General Insurance Company Limited. His vast knowledge in business as well as his leadership has been instrumental in BDCOM's success throughout the years. Mr. Siddiqui will continue to work on his vision of establishing a business empire which will aid in the development of our nation.

Mrs. Qurrattul Ann Siddiqui

She is the wife of Mr. Wahidul Haque Siddiqui and is a bonafide industrialist, entrepreneur as well as a social worker. She has been actively involved in doing business successfully for well over a decade. Mrs. Siddiqui is also one of the founders and directors of the company. Although her main contribution is towards doing social work and working for the development of our country, Mrs. Siddiqui does however have a lot of knowledge in business. She has travelled in many countries across the world for business purposes which has helped her gain significant insights on the matter.

M/S. Hornbill Apparel Limited

M/S. Hornbill Apparel Limited is the corporate sponsor and director of the company. They have been BDCOM's partner ever since its inception. They have been successfully engaged with apparel business in Bangladesh for a long period of time.

Mr. Das Deba Prashad

Mr. Prashad is the former Managing Director of Delta Life Insurance Limited. He has obtained his Master's degree in Accounting from the University of Dhaka and is well known and experienced in the Insurance sector. He has a vast knowledge in banking & capital market. He has participated in many local and international industrial events, trainings, seminars and workshops.

Mr. S. M. Golam Faruk Alamgir

Mr. Alamgir has obtained his MBA degree in Marketing and is the Managing Director of BDCOM Online Ltd. The Commander in chief of BDCOM is well experienced in ICT Business and has been engaged with this sector for more than 27 years. He has participated in many local and international events, trainings and workshops. His vision and knack for success has proved to be a vital element. He has previously worked in head positions of other IT companies.

Achievement & Future Plan

"As a rule, we find what we look for; we achieve what we get ready for" - ***James Cash Penney, Founder JC Penney, 1902.***

BDCOM business intelligence and R&D team consistantly working on the change environment of digital frontier and trying it's best to fit businesses based on it's own ecosystem. Preparing the team accordingly.

BDCOM's wide network operating footprint countrywide, a determined self-help agenda and a focus on differentiated services and solutions, enable the company to deliver a resilient performance against considerable headwinds in past few years and the experience we got from many ups and down of the market, make us very prepared for future businesses.

As we all know the business environment in last few years has put our people to the test, individually and collectively. BDCOM Employees, has faced many many challenges. Through their effort, BDCOM is navigating the market very robust way, may be more than that. We are very fortunate to have very effective Board and Management Team who are laying the foundations to make the company more resilient and better able to capture the opportunities ahead.

This year BDCOM will be more focused on home segment in addition to corporate segment, after lot of hurdles, network and other infrastructure are now more supportive than before. BDCOM is striving hard to keep its commitment to have safe and stable and echo friendly Internet, phone and other related services to the community, also will ensure round the clock more efficient helpdesk team to support our valued customer. We highly appreciate Government initiative in this regard.

Corporate Governance

BDCOM Online Limited is pledge bound to adopt necessary measures of good governance abiding by all prevailing Rules and Regulations. Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/Admin/44 dated 07 August 2012 issued under section 2CC of Bangladesh Securities and Exchange Ordinance, 1969 is given in **Annexure-II** of this Annual Report. (Page-32)

Acknowledgement

The Board of Directors like to express their gratitude to all honorable shareholders, valued clients for their patronage. The Directors also express their thanks and profound appreciation for the immense support and co-operation received from Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Securities And Exchange Commission (BSEC), Dhaka Stock Exchange Ltd (DSE), Chittagong Stock Exchange Ltd (CSE) and Central Depository of Bangladesh Limited (CDBL). The Board of Directors pleased to put on record their appreciation for the teamwork, prompt and prudent decision making, efficient and cordial service and contribution made by the management as well as the employees towards the growth and progress of the Company.

Thanks & regards

For and on behalf of the Board of Directors



Wahidul Haque Siddiqui
Chairman

Statement on the Duties of

Managing Director and Chief Financial Officer

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

i) We have reviewed the financial statements for the year ended 30th June 2017 and that to the best of our knowledge:

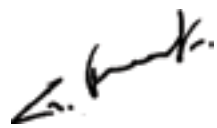
   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these financial statements together present a true and fair view of the company's affairs and are in complance with existing accounting standards and applicable laws;

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



Mr. Chitta Ranjan Halder, FCA
Chief Financial Officer



S.M. Golam Faruk Alamgir
Managing Director

AMARSTOCK

Status of compliance with the Corporate Goverance Guidelines

(Annexure- II)

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

(Report Under Condition No. 7.00)

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	**BOARD OF DIRECTORS:**			
1.1	Board's Size [Number of Board members to be 5 - 20]	√		
1.2	**Independent Directors**			
1.2 (i)	Number of independent Directors [at least 1/5]	√		
1.2 (ii)	**Independent Directors (ID) means a director:**			
1.2 (ii) (a)	Holding no share or holding less than 1% shares	√		
1.2 (ii) (b)	Not being a sponsor and connected with any sponsor or director or shareholder holding 1% or more shares	√		
1.2 (ii) (c)	Not having any pecuniary or otherwise relationship with the company or its subsidiary/ associated companies	√		
1.2 (ii) (d)	Not being member/director/officer of any stock exchange	√		
1.2 (ii) (e)	Not being shareholder/director/officer of any member of stock exchange or intermediary of capital market	√		
1.2 (ii) (f)	Not being partner/executive at present or during the preceding 3 years of the company's statutory audit firm	√		
1.2 (ii) (g)	Not being an ID in more than 3 listed companies	√		
1.2 (ii) (h)	Not convicted as defaulter in any loan of a bank or NBFI	√		
1.2 (ii) (i)	Not convicted for a criminal offence	√		
1.2 (iii)	To be appointed by BOD and approved in the AGM	√		
1.2 (iv)	The post cannot remain vacant for more than 90 days	--	--	N/A
1.2 (v)	Laying down of code of conduct of Board members and recording of annual compliance of the code	√		
1.2 (vi)	Tenure of ID : 3 years, may be extended for one term	√		
1.3	**Qualification of Independent Director**			
1.3 (i)	Being knowledgeable, having integrity, ability to ensure compliance with laws and make meaningful contribution	√		
1.3 (ii)	Being a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher(Economics/Business/Law)/CA/CMA/CS having 12 years of management/professional experience	√		
1.3 (iii)	Prior approval of the Commission in special cases	--	--	N/A
1.4	Appointment of Chairman and CEO, defining their roles	√		
1.5	**The Director's Report to Shareholders shall include**			
1.5 (i)	Industry outlook and possible future developments	√		
1.5 (ii)	Segment-wise or product-wise performance	√		
1.5 (iii)	Risks and concerns	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5 (iv)	Discussion on COGS, Gross Profit and Net Profit Margins	√		
1.5 (v)	Discussion on continuity of Extra-Ordinary gain or loss	√		
1.5 (vi)	Basis for and a statement of related party transactions	√		
1.5 (vii)	Utilization of proceeds from issuing instruments	√		
1.5 (viii)	Explanation, if the financial results deteriorate after going for IPO, RPO, Right Offer, Direct Listing, etc	--	--	N/A
1.5 (ix)	Explanation about significant variance between Quarterly Financial performance and Annual Financial Statement	--	--	N/A
1.5 (x)	Remuneration to directors including IDs	√		
1.5 (xi)	Fair presentation in financial statements	√		
1.5 (xii)	Maintaining proper books of accounts	√		
1.5 (xiii)	Consistent application of appropriate accounting policies, and accounting estimates being reasonable and prudent	√		
1.5 (xix)	Reason for non declaration of Dividend	--	--	N/A
1.5 (xx)	Number of Board meetings and attendance of directors	√		
1.5 (xxi)	**Pattern of shareholding (along with name wise details) by-**			
1.5 (xxi) (a)	Parent/Subsidiary/Associate Companies & related parties	--	--	N/A
1.5 (xxi) (b)	Directors, CEO, CS, CFO, HOI A, their spouses & children	√		
1.5 (xxi) (c)	Executives (Top 5 salaried employees other than above)	√		
1.5 (xxi) (d)	Shareholders holding 10% or more voting interest	--	--	N/A
1.5 (xxii)	**In ease of the appointment/re-appointment of a director**			
1.5 (xxii) (a)	A brief resume of the director	√		
1.5 (xxii) (b)	Nature of his/her expertise in specific functional areas	√		
1.5 (xxii) (c)	Names of companies in which he/she holds directorship and the membership of committees of the board	√		
2	**CFO, Head of Internal Audit and CS:**			
2.1	Appointment of a CFO, a Head of Internal Audit and a CS and defining their roles, responsibilities & duties	√		
2.2	Attendance of CFO and CS in the meetings of the Board	√		
3	**Audit Committee:**			
3 (i)	Having Audit Committee as a sub-committee of the BOD	√		
3 (ii)	Audit Committee to assist the BOD in ensuring fairness of financial statements and a good monitoring system	√		

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Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
3 (iii)	Audit Committee being responsible to the BOD; duties of Audit Committee to be clearly set forth in writing	√		
3.1	**Constitution of the Audit Committee**			
3.1 (i)	Audit Committee to be composed of at least 3 members	√		
3.1 (ii)	Audit Committee members to be appointed by BOD and at least one Independent Director to be included	√		
3.1 (iii)	Audit Committee members to be "financially literate" and at least one to have accounting/financial experience	√		
3.1 (iv)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within 1 month	√		
3.1 (v)	The CS to act as the secretary of the Audit Committee	√		
3.1 (vi)	No quorum in Audit Committee meeting without one ID	√		
3.2	**Chairman of the Audit Committee**			
3.2 (i)	Chairman to be an ID, selected by the BOD	√		
3.2 (ii)	Chairman of audit committee to remain present in AGM	√		
3.3	**Role of Audit Committee**			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		
3.3 (iii)	Monitor Internal Control Risk management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review the annual financial statements	√		
3.3 (vi)	Review the quarterly and half yearly financial statements	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions	√		
3.3 (ix)	Review Letters issued by statutory auditors	√		
3.3 (x)	Review disclosures/statements/declarations about uses of funds raised through IPO/RPO/Rights Issue	√		
3.4	**Reporting of the Audit Committee**			
3.4.1	**Reporting to the Board of Directors**			
3.4.1 (i)	Reporting on the activities of Audit Committee	√		
3.4.1 (ii) (a)	Reporting on conflicts of interests	--	--	N/A
3.4.1 (ii) (b)	Reporting on suspected/presumed fraud or irregularity or material defect in the internal control system	--	--	N/A
3.4.1 (ii) (c)	Reporting on suspected infringement of laws	--	--	N/A
3.4.1 (ii) (d)	Reporting on any other matter to disclose immediately	--	--	N/A
3.4.2	Reporting to BSEC	--	--	N/A
3.5	Reporting to the Shareholders and General Investors	√		

Condition No.	Title	Compliance Status ("√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
4	**External / Statutory Auditors**			
4. (i)	Non-engagement in appraisal/valuation/fairness opinions	√		
4.00 (ii)	Non-engagement in designing & implementation of FIS	√		
4.00 (iii)	Non-engagement in Book Keeping or accounting	√		
4.00 (iv)	Non-engagement in Broker-Dealer services	√		
4.00 (v)	Non-engagement in Actuarial services	√		
4.00 (vi)	Non-engagement in Internal Audit services	√		
4.00 (vii)	Non-engagement in services determined by Audit Com.	√		
4.00 (viii)	Possessing no share by any partner or employee of the external audit firm during the tenure of assignment	√		
4.00 (ix)	Non-engagement in Audit/Certification Services on Compliance of Corporate Governance as required under clause (i) of condition No. 7	√		
5	**Subsidiary Company**			
5 (i)	Composition of BOD to be similar to holding company	--	--	N/A
5 (ii)	One ID to be in both holding and subsidiary company	--	--	N/A
5 (iii)	Minutes of Board meetings of subsidiary company to be placed at following Board meeting of holding company	--	--	N/A
5 (iv)	Minutes of respective Board meeting of holding company to state that affairs of subsidiary company be reviewed	--	--	N/A
5 (v)	Audit Committee of holding company to review financial statements/ investments of subsidiary company	--	--	N/A
6	**Duties of CEO and CFO:**			
6 (i) (a)	To certify that they've reviewed FSs which contain no untrue or misleading statement or omit no material fact	√		
6 (i) (b)	To certify that the statements present a true and fair view of affairs and are in compliance with accounting standards and applicable laws	√		
6 (ii)	To certify that no transaction is fraudulent, illegal or violation of company's code of conduct	√		
7	**Reporting and Compliance of Corporate Governance:**			
7 (i)	Obtaining certificate regarding compliance and sending it to shareholders along with the Annual Report	√		
7 (ii)	To state, in accordance with annexure, in directors report whether the conditions have been complied with	√		

AUDIT COMMITTEE REPORT

For the year ended on 30 June 2017

The Audit Committee is appointed by the Board of Directors, as per the requirements of Bangladesh Securities and Exchange Commission (BSEC) notification. The Audit Committee consists of three members. The Company Secretary acts as the Secretary of the Audit Committee.

The Audit Committee of BDCOM Online Limited is a sub-committee of the Board, to support the Board in fulfillment of its oversight responsibilities. The terms of reference of the Audit Committee are set by the Board of Directors in line with BSEC notification.

Composition of Audit Committee of BDCOM is as follows

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

Chairman : Mr. Das Deba Prashad, Independent Director
Member : Mrs. Qurrattul Ann Siddiqui, Director
Member : M/S. Hornbill Apparel Limited, Director
Secretary : Mr. A.K.M. Kutub Uddin, Executive Director & Company Secretary

Meeting of the Audit Committee

The Committee had 4(four) meetings during the years 2016-2017. Attendance of the Members was as follows:

Name of the Member	No. of Meeting held	No. of meeting Attendance
Mr. Das Deba Prashad	4	4
Mrs. Qurrattul Ann Siddiqui	4	4
M/S. Hornbill Apparel Limited	4	4

Munities of the Committee Meeting properly recorded.

Major Responsibilities of the Audit Committee

The purpose, authority, composition, duties and responsibilities of the Audit Committee are delineated in its Charter. Some of the major responsibilities of the Audit Committee are as follows:

- To review the annual, half-yearly and quarterly financial statements and other financial results, and upon its satisfaction recommended the same to the Board of Directors for approval.
- To review the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with regulatory requirements and the codes of conduct.
- To recommend appointment, termination of statutory auditors and determination of the audit fees, for Shareholders approval.
- To consider the scope of work, and oversee and evaluate the work performed by statutory auditors.
- To review non-audit services performed by statutory auditors to the extend permitted by the relevant law, rules and regulations.
- To exercise it's oversee the activities Internal Audit function.
- To review the effectiveness of internal audit function including performance, structure, adequacy of resources, and compliance with professional standards.
- To review the audit finding and material weaknesses and monitor implementation of audit action plans.

Major Activities of the Audit Committee in 2016-2017

The Committee held 4 (Four) meeting during the financial year 2016-2017. The Managing Director, Chief Financial Officer and Head of Internal Audit attended meeting on invitation. The major activities of the Audit Committee in 2016-2017 are stated below-

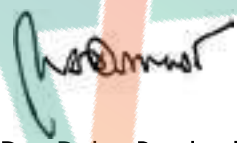
- reviewed the internal control system and the financial statements of first quarter, half year, third quarter and annual financial statements for the year ended June 30, 2017 and subsequently recommended to the board for consideration and approval.
- reviewed the integrity of the financial statements of the company to ensure that, these reflect a true and fair view of the company's state of affairs for the year ended 30th June, 2017.
- while reviewing the financial statements ensured that proper disclosure required under international accounting standards as adopted in bangladesh have been made and also complied with the companies act and various other rules and regulations applicable to the company.
- discourse with the statutory auditors about the nature and scope of audit as well as had post-audit discussions to areas of concern;
- approved the internal audit plan and gave direction to the internal auditor where appropriate for carrying out in depth audit to ensure that the company or its assets are not exposed to un due risk;
- reviewed the work of internal audit department and made suggestions for improvement.
- recognized the observations of the internal audit department regarding internal control and suggestions made to improve operation systems and procedures and their implementation.
- reviewed the internal auditors' reports and suggested appropriate action where needed. internal auditors were also advised to carryout audit of all the branches in each year. branch audit reports are required to ensure their effectiveness and suggest appropriate information where required;
- reviewed the management report submitted by the statutory auditors and suggested corrective measures and fixed time frame for their implantation; and
- reviewed the performance of external auditors during the last year and recommended the appointment of M/S. Ahmed Zaker & Co, Chartered Accountants (BSEC penal auditors) as the statutory auditors of the company for the year 2017-2018.

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

Reporting

- pursuant to condition # 3.4.1 of the corporate governance guidelines issued by bsec, the committee reports that it did not find any conflict of interest or any fraud, irregularity, material defect in the internal control system. there are no infringement of laws, rules and regulation also.
- the committee is of the view that risk management associated with the business of the company is adequately controlled.

On behalf of the Audit Committee



Das Deba Prashad
Chairman, Audit Committee
28 October, 2017

Certificate on compliance of conditions of the Corporate Governance Guidelines to the Shareholders of BDCOM Online Limited.

We have examined the annexed statement on compliance of conditions of the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by BDCOM Online Limited (the Company) for the year ended 30 June 2017 as stipulated in the clause 7(1) of the BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07th August 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

The compliance of the said conditions of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) and reporting of the status thereof is the responsibility of the Company's Management. Our responsibility is to provide a certificate based on our relevant examination as to whether or not the company is in compliance with the said conditions of Corporate Governance Guidelines. Our examination for the purpose of issuing this certificate was limited to the examining of procedures and implementations thereof as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance and corrects reporting of compliance status on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statements of the company.

To the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance stipulated in the above mentioned BSEC's notification dated 7th August 2012 issued under section 2CC of the Securities and Exchange Ordinance 1969.

Dhaka, 12 November 2017

Atik Khaled Chowdhury
Chartered Accountants

Auditors' Report

To The Shareholders of BDCOM ONLINE LIMITED

We have audited the accompanying financial statements of **BDCOM ONLINE LIMITED,** which comprise the Statement of Financial Position as at June 30 2017 along with Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable rules and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standard (BAS), Bangladesh Financial Reporting Standards (BFRS) present fairly in all material respect the financial position of **BDCOM ONLINE LTD.** as of June 30, 2017 and the result of its operation and cash flows for the year then ended and comply with The Securities and Exchange Rules 1987, Companies Act 1994 and other applicable laws and regulations.

We also report that;

a) we have obtained all the information and explanations 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 company so far as it appeared from our examination of those books;

c) the company's Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income and Statement of cash flows dealt with by the report are in agreement with the books of accounts; and

d) the expenditure incurred and payments made were for the purposes of the Company's business.

Place : Dhaka
Dated: October 28, 2017

Ahmed Zaker & Co.
Chartered Accountants

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BDCOM ONLINE LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2017

	Particulars	Notes	Amount in Taka	
			30.06.2017	30.06.2016
	Assets:			
A.	**Non-Current Assets**		**347,772,542**	**350,555,743**
	Goodwill	3.00	-	228,000
	Property, Plant and Equipment	4.00	343,921,683	346,361,884
	Long Term Security Deposit	5.00	3,850,859	3,965,859
B.	**Current Assets**		**515,409,288**	**415,934,605**
	Inventories	6.00	15,818,882	15,380,948
	Advances, Deposits & Prepayments	7.00	12,903,123	17,242,582
	Advance Income Tax & VAT	8.00	26,620,547	20,963,669
	Bills Receivable	9.00	142,044,907	88,504,972
	Accounts Receivable	10.00	5,764,799	6,779,148
	Investment In Shares (at Market Value)	11.00	48,808,687	6,676,500
	Investment In FDR	12.00	223,349,969	241,531,915
	Cash and Cash Equivalents	13.00	40,098,374	18,854,872
	Total Assets (A + B)		**863,181,830**	**766,490,348**
	Shareholders' Equity & Liabilities:			
C.	**Shareholders' Equity:**		**677,301,184**	**623,388,321**
	Share Capital	14.00	443,067,963	414,082,213
	Share Premium	15.00	119,504,000	119,504,000
	Tax Holiday Reserve		21,555,878	21,555,878
	AFS Reserve		(5,467,014)	(15,791,315)
	Retained Earnings		98,640,357	84,037,545
D.	**Non- Current Liabilities**		**10,935,291**	**4,628,890**
	Deferred Tax Liabilities	16.00	10,935,291	4,628,890
E.	**Current Liabilities**		**174,945,354**	**138,473,137**
	Bills Payables	17.00	107,948,168	75,946,613
	Accounts Payables	18.00	29,339,609	19,376,788
	Provision for Income Tax	19.00	14,491,146	12,191,478
	Provision for Bad & Doubtful Debts	20.00	9,957,090	3,729,202
	Short Term Bank Loan	21.00	13,209,341	27,229,056
	Total Equity & Liabilities (C+D+E)		**863,181,830**	**766,490,348**
	Net Assets Value Per Share (NAV)		**15.29**	**15.05**

The annexed notes (1-31) forman integral part of these financial statements.

Chief Financial Officer	Company Secretary	Managing Director	Director	Chairman

Signed as per our separate report on same date.

Ahmed Zaker & Co.
Chartered Accountants

Place: Dhaka
Date: October 28, 2017

BDCOM ONLINE LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended June 30, 2017

Particulars	Notes	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Amount in Taka	
					Total 30.06.17	Total 30.06.16
Revenue from Sales & Services	22.00	425,583,973	57,030,661	38,344,411	520,959,045	444,680,318
Operating Expenses	23.00	(191,725,345)	(20,492,832)	(17,670,020)	(229,888,197)	(184,273,754)
Gross Profit: A		**233,858,629**	**36,537,829**	**20,674,391**	**291,070,848**	**260,406,564**
Administrative and Marketing Expenses	24.00	(120,653,408)	(15,138,691)	(16,377,589)	(152,169,688)	(148,825,329)
Depreciation on Property, Plant & Equipment	4.00	(44,210,794)	(1,508,520)	(1,710,459)	(47,429,773)	(41,532,075)
Provision for Bad & Doubtful Debts	20.00	(3,531,685)	(2,022,440)	(673,763)	(6,227,888)	(2,240,072)
Financial Charges	25.00	(2,497,181)	(53,733)	(32,475)	(2,583,389)	(2,427,398)
Total Expenses: B		**(170,893,086)**	**(18,723,385)**	**(18,794,285)**	**(208,410,738)**	**(195,024,874)**
Operating Profit: A-B		**62,965,561**	**17,814,444**	**1,880,105**	**82,660,111**	**65,381,690**
Non-Operating Income	26.00	14,737,192	1,355,162	8,662	16,101,017	18,938,504
Net Realized Loss on Sale of Shares	27.00	(8,778,578)	-	-	(8,778,578)	-
Net Profit Before WPPWF	-	**68,924,175**	**19,169,607**	**1,888,767**	**89,982,549**	**84,320,194**
Contribution to WPPWF @ 5%		(3,282,104)	(912,838)	(89,941)	(4,284,883)	(4,216,010)
Net Profit before Tax		**65,642,072**	**18,256,768**	**1,798,826**	**85,697,666**	**80,104,184**
Income Tax Expenses	19.00	(14,083,172)	(321,342)	(86,632)	(14,491,146)	(12,191,478)
Deffered Tax Expenses	16.00	(6,913,847)	-	-	(6,913,847)	(827,908)
Net Profit After Tax		**44,645,052**	**17,935,426**	**1,712,194**	**64,292,672**	**67,084,798**
Other Comprehensive Loss :						
Unrealized (Loss)/Gain on investment in shares	28.00	9,716,855	-	-	9,716,855	54,517
Related Deferred Tax		-	-	-	(971,686)	-
Net Comprehensive Income		**54,361,907**	**17,935,426**	**1,712,194**	**73,037,842**	**67,139,315**
Basic Earning Per Share (EPS) Note - 29.00					**1.45**	**1.51**

The annexed notes (1-31) forman integral part o f these financial statements.

Chief Financial Officer	Company Secretary	Managing Director	Director	Chairman

Signed as per our separate report on same date.

Ahmed Zaker & Co.
Chartered Accountants

Place: Dhaka
Date: October 28, 2017

BDCOM ONLINE LIMITED
STATEMENT OF CHANGES IN EQUITIES
For the year ended 30 June 2017

Particulars	Share Capital	Tax Holiday Reserve	Share Primium	AFS Reserve	Retained Earning	Amount in Taka	
						Total Equity 30.06.2017	Total Equity 30.06.2016
Balance as on 01.07.16	**414,082,213**	**21,555,878**	**119,504,000**	**(15,791,315)**	**84,037,545**	**623,388,321**	**585,893,438**
Net Profit After Tax during the year	-	-	-	-	64,292,672	64,292,672	67,084,798
Adjustment against unrealized loss on investment in shares	-	-	-	9,716,855	-	9,716,855	-
Related Deferred Tax	-	-	-	(971,686)	-	(971,686)	-
Prior Year Adjustment for Tax on unrealized loss on investment in shares	-	-	-	1,579,132	-	1,579,132	54,517
Stock Dividend (FY: 2015-16) @ 7%	28,985,750	-	-	-	(28,985,750)	-	-
Cash Dividind (FY : 2015-16) @ 5%	-	-	-	-	(20,704,110)	(20,704,110)	(26,838,662)
Prior Year Adjustment (Note-26.00)	-	-	-	-	-	-	(2,805,770)
Balance as on 30.06.2017	**443,067,963**	**21,555,878**	**119,504,000**	**(5,467,014)**	**98,640,357**	**677,301,184**	**623,388,321**

Chief Financial Officer | **Company Secretary** | **Managing Director** | **Director** | **Chairman**

Signed in terms of our separate report on same date.

Place: Dhaka
Date: October 28, 2017

Ahmed Zaker & Co.
Chartered Accountants

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BDCOM ONLINE LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30 June 2017

Particulars		Amount in Taka	
		30.06.2017	30.06.2016
A.	**Cash Flows from Operating Activities :**		
	Receipts from sales, service & others	471,986,569	447,440,041
	Purchase of Materials	(17,385,315)	(4,231,930)
	Bank Interest - STD & Others	325,581	520,668
	WPPWF payment	(4,192,288)	(3,667,670)
	Payment of Income Tax	(18,111,193)	(14,926,667)
	Payment of VAT	262,837	712,141
	Cash payment to creditors & others	(327,061,491)	(287,111,652)
	Net Cash provided/used in Operating Activites	**105,824,699**	**138,734,931**
B.	**Cash Flows from Investing Activities:**		
	Acquisition of Tangible Assets	(44,989,572)	(91,769,196)
	Receive From FDR Interest	16,555,485	11,638,688
	Dividend from Investment in Shares	234,300	-
	Investment in Marketable Securities	(40,876,459)	(2,556,000)
	Sale of Shares		
	Investment in FDR	18,181,946	(241,531,915)
	Profit/(Loss) on Marketable Securities	-	54,517
	Long Term Security Deposit	115,000	914,091
	Net Cash used in Investing activities:	**(50,779,300)**	**(323,249,815)**
C.	**Cash Flows from Financing Activities:**		
	Cash Dividend	(19,782,183)	(26,132,939)
	Short Term Loan	(14,019,715)	14,335,689
	Tax on Share Premium	-	-
	Net Cash Provided by Financing Activities	**(33,801,898)**	**(11,797,250)**
	Net Cash Out Flow during the Year :(A+B+C)	**21,243,502**	**(196,312,134)**
	Cash & Cash Equivalent at the beginning of the year	**18,854,872**	**215,167,006**
	Cash & Cash Equivalent at the closing of the year	**40,098,374**	**18,854,872**
	Net Operating Cash Flow Per Share (NOCF)	**2.39**	**3.35**

Chief Financial Officer | **Company Secretary** | **Managing Director** | **Director** | **Chairman**

Signed in terms of our separate report on same date.

Place: Dhaka
Date: October 28, 2017

Ahmed Zaker & Co.
Chartered Accountants

BDCOM ONLINE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2017

1.00 Status and Nature of the company:

1.01 Legal Form:

BDCOM ONLINE LTD was incorporated in Bangladesh on 12 February 1997 as a Private Limited Company vide certificate of incorporation No:C-32328 (1449/97) dated 12 February 1997 by the Registrar of Joint Stock Companies & Firms and was converted into a Public Limited Company on 10 February 2002. The shares of the company are traded with the Dhaka Stock Exchange and Chittagong Stock Exchange.

1.02 Registered office:

Registered office of the company is situated at Rangs Nilu Square (5th Floor), House # 75, Road # 5/A , Satmosjid Road, Dhanmondi R/A, Dhaka-1209.

1.03 Nature of business:

The Company is primarily engaged as an Internet Service Provider (ISP) in Bangladesh, which includes Web Page Software Design & Hosting, Leased Port Internet Access, Total Network Solutions and Nationwide Data Services. In addition, the Company is conducting Customized Software Development, Broadband Internet, Vehicle Tracking Services (VTS), Business Process Outsourcing, IP Telephony Services (IPTSP), IPPBX Solutions, Hosted Co ference Bridge, Short Code Parking, Fiber Optic, Machinery and Hardware Sales.

2.00 Significant Accounting Policies:

2.01 Basis of Preparation of Financial Statements

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

2.02 Going Concern:

This financial statement has been prepared on the assumption that the entity is a going concern and will continue its business for the foreseeable future. Hence it is assumed that the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operation.

2.03 Cash Flow Statement:

Cash Flow Statement is prepared in accordance with BAS-7 "Cash Flow Statement" and the cash flow from the operating activities has been presented under direct method.

2.04 Reporting period

These financial statements cover a period of one year from 01 July 2016 to 30 June 2017.

2.05 Revenue Recognition:

Service income

Service income arises on services provided by the Company are recognized on an accrual basis. Service charges charged to customers on services provided by the company are credited to income at the time of effecting the transactions in accordance with BAS-18 “Revenue”.

Interest income

In terms of the provisions of the BAS-18 “Revenue Recognition”, the interest income is recognized on accrual basis.

Other income

Other income is recognized in the financial statements on cash basis when the sum of income is actually received during the year as per BAS-18 “Revenue”.

2.06 Assets and basis of their valuation:

Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with various Banks such as cash balances with bank as well as FDR and are used by the Company management for its short-term commitments.

Property, Plant and Equipment

01. Recognition and Measurement

Property, Plant and equipment are capitalized at cost capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation and the capital work in progress (when arises) is stated at cost in compliance with the requirements of BAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive on inward freight, duties and non-refundable taxes.

02. Maintenance activities

The company incures maintenance cost for all items major items of property, plant and equipment. Repair and Maintenance costs are charged as expenses when incurred.

03. Subsequent Expenditure

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, it is probable that the future economic benefits embodied with the item will flow of the company and the cost of the item can be measured reliably. Expenditure incurred after the asset have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where can be clearly demonstrated that the expenditure has resulted in an increases in the future economic benefit expected to be obtained from the use of fixed assets, the expenditure is capitalized as an additional cost of assets. All other cost are recognized to the statement of comprehensive income as expenses if incurred. All up-generation/ enhancement are generally charged off as expenditure unless they bring similar significant additional benefits.

04. Disposal of Property, Plant and Equipment

On disposal of Property, Plant and Equipment, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Statement of Profit or Loss and Other Comprehensive Income, when is determined with reference to the net book value of the assets and net sales proceeds.

05. Depreciation is charged on Property, Plant and Equipment at the following rates on reducing balance method.

Particulars	Rate of Depreciation		
	Unit - 1 ISP	Unit - 2 SDP	Unit - 3 IPTSP
Land	-	-	-
Building (Floor Space)	2.5%	-	-
Internet System Hardware	18%	18%	18%
Furniture & Fixture	10%	10%	10%
Office Renovation	18%	18%	-
Sundry Assets	10%	10%	-
Crockeries & Cutleries	10%	15%	-
A. C. Installation	18%	18%	-
PABX Installation	18%	-	-
Office Equipments	15%	-	-
V-Sat Tower	15%	-	-
Telephone & Installation	15%	15%	15%
Motor Vehicles	15%	-	-
Generator/Online UPS	15%	15%	-
Cable Installation	15%	-	-
Broad Band Equipments	18%	-	-
Radio Equipments	18%	-	18%
Electrical Installation	15%	18%	15%
Optical Fiber Deployment	15%	-	-
Neon Sign & Others	20%	-	-
Base Tower & Installation	10%	-	-
WIFI Base Station	20%	-	-
Books & Periodicals	-	10%	-
Peripheral Equipment	-	15%	-
Software Development	-	15%	15%

Details of Property, Plant and Equipment are stated in **"Schedule-A"** annexed hereto.

6. Long Term Security Deposit

These amounts were deposited with BTCL and others in connection with telephone lines, bandwidth, E1 and others.

7. Valuation of Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by the BAS - 2 : Inventories. Cost is determined on weighted average cost basis. The cost of Inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

8. Bills Receivable

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

9. Accounts Payable

Accounts Payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

2.07 Provision for Current & Deferred Tax :

Provision for current tax has been made as per rates prescribed in the Financial Act 2017 and Section : 82 of the ITO 1984 on the taxable profit made by the company after considering taxable add or backs of income and disallowances or allowances of expenditure as per income tax laws in compliance with BAS-12 "Income Taxes".

The Company has recognized deferred tax using balance sheet method in compliance with the provisions of BAS 12 : Income Taxes. The Company's policy of recognition of deferred tax assets/liabilities is based on temporary differences (Taxable or Deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earning per shares (EPS).

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that is no longer probable that the related tax benefit will be realized.

Dividend Payments

Final dividend is recognized after the approval of the shareholders in the 21st Annual General Meeting (AGM).

2.08 Earnings per share:

Earning per Share (EPS) is calculated in accordance with BAS-33 "Earning Per Share" which has been shown at the bottom of the Statement of Profit or Loss and Other Comprehensive Income.

Basic earnings per share

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered to be fully attributable to the ordinary shareholders.

Sl. No.	Particulars	30-Jun-17	30-Jun-16
a)	Earnings attributable to the ordinary shareholders	64,292,672	67,084,798
b)	Number of Ordinary Shares.	44,306,796	41,408,220
c)	Earning Per Share	1.45	1.51

Diluted earnings per share

No diluted earnings per share are required to be calculated for the year as there was no scope for dilution during the year under report.

2.09 Tax Holiday Reserve

Software Development Project (SDP), Unit-II of the Company has enjoyed tax holiday for 5 (five) years commencing from 01 January 2002 to 31 December 2006.

Tax holiday reserve had been provided @ 40% of net income of the respective years up to December 31, 2006 in line with the approval from the NBR to invest in the same undertaking or in any new industrial or in stocks and shares of listed Companies or in Government bonds or Securities or for other purposes as specified in the Income Tax Ordinance 1984.

2.10 Foreign Currency Transactions:

Foreign Currency Transactions are converted into equivalent BD Taka applying the rate of exchange prevailing at the date of such transactions as per BAS-21 "The Effects of Changes in Foreign Exchange Rates".

2.11 Information about business segments:

Business segment is a distinguishable component of a company that is engaged in providing an individual product or service or a group of related product or service and that is subject to risk and return that are different from those of other business segment. The company had no operational segment either business or geographical segments during the year under review.

2.12 Impairment:

In accordance with the provisions of BAS-36 "Impairment of Assets", the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. Goodwill is amortize during the year we test intangible assets for impairment when events or changes in circumstances indicate their carring value may not be recoverable. In view of the business diversefication and varsatility in information technology the license is run with the current technology. Hence, the management or as per the board approval has decided to write off this amount of goodwill. During the year as the amount is immaterial value in comparison of its net assets value.

2.13 Financial Instruments:

Non-derivative financial instruments comprise of accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

2.14 Borrowing Cost:

The borrowing cost are capitalized unless active development of related assets are interrupted or ceased when the active development are ceased the borrowing cost is directly charged to the Statement of Profit or Loss and Other Comprehensive Income as per BAS-23 "Borrowing Cost".

2.15 Related Parties Transactions:

The party is related to the company if any party casts significant influence over the day to day affairs/matters and also holds the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith is termed as related party transaction as per BAS-24 "Related Party Disclosure". Related party are fully disclosed in **note - 30.**

2.16 Events after the Reporting date:

As per BAS-10 "Events after the Balance Sheet Date" are those events which may be favorable and unfavorable, and occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of events can be identified:

a) Those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and

b) Those that are indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

The company has declared 5% Stock Dividend and 5% Cash Dividend, which is recommended by the Board of Directors in their meeting held at the company's head office on Oct 28, 2017 which would be confirmed in the next Annul General Meeting (AGM) by the shareholders.

2.17 Components of the Financial Statements

a) Statement of Financial Position (Balance Sheet) as at 30 June 2017;
b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30 , 2017;
c) Statement of changes in equities for the year ended 30 June 2017;
d) Statement of Cash Flows for the year ended 30 June 2017;
e) Accounting policies and explanatory Notes to the Financial Statements for the year ended 30 June 2017.

2.18 Employee Summary

Sl	Particulars	30-Jun-17	30-Jun-16
a)	Managers & Officers	191	185
b)	Office Assistant, Cableman & Others	156	147
	Total	**347**	**332**

2.19 Employee Benefits

A) Employee's Provident Fund

The Company continuing a contributory provident fund scheme for its permanent employees. Provident fund is administered by a Board of Trustees and is funded by contributions from both employees and employer under a pre-determined rate. These contributions are duly deposited to seperate bank account and invested under prescribed guide line of Bangladesh Labor Law.

B) Insurance

Employees are covered under the Group Life Insurance Scheme and Hospitalization Insurance Scheme.

C) Workers' Profit Participation & Welfare Fund (WPP & WF)

Provision for Workers Profit Participation Fund has been made @ 5% of net profit as per provision of the Bangladesh Labor Law 2006 and is payable to workers as defined in law.

2.20 Financial risk management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's Activities. The company has exposure to the following risks from use of financial instruments

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of financial loss to the company if a customer or a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables and nominal.

Liquidity risk

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

Market risk

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

a) Currency risk

As at 30 June 2017 there was no exposure to currency risk as there were no foreign currency transactions made during the review.

b) Internet rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no loan which is subject to interest. The company has not entered into any type of derivative instrument in order to hedge interest. The company has been not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

2.21 Comparative:

Comparative data/information have been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.22 General

i) Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison;
ii) Figures appearing in the Financial Statements have been rounded off to the nearest Taka.

AMARSTOCK

3.00 Goodwill:

	Amount in Taka	
This is made up as follows:	**30.06.2017**	**30.06.2016**
Particulars		
Opening Balance	228,000	228,000
Less: Amortization during the year	(228,000)	-
Closing Balance	**-**	**228,000**

4.00 Property Plant and Equipments :

This is made up as follows:

Particulars	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Amount in Taka	
				30.06.2017	**30.06.2016**
A) Cost:					
Opening Balance	601,352,835	49,718,490	18,971,019	670,042,344	578,273,148
Addition during the year	41,693,589	673,190	2,622,793	44,989,572	91,769,196
Less: Adjustment during the year	-	-	-	-	-
Closing Balance	**643,046,424**	**50,391,680**	**21,593,812**	**715,031,916**	**670,042,344**
B) Accumulated Depreciation:					
Openning Balance	272,954,508	40,558,634	10,167,318	323,680,460	282,148,385
Add. Charged during the year	44,210,794	1,508,520	1,710,459	47,429,773	41,532,075
Adjustment for the year	-	-	-	-	-
Closing Balance	**317,165,302**	**42,067,154**	**11,877,777**	**371,110,233**	**323,680,460**
Written Down Value (A-B)	**325,881,122**	**8,324,526**	**9,716,035**	**343,921,683**	**346,361,884**

[Details are shown in the Schedule- A/1,A/2 & A/3]

5.00 Long Term Security Deposit :

This is made up as follows:

Particulars		
BTCL for Telephone Line	5,000	5,000
Security Agst. Bandwidth (BTCL & Others)	1,078,975	1,078,975
Security Agst. E1 & Others (BTCL)	35,084	35,084
Security Deposit-Others	2,731,800	2,846,800
Total	**3,850,859**	**3,965,859**

6.00 Inventories :

This is made up as follows:

Particulars			
Accessories	Note- 6.01	275,951	545,609
GLP & GPRS Modem & Accessories	Note- 6.02	4,562,385	2,425,758
IP Telephony Hardware	Note- 6.03	1,968,870	3,846,154
Modem, Media Converter & Concentrators		871,105	1,077,596
Switch, Router, Equipments & Others		4,187,928	3,110,938
Stationery		25,059	21,015
Stock of Fiber Optic		933,914	1,410,610
Radio Equipment		2,993,670	2,943,268
Total		**15,818,882**	**15,380,948**

6.01 Accessories :

This is made up as follows:

Particulars		
Broadband Accessories	194,169	369,592
UTP Cable	81,782	176,017
Total	**275,951**	**545,609**

6.02 GLP, GPRS Modem & Accessories :

This is made up as follows:

Particulars	Amount in Taka 30.06.2017	30.06.2016
Geographical Location Platform (GLP) & Others	4,562,385	2,425,758
Total	**4,562,385**	**2,425,758**

6.03 IP Telephony Hardware :

This is made up as follows:

Particulars		
IP Telephone set	1,511,863	3,381,772
IP Telephony Equipment	457,007	464,382
Total	**1,968,870**	**3,846,154**

7.00 Advances, Deposits & Pre-payments :

This is made up as follows:

Particulars		
a) Advances :		
Against Salary	2,039,305	2,227,983
Advance to suppliers and others	5,986,130	5,147,716
Material In Transit (L/C Margin)	5,058	5,157,756
Total	**8,030,493**	**12,533,455**
b) Deposit:		
Security Deposit / Earnest Money	4,523,216	2,814,806
Total	**4,523,216**	**2,814,806**
c) Pre-payments	349,414	1,894,320
Total (a+b+c)	**12,903,123**	**17,242,582**

The sum of advances are unsecured but realizable. It includes no such amount which are recoverable from Director & Managing Director of the company.

8.00 Advance Income Tax and VAT :

This is made up as follows:

Particulars			
Advance VAT	Note- 8.01	-	262,837
Advance Income Tax	Note- 8.02	26,620,547	20,700,832
Total		**26,620,547**	**20,963,669**

8.01 Advance VAT :

This is made up as follows:

Particulars		
VAT Treasury Account	-	262,837
VAT Procurement Account	-	-
VAT Against Supply & Sales	-	-
Total	**-**	**262,837**

8.02 Advance Income Tax:

This is made up as follows:

Particulars		
Tax Deducted On Interest Income	3,485,199	1,801,110
Tax Deducted On Supply & Sales	23,135,348	10,197,191
Advance Tax Paid	-	8,702,531
Total	**26,620,547**	**20,700,832**

9.00 Bills Receivable :

		Amount in Taka	
		30.06.2017	30.06.2016
This is made up as follows:			
Particulars			
Internet & Data Services	Note- 9.01	98,538,259	62,551,986
IP Telephone Service	Note- 9.02	19,412,862	11,574,096
Web page, Software & Data Transmit	Note- 9.03	23,189,361	13,678,485
Hardware, Switch & Others		904,425	700,406
Total		**142,044,907**	**88,504,972**

The sum of Accounts Receivable are unsecured but realizable. It includes no such amount which are recoverable from Director & Managing Director of the company. Ageing details are available in **Schedule-B**

9.01 Internet & Data Services :

This is made up as follows:		
Particulars		
Internet & Fax	1,489,130	1,489,130
Installation (Radio & Others)	250	204,270
Corporate Internet	24,310,976	18,679,439
Prepaid dist.	821	821
Broad Band Internet	1,918,919	974,472
Data Connectivity	70,818,163	41,203,854
Total	**98,538,259**	**62,551,986**

9.02 IP Telephone :

This is made up as follows:		
Particulars		
Monthly rent & Others	14,552,485	9,221,558
Inter-Connectivity	4,860,377	2,352,538
Total	**19,412,862**	**11,574,096**

9.03 Web page, Software & Data Transmit :

This is made up as follows:		
Particulars		
Software Development	1,378,150	2,154,435
Domain Hosting & Registration	3,404,734	2,096,516
AVLS	15,729,303	7,057,558
Graphics Design	2,677,174	2,369,977
Total	**23,189,361**	**13,678,485**

Amount in Taka	
30.06.2017	30.06.2016

10.00 Accounts Receivable:

This is made up as follows:

Particulars	Unit-1 IPS	Unit-2 SDP	Unit-3 IPTSP	Amount in Taka	
				Total 30.06.17	Total 30.06.16
FDR Interest Receivable	5,328,996	435,803	-	5,764,799	6,779,148
Total	**5,328,996**	**435,803**	**-**	**5,764,799**	**6,779,148**

11.00 Investment In Shares (at Market Value):

This is made up as follows:

Particulars		
ICB Islami Bank Ltd.	-	4,120,500
The City Bank Ltd.	-	2,556,000
AB Bank Ltd.	24,558,187	-
Jamuna Oil Ltd.	1,035,500	-
GBB Power Ltd.	14,950,000	-
Saif Powertec Ltd.	8,265,000	-
Total	**48,808,687**	**6,676,500**

12.00 Investment in FDR :

This is made up as follows:

Particulars			
Prime Bank Ltd	1274106000996-7	2,379,630	2,288,195
Prime Bank Ltd	12741020010005	2,121,068	2,029,730
Prime Bank Ltd	12741040027175	9,282,958	8,880,373
Prime Bank Ltd	12741070010994	9,448,722	9,080,600
UCBL	0841403000000134	7,785,750	7,368,482
UCBL	0171404000000208	7,049,953	6,646,197
Bank Asia Ltd.	02155008688	2,589,544	2,474,847
Bank Asia Ltd.	02155008710	5,161,519	4,922,072
Bank Asia Ltd.	2155008365	13,490,559	12,882,379
IDLC Finance td.	11252217203701	15,370,715	14,270,164
IDLC Finance td.	10452217203701	-	6,956,752
IDLC Finance Ltd.	11253117203701	6,195,312	6,195,312
IDLC Finance Ltd.	11254717203701	5,599,625	5,000,000
IFIC Bank Ltd.	1025-509038-200	-	1,417,780
IFIC Bank Ltd.	1025-509038-201	-	5,973,157
IFIC Bank Ltd.	1006-522930-200	6,270,720	5,925,574
DBH	7102019005	3,160,352	2,974,932
Exim Bank Ltd.	02860100286686	-	7,157,301
Exim Bank Ltd.	028-601-00-37135-5	5,684,354	5,416,250
Al-Arafa Bank Ltd.	0311330261359	3,152,635	2,979,756
Bank Al-Falah Ltd.	05900293	2,836,438	2,696,875
Meghna Bank Ltd.	250000050	7,762,537	7,273,126
Meghna Bank Ltd.	250000068	5,120,256	4,818,254
Uttara Finance & Invest.Ltd.	0100120059314	6,420,069	5,990,270
Uttara Finance & Invest.Ltd.	0100120019615	5,842,508	5,451,500
Uttara Finance & Invest.Ltd.	0100120019815	23,365,316	21,803,000
Uttara Finance & Invest.Ltd.	0100120025615	5,447,000	5,000,000
Uttara Finance & Invest.Ltd.	0100360000515	5,000,000	5,000,000

			Amount in Taka	
			30.06.2017	30.06.2016
	NRB Commercial Bank Ltd.	011171200000036	5,960,608	5,492,500
	NRB Commercial Bank Ltd.	011171200000024	3,574,680	3,294,500
	NRB Commercial Bank Ltd.	011171200000037	5,960,608	5,492,500
	NRB Commercial Bank Ltd.	011148000000022	5,927,625	5,000,000
	NRB Commercial Bank Ltd.	011171200000052	1,154,200	1,087,250
	NRB Commercial Bank Ltd.	011171200000050	-	5,436,250
	NRB Commercial Bank Ltd.	011148000000025	-	2,183,000
	NRB Commercial Bank Ltd.	011148000000029	-	6,523,537
	Midland Bank Ltd.	1100004477	-	2,712,250
	Midland Bank Ltd.	1100004486	-	2,712,250
	SBAC Bank Ltd.	01244000065784	2,899,708	2,725,000
	Lanka Bangla Finance Ltd.	001022800000127	5,000,000	5,000,000
	Lanka Bangla Finance Ltd.	001022800000610	16,335,000	-
	Lanka Bangla Finance Ltd.	001022800000670	10,000,000	-
	Peoples Leasing & Finance	868/2016	-	15,000,000
	Total		**223,349,969**	**241,531,915**

13.00 Cash & Cash Equivalent:

This is made up as follows:

Particulars			
Cash in Hand		369,824	345,550
Cash at Bank	Note- 13.01	39,368,272	18,479,637
Cash Available in BO Account (Daulatunnessa Equities Ltd.)		360,278	29,685
Total		**40,098,374**	**18,854,872**

13.01 Cash at Bank :

This is made up as follows:

Particulars			
CD Accounts	**Account Number**		
Eastern Bank Ltd.	1061060000757	1,452,354	202,023
First Security Bank Ltd.	010811100001575	147,628	142,271
Sonali Bank Ltd.	001017833	294,811	234,251
Bank Asia Ltd.	06933000002	278,370	85,688
Bank Asia Ltd.	02133001275	1,460,895	1,186,142
STD Accounts			
Prime Bank Ltd	12732030003986	1,381,316	(33,962)
Prime Bank Ltd	12732080003998	7,653,080	2,068,529
Prime Bank Ltd	12731080017622	101,542	101,369
Prime Bank Ltd	12711020027776	1,940,815	2,486,327
NCC Bank Ltd.	100210004661	3,208	3,208
Prime Bank Ltd	12751050019650	4,715,866	6,324,551
UCBL	0841301000000255	552,425	39,858
UCBL	0841301000000266	1,008,776	766,648
UCBL	0841301000000277	337,090	120,964
UCBL	0841301000000244	115,537	114,326

		Amount in Taka	
		30.06.2017	30.06.2016
Rupali Bank Ltd.	240000338	4,081,490	1,065,090
Pubali Bank Ltd.	3478102001001	2,493,203	179,136
Dutch-Bangla Bank Ltd	171120344	3,827,487	2,505,674
Dutch-Bangla Bank Ltd	1711200002011	3,101,918	736,973
Dutch-Bangla Bank Ltd	1000000000130	432,279	14,170
Islami Bank BD. Ltd.	20502050900011812	2,854,686	21,445
Al-Arafah Bank Ltd.	0311220001107	831,763	79,111
Midland Bank Ltd.	0081090000066	301,733	35,848
Total		**39,368,272**	**18,479,637**

14.00 Share Capital

Authorized Capital : Taka 1000,000,000

100,000,000 Ordinary shares of Taka. 10 each	**1,000,000,000**	**1,000,000,000**
Issued, Subscribed and Paid-up Capital :		
44,306,796 Ordinary shares of Taka. 10 each	**443,067,963**	**414,082,213**

14.01 Compositions of Shareholdings

This is made up as follows:

Particulars	As on 30.06.2017		As on 30.06.2016	
	No. of Shares	% of holdings	No. of Shares	% of holdings
Sponsor/Director	10,236,010	23.10	9,566,370	23.10
Institutions	8,086,518	18.25	14,117,141	34.10
General Public	25,984,268	58.65	17,724,710	42.80
Total	**44,306,796**	**100.00**	**41,408,221**	**100.00**

14.02 Distribution Schedule-Disclosure under the Listing Regulations of Stock Exchange

This distribution schedule showing the number of Shareholders and their Shareholdings in percentage has been disclosed:

Shareholders Range (in number of Shares)	As on 30.06.2017		As on 30.06.2016	
	Shareholders	No. of Shares	Shareholders	No. of Shares
Less than 500 shares	2,349	311,055	3,668	615,074
500 to 5,000 Shares	1,667	2,605,625	2,883	4,702,944
5001 to 10,000 shares	188	1,415,270	293	2,156,742
10,001 to 20,000 shares	117	1,738,237	147	2,117,194
20,001 to 30,000 shares	52	1,317,263	38	918,641
30,001 to 40,000 shares	29	1,040,958	25	879,534
40,001 to 50,000 shares	41	1,884,557	17	784,033
50,001 to 100,000 shares	48	3,696,396	38	2,727,088
100,001 to 1,000,000 shares	60	18,174,821	25	7,569,532
Over 1,000,000 shares	5	12,122,614	7	18,937,439
Total	**4,556**	**44,306,796**	**7,141**	**41,408,221**

Amount in Taka	
30.06.2017	30.06.2016

14.03 Option on un-issued shares

The existing unissued shares of the company can be issued as subscribed and paid-up capital through the issuance of new shares upon contribution of cash, bonus or right shares.

14.04 Market Price

The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Taka 45.50 (High-Taka 46.90 , Low-Taka 45.10) per share and Taka 45.90 (High-Taka 46.10 Low-Taka 45.50) per share in the Dhaka and Chittagong Stock Exchange respectively as of 30 June, 2017.

14.05 Voting Rights

The rights and privileges of the shareholders are stated in the Articles of Association of the Company.

15.00 Share Premium :

This is made up as follows:

Particulars		
Share Premium	119,504,000	119,504,000
Total	**119,504,000**	**119,504,000**

16.00 Deferred Tax (Income)/Expenses :

Particulars	Carrying Amount (Tk.)	Tax Base (Tk.)	Taxable/(Deductible) temporary differences
As at June 30, 2017			
Property, Plant & Equipment (Excluding Land)	316,921,683	267,239,302	49,682,381
Net Taxable Temporary Difference			49,682,381
Applicable Tax Rate			25%
			12,420,595
Less: Deferred Tax Provision on Realization Loss on Shares			(877,858)
Deffered Tax Liability (A)			**11,542,737**
Add: Unrealized (loss)/Gain on investment in shares during the year			971,686
Less: Prior year adjustments on Unrealized (loss)/Gain on investment in shares			(1,579,132)
Deferred Tax Liabilities as at June 30, 2017			**10,935,291**

As at June 30, 2016			
Property, Plant & Equipment (Excluding Land)	319,361,884	300,846,323	18,515,561
Net Taxable Temporary Difference			18,515,561
Applicable Tax Rate			25%
Deffered Tax Liability (B)			**4,628,890**
Deferred Tax (Income)/Expenses (A-B)			**6,913,847**

		Amount in Taka	
		30.06.2017	30.06.2016

17.00 Bills Payables:

This is made up as follows:

Particulars			
Sundry Creditors		105,235,064	74,155,436
Unpaid Dividend		2,713,104	1,791,177
Total		**107,948,168**	**75,946,613**

18.00 Accounts Payables:

This is made up as follows:

Particulars			
Liability for Expenses	Note: 18.01	11,781,292	1,820,281
Liability for Other Finance	Note: 18.02	17,558,317	17,556,507
Total		**29,339,609**	**19,376,788**

18.01 Liabilities for Expenses:

This is made up as follows:

Particulars		
Salaries & Allowances	11,037,906	906,286
Outstanding Expenses	639,886	821,995
Audit Fee Payable	103,500	92,000
Total	**11,781,292**	**1,820,281**

18.02 Liability for Other Finance:

This is made up as follows:

Particulars		
Tax deducted on Employees Salaries	2,703,630	1,287,460
Employees Provident Fund	1,385,846	616,918
Tax deducted on Suppliers	465,243	1,714,987
Security Deposit -Broadband	10,350	88,554
Security Deposit -Others	335,204	250,500
Contribution to WPPWF @ 5%	4,308,605	4,216,010
VAT at Source & Others	3,714,675	857,879
Advance Agst. Sales (Reseller-Internet)	973,630	333,053
Advance Agst. Sales (Data Bandwidth)	118,566	6,590,909
Advance Agst. Sales (Corporate Bandwidth)	1,105,126	841,859
Advance Agst. Sales (Domain & Hosting)	320,221	23,316
Advance Agst. Sales (AVLS)	714,995	622,834
Advance Agst. Sales (Monthly Rent/ Tel Call)	1,402,226	112,228
Total	**17,558,317**	**17,556,507**

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Amount in Taka	
30.06.2017	30.06.2016

19.00 Provision For Income Tax

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Amount in Taka	
				Total 30.06.17	Total 30.06.16
Net Profit Before WPPWF	68,924,175	19,169,607	1,888,767	89,982,549	84,320,196
Less : Contribution to WPPWF @ 5%	(3,282,104)	(912,838)	(89,941)	(4,284,883)	4,216,009
Profit Before Tax	**65,642,072**	**18,256,768**	**1,798,826**	**85,697,666**	**80,104,187**
Less : Tax Exempted Profit **	(13,086,337)	(16,901,606)	(1,168,514)	(31,156,457)	31,338,272
Net Profit Before Tax	**52,555,735**	**1,355,162**	**630,312**	**54,541,209**	**48,765,915**
Add: Accounting Depreciation	44,210,794	1,508,520	1,710,459	47,429,773	-
Less: Tax Depreciation	(49,212,417)	(1,578,313)	(1,994,244)	(52,784,974)	-
Less: Net Realized Loss on Sale of Shares	8,778,578	-	-	8,778,578	-
Taxable Profit	**56,332,689**	**1,285,369**	**346,527**	**57,964,586**	**48,765,915**
Provision for Income Tax @ 25%	**14,083,172**	**321,342**	**86,632**	**14,491,146**	**12,191,478**

[Provision for Income Tax has been charged on Non-operating income of Unit-2, Software Development Project of BDCOM Online Ltd. As per Sixth Schedule, Part-A , Para -33 of Income Tax Ordinance, 1984 income from software development & ITES are exempted upto June 30, 2024]

20.00 Provision for Bad & Doubtful Debts:

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Opening Balance	2,638,470	812,470	278,262	3,729,202	1,489,130
Add: Made during the year	3,531,685	2,022,440	673,763	6,227,888	2,240,072
Total	**6,170,155**	**2,834,910**	**952,025**	**9,957,090**	**3,729,202**

21.00 Short Term Bank Loan:

This is made up as follows:

Particulars	Account Numbers		
Prime Bank Ltd. (SOD A/C)	12777590042804	2,629,629	12,916,990
Bank Asia Ltd. (Motor Vehicle)	02135001177	528,306	1,024,749
Bank Asia Ltd. (Motor Vehicle)	02135001252	575,017	947,378
Bank Asia Ltd. (Machinery)	02135001282	6,394,098	8,607,187
Bank Asia Ltd. (Motor Vehicle)	02135001299	1,377,089	1,721,641
Bank Asia Ltd. (Motor Vehicle)	02135001339	1,705,202	2,011,111
Total		**13,209,341**	**27,229,056**

22.00 Revenue From Sales, Services & Others :

This is made up as follows:

Particulars			
Revenue from Unit -I	Notes-22.01	425,583,973	350,403,499
Revenue from Unit -II	Notes-22.02	57,030,661	48,341,793
Revenue from Unit -III	Notes-22.03	38,344,411	45,935,026
Total		**520,959,045**	**444,680,318**

			Amount in Taka	
			30.06.2017	30.06.2016
22.01	**Revenue From Unit -I :**			
	This is made up as follows:			
	Particulars			
	Revenue from Internet/Data Connectivity Services	Note-22.01.01	405,111,141	327,398,372
	Revenue from IT Enable Services	Note-22.01.02	13,086,337	12,491,924
	Revenue from Sale of Hardware	Note-22.01.03	27,690	1,397,538
	Revenue from Internet (Educational Institutions)		7,358,805	9,115,665
	Total		**425,583,973**	**350,403,499**
22.01.01	**Revenue from Internet/Data Connectivity Services :**			
	This is made up as follows:			
	Particulars			
	Internet/ Data Connectivity Services		465,877,812	376,508,127
	Less : VAT 15%		60,766,671	49,109,755
	Total		**405,111,141**	**327,398,372**
22.01.02	**Revenue from IT Enable Services:**			
	This is made up as follows:			
	Particulars			
	IT Enable Services		13,675,222	13,054,061
	Less : VAT 4.5%		588,885	562,137
	Total		**13,086,337**	**12,491,924**
22.01.03	**Revenue from Sale of Hardware :**			
	This is made up as follows:			
	Particulars			
	Sale of Hardware		29,075	1,467,415
	Less : VAT 5%		1,385	69,877
	Total		**27,690**	**1,397,538**
22.02	**Revenue From Unit -II :**			
	This is made up as follows:			
	Particulars			
	Revenue from Software & Graphic Design		13,774,685	19,150,913
	Revenue from Web Development, Hosting & Domain Reg.		11,440,795	4,863,646
	Revenue from AVLS Software & Support		20,787,461	13,637,834
	Revenue from AVLS Supply & Services	Note-22.02.01	11,027,720	10,689,400
	Total		**57,030,661**	**48,341,793**

		Amount in Taka	
		30.06.2017	30.06.2016

22.02.01 Revenue from AVLS Supply & Services :

This is made up as follows:

Particulars			
Sale of AVLS Tracker		11,579,106	11,223,870
Less : VAT 5%		551,386	534,470
Total		**11,027,720**	**10,689,400**

22.03 Revenue From Unit - III :

This is made up as follows:

Particulars			
Revenue from IP Telephony Monthly Rent	Note-22.03.01	290,200	291,825
Revenue from IP Telephony Outgoing NWD Call	Note-22.03.02	15,293,075	17,819,083
Revenue from IP Telephony Outgoing ISD Call	Note-22.03.03	8,574,204	5,274,381
Revenue from IP Telephony Incoming NWD Call	Note-22.03.04	6,312,653	4,993,056
Revenue from IT Enable Services	Note-22.03.05	1,168,514	6,669,545
Revenue from Sale of Hardware & Equipments	Note-22.03.06	6,705,765	10,887,136
Total		**38,344,411**	**45,935,026**

22.03.01 Revenue from IP Telephony Monthly Rent :

This is made up as follows:

Particulars		
Revenue From Monthly Rent	333,730	335,599
Less : VAT 15%	43,530	43,774
Total	**290,200**	**291,825**

22.03.02 Revenue from IP Telephony Outgoing NWD Call :

This is made up as follows:

Particulars		
Revenue From Outgoing NWD Call	17,587,036	20,491,945
Less : VAT 15%	2,293,961	2,672,862
Total	**15,293,075**	**17,819,083**

22.03.03 Revenue from IP Telephony Outgoing ISD Call :

This is made up as follows:

Particulars		
Revenue From Outgoing ISD Call	9,860,335	6,065,538
Less : VAT 15%	1,286,131	791,157
Total	**8,574,204**	**5,274,381**

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	Amount in Taka	
	30.06.2017	30.06.2016

22.03.04 Revenue from IP Telephony Incoming NWD Call :

This is made up as follows:

Particulars

Revenue From Incoming NWD Call	7,259,551	5,742,014
Less : VAT 15%	946,898	748,958
Total	**6,312,653**	**4,993,056**

22.03.05 Revenue from IPTSP IT Enable Services :

This is made up as follows:

Particulars

Revenue From IT Enable Services	1,221,097	6,969,675
Less : VAT 4.5%	52,583	300,130
Total	**1,168,514**	**6,669,545**

22.03.06 Revenue from Sales of IPTSP Hardware & Equipments :

This is made up as follows:

Particulars

Revenue From Hardware & Equipments	7,041,053	11,431,493
Less : VAT 5%	335,288	544,357
Total	**6,705,765**	**10,887,136**

23.00 Operating Expenses :

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Services & Others (Notes-23.01)	186,070,767	12,042,825	14,827,224	212,940,816	165,778,233
Hardware & Others (Notes-23.02)	5,654,578	8,450,007	2,842,796	16,947,381	18,495,521
Total	**191,725,345**	**20,492,832**	**17,670,020**	**229,888,197**	**184,273,754**

23.01 Services & Others:

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Bandwidth Charges	28,798,463	118,800	118,800	29,036,063	24,015,879
Electricity Charges	3,835,284	551,771	562,368	4,949,423	4,376,808
Telephone Charges	1,457,254	3,639,107	-	5,096,361	4,153,526
Domain Registration Exp.	-	225,201	-	225,201	128,354
Data Connectivity, Fiber Rent & Deployment	138,219,185	-	-	138,219,185	120,899,624
E1,Server Rent and Inter connectivity	1,111,125	2,452,823	14,139,706	17,703,654	10,086,742
Cost of Software (GLP & Others)	450,000	4,515,756	6,350	4,972,106	1,770,391
Electrical Goods & Installation	189,832	23,000	-	212,832	346,909
Direct Salary & Allowances	12,009,624	516,367	-	12,525,991	-
Total	**186,070,767**	**12,042,825**	**14,827,224**	**212,940,816**	**165,778,233**

23.02 Hardware & Others:

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Broadband Modem Concentrator & others	-	-	-	-	98,428
Cost on sales of Hardware & Others	5,599,144	8,450,007	2,842,796	16,891,947	18,136,242
Cost of Sales of Optical Fiber/Cable	-	-	-	-	260,851
Internet & Telecommunications	55,434	-	-	55,434	-
Total	**5,654,578**	**8,450,007**	**2,842,796**	**16,947,381**	**18,495,521**

24.00 Administrative and Marketing Expenses :

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Directors Remuneration (Note-24.01)	3,250,000	-	-	3,250,000	3,250,000
Salary and Allowances	83,276,878	10,357,810	10,092,191	103,726,879	98,878,066
Traveling and Conveyance	5,874,799	225,171	56,805	6,156,775	7,074,523
Uniform & Others	3,580	-	-	3,580	63,984
Office Rent	6,260,676	1,926,362	1,444,772	9,631,810	8,475,568
VAT on Office Rent	649,345	223,491	167,618	1,040,454	570,317
Electricity Charges	426,143	61,308	62,485	549,936	486,313
Telephone Charges	161,917	-	-	161,917	461,407
Printing and stationeries	731,489	-	450	731,939	868,772
Courier & Postage Charges	486,734	-	-	486,734	710,838
CSR Expenses	80,000	-	-	80,000	-
Advertisement Expenses	255,137	39,325	33,025	327,487	366,435
News Papers & Periodicals	14,561	2,242	2,242	19,045	14,157
Entertainment	1,842,388	187,149	3,045	2,032,582	2,085,700
Security charges	360,525	-	-	360,525	365,055
Repair & Maintenance	3,697,077	390,954	232,074	4,320,105	3,976,943
Utility Charges	476,738	68,133	56,359	601,230	1,741,963
Car Rent & Maintenance	4,303,166	10,550	560,793	4,874,509	5,592,826
Annual Listing Fee (DSE, CSE, CDBL , BAPLC)	1,251,558	179,218	179,218	1,609,994	830,778
License Registration & Renewal Fees	681,024	246,084	575,000	1,502,108	1,092,082
Municipal Tax	313,896	-	-	313,896	-
Insurance Premium	899,164	64,746	24,534	988,444	1,078,929
Fees & Professional Charges	257,800	33,750	33,750	325,300	255,000
Consultancy & Legal Fee	-	-	550,000	550,000	250,000
AGM Expenses	740,049	146,785	151,785	1,038,619	962,261
Business Promotional	865,287	106,414	5,000	976,701	2,422,682
Audit Fee	51,750	25,875	25,875	103,500	92,000
Contribution to Employees PF	2,501,027	388,315	391,170	3,280,512	3,426,741
Training Expenses	91,100	-	24,300	115,400	149,155
Tender Participation	64,175	-	1,000	65,175	82,679
Annual Refreshment Expenses	484,686	103,862	103,862	692,410	609,415
Revenue Sharing with BTRC	-	207,907	1,469,736	1,677,643	1,318,641
Amortization of Goodwill	228,000	-	-	228,000	-
General Expenses	72,739	143,240	130,500	346,479	1,272,099
Total	**120,653,408**	**15,138,691**	**16,377,589**	**152,169,688**	**148,825,329**

Total number of employees in the pay role of the Company as at June 30, 2017 was 347 and all of them received salary and allowances above Tk. 60,000 per year.

24.01 Directors Remuneration (Under Para 4 of Sch. XI Part II of the Companies Act, 1994)

This is made up as follows:

Particulars

Name	Designation	Yearly Remuneration	Festival Bonus	Total 30.06.2017	Total 30.06.2016
S.M. Golam Faruk Alamgir	Managing Director	3,000,000	250,000	3,250,000	3,250,000
Total		**3,000,000**	**250,000**	**3,250,000**	**3,250,000**

25.00 Financial Charges :

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Bank Interest	2,161,114	3,305	24,578	2,188,997	1,954,985
Bank Charges & Others	336,067	50,428	7,897	394,392	472,413
Total	**2,497,181**	**53,733**	**32,475**	**2,583,389**	**2,427,398**

26.00 Non Operating Income :

This is made up as follows:

Particulars	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2017	Total 30.06.2016
Bank Interest (FDR A/C.)	14,250,701	1,290,435	-	15,541,136	18,417,836
Bank Interest (SND A/C)	252,191	64,727	8,662	325,581	365,668
Other Income	-	-	-	-	155,000
Dividend on Marketable Security	234,300	-	-	234,300	-
Total	**14,737,192**	**1,355,162**	**8,662**	**16,101,017**	**18,938,504**

27.00 Net Realized Loss on Sale of Securities (Share)

This represents the sum of loss (Difference of cost and present market value) on investment made in the share of ICB Islami Bank Ltd. in September 2010. The make-up whereof is as under:

Particulars	Total 30.06.2017	Total 30.06.2016
Cost Value of Investment in Shares:		
ICB Islami Bank Ltd.	19,966,332	-
City Bank Ltd.	2,501,483	-
Lanka Bangla Finance Ltd.	15,803,615	-
One Bank Ltd.	11,167,216	-
Saif Power Ltd.	1,775,384	-
Zahin Textile Ltd.	3,993,616	-
DESCO	8,371,503	-
Total Price of Investment in shares	**63,579,149**	**-**
Less: Realized Value from sale of shares	54,800,571	-
Net Realized Profit/(Loss) from Sale of Shares	**(8,778,578)**	**-**

	Amount in Taka	
	30.06.2017	30.06.2016

28.00 Sustainable Estimated Profit/(Loss) on Marketable Securities:

This is made up as follows:

Paticulars	Total 30.06.2017	Total 30.06.2016
Saif Power Ltd.	8,491,748	-
Jamuna Oil Ltd.	972,327	-
GBB Power Ltd.	16,229,604	-
AB Bank Ltd.	29,189,468	-
ICB Islami Bank Ltd.	-	19,966,332
The City Bank Ltd.	-	2,501,483
Total Cost Value as on 30.06.2017	**54,883,147**	**22,467,815**
Less: Fair Market Value of Investment in Shares as on 30.06.2017	48,808,687	6,676,500
Total Estimated Loss on Marketable Securities	**(6,074,460)**	**(15,791,315)**
Adjustment upto 30.06.2017	15,791,315	15,845,832
Sustainable Estimated Gain on Marketable Securities	**9,716,855**	**54,517**

29.00 Earning Per Share (EPS)

This is made up as follows:

Particulars		
Profit From Continuing Operation attributable to the ordinary Equity holders	64,292,672	67,084,798
Less: Preference Share Dividend	-	-
Profit attributable to the ordinary equity holders	**64,292,672**	**67,084,798**
Total outstanding shares as at June 30, 2017	**44,306,796**	**44,306,796**
Earning Per Share (EPS)	**1.45**	**1.51**

30.00 Related Party Disclosures:

30.01 The details of Related Party Transaction during the year along with the relationship is illustrated below in accordance with BAS 24:

Name of the company	Total Transaction (Tk.)	Ralationship with company	Nature of Transaction	Balance 30.06.2017 (Tk.)	Remarks
Fiber @ Home Ltd.	2,231,000	Concern Under Common Mgt.	IIG Bandwidth	997,626	Trade Creditors
Fiber @ Home Ltd.	67,929,793	Concern Under Common Mgt.	NTTN & Others Service	13,078,986	Trade Creditors
Norban Fashion Ltd.	95,000	Concern Under Common Mgt.	Internet & others	240,693	Trade Debtors
Norban Comtex Ltd.	155,173	Concern Under Common Mgt.	Internet & others	437,204	Trade Debtors

30.02 Disclosure of Managerial Remuneration:

The total amount of remuneration paid to the top five (05) salaried officers of the company during the year is as follows:

Name	Designation	Amount (Tk.) as on 30.06.2017
Mr. S. M. Golam Faruk Alamgir	Managing Director (MD)	3,250,000
Md. Robiul Alam Chowdhury	Chief Financial Officer (CFO)	2,464,000
Mr. A. K. M Kutub Uddin	ED, Admin & CS	2,412,000
Mr. S.M. Kamruzzaman	Chief Technical Officer (CTO)	2,388,700
Mr. Gazi Zehadul Kabir	General Manager, Sys. Integration	1,939,750

31.00 Diluted Earning Per Share

No diluted earning per share is required to be calculated for the year as there has no dilutive potential ordinary shares.

BDCOM ONLINE LIMITED
Schedule of Property, Plant and Equipments
For the year ended June 30, 2017

Unit-1 (ISP) **Schedule - A/1**

Particulars	Cost				Rate of Dep.	Depreciation				W.D.V. as at 30.06.17
	Opening Balance as on 01.07.16	Additions during the year	Adjustment during the year	Total as at 30.06.17		Opening Balance as at 01.07.16	Charged during the year	Adjustment during the year	Total as at 30.06.17	
Land	27,000,000	-	-	27,000,000	0%	-	-	-	-	27,000,000
Building (Floor Space)	67,101,909	-	-	67,101,909	2.5%	7,978,707	1,478,080	-	9,456,787	57,645,122
Internet System Hardware	177,169,765	14,444,673	-	191,614,438	18%	109,374,455	13,539,019	-	122,913,474	68,700,964
Furniture & Fixture	3,423,645	194,290	-	3,617,935	10%	1,700,698	181,316	-	1,882,014	1,735,921
Office Renovation	10,954,249	407,666	-	11,361,915	18%	6,049,644	913,437	-	6,963,081	4,398,834
Sundry Assets	845,535	-	-	845,535	10%	575,725	26,981	-	602,706	242,829
Crockeries & Cutleries	147,473	31,270	-	178,743	10%	56,057	9,213	-	65,270	113,473
A. C. Installation	3,951,163	155,400	-	4,106,563	18%	2,393,573	287,422	-	2,680,995	1,425,568
PABX Installation	342,783	342,783	-	-	18%	319,693	4,156	-	323,849	18,934
Office Equipments	15,523,005	1,509,573	-	17,032,578	15%	9,893,285	913,755	-	10,807,040	6,225,538
V-Sat Tower	3,919,414	-	-	3,919,414	15%	3,414,089	75,799	-	3,489,888	429,526
Telephone & Installation	10,576,534	-	-	10,576,534	15%	9,472,684	165,578	-	9,638,262	938,272
Motor Vehicles	15,433,200	348,920	-	15,782,120	15%	5,874,900	1,434,350	-	7,309,250	8,472,870
Generator/Online UPS	11,304,458	3,000,787	-	14,305,245	15%	4,303,816	1,255,862	-	5,559,678	8,745,567
Cable Installation	14,605,424	2,405,848	-	17,011,272	15%	4,979,764	1,623,919	-	6,603,683	10,407,589
Broad Band Equipments	53,470,164	1,740,851	-	55,211,015	18%	35,924,920	3,352,056	-	39,276,976	15,934,039
Radio Equipments	41,237,012	5,158,206	-	46,395,218	18%	15,379,737	5,129,072	-	20,508,809	25,886,409
Electrical Installation	1,772,527	169,883	-	1,942,410	15%	1,019,306	132,003	-	1,151,309	791,101
Optical Fiber Deployment	115,923,512	8,670,474	-	124,593,986	15%	46,257,182	11,333,093	-	57,590,275	67,003,711
Neon Sign & Others	18,767	-	-	18,767	20%	15,107	732	-	15,839	2,928
Base Tower & Installation	19,454,318	3,455,748	-	22,910,066	10%	3,671,836	1,779,221	-	5,451,057	17,459,009
WIFI Base Station	7,177,978	-	-	7,177,978	20%	4,299,329	575,730	-	4,875,059	2,302,919
Sub Total	**601,352,835**	**41,693,589**	**-**	**643,046,424**		**272,954,507**	**44,210,794**	**-**	**317,165,301**	**325,881,123**

BDCOM ONLINE LIMITED
Schedule of Property, Plant and Equipments
For the year ended June 30, 2017

Unit-2 (SDP) **Schedule - A/2**

Particulars	Cost				Rate of Dep.	Depreciation				W.D.V. as at 30.06.17
	Opening Balance as at 01.07.16	Additions during the year	Adjustment during the year	Total as at 30.06.17		Opening Balance as at 01.07.16	Charged during the year	Adjustment during the year	Total as at 30.06.17	
System Hardware	11,727,974	672,110	-	12,400,084	18%	8,668,707	596,973	-	9,265,680	3,134,404
Furniture & Fixture	637,019		-	637,019	10%	483,574	15,345	-	498,919	138,100
Office Renovation	1,625,370		-	1,625,370	18%	1,439,043	33,539	-	1,472,582	152,788
Sundry Assets	86,212		-	86,212	10%	58,686	2,753	-	61,439	24,773
Books & Periodicals	73,226		-	73,226	10%	56,422	1,680	-	58,102	15,124
A. C. Installation	256,790		-	256,790	18%	241,048	2,834	-	243,882	12,908
Electric Installation	150,494		-	150,494	18%	141,920	1,543	-	143,463	7,031
Peripheral Equipment	4,753,108	1,080	-	4,754,188	15%	3,852,751	135,081	-	3,987,832	766,356
Software Development	28,002,242		-	28,002,242	15%	23,515,233	673,051	-	24,188,284	3,813,958
Telephone & Installation	1,800,785		-	1,800,785	15%	1,554,221	36,985	-	1,591,206	209,579
Auto Generator	601,190		-	601,190	15%	543,756	8,615	-	552,371	48,819
Crockeries & Cutlaries	4,080	-	-	4,080	15%	3,272	121	-	3,393	687
Sub Total	**49,718,490**	**673,190**	**-**	**50,391,680**		**40,558,633**	**1,508,520**	**-**	**42,067,153**	**8,324,527**

FINANCESTOCK

BDCOM ONLINE LIMITED
Schedule of Property, Plant and Equipments
For the year ended June 30, 2017

Unit-3 (IPTSP) **Schedule - A/3**

Particulars	Cost				Rate of Dep.	Depreciation				W.D.V. as at 30.06.17
	Opening Balance as at 01.07.16	Additions during the year	Adjustment during the year	Total as at 30.06.17		Opening Balance as at 01.07.16	Charged during the year	Adjustment during the year	Total as at 30.06.17	
System Hardware	13,865,918	2,269,005	-	16,134,923	18%	7,499,185	1,316,172	-	8,815,357	7,319,566
Furniture & Fixture	16,650	6,200	-	22,850	10%	3,500	1,418	-	4,918	17,932
Telephone Instalation-IP	1,029,128	246,788	-	1,275,916	15%	223,202	140,907	-	364,109	911,807
Software Development	4,008,505	100,800	-	4,109,305	15%	2,414,806	247,875	-	2,662,681	1,446,624
Electric Installation	21,180	-	-	21,180	15%	12,252	1,339	-	13,591	7,589
Radio Equipment	29,638	-	-	29,638	18%	14,373	2,748	-	17,121	12,517
Sub Total	**18,971,019**	**2,622,793**	**-**	**21,593,812**		**10,167,318**	**1,710,459**	**-**	**11,877,777**	**9,716,035**
Grand Total as at 30-06-2017	**670,042,344**	**44,989,572**	**-**	**715,031,916**		**323,680,458**	**47,429,773**	**-**	**371,110,231**	**343,921,685**
Grand Total as at 30-06-2016	**578,273,148**	**91,769,196**	**-**	**670,042,344**		**282,148,386**	**41,532,074**	**-**	**323,680,460**	**346,361,884**

TMSRstock

Ageing Summary of Bill Receivable **Schedule - B**

Particulars	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	Above 150 Days	Total
Internet & Data Services :							
Broad Band Internet & Others	5,275,895	5,033,018	3,883,958	3,442,043	3,432,710	6,652,473	27,720,097
Data Connectivity	42,474,390	4,778,785	5,455,490	4,333,633	5,116,917	8,658,948	70,818,163
Sub Total-A	**47,750,284**	**9,811,803**	**9,339,448**	**7,775,676**	**8,549,627**	**15,311,421**	**98,538,259**
Hardware/ Switch :							
Switch, Router, Hardware etc	-	-	204,020	158,000	8,949	430,335	801,304
Fiber Optic	-	-	-	-	65,200	37,921	103,121
Sub Total- B	-	-	**204,020**	**158,000**	**74,149**	**468,256**	**904,425**
IP Telephone Service :							
Monthly Rent & Others	4,140,717	1,176,566	3,553,246	1,266,442	1,981,563	2,433,951	14,552,485
Inter Connectivity Charges	1,274,355	1,245,000	347,325	368,095	304,768	1,300,834	4,860,377
Sub Total- C	**5,415,072**	**2,421,566**	**3,920,571**	**1,634,537**	**2,286,331**	**3,734,785**	**19,412,862**
Web Page, Software & Data Transmit :							-
Software Development	600,638	-	-	196,900	-	580,612	1,378,150
Domain Hosting & Registration	1,648,408	635,200	141,320	-	107,900	871,906	3,404,734
AVLS	4,427,081	3,495,234	1,118,639	1,346,515	1,604,393	3,737,440	15,729,302
Graphics Design	850,878	-	282,773	215,295	103,266	1,224,963	2,677,175
Sub Total-D	**7,527,005**	**4,130,434**	**1,542,732**	**1,758,710**	**1,815,559**	**6,414,921**	**23,189,361**
Grand Total (A+B+C+D)	**60,692,361**	**16,363,803**	**15,006,771**	**11,326,923**	**12,725,666**	**25,929,383**	**142,044,907**

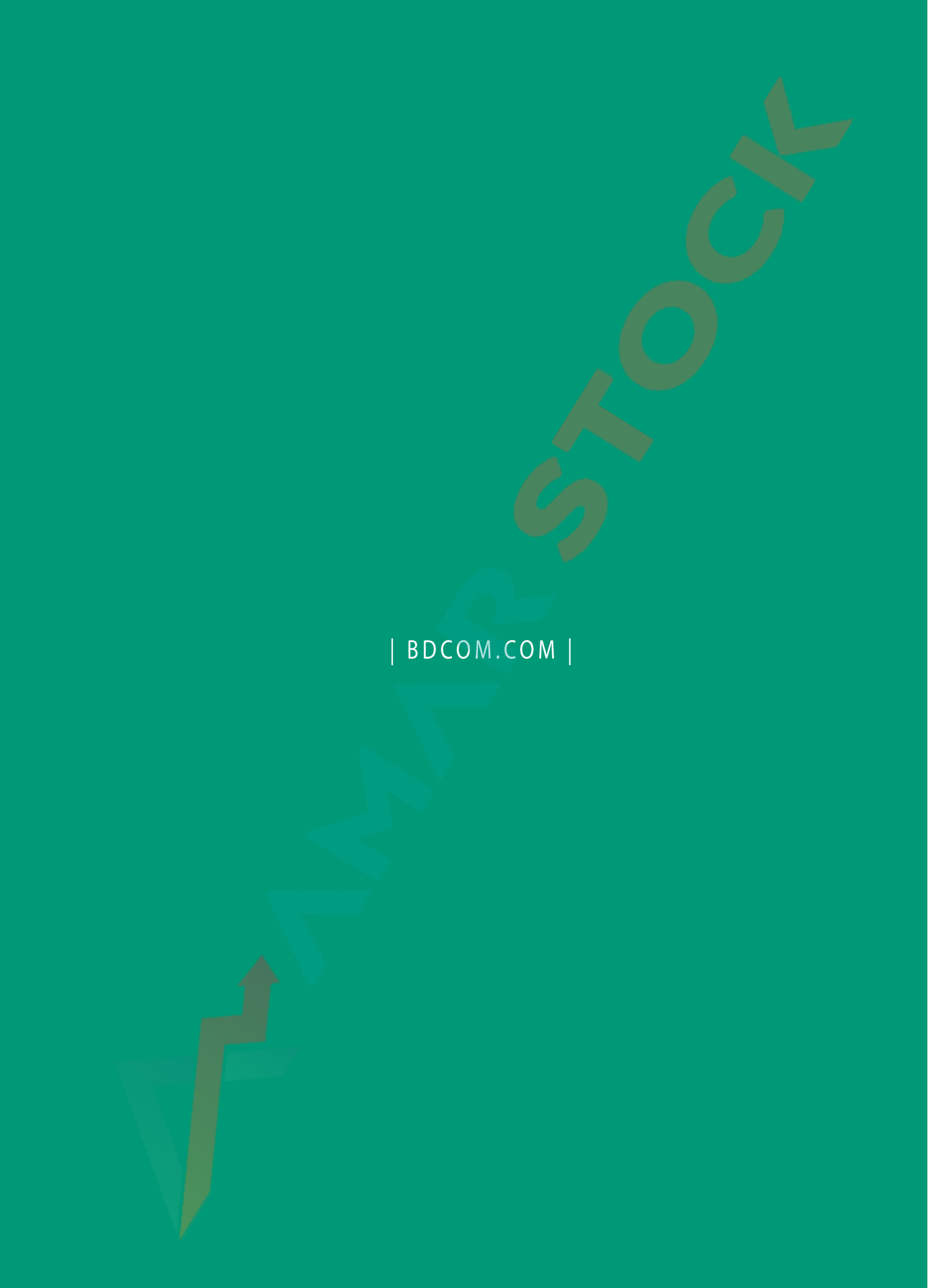
N.B. : The Above Schedule of Bill Receivable is excluded of Other Receivable (FDR Interest Receivable).

IMAP STOCK

Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

Name of the BAS	BAS no	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Cash Flows Statements	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Balance Sheet Date	10	Applied
Construction Contracts	11	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rate	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefits Plans	26	Applied
Consolidated and Separate Financial Statements	27	N/A
Investment in Associates	28	Applied
Investments in Joint Ventures	31	N/A
Financial Instrument: Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	N/A
Financial Instrument: Recognition and Measurements	39	Applied
Investment Property	40	Applied
Agriculture	41	N/A
Name of the BFRS	**BFRS no**	**Status**
First Time Adaption of BFRS	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	N/A
Financial Instruments	9	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	Applied
Disclosure of Interests in Other Entities	12	N/A
Fair Value Measurement	13	Applied

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