

Annual Report
2022 - 2023

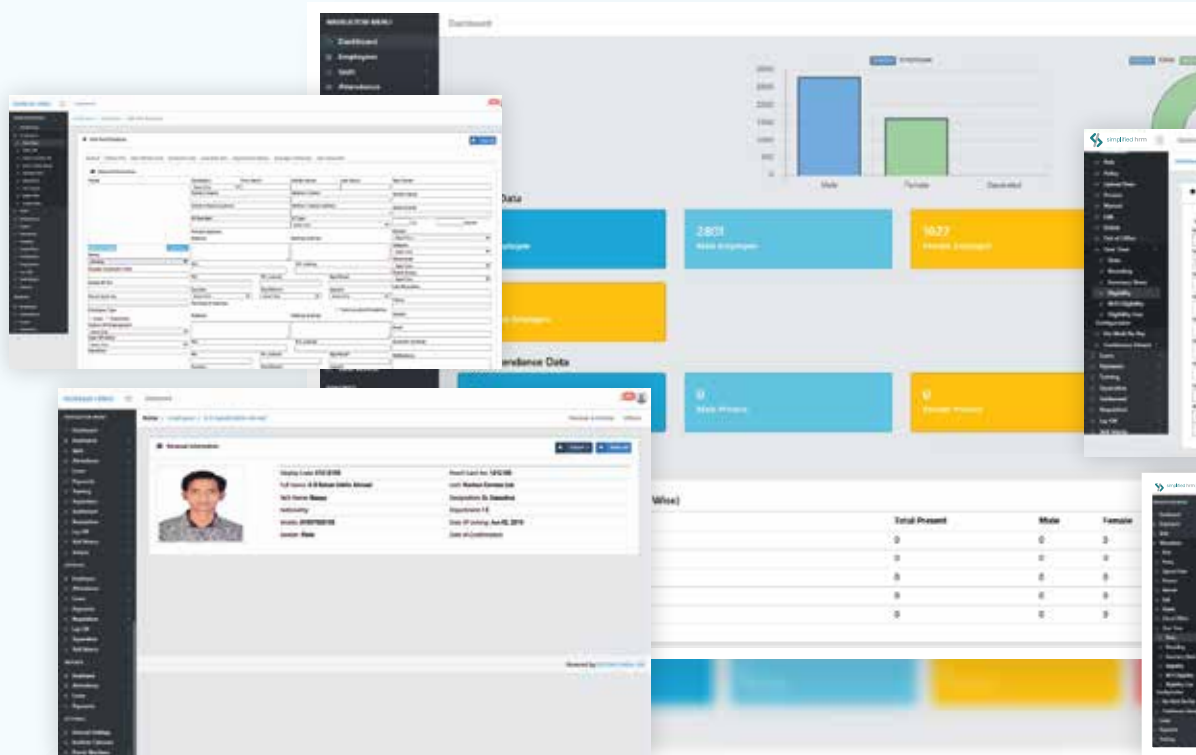




simplified hrm

Industry Compliant **HRM SOLUTION**

by BDCOM Online Ltd.



For HRM Features,
Please See the Inner Back Page 





PROGRESS **POSSIBLE**

“**Connecting Progress**” is manifested in ethos of BDCOM. We have set a benchmark as one of the leading ICT Service Providers by ensuring unparalleled service in the ICT industry. This is accommodated with the persistent effort to create a sustainable connectivity network all over the country. In 1997, when we started our journey, the technological infrastructure in Bangladesh was in developing stage. In the following years we have played a pivotal role in

transforming the ICT sector in Bangladesh.

This progress was possible because of our firm belief -

“**Progress is Possible**“ with the Power of Working Together as Partner, Keeping Promises and Inspiring through Innovation”. In BDCOM, we believe we are in a process of evolving through global technological development. All our clients and stakeholders act a source of strength in our journey as we plan to progress forward.

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The document provided you with detailed and comprehensive information about the overall performance of BDCOM Online Ltd. as on 30th June 2023

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 PLC.

Dear Sir/Madam,

ANNUAL REPORT OF BDCOM ONLINE LTD. FOR THE YEAR ENDED ON JUNE 30, 2023

We are pleased to enclose a copy of BDCOM Online Ltd.'s Annual Report for the year ended on 30th June 2023 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

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

Notice is hereby given that, the 27th Annual General Meeting of the shareholders of BDCOM Online Ltd. will be held on Thursday the December 21, 2023 at 10:30am (Dhaka time) by using Digital Platform (<https://bdcom.virtualagmbd.com>) in accordance with the Bangladesh Securities and Exchange Commission (BSEC) Order No. SEC/SRMIC/94-231/91 dated March 31, 2021 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report, Auditor's Report and the Audited Financial Statements for the year ended June 30, 2023.
2. To declare 10% Cash Dividend for the year ended June 30, 2023.
3. To elect Directors in place of retiring Directors in accordance with the provision of Articles of Association of the Company.
4. To approve the Re-appointment of Managing Director.
5. To consider and to approve the appointment of Statutory Auditors for the year ended June 30, 2024 and to fix their fees.
6. To consider and to approve the appointment of Compliance Professionals and to fix their fees.

By order of the Board



(A.K.M. Kutub Uddin)

Executive Director

&

Company Secretary

October 26, 2023

Notes:

Members whose names appeared in the Members/Depository Register on Record date i.e. November 16, 2023 will be eligible to attend/participate and vote in the Annual General Meeting through Digital Platform and to receive Dividend.

Member entitled to attend/participate and vote in the Annual General Meeting, may appoint a proxy in his/her stead. The proxy form, duly stamped, must be mailed to the email at bdcomshare@bdcom.com not later than 48 hours before the time fixed for the meeting.

Pursuant to the BSEC Notification No. BSEC/CMRRC/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report 2022-2023 will be sent to the Members respective email addresses as available in their beneficial owner (BO) accounts. The Annual Report 2022-2023 will also be available in the Company's website at www.bdcom.com

AGM Notice, link for joining in the Digital Platform (audio visual meeting) and detail login process will be mailed/sms to the respective Member's email or cell phone available with us.

Members, whose email addresses updated/subsequently, are requested to email us at bdcomshare@bdcom.com to get the digital platform meeting invitation.

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 joining/attending the Annual General Meeting of the Company.

CORPORATE INFORMATION

BDCOM Online Ltd. is a Public Limited Company having its successful journey of 26 Years as Internet Service Provider (ISP) and ICT Service & Solution Provider. BDCOM Online Ltd. was incorporated as a private limited company under the Companies Act. 1994, on 12th February, 1997. On 12th December 2001, BDCOM was converted into a Public Limited Company and on 10th February, 2002, the company was listed with Dhaka & Chittagong Stock Exchange(s) through Initial Public Offering (IPO).

Since its incorporation back in 1997, BDCOM has always been a trusted and forward-looking ICT service & solution provider focused on building nationwide ICT services and solutions that are compatible with the 21st century, under the licensing authority of the Bangladesh Telecommunication Regulatory Commission (BTRC).

BDCOM with its diversified business policies and experienced strong management capacity, has been leading and holding significant market leadership in ISP, IP Telephony, Telemetric (VTS), and Software industry. BDCOM has built its robust countrywide MPLS network covering 672 Upazila out of 692 in the country.

REGISTERED OFFICE

RANGS Nilu Square (5th Floor)
Satmosjid Road, House # 75
Road # 5/A, Dhanmondi R/A
Dhaka-1209, Bangladesh

CORPORATE OFFICE

JL Bhaban (5th floor)
House # 01, Road # 01
Gulshan Avenue, Gulshan 1
Dhaka-1212, Bangladesh

LEGAL STATUS

Public Limited Company Registered with the Joint Stock Companies & Firms of 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 PLC

AUTHORIZED CAPITAL

Taka 1 billion

PAID-UP CAPITAL

Taka 570.86 million

NUMBER OF SHAREHOLDERS

12,046

NUMBER OF EMPLOYEES

525

NUMBER OF YEARS IN OPERATION

26 years (+)

TRADE LICENSE:**Registration Number:**

TRAD/DNCC/001485/2022

Issue Date:

07 July 2022

Registered To:

Dhaka North City Corporation

SERIVCE LICENSE:**Nationwide ISP License No.:**

14.32.0000.702.45.134.21.034

Date of Issue:

26.10.2022

Renewal Date:

12.11.2021 to 11.11.2026

IPTSP License No.:

BTRC/LL/IPTSP-Nationwide(12)BDCOM
/2009-14

Date of Issue:

03.09.2009

Renewal Date:

03.09.2024

VTS License No.:

BTRC/LL/Vehicle Tracking(15)BDCOM
/2010-11

Date of Issue:

25.01.2011

Renewal Date:

25.01.2021 to 24.01.2026

ISO

ISO 9001:2015 Certified

Certificate No.: 10609, BQSR

May 29, 2021 Up to May 28, 2024

CREDIT RATING

by EMERGING Credit Rating Ltd. Bangladesh

On Dec 30, 2022 Up to Dec 29, 2023

Long Term Rating: AA

Short Term Rating: ST-2

Outlook: Stable

AUDITORS

M/S. Islam Quazi Shafique & Co.

Chartered Accountants

BANKERS & FINANCIAL INSTITUTIONS

- Dutch Bangla Bank Ltd.
- Prime Bank Ltd.
- Eastern Bank Ltd.
- Al-Arafah Islami Bank Ltd.
- Midland Bank Ltd.
- Bank Asia Ltd.
- Pubali Bank Ltd.
- Rupali Bank Ltd.
- First Security Islami Bank Ltd.
- Sonali Bank Ltd.
- IFIC Bank Ltd.
- United Commercial Bank PLC.
- Shahjalal Islami Bank Ltd.
- Islami Bank Bangladesh Ltd.
- South Bangla Agriculture & Commerce Bank Ltd.
- National Bank Ltd.
- Exim Bank Ltd.
- BRAC Bank Ltd
- DBH Finance PLC.
- IDLC Finance Ltd.
- Uttara Finance & Investment Ltd.
- IPDC Finance Ltd.
- IIDFC Ltd.

INSURER

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

**INVESTORS RELATION DEPARTMENT
AND SHARE OFFICE**

JL Bhaban (5th floor)
House # 01, Road # 01
Gulshan Avenue, Gulshan-1
Dhaka-1212, Bangladesh

Phone : +88 01755 521 290
+88 09666 333 697
+88 01713 339 850
+88 09666 333 610
+88 01741 896 081

Email : bdcshare@bdcom.com
kutub@bdcom.com
jamilfcs@bdcom.com

BDCOM CONTACT

Phone : +88 09666 333 666
Email : office@bdcom.com
Website: www.bdcom.com

MAJOR POINT OF PRESENCE (POP) OFFICE

Gulshan, Dhaka Head Office
JL Bhaban (5th Floor)
House # 1, Road # 1
Gulshan Avenue
Gulshan-1, Dhaka-1212

Dhanmondi POP Office
Rangs Nilu Square, Level-5
House # 75, Road # 5/A
Satmasjid Road
Dhanmondi, Dhaka-1209

Palton POP Office
AL Sultan Ahmed Plaza
(6th floor), Suite- 605, 32
Purana Paltan
Dhaka-1000

Bonosree POP Office
Road # 04, House # 30
Block-A, Bonosree
Rampura, Dhaka-1219

Panthapath POP Office
Firoz Tower (15th floor)
Panthapath
Dhaka-1205

Mirpur POP Office
Road # 02, Block # D
Section # 2, Mirpur # 2
Dhaka-1216

Mirpur DOHS POP Office
House # 1252, Road # 9
Mirpur
Dhaka-1216

Uttara POP Office
House # 04, Road # 19
Sector # 11, Uttara
Dhaka-1230

Bashabo POP Office
Holding # 94/3/1, Wasa Road
East Basabo, Sabujbagh
Dhaka-1219

Lalmatia POP Office
I/A/9 Kazi Nazrul Islam Avenue
Block # E, Mohammadpur
Dhaka-1207

<p>Comilla POP Office Artisan Nasir Center Holding # 491 Nazrul Avenue, Kandirpar Comilla</p>	<p>Chittagong POP Office 1646, SK.Mujib Road Pathantuli Chittagong</p>	<p>Cox's Bazar POP Office Green Valley Business Center (4th floor). Cox's Bazar Sadar Cox's Bazar</p>
<p>Sylhet POP Office Ananda Tower & Shopping Complex, 6th floor Flat # 7/A, Jailroad Sylhet</p>	<p>Khulna POP Office Mollick Shopping Complex (5th floor) 99, Khan A Sabur Road Khulna</p>	<p>Barishal POP Office 5 No. Parara Road Barishal</p>
<p>Rangpur POP Office House # 16/1, Road # 02 Kotwali, Rangpur</p>	<p>Kustia POP Office 43/1 Khodad Road, Thanapara, Kustia Sadar Kustia</p>	<p>Jessore POP Office House # 23 Munshi Minhazuddin Road Post office area Jessore</p>
<p>Narayangonj POP Office Fatema Tower (4th floor) 51, A C Dhar Road Narayangonj</p>	<p>Rajshahi POP Office Jed's Plate (4th floor) 131/1 Rampur, Kumarpara Rajshahi</p>	<p>Bogra POP Office Sharif Monjil, Holding # 1640 Coronation School Lane Katherpara, Bogra</p>
<p>Tangail POP Office 388 Choyani Pukurpar Tangail</p>	<p>Mymensingh POP Office 96/A Bramna Palli Mymensingh</p>	<p>Bhairab POP Office Holding # 0882-02 Voirab Ferry Ghat Road Moddopara Bhairab</p>
<p>Jamalpur POP Office Firuja Villa 735 South Kacharipara Jamalpur</p>	<p>Faridpur POP Office House # 32, Jhiltuli Mollahbari, Faridpur Sadar Faridpur</p>	<p>Dinajpur POP Office F/H Kalitola, 2nd floor Dinajpur</p>

VISION, MISSION & VALUES

We BDCOM believe in integrating digital services in every aspect of our life. We are ensuring digital Services in every corner of the country with sustainable, cost-effective, reliable network infrastructure, highly integrated services and solutions.

BDCOM Online Ltd., a business house with a framework of ethics, focus on customer insights and priorities, compliant with rules, transparent on policies, and with a target on achieving the highest standard and quality of services that we provide with the underpinning values;

BDCOM Online Ltd. focuses to provide highly integrated solutions, inherit and follow best business practices, on-time delivery of products & services, complete linkage between up, mid and downstream sectors through establishment of effective communication infrastructure, optimal utilization of resource capacity, achievement of high productivity, capacity scheduling, follow up activities, quicker response, greater accuracy, and rational decision making.

STRATEGIC APPROACH & OBJECTIVES

Deliver our services in a secure and sustainable way ensuring commitments and compliance with ethical business practices and social responsibilities.

HISTORY & MILESTONES

1997

Company Incorporated
(12th February)

2000

Software Department Opened

2001

Became Public Limited Company
(12th December)

2002

Initial Public Offering Listed with
DSE & CSE

2003

VTS Service Initiated

2005

ISO Certification Obtained
Service Began in Chittagong

2007

BPO Service Launched

2008

Data Connectivity Service Launched

2022

BDCOM Celebrate It's Glorious Silver Jubilee
Achieved ICMAB Best Corporate Award 2021

2020
Introduced "Internet for All"
Launched 300Tk. Broadband package

2018
Started Disaster Recovery Project
Expanded Broadband Service

2019
Introduced Triple Play Service Broadband360° - Safe Internet & IPTV
Achieved ICSB National Award 2018

2016
Switched to FTTX Technology

2015
Upgraded to MPLS and 10 Gig Network Capacity
Achieved ICSB National Award 2014

2011
Head Office Shifted to Permanent Premises

2013
Nationwide Network Coverage Achieved

2009
Acquisition of SMILE Broadband
Obtained IPTSP License
Launched Enterprise Hosting Service

AWARDS & RECOGNITION

AWARD ACHIEVED

ICMAB BEST CORPORATE AWARD



BDCOM Online Ltd. won the prestigious Institute of Cost and Management Accountants of Bangladesh (ICMAB)- **“Best Corporate Award-2021”**

This award strengthens the position of BDCOM in the ICT industry in Bangladesh as a high performing and strong value adding company.

AWARD ACHIEVED

ICSB NATIONAL AWARDS
for Corporate Governance Excellence

2018



2014



BDCOM Online Ltd. won the prestigious **ICSB National Award** Two Times in 2014 and 2018. This award strengthen the position of BDCOM in the ICT industry in Bangladesh as a high performing and strong value adding company.

RECOGNITION

ISO CERTIFIED

ISO 9001:2015



BDCOM Online Ltd. holds the certification of ISO 9001: 2015, successively holding ISO Certification since 2005

SERVICE PORTFOLIO

INTERNET

Internet Services

BDCOM boasts as the largest ISP Bangladesh providing service in the Corporate & Home sector.

01

02

DATA

Data Communication

BDCOM holds its unparalleled market leadership in the Data Communication segment.

IPTSP

IP Telephony Services

BDCOM KOTHA IP Telephony is the first Business Telephony service launched in Bangladesh back in 2009.

03

04

VTS

Vehicle Tracking System

BDCOM take pride in being the first Telematic i.e. enterprise level VTS Provider in the Bangladesh.

08

COLOCATION

Colocation Solutions

BDCOM's new data centre employs the latest technology to ensure your equipment is protected.

HOSTING

Virtual and Enterprise Hosting Service

Bangladesh's first Professional Hosting service, BDCOM hosted some of the biggest names in the industry.

07

06

SI

System Integration & Managed Services

BDCOM has been extensively working for long as System Integrator for large enterprises.

SOFTWARE

Software & Web Development

BDCOM Software has established itself as a trusted leading technology solution & service provider company.

05

NETWORK

Corporate Network Development

BDCOM is providing Networking Services keeping pace with the latest technology as well as security assurance.

09

10

CONSULTANCY

IT Infrastructure Consultancy

BDCOM is one of the leading Information Technology consulting service provider in the Country.

IoT, AI

Intelligent Automation

BDCOM has deployed a research & development team focusing on consumer expectations & convenience.

11

12

DIGITAL SPACE

Digital Marketing & Branding

Team is highly trained on developing market strategy & communication catering most of the industry verticals.

SERVICE BRANDS



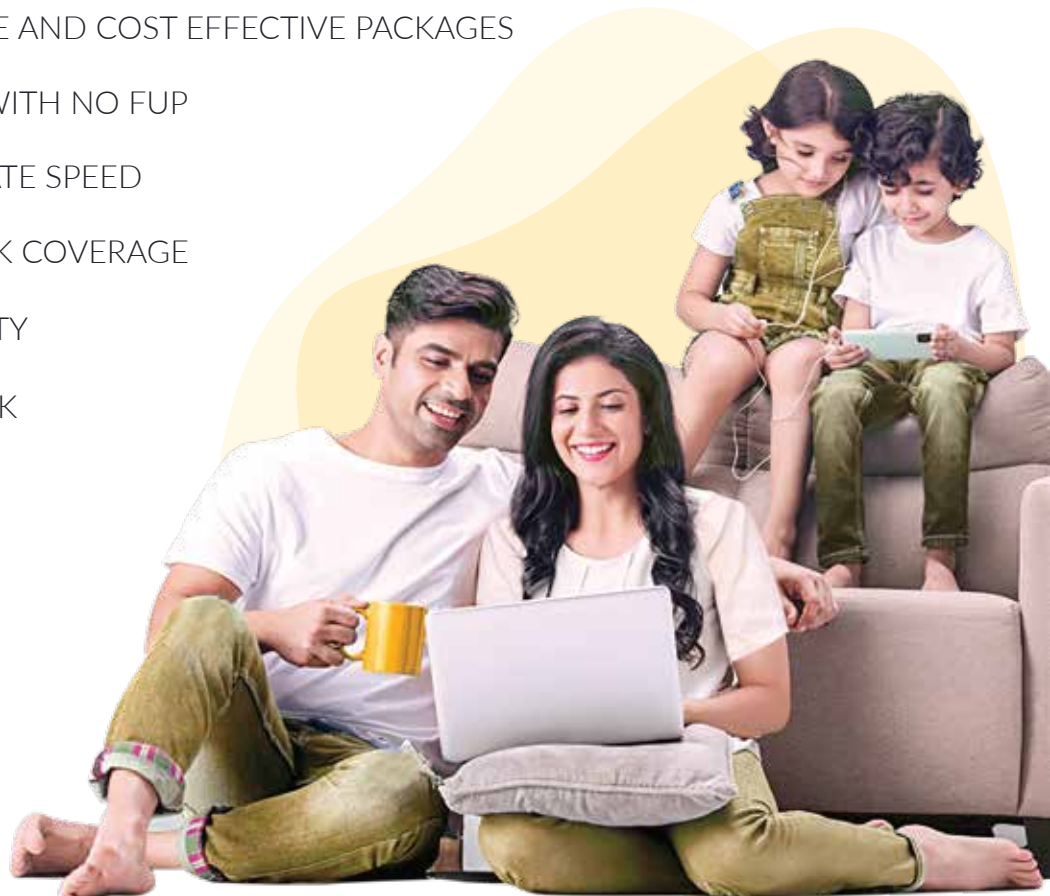
Smile Broadband

SMILE Broadband is one of the most popular home internet service brands of BDCOM Online Ltd. serving the ever growing demand of home broadband users of Bangladesh. "Smile Broadband" has become the most reputed and reliable service brand among the broadband internet users in Dhaka and the rest of the Country, irrespective of home and corporate segments.

We believe that there is no certain time for internet usage, which is why we commit "No Peak-No off Peak, 24 Hours Accurate Speed".

SERVICE FEATURES

- ✔ MOST AFFORDABLE AND COST EFFECTIVE PACKAGES
- ✔ UNLIMITED DATA WITH NO FUP
- ✔ 24 HOURS ACCURATE SPEED
- ✔ LARGEST NETWORK COVERAGE
- ✔ FTTH CONNECTIVITY
- ✔ 24/7/365 HELPDESK







Broadband360°

In 2019 BDCOM launched the ever demanding ultra fast broadband Internet service under new service brand “Broadband360°” focusing on providing premium experience of broadband Internet service along with its unique feature of “Safe Internet”.

It has the capability to filter and block harmful (adult/violent) content and ensures safe internet experience for children. Packages are well designed for Home and Business users.

SERVICE FEATURES

-  PREMIUM BROADBAND SERVICE EXPERIENCE
-  ULTRAFAST BANDWIDTH SPEED
-  DAY – NIGHT 24/7 PRIORITY SUPPORT
-  PACKAGES FOR BOTH HOME AND BUSINESS





Kotha IP Telephony

KOTHA is the IP Telephony service brand of BDCOM Online Ltd. This brand was established with a vision of providing reliable, robust, cost effective and next generation IP based Telephony services to its clients.

From small Call Center to Banks and large Enterprises, Kotha already has many successful implementations and service delivery experience to many many renowned companies in the country with its unparalleled "Leading-edge IP Telephony Service"

SERVICE FEATURES

- ✓ IP PHONE (DID, MULTIPLE CHANNEL)
- ✓ IP PBX SOLUTION
- ✓ CALL CENTER SOLUTION
- ✓ HOSTED PBX
- ✓ SHORT CODE PARKING



Smart Tracker

BDCOM take its pride to be the first VTS Provider Company in the Bangladesh market back in 2005. Focusing on upcoming market demand of IoT based solutions and to cater the market in a significant way, BDCOM introduced its service brand “SmartTracker” in 2014.

Our expertise goes beyond track and trace to fleet management to safety and security of vehicle operations. BDCOM Smarttracker works as sole distributor of the world’s and Chinese top brand Concox and also sells Teletonica products from Europe.

FEATURES

- ✓ ANDROID, IOS APP WITH WEB PLATFORM
- ✓ OVER SPEED ALERT / GEOFENCE/ PARKING/ ENGINE IDLE ALERTS
- ✓ REAL TIME LIVE TRACKING WITH LIVE TRAFFIC UPDATES
- ✓ REMOTE ENGINE SHUTDOWN
- ✓ BUILT IN BATTERY BACKUP
- ✓ DAILY, WEEKLY, MONTHLY HISTORY PLAYBACK
- ✓ REAL TIME ENGINE ON/OFF STATUS



Prohost

PROHOST is the professional enterprise level hosting services from BDCOM. General Hosting services comes as a byproduct of ISP services, but when it comes to mission critical high volume traffic, a regular hosting environment is not adequate for enterprise level hosting service.

BDCOM was fortunate enough to host locally and serve BDNEWS24, Prothomalo, Banglanews24, The Daily Star, The Bangladesh Standard, Bangla Tribune, The Daily Bangladesh, Jagobd, NTV, Channel24, EkusheyTV, Bangla Vision, Channel-I, National University, Election Commision, Bangladesh Power Development Board, Department of Immigration and Passports, National Housing Authority, Champs21, Banglapedia, and so on.

The BDCOM system team engineered the best hosting platform to make hosting simple. Offered Multiple-domain web hosting plans with tremendous value and extreme ease-of-use. The amazing BDCOM Team consistently delivers high-quality IT support to the valued clients, where the team takes care of the total System Administration and Security of the client's resources hosted in PROHOST.

SERVICE FEATURES

- ✓ DEDICATED HOSTING
- ✓ VPS SOLUTION
- ✓ COLOCATION SERVICE
- ✓ SHARED HOSTING



Simplified HRM

BDCOM SIMPLIFIED HRM is fully designed based on the Industrial HRM system that fully meets all the compliance of Bangladesh Govt. labor law as well as professional corporate HRMS. It simplifies HR processes for the employees, managers the organization as a whole. SIMPLIFIED HRM fits small, medium to large enterprises.

FEATURES

- ✓ SKILL MANAGEMENT
- ✓ LEAVE MANAGEMENT
- ✓ OVERTIME MANAGEMENT
- ✓ VEHICLE MANAGEMENT
- ✓ REQUISITION MANAGEMENT
- ✓ SETTLEMENT MANAGEMENT
- ✓ SHIFT MANAGEMENT
- ✓ SEPARATION MANAGEMENT



Rangtuli Graphics

BDCOM Graphic team is well qualified and vastly experienced about Graphics designing and work in a friendly team. Design team is more than capable of doing all kind of design works like Image Retouching, Logo Design, Clipping Path, Image Masking, Raster to Vector, etc. We are confident of fulfilling our clients' requirements up to 110%. The main aim is to provide quality service to our customers and make a name among the BPO industry of Bangladesh.

SERVICE FEATURES

- ✓ CLIPPING PATH
- ✓ IMAGE BACKGROUND OPTIMIZATION
- ✓ IMAGE MASKING
- ✓ IMAGE RETOUCHING
- ✓ IMAGE CLEANING & CLONING
- ✓ IMAGE RESTORATION
- ✓ VECTOR IMAGE CONVERSION
- ✓ WEB GRAPHIC OPTIMIZATION



Digital Space

Brand and marketing communication through digital channels apply digital presence in digital space is a reality now, since most of the target groups are moving to digital channels. A website is a 24/7 open office or shop and social media is like a super shop or a mall, where all the customers are continuously moving around. BDCOM Digital Space team is highly trained on developing market strategy and communication catering most of the industry verticals.

SERVICE FEATURES

-  DIGITAL MARKETING
-  BRAND COMMUNICATION
-  MARKET STRATEGY DEVELOPMENT
-  CONTENT DESIGN & DEVELOPMENT
-  DIGITAL ADVERTISING
-  SEO
-  UI/UX DESIGN



BDCOM Online Ltd. Since its incorporation back in 1997, BDCOM has always been a trusted and forward looking ICT Company focused on building ICT Services and Solutions that are needed for the 21st Century. From the beginning BDCOM envisaged “Total Excellence” as its principle for guiding light, around which revolves its entire spectrum of activities. With the unique vision, BDCOM is the forerunner in the value centric service marketplace and an architect of high value end-to-end ICT solutions for both National and International market.

Make digital lifestyle possible in every aspect of daily personal and corporate lifestyle, we believe the Internet and Digital Services should be available in every corner of the country with sustainable, cost-effective, reliable network infrastructure, highly integrated services and solutions.

BOARD OF DIRECTORS

NAME	POSITION
MR. WAHIDUL HAQUE SIDDIQUI	CHAIRMAN
MRS. QURRATTUL ANN SIDDIQUI	DIRECTOR
MRS. QUAMRUN NAHAR BEGUM	DIRECTOR (REPRESENTATIVE OF HORNBILL APPAREL LTD.)
MR. MD. SHAFIQL ALOM (SUMON)	DIRECTOR (REPRESENTATIVE OF NORBAN FASHION LTD.)
MR. MD. KHALID HUSSAIN FCA	INDEPENDENT DIRECTOR
MR. S M GOLAM FARUK ALAMGIR	MANAGING DIRECTOR (EX-OFFICIO)
MR. A.K.M. KUTUB UDDIN	EXECUTIVE DIRECTOR & COMPANY SECRETARY

EXECUTIVE COMMITTEE

NAME AND DESIGNATION	COMMITTEE POSITION
MR. WAHIDUL HAQUE SIDDIQUI CHAIRMAN	CHAIRMAN
MRS. QURRATTUL ANN SIDDIQUI DIRECTOR	MEMBER
MR. S M GOLAM FARUK ALAMGIR MANAGING DIRECTOR	MEMBER

AUDIT COMMITTEE

NAME AND DESIGNATION	COMMITTEE POSITION
MR. MD. KHALID HUSSAIN FCA INDEPENDENT DIRECTOR	CHAIRMAN
MRS. QURRATTUL ANN SIDDIQUI DIRECTOR	MEMBER
MRS. QUAMRUN NAHAR BEGUM DIRECTOR (REPRESENTATIVE OF HORNBILL APPAREL LTD.)	MEMBER

NRC COMMITTEE

NAME AND DESIGNATION	COMMITTEE POSITION
MR. MD. KHALID HUSSAIN FCA INDEPENDENT DIRECTOR	CHAIRMAN
MRS. QURRATTUL ANN SIDDIQUI DIRECTOR	MEMBER
MRS. QUAMRUN NAHAR BEGUM DIRECTOR (REPRESENTATIVE OF HORNBILL APPAREL LTD.)	MEMBER

MANAGEMENT COMMITTEE

NAME AND DESIGNATION	COMMITTEE POSITION
MR. S M GOLAM FARUK ALAMGIR MANAGING DIRECTOR	CHAIRMAN
MR. A.K.M. KUTUB UDDIN EXECUTIVE DIRECTOR & COMPANY SECRETARY	MEMBER SECRETARY
MR. MD. MONOWAR HOSSAIN KHAN EXECUTIVE DIRECTOR, MARKETING & PLANNING	MEMBER
MR. FAKER AHMED FCA CHIEF FINANCIAL OFFICER	MEMBER
MR. S.M. KAMRUZZAMAN CHIEF TECHNOLOGY OFFICER	MEMBER
MR. GAZI ZEHADUL KABIR CHIEF STRATEGY OFFICER	MEMBER
MR. ANOWAR HASAN SABIR CHIEF INFORMATION OFFICER	MEMBER
MR. KAZI MD. ABDULLAH GENERAL MANAGER	MEMBER
MR. BIPUL RANJAN SAHA GENERAL MANAGER	MEMBER
MR. SHARIF SABBIRUL ALAM GENERAL MANAGER	MEMBER

PURCHASE COMMITTEE

NAME AND DESIGNATION	COMMITTEE POSITION
MR. A.K.M. KUTUB UDDIN EXECUTIVE DIRECTOR & COMPANY SECRETARY	CHAIRMAN
MR. S.M. KAMRUZZAMAN CHIEF TECHNOLOGY OFFICER	MEMBER SECRETARY
MR. FAKER AHMED FCA CHIEF FINANCIAL OFFICER	MEMBER

HUMAN CAPITAL

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.

The company has nine major departments and 227 highly qualified, trained and skilled personnel of IT engineers and a professional Chartered Accountant as Chief Financial Officer, a professional accountant, ACCA as Head of Internal Audit and Compliance and a qualified Chartered Secretary as Deputy Company Secretary and 298 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.

BDCOM's Employee Summary as follows:

SL	Particulars	June 30, 2023	June 30, 2022
1.	Manager & Officers	227	224
2.	Office Assistant, Cable man & Others	298	264
	Total	525	488

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

INITIATIVES OF BDCOM TO DRIVE SOCIAL IMPACT

Achieving success and growth is a team effort and BDCOM know it. The company always welcome collective efforts from the stakeholders and support from every segment of the society in pursuit of achieving its goals. BDCOM believes that the society, which enabled the company to flourish, deserve to get back from the company. Sustainable initiatives are an intrinsic way of working that goes beyond simple financial results of returns.

One of the key activities that BDCOM do is to invest in the development of the youth in the country. BDCOM strongly believe that the youth hold the key to the future, not just of this company, but also of the ICT sector of Bangladesh.

To better equip the youth of our country, BDCOM initiated the internship program. The interns are an integral part of the future plans of the company. 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 equips them with better decision-making ability and leadership qualities. 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 challenges which lie ahead. Under the guidance and supervision of the highly qualified employees, the interns flourish. The ones who leave the company are well equipped to tackle any kind of challenges and thus end up getting quality jobs in the competitive ICT job market.

EMPLOYEE BENEFITS AND RESOURCE DEVELOPMENT AND COMPLIANCE WITH LABOUR LAW RELATING TO QUALITY, PROVIDENT FUND AND WPP & WF

EMPLOYEE PROVIDENT FUND

BDCOM Online Ltd. has a contributory provident fund scheme for its permanent employees. This fund is administered by the Board of Trustees and it is funded by contributions from employees and BDCOM under a predetermined rate. These amounts then duly deposited to a separate bank account and invested under prescribed guideline of Bangladesh Labor Law.

INSURANCE

Employees of BDCOM Online Ltd. are covered under the Group Term Life Insurance scheme and Health Insurance scheme.

WORKERS' PROFIT PARTICIPATION & WELFARE FUND (WPP & WF)

Provision for Workers Profit Participation & Welfare Fund has been made at 5% of net profit as per provision of Bangladesh Labor Law, 2006 and is paid to workers as per law dictates.

TRAINING AND DEVELOPMENT PROGRAMS

Employees of BDCOM Online Ltd. are enrolled in several training and certificate programs as the company deem necessary. These trainings enhance the knowledge and skills of individual employees and are funded by the company. Employees are also encouraged to participate in many Government funded training programs. Apart from this, several employees achieved individual awards by participating many National and International training programs.

For Workers and technical people, BDCOM has separate manager to ensure proper skills are developed.

ENTERPRISE RISK MANAGEMENT

Every company faces a lot of risks during its operation. Risks arrive from all aspects both internal and external. In a developing country and in a fiercely competitive industry, risks come in significant numbers. BDCOM Online Ltd. faces different type of risks due to the complexity of the business and the nature of industry it operates in. But to mitigate these risks is an essential part of becoming a successful company by achieving business, financial, customer-centric and social goals as well as meeting the legal and compliance responsibilities.

OPERATIONAL RISK

The 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 adjust with the changes in market conditions and the company's activities. To operate successfully and in pursuit of maximizing the opportunities and minimizing the impacts faced by the company, senior management of BDCOM has established a team consisting of several experienced and well-versed personnel. This team operates internally and free from any other influences. The team identifies particular events or circumstances relevant to the Company's objectives, both risks and opportunities, and assess them in terms of likelihood and magnitude of impact, determine a solid strategy of actions and monitor progress. This team is headed by the honorable Chairman of BDCOM and consist of the Managing Director, Head of departments and concerned senior managers.

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 obligation and arises principally from the company's receivables from customers. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financials assets, i.e. cash at bank and other external receivable are nominal.

LIQUIDITY RISK

Liquidity risk is the risk that the company will not be able to meet its short-term 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 assets to meet its liabilities when due, under both nominal and stressed conditions, without incurring unacceptable losses or risking damage to a company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparations 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 June 30, 2023 there was little exposure to currency risk as there were very few foreign currency transactions made during the review.

b) Interest Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. Interest rate fluctuation probability is very minimal and within tolerable range. The company has been not entered into any type of derivation instrument in order to hedge interest rate risk as at the reporting date.

OTHER RISKS

Some of the other risks which might affect the company are competitor risk, strategic risks, etc. The IT sector of Bangladesh is very competitive and there are new entrants the market every day. Hence it is important for BDCOM Online Ltd. to be aware of its competition. Strategic risk is defined as the risk associated with existing strategy, future business plans and strategies, including plans on entering new business lines, expanding existing services through organic business growth, mergers and acquisitions or exposure loss resulting from a strategy that turned out to be defective or inappropriate.

CODE OF CONDUCT AND ETHICAL PRINCIPLES

Our Code of Conduct is based on our values and the purpose of these codes is to ensure that all the employees, managers and executives within BDCOM Online Ltd. act in accordance with these values and principles respecting the core value of the company. These codes are designed in a way as to give a clear perception about what is expected from the people inside the company. We are always committed to conduct our business in an ethical, legal and responsible way.

The codes are as follows:

1. Legal Compliances

BDCOM Online Ltd. ensures that all its business activities adhere to all applicable National Legal requirement and are well maintained within the set policies by the Government. BDCOM also comply with the applicable anti bribery/anti-corruption rules and regulations in its business activities.

2. Confidentiality in Work

BDCOM works with multiple clients from multiple industries and it is very important to maintain confidentiality while dealing with sensitive issues within each company. BDCOM always ensures that client's data and other information is well protected and are not disclosed to any third party. BDCOM achieved the trust of hundreds of clients with these strict rules of confidentiality in every deal.

3. Employee Participation

BDCOM Online Ltd. is always striving to move forward and value each employee as their contribution is what is driving the company ahead. The company encourages its employees to share ideas and knowledge with management as well as between themselves. This enables a great culture of idea sharing inside the company which brought forward many new business activities.

4. Health & Safety at Work

The company ensures that the workplace and its environment do not endanger the physical integrity or health of the employees. Training programs to reduce accidents and improving working conditions with additional safety gears is an ongoing process. Employees have access to drinking water, sanitary equipment social rooms, built and maintained in accordance with applicable legal requirements.

5. Work Environment

BDCOM ensure an exciting and progressive working environment for its employees which is free from all type of discriminations and harassments. The company ensures that all the employees acts professionally and refrain from frauds, dishonesty, deceit or any act that violates the core value of the company.

6. Restrictions on dealings in BDCOM shares by insiders

BDCOM has restricted trading of its shares by Sponsor/Directors, Employees and other insiders. The Securities Laws also impose restrictions on similar transactions. All the insiders are prohibited from trading in the Company's shares, while in possession of unpublished price sensitive information in relation to the Company during prescribed restricted trading period. Sponsors/Directors and Employees are also restricted to notify their intention to trade in the BDCOM shares prior to initiating the same.

BRIEF RESUME OF THE DIRECTORS

MR. WAHIDUL HAQUE SIDDIQUI

Wahidul Haque Siddiqui an eminent and visionary entrepreneur of this country. A native of Chittagong and raised in Dhaka, he completed his education from Adamjee Cantonment College and later on pursued his Bachelor's degree in Commerce from the University of Dhaka.

Wahidul Haque Siddiqui commenced his entrepreneurial career 1990 with buying house 'Norban Fashion Ltd.' In a few years time he garnered ample of expertise and knowledge about the Ready-Made Garments (RMG) sector and established two factories 'Hornbill Apparels Ltd.' And 'Norban Comtex Ltd.' Mr. Siddiqui's bold and strategic leadership made Norban, one of the leading RMG factories in Bangladesh. His knowledge on all the aspects of RMG is unparalleled.

Wahidul Haque Siddiqui being a visionary witnessed the emergence of ICT globally. He anticipated this change Bangladesh in late 1990s. Hence took the initiative of establishing one of the first ISP of this country BDCOM Online Ltd. in 1998. Under Mr. Siddiqui's well steered direction BDCOM has won several accolades including the prestigious National award. He is currently serving as the Chairman of the board at BDCOM Online Ltd.

Mr. Siddiqui a serial entrepreneur has a strong presence in number of industries. He occupies position in the board of Norban Group, Daulatunnessa Equities Ltd., Asia Pacific General Insurance Company Ltd. (Listed Company), and several others. His resourceful mindset and goodwill are appreciated at home and abroad. He is actively associated with several charity organizations.

MRS. QURRATTUL ANN SIDDIQUI

Mrs. Qurrattul Ann Siddiqui is one of the founding directors of BDCOM Online Ltd. She has been actively associated with several business organizations. Mrs. Siddiqui born and raised in Dhaka completed her graduation from University of Dhaka.

Mrs. Siddiqui holds a management position in Norban Group, a leading RMG conglomerate in the country. She has been involved in the creating new strategies and devises new business ideas. Her diversified knowledge and insight has helped BDCOM to flourish in the IT sector. As a mindful well-wisher and director, the company's grave success has been the top of her priorities.

She has an active presence in several social and charity organizations across the country. She runs a charitable school for underprivileged children in the capital. Her charitable appreciation is only one of her many insightful traits.

HORNBILL APPAREL LTD.

MRS. QUAMRUN NAHAR BEGUM

Director

(Representative of Hornbill Apparel Ltd.)

Hornbill Apparel Ltd. is the corporate sponsor and director of the company. They have been successfully engaged with apparel business in Bangladesh for a long period of time.

NORBAN FASHION LTD.

MR. MD. SHAFIQU ALOM (SUMON)

Director

(Representative of Norban Fashion Ltd.)

Norban Fashion Ltd. represented by Md. Shafiqu Alom (Sumon) has been successfully engaged with RMG sector for a long period of time.

MR. MD. KHALID HUSSAIN FCA

Mr. Md. Khalid Hussain FCA, son of late Mohammed Hussain is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of Bangladesh. Mr. Hussain has more than 22 years' experience in dealing with various financial, operational and commercial matters in MNC and Local Corporate. Mr. Hussain hold various senior positions in MNC and renowned local conglomerate like New Zealand Dairy Board, Beximco Group, Esquire Group. Mr. Hussain did his CA Article ship from one of renowned CA Firm. Mr. Hussain has vast experience in dealing with Board Meeting in both public and private companies.

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 33 years. He has participated in many local and international events, trainings and workshops.

CORPORATE GOVERNANCE IN BDCOM ONLINE LTD.

Corporate governance is the relationship with stakeholders within an organization, involving laws, rules, regulations, practices, and processes by which a company is directed and controlled to achieve corporate goals.

BDCOM Online Ltd. believes that the highest standard of corporate governance and ethical practices is to build an environment of trust, transparency, and accountability necessary for nurturing long-term investment, financial stability, and business integrity. This, in turn, supports strong growth while complying with all types of laws, rules, and regulations, safeguarding shareholders' interests and corporate goals. The company endeavors to provide solid, acceptable, and accurate information to all its stakeholders.

As per the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC), which is imposed on a compliance basis for companies listed on any stock exchange in Bangladesh, BDCOM Online Ltd. strictly adheres to all the conditions of this code, as narrated in our Annual Report 2022-2023.

Number of Board Member:

The total number of Board of Directors is five (05), including one (01) Independent director, fully complying with the size of the Board of Directors and the appropriate proportion of Independent Directors relative to the total number of Directors. The composition of BDCOM Board of Directors is in compliance with condition nos. 1.1 & 1.2 of the Bangladesh Securities and Exchange Commission's Corporate Governance Code dated June 3, 2018. All the directors on the Board, including the Independent director, are non-executive directors.

Policy on appointment Directors & Rotation:

As per the Companies Act, 1994, each year one-third of the Directors (except Independent Directors) retire from office at the Annual General Meeting. If eligible, they may offer themselves for re-election by shareholders at the Annual General Meeting. For casual vacancies, if any, they are filled by the Board in accordance with the provisions of the Companies Act, 1994, and the Articles of Association of BDCOM. When any changes are made to members of the Board, it is intimated to the Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), and the Stock Exchange(s). This is done as per the Companies Act, 1994, Corporate Governance Code, and other Rules and Regulations, strictly following the process to appoint Directors of BDCOM, demonstrating transparency in the Board Nomination and Election process.

Orientation and Induction of New Directors:

All new directors undergo a comprehensive induction session to gain a better understanding of the Board's operations and the scope of their responsibilities as representatives of shareholders in the best interest of the company. BDCOM's orientation induction program is structured, covering various aspects such as business operations, the corporate environment, long-term strategies of the company, and applicable laws and regulations. Directors are also familiarized with their duties, responsibilities, powers, Terms of Reference (ToR) of the office, and each other.

It is the chair's responsibility to guide new board members through the induction pack. In addition to acquainting them with the relevant documents, the induction aims to introduce new members to the organization's culture and their roles and responsibilities as board members. The primary goal is to help new members understand the organization, the operational environment, and their pivotal role in contributing to the organization's success.

Board Independence & Governance:

An independent majority on the board is more likely to prioritize the best interests of shareholders. It is also likely to foster independent decision-making and mitigate conflicts of interest that may arise.

BDCOM's board of directors is a collective body that acts in the best interests of shareholders. All board members are non-executive directors who actively pursue shareholders' interests. The effectiveness of non-executive directors in fulfilling their duties depends on their independence from management, ensuring unbiased business judgment. Independent directors are individuals entrusted by shareholders to represent them, as per the Corporate Governance code.

Training Policy of Board of Directors:

The BDCOM Board believes that training programs optimize a team and provide additional skills and knowledge that board members need to make the best decisions for the company. The Board of Directors is an integral part of any organization's strategy for effective leadership. Directors must have all the information they need to perform their duties effectively, but they also must be aware of their legal liabilities.

As per the Training policy of the Board of Directors, training is organized with expertise from local and international personnel as part of assessing board performance and knowledge sharing. The BDCOM Board encourages continuous compliance with and commitment to maintaining the highest standards of updated laws of Bangladesh, Corporate Governance, Rules, Regulations, Circulars, Orders, notifications, as well as international practices.

Diversified of Shareholding among the Board member:

In compliance with the Bangladesh Securities and Exchange Commission notification, all sponsors and directors, other than independent directors, of a listed company shall at all times jointly hold a minimum of 30% (thirty percent) of the shares of the paid-up capital of the Company. Additionally, each director, other than an independent director, of a listed company shall hold a minimum of 2% (two percent) of the paid-up capital of the Company, which is duly complied with. Our BDCOM shareholding among the Board members is diversified, as reflected in the pattern of shareholding.

The BDCOM Board believes that diversified shareholding among board members ensures effective, efficient, and independent decision-making for corporate goals while maintaining shareholders' interests. This diversity, with an appropriate mix of experience, knowledge, skills, and professionalism, contributes to a unique combination that helps in efficiently running the affairs of the Company.

Non-executive Director's Independence:

All the Board of Directors of BDCOM, except the Managing Director (Ex-officio), are non-executive Directors in compliance with the Corporate Governance Code. None of the Directors participates in the day-to-day affairs of the Company. They attend only the Board Meeting, Executive Committee meeting, Audit Committee meeting, and Nomination & Remuneration Committee to discuss the agenda reserved for the Board and committees.

Non-executive Director's Independence:

All the Board of Directors of BDCOM, except the Managing Director (Ex-officio), are non-executive Directors in compliance with the Corporate Governance Code. None of the Directors participates in the day-to-day affairs of the Company. They attend only the Board Meeting, Executive Committee meeting, Audit Committee meeting, and Nomination & Remuneration Committee to discuss the agenda reserved for the Board and committees.

Duality of the Chairperson of the Board of Directors and Managing Director:

The Chairperson and Managing Director of the Company are different persons. The position of the Chairperson of the Board of Directors and Managing Director of BDCOM is filled by different individuals. The Chairperson of the company is a non-executive Director, and the Managing Director is an executive Director (Ex-Officio).

Managing Director is not holding the same position in another listed company:

The Managing Director of our company does not hold the same position in another listed company. This also complies with section 1.4 of the BSEC's Notification on Corporate Governance Code-2018.

Role of the Chairperson and Managing Director:

In compliance with the requirements of the Bangladesh Securities and Exchange Commission guidelines, BDCOM's Board clearly defines the respective roles and responsibilities of the Chairperson and the Managing Director. The Chairperson is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role, and facilitating the productive contribution of all Directors to achieve organizational goals while considering stakeholders' interests.

The Managing Director has overall responsibilities for the performance of the Company's business and have control of the Company's day-to-day affairs and are accountable to the Board for the financial and operational performance of the Company. As a leader, the Managing Director provides leadership to the Company to ensure the successful planning and execution of objectives and strategies and also responsible for formulating and implementing Board strategies and policies to establish and execute the company's operating plan for organizational goals.

The Chairperson elected:

The Chairperson of the Board of Directors of BDCOM Online Ltd. is Mr. Wahidul Haque Siddiqui, who is elected from among the non-executive directors of the company. In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for the particular Board meeting. The reason for the absence of the regular Chairperson is duly recorded in the minutes.

Annual evaluation of Managing Director carried out by the Board:

The Board clearly defines the roles and responsibilities of the Managing Director, and the Board evaluates the Managing Director's performance based on the preset financial and non-financial goals as per the expectations of the Board. This evaluation ensures an effective and efficient corporate leader, promoting organizational growth and success while maintaining accountability and transparency.

Independent Director:

BDCOM has complied with the notification of Corporate Governance Code-2018, specifically condition no. (1.2), issued by the Bangladesh Securities and Exchange Commission, concerning the appointment and composition of the Board. Mr. Md. Khalid Hussain, FCA, serves as an Independent Director of the Company among four (04) non-executive directors, constituting one-fifth of the total directors on the Board.

The appointment of existing Independent Director was made by the Board and approved by the shareholders in the 25th Annual General Meeting for a tenure of 1 term (3 years). His retirement by rotation, as per The Companies Act, 1994, is not applicable.

Qualification of Independent Director -Criteria for appointment of Independent Director:

Mr. Md. Khalid Hussain FCA, a professional Chartered Accountant, serves as an Independent Director of the Company. With over 22 years of corporate exposure, he brings extensive experience in dealing with various financial, operational, and commercial matters in both multinational and local corporations. His knowledge, integrity, and ability to ensure compliance with financial laws, rules, regulatory requirements, and corporate laws make a fully compliant and constructive contribution to the board and the business. This aligns with the criteria for the appointment of an Independent Director as per condition no. 1.3 of the Corporate Governance Code-2018 of the Bangladesh Securities and Exchange Commission.

Internal audit department established in the Company:

Internal audits play a critical role in the company's operations and corporate governance. They may occur on a daily, weekly, monthly, or annual basis, with some departments being audited more frequently than others. Internal audits offer risk management and assess the effectiveness of various aspects of the company. Types of internal audits include financial, operational, compliance, environmental, IT, or audits for a very specific purpose. These audits provide management and the board of directors with a value-added service, identifying flaws in processes that can be corrected before external audits. For transparency and an effective internal control system, an Internal Audit Department has been established in our Company.

Role and responsibility of the head of internal audit:

BDCOM Online Ltd. has a Head of Internal Audit and Compliance, Mr. Mohammad Ali, ACCA, a professional accountant with post-graduation in accounting. He serves as the Head of Internal Audit (HIA) and is a key person responsible for ensuring an appropriate level of assurance in relation to the operation of internal control, risk management, and governance within the organization.

The Head of Internal Audit is responsible for internal control and the internal audit function of BDCOM Online Ltd., ensuring compliance with relevant ethical requirements, particularly in terms of independence, objectivity, and remedial actions. He is also responsible for reporting to the Audit Committee under the Board of Directors regarding deviations from accounting and internal control systems, including formulating the internal audit strategy.

Statement of Directors' responsibility to establish appropriate system of internal controls:

BDCOM Online Ltd. considers internal audit as one of the crucial regular functions for the day-to-day operations of the Company. The Company maintains an independent internal audit department under the control of the Audit Committee of the Board of Directors, which is regularly reviewed, evaluated, and updated.

This department endeavors to bring a systematic and disciplined approach to appraise and enhance the effectiveness of the organization's risk management process, upgrade the system of internal control, and improve governance. The Internal Audit Department of BDCOM conducts quarterly/periodic audits to provide reasonable assurance, strictly adhering to the established policies and procedures of the company.

Adequacy of Internal Control system is reviewed:

In accordance with the established policies and procedures of our Internal Audit/Internal Control System, as well as regulatory and legal requirements, our Internal Audit Department presents its findings (if any) to the Audit Committee of the Board of Directors regularly. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and provides guidance for improvements to strengthen the control systems. This includes adjustments in response to changing rules, regulations, and legal requirements in the business environment as needed from time to time.

Internal Audit Department reports submitted to the Audit Committee:

Under the Corporate Governance Code for the Role of Audit Committee, the Audit Committee monitors the Internal Audit and Control process to ensure that it is adequately resourced. This includes the approval of the Internal Audit and Compliance Plan and the review of the Internal Audit and Compliance Reports. The committee also reviews the adequacy of the internal audit function, with internal audit reports submitted to the Audit Committee.

BOARD SYSTEMS, RISK AND AUDIT COMMITTEE

Audit Committee exists:

In accordance with the Corporate Governance Code, ensuring good governance, there exists a competent Audit Committee under the Board of Directors’.

Financial Expert in the Audit Committee:

Mr. Md. Khalid Hussain FCA, an Independent Director of BDCOM, serves as the Chairman of our Audit Committee. With over 22 years of experience in dealing with various financial, operational, and commercial matters in multinational corporations and renowned local companies, Mr. Hussain brings valuable expertise to the role. All members of the Audit Committee possess the required qualifications and expertise for their appointment, along with the requisite knowledge of business, accounting, financial management, corporate management, and professional experiences.

Internal Auditor reports to the Audit Committee of the Board of Directors:

In accordance with the established policy of the Internal Audit Department for ensuring internal control and compliance, the internal auditor reports to the Audit Committee of the Board of Directors through its Head (HoD). The Head (HoD) oversees full control and compliance within organizational policies and procedures for the betterment of the organization.

Proportion of Independent Directors in the Audit Committee:

Pursuant to the Bangladesh Securities and Exchange Commission’s Corporate Governance Code-2018, BDCOM Online Ltd. has a competent Audit Committee with a sufficient number of Independent Directors. The Independent Director serves as the Chairman of the Committee, and the company secretary acts as the secretary of the Committee.

Name of the Director	Position in Board	Position in Committee
Mr. Md. Khalid Hussain FCA	Independent Director	Chairman
Mrs. Qurrattul Ann Siddiqui	Director	Member
Mrs. Quamrun Nahar Begum (Rep: Hornbill Apparel Limited)	Director	Member

Report by the Audit Committee to the Board about the matters related to Conflict of Interest:

The Audit Committee is a sub-committee of the Board. It reports directly on its activities to the Board of Directors and, under certain circumstances, can also report to the BSEC. The Audit Committee reports to the Board of Directors in the following cases:

- On conflicts of interest.
- On suspected or presumed fraud, irregularities, or material defects in the internal control system.
- On suspected infringements of laws, including securities-related laws, rules, and regulations.
- On any other matter that should be disclosed to the Board of Directors immediately.

No such issues arose at BDCOM during the year ending on June 30, 2023.

The Chairman of the Audit Committee presence at the AGM:

According to the Corporate Governance Code, the Chairman of the Audit Committee shall be present at the Annual General Meeting (AGM). The Chairman of the Audit Committee, who is an Independent Director, was present at the last (26th) AGM and will also be present at the 27th Annual General Meeting of the Company.

The Board carries out a robust assessment of Company's emerging and principle risks:

The Board of BDCOM monitors the company's risk management and internal control, and at least annually, carries out a review of their effectiveness. The monitoring and review cover all material controls, including financial, operational, and all types of compliance controls. This robust assessment of the Company's emerging and principal risks directs the Board to take actions to remedy any significant failings and weaknesses.

Board explanation on Company's current position and principal risks and prospects for the company:

The Board of Director's report provides a summarized overview of the Company's current financial position, along with a brief discussion on achievements and future plans. Subsequently, enterprise risk management details are presented in this Annual Report. Through the mentioned presentation and discussion, considering the Company's current position and principal risks, the Board explains the prospects for BDCOM.

Directors' Report to the shareholders:

The Directors' Report to the shareholders is incorporated and prepared as per section 184 of the Companies Act, 1994 has been articulated on page no. 59 of this Annual Report 2022-2023.

Attendance in the Board of Directors and Committee Meetings:

During the financial year 2022-23, a total of twenty-two (22) Board Meetings were held, four (04) Audit Committee Meetings, and two (2) Nomination & Remuneration Committee Meetings. The attendance details for the Board and Committee Meetings are provided below:

Name of Director	Board		Audit Committee		Nomination and Remuneration Committee	
	Meeting Held	Meeting Attended	Meeting Held	Meeting Attended	Meeting Held	Meeting Attended
Mr. Wahidul Haque Siddiqui Chairman	22	22	N/A	N/A	N/A	N/A
Mrs. Quarrattul Ann Siddiqui Director	22	22	4	4	2	2
Mrs. Quamrun Nahar Begum Director	22	20	4	4	2	2
Mr. Md. Shafiqul Alom (sumon) Director	22	18	N/A	N/A	N/A	N/A
Mr. Md. Khalid Hussain FCA Independent Director	22	6	4	4	2	2
Mr. S M Golam Faruk Alamgir Managing Director (Ex-officio)	22	22	N/A	N/A	N/A	N/A

The Company Secretary serves as the eyes and ears of the Board. The minutes, resolutions, and proceedings of the meetings are accurately and concisely documented by the Company Secretary. BDCOM's Company Secretary actively participates in all Board Meetings and also serves as the Secretary for both the Audit Committee and the Nomination and Remuneration Committee.

In the Board meetings, the Company Secretary is the first witness to the proceedings. He assists the Board in formulating policies and in conducting Board meetings related to the Board's functions.

Attendance of Top-level executive to Board of Directors' Meeting:

The Managing Director (MD), Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) attend the Board Meetings. However, the CS, CFO, and HIAC do not attend the part of the meeting that involves the consideration of an agenda item relating to their personal matters.

Whistle Blowing Policy:

BDCOM has formulated a mechanism to provide employees of the company with a way to raise concerns about suspected fraud, violations of legal or regulatory requirements, or the code of conduct of our company. Our whistleblowing practices serve as a channel for the early identification of corporate fraud or risk by ensuring that employees reporting legitimate concerns on potential unfair wrongdoings occurring within the organization are guaranteed complete confidentiality. Such complaints are investigated and addressed through a formalized procedure.

Board meetings are conducted, minutes are kept, and books and records are maintained in compliance with the Bangladesh Secretarial Standards (BSS) as adopted by ICSB:

The company conducts its Board meetings, records the minutes of the meeting, and keeps the required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards adopted by ICSB, insofar as those standards are not inconsistent with any condition of the Corporate Governance Code-2018.

Role of Company Secretary with his background:

The Company Secretary serves as the overseer of all corporate affairs, both statutory and administrative, acting as the bridge between policy and implementation. In the Board meetings, the Company Secretary is the first witness to the Board proceedings and assists the Board in formulating policies and in conducting Board meetings related to the Board functions. BDCOM's Company Secretary & Executive Director, Mr. A. K. M. Kutub Uddin, graduated from Dhaka University and obtained his Banking Diploma Part-1 from The Institute of Bank Management Bangladesh. Starting his professional career in 1986, he worked in various organizations, including NBFIs, Banks, and Corporates.

Mr. Kutub Uddin joined BDCOM in 2002 as the Company Secretary and became the Executive Director in 2011. With vast knowledge and experience in the corporate sector, Companies Act-1994, Capital Market, and various laws, rules, and regulations, he ensures proper lawful information flow to the Board, various committees, and top-level executives. He has participated in numerous local and international seminars, events, training, and workshops.

Company Secretary appointed by the Board. He does not hold any executive position in any other company at the same time. He also acts as the Secretary of the Audit Committee as well as the Nomination and Remuneration Committee.

BDCOM's Board comprises individuals with expert knowledge and responsibilities for informing the board of corporate regulations, rules, responsibilities, and implications:

BDCOM's Board is filled with a diverse mix of skills, experiences, backgrounds, and educational and professional knowledge. All board members are responsible for the overall governance, management, and strategic direction of the Company, and for delivering accountable corporate performance in accordance with the complied corporate regulatory rules and responsibilities to achieve the company's desired goals and objectives.

Disclosure about Related Party Transaction:

During the financial year 2022-23, transactions with related parties and balances with them as of June 30, 2023, have been described in the Directors' Report. Details are provided in the notes to the financial statements, specifically in note no. 37, page no. 121, in accordance with the provisions of IAS-24 "Related Party Disclosure."

Disclosure regarding Compliance of IFRC:

BDCOM's Board, in accordance with Corporate Governance Code-2018 and Bangladesh Securities and Exchange Commission Notification dated on June 20, 2018, regarding financial reporting and disclosure, has confirmed compliance with the financial reporting framework by the International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) as applicable in Bangladesh for the preparation of the financial statements. Any departure therefrom has been adequately disclosed.

Bangladesh Secretarial Standard (BSS) as adopted by ICSB:

BDCOM has complied with the conduct of its Board meetings, recording minutes of the meetings, and keeping the required books and records. These actions are in line with the provisions of the applicable Bangladesh Secretarial Standards as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB), insofar as those standards are not inconsistent with any condition of the Corporate Governance Code-2018.

Adverse Remarks in the Auditors' Report:

The audit report for the year ended on June 30, 2023, states "No Adverse Observation" of the activities by the Statutory Auditor of the Company.

Certificate of Annual Financial Statement by the MD & CFO:

The Managing Director (MD) and Chief Financial Officer (CFO) provide a certificate on an annual basis to the Board of Directors, as per condition No. 3(3.C) of the Corporate Governance Code-2018 of BSEC, page no. 67

Details disclosure, as per listing rules available on the Company's Website:

As per the Bangladesh Securities and Exchange Commission Notification dated on June 20, 2018, BDCOM has complied with posting detailed financial statements (annual or quarterly) on the company's website www.bdc.com.

Information relating to BSEC's Corporate Governance Code Compliance:

BDCOM has complied with condition no. 1(5)(XXVii) of the Corporate Governance Code-2018. A certificate on compliance with the Corporate Governance Code has been provided by a practicing Professional Chartered Accountant. page no. 90

Disclosures for prospective investor:

All mandatory disclosures in its financial statements and all price-sensitive information, as well as material information under the regulatory framework, including compliance with the provisions of Dhaka Stock Exchange and Chittagong Stock Exchange (Listing) Regulations, 2015, Bangladesh Securities and Exchange Commission (BSEC) Notification dated on June 20, 2018 and BSEC (Prohibition of Insider Trading) Rules, 2022 are made. All reports/statements are signed by the Chairman, Managing Director, or Company Secretary as per stipulated time to the Exchange(s) and the Commission. The notices are immediately published in two widely circulated daily newspapers, one in Bangla and another in English, as well as in one online daily news site and also on the Company's website for prospective investors.

Disclosure of details of the remuneration of Directors:

Directors' Remuneration, as per Para 4 of Schedule-XI Part II of the Companies Act, 1994, is shown in the Notes to the Financial Statements-note no. 20.01, page no. 119. The Board of Directors of the company did not receive any fees for attending the meetings of the Board and its committees. Board members (non-executive Directors) also did not receive any remuneration, except the Managing Director, who received his remuneration. The Managing Director is an Ex-officio member of the Board.and relatives of Directors/Executives, etc.) are given in the Directors' Report.

Disclosure of the qualification, experience and remuneration of Senior Management:

BDCOM's senior management consists of highly qualified and experienced personnel. Each senior personnel member possesses significant specialized expertise and knowledge in the IT sector, contributing positively to our company. The remuneration and benefits paid to the top five (05) salaried officers of the company, as per International Accounting Standards, disclosing key management personnel compensation in total page no. 121.

Pattern of shareholding (Parent/ Subsidiary/ associated Companies and Other Related Parties, Directors/Executive and relatives of Directors/Executives etc.):

BDCOM doesn't have any Parent/Subsidiary/Associated Companies. As mentioned in the Corporate Governance Code-2018, "Executive" means the top 05 (Five) salaried employees of the Company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, and Head of Internal Audit and Compliance. They do not hold any shares. The details of shareholding patterns (Parent/Subsidiary/Associated Companies and Other Related Parties, Directors/Executives, and relatives of Directors/Executives, etc.) given in the Directors Report page no. 62.

Investors Relation Desk/Department:

BDCOM has an active Investor Relations Department under the full supervision of the Company Secretary, which is always conscious and responsive to investors. Contact details for the Investor Relations Department are provided in the Corporate Information section of this annual report on page no. 7.

Disclosure of shares held by 10% or more voting interests in the Company (Name-wise details):

None of our shareholders holds ten percent (10%) or more voting interests in the company, as shown in the Director's Report page no. 62.

Redressing investor complaints:

BDCOM's Secretariat Department is engaged in addressing shareholder complaints related to their shares, both in demat and non-demat forms, non-receipt of dividends, and also in matters related to the settlement of dividends from the Capital Market Stabilization Fund, following the prescribed procedure.

Positive growth in net worth of the Company over the last 5 years:

Key operating and financial data of the preceding 5 (five) years have been presented under the heading "Financial History of Five Years" on page no. 52 of this annual report, indicating BDCOM's growth in net worth.

Dividend paid history (Last 05 financial years):

Last 05 (five) financial years dividend history as bellows:

S.L.	Financial Year	Cash Dividend	Stock Dividend	Total
1.	2021-2022	10%	--	10%
2.	2020-2021	5%	5%	10%
3.	2019-2020	5%	5%	10%
4.	2018-2019	6%	6%	12%
5.	2017-2018	7%	5%	12%

The table above shows that BDCOM declared a dividend of 10% and above, contributing to its stable position in the "A" category on the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange PLC.

Timely holding of AGM and Dividend Payment:

Last 05 (five) financial years AGM holding date and dividend payment as bellows:

Financial year	AGM with Date	Dividend Declared (%)		Dividend Payment Date	
		Cash	Stock	Cash Pay	Stock Credit
2021-2022	26th AGM, Dec 14, 2022	10%	--	Jan 04, 2023	--
2020-2021	25th AGM, Dec 17, 2021	5%	5%	Jan 16, 2022	Dec 28, 2021
2019-2020	24th AGM, Dec 17, 2020	5%	5%	Jan 14, 2021	Dec 28, 2020
2018-2019	23rd AGM, Dec 24, 2019	6%	6%	Jan 21, 2020	Jan 02, 2020
2017-2018	22nd AGM, Dec 17, 2018	7%	5%	Jan 14, 2019	Jan 03, 2019

In the table above, we can observe that BDCOM's Annual General Meeting (AGM) was held in a timely manner, and dividends were also paid within the stipulated time, ensuring compliance with all laws, rules, and regulations.

Profitability/Dividends/ Performance and Liquidity Ratios:

Particulars	FY 2022-2023	FY 2021-2022
Gross Profit Ratio	55.17%	54.07%
Earnings Before Interest, Depreciation and Tax	157,818,579	161,119,986
Price Earnings Ratio	29.85	23.78
Current Ratio	2.95	2.89
Return on Capital Employed	16.64%	17.02%
Debt Equity Ratio	0.07	0.08

EPS of the Company over the last 5 years:

The earnings per share (EPS) for the year ended 2022-23 stood at Tk. 1.31 compared to the preceding five-year EPS (restated where applicable) is given below:

Year	2022-23	2021-22	2020-21	2019-20	2018-19
EPS	1.31	1.40	1.05	1.09	1.62

Effective investor communication on value-related information:

Identifying the investor is key to understanding the expectations from BDCOM. All price-sensitive and material information is disclosed as per rules and regulations, proving the company's transparency resulting the reward by ICSB and ICMAAB for compliance, reflecting a strong financial position. The company strictly adheres to ethics and values, possesses its own financial strength, provides 24/7 customer services, and operates under the guidance of a dynamic and professional management led by an efficient and effective mix of professional board members. **"BDCOM IS A TRUST NAME"** is recognized in our country in the IT sector.

Employee's encouragement:

BDCOM believes that employees are the most valuable asset in an organization and play a key role in continuous success. They hold in their hearts a sincere desire to contribute to the growth of the company and develop their careers in line with their aspirations. Simultaneously, as the company progresses day by day, BDCOM's employees actively participate in management decisions, freely sharing their knowledge, experience, and opinions.

Employees at BDCOM are guided by the principles of individual opportunity, responsibility, and rewards based on merit. The company always encourages and provides facilities for employees to attend local and international training, seminars, workshops, etc., to enhance their efficiencies.

To foster employee encouragement, BDCOM organizes events such as Gala Dinner Parties, Picnics, Photo Sessions, and celebrations of various national and festival days, creating memorable moments in employees' lives.

Payment to vendors on time:

BDCOM is committed to paying its vendors on time, and the procurement policy aims to maintain a strong corporate relationship with all service providers and material suppliers. This is achieved under the dynamic and professional supervision of the Chief Financial Officer Mr. Faker Ahmed FCA.

No dispute or default in payment of taxes:

BDCOM always strives to comply within the stipulated time with all compliance issues related to regulatory authorities, autonomous bodies, and others, and honors laws, rules, and regulations. BDCOM has no disputes or defaults in the payment of taxes.

Encouragement of tree plantation and foresting:

BDCOM has a slogan, "Safe Internet, Save Society" and takes an initiative to save trees and nature. The company encourages tree planting, believing that planting a tree today will benefit us tomorrow. BDCOM has planted trees on its premises in line with the initiative to save nature and for beautification. The company encourages all employees to participate in plantation activities, fostering a belief that beauty is not just in the face but also in our hearts.

Prevent employment of Child labor:

As per BDCOM's HR policy, no one can be appointed here under 18 years old. This compliance with labor law aims to prevent the employment of child labor, and it is strictly followed.

Unclaimed Dividend:

As per the Bangladesh Securities and Exchange Commission (BSEC) directive CMRRCD/2021-386/03 dated 14th January 2021 and BSEC (Capital Market Stabilization Fund) Rules, 2021, BDCOM transferred funds of three years above from the date of declaration, approval, or record date (including bank interest received net of tax and charges) to the Capital Market Stabilization Fund (CMSF)'s Bank Account. Bonus shares are also transferred to the BO Account of the Fund.

DIVIDEND DISTRIBUTION POLICY

Introduction

The Dividend Distribution Policy is set to ensure proper dividend payment by the Company to its Shareholders. Bangladesh Securities and Exchange Commission (BSEC) has made mandatory for the listed Company to have a dividend distribution policy and also to disclose it in the Company's website and in the Annual Report.

Objective

The objectives of this Policy is to facilitate the process of dividend recommendation or declaration and its pay-out by the Company which ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. Dividend is the payment made by the Company to its shareholders, usually in the form of distribution of its profit. The profits earned by the Company can either be retained in business or used for acquisitions, expansion or diversification, or it can be distributed the balance among its shareholders as dividend. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profit retained in the business. The Board will refer to the Policy while declare g/recommending dividends on behalf of the Company.

The factors to be considered before dividend proposal and recommendation:

Internal factor:

- i) Statutory and Regulatory Compliances;
- ii) Existing and expected financial performance;
- iii) Cash flow and liquidity position;
- iv) Capital expenditure and investment plans;
- v) Acquisitions and Disposals;
- vi) Restructuring activities;
- vii) Future requirement of funds;

External factor:

- i) Macro-Economic environment in Bangladesh;
- ii) Consistency in dividend payment trend;
- iii) Shareholder expectation including minority Shareholders;
- iv) Changes in regulatory requirements.

Entitlement of Dividend

The Shareholders whose names would appear in the Register of Members of the Company on the Record Date are entitled for dividend.

Per Share Basis

The dividend will be declared on per share basis only.

Payment of Dividend

The Company shall distribute declared and duly approved dividend to shareholders in a timely manner and is in line with Bangladesh Securities and Exchange Commission directions and any other applicable laws, rules and regulations.

The combination of cash and stock dividend will be determined based on the capital retention requirement and tax implication on the combination of dividend.

Income tax on Dividend

The withholding tax applicable at source on dividend will be deducted and deposited to Government Exchequer as per the applicable laws.

Unclaimed dividend

The Company shall follow the Rules and Regulations of the Bangladesh Securities And Exchange Commission to pay the unclaimed dividend.

Provisions in regard to various classes of shares

Currently, the Company does not have different classes of shares and follows the “one share one vote” principal. If the Company has more than one class of shares in future, dividend for each class would be subject to prescribed statutory guidelines as well as terms of offer of each class to the investors of that class of shares.

Review & Amendment

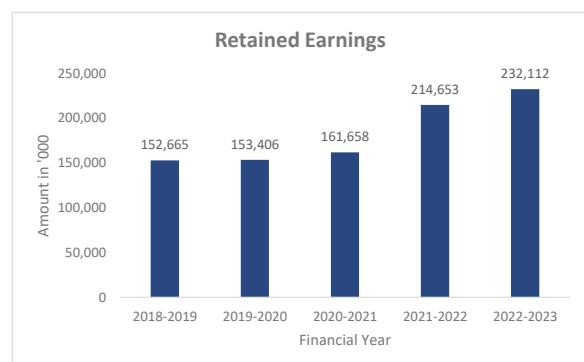
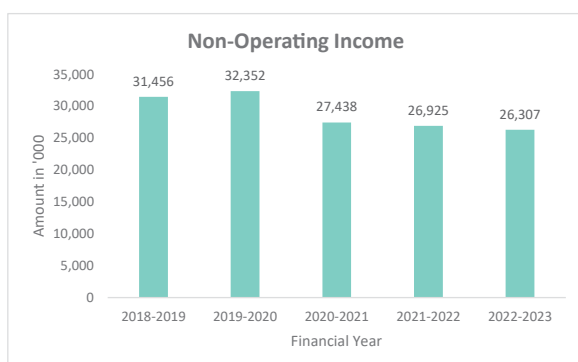
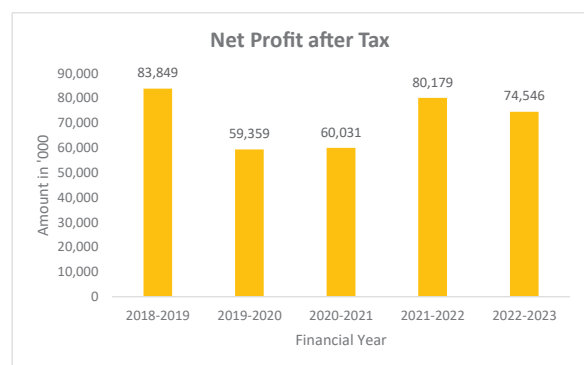
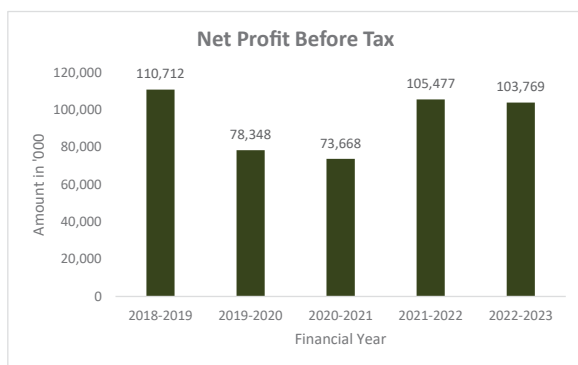
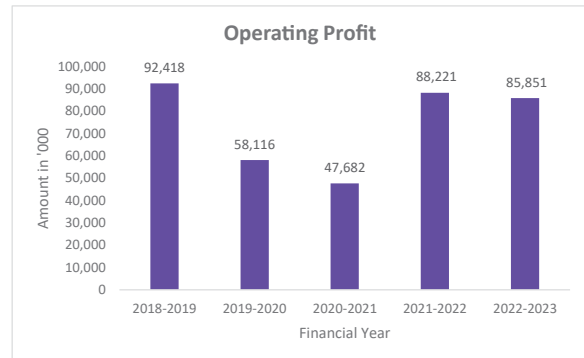
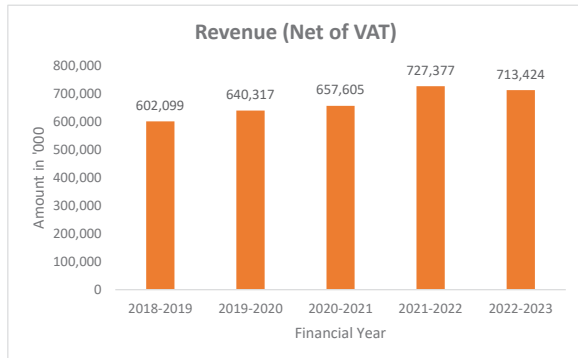
This policy may be reviewed and amended periodically as and when required by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company and remains effective. The Board has the right to change/amend the policy as may be expedient taking into account the law for time being in force.

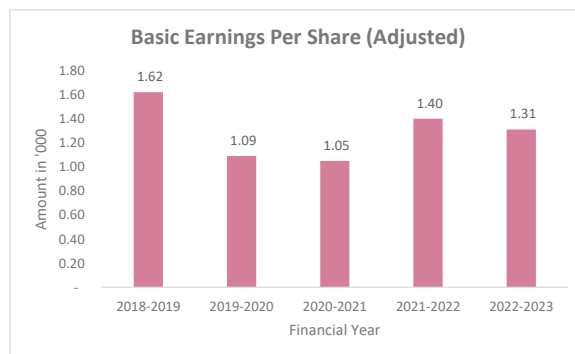
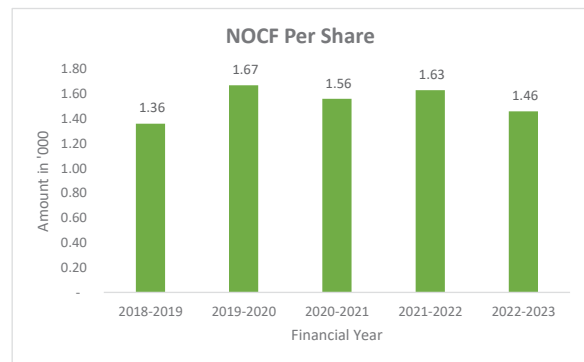
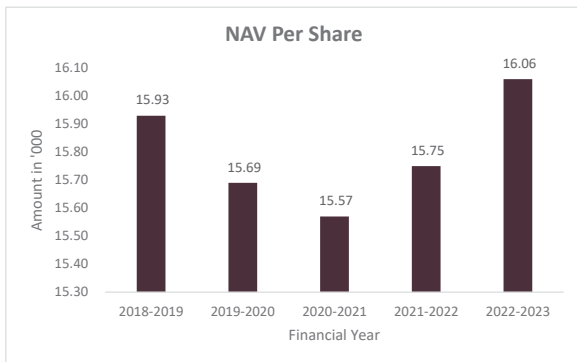
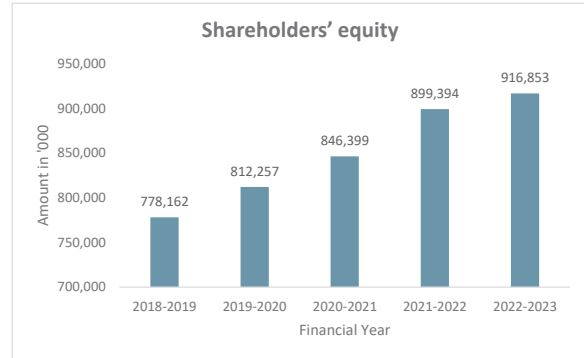
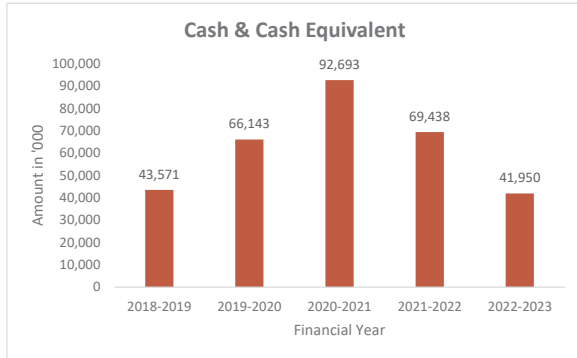
In the event of any amendments(s), clarification(s), circular(s), directive(s), notification(s) etc. issued by the regulatory authority(s), not being consistent with the provisions laid down under this policy, then the same shall prevail upon the provisions hereunder and this Policy shall amended accordingly.

FINANCIAL HISTORY OF FIVE YEARS'

Particulars	Figures in Thousand BDT				
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
Authorized Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Paid-up Capital	570,865	570,865	543,680	517,791	488,482
Tax holiday reserve	21,556	21,556	21,556	21,556	21,556
Retained Earnings	232,112	214,653	161,658	153,406	152,665
Shareholders' equity	916,853	899,394	846,399	812,257	778,162
Current Liabilities	247,571	250,253	297,363	263,076	197,334
Deferred Tax Liabilities	3,952	15,426	16,185	15,728	14,443
Cash Dividend	57,086	57,086	27,184	25,890	29,309
Dividend (Stock)	-	-	27,184	25,890	29,309
Revenue from Sales and Services	713,424	727,377	657,605	640,317	602,099
Non-Operating Income	26,307	26,925	27,438	32,352	31,456
Cost of Sales & Service	319,842	334,108	309,633	307,549	258,383
Administrative & Marketing Expenses	256,499	253,166	247,145	220,409	199,039
Depreciation on fixed assets	51,230	51,882	49,225	49,892	48,888
Provision for Income Tax	23,594	22,297	31,333	18,153	25,940
Property Plant & Equipment	334,000	337,111	357,415	352,797	361,786
Long Term Security	108,293	108,009	54,408	54,049	28,923
Inventories	17,413	15,257	18,843	18,107	19,766
Advance, Deposits & Prepayment	26,598	37,055	38,687	27,997	20,636
Trade & Others Receivable	155,174	144,316	204,306	210,864	171,631
Cash & Cash Equivalent	41,950	69,438	92,693	66,143	43,571
Gross Profit	393,581	393,269	347,972	332,768	343,716
Net Profit after Tax	74,546	80,179	60,031	59,359	83,849

GRAPHICAL VIEW OF SELECTED GROWTH INDICATORS FOR THE LAST 5 YEARS







Message From The
Chairman

Dear Shareholders,

Assalamu Alaikum Warahmatullahi Wabarakatuh.

I would like to welcome you all to the 27th Annual General Meeting of BDCOM Online Ltd. I would like to extend my appreciation to all our shareholders for their invaluable contributions in the instrumental growth of BDCOM.

BDCOM Online has been committed in delivering exceptional ICT services in Bangladesh since its establishment in 1997. With continuous efforts in innovation and enhancement of our network services and an utmost dedication, we have established ourselves as a reputable brand in the ICT sector. This commitment is evident in our sustained growth and progress. We owe our success to the support and trust bestowed upon us by our valued shareholders. Moving forward, our primary focus will always be on modernizing the digital landscape and delivering ICT services that surpass industry benchmarks.

We are witnessing an age of digital transformation in Bangladesh. After a successful implementation of the goal of Digital Bangladesh we are ready now to achieve a much broader and ambitious vision of Smart Bangladesh 2041. The prioritization of the ICT industry through the Government's vision of SMART BANGLADESH 2041 instills confidence in us in exploring new frontiers. Simultaneously, we have to realize the challenges we are facing. In order to navigate through these difficult times, this industry requires support from the Government. The economy of Bangladesh continues to grapple with the aftermath of the pandemic, as well as the escalating tensions in the geopolitical landscape. This has presented a fresh set of trials that require effective policy measures to address the disruptions in the global supply chain and economic shocks and exchange rate volatility.

We would greatly value the implementation of government policies that are more conducive to business growth, as it would greatly aid us in overcoming the current economic challenges and achieve our collective vision of Smart Bangladesh 2041.

BDCOM has made significant upgrades to their network services throughout the country as part of our commitment to providing exceptional services to clients while prioritizing sustainable growth. The network capacity has already been upgraded to 40G as we are steering ahead, BDCOM plans to expand to a more robust 100G network. Apart from this BDCOM has its footprint in the ISP, Eco friendly IP Phone, and IPTV for online entertainment and Vehicle tracking industries. We have achieved great success by establishing renowned brands in the country, 'SMILE Broadband', 'Broadband360', 'KOTHA', and 'Smart-Tracker'. These esteemed brands exemplify BDCOM's commitment to excellence and dedication to serving our valued clients.

On this occasion of the 27th AGM, I remain profoundly grateful to all our stakeholders for their unwavering trust and support, which has propelled BDCOM Online to become one of the leading ICT companies. Our long-term growth and development are a testament to our commitment to modernizing the digital environment. We are dedicated in creating a digital landscape where we can serve and connect the entire country and be part of our integral network. At BDCOM, we remain steadfast in our commitment in providing ICT services and pave the way for a sustainable future for the next generation and nurturing the belief that Progress is Possible.



Wahidul Haque Siddiqui
Chairman
BDCOM Online Ltd.



Review From The
Managing Director

Ladies and gentlemen, esteemed shareholders, and distinguished guests,

Assalamu Alaikum Warahmatullah.

I am honored to address you today in our Annual General Meeting. Over the past 26 years, BDCOM has been an integral part of Bangladesh's digital transformation journey. We've proven track of dedication to innovation, customer-centricity, and leadership in the ISP industry.

In recent times, the Bangladesh Government has set ambitious goals for the country's ICT sector, aiming to achieve Smart Bangladesh status by 2041. BDCOM has been a driving force, supporting these goals for over two decades, playing a pivotal role in providing essential internet and telecommunication services to individuals, businesses, and government agencies. Our contributions have been instrumental in accelerating digital development and economic growth.

Despite facing numerous challenges such as the COVID-19 pandemic, rising inflation, and geopolitical tensions, BDCOM has demonstrated resilience. Our commitment to uninterrupted Internet services, investments in resilient infrastructure, and strong customer communication have allowed us to maintain our position as the trusted ISP in Bangladesh. This resilience not only benefits our customers but also contributes to the broader digital development of the nation.

BDCOM maintains unparalleled market leadership Internet Service Provider and Data Communication segment in Bangladesh, we aim to aggressively expand our customer base in the broadband segment through targeted marketing campaigns, competitive pricing, and superior customer service.

Our goal is to establish BDCOM as a leading broadband service provider in the region. We offer tailored Data communication solutions to businesses of all sizes, providing dedicated high-speed internet, secure data connections, and cloud services. We will deepen our presence in the corporate data and internet segment by strengthening relationships with existing corporate clients and actively seeking new partnerships.

Moreover, we are expanding our services to all regional/local government headquarters, contributing to the digital transformation of the public sector and increasing our revenue streams. We understand the unique needs of regional entities and are committed to delivering solutions tailored to their requirements.

Our future plan is ambitious and customer-centric, focusing on network leveraging, expanding services across the country, providing district-based customer service, ensuring service uptime and quality, and embracing innovation to drive collaboration on a national scale. We aim to become the market-leading company in the industry and create value for our shareholders while contributing to the digital transformation of Bangladesh.

Thank you once again for being with us all these years!



S M Golam Faruk Alamgir
Managing Director
BDCOM Online Ltd.

DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED JUNE 30, 2023

Dear Fellow Shareholders,

The Board of Directors of BDCOM Online Ltd. with immense pleasure takes this opportunity of presenting the Annual Report and the Audited Financial Statements for the year ended June 30, 2023 together with the Report of the Auditors to the shareholders on the occasion of 27th Annual General Meeting of the Company for valued consideration, approval and adoption.

Annual results and allocations:

During the year under review, net revenue was Tk. 713.42 Million. The Directors take pleasure in reporting the financial results of the Company for the year ended June 30, 2023 (as mentioned in the Statement of Profit or Loss and Other Comprehensive Income). Details of the same are given below:

Description	June 30, 2023	June 30, 2022
Gross Profit	393,581,230	393,268,964
Operating Profit	85,851,815	88,221,321
Non-Operating Income	26,306,927	26,924,902
Net Profit before WPPF & WF	108,957,550	110,751,362
Contribution to WPPF & WF	(5,188,455)	(5,273,874)
Income Tax Expense	(40,697,366)	(26,057,174)
Deferred Tax (Expenses)/Income	11,474,322	758,930
Net Profit after Tax	74,546,051	80,179,244
Less: Dividend Distribution of Previous Year	(57,086,499)	(27,184,040)
Add: Profit brought forward	214,652,901	161,657,697
Surplus Available for Appropriation	232,112,453	214,652,901

Dividend recommendation:

The Board of Directors pleased to recommend 10% Cash Dividend for the year ended 30th June, 2023 which will be confirmed in the 27th Annual General Meeting to be held on 21st Dec 2023.

Disclosure on Dividend Distribution:

BDCOM pay off the dividend to the shareholders within 30 days of approval and submit a compliance report to the Exchanges and to the Commission in respect of dividend payment within 7 (seven) working days.

Interim Dividend

No Cash or Stock dividend has been declared by the Board as interim dividend and there was no effect of such in the Company's financial position.

Directors Retiring by Rotation:

As per Companies Act, 1994, each year one-third of the Directors (except Independent Director) retire from office at the Annual General Meeting and if eligible, may offer themselves for re-appointment by shareholders at the Annual General Meeting. In line with the Companies Act, 1994, the following Directors will retire at the 27th Annual General Meeting:

1. Mr. Wahidul Haque Siddiqui
2. Mrs. Qurratul Ann Siddiqui

The above Directors are eligible, offer themselves for re-appointment for the next term.

Re-appointment of Managing Director:

The Board of Directors re-appointed Mr. S M Golam Faruk Alamgir as Managing Director (Ex-officio) of the Company upto 31st December 2023 and now placed before the 27th Annual General Meeting for the shareholders approval.

Appointment of Auditors:

M/S. Islam Quazi Shafique & Co., Chartered Accountants was the auditor of the Company for the year ended 30th June 2023 and will retire from the position as Auditor in the 27th Annual General Meeting of the Company. As per section 210(3) of Companies Act the retiring Auditor shall be re-appointed for the next year unless there is any specific reason. However, due to their unwillingness to continue for the next year (2023-2024) the Audit Committee of BDCOM scrutinized the proposal of M/S. Ashraf Uddin & Co., Chartered Accountants (engagement partner Mr. Mohammad Shabbir Hossain FCA) and recommended to the Board to appoint as the Statutory Auditors of the Company for the year 2023-2024 and the Board of Directors now recommend and place this before the general body of shareholders for approval with a remuneration of BDT 2,25,000.00 excluding VAT.

Appointment of Compliance Professionals for the certificate on compliance with the Corporate Governance Code of BSEC:

As per notification no. BSEC/CMRRCD/2006-158/207/Admin/80: dated June 03, 2018, The Board recommended the appointment of M/S. Atik Khaled Chowdhury, Chartered Accountants, to issue "Corporate Governance Compliance Certificate" of the Company for the year 2023-2024 and to fix their remuneration BDT 30,000.00 excluding applicable VAT for approval of the shareholders in the 27th Annual General Meeting.

Directors Responsibilities for Financial Statements:

The Board is responsible to present a fair, balanced and understandable assessment of the Company's position and prospect as a part of good governance and to that end the Directors' confirm to the best of their knowledge that:

The Financial statements prepared by the management for the year ended 30 June 2023 give a true and fair view of the state of the Company about the result of its operation, cash flows and changes of equity.

Proper books of accounts as required by the prevailing laws have been maintained.

Appropriate accounting policies have been consistently applied in preparing the financial statement and that the accounting estimates are based on reasonable prudent judgment.

The financial statements have been prepared in accordance with applicable IAS/IFRS.

The system of internal control and check are in effect and maintained properly.

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.

There is no deviation from last year operating results.

The key operating and financial data for the proceeding five years have been shown in the Financial History of Five years: Annexed herewith page no. 52.

Corporate Governance:

BDCOM Online Ltd. 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. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of Securities and Exchange Ordinance, 1969 is annexed herewith page no. 75.

Board of Directors Meeting and attendance:

The Company conducts its Board meetings and record the minutes of the meetings as well as keep required books and record in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

During the year twenty two (22) Board of Directors meeting were held and the attendance by each directors is given bellow:

Mr. Wahidul Haque Siddiqui	-	Chairman	-	22
Mrs. Qurrattul Ann Siddiqui	-	Director	-	22
Mrs. Quamrun Nahar Begum (Rep: Hornbill Apparel Ltd.)	-	Director	-	20
Mr. Shafiqul Alom (Sumon) (Rep: Norban Fashion Ltd.)	-	Director	-	18
Mr. Md. Khalid Hussain FCA	-	Independent Director	-	06
Mr. S M Golam Faruk Alamgir (Ex-officio)	-	Managing Director	-	22

Directors remuneration and fees: page no. 119, note no. 29.01

The pattern of shareholding:

			Shares Qty as	Shares Qty as	%	%
			At 30 June 23	at 30 June 22	2023	2022
(a) Parent or Subsidiary or Associate Companies or other related parties:			-	-	-	-
(b) Sponsor, Directors, Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children:						
01) Mr. Wahidul Haque Siddiqui	Chairman	-	3,037,623	3,037,623	5.32	5.32
02) Mrs. Qurrattul Ann Siddiqui	Director	-	5,487,245	5,487,245	9.61	9.61
03) Mrs. Quamrun Nahar Begum (Rep: M/S. Hornbill Apparel Ltd.)	Director	-	2,724,753	2,724,753	4.77	4.77
04) Mr. Md. Shafiqul Alom (Sumon) (Rep: M/S. Norban Fashion Ltd.)	Shareholders Director	-	3,939,519	3,939,519	6.90	6.90
05) Mr. Md. Khalid Hussain FCA	Independent Director	-	-	-	-	-
06) Mr. S M Golam Faruk Alamgir	Managing Director	-	-	-	-	-
07) Mr. Sumon Ahmed Sabir	Sponsor	-	843,305	843,305	1.48	1.48
08) Mr. Mohd. Zulfiquar Hafiz	Sponsor	-	626,145	626,145	1.10	1.10
09) Mr. A.T.M Sayeeduzzaman	Sponsor	-	469,354	469,354	0.82	0.82
10) Mr. A. K. M. Kutub Uddin	ED & Company Secretary	-	-	-	-	-
11) Mr. Faker Ahmed FCA	Chief Financial Officer	-	-	-	-	-
12) Mr. Mohammad Ali ACCA	Head of Internal Audit	-	-	-	-	-
(c) Executives:						
01) Mr. Monowar Hossain Khan	Executive Director	-	-	-	-	-
02) Mr. S. M. Kamruzzaman	Chief Technical Officer	-	-	-	-	-
03) Mr. Gazi Zehadul Kabir	Chief Strategy Officer	-	-	-	-	-
04) Mr. Anowar Hasan Sabir	Chief Information Officer	-	-	-	-	-
05) Mr. Bipul Ranjan Saha	General Manager	-	-	-	-	-
d) Shareholders holding 10% or more voting interest in the company			-	-	-	-

Management Discussion and Analysis:

Management's discussion and analysis has been highlighted in the Managing Director's review and in Directors' Report as well.

Duties of Managing Director and Chief Financial Officer:

As per condition 3(3) of the Corporate Governance Code, the Managing Director and Chief Financial Officer 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 2023 and that to the best of their knowledge and belief:

- (a) the financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (b) 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.
- (c) 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.

Related party transactions:

We as IT Sector Company for IT related services and data connectivity we are to purchase Bandwidth and use NTTN (Nationwide Telecommunication Transmission Network) transmission line as rental basis from service provider companies. Regarding Bandwidth a few and for NTTN transmission line only 2 companies in Bangladesh. One is Fiber @ Home Ltd. and is our related party. We have transactions with this company regarding Bandwidth purchase & NTTN transmission line rent as a part of normal course of regular business operation All transactions involving related parties arising are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at 30 June 2023 has been provided in note no. 37, page no. 121

In the 25th AGM held on 17 December 2021 the general body of Company's Shareholder approved the matter for that year and onward for smooth and uninterrupted transmission /operation of the Company in line with BSEC Notification No. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021 clause (a)(b).

Sponsor and Directors all the time jointly holding of minimum 30% (thirty percent) shares of the paid-up capital of the Company:

In compliance with the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2009-193/217/Admin/90 dated 21st May 2019, jointly shareholdings of the Sponsor and Directors of the Company is 30% of the paid-up capital.

Achievement & Future Plan

BDCOM Online Ltd. marked its 26th anniversary in the ISP Industry, and we are proud to have played a vital role of Bangladesh's digital growth story. Our success can be attributed to our visionary leadership, cutting-edge technology, and unwavering commitment to customer satisfaction. With these values at the forefront, BDCOM Online Ltd. is well-positioned to shape the future of the internet landscape in Bangladesh. Our journey thus far is a testament to the power of innovation, dedication, and a customer-centric approach in driving success in the ISP sector. We have played a pivotal role in shaping Bangladesh's digital future, and our success story is a testament to the transformative power of connectivity. Moving forward, BDCOM Online Ltd. remains steadfast in its founding vision, and we are excited to continue our journey in the ICT sector of the country. The next quarter-century promises even greater achievements, and we are committed to being at the forefront of Bangladesh's digital revolution.

The Bangladesh Government has been actively involved in framing policies that promote infrastructure development to achieve its goal of becoming a Smart Bangladesh by 2041. With the success of Digital Bangladesh in 2021, the people are now more receptive to the government's plans for economic growth through the advancement of the ICT sector. BDCOM has played a pivotal role in this development by providing essential internet and telecommunication services to individuals, businesses, and government agencies for over 26 years. Our contributions have been crucial in accelerating the country's digital development and economic progress.

Bangladesh despite making a strong recovery from the COVID-19 pandemic, has encountered disruptions in its post-pandemic recovery due to various challenges such as escalating inflation, vulnerabilities in the financial sector, global economic uncertainty, supply chain disruptions caused by the pandemic, extreme climatic events, and geopolitical tensions. Despite facing a series of challenges, the journey has been unstoppable. However, the overall growth and development have been impeded by these events. These challenges have posed significant difficulties, particularly for countries like Bangladesh with limited financial resources and economic resilience. Nonetheless, BDCOM's ability to thrive amidst such disasters, particularly the global supply chain breakdown, is a remarkable achievement. Our unwavering commitment to providing uninterrupted internet services, investment in resilient infrastructure, and focus on customer communication have enabled us to overcome numerous obstacles and maintain our position as a trusted ISP in Bangladesh. This resilience not only benefits our customers but also contributes to the broader digital development of the nation.

As the largest Internet Service Provider in Bangladesh, BDCOM is proud to offer broadband coverage areas that surpass those of any other company in the country. Our broadband packages are designed to meet the needs of all user segments, providing our valued customers with purposeful choices. In the coming days, BDCOM Online Ltd is focused on aggressively expanding our customer base in the broadband segment by leveraging our expertise and infrastructure to reach more households and businesses across the country, including both urban and rural areas. This will be accomplished through targeted marketing campaigns, competitive pricing, and superior customer service. With a significant market plan already executed, we anticipate remarkable results in the coming years and aim to establish BDCOM as a leading broadband service provider in the region.

BDCOM maintains its unmatched dominance in the Data Communication industry, boasting extensive network coverage across the country, a team of dedicated and experienced engineers, and unparalleled technological expertise. This achievement is a direct result of our unwavering commitment to meeting the evolving needs of the corporate sector. Consequently, we continuously strive to deliver customized solutions to businesses of all scales. -

Our primary objective is to further establish our presence in the corporate data and internet segment by providing tailored offerings, including dependable high-speed internet, secure data connections, and cloud services. Simultaneously, we aim to fortify our existing relationships with corporate clients while actively pursuing new partnerships.

Our growth strategy heavily relies on expanding our network infrastructure, which is why we have planned to invest a significant amount in network expansion. Our aim is to reach underserved areas and improve connectivity nationwide, which will enable us to serve both urban and rural communities. This expansion will play a crucial role in bridging the digital divide and enhancing our ability to serve our customers.

BDCOM has already made significant progress in upgrading the Core MPLS backbone network from 10G to 40G, which has greatly improved our capacity to serve the nation. The next step is to expand the same to 100G, and we have already started working towards achieving this goal. Our first phase will involve upgrading the Core MPLS backbone to 100G in Dhaka and its suburbs, while simultaneously upgrading divisional and district level 1G backbone to 10G connectivity. This will require an upgrade in the existing hardware to a high capacity for a seamless transition in connectivity. Additionally, we are working closely with the Government and Telecom entities to transition from a TDM based IP Telephony system to an IP based mechanism. This technological shift will offer numerous advantages such as cost savings, flexibility, scalability, and the integration of voice and data services.

We are thrilled to announce that we will be expanding our services to all regional and local government headquarters, in addition to leveraging our network. This is a significant step towards contributing to the digital transformation of the public sector and supporting the Government's vision of Digital Bangladesh. Our aim is to help major regional entities leverage technology to improve efficiency, transparency, and service delivery. This strategic move will enable us to tap into new markets and ensure a continuous increase in our revenue streams.

We recognize that major regional entities have unique needs, and we are committed to providing them with tailored solutions. To achieve this, we will work closely with major regional officials and other stakeholders to understand their requirements and deliver solutions that meet their expectations. Our goal is to provide solutions that are customized to the specific needs of each region, and we are confident that this approach will enable us to build strong relationships with our clients.

At the heart of our focus lies the commitment to deliver exceptional customer service on a local level. We recognize that each region has its own unique needs and demands, and we are dedicated to tailoring our services accordingly. Through personalized and responsive customer support, we aim to foster strong relationships with our clients and ensure their utmost satisfaction. This approach is integral to our mission of providing top-notch services and contributing to the digital transformation of the public sector.

Looking ahead, our company's future plan is centered around a customer-centric approach that is both ambitious and forward-thinking. We aim to leverage our network capabilities and expand our services to every corner of the country. By providing district-based, best-in-class customer service, we strive to surpass our competitors in terms of service uptime and quality. Additionally, we are committed to driving innovation and collaboration on a national scale, adopting a solution-focused mindset. Through these efforts, we believe we can acquire more broadband customers, strengthen our presence in the corporate segment, expand our network, contribute to the digital economy, and fulfill our social responsibilities. By doing so, we will continue to create value for our shareholders and make a significant impact on the digital transformation of Bangladesh.

Corporate Social Responsibility:

Corporate Social Responsibility (CSR) has become a vital activity for any business 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. 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 financially help several NGOs and they all work for a noble cause.

Acknowledgement:

Finally the members of the Board of Directors like to express their thanks and gratitude to all honorable shareholders, valued clients, Bankers, Suppliers, Vendors, Insurance Companies, Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Telecommunication And Regulatory Commission (BTRC), Bangladesh Securities And Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange PLC. (CSE) and Central Depository of Bangladesh Limited (CDBL) for their patronage and immense support and co-operation received. 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.

We express our sincere gratitude for your support, which has been instrumental in our journey thus far. Together, we eagerly anticipate a prosperous future that is empowered by digital advancements.

Thanks & regards

For and on behalf of the Board of Directors



Wahidul Haque Siddiqui

Chairman

BDCOM Online Ltd.

DECLARATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

[As per condition No. 1(5)(xxvi) of the Corporate Governance Code of BSEC]

Date: Oct 26, 2023

The Board of Directors
BDCOM Online Ltd.
JL Bhaban (5th Floor)
House # 01, Road # 01
Gulshan Avenue, Gulshan # 01
Dhaka-1212

Subject: Declaration on Financial Statements for the year ended June 30, 2023

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) impose vide the Commission's Notification No. BSEC/CMR-RCD /2006-158/207/Admin/80. Dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of BDCOM Online Ltd. for the year ended June 30, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonable and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regards, we also certify that:-

i) We have received the financial statements for the year ended on June 30, 2023 and that to the best of our knowledge and belief:

- (a) these statements do not contain any material untrue statements or omit any material fact or contain statements that might be misleading;
- (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) There are, to the best of knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



S M Golam Faruk Alamgir
Managing Director



Faker Ahmed FCA
Chief Financial Officer

AUDIT COMMITTEE REPORT

For the year ended 30 June 2023

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 (03) members. The Company Secretary act as the Secretary of the Audit Committee.

The Audit Committee of BDCOM Online Ltd. 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 the Corporate Governance Code of Bangladesh Securities And Exchange Commission.

Composition of Audit Committee of BDCOM is as follows:

A competent Audit Committee exists in BDCOM Online Ltd., with sufficient number of Independent Director. The Independent Director is the Chairman of the Committee and the company secretary acts as the secretary of the Committee.

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

Chairman : Mr. Md. Khalid Hussain FCA, Independent Director;

Member : Mrs. Qurrattul Ann Siddiqui, Director;

Member : Mrs. Quamrun Nahar Begum, Director;
(Representative of Hornbill Apparel Limited)

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 2022-2023. Attendance of the Members was as follows:

Name of the Board of Director	Position in Committee	Meeting Held	Attendance
Mr. Md. Khalid Hussain FCA Independent Director	Chairman	4	4
Mrs. Qurrattul Ann Siddiqui Director	Member	4	4
Mrs. Quamrun Nahar Begum Director	Member	4	4

Minutes 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 recommend 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 extent permitted by the relevant law, rules and regulations.
- To oversee the activities of Internal Audit and Compliance departments 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 2022-2023:

The Committee held 4 (Four) meeting during the financial year 2022-2023. The Managing Director, Chief Financial Officer and Head of Internal Audit and Compliance attended meeting on invitation. The major activities of the Audit Committee in 2022-2023 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, 2023 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 2023.
- 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, 1994 and various other rules and regulations applicable to the Company.
- Discoursed 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 directed the Internal Audit and Compliance 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 and Compliance department and made suggestions for improvement.

- Recognized the observations of the Internal Audit and Compliance 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 year and as the retiring Auditors unwilling to continue for the next year (2023-2024) the Committee scrutinized the proposal of M/S. Ashraf Uddin & Co., Chartered Accountants (engagement partner Mr. Mohammad Shibir Hossain FCA) to appoint as the Statutory Auditors of the Company for the year 2023-2024.

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

Reporting:

- Pursuant to Condition # 5.6(a) of the Corporate Governance Code 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 regulations 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



Md. Khalid Hussain FCA
Chairman
26 October, 2023

NOMINATION AND REMUNERATION COMMITTEE REPORT

For the year ended 30th June 2023

The Board of BDCOM Online Ltd., has duly constituted a Nomination and Remuneration Committee (NRC) as per the requirements of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC).

A. The NRC Committee of BDCOM comprises of the following Members:

Mr. Md. Khalid Hussain FCA	Independent Director	-	Chairman
Mrs. Qurrattul Ann Siddiqui	Director	-	Member
Mrs. Quamrun Nahar Begum (Rep: Hornbill Apparel Ltd.)	Director	-	Member

Company Secretary acts as the Member Secretary to the Committee.

B. Meetings and attendance during the year:

Name	Position	No. of Meeting Held	No. of Attendance
Mr. Md. Khalid Hussain FCA Independent Director	Chairman	2	2
Mrs. Qurrattul Ann Siddiqui Director	Member	2	2
Mrs. Quamrun Nahar Begum Director	Member	2	2

C. Terms of references:

Terms of reference of the Nomination and Remuneration Committee includes:

- (i) Formulating the criteria for determining qualifications, positive attributes and independence of a director and Recommend a policy to the Board relating to the remuneration of the directors and top level executives considering the following:
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - (b) The relationship of remuneration to performance is clear and meets appropriate benchmarks;
 - (c) Remuneration to directors, top level executives involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- (ii) Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- (iii) Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the board;
- (iv) Formulating the criteria for evaluation of performance of independent directors and the Board;
- (v) Identifying the Company's need for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- (vi) Developing, recommending and reviewing annually the company's human resources and training policies.

D. Nomination and Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel in accordance with the guidelines of BSE Corporate Governance Code. The Nomination and Remuneration Policy for members of the Board of Directors, Key Managerial Personnel and Senior Management of the Company is designed to attract, motivate and retain and promote talent and to ensure long term sustainability of talented top-level Executive and also to create competitive advantage. The policy reflects the Company's objectives for good governance as well as sustained long-term value creation for shareholders.

E. Evaluation Policy:

In accordance with the corporate governance code, Nomination and Remuneration Committee duly formulated evaluation criteria for evaluation of performance of the Board of Directors and Independent Director which have been adopted by the Board. The Board evaluation criteria framed through questionnaire designed with qualitative parameters and feedback based on ratings. Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, Meaningful participation, succession planning, strategic planning, etc.

The Independent Directors to be evaluated on parameters like Director's contributions at Board/Committee meetings, willingness to devote time and effort to understand the Company and its business, ability to understand governance, regulatory, financial, fiduciary and ethical requirements of the Board/Committee, adherence to Code of Conduct and how the independent director is able to bring independent judgment during board deliberations on strategy, performance, risk management etc. in addition to the criteria for evaluation of Non- Executive Directors.

The Key objective of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

F. Activities during the Year:

- i. Reviewed and recommended the re-appointment of Managing Director (Ex-officio).
- ii. Scrutinized and recommended the appointment of Executive Director (Head of Marketing & Planning).
- iii. Reviewed criteria for selection, transfer or replacement and promotion at different levels.
- iv. Reviewed the human resources position and training policies of the company.
- v. Reviewed the remuneration policy of the Board of Directors and top level executives.

On behalf of the NRC



Md. Khalid Hussain FCA

Chairman

Nomination and Remuneration Committee

26 October, 2023

STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1(1)	Board's Size: The number of the board member shall not be less than 5(five) and more than 20 (twenty).	√		
1(2)	Independent Directors			
1(2) (a)	At least one-fifth (1/5) of the total of the directors in the company's Board shall be independent directors; any fractional shall be considered to the next integer or whole number for calculating number of independent director(s);	√		
1(2) (b)	For the purpose of this clause "Independent Directors" means a director			
1(2) (b) (i)	Independent Director does not hold any share in the company Or holds less than 1% shares of the total paid-up capital;	√		
1(2) (b) (ii)	Non-connectivity with the company's any sponsor or director or shareholder who holds 1% shares on the basis of family relationship;	√		
1(2) (b) (iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2) (b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1(2) (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2) (b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of capital market;	√		
1(2) (b) (vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3(three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this code;	√		
1(2) (b) (viii)	Who is not Independent Director in more than 5 (five) listed companies;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2) (b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√		
1.(2) (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The Independent Director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 days; and	√		No vacancy occurred in the FY: 2022-23
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	√		
1(3)	Qualification of Independent Directors:			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having at least paid-up Tk. 100 million or any listed company's member or a local/international chamber of commerce or business associate;	---	---	N/A
1(3)(b)(ii)	Corporate leader who is or was a top level executive at least CEO/MD/AMD/DMD/CFO/CS/HF/HFA/HIAC/HAHR or equivalent position of an unlisted Company having minimum Paid-up Tk. 100 million or a listed Company.	---	---	N/A
1(3)(b)(iii)	Former Official of Government or statutory or autonomous or regulatory body in the position not below 5th grade of the national pay scale, who has at least educational background of bachelor degree in economic /commerce /business or law;	---	---	N/A
1(3)(b)(iv)	University Teacher who has educational background in Economic or Commerce or Business Studies or law;	---	---	N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a CA/ ICMA/ CFA/ CCA/ CPA/CMA /CS or equivalent qualification;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(c)	The independent director shall have at least 10 (Ten) years' experience in any mention field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	---	---	N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1(4)(a)	The position of the Chairperson of the Board and the Managing Directors (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of Chairperson and The Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In absence of chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	---	---	No such case during the year
1(5)	The Directors' Reports to Shareholders:			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The segment-wise or product-wise performance	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		
1(5)(iv)	A Discussion on Cost of Goods Sold, Gross Profit and Net Profit Margins, where applicable;	√		
1(5)(v)	A discussion on continuity of any extra-ordinary activities and their implications (gain or loss);	---	---	N/A

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(vi)	A details discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any others instruments;	---	---	N/A
1(5)(viii)	An explanation, if the financial results deteriorate after the company goes for Initial Public Offer (IPO), Repeat Public Offering (RPO), Right Offer, Direct Listing, etc;	---	---	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial Statements;	---	---	N/A
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's; ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		No such case during the year
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		No such case during the year
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		No such case during the year
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director.	√		
1(5)(xxiii)	A report on the Pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associate Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives (Top 5 salaried employees other than above); and	√		
1(5)(xxiii)(d)	Shareholders holding 10% or more voting interest in the company (name-wise details);	√		No one holding 10% or more
1(5)(xxiv)	In case of the appointment or reappointment of a directors, a disclosure on the following information to the shareholders: -			
1(5)(xxiv)(a)	A brief resume of the director;	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas; and	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committee of the Board;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting details analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	Changes in accountinga policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	---	---	N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding 5 (five) years explaining reasons thereof;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the MD or CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of condition of this Code as required under condition No. 9 shall be disclosed as per, Annexure-B & C.	√		
1(6)	Meeting of the Board of Directors: The company shall conduct its Board meeting and record the minutes of the meeting as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provision relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	N/A	---	There is no subsidiary Company of BDCOM Online Ltd.
2(b)	At least 1(one) independent director on the board of the holding company shall be a director on the Board of the subsidiary company;	N/A	---	---
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	N/A	---	---
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	N/A	---	---
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A	---	---
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit Compliance (HIAC) and Company Secretary: -			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The position of the Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of Board as well as immediate disseminated to the Commission and stock exchange(s)	√		In Practice (No such case in the FY: 2022-23)
3(2)	Requirement to attend Board of Director's Meeting:			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Boards: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		In Practice
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;	√		
3(3)(a)(i)	these statements do not contain any materiality untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee (The Board shall have at least following sub-committees):			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee.	√		
5	Audit Committee:			
5(1)	Responsibilities to the Board of Directors:			

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit Committee:			
5(2)(a)	The Audit Committee shall be composed of at least 3(three) members;	√		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All the members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		No such case in the FY: 2022-23
5(2)(e)	A Discussion on Cost of Goods Sold, Gross Profit and Net Profit Margins, where applicable;	√		
5(2)(f)	A discussion on continuity of any extra-ordinary activities and their implications (gain or loss);	√		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)(b)	In absence of the chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be dully recorded in the minutes.	√		No such case in the FY: 2022-23
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		Will present in the 27th AGM to be held on 21st Dec 2023
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its 4 (Four) meetings in a financial year;	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two member or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	Role of Audit Committee: The Audit Committee shall: -			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	Monitor choice of accounting policies and principles;	√		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	Oversee hiring and performance of external auditors;	√		
5(5)(e)	Hold meeting with external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	Review the adequacy of internal audit function;	√		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		
5(5)(k)	Review Management Letter or Letter of Internal Control weakness issued by statutory auditors;	√		No such case in the FY: 2022-23

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5)(m)	Oversee where the proceeds raise through Initial Public Offer (IPO) or Repeat Public Offer (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.	---	---	N/A
5(6)	Reporting of the Audit Committee:			
5(6)(a)	Reporting to the Board of Directors:			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	Report on conflicts of interests;	---	---	N/A
5(6)(a)(ii)(b)	Reporting on suspected/presumed fraud or irregularity or material defect identified in internal audit and compliance process or in the financial statements;	---	---	N/A
5(6)(a)(ii)(c)	Reporting on suspected infringement of laws;	---	---	N/A
5(6)(a)(ii)(d)	Reporting on any other matter to disclose immediately;	---	---	N/A
5(6)(b)	Reporting to the Authorities.	---	---	N/A
5(7))	Reporting to the Shareholders and General Investors.	---	---	N/A
6	Nomination and Remuneration Committee (NRC):			
6(1)	Responsibility to the Board of Directors:			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)	Constitution of the NRC:			
6(2)(a)	The Committee shall compose of at least 3 (three) members including an independent director;	√		
6(2)(b)	All members of the committee shall be non-executive director;	√		
6(2)(c)	Members of the committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the committee;	√	---	No such case in the FY: 2022-23
6(2)(f)	The chairperson of the committee may appoint or co-opt any external expert to the committee as advisor;	√	---	No such case in the FY: 2022-23
6(2)(g)	The Company Secretary shall act as secretary of the Committee;	√		In practice
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;	√		In practice
6(2)(i)	No member of the NRC shall receive, either directly or indirectly any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		In practice
6(3)	Chairperson of the NRC:			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In absence of the chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be dully recorded in the minutes;	N/A	---	No such case in the FY: 2022-23
6(3)(c)	The Chairperson of the NRC shall attend the AGM to answer the queries of the shareholders.	√		Will present in the 27th AGM to be held on 21st Dec 2023
6(4)	Meeting of the NRC:			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√	---	No such case in the FY: 2022-23
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two member or two third of the members of the committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		In practice
6(4)(d)	The proceeding of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be conformed in the next meeting of the NRC.	√		
6(5)	Role of the NRC:			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and report with recommendation to the Board:			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		No such cash during the year
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(c)	The company shall disclose the nomination and remuneration policy and evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7	External or Statutory Auditors			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial information system design and implementation;	√		
7(1)(iii)	Book-Keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	Broker-Dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal Audit Services or Special Audit Services;	√		
7(1)(vii)	Any services that the Audit Committee determined;	√		
7(1)(viii)	Audit or Certification Services on compliance of Corporate Governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees and his/her family members of the external audit firms shall not hold any shares in the said company during the tenure of assignment.	√		
7(3)	Representative of external auditors or statutory auditors present in the shareholders' meeting (AGM or EGM).	√		
8	Maintaining a website by the Company:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the details disclosures on its website as per listing regulation of the concerned stock exchange(s).	√		

Condition No.	Title	Compliance Status (Put "√" in appropriate column)		Remarks (if any)
		Complied	Not Complied	
9	Reporting and Compliance of Corporate Governance:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountants or secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its salutatory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by shareholders in the Annual General Meeting (AGM)	√		A separate agenda in the 27th AGM to be held on 21st Dec 2023
9(3)	The directors of the company shall state, in accordance with Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

REPORT TO THE SHAREHOLDERS OF BDCOM ONLINE LTD. ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by BDCOM Online Ltd. for the year ended on 30th June, 2023. This Code relates to the Notification No. BSEC/CMR-RCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibilities of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the Condition of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- (b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place: Dhaka
Dated: 09 November, 2023



Atik Khaled Chowdhury
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BDCOM ONLINE LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BDCOM Online Ltd. (the company) which comprise the Statement of Financial Position as at 30 June 2023 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended 30 June 2023 in accordance with International Financial Reporting Standards (IFRSs), the company Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

S. L.	Key Audit Report	How our audit addressed the key audit matter
1.	<p>Appropriateness of revenue recognition and disclosures on the impact of the initial application of IFRS 15.</p> <p>Refer to note 27.00 to the financial statements. As described in accounting policy note 2.06 to the financial statements, the Company recognizes revenue upon transfer of control as per the newly adopted IFRS 15: Revenue from Contracts with Customers. The Company has reported total revenue of TK. 713,423,509.00.</p> <p>The Company's primary customers are its corporate customer who are also entitled to get comparative rate of services invoiced.</p> <p>Given the significance and complexities involved in the accounting of Revenue, appropriate recognition of revenue has been considered as a key audit matter.</p>	<p>We assessed the company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Assessed the environment of the measurement as well as other relevant systems supporting the accounting or revenue. • Assessed manual as well as application controls supporting revenue recognition. • Assessed the invoicing and measurement systems up to entries in the general ledger. • Examined customer invoices and receipts of payment on a test basis. • Assessed the design of the processes set up to account for the transactions in accordance with the new standard. • Assessed whether the sufficiency of disclosures as required by the new standard have been met. • Assessed whether the sufficiency of disclosures as required to be made to opening balances due to the adoption of the new standard.
2.	<p>Valuation of Inventories</p> <p>Refer to note 06.00 to the financial statements. Inventories represent Tk. 17,412,961.00 of the Company; inventories are thus a material item to the financial statements.</p> <p>As described in the accounting policy note 2.07 to the financial statements, inventories are valued at the lower of cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued. Volume of inventories being held by the company at the reporting date and the complexities involved in the accounting and presentation thereof, Inventories has been considered as a key audit matter.</p>	<p>In order to test the Inventories, we performed the following procedures;</p> <ul style="list-style-type: none"> • Tested the operating effectiveness of key controls over Inventories; including observing the process of management's Year-end inventory count. • Verified a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting period. • Reviewed the historical accuracy of inventory provisions and the level of write-downs.

S. L.	Key Audit Report	How our audit addressed the key audit matter
3.	<p>Recovery of Trade Receivables</p> <p>Refer to note 9.00 to the financial statements Trade Receivables represent amount TK. 146,353,395.00 as at 30 June 2023 of the Company.</p> <p>The recoverability of trade receivables is considered to be a key risk due to the significance of these balances to the financial statements, and the judgments required in making appropriate provisions.</p>	<p>In order to test the recoverability of trade receivables, we performed the following procedures:</p> <ul style="list-style-type: none"> • We evaluated the company’s credit control procedures and assessed and validated the ageing profile of Trade Receivables. • We assessed recoverability on a sample basis by reference to cash received subsequent to year-end, agreement to the terms of the contract in place, and issue of credit notes post year-end, as necessary; <p>We communicate management as to the recoverability of the older, unprovided amounts, corroborating management’s explanations with underlying documentation and correspondence with the customers.</p>
4.	<p>Property, Plant and Equipment (PPE)</p> <p>As refer to notes 03.00 to the financial statements Property, Plant and Equipment includes the company’s long-term assets, which flow economic benefits to the entities more than one year. PPE is measured at cost less accumulated depreciation. The carrying value of PPE represents significant portion of total assets, which is amounting to Tk. 334,000,143.00 for the company at the reporting date.</p> <p>The carrying value of PPE is include asset addition during the year is Tk. 48,119,371.00 the function of depreciation charges on cost that involved estimation. Therefore, it has been considered as significant area of auditor’s judgement.</p>	<p>We have tested the design and operating effectiveness of key control over PPE. Our audit procedures included, among others, considering the impairment risk of the assets.</p> <p>Following are our audit procedures on the carrying value and impairment risk of PPE:</p> <ul style="list-style-type: none"> • Reviewing basis of recognition, measurement of assets; • Observing procedures of assets acquisition, depreciation and disposal; • Checking ownership of the asset’s addition; • Performing due physical asset verification on sample basis at the year-end; • Checking estimated rates of depreciation being used and assessed its fairness; • Evaluating the Company’s assumption in relation to recoverable amounts of the major PPE to identify if there is any requirement of recognition of impairment; and • Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards. <p>Our testing did not identify any issues with regard to Carrying Value of PPE.</p>

S. L.	Key Audit Report	How our audit addressed the key audit matter
5.	<p>Deferred Tax</p> <p>The Company's report Net Deferred Tax Liability (DTL) totaling Tk. 3,951,992.00 as at 30 June, 2023.</p> <p>Significant judgment is required in relation to deferred tax liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.</p> <p>The disclosures relating to Deferred Tax are included in note 20.00 to the financial statement.</p>	<p>Our audit procedures are on as follows:</p> <ul style="list-style-type: none"> • We obtained an understanding, evaluates the design and tested the operational effectiveness of the Institution's key controls over the recognition and measurement of DTLs and the assumption used in estimating the Company's future taxable income. • We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. • We involved tax specialists to assess key assumption, controls, recognition and measurement of DTLs. • Finally assessed the appropriateness and presentation of disclosures against "IAS-12" Income Tax.

Others Matter

The financial statement of BDCOM Online Ltd. for the year ended June 30, 2022 were audited by Ahmed Zaker & Co., Chartered Accountants who expressed an unqualified opinion on those statements.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Financial Reporting Council (FRC) by Laws.

Information Other than the Financial Statement and Auditors Report Thereon

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs) and the company Act 1994 and other applicable laws and regulations for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 & the Securities and Exchange Rules 2020, we also report that:

- (i) 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;
- (ii) 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;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditure incurred was for the purpose of the company's business.

Place: Dhaka
Date: October 26, 2023
DVC: 2310310165AS161001



Quazi Shafiqul Islam FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

BDCOM ONLINE LTD.
Statement of Financial Position
As at June 30, 2023

Particulars	Notes	Amount in Taka	
		30.06.2023	30.06.2022
ASSETS			
A. Non-Current Assets		465,715,203	472,800,972
Property, Plant and Equipment	3.00	334,000,143	337,110,832
Right-of-Use Assets	4.00	23,422,332	27,681,350
Long Term Deposit & Prepayment	5.00	108,292,728	108,008,790
B. Current Assets		730,562,844	724,327,827
Inventories	6.00	17,412,961	15,256,944
Advances, Deposits & Prepayments	7.00	26,597,774	37,055,369
Advance Income Tax	8.00	86,938,921	74,598,161
Trade Receivables	9.00	146,353,395	139,027,729
Other Receivables	10.00	8,820,961	5,288,211
Investment in Shares	11.00	4,739,336	5,121,104
Investment in FDR	12.00	397,749,310	378,542,573
Cash and Cash Equivalents	13.00	41,950,186	69,437,736
TOTAL ASSETS (A+B)		1,196,278,047	1,197,128,799
SHAREHOLDERS' EQUITY AND LIABILITIES			
C. Shareholders' Equity		916,853,281	899,393,729
Share Capital	14.00	570,864,990	570,864,990
Share Premium	15.00	92,319,960	92,319,960
Tax Holiday Reserve	16.00	21,555,878	21,555,878
Retained Earnings	17.00	232,112,453	214,652,901
D. Non- Current Liabilities		31,853,986	47,481,769
Long Term Loan	18.00	1,220,023	3,262,687
Lease Liabilities	19.00	26,681,971	28,792,769
Deferred Tax Liabilities	20.00	3,951,992	15,426,313
E. Current Liabilities		247,570,780	250,253,301
Trade Payables	21.00	103,760,079	120,983,352
Other Payables	22.00	82,489,633	62,653,849
Unclaimed Dividend	23.00	2,156,784	2,107,303
Provision for Income Tax	24.00	23,593,822	22,296,794
Current Portion of Long-Term Loan	25.00	2,591,532	4,688,454
Short Term Loan	26.00	32,978,930	37,523,549
TOTAL EQUITY & LIABILITIES (C+D+E)		1,196,278,047	1,197,128,799
Net Assets Value (NAV) Per Share	36.00	16.06	15.75

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Chief Financial Officer

Company Secretary

Managing Director

Director

Chairman

Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Place: Dhaka
Date: October 26, 2023
DVC: 2310310165AS161001

BDCOM ONLINE LTD.

Statement of Profit or Loss and Other Comprehensive Income For the year ended June 30, 2023

Particulars	Notes	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Amount in Taka	
					2022-2023	2021-2022
Revenue	27.00	631,298,784	34,212,607	47,912,118	713,423,509	727,376,946
Cost of Sales & Services	28.00	(295,833,135)	(11,983,805)	(12,025,339)	(319,842,279)	(334,107,982)
Gross Profit : A		335,465,649	22,228,802	35,886,779	393,581,230	393,268,964
Administrative and Marketing Expenses	29.00	(220,340,194)	(20,192,747)	(15,966,414)	(256,499,355)	(253,165,705)
Depreciation	3.00	(48,160,090)	(802,295)	(2,267,675)	(51,230,060)	(51,881,938)
Total Expenses : B		(268,500,284)	(20,995,042)	(18,234,089)	(307,729,415)	(305,047,643)
Operating Profit : A-B		66,965,365	1,233,760	17,652,690	85,851,815	88,221,321
Non-Operating Income	30.00	25,921,133	383,505	2,289	26,306,927	26,924,902
Net Unrealized Gain/(Loss) on Marketable Securities	31.00	(381,768)	-	-	(381,768)	(634,302)
Financial Charges	32.00	(2,819,424)	-	-	(2,819,424)	(3,760,559)
Net Profit Before WPPF & WF		89,685,306	1,617,265	17,654,979	108,957,550	110,751,362
Contribution to WPPF & WF @ 5%		(4,270,729)	(77,013)	(840,713)	(5,188,455)	(5,273,874)
Net Profit Before Tax		85,414,577	1,540,252	16,814,266	103,769,095	105,477,488
Income Tax Expense	24.01	(37,296,625)	(264,606)	(3,136,135)	(40,697,366)	(26,057,174)
Deferred Tax (Expenses)/Income	20.00	11,474,322	-	-	11,474,322	758,930
Net Profit After Tax		59,592,274	1,275,646	13,678,131	74,546,051	80,179,244
Retained Earnings Carried Forward		59,592,274	1,275,646	13,678,131	74,546,051	80,179,244
Basic Earnings Per Share	33.00				1.31	1.40

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Chief Financial Officer

Company Secretary

Managing Director

Director

Chairman

Place: Dhaka
Date: October 26, 2023
DVC: 2310310165AS161001

Quazi Shafiqul Islam, FCA
 Enrolment No. 0165
 Islam Quazi Shafique & Co.
 Chartered Accountants

BDCOM ONLINE LTD.
Statement of Changes in Equity
For the year ended June 30, 2023

Particulars	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earnings	Amount in Taka
					30.06.2023
Balance as on 01.07.2022	570,864,990	21,555,878	92,319,960	214,652,901	899,393,729
Net Profit after Tax for the period	-	-	-	74,546,051	74,546,051
Cash Dividend (10%)	-	-	-	(57,086,499)	(57,086,499)
Balance as on 30.06.2023	570,864,990	21,555,878	92,319,960	232,112,453	916,853,281

Statement of Changes in Equity
For the year ended June 30, 2022

Particulars	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earnings	Amount in Taka
					30.06.2022
Balance as on 01.07.2021	543,680,950	21,555,878	119,504,000	161,657,697	846,398,525
Net Profit after Tax for the period	-	-	-	80,179,244	80,179,244
Cash Dividend (5%)	-	-	-	(27,184,040)	(27,184,040)
Stock Dividend (5%)	27,184,040	-	(27,184,040)	-	-
Balance as on 30.06.2022	570,864,990	21,555,878	92,319,960	214,652,901	899,393,729

Chief Financial Officer

Company Secretary

Managing Director

Director

Chairman

BDCOM ONLINE LTD.
Statement of Cash Flows
For the year ended June 30, 2023

Particulars	Amount in Taka	
	2022-2023	2021-2022
A. Cash Flows from Operating Activities:		
Receipts from Sales, Services & Others	706,097,842	764,789,905
Bank Interest - STD & Others	295,085	163,182
WPPF & WF Payment	(5,273,874)	(3,683,426)
Payment of Income Tax & VAT	(51,741,097)	(47,258,225)
Cash Payment to Suppliers & Others	(566,013,329)	(621,097,575)
Net Cash Provided by/(used in) Operating Activities	83,364,627	92,913,862
B. Cash Flows from Investing Activities:		
Acquisition of Property, Plant & Equipment	(48,119,371)	(31,576,870)
FDR Interest Received	22,633,678	49,248,226
Dividend on Marketable Securities	-	74,052
Investment in FDR	(19,206,736)	(44,091,031)
Long Term Security Deposit	(283,938)	(53,601,260)
Net Cash Provided by/(used in) Investing Activities	(44,976,367)	(79,946,884)
C. Cash Flows from Financing Activities:		
Cash Dividend	(57,037,018)	(31,292,664)
Long Term Loan	(2,042,664)	(4,675,252)
Current Portion of Long-Term Loan	(2,096,922)	892,971
Short Term Loan	(4,544,619)	(1,163,730)
Net Cash Provided by/(used in) Financing Activities	(65,721,223)	(36,238,676)
D. Effect of Exchange Rate Changes in Cash and Cash Equivalents	(154,587)	16,042
	(154,587)	16,042
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C+D)	(27,487,550)	(23,255,655)
Cash & Cash Equivalents at the Beginning of the Year	69,437,736	92,693,391
Cash & Cash Equivalents at the End of the Year	41,950,186	69,437,736
Net Operating Cash Flows Per Share (NOCFPS) Note 35.00	1.46	1.63

The accompanying policies and explanatory notes 1-37 form an integral part of these Financial Statements.

Chief Financial Officer

Company Secretary

Managing Director

Director

Chairman

BDCOM ONLINE LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2023

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 12 December 2001. The shares of the Company are traded with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Plc.

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.

Corporate Office:

JL Bhaban (5th Floor), House # 01, Road # 01, Gulshan Avenue, Gulshan-1, Dhaka-1212.

1.03 Nature of Business:

The Company is primarily engaged as an Internet Service Provider (ISP) in Bangladesh which includes 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, Web Page Software Design & Hosting, IP Telephony Services (IPTSP), IPPBX Solutions, Hosted Conference Bridge, Short Code Parking, Fiber Optic, Machinery and Hardware Sales.

2.00 Basis of Preparation:

2.01 Statement of Compliance:

These Financial Statements of the Company have been prepared on going concern basis under the historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other relevant laws and rules applicable in Bangladesh for this company.

2.02 Going Concern:

These financial statement have been prepared on the assumption that the entity is a going concern and will continue it's 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 Flows Statement:

Cash Flows Statement is prepared in accordance with IAS 7 "Cash Flows Statement" and the cash flows from the operating activities has been presented under direct method.

Reporting period and date of approval:

2.04 These financial statements cover a period of one year from July 01, 2022 to June 30, 2023. The Board of Directors has approved these financial statements on October 26, 2023.

Functional and presentational currency:

2.05 These financial statements are presented in Bangladesh Taka (BDT), which is both functional and presentational currency of the Company.

Revenue Recognition:

2.06 Under IFRS-15, The entity should recognize revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

"IFRS 15 is a 5-steps approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation"

Revenue is recognized when control over the goods or services is transferred to the customer and the company satisfies a performance obligation by transferring a promised goods or service to a customer over time or a point in time.

Assets and basis of their valuation:**Cash and cash equivalents**

2.07 Cash and cash equivalents include notes and coins in hand, unrestricted balances held with various banks and those are used by the company for its short-term commitments.

Property, Plant and Equipment**Recognition and Measurement**

Property, Plant and Equipment are 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 IAS 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 of inward freight, duties and non-refundable taxes.

Maintenance activities

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

Subsequent Expenditure

Expenditure incurred after putting any asset 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 it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the asset such expenditure is capitalized as an additional cost of assets. All up-generation/enhancement are generally charged off as expenditure unless they bring similar significant additional benefits.

Disposal of Property, Plant & Equipment

On disposal of property, plant & 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 it is determined with reference to the net book value of the assets and net sales proceeds.

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 and Fixture	10%	10%	10%
Office Renovation	18%	18%	-
Sundry Assets	10%	10%	-
Crockeries & Cutleries	10%	-	-
AC Installation	18%	18%	-
PABX Installation	18%	-	-
Office Equipment	15%	-	-
V-Sat Tower	15%	-	-
Telephone & Cable Installation	15%	15%	15%
Motor Vehicle	15%	-	15%
Generator/ Online UPS	15%	15%	-
Cable Installation	15%	-	-
Broad Band Equipment	18%	-	-
Radio Equipment	18%	-	18%
Electric Installation	15%	18%	15%
Optical Fiber Deployment	15%	-	-
Base Tower & Installation	10%	-	-
WIFI Base Station	20%	-	-
Peripheral Equipment	-	15%	-
Software Development	-	15%	15%

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

Long Term Security Deposit & Prepayment

These amounts (Note No-05) were deposited with BTCL, BEZA and others in connection with telephone lines, bandwidth, E1, land lease and others.

Valuation of Inventories

Inventories are carried at the lower of cost and net realizable value as prescribed by the IAS - 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.

Trade Receivable

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

Trade Payable

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

2.08 Provision for Current & Deferred Tax:

Provision for current tax has been made in compliance with the Income Tax Act-2023, IAS-12 "Income Taxes" and as per rates prescribed in the Finance Act 2023 on the taxable profit made by the company after considering necessary taxable add or backs of income and disallowances or allowances of expenditure.

The Company has recognized deferred tax using balance sheet method in compliance with the provisions of IAS 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. The deferred tax liability/asset or deferred tax expense/income does not create a legal liability/recoverability to and from the income tax authority. This is recognized for book purpose as equalization item presented in the financial statements to show the retained earnings as a consistent reflection of the business events.

2.09 Dividend Payments:

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

2.10 Earnings per share:

Earning per Share (EPS) is calculated in accordance with IAS-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 period 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	2022-2023	2021-2022
a)	Earnings attributable to the ordinary shareholders	74,546,051	80,179,244
b)	Number of Ordinary Shares	57,086,499	57,086,499
c)	Earning Per Share	1.31	1.40

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.

2.11 Tax Holiday Reserve:

Software Development Project (SDP), Unit-2 of the Company has enjoyed tax holiday for 5 (five) years commencing from January 01, 2002 to December 31, 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.

2.12 Foreign Currency Transactions:

According to IAS 21 "The Effect of Changes in Foreign Exchange Rates" transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the reporting date. Any resulting exchange differences are included in the Statement of Profit or Loss Account.

2.13 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 has 3 business segments namely Unit-1 for internet, data connectivity, hardware and other IT enabled services, Unit-2 for software development, graphic design, AVLS support and service, web development, domain registration, domain hosting and finally Unit-3 for IP telephony services and goods.

2.14 Impairment:

An impairment loss is the amount by which the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Impairment loss of non-financial assets as mentioned in the IAS-36 "Impairment of Assets" is recognized and charged as an expense (unless it relates to a revalued asset where the impairment loss is treated as a revaluation decrease) whenever recoverable amount is below carrying amount.

2.15 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.

2.16 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 IAS-24 "Related Party Disclosure". Related party are fully disclosed in note-37.

2.17 Events after the Reporting date:

IAS 10, Events After the Reporting Period stipulates the accounting and disclosure requirements concerning transactions and events that occur between the reporting date and the date of approval of the financial statements. Among other things, IAS 10 determines when an event that occurs after the reporting date will result in the financial statements being adjusted, or where such events merely require disclosure within the financial statements. Such events are referred to in IAS 10 as 'adjusting' or 'non-adjusting' events.

A) Adjusting Event is an event after the reporting period that provides further evidence of conditions that existed at the end of the reporting period.

B) Non-adjusting events are those which are indicative of conditions that arose after the reporting period.

C) The Board of Directors of BDCOM Online Ltd. has recommended 10% cash dividend for the year 2022-2023 in their meeting held at the Company's head office on October 26, 2023 which may be confirmed in the next 27th Annual General Meeting (AGM) by the shareholders. The 27th Annual General Meeting (AGM) will be held on Thursday the December 21, 2023 at 10.30 AM through Digital Platform.

2.18 Components of the Financial Statements:

- a) Statement of Financial Position as at June 30, 2023
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended June 30, 2023
- c) Statement of Changes in Equities for the year ended June 30, 2023
- d) Statement of Cash Flows for the year ended June 30, 2023
- e) Accounting policies and explanatory Notes to the Financial Statements for the year ended June 30, 2023

2.19 Employee Summary:

Sl. No.	Particulars	June 30, 2023	June 30, 2022
a)	Managers & Officers	227	224
b)	Office Assistant, Cableman & Others	298	264
Total:		525	488

2.20 Employee Benefits:

A) Employee's Provident Fund

The Company operates 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. These contributions are duly deposited to separate bank account and invested according to prescribed guide line of Bangladesh Labor Law.

B) Insurance

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

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

Provision for Workers Profit Participation Fund has been made @ 5% of net profit as per provision of the Bangladesh Labor Act 2006 and Bangladesh Labor Amendment Act 2013 and is payable to workers as defined in these Laws.

2.21 Financial risk management:

The 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 adjust with the changes in market conditions and the company's Activities. The company has exposure to the following risks with regard to financial instruments.

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

Credit risk

Credit risk is the risk of financial loss to the company if a customer or a counterpart to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers. 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 are 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 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 based on time line of payment of the financial obligation and accordingly arrange 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 June 30, 2023 there was little exposure to currency risk as there were very few foreign currency transactions made during the review.

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. Interest rate fluctuation probability is very minimal and within tolerable range. The company has been not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

2.22 Comparative Information:

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.

2.23 General:

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

ii) Figures appearing in the Financial Statements have been rounded off to the nearest Taka.

Amount in Taka	
30.06.2023	30.06.2022

3.00 Property Plant and Equipment :

The break up of the amount is as follows:

Particulars	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Amount in Taka	
				30.06.2023	30.06.2022
A) Cost:					
Opening Balance	866,775,878	51,082,450	36,674,672	954,533,000	923,052,203
Addition during the year	46,738,255	978,430	402,686	48,119,371	31,576,870
Less: Adjustment during the year	-	-	-	-	96,073
Closing Balance	913,514,133	52,060,880	37,077,358	1,002,652,371	954,533,000
B) Accumulated Depreciation:					
Opening Balance	546,725,074	47,169,704	23,527,390	617,422,168	565,636,303
Add: Charged during the year	48,160,090	802,295	2,267,675	51,230,060	51,881,938
Less: Adjustment during the year	-	-	-	-	96,073
Closing Balance	594,885,164	47,971,999	25,795,065	668,652,228	617,422,168
WDV 30/06/2023(A-B)	318,628,969	4,088,881	11,282,293	334,000,143	-
WDV 30/06/2022(A-B)	320,050,804	3,912,746	13,147,282	-	337,110,832

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

4.00 Right-of-Use Assets :

Right-of-Use Assets

23,422,332	27,681,350
23,422,332	27,681,350

Total Taka

5.00 Long Term Deposit & Prepayment :

The break up of the amount is as follows:

Particulars

BTCL for Telephone Line
Security Against Bandwidth (BTCL & Others)
Security Against E1 & Others (BTCL)
Prepayment to BEZA
Others Deposit
Total Taka

5,000	5,000
109,065	142,065
35,084	35,084
102,770,010	102,770,010
5,373,569	5,056,631
108,292,728	108,008,790

6.00 Inventories :

The break up of the amount is as follows:

Particulars

Accessories
GLP & GPRS Modem & Accessories
IP Telephony Hardware
Modem, Media Converter & Concentrators
Switch, Router, Equipment & Others
Stationery
Fiber Optic Cable
Radio Equipment
Total Taka

Note- 6.01

Note- 6.02

Note- 6.03

546,445	304,238
4,584,624	5,618,726
1,221,426	1,437,679
567,150	455,984
8,003,406	5,107,486
135,776	81,508
931,173	727,361
1,422,961	1,523,962
17,412,961	15,256,944

6.01 Accessories :

The break up of the amount is as follows:

Particulars

Broadband Accessories
UTP Cable
Total Taka

292,305	178,647
254,140	125,591
546,445	304,238

6.02 GLP, GPRS Modem & Accessories :

The break up of the amount is as follows:

Particulars

Geographical Location Platform (GLP)
Total Taka

4,584,624	5,618,726
4,584,624	5,618,726

Amount in Taka	
30.06.2023	30.06.2022

6.03 IP telephony hardware :

The break up of the amount is as follows:

Particulars

IP Telephone Set
IP Telephony Equipment
Total Taka

954,396	1,303,099
267,030	134,580
1,221,426	1,437,679

7.00 Advances, Deposits & Pre-payments :

The break up of the amount is as follows:

Particulars

A) Advances :

Against Salary
Advance to Suppliers and Others
Advance VAT & Others
Advance for Material
Total

6,300,597	7,424,989
5,178,290	5,034,344
3,031,045	3,030,129
-	5,078,780
14,509,932	20,568,242

B) Deposits :

Security Deposit / Earnest Money
Total

11,022,885	15,770,097
11,022,885	15,770,097

C) Pre-Payments

Total (A+B+C)

1,064,957	717,030
26,597,774	37,055,369

The sum of total advances are unsecured but realizable and in the sub-head advance against salary includes amount which are recoverable from Managing Director (Paid) of the company.

8.00 Advance Income Tax :

The break up of the amount is as follows:

Particulars

Opening Balance
Add: Addition during the year Note- 8.01

Less: Adjustment for previous years
Total Taka

74,598,161	62,376,866
51,741,097	47,258,225
126,339,258	109,635,091
(39,400,337)	(35,036,930)
86,938,921	74,598,161

8.01 Addition during the year :

The break up of the amount is as follows:

Particulars

Tax Deducted on Interest Income
Tax Deducted on Supply, Sales and Others
Total Taka

4,637,257	6,181,337
47,103,840	41,076,888
51,741,097	47,258,225

9.00 Trade Receivables :

The break up of the amount is as follows:

Particulars

Internet & Data Service Note- 9.01
IP Telephone Service Note- 9.02
Web page, Software & Data Transmit Note- 9.03
Hardware, Switch & Others
Total Taka

101,552,279	95,402,681
15,249,873	15,419,847
28,730,992	26,821,590
820,251	1,383,611
146,353,395	139,027,729

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

9.01 Internet & Data Services :

The break up of the amount is as follows:

Particulars

Corporate Internet
Broadband & Others
Data Connectivity
Total Taka

23,613,430	24,065,656
3,611,151	5,894,344
74,327,698	65,442,681
101,552,279	95,402,681

Amount in Taka	
30.06.2023	30.06.2022

9.02 IP Telephone Service :

The break up of the amount is as follows:

Particulars

Monthly Rent & Others

Inter-Connectivity

Total Taka

11,982,925	11,158,791
3,266,948	4,261,056
15,249,873	15,419,847

9.03 Web page, Software & Data Transmit :

The break up of the amount is as follows:

Particulars

Software Development

Domain Hosting & Registration

AVLS

Graphics Design

Total Taka

128,714	128,714
3,708,646	2,632,610
24,404,647	23,414,877
488,985	645,389
28,730,992	26,821,590

10.00 Other Receivables :

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	Amount in Taka	
				30.06.2023	30.06.2022
FDR Interest Receivables	8,715,238	105,723	-	8,820,961	5,288,211
Total Taka	8,715,238	105,723	-	8,820,961	5,288,211

11.00 Investment In Shares:

The break up of the amount is as follows:

Particulars	No. Shares	Rate	Cost Value	Market Value	
				30.06.2023	30.06.2022
AB Bank Limited	167,225	19.39	3,242,493	1,622,083	1,721,444
IFAD Autos	70,686	111.09	7,852,508	3,117,253	3,399,660
Total Taka	237,911		11,095,000	4,739,336	5,121,104

12.00 Investment in FDR :

The break up of the amount is as follows:

Amount in Taka	
30.06.2023	30.06.2022

Particulars

Prime Bank Ltd.

2127418012614

3,063,925

2,942,914

Prime Bank Ltd.

2127419010187

2,814,423

2,704,875

Prime Bank Ltd.

2127416004761

12,077,919

11,659,332

Prime Bank Ltd.

2127413022774

27,100,000

-

Bank Asia Ltd.

02155008365

17,720,627

17,490,756

IFIC Bank Ltd.

1001-509038-200

33,945,660

32,344,200

IFIC Bank Ltd.

1025-509038-203

37,453,648

37,468,648

IFIC Bank Ltd.

1025-509038-205

18,126,964

17,311,034

Exim Bank Ltd.

02860100371355

7,994,224

7,630,939

BRAC Bank Ltd

3053809800001

10,000,000

-

BRAC Bank Ltd

3053809800002

9,500,000

-

BRAC Bank Ltd

3053809800003

8,850,000

-

IDLC Finance Ltd.

11252217203702

6,524,653

6,193,219

IDLC Finance Ltd.

11252217203703

30,586,731

28,978,912

IDLC Finance Ltd.

10252217203701

17,506,348

16,623,670

IPDC Finance Ltd.

1001211000001761

57,977,151

54,949,954

IPDC Finance Ltd.

1001211000001866

18,856,183

17,870,438

IPDC Finance Ltd.

1001251000029475

11,812,200

11,200,000

Uttara Finance & Investment Ltd.

0100120059314

-

10,034,522

Uttara Finance & Investment Ltd.

0100120019615

9,686,521

9,141,058

Uttara Finance & Investment Ltd.

0100120019815

38,717,658

36,540,244

Uttara Finance & Investment Ltd.

0100360000515

-

8,194,007

DBH Finance PLC.

71000182218

8,960,476

8,520,414

Lanka Bangla Finance Ltd.

001022800000127

-

8,250,986

Lanka Bangla Finance Ltd.

001029400000001

-

8,875,068

Lanka Bangla Finance Ltd.

001022800000670

-

15,617,383

IIDFC Limited

9499

8,474,000

8,000,000

Total Taka

397,749,310

378,542,573

13.00 Cash and Cash Equivalent :

The break up of the amount is as follows:

Particulars

Cash in Hand	
Cash at Bank	Note- 13.01
Cash Available in SSL	
Cash Available in bkash	
Cash Available in Nagad	
Cash Available in Upay	
Cash Available in Rocket	
Cash Available in Share Trading Account	
Total Taka	

Amount in Taka	
30.06.2023	30.06.2022
989,801	970,555
38,877,769	66,672,954
323,884	174,744
287,020	208,452
24,163	11,721
3,180	-
71,854	26,795
1,372,515	1,372,515
41,950,186	69,437,736

13.01 Cash at Bank :

The break up of the amount is as follows:

Particulars

CD Accounts

Eastern Bank Ltd.	1061060000757
First Security Islami Bank Ltd.	010811100001575
Sonali Bank Ltd.	001017833
Bank Asia Ltd.	069330000002
Bank Asia Ltd.	02136000331
Bank Asia Ltd.	02133001275

SND Accounts

Prime Bank Ltd.	2127314011828
Prime Bank Ltd.	2127315012783
Prime Bank Ltd.	2127311000238
Prime Bank Ltd.	2127119013716
Prime Bank Ltd. (ERQ)	2127501001092
United Commercial Bank PLC	0841301000000255
United Commercial Bank PLC	0841301000000266
United Commercial Bank PLC	0841301000000277
United Commercial Bank PLC	0841301000000244
Rupali Bank Ltd.	0588024000033
Pubali Bank Ltd.	3478102001001
Dutch-Bangla Bank Ltd.	1711200000344
Dutch-Bangla Bank Ltd.	1711200002011
Islami Bank BD. Ltd.	20502050900011812
IFIC Bank Ltd.	0000509038041
Shahjalal Islami Bank Ltd.	400113100002817
Al-Arafah Islami Bank Ltd.	03112220001107
Midland Bank Ltd.	00810900000066
South Bangla Agriculture & Commerce Bank Ltd.	0010130000638
National Bank	1200005442009
Total Taka	

411,798	4,049,824
2,783	1,588
36,875	25,984
34,724	35,414
2,156,783	2,107,303
349,657	689,211
937,934	3,042,310
462,002	17,392
101,639	102,530
24,008	252,384
1,177,883	8,828,876
430,042	283,566
281,979	161,979
66,913	17,075
115,068	122,087
502,538	23,923,756
18,425,468	19,406,371
11,410,007	1,907,890
769,305	612,334
174,979	465,709
10,650	30,476
27,218	45,325
591,355	17,313
246,997	526,257
124,455	-
4,708	-
38,877,769	66,672,954

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
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Issued, Subscribed and Paid-up Capital :

57,086,499 Ordinary shares of Taka. 10 each

570,864,990	570,864,990
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14.01 Compositions of Shareholdings

The break up of the amount is as follows:

Particulars	As on 30.06.2023		As on 30.06.2022	
	No. of Shares	% of holdings	No. of Shares	% of holdings
Sponsor/Director	17,127,944	30.00	17,127,944	30.00
Institutions	3,376,643	5.91	2,832,780	4.96
General Public	36,581,912	64.09	37,125,775	65.03
Total Taka	57,086,499	100.00	57,086,499	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 30.06.2023		As on 30.06.2022	
	Shareholders	No. of Shares	Shareholders	No. of Shares
Less than 500 shares	4,698	763,881	2,538	373,797
500 to 5,000 Shares	5,845	10,056,617	3,115	5,481,519
5001 to 10,000 shares	788	5,970,958	512	3,866,808
10,001 to 20,000 shares	390	5,579,499	331	4,905,226
20,001 to 30,000 shares	134	3,330,911	131	3,275,858
30,001 to 40,000 shares	47	1,658,101	56	1,963,032
40,001 to 50,000 shares	34	1,592,564	38	1,787,275
50,001 to 100,000 shares	63	4,566,191	75	5,486,864
100,001 to 1,000,000 shares	43	8,573,656	57	12,491,999
Over 1,000,000 shares	4	14,994,121	6	17,454,121
Total Taka	12,046	57,086,499	6,859	57,086,499

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 Dhaka and Chittagong Stock Exchanges and quoted at Taka 39.10 (High-Taka. 39.60, Low-Taka. 39.00) per share and Taka 39.20 (High-Taka. 39.50 Low-Taka. 38.80) per share in Dhaka and Chittagong Stock Exchanges respectively as of June 30, 2023.

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 :

The break up of the amount is as follows:

Particulars

Opening Balance

92,319,960 119,504,000

Less: Stock dividend (FY: 2020-21) @ 5%

- (27,184,040)

Total Taka

92,319,960 92,319,960

16.00 Tax Holiday Reserve

Tax Holiday Reserve

21,555,878 21,555,878

Total Taka

21,555,878 21,555,878

Software Development Project (SDP), Unit-2 of the Company has enjoyed tax holiday for 5 (five) years commencing from January 01, 2002 to December 31, 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.

17.00 Retained Earnings

The break up of the amount is as follows:

Particulars

Opening Balance

214,652,901 161,657,697

Add: Net Profit After Tax During the Year

74,546,051 80,179,244

Less: Cash Dividend (FY: 2020-21) @ 5%

- (27,184,040)

Less: Cash Dividend (FY : 2021-22) @ 10%

(57,086,499) -

232,112,453 214,652,901

Amount in Taka	
30.06.2023	30.06.2022

18.00 Long Term Loan :

The break up of the amount is as follows:

<u>Particulars</u>	<u>Account Numbers</u>		
A) Shahjalal Islami Bank Ltd. (Motor Vehicle)	4001 36400000423	970,538	3,468,858
Less: Current Portion of Long-Term Loan		(970,538)	(2,708,400)
Total Taka (A)		-	760,458
B) Shahjalal Islami Bank Ltd. (Motor Vehicle)	4001 36400000435	523,016	819,011
Less: Current Portion of Long-Term Loan		(358,200)	(358,200)
Total Taka (B)		164,816	460,811
C) Bank Asia Ltd. (Motor Vehicle)	02135001478	917,713	1,233,491
Less: Current Portion of Long-Term Loan		(415,992)	(415,992)
Total Taka (C)		501,721	817,499
D) Bank Asia Ltd. (Motor Vehicle)	02135001490	1,282,126	1,864,733
Less: Current Portion of Long-Term Loan		(728,640)	(728,640)
Total Taka (D)		553,486	1,136,093
E) Prime Bank Ltd. (Motor Vehicle)	2025392404	118,162	565,047
Less: Current Portion of Long-Term Loan		(118,162)	(477,222)
Total Taka (E)		-	87,825
Total Taka (A+B+C+D+E)		1,220,023	3,262,687

19.00 Lease Liabilities:

Lease Liabilities

26,681,971	28,792,769
26,681,971	28,792,769

20.00 Deferred Tax Liabilities :

The break up of the amount is as follows:

Particulars	Carrying Amount (Tk.)	Tax Base (Tk.)	Taxable/(Deductible) Temporary
As at June 30, 2023			
Property, Plant & Equipment (Excluding Land)	307,000,143	289,053,967	17,946,176
Temporary Taxable Difference for PPE			17,946,176
Less: Unrealized Loss on Marketable Securities			(381,768)
Net Temporary Taxable Difference			17,564,408
Applicable Tax Rate			22.50%
Deferred Tax Liability as at June 30, 2023 (A)			3,951,992
As at June 30, 2022			
Property, Plant & Equipment (Excluding Land)	310,110,832	240,915,137	69,195,695
Temporary Taxable Difference for PPE			69,195,695
Less: Unrealized Loss on Marketable Securities			(634,302)
Net Temporary Taxable Difference			68,561,393
Applicable Tax Rate			22.50%
Deferred Tax Liability as at June 30, 2022 (B)			15,426,313
Deferred Tax (Income)/Expenses (A-B) as at June 30, 2023			(11,474,322)

21.00 Trade Payable :

The break up of the amount is as follows:

Particulars

Sundry Creditors

Total Taka

103,760,079	120,983,352
103,760,079	120,983,352

Amount in Taka	
30.06.2023	30.06.2022

22.00 Other Payables :

The break up of the amount is as follows:

Particulars

Liability for Expenses	Note- 22.01	16,447,865	15,554,254
Liability for Other Finance	Note- 22.02	66,041,768	47,099,595
Total Taka		82,489,633	62,653,849

22.01 Liability for Expenses :

The break up of the amount is as follows:

Particulars

Salaries & Allowances	14,691,773	14,547,521
Outstanding Expenses	1,606,592	880,233
Audit Fee Payable	149,500	126,500
Total Taka	16,447,865	15,554,254

22.02 Liability for Other Finance :

The break up of the amount is as follows:

Particulars

Tax Deducted on Employee Salaries	2,530,299	1,417,002
Employees Provident Fund	34,324,779	26,806,503
Tax Deducted at Source	2,671,769	412,239
Security Deposit -Broadband	10,350	10,350
Security Deposit & Others	921,030	518,959
Contribution to WPPWF @ 5%	5,188,455	5,273,874
VAT Deducted at Source & Others	3,005,562	1,658,962
Advance Agst. Sales (Broadband & Others)	439,290	327,091
Advance Agst. Sales (Data Connectivity)	6,878,071	1,014,332
Advance Agst. Sales (Corporate Internet)	1,756,457	1,520,786
Advance Agst. Sales (Software, Domain & Web Hosting)	514,208	338,798
Advance Agst. Sales (Graphic Design & Others)	-	30,594
Advance Agst. Sales (AVLS)	737,750	753,678
Advance Agst. Sales (Monthly Rent/ Tel Call)	7,063,748	7,016,428
Total Taka	66,041,768	47,099,595

23.00 Unclaimed Dividend:

The summary of unclaimed dividend is as follows:

For the financial year

2018-2019	-	819,083
2019-2020	528,008	532,065
2020-2021	615,495	620,755
2021-2022	966,847	-
Bank Interest Received Net of AIT & Charges (30.12.21)	-	75,283
Bank Interest Received Net of AIT & Charges (30.06.22)	-	60,116
Bank Interest Received Net of AIT & Charges (26.06.23)	46,434	-
Total Taka	2,156,784	2,107,303

As per BSEC directive no. BSEC/CMRRCD/2021-386/03 dated 14th January 2021 and the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 BDCOM has transferred a total BDT 5,350,351.14 (3 years above including bank interest received net of Tax and charges up to 04.01.2023) to Capital Market Stabilization Fund (CMSF) Account No. SND A/C-0010311521301.

24.00 Provision for Income Tax:

Current Tax

Opening Balance	22,296,794	31,333,711
Add : Provision made during the year (Note:24.01)	23,593,823	26,057,174
	45,890,616	57,390,886
Add: Provision made for Previous Years	17,103,543	-
Less: Adjustment for Previous Years	(39,400,337)	(35,094,092)
Closing Balance	23,593,822	22,296,794

24.01 Current Tax:

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	Amount in Taka	
				2022-2023	2021-2022
Net Profit Before WPPF & WF	89,685,306	1,617,265	17,654,979	108,957,550	110,751,362
Less : Contribution to WPPF & WF @ 5%	4,270,729	77,013	840,713	5,188,455	5,273,874
Profit Before Tax	85,414,577	1,540,252	16,814,266	103,769,095	105,477,488
Less : Tax Exempted Profit (Note-24.01.01)	1,253,396	443,296	3,098,800	4,795,491	8,761,354
Net Profit Before Tax	84,161,182	1,096,957	13,715,465	98,973,604	96,716,134
Add: Accounting Depreciation	48,160,090	802,295	2,267,675	51,230,060	51,881,938
Less: Tax Depreciation	(42,956,009)	(723,224)	(2,044,764)	(45,723,997)	(50,135,510)
Add: Net Unrealized (Gain)/Loss on Marketable Securities	381,768	-	-	381,768	634,302
Taxable Profit	89,747,032	1,176,027	13,938,376	104,861,435	99,096,864
Applicable Tax Rate	22.50%	22.50%	22.50%	22.50%	22.50%
Income Tax Expenses FY 2022-23	20,193,082	264,606	3,136,135	23,593,823	22,296,794
Add: Tax Expense for Previous Years.	17,103,543	-	-	17,103,543	3,703,218
Add: Tax Expense FY 2019-20 & FY 2020-21 paid by Cash					57,162
Total Income Tax Expenses FY 2022-23	37,296,625	264,606	3,136,135	40,697,366	26,057,174

24.01.01 Tax Exempted Profit:

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	Amount in Taka	
				30.06.2023	30.06.2022
Tax exempted revenue during the year	9,263,841	9,846,622	8,830,007	27,940,470	38,189,341
Less : Expense of tax exempted profit	(8,010,445)	(9,403,326)	(5,731,207)	(23,144,978)	(29,427,987)
Tax Exempted Profit	1,253,396	443,296	3,098,800	4,795,492	8,761,354

As per Sixth Schedule, Part-A , Para -33 of Income Tax Ordinance, 1984 income from software development & ITES are exempted up to June 30, 2024.

Amount in Taka	
30.06.2023	30.06.2022

25.00 Current Portion of Long-Term Loan :

The break up of the amount is as follows:

Particulars	Account Number		
Shahjalal Islami Bank Ltd. (Motor Vehicle)	4001 36400000423	970,538	2,708,400
Shahjalal Islami Bank Ltd. (Motor Vehicle)	4001 36400000435	358,200	358,200
Bank Asia Ltd. (Motor Vehicle)	02135001478	415,992	415,992
Bank Asia Ltd. (Motor Vehicle)	02135001490	728,640	728,640
Prime Bank Ltd. (Motor Vehicle)	2025392404	118,162	477,222
Total Taka		2,591,532	4,688,454

26.00 Short Term Loan :

The break up of the amount is as follows:

Particulars	Account Number		
Prime Bank Ltd.-SOD A/C	2127714002810	17,830,446	12,557,511
Prime Bank Ltd.-SOD A/C	2127725016503	15,148,484	24,966,038
Total Taka		32,978,930	37,523,549

Amount in Taka	
2022-2023	2021-2022

27.00 Revenue From Sales, Services & Others :

The break up of the amount is as follows:

Particulars			
Revenue from Unit -1	Notes-27.01	631,298,784	631,451,726
Revenue from Unit -2	Notes-27.02	34,212,607	40,775,925
Revenue from Unit -3	Notes-27.03	47,912,118	55,149,295
Total Taka		713,423,509	727,376,946

Amount in Taka	
2022-2023	2021-2022

27.01 Revenue From Unit -1 :

The break up of the amount is as follows:

Particulars

Revenue from Internet/Data Connectivity Services
 Revenue from IT Enable Services
 Revenue from Sale of Hardware
 Revenue from Internet (Educational Institutions)
Total Taka

613,984,431	597,551,046
9,263,841	24,018,526
1,298,909	2,755,699
6,751,603	7,126,455
631,298,784	631,451,726

27.02 Revenue From Unit -2 :

The break up of the amount is as follows:

Particulars

Revenue from VTS MRC
 Revenue from VTS Device
 Revenue from Device under IoT License
 Revenue from Technical Support
 Revenue from Software, Graphic Design & Others
 Revenue from Domain, Web Development & Web Hosting
Total Taka

12,716,878	13,666,475
3,177,861	5,897,194
8,396,051	12,519,776
75,196	74,961
2,394,928	1,906,277
7,451,693	6,711,242
34,212,607	40,775,925

27.03 Revenue From Unit -3 :

The break up of the amount is as follows:

Particulars

Revenue from IP Telephony Incoming NWD Call
 Revenue from IP Telephony Incoming ISD Call
 Revenue from IP Telephony Outgoing NWD Call
 Revenue from IP Telephony Outgoing ISD Call
 Revenue from IP Telephony Monthly Rent
 Revenue from IT Enable Services
 Revenue from Sale of Hardware & Equipment
Total Taka

7,326,044	11,243,835
1,367	-
24,094,156	21,412,722
386,201	4,794,324
6,380,724	4,706,771
8,830,007	12,264,538
893,619	727,105
47,912,118	55,149,295

28.00 Cost of Sales & Services :

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	For the year ended (in Taka)	
				2022-2023	2021-2022
Services & Others (Notes- 28.01)	294,729,749	3,849,703	11,312,340	309,891,792	318,244,507
Hardware & Others (Notes-28.02)	1,103,386	8,134,102	712,999	9,950,487	15,863,475
Total Taka	295,833,135	11,983,805	12,025,339	319,842,279	334,107,982

28.01 Services & Others:

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	For the year ended (in Taka)	
				2022-2023	2021-2022
Bandwidth Charges	62,176,024	289,380	-	62,465,404	55,360,762
Data Connectivity (NTTN)	90,222,463	-	-	90,222,463	111,792,345
Data Connectivity (Site Sharing)	34,355,102	-	-	34,355,102	25,408,554
IT Support & Service	26,063,854	67,326	1,083,343	27,214,523	49,198,417
Cost of Software (GLP & Others)	-	756,304	-	756,304	616,728
Electricity Charges	4,499,032	272,431	529,298	5,300,761	5,792,912
Telephone Charges	1,283,500	777,387	777,387	2,838,274	2,965,552
Domain Registration & Hosting	-	333,258	-	333,258	619,938
E1, Inter Connectivity Charge	-	-	8,908,612	8,908,612	10,178,137
Electrical Goods & Installation	557,747	113,050	13,700	684,497	562,919
Direct Salary & Allowances	75,572,027	1,240,567	-	76,812,594	55,748,242
Total Taka	294,729,749	3,849,703	11,312,340	309,891,792	318,244,507

28.02 Hardware & Others:

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	For the year ended (in Taka)	
				2022-2023	2021-2022
Broadband Modem Concentrator & Others	386,084	-	-	386,084	710,541
Cost of Sales of Hardware & Others	717,302	8,134,102	712,999	9,564,403	15,152,934
Total Taka	1,103,386	8,134,102	712,999	9,950,487	15,863,475

29.00 Administrative and Marketing Expenses :

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	For the year ended (in Taka)	
				2022-2023	2021-2022
Directors Remuneration (Note-29.01)	3,944,850	232,050	464,100	4,641,000	4,605,000
Salary and Allowances	121,231,562	14,835,924	8,050,197	144,117,683	143,168,438
Contribution to Employee PF	6,110,714	466,794	212,693	6,790,201	5,399,545
Office Rent	23,827,984	1,401,646	2,803,292	28,032,922	21,181,231
Conveyance, Dearness & Food Allowance	16,799,475	277,467	118,777	17,195,719	14,986,748
Electricity Charges	4,499,032	272,431	529,298	5,300,761	3,188,347
Telephone Charges	1,283,500	777,387	777,387	2,838,274	1,977,035
Installation & Maintenance	13,228,522	-	-	13,228,522	28,058,384
Printing and Stationaries	1,443,130	85,456	170,280	1,698,866	1,477,385
Courier & Postage Charges	894,041	15,260	-	909,301	933,884
Advertisement Expenses	1,743,529	138,576	109,293	1,991,398	1,745,962
Entertainment	342,543	80,574	7,860	430,977	267,567
Security Charges	417,120	-	-	417,120	417,120
Repair & Maintenance	1,126,296	153,913	226,759	1,506,968	1,402,979
Product Purchase for Repairing & Others	1,965,277	-	158,000	2,123,277	1,445,684
Utility Charges	3,091,510	197,193	365,412	3,654,115	3,247,157
Car Rent & Maintenance	7,871,670	38,000	-	7,909,670	8,157,732
Annual Listing Fee (DSE, CSE, CDBL, BAPLC)	1,048,103	427,879	285,433	1,761,415	1,811,920
License Registration & Renewal Fees	2,323,567	230,000	649,750	3,203,317	1,561,621
Municipal Tax	145,936	-	-	145,936	137,858
Insurance Premium	1,899,303	105,517	105,517	2,110,336	1,974,501
Fees & Professional Charges	411,000	54,800	82,200	548,000	396,625
AGM Expenses	202,656	11,921	23,842	238,419	148,650
Promotional Expenses	545,423	-	-	545,423	75,000
Audit Fee	104,650	14,950	29,900	149,500	126,500
Training Expenses	146,593	-	2,000	148,593	-
Tender Participation	217,038	-	-	217,038	218,705
Bank Commission & Charges	2,663,575	165,866	12,063	2,841,505	2,878,974
Revenue Sharing with BTRC	-	207,573	782,361	989,934	958,897
General Expenses	811,596	1,570	-	813,166	1,216,257
Total Taka	220,340,194	20,192,747	15,966,414	256,499,355	253,165,705

The number of employees (both casual and permanent of the company as at 30 June 2023 was 525 and all of them received salary and allowances above Taka. 120,000 per year.

29.01 Directors Remuneration - Ex Officio (Under Para 4 of Sch. XI Part II of the Companies Act, 1994).

The break up of the amount is as follows:

Name	Designation	Yearly Remuneration	Festival Bonus	2022-2023	2021-2022
S.M. Golam Faruk Alamgir	Managing Director	4,281,000	360,000	4,641,000	4,605,000
Total Taka		4,281,000	360,000	4,641,000	4,605,000

30.00 Non Operating Income :

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	For the year ended (in Taka)	
				2022-2023	2021-2022
Bank Interest (FDR A/C.)	25,646,639	519,790	-	26,166,429	26,671,625
Bank Interest (SND A/C)	274,494	18,302	2,289	295,085	163,182
Foreign Currency Gain/(Loss)	-	(154,587)	-	(154,587)	16,042
Dividend on Marketable Security	-	-	-	-	74,052
Total Taka	25,921,133	383,505	2,289	26,306,927	26,924,902

31.00 Sustainable Estimated Gain/(Loss) on Marketable Securities :

The break up of the amount is as follows:

Particulars	2022-2023	2021-2022
AB Bank Ltd.	1,721,444	2,355,745
IFAD Autos	3,399,660	3,399,660
Fair Market Value of Investment in Shares as at June 30, 2022	5,121,104	5,755,405
Less: Fair Market Value of Investment in Shares as at June 30, 2023 (Note 11)	4,739,336	5,121,104
Total Estimated Profit/(Loss) on Marketable Securities	(381,768)	(634,302)

32.00 Financial Charges :

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	UNIT-2 SDP	UNIT-3 IPTSP	For the year ended (in Taka)	
				2022-2023	2021-2022
Bank Interest	2,819,424	-	-	2,819,424	3,760,559
Total Taka	2,819,424	-	-	2,819,424	3,760,559

33.00 Earning Per Share (EPS) :

The break up of the amount is as follows:

Particulars

Profit from continuing operation attributable to the ordinary equity holders
Profit attributable to the ordinary equity holders

74,546,051	80,179,244
74,546,051	80,179,244

Number of Shares

57,086,499	57,086,499
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Earning Per Share

1.31	1.40
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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.

34.00 Cash Flows from Operating Activities :

Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flows from the operating activities are shown under indirect method as activities.

Reconciliation of Cash Flows from Operating Activities

Net Profit Before Tax	103,769,095	105,477,488
Add: Unrealized Loss/(Gain) on Marketable Securities	381,768	634,302
Less: Non-Operating Income	(26,011,842)	(26,761,719)
Less: Tax Payment	(51,741,097)	(47,315,387)
Add: Non-Cash Expense (Lease Rent)	2,148,220	60,091
Add: Depreciation	51,230,060	51,881,938
Add/(Less) : Changes in working Capital :		
Inventory	(2,156,017)	3,586,329
Trade Receivables	(7,325,666)	37,412,959
Advance Deposit Prepayments	10,457,595	1,631,152
Liability for Expenses	893,611	2,177,327
Liability for Other Finance	18,942,173	1,063,175
Trade Payable	(17,223,274)	(36,933,793)
Net Cash Provided by/(used in) Operating Activities	83,364,627	92,913,862

35.00 Net Operating Cash Flows Per Share (NOCFPS):

The break up of the amount is as follows:

Particulars

Net Cash Generated from Operating Activities

83,364,627	92,913,862
83,364,627	92,913,862

Number of Shares

57,086,499	57,086,499
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Net Operating Cash Flows Per Share

1.46	1.63
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36.00 Net Asset Value Per Share (NAVPS):

The break up of the amount is as follows:

Particulars

Total Assets

1,196,278,047	1,197,128,799
(279,424,765)	(297,735,070)

Total Liabilities

Net Asset Value (NAV)

916,853,282	899,393,729
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Number of Shares

57,086,499	57,086,499
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Net Asset Value Per Share

16.06	15.75
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37.00 Related Party Disclosures :

37.01 The details of Related Party Transaction during the period along with the relationship is illustrated below in

Name of the Related Party	Relationship with Company	Nature of Transaction	Total Transaction during the period	Total Paid during the Period	Balance 30.06.2023 (Tk.)	Remarks
Fiber @ Home Global Ltd.	Concern Under Common Mgt.	IIG Bandwidth	43,924,412	43,160,598	7,815,727	Trade Creditors
Fiber @ Home Ltd.	Concern Under Common Mgt.	NTTN Service	62,424,978	65,626,224	15,829,799	Trade Creditors

We as IT Sector Company, for IT related services and data connectivity we have to purchase Bandwidth and use NTTN (Nationwide Telecommunication Transmission Network) line as rental basis from service provider companies. Regarding Bandwidth and NTTN, only few companies operate in Bangladesh. For Bandwidth, Fiber @ Home Global Ltd. and for NTTN, Fiber @ Home Ltd. is our service provider and also our related party. We have transactions with those companies regarding Bandwidth purchase & NTTN line rent as a part of our normal course of regular business operation with arm's length price.

In the 25th AGM held on 17 December 2021 the general body of Company's Shareholder approved the matter for that year and onward for smooth and uninterrupted transaction/ operation of the Company in line with BSEC notification no: BSEC/CMRRCD/2009-193/10 Admin/118 dated 22 March 2021 clause (1) (b).

37.02 Disclosure of Managerial Remuneration:

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

Name	Designation	June 30, 2023 (Tk.)
Mr. S M Golam Faruk Alamgir	Managing Director (MD)	4,641,000
Mr. A.K.M Kutub Uddin	Executive Director & Company Secretary	3,084,400
Mr. Md. Monowar Hossain Khan	Executive Director, Marketing & Planning	1,121,250
Mr. Faker Ahmed FCA	Chief Financial Officer (CFO)	3,360,000
Mr. S.M Kamruzzaman	Chief Technical Officer (CTO)	3,379,248

BDCOM ONLINE LTD.

Property, Plant & Equipment

For the year ended June 30, 2023

(Amount in BDT)
Schedule-A/1

Particulars	Cost			Rate of Dep. %	Depreciation			W.D.V. as at 30.06.23	
	Opening Balance as at 01.07.22	Additions during the year	Adjustment during the year		Total as at 30.06.23	Opening Balance as at 01.07.22	Charged during the year		Adjustment during the year
Land	27,000,000	-	-	-	-	-	-	-	27,000,000
Building (Floor Space)	67,286,909	-	-	2.5%	16,329,206	1,273,943	-	17,603,148	49,683,761
Internet System Hardware	310,467,532	18,447,997	-	18%	213,792,798	20,722,092	-	234,514,890	94,400,640
Optical Fiber Deployment	141,875,985	3,066,563	-	15%	100,370,744	6,685,771	-	107,056,515	37,886,033
Base Tower & Installation	31,897,390	600,280	-	10%	14,905,949	1,759,172	-	16,665,121	15,832,549
Radio Equipment	57,699,266	338,704	-	18%	41,568,072	2,964,582	-	44,532,654	13,505,317
Motor Vehicles	39,200,360	-	-	15%	20,904,957	2,744,311	-	23,649,267	15,551,093
Generator/Online UPS	27,912,506	3,586,016	-	15%	14,445,048	2,558,021	-	17,003,069	14,495,452
Broad Band Equipment	58,640,909	380,648	-	18%	51,007,484	1,442,533	-	52,450,017	6,571,540
Cable Installation	22,085,371	16,721,965	-	15%	13,784,622	3,753,407	-	17,538,029	21,269,307
Furniture & Fixture	4,853,143	262,010	-	10%	2,870,303	224,485	-	3,094,788	2,020,365
Office Equipment	24,979,140	2,663,167	-	15%	17,058,726	1,587,537	-	18,646,263	8,996,044
Office Renovation	20,776,582	338,245	-	18%	12,168,169	1,610,398	-	13,778,567	7,336,260
A. C. Installation	6,758,340	302,496	-	18%	4,375,401	483,378	-	4,858,779	2,202,057
V-Sat Tower	3,919,414	-	-	15%	3,728,831	28,587	-	3,757,419	161,995
WiFi Base Station	7,177,978	-	-	20%	6,423,358	150,924	-	6,574,282	603,696
Telephone & Installation	10,585,914	-	-	15%	10,164,444	63,220	-	10,227,665	358,249
PABX Installation	342,783	-	-	18%	335,764	1,263	-	337,027	5,756
Electrical Installation	2,044,732	-	-	15%	1,626,056	62,801	-	1,688,857	355,875
Sundry Assets	845,535	-	-	10%	702,147	14,339	-	716,486	129,049
Crockeries & Cutleries	426,090	30,164	-	10%	162,996	29,326	-	192,322	263,932
Sub Total- 30 June, 2023	866,775,878	46,738,255	-		546,725,074	48,160,090	-	594,885,164	318,628,969

BDCOM ONLINE LTD.

Property, Plant & Equipment

For the year ended June 30, 2022

Particulars	Cost				Rate of Dep. %	Depreciation			W.D.V. as at 30.06.22	
	Opening Balance as at 01.07.21	Additions during the year	Adjustment during the year	Total as at 30.06.22		Opening Balance as at 01.07.21	Charged during the year	Adjustment during the year		Total as at 30.06.22
Land	27,000,000	-	-	27,000,000	-	-	-	-	27,000,000	
Building (Floor Space)	67,286,909	-	-	67,286,909	2.5%	1,306,608	-	-	16,329,206	
Internet System Hardware	295,885,412	14,582,120	-	310,467,532	18%	21,221,283	-	-	213,792,798	
Optical Fiber Deployment	139,043,327	2,832,658	-	141,875,985	15%	7,324,454	-	-	100,370,744	
Base Tower & Installation	30,769,517	1,127,873	-	31,897,390	10%	1,887,938	-	-	14,905,949	
Radio Equipment	56,806,382	892,884	-	57,699,266	18%	3,540,994	-	-	41,568,072	
Motor Vehicles	39,145,360	55,000	-	39,200,360	15%	3,228,601	-	-	20,904,957	
Generator/Online UPS	23,732,558	4,179,948	-	27,912,506	15%	2,376,610	-	-	14,445,048	
Broad Band Equipment	58,438,609	202,300	-	58,640,909	18%	1,675,630	-	-	51,007,484	
Cable Installation	20,348,895	1,736,476	-	22,085,371	15%	1,464,838	-	-	13,784,622	
Furniture & Fixture	4,773,493	79,650	-	4,853,143	10%	2,649,987	-	-	2,870,303	
Office Equipment	23,662,533	1,316,607	-	24,979,140	15%	1,397,720	-	-	17,058,726	
Office Renovation	20,306,985	469,597	-	20,776,582	18%	1,889,652	-	-	12,168,169	
A. C. Installation	6,583,920	174,420	-	6,758,340	18%	523,084	-	-	4,375,401	
V-Sat Tower	3,919,414	-	-	3,919,414	15%	33,632	-	-	3,728,831	
WiFi Base Station	7,177,978	-	-	7,177,978	20%	6,234,703	-	-	6,423,358	
Telephone & Installation	10,585,914	-	-	10,585,914	15%	10,090,067	-	-	10,164,444	
PABX Installation	342,783	-	-	342,783	18%	1,541	-	-	335,764	
Electrical Installation	2,044,732	-	-	2,044,732	15%	1,552,172	-	-	1,626,056	
Neon Sign & Others	18,767	-	18,767	-	20%	1,199	18,767	-	-	
Sundry Assets	845,535	-	-	845,535	10%	686,215	-	-	702,147	
Crockeries & Cutleries	414,990	11,100	-	426,090	10%	133,763	-	-	162,996	
Sub Total- 30 June, 2022	839,134,013	27,660,632	18,767	866,775,878		498,267,661	48,476,180	18,767	546,725,074	320,050,804

BDCOM ONLINE LTD.
Property, Plant & Equipment
For the year ended June 30, 2023

Schedule-A/2

Unit-2 (SDP)

Particulars	Cost			Rate of Dep. %	Depreciation			W.D.V. as at 30.06.23
	Opening Balance as at 01.07.22	Additions during the year	Adjustment during the year		Total as at 30.06.23	Charged during the year	Adjustment during the year	
System Hardware	12,775,095	978,430	-	18%	13,753,525	424,432	-	11,820,000
Software Development	28,355,296	-	-	15%	28,355,296	283,232	-	26,750,314
Peripheral Equipment	4,756,988	-	-	15%	4,756,988	51,275	-	4,466,431
Furniture & Fixture	637,019	-	-	10%	637,019	8,155	-	290,557
Office Renovation	1,656,570	-	-	18%	1,656,570	14,801	-	73,392
Sundry Assets	86,212	-	-	10%	86,212	1,463	-	67,428
A. C. Installation	256,790	-	-	18%	256,790	862	-	13,165
Electric Installation	150,494	-	-	18%	150,494	469	-	3,925
Telephone & Installation	1,800,785	-	-	15%	1,800,785	13,949	-	2,137
Auto Generator	607,201	-	-	15%	607,201	3,658	-	79,043
Sub Total- 30 June, 2023	51,082,450	978,430	-		52,060,880	802,295	-	47,971,999
								4,088,881

BDCOM ONLINE LTD.
Property, Plant & Equipment
For the year ended June 30, 2022

Particulars	Cost				Rate of Dep. %	Depreciation			W.D.V. as at 30.06.22
	Opening Balance as at 01.07.21	Additions during the year	Adjustment during the year	Total as at 30.06.22		Charged during the year	Adjustment during the year	Total as at 30.06.22	
System Hardware	12,775,095	-	-	12,775,095	18%	302,823	-	11,395,568	1,379,527
Software Development	28,355,296	-	-	28,355,296	15%	333,214	-	26,467,082	1,888,214
Peripheral Equipment	4,756,988	-	-	4,756,988	15%	60,323	-	4,415,156	341,832
Furniture & Fixture	637,019	-	-	637,019	10%	9,061	-	555,473	81,546
Office Renovation	1,656,570	-	-	1,656,570	18%	18,050	-	1,574,341	82,229
Sundry Assets	86,212	-	-	86,212	10%	1,625	-	71,584	14,628
A. C. Installation	256,790	-	-	256,790	18%	1,051	-	252,004	4,786
Electric Installation	150,494	-	-	150,494	18%	572	-	147,888	2,606
Telephone & Installation	1,800,785	-	-	1,800,785	15%	16,410	-	1,707,793	92,992
Books & Periodicals	73,226	-	73,226	-	10%	9,923	73,226	-	-
Auto Generator	607,201	-	-	607,201	15%	4,304	-	582,815	24,387
Crockeries & Cutleries	4,080	-	4,080	-	15%	359	4,080	-	-
Sub Total - 30 June, 2022	51,159,756	-	77,306	51,082,450		757,715	77,306	47,169,704	3,912,746

Schedule-A/2

BDCOM ONLINE LTD.
Property, Plant & Equipment
For the year ended June 30, 2023

Schedule-A/3

Unit-3 (IPTSP)

Particulars	Cost			Rate of Dep. %	Depreciation			W.D.V. as at 30.06.23
	Opening Balance as at 01.07.22	Additions during the year	Adjustment during the year		Total as at 30.06.23	Charged during the year	Adjustment during the year	
System Hardware	24,308,199	221,867	-	18%	16,677,738	1,413,419	-	18,091,157
Telephone Installation-IP	3,857,403	180,819	-	15%	1,719,283	347,841	-	2,067,124
Software Development	4,970,102	-	-	15%	3,610,203	203,985	-	3,814,188
Motor Vehicles	3,376,500	-	-	15%	1,451,774	288,709	-	1,740,483
Furniture & Fixture	22,850	-	-	10%	12,262	1,059	-	13,320
Electric Installation	109,980	-	-	15%	31,132	11,827	-	42,959
Radio Equipment	29,638	-	-	18%	24,998	835	-	25,833
Sub Total- 30 June, 2023	36,674,672	402,686	-		23,527,390	2,267,675	-	25,795,065
								11,282,293

BDCOM ONLINE LTD.
Property, Plant & Equipment
For the year ended June 30, 2022

Particulars	Cost				Rate of Dep. %	Depreciation				W.D.V. as at 30.06.22
	Opening Balance as at 01.07.21	Additions during the year	Adjustment during the year	Total as at 30.06.22		Charged during the year	Adjustment during the year	Total as at 30.06.22		
System Hardware	21,648,899	2,659,300	-	24,308,199	18%	1,674,979	-	16,677,738	7,630,461	
Telephone Installation-IP	3,505,932	351,471	-	3,857,403	15%	377,315	-	1,719,283	2,138,120	
Software Development	4,153,435	816,667	-	4,970,102	15%	239,982	-	3,610,203	1,359,899	
Motor Vehicles	3,376,500	-	-	3,376,500	15%	339,657	-	1,451,774	1,924,726	
Furniture & Fixture	22,850	-	-	22,850	10%	1,177	-	12,262	10,589	
Electric Installation	21,180	88,800	-	109,980	15%	13,914	-	31,132	78,848	
Radio Equipment	29,638	-	-	29,638	18%	1,019	-	24,998	4,640	
Sub Total- 30 June, 2022	32,758,434	3,916,238	-	36,674,672		2,648,043	-	23,527,390	13,147,282	
Grand Total as at June 30, 2023	954,533,000	48,119,371	-	1,002,652,371	-	51,230,060	-	668,652,228	334,000,143	
Grand Total as at June 30, 2022	923,052,203	31,576,870	96,073	954,533,000	-	51,881,938	96,073	617,422,168	337,110,832	

Unit-3 (IPTSP)

Schedule-A/3

BDCOM ONLINE LTD.
Ageing Summary of Trade Receivable
As at June 30, 2023

Ageing Summary of Trade Receivable							Schedule - B
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	Above 150 Days	Total
Internet & Data Services :							
Broadband, Internet & Others	10,936,642	1,424,291	1,214,887	2,208,573	7,342,584	4,097,603	27,224,580
Data Connectivity	37,107,738	2,190,477	3,647,518	4,979,312	3,771,955	22,630,698	74,327,698
Sub Total-A	48,044,380	3,614,768	4,862,405	7,187,885	11,114,539	26,728,301	101,552,278
Hardware/ Switch :							
Switch, Router, Hardware etc.	340,270	221,531	55,000	100,329		-	717,130
Fiber Optic	-		-			103,121	103,121
Sub Total- B	340,270	221,531	55,000	100,329	-	103,121	820,251
IP Telephone Service :							
Monthly Rent	3,536,834	823,992	864,292	876,007	1,523,496	4,358,305	11,982,926
Inter Connectivity Charges	976,189	521,731	360,062	453,493	413,032	542,441	3,266,948
Sub Total- C	4,513,023	1,345,723	1,224,354	1,329,500	1,936,528	4,900,746	15,249,874
Web Page, Software & Data Transmit :							
Software Development	-	-				128,714	128,714
Domain Hosting & Registration	922,402	713,875	479,075	604,394	800,900	188,000	3,708,646
AVLS	2,757,281	3,289,087	3,518,591	2,515,298	2,257,281	10,067,109	24,404,647
Graphics Design						488,985	488,985
Sub Total-D	3,679,683	4,002,962	3,997,666	3,119,692	3,058,181	10,872,808	28,730,992
Grand Total (A+B+C+D)	56,577,356	9,184,984	10,139,425	11,737,406	16,109,248	42,604,976	146,353,395

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

BDCOM ONLINE LTD.

Trade Receivables As at June 30, 2023

Schedule - C

Particulars	Amount in Taka	
	30.06.2023	30.06.2022
Rupali Bank Limited	13,108,856	6,255,173
Sonali Bank Limited	9,697,050	6,855,876
Dutch Bangla Bank Ltd.	6,341,077	10,431,190
Energypac Power Generation Ltd.	6,170,641	5,777,163
Islami Bank Ltd.	3,253,150	4,715,866
Rangs Motors Ltd.	3,166,307	3,496,963
National Bank Ltd.	2,873,825	1,573,630
Bangladesh Krishi Bank	2,787,765	2,145,570
Janata Bank	2,633,902	2,678,588
PRAN RFL Group	2,189,215	850,769
Agrani Bank Ltd.	1,976,600	2,149,778
AL-Arafah Islami Bank	1,791,492	1,387,158
IFIC Bank Ltd.	1,663,906	2,735,301
Didarul Alam & Brothers	1,276,400	895,900
Orascom Telecom Bangladesh Ltd.	1,143,404	1,227,067
Edotco Bangladesh Co. Limited	1,099,204	1,645,316
Grameenphone Ltd.	1,087,986	1,128,551
.ONE Bank Ltd	1,030,685	1,014,350
Shahjalal Islami Bank Ltd.	917,025	523,755
Southeast Bank Ltd.	898,228	792,532
HSBC Bank	874,320	476,599
Exim Bank Limited	765,222	494,496
First Security Islami Bank Ltd.	720,925	699,925
R.F.L PLastics Ltd.	706,873	555,355
bKash Limited	653,805	814,119
Mercantile Bank	642,687	468,786
Standard Group	625,671	493,677
Standard Chartered Bank Ltd.	611,227	676,847
Workstation 101 Limited	605,331	605,311
Social Islami Bank	587,621	267,280
National Life Insurance	580,454	38,333
NCC Bank	562,622	557,222
Bashundhara Group	520,001	400,002
NRB Bank Ltd.	504,779	442,139
Sonargaon Steel (Meghna Industrial)	504,000	409,500
Bangladesh Power Development Board	490,200	520,350
Teletalk	450,036	201,704
Gemcon Group	429,368	399,368
Robi	423,471	1,498,165
Dhaka Bank Ltd.	377,493	347,015
Linde Bangladesh (BOC)	368,993	103,524
Chaldal Limited	360,065	133,418
Energypac Agro	320,409	356,713
Banglanews24.com	291,050	36,050
Energypac Admin	285,801	339,716
Horizon Media & Publicatins Ltd.	278,280	209,505
Daily Bangladesh	271,050	225,900
Eastern Bank Ltd.	261,009	136,146
British Council Bangladesh	236,109	53,638
Novo Air	226,160	242,692
Fiber @ Home	223,510	74,607
IFIC Bank Ltd.	214,673	635,306
Met Life Alico	213,012	277,422
Fiber @ Home Limited	206,400	265,350
Popular Dignostic centre	176,259	76,200
Bangabandhu Sheikh Mujibur Rahman Mar	172,927	11,333
National Credit and Commerce Bank Lim	171,404	163,346
Unilever	162,041	88,663
Dhaka University of Engineering	153,572	178,587
Tullow Bangladesh	138,999	184,549
The Daily Star	138,292	146,392
Others	64,740,553	66,441,981
Total	146,353,395	139,027,729

COMPLIANCE OF INTERNATIONAL ACCOUNTING STANDARDS (IAS) AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Name of the IAS	IAS no	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Balance Sheet Date	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	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
Separate Financial Statements	27	N/A
Investment in Associates and Joint Venture	28	N/A
Financial Instruments 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	Applied
Financial Instruments: Recognition and Measurement	39	Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS no	Status
First Time Adaption of International Financial Reporting Standards	1	Applied
Share Based Payment	2	N/A
Business Combinations	3	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	Applied
Financial Instruments	9	Applied
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	Applied
Insurance Contracts	17	N/A

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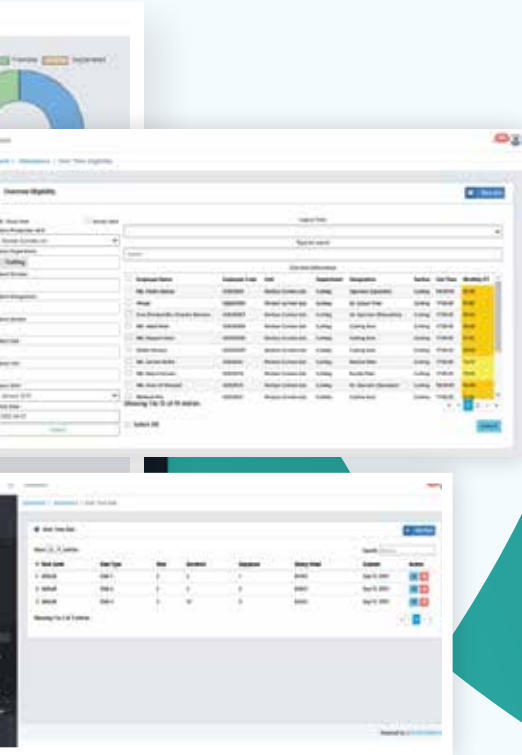
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