



annual report 2013 - 2014

Connecting Progress

The document provided you with detailed and comprehensive information about the overall performance of BDCOM Online Limited as on June 30, 2014.

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



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Letter of Transmittal

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

Dear Sir/Madam,

ANNUAL REPORT FOR THE YEAR ENDED ON JUNE 30, 2014

We are pleased to enclose a copy of Annual Report for the year ended on 30th June 2014 together with the audited financial statements (Statements of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and notes to the financial statements) of BDCOM Online Limited for your kind information and record.

Thanking you,

Sincerely yours,

Sd/=

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

BDCOM ONLINE LIMITED

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

NOTICE OF THE 18TH ANNUAL GENERAL MEETING

Notice is hereby given that the 18th Annual General Meeting of the shareholders of BDCOM Online Limited will be held on Thursday the December 25, 2014 at 11:00 a.m. at the AMM Convention Center, House # 56/A, Road # 3/A, Dhanmondi R/A, Dhaka-1209 to transact the following business.

AGENDA:

1. To receive, consider and adopt the audited Financial Statements for the year ended June 30, 2014 together with the reports of the Auditors' and the Directors' thereon;
2. To declare a Stock Dividend @15% per share;
3. To elect Directors in Accordance with the provision of Articles of Association of the Company;
4. To appoint Auditors for the year ended June 30, 2015 and to fix their remuneration.
5. To transact any other business with the permission of the Chair.

By order of the Board

Sd/-

(A.K.M. Kutub Uddin)

Executive Director
&
Company Secretary

Dated: Oct 28, 2014

Notes:

1. The Record Date shall be on November 17, 2014.
2. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy in his/her stead. The proxy form, duly stamped with requisite revenue stamp and must be deposited at the Registered Office of the Company at House 75 (5th floor), Road No.5/A, Dhanmondi R/A, Dhaka-1209 not later than 48 hours before the time fixed for the meeting.
3. Admission into the meeting hall will be strictly on production of the attendance slip attached with the proxy form as well as verifications of signature of Member(s) and or Proxy-holder(s).
4. No benefit in cash or kind other than in the form of cash/stock dividend shall be paid to the holders of equity securities in terms of the BSEC Notification No. SEC/CMRRCD/2009-193/154 dated 24th October 2013 for attending the Annual General Meeting of the Company.
5. The Annual Report will be sent by courier to all members and it is also available in the Company's website at www.bdc.com

BDCOM'S PROFILE

Registered Office

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

Date of Incorporation

February 12, 1997

Date of Commercial Operation

February 12, 1997

ISO 9001:2000 Certification

Received on 25th February, 2005

Legal Status

Public Limited Company
Registered with the Registrar of Joint Stock
Companies and Firms, Bangladesh

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 Limited (DSE)
Chittagong Stock Exchange Limited (CSE)

Authorized Capital

Taka 100.00 Crore

Paid up Capital

Taka 33.33 Crore

Number of Shareholders

8,942

Number of Employees

279

CORPORATE DIRECTORY

BOARD OF DIRECTORS

CHAIRMAN	:	MR. WAHIDUL HAQUE SIDDIQUI
DIRECTORS	:	MRS. QURRATUL ANN SIDDIQUI
DIRECTORS	:	M/S. HORNBILL APPAREL LTD.
INDEPENDENT DIRECTOR	:	MR. DAS DEBA PRASHAD
MANAGING DIRECTOR	:	MR. S.M. GOLAM FARUK ALAMGIR

COMPANY SECRETARY : A.K.M. KUTUB UDDIN

REGISTERED OFFICE : Rangs Nilu Square (5th Floor)
Satmosjid Road, House-75, Road- 5/A
Dhanmondi R/A, Dhaka-1209

POINT OF PRESENCE (POP OFFICES)

Motijheel : 1/B, DIT Avenue, Cafejheel Building (10thFloor) Motijheel C/A, Dhaka-1000 Tel: 09666333680-1	Bonosree : House-32, Raod-02, Block-A Bonosree, Rampura, Dhaka-1219 Tel: 09666333689
Panthopath : Firoz Tower, 152/3B, Green Road, Panthopath, Dhaka. Tel: 09666333694	Gulshan : House 36, Road-117 (1stfloor) Gulshan-1, Dhaka-1212 Tel: 09666333683
Mirpur : House-12, Road-6, Block-C Mirpur-1, Dhaka-1216 Tel: 09666333690	Uttara : House-, Road-28, Sector-7 Uttara Model Town, Dhaka-1230 Tel: 09666333688
Chittagong : 1646 Sk. Mujib Road, Lokman Tower 16thFloor, Pathantuli,Chittagong-4100 Tel: 09666333684-5	Sylhet : Ananda Tower & Shopping Complex 6thFloor, Flat-7A, Jail Road, Sylhet Tel: 09666333691

SHARE OFFICE: Rangs Nilu Square (5thFloor)
Satmosjid Road, House-75, Road-5/A
Dhanmondi R/A, Dhaka-1209

AUDITORS: M/S. Atik Khaled & Co.
Chartered Accountants

LEGAL ADVISOR Mr. Shihab Uddin Khan
97/C, Green Road, Dhaka-1215

BANKERS:

&

FINANCIAL INSTITUTIONS

Prime Bank Ltd	Bank Asia Ltd
Eastern Bank Ltd	IFIC Bank Ltd
First Securities Bank Ltd	Islami Bank Bangladesh Ltd
NCC Bank Ltd	Al-Arafa Islami Bank Ltd
United Commercial Bank Ltd	Mid Land Bank Ltd
Pubali Bank Ltd	NRB Commercial Bank Ltd
Rupali Bank Ltd	IDLC Finance Ltd
Sonali Bank Ltd	Uttara Finance & Investment Ltd
Dutch Bangla Bank Ltd	

INSURER: Asia Pacific General Insurance Co. Ltd.

BDCOM and its Portfolios

BDCOM Online Limited is a trusted name for Internet Service including Data & Bandwidth, Industry Standard IT Service and ICT Infrastructure Development. 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 Market place and an architect of high value end-to-end ICT solutions and software for both National and International market.

BDCOM At a glance

BDCOM Online Limited was incorporated under the Companies Act-1994 on 12th February, 1997 as a Private Limited Company. On December 12, 2001, BDCOM was converted into a Public Limited Company. BDCOM achieved ISO 9001:2008 certification from URS.

BDCOM achieved major License of NISP, VSP, IPTSP, VTSO and its Major Business Nationwide Internet, Data & IP Telephony Service Provide. Software Development, System Integration, Managed Services, Fleet Management & Tracking Solution, Hospitality Management & Hotspot Solution,

Major Client's areas of BDCOM are Bank, Corporate, Telco and Home User. Currently 279 employees with 70+ highly qualified and experienced Technical people provide 24/7 service delivery throughout Bangladesh.

Mission Vision and Business Strategy

BDCOM boasts of its availability of technically trained people and highly improved IT infrastructure. Thus it offers Companies, Government Institutions, Non-Government Organizations (NGO) and individuals reliable, high-quality, and cost-effective services and product development for various purposes.

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, Improved profit realization and thus enabling competitive edge in pricing, Ease price pressures on account of intense competition, Improves customer services and thus larger market penetration, Optimal utilization of resource capacity, Achievement of high productivity, Accurate pre-production planning, capacity scheduling, follow up activities, result to, quicker response, greater accuracy and rational decision making.

Keys to Success:

Skill Matrix.
Domain Expertise.
Company Financial Stability.
International standard quality policy.
Effective communication.
Quality service & customer satisfaction.

Working Model:

Onsite Contract Worker / Projects
Offshore Project
Onsite-offshore Project
Onsite-onshore-offshore model

Product and Services

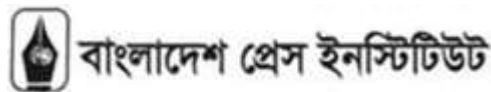
BDCOM provides superior IT infrastructure and professional solutions, products & services to businesses and organizations throughout Bangladesh and Overseas.

Major Product and services:

- Nationwide Internet
- Nationwide Data Communication
- Corporate Network Development
- System Integration
- Graphic Design (BPO)
- Vehicle Tracking & Fleet Management System
- Hospitality Management & Hot Spot Solution (Nomadix)
- Network Appliances & Accessories (Cisco, Juniper etc.)
- IP Telephony Service (IPTSP)
- Software & Web Development
- Enterprise Domain and Hosting
- ICT Consultancy
- Hardware Sale



















17th Annual General Meeting
Picture At a Glance



Significant achievement
of the year 2013 - 2014



BDCOM 17 year's celebration
at Cox's Bazar

We Proud
We **BDCOM**





Icon's that represent
our presence with you...





Message from the Chairman

Dear Shareholders

As-Salam-u-Alaikum and a very warm welcome to the 18th Annual General Meeting of BDCOM Online Limited.

Although 2013 – 2014 was a difficult and challenging year; our results do not appear to say so. In fact, thanks to the dedicated efforts put in by the BDCOM team, our financials reflect a very healthy picture. Our revenues have grown; expenses have been controlled and we remain cautiously optimistic about the years ahead. This is primarily because we have continued to build on our reserves and shareholder equity. You will see a reflection of these achievements in the graphs attached in pages 26, 27 and 28.

As in the past, we have remained focused on doing what we do best - stick to our expertise in the Communication Technology arena and explore those new avenues for revenue generation which are complementary to our existing businesses. Your Company maintained its position as the market leader in providing end-to-end network service and voice services to Banks and Corporate houses countrywide. We also continue to explore new revenue streams in communication and mobile technology arena.

As you know, BDCOM's success has been its diversified business portfolio, working well within its core competency in the ICT arena. The world in general and Bangladesh in particular has been paying special attention to ICT and the related businesses. Experts agree that in the coming years, the ICT sector will continue to grow by leaps and bounds. The future is exciting, as BDCOM remains well positioned to play a very vital role in this critical sector.

I will take this opportunity to express my continued commitment to strong corporate governance which is a critical component in increasing shareholder value. We also remained focused in our efforts to become a compliant organization. Living by the rules and regulations promulgated by the regulators is our motto.

I would like to recognize the tremendous work put in by the BDCOM team; particularly their efforts in living by our values and being there for our customers. We remain committed to look out for the best interest of our employees and providing them the proper platform to live their dreams.

In conclusion, I thank you for your invaluable support. A copy of the Annual Report has been sent out and I hope you have received them well in time to enable you to study them and prepare yourself for active participation.

Thank you and I wish you the very best for the future.

Khuda Hafiz

Sd/=

Wahidul Haque Siddiqui
Chairman



Review from the Managing Director

Dear Shareholders

As Salam U Alaikum and a very warm welcome to you all. I hope all is well with you.

As always we remain grateful for your valuable support and contribution to the company.

The financials for the year in review reflects the tremendous effort put in by the BDCOM Team. Our Company is in a solid footing and our growth remains consistent. We feel that our results echo our company's primary objective of keeping our commitment of ensuring a healthy return on shareholder investments. We hope our honorable shareholders will be happy to see the growth of the company in comparison to others in the market.

We mentioned last year that 2014 would be a challenging year for BDCOM and indeed it was so. As expected we had to overcome some trying conditions. There were wide ranging issues starting from government regulations to challenges from Telecom and IIG operators; as well as unhealthy price wars, new technology myth and so on and so forth.

BDCOM remains the largest countrywide network coverage service provider and continues to hold the leadership position in IP Telephony service through majority market share in Bangladesh. Our existing clients have expanded their network coverage through us and we have added new customers to our list of clientele. Currently near about 50 Banks and many corporate houses enjoy BDCOM services with total satisfaction.

BDCOM has successfully expanded its Broadband network - "SMILE" in greater Dhaka, Chittagong and Sylhet, Khulna, Kustia, Rangpur metropolitan area. Our Transmission and marketing teams are working in harmony to expand the network to cities like Rajshahi, Jessore, Comilla, Feni, Tangail, Sirajgonj and others within a short while.

BDCOM will continue to expand its network capacity and improve security and stability of its infrastructure. You will be happy to know that BDCOM is making efforts to get involved in other business ventures such as, Mobile Financial Service. We have signed an MOU with a world renowned French Company, eServGlobal SAS, to setup a joint venture company to provide mobile money service to Banks with interoperability facility.

I would like to assure you of our constant efforts to take the company to greater heights as we build upon our existing businesses and put in greater efforts on diversifying in to other profitable ventures.

Thanking you

Sd/=

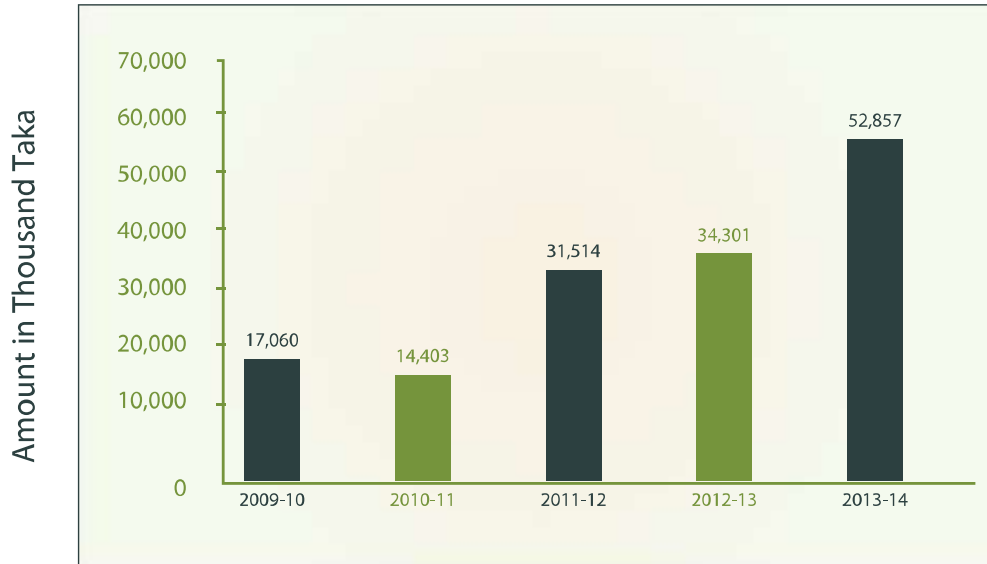
S.M. Golam Faruk Alamgir
Managing Director

(Annexure-1)

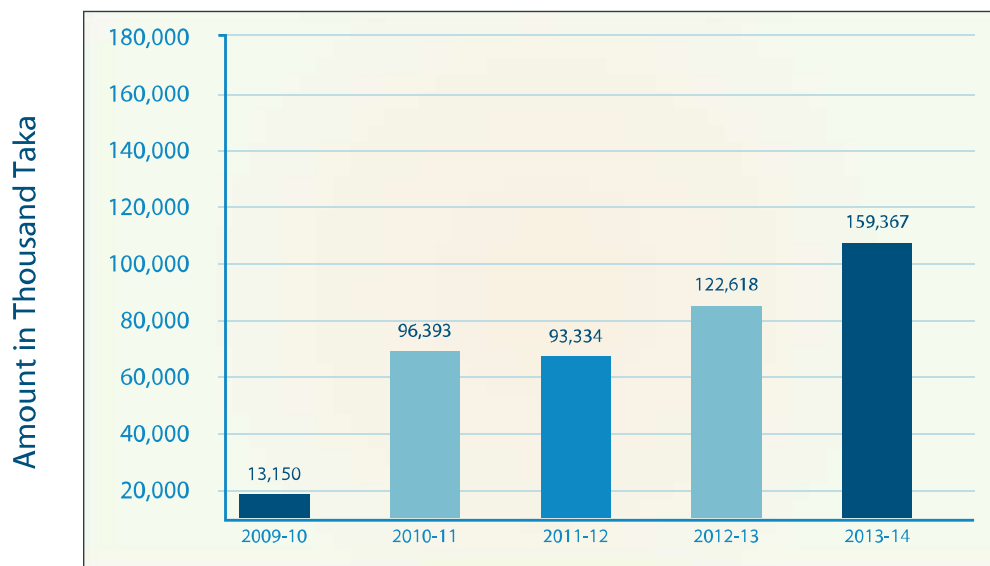
Financial History of five years

Particulars	Figure in thousand taka				
	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Authorized Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Paid-up Capital	333,399	303,090	275,537	262,416	123,200
Tax holiday reserve	21,556	21,556	21,555	21,555	21,555
Reserve & Surplus	52,857	34,301	31,514	14,403	17,060
Share holders equities	527,316	478,451	451,806	421,575	161,816
Current Liabilities & Provisions	46,729	39,642	25,951	45,886	53,204
Cash Dividend (Pre. Share)	-	-	-	14,784	-
Deferred Tax Liabilities	3,229	2,009	-	-	-
Dividend (Stock)	50,010	30,309	27,554	13,121	16,016
Turnover	290,943	254,592	201,677	172,717	126,138
Non Operating Income	12,195	7,784	4,714	5,350	1,428
Operating Expenses	118,599	101,523	79,145	63,630	42,585
Administrative & Marketing O/H	90,669	74,526	58,903	55,562	44,677
Depreciation	34,013	32,660	29,181	23,505	20,025
Taxation	6,627	4,335	5,484	4,843	1,086
Property Plant & Equipment	279,320	267,819	261,879	243,795	121,572
Deferred Expenses (Net)	657	1,175	1,174	1,174	1,132
Long Term Security	4,527	6,437	6,429	6,906	6,272
Inventories	15,030	12,678	15,781	19,781	13,631
Advance, Deposits & Prepayment	11,106	10,698	9,294	23,523	21,790
Bills & others Receivable	86,368	81,969	59,609	53,819	34,362
Cash & Cash Equivalent	159,367	122,618	93,334	96,393	13,150
Gross Profit	172,344	153,069	122,532	109,087	83,552
Net Profit after Tax	49,569	44,668	30,344	28,142	16,127

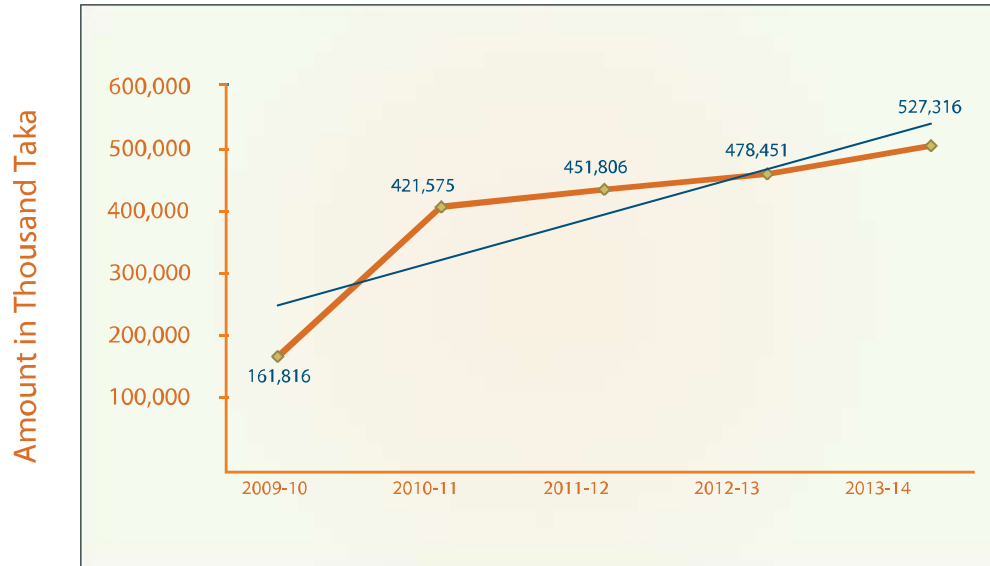
RESERVE & SURPLUS



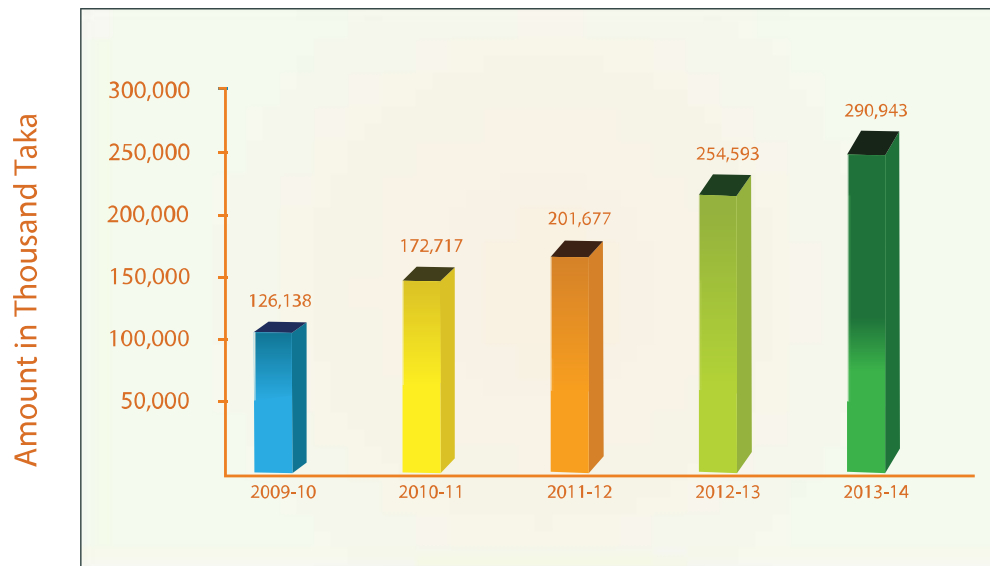
CASH & CASH EQUIVALENT



SHAREHOLDER'S EQUITY



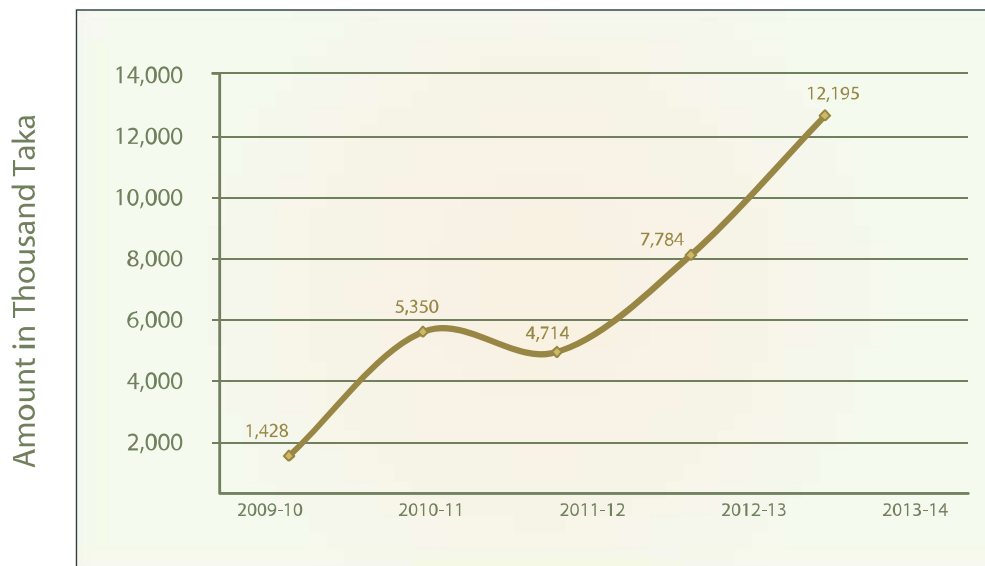
REVENUE FROM SALES, SERVICE & OTHERS



GROSS PROFIT & NET PROFIT AFTER TAX



NON OPERATING INCOME



Directors' Report To The Shareholders For The Year Ended June 30, 2014

Dear Shareholders

The Directors of BDCOM Online Limited welcome you all at the 18th Annual General Meeting and have the pleasure of presenting the Director's Report of your company together with audited accounts for the year ended June 30, 2014.

Financial Results and Proposed Appropriation

During the year the Company has earned Comprehensive Income of Tk.49.57 million. A brief result is shown as under:

Description	June 30, 2014	June 30, 2013
Operating Profit	45,220,487	43,229,499
Non-Operating Profit	12,195,348	7,783,635
Net Profit Before Tax (NPBT)	57,415,835	51,013,134
Provision for :		
Income Tax	(6,627,384)	(4,334,992)
Deferred Tax	(1,219,894)	(2,009,906)
Net profit after Tax (NPAT)	49,568,557	44,668,236
Sustainable Estimated Loss on Marketable Securities	(703,500)	(13,936,332)
Profit carried forward	34,301,046	31,513,507
Prior Year Adjustment	-	(390,686)
Surplus Available for Appropriation	83,166,103	61,854,725
Proposed Stock Dividend @10% (2012-13)	(30,309,048)	(27,553,680)
Retained Earnings	52,857,055	34,301,045

Dividend

The Board of directors pleased to recommend 15% Stock Dividend for the year ended 30th June 2014.

Directors

One third of the directors retire by rotation in terms of Articles of Association of the company at the 18th Annual General Meeting, Mr. Wahidul Haque Siddiqui have expressed interest to be reappointed and are eligible for re-election.

Auditors

The office of the present Auditor M/S. Atik Khaled & Co., Chartered Accountants will expire with the completion of 18th Annual General Meeting, being eligible offered themselves for re-appointment as Statutory Auditors and the Board recommended them for the year ended June 30, 2015 with existing remuneration as in the year 2013-2014 now seek shareholders approval.

Additional Statements

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

- a) The financial statements prepared by the management for the year ended 30 June 2014 give a true and fair view of the state of the company about the result of its operations, cash flows and changes of equities.
- b) Proper books of accounts as required by the prevailing laws have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparing the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

- d) The financial statements have been prepared in accordance with applicable IAS/BAS/IFRS/BFRS.
- e) The system of internal control and internal check are in effect and maintained properly.
- f) The company has sound and strong operational strengths and ability to continue as a going concern. As such, there is no doubt of its continuity.
- g) There is no deviation from last years operating results.
- h) The key operating and financial data for the proceeding five years have been shown in the Financial History of Five years (Annexure-1) (Page-25)
- i) During the year Thirteen (13) Board of Directors meeting were held and the attendance by each directors is given below:

1) Mr. Wahidul Haque Siddiqui	Chairman	-	13
2) Mrs. Qurratul Ann Siddiqui	Director	-	13
3) M/s. Hornbill Apparel Ltd.	Director	-	12
4) Mr. Das Deba Prashad	Independent Director	-	11
5) Mr. S.M. Golam Faruk Alamgir	Managing Director	-	13

- j) The pattern of shareholding:

i) Parent/Subsidiary/Associate Companies - NA

- ii) Sponsor, Directors, Managing Director, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses And minor children

a) Mr. Wahidul Haque Siddiqui	Chairman	-	1,774,052 shares
b) Mrs. Qurratul Ann Siddiqui	Director	-	2,601,206 shares
d) M/S. Hornbill Apparel Ltd.	Director	-	1,591,331 shares
h) Mr. Das Deba Prashad	Independent Director	-	NIL
i) Mr. S.M. Golam Faruk Alamgir	Managing Director	-	NIL
j) Mr. Sumon Ahmed Sabir	Sponsor	-	492,517 shares
l) Mr. Mohd. Zulfiquar Hafiz	Sponsor	-	365,689 shares
k) Mr. A.T.M. Sayeeduzzaman	Sponsor	-	274,118 shares
m) Md. Robiul Alam Chowdhury	CFO	-	NIL
n) A.K.M. Kutub Uddin	Company Secretary	-	NIL
o) Mr. Swapan Kumar Saha	Head of Internal Audit	-	NIL

- iii) Executives

a) Mr. S.M. Kamruzzaman	CTO	-	NIL
b) Mr. Gazi Zehadul Kabir	General Manager	-	NIL
c) Mr. Anowar Hasan Sabir	General Manager	-	NIL
d) Mr. Bipul Ranjan Saha	Asstt. General Manager	-	NIL
e) Mr. Sharif Shabbirul Alam	Asstt. General Manager	-	NIL

iv) Share holders holding 10% or more voting interest in the company - NIL

Duties of Managing Director and CFO

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

- to the best of their knowledge and belief, they have reviewed financial statements for the year ended 30th June 2014 and that to the best of their knowledge and belief;
- the financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- the financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- there were, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

Brief Resume of the Director

Mr. Wahidul Haque Siddiqui

He is the founder Sponsor Director and at present he is the Chairman of the Company. He has completed his commerce graduation from University of Dhaka. He has ensured his involvement with many business enterprises, which are playing a vital role in the economy of Bangladesh. Mr. Siddiqui is one of the well known and experienced business person in RMG (Ready made Garments) and apparel sector both at home and abroad. He has passed his last 26 years with RMG sector for the development up-gradation and enhancement of foreign currency reserve of the country. He is also one of the Director of Asia Pacific General insurance Company Limited.

Mrs. Qurratul Ann Siddiqui

Wife of Mr. Wahidul Haque Siddiqui is a bonafide industrialist and doing business successfully for more than a decade. She is also a founder Director of the company and put her contribution for the social work in Bangladesh. She traveled many countries of the world in connection with business.

M/S. Hornbill Apparel Limited

M/S. Hornbill Apparel Limited is corporate sponsor Director of the Company successfully engaged with apparel business since long.

Mr. Das Deba Prashad

Ex Managing Director of Delta Life Insurance Company Limited. Completed his Master's of Commerce (Accounting) from University of Dhaka, well known and experience is Insurance Sector also have vast knowledge in banking & Capital Market. He has participated many local and international industrial events, trainee, seminar and workshop.

Mr. S.M. Golam Faruk Alamgir

Mr. S.M. Golam Faruk Alamgir, MBA(Marketing), Managing Director of the Company, well experienced in ICT Business and has been engaged with the sector for more than 23 years, he has participated many local and international event, training and workshop.

Achievement & Future Plan

The financials for the year in review, reflects the tremendous efforts put in by the BDCOM team, to keep the company in a solid footing and ensuring steady growth. We feel that our results echo our company's primary objective of keeping our commitment to our honorable shareholders, of ensuring a healthy return on their investments. We hope our honorable shareholders will be happy to see the growth of the company in comparison to others in the market.

We mentioned last year that 2014 would be a challenging year for BDCOM and indeed it was so. As expected we had to overcome some trying conditions. There were wide ranging issues starting from government regulations to challenges from Telecom and IIG operators; as well as unhealthy price wars, new technology myth and so on and so forth.

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BDCOM has successfully expanded its Broadband network - "SMILE" in greater Dhaka, Chittagong and Sylhet, Khulna, Kustia, Rangpur metropolitan area. Our Transmission and marketing teams are working in harmony to expand the network to cities like Rajshahi, Jessore, Comilla, Feni, Tangail, Sirajgonj and others within a short while.

We do not intend to rest on our laurels. BDCOM continues to expand its network capacity and improve the security and stability. You will be happy to know that BDCOM is making efforts to get involved in other business ventures such as, Mobile Financial Service. We have signed an MOU with a world renowned French Company, eServGlobal SAS, to setup a joint venture company to provide mobile money service to Banks with interoperability facility.

The future is SMART - SmartPhone, SmartWatch, StartTV, SmartCar, SmartHome, SmartOffice, SmartCity so on and so forth; has to be connected to internet or to a specific network. Our goal is to make our customers SMART.

I would like to assure you of our constant efforts to take the company to greater heights as we build upon our existing businesses and put in greater efforts on diversifying in to other profitable ventures.

Status of Compliance Corporate Governance Compliance Report

Report on compliance as stated in Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2006-158/Admin/44 dated 07 August 2012 is annexed. (Annexure-2) (Page-33)

Acknowledgement

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

Thanks & regards

For and on behalf of the Board of Directors

Sd/-

Wahidul Haque Siddiqui
Chairman

Corporate Governance Compliance Status

(Annexure-2)

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

(Report under Condition No. 7.00)

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

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

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

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

AUDIT COMMITTEE REPORT

For the year ended June 30, 2014

Composition of the Audit Committee

- The Board constituted an Audit Committee as a sub-committee of the Board.
- Composition of the Audit Committee is as follows:

Mr. Das Deba Prashad (Independent Director)	Chairman
Mrs. Qurratul Ann Siddiqui (Director)	Member
M/S. Hornbill Apparel (Director)	Member

- The Company Secretary acts as the Secretary of the Audit Committee.

Terms of Reference (TOR) of the Audit Committee

- The Board defined Terms of Reference (TOR) for the Audit Committee. Activities of the Committee are performed as per the said TOR.
- The Committee submits its report directly to the Board of Directors.

Meetings of the Audit Committee

- The Committee had its four (04) meetings during the year. Attendance of the Members was as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Mr. Das Deba Prashad	4	4
Mrs. Qurratul Ann Siddiqui	4	4
M/S. Hornbill Apparel	4	4

- Minutes of the Committee were properly recorded.

Activities

In order to discharge the duties and responsibilities of the Audit Committee, the Committee-

- reviewed the Internal Control System and the financial statements of the first: quarter, half year, third quarter and the full year 2013-2014 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 2014.

Major Activities of the Audit Committee in 2013-2014

The Committee held Four (4) meetings during the financial year 2013-2014. The Managing Director, Chief Financial Officer and Head of Internal Audit attended meetings on invitation. The major activities of the Audit Committee in 2013-2014 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, 2014 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 2014.
- while reviewing the financial statements ensured that proper disclosure required under International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act and various other rules and regulations applicable to the Company.
- discussed with the statutory auditors about the nature and scope of audit as well as had post-audit discussions to address areas of concern;
- approved the internal audit plan and gave direction to the Internal Auditor where appropriate for carrying out in depth audit to ensure that the Company or its assets are not exposed to undue risk;
- reviewed the work of the Internal Audit Department and made suggestions for improvement.
- recognized the observations of the Internal Audit Department regarding internal control and suggestions made to improve operational systems and procedures and their implementation.
- reviewed the Internal Auditors' reports and suggested appropriate actions 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 implementation; and
- reviewed the performance of External Auditors during the last year and recommended them for re-appointment.

Reporting

- Pursuant to Condition # 3.4.1 of the Corporate Governance Guidelines issued by BSEC, the Committee reports that it did not find any conflict of interest or any fraud, irregularity, material defect in the Internal Control System. There are no infringement of laws, rules and 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

Sd/=

Das Deba Prashad
Chairman of the Audit Committee

28 Oct 2014

CERTIFICATION ON COMPLIANCE OF CORPORATE GOVERNANCE GUIDELINES

Certificate on Compliance of Conditions of Corporate Governance

To the Shareholders of **BDCOM Online Limited**

We, in respect of BDCOM Online Limited (the Company), have examined the status of its compliance with the conditions of Corporate Governance issued by Bangladesh Securities & Exchange Commission (BSEC) through its notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 under section 2CC of the Securities & Exchange Ordinance 1969.

The compliance with the said conditions of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission (BSEC) and reporting the status thereof is the responsibility of the management of the Company. Our responsibility is to provide a certificate about whether the Company is in compliance with the said conditions of Corporate Governance based on our examination. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance and correct reporting of the status of the compliance on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statements of the Company.

To the best of our information and according to the explanations given to us we certify that BDCOM Online Limited has complied with the Conditions of Corporate Governance stipulated in the above mentioned BSEC's notification dated 07 August 2012.

Dhaka
17th Nov, 2014

Sd/= _____
AKM Mohitul Haq FCA
Partner
AHMED ZAKIR & CO.
Chartered Accountants

**Statement on the duties of
Managing Director (MD) and Chief Financial Officer (CFO)**

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

- i) We have reviewed the financial statements for the year ended 30th June 2014 and that to the best of our knowledge and belief:
- a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;
- ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

Sd/-

Md. Robiul Alam Chowdhury
Chief Financial Officer

Sd/-

S.M. Golam Faruk Alamgir
Managing Director

Auditor's Report

We have audited the accompanying financial statements of BDCOM Online Limited, which comprise the Statement of Financial Position as at 30 June 2014, and the Statement of Comprehensive Income, Statement of changes in equity and Statement cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of BDCOM Online Limited as of 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, Securities and Exchange Commission Rule 1987 and other applicable laws and regulations.

Auditors' Report -Continued

Report on Other Legal and Regulatory Requirements

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 accounts as required by law have been kept by the company so far as it appeared from our examination of those books;
- iii) The company's Statement of Financial Position, Statement of Comprehensive Income and Statement of cash flow dealt with by the report are in agreement with the books of accounts;
- iv) The expenditures incurred and payments made were for the purpose of the Company's Business;

Dhaka, 28 October 2014

Sd/=

Atik Khaled & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
As At 30 June 2014

Particulars	Notes	Amount in Taka	
		30.06.2014	30.06.2013
A. Non-Current Assets		284,116,562	275,182,367
Goodwill		228,000	228,000
Property, Plant and Equipment (At cost less accumulated depreciation)	3.00	279,319,901	267,818,635
Deferred Revenue Expenditure	4.00	41,759	698,830
Long Term Security Deposit	5.00	4,526,902	6,436,902
B. Current Assets		293,158,642	244,921,339
Inventories	6.00	15,029,554	12,677,830
Advances, Deposits & Prepayments	7.00	11,106,133	10,698,155
Advance Income Tax & VAT	8.00	15,962,115	10,927,192
Bills & Others Receivable	9.00	86,367,613	81,969,466
Investment In Shares (at Market Value)	21.00	5,326,500	6,030,000
Cash and Cash Equivalents	10.00	159,366,727	122,618,696
C. Current Liabilities and Provisions		46,728,943	39,642,396
Accounts Payable & Other Liabilities	11.00	36,819,413	34,858,644
Provision for Income Tax	12.00	6,627,384	4,334,992
Short Term Loan	13.00	3,282,146	448,760
D. Net Current Assets (B - C)		246,429,699	205,278,943
E. Total Net Assets (A + D)		530,546,261	480,461,310
F. Non-Current Liabilities		3,229,800	2,009,906
Deferred Tax Liabilities	22.00	3,229,800	2,009,906
G. Financed By :			
Shareholders' Equity:		527,316,461	478,451,404
Share Capital	14.02	333,399,528	303,090,480
Share Premium	15.00	119,504,000	119,504,000
Tax Holiday Reserve		21,555,878	21,555,878
Retained Earnings		52,857,055	34,301,046
Total Equity & Liabilities (F+G)		530,546,261	480,461,310
Net Assets Value Per Share (NAV)		15.91	15.85

This should be read in conjunction with the annexed Notes (1 to 24) to the Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
_____ Chief Financial Officer	_____ Company Secretary	_____ Director	_____ Managing Director

Signed in terms of our separate report on same date.

Dhaka
Date: 28 October 2014

Atik Khaled & Co.
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2014

Particulars	Notes	Unit-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Amount in Taka	
					Total 30.06.2014	Total 30.06.2013
Revenue from Sales & Services	16.00	223,612,293	39,049,787	28,281,085	290,943,165	254,592,747
Operating Expenses	17.00	(98,003,405)	(10,120,026)	(10,475,769)	(118,599,200)	(101,523,496)
Gross Profit: A		125,608,888	28,929,761	17,805,316	172,343,965	153,069,251
Administrative and Marketing Expenses	18.00	(75,349,910)	(8,337,027)	(6,982,502)	(90,669,439)	(74,526,033)
Amortization of Deferred Expenses	4.00	(337,069)	-	(320,002)	(657,071)	(1,174,576)
Depreciation on Fixed Assets	3.00	(30,050,334)	(2,097,695)	(1,865,438)	(34,013,467)	(32,659,619)
Provision for Bad & Doubtful Debts	24.00	(1,309,200)	-	-	(1,309,200)	-
Financial Charges	19.00	(454,123)	(16,042)	(4,136)	(474,301)	(1,479,524)
Total Expenses: B		(107,500,636)	(10,450,764)	(9,172,078)	(127,123,478)	(109,839,752)
Operating Profit: A-B		18,108,252	18,478,997	8,633,239	45,220,487	43,229,499
Non-Operating Income	20.00	10,555,781	1,620,577	18,990	12,195,348	7,783,635
Net Profit before Tax		28,664,033	20,099,574	8,652,229	57,415,835	51,013,134
Provision for Income Tax	12.00	(5,716,088)	(445,659)	(465,637)	(6,627,384)	(4,334,992)
Deferred Tax Expenses	22.00	(1,219,894)	-	-	(1,219,894)	(2,009,906)
Net Profit After Tax		21,728,051	19,653,915	8,186,591	49,568,557	44,668,236
Other Comprehensive Loss :						
Sustainable Estimated Loss on Marketable Securities	21.00				(703,500)	(13,936,332)
Net Profit (transferred to Statement of Changes in Equities)					48,865,057	30,731,904
Basic Earning Per Share (EPS) Note - 23.00					1.49	1.47
Re-Styled Earning Per Share (EPS) Note - 23.00						1.34

This should be read in conjunction with the annexed Notes (1 to 24) to the Financial Statements.

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Signed in terms of our separate report on same date.

Dhaka
Date: 28 October 2014

Atik Khaled & Co.
Chartered Accountants

STATEMENT OF CHANGES IN EQUITIES
For the year ended 30 June 2014

Particulars	Share Capital	Tax Holiday Reserve	Share Premium	Retained Earnings	Amount in Taka	
					Total Equity 30.06.2014	Total Equity 30.06.2013
Balance as on 01.07.13	303,090,480	21,555,878	119,504,000	34,301,046	478,451,404	451,806,185
Net Comprehensive Income after tax	-	-	-	49,568,557	49,568,557	44,668,236
Sustainable Estimated Loss on Marketable Securities	-	-	-	(703,500)	(703,500)	(13,936,332)
Income Tax @ 3% on Share Premium	-	-	-	-	-	(3,696,000)
Stock Dividend (FY: 2012-13)	30,309,048	-	-	(30,309,048)	-	-
Prior Year Adjustment	-	-	-	-	-	(390,686)
Balance as on 30.06.2014	333,399,528	21,555,878	119,504,000	52,857,055	527,316,461	478,451,404
Number of Ordinary Shares					33,339,953	30,309,048
Face Value Per Share					10	10
Shareholders' Equity Per Share					15.82	15.79

This should be read in conjunction with the annexed Notes (1 to 24) to the Financial Statements.

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Signed in terms of our separate report on same date.

Dhaka
Date: 28 October 2014

Atik Khaled & Co.
Chartered Accountants

STATEMENT OF CASH FLOWS
For the year ended 30 June 2014

Particulars	Amount in Taka	
	30.06.2014	30.06.2013
A. CASH FLOWS FROM OPERATING ACTIVITIES :		
Receipts from sales, service & others	284,827,840	230,827,885
Purchase of Materials	(13,620,622)	(2,906,411)
Income Tax & VAT	(5,034,923)	(1,563,781)
Cash payment to creditors & others	(200,848,265)	(163,000,518)
NET CASH PROVIDED/USED IN OPERATING ACTIVITIES	65,324,030	63,357,175
B. CASH FLOWS FROM INVESTING ACTIVITIES :		
Acquisition of Tangible Assets	(45,514,733)	(38,780,781)
Sales of Tangible Assets	-	181,860
Long Term Security Deposit	1,910,000	(7,952)
NET CASH USED IN INVESTING ACTIVITIES	(43,604,733)	(38,606,873)
C. CASH FLOWS FROM FINANCING ACTIVITIES :		
Non Operating Income	12,195,348	7,783,635
Short Term Loan	2,833,386	447,007
Tax on Share Premium	-	(3,696,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	15,028,734	4,534,642
NET CASH OUT FLOW DURING THE YEAR:(A+B+C)	36,748,031	29,284,944
Cash & Cash Equivalent at the beginning of the year	122,618,696	93,333,752
Cash & Cash Equivalent at the closing of the year	159,366,727	122,618,696
Basic Net Operating Cash Flow Per Share (NOCFPS)(Note-23.02)	1.96	2.09
Re-Styled Net Operating Cash Flow Per Share (NOCFPS) (Note-23.02)		1.90

This should be read in conjunction with the annexed Notes (1 to 24) to the Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-
_____ Chief Financial Officer	_____ Company Secretary	_____ Director	_____ Managing Director

Signed in terms of our separate report on same date.

Dhaka
Date: 28 October 2014

Atik Khaled & Co.
Chartered Accountants

Notes to the Financial Statements

For the year ended 30 June 2014

1.00 Status and Nature of the company:

1.01 Legal Form:

BDCOM ONLINE LIMITED 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 Register of Joint Stock Companies & Firms and was converted into a Public Limited Company on 10 February 2002. The shares of the company are traded with the Dhaka Stock Exchange and Chittagong Stock Exchange.

1.02 Registered office:

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

1.03 Nature of business:

The Company is primarily engaged as an Internet Service Provider (ISP) in Bangladesh, which includes Ip Telephony Service (IPTSP), Web Page Software Design & Hosting, Leased Port Internet Access, Total Network Solutions and Nationwide Data Services. In addition, the Company is conducting Customized Software Development, Broadband Internet, Automatic Vehicle Location System (AVLS), Business Process Outsourcing, Fiber Optic and Hardware Sales.

2.00 Significant Accounting Policies:

2.01 Basis of Preparation of Financial Statements

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

2.02 Going Concern:

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

2.03 Cash Flow Statement:

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

2.04 Reporting period

These financial statements cover a period of one year from 01 July 2013 to 30 June 2014.

2.05 Revenue Recognition:

Service income

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

Interest income

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

Other income

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

2.06 Assets and basis of their valuation:

Cash and cash equivalents

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

Valuation of Fixed Assets:

Property, Plant and Equipment

a) All fixed assets are stated at cost less accumulated depreciation as per BAS-16 "Property, Plant and Equipment". The costs of acquisition of assets comprises of purchase price and are directly attributable to cost for bringing the asset to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes, etc.

b) The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of any major repairing & maintenance of any item enabling this sustainability of its future economic benefit. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged to revenue expenditure in the year in which it is incurred.

c) Depreciation is charged on Fixed Assets at the following rates on reducing balance method from the date of acquisition.

Name of Assets	Rate
Land	0%
Building (Floor Space)	2.5%
Internet & System Hardware	18%
Furniture and Fixture	10%
A.C & PABX	18%
Electric Installation	15%
Telephone & Cable Installation	15%
Office Renovation	18%
Sundry Assets, Books & Periodicals, Cookeries	10%
Motor Vehicle	15%
Office Equipment	15%
Generator	15%
Software Development	15%
Radio & Broad Band Equipment	18%
V-Sat Tower	15%
Optical Fiber Deployment	15%
Neon Sign & Others	20%
Base Tower & Installation	10%
WIFI Base Station	20%

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

d) In case of disposal of fixed assets, depreciation is not charged for the month the assets are disposed off. The cost and accumulated depreciation of disposed assets are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the income statement.

Long Term Security Deposit

These amounts were deposited with BTCL, Mango Teleservices Ltd and others in connection with telephone lines, bandwidth and others.

Valuation of Inventories

In compliance with the requirements of BAS 2 "Inventories", the Inventories have been valued at weighted average method, which is consistent in line with the previous year's practice.

Bills Receivable

These are carried forward at their original invoice amount and represents realizable value. Management considered the entire bills receivable as good.

2.07 Basis for valuation of liabilities and provisions:

Provision for taxation

Matter related to provision for income tax for the current year are dealt with as per the provision of the Income Tax Ordinance (ITO) 1984 in compliance with BAS-12 "Income Taxes".

Deferred taxation

Deferred tax liability is the sum of income taxes payable in future years in respect of taxable temporary differences. Deferred tax asset is the sum of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax asset or liability are measured using tax rates and tax laws that have been enacted or subsequently enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended 30 June 2014 to be recognized in the profit and loss account as per BAS-12 "Income Taxes".

Dividend Payments

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

2.08 Earnings per share:

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

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	30-Jun-14	30-Jun-13
a)	Earnings attributable to the ordinary shareholders	49,568,557	44,668,236
b)	Number of Ordinary Shares.	33,339,952	30,309,048
c)	Basic Earning Per Share (EPS)	1.49	1.47
d)	Re-States Earing Per Share (EPS)		1.34

Diluted earnings per share

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

2.09 Tax Holiday Reserve

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

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

2.10 Foreign Currency Transactions:

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

2.11 Information about business segments:

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

2.12 Impairment:

In accordance with the provisions of BAS 36 "Impairment of Assets", the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been in existence till the end of the year.

2.13 Financial Instruments:

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

2.14 Borrowing Cost:

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

2.15 Related Parties Transactions:

The party is related to the company if any party casts significant influence over the day to day affairs/matters and also holds the controlling power of the management affairs of the company and any transaction made during the year with the party related therewith is termed as related party transaction as per BAS-24 "Related Party Disclosure". During the year under report there are no such related party transactions that exists having influence to the company's business.

2.16 Events after the Reporting date:

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

- a) Those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after balance sheet date); and
- b) Those that are indicative of conditions that arose after the reporting year (Non-adjusting events after balance sheet date).

2.17 Components of the Financial Statements

- a) Statement of Financial Position as at 30 June 2014;
- b) Statement of Comprehensive Income for the year ended 30 June 2014;
- c) Statement of changes in equities for the year ended 30 June 2014;
- d) Statement of Cash Flows for the year ended 30 June 2014;
- e) Accounting policies and explanatory Notes to the Financial Statements for the year ended 30 June 2014.

2.18 Comparative:

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

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

2.19 Employment Summary

Sl. No.	Particulars	30-Jun-14	30-Jun-13
a)	Managers & Officers	159	125
b)	Office Assistant, Cableman and others	120	105
	Total	279	230

2.20 General

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

Explanatory Notes to the Financial Statements
3.00 Property Plant and Equipments : Taka 279,319,901

The break up of the amount is as follows:

Particulars	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Amount in Taka	
				30.06.2014	30.06.2013
				Total	Total
a) Cost:					
Balance as at 30.06.2013	417,446,447	48,329,613	13,729,582	479,505,642	441,458,251
Addition during the year	41,779,742	248,460	3,486,531	45,514,733	38,780,781
	459,226,189	48,578,073	17,216,113	525,020,375	480,239,032
Less: Adjustment during the year	-	-	-	-	733,390
Sub Total	459,226,189	48,578,073	17,216,113	525,020,375	479,505,642
b) Less: Accumulated Dep:	171,812,145	35,106,961	4,767,901	211,687,007	179,578,918
Add. Charge for the year	30,050,334	2,097,695	1,865,438	34,013,467	32,659,619
Adjustment for the year	-	-	-	-	551,530
Sub Total	201,862,479	37,204,656	6,633,339	245,700,474	211,687,007
c) Balance as at 30.06.2014 (a-b)	257,363,710	11,373,417	10,582,774	279,319,901	267,818,635

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

4.00 Deferred Revenue Expenditure : Taka 41,759

The break up of the amount is as follows:

Balance as at 30.06.2013	5,872,876	5,872,876
Addition during the year	-	-
	5,872,876	5,872,876
Less: Amortization upto 30.06.2013	5,174,046	3,999,471
	698,830	1,873,406
Less: Amortization during the year	657,071	1,174,576
Balance as at 30.06.2014	41,759	698,830

Details are shown in the Schedule-B

5.00 Long Term Security Deposit : Taka 4,526,902

The break up of the amount is as follows:

BTCL for Telephone Line	1,026,300	1,026,300
Security Agst. Bandwidth (BTCL)	3,034,952	4,944,952
Security Deposit-Others	465,650	465,650
Total Taka	4,526,902	6,436,902

6.00 Inventories : Taka 15,029,554

The break up of the amount is as follows:

Accessories	Note- 6.01	458,272	453,969
GLP & GPRS Modem & Accessories	Note- 6.02	5,127,868	1,411,719
IP Telephony Hardware	Note- 6.03	1,316,121	1,647,318
Modem, Media Converter & Concentrators		847,005	794,817
Switch, Router, Equipments & Others		2,750,184	5,075,152
Stationery		53,183	60,223
Stock of Fiber Optic		1,850,735	755,597
Radio Equipment		2,626,186	2,479,036
Total Taka		15,029,554	12,677,830

		Amount in Taka		
		30.06.2014	30.06.2013	
6.01	Accessories : Taka 458,272			
	The break up of the amount is as follows:			
	Broadband Accessories	353,682	404,506	
	UTP Cable	104,590	49,463	
	Total Taka	458,272	453,969	
6.02	GLP, GPRS Modem & Accessories : Taka 5,127,868			
	The break up of the amount is as follows:			
	Nomadix	418,556	418,556	
	Geographical Location Platform (GLP)	4,709,312	993,163	
	Total Taka	5,127,868	1,411,719	
6.03	IP Telephony Hardware : Taka 1,316,121			
	The break up of the amount is as follows:			
	IP Telephone set	1,316,121	1,647,318	
	Total Taka	1,316,121	1,647,318	
7.00	Advances, Deposits & Pre-payments : Taka 11,106,133			
	The break up of the amount is as follows:			
	a) Advances :			
	Against Salary	1,158,073	536,482	
	Advance to suppliers and others	6,714,548	3,261,024	
	Material In Transit (L/C Margin)	-	503,518	
	Total	7,872,621	4,301,024	
	b) Deposits :			
	Security Deposit / Earnest Money	3,077,053	6,345,467	
	Total	3,077,053	6,345,467	
	c) Pre-payments	156,459	51,664	
	Total (a+b+c)	11,106,133	10,698,155	
	The sum of advances are unsecured but realizable. It includes no such amount which are recoverable from Director & Managing Director of the company.			
8.00	Advance Income Tax and VAT : Taka 15,962,115			
	The break up of the amount is as follows:			
	Advance VAT	Note-8.01	3,132,197	2,950,471
	Advance Income Tax	Note- 8.02	12,829,918	7,976,721
	Total Taka		15,962,115	10,927,192

		Amount in Taka		
		30.06.2014	30.06.2013	
8.01	Advance VAT : Taka 3,132,197			
	The break up of the amount is as follows:			
	VAT Treasury Account	1,515,619	1,505,009	
	VAT Procurement Account	1,616,578	1,394,437	
	VAT Against Supply & Sales	-	51,025	
	Total Taka	3,132,197	2,950,471	
8.02	Advance Income Tax: Taka 12,829,918			
	The break up of the amount is as follows:			
	a) Tax Deducted at source			
	On Interest Income	849,128	649,781	
	On Supply & Sales	6,330,033	3,408,332	
	Sub Total	7,179,161	4,058,113	
	b) Advance Tax Paid	5,650,757	3,918,608	
	Total Taka	12,829,918	7,976,721	
9.00	Bills & Other Receivables : Taka 86,367,613			
	The break up of the amount is as follows:			
	Internet/Data	Note- 9.01	53,506,726	54,438,927
	Hardware / Switch	Note- 9.02	2,775,304	3,087,186
	IP Telephone Service	Note- 9.03	13,279,633	6,935,134
	Web page, Software & Data Transmit	Note- 9.04	13,051,928	15,363,820
	Other Receivable	Note-9.05	3,754,022	2,144,399
	Total Taka		86,367,613	81,969,466
	The sum of Accounts Receivable are unsecured but realizable. It includes no such amount which are recoverable from Director & Managing Director of the company.			
9.01	Internet/Data : Taka 53,506,726			
	The break up of the amount is as follows:			
	Internet & Fax	Note-9.01(a)	223,430	1,625,528
	Reseller		307,243	196,897
	Installation (Radio & Others)		605,819	404,870
	Corporate B.W		16,084,231	13,595,298
	Service rent/Configure		3,515	25,516
	Prepaid dist.		13,821	19,321
	Broad Band Internet		1,520,135	1,366,541
	Data Connectivity		34,748,532	37,204,956
	Total Taka		53,506,726	54,438,927
9.01(a)	Internet & Fax		1,532,630	1,625,528
	Less : Provision for Bad & Doubtful debts	Note-24.00	1,309,200	-
	Dues on Internet & Fax		223,430	1,625,528
9.02	Hardware / Switch : Taka 2,775,304			
	The break up of the amount is as follows:			
	Switch, Router, Hardware etc		1,588,724	1,545,356
	Fiber Optic		208,121	233,121
	DSL setup charge		-	163,349
	Computer & Accessories		978,459	1,145,360
	Total Taka		2,775,304	3,087,186

9.03 IP Telephone : Taka 13,279,633				Amount in Taka		
The break up of the amount is as follows:				30.06.2014	30.06.2013	
Monthly rent/ Telephone Bill				8,866,258	4,327,247	
Inter-Connectivity				2,820,378	734,846	
Equipment/IPT set				1,592,997	1,873,041	
Total Taka				13,279,633	6,935,134	
9.04 Web page, Software & Data Transmit : Taka 13,051,928						
The break up of the amount is as follows:						
Software Development				6,323,651	9,167,644	
Web Development				109,000	362,184	
Data transmit				620,102	959,102	
Iptalk				1,632,540	1,907,540	
Domain Hosting & Registration				670,474	98,560	
Web Advertisement				45,000	-	
Dialer Services				-	101,000	
AVLS				1,261,401	1,272,270	
Consultancy Services				-	19,381	
Graphics Design				2,389,760	1,476,139	
Total Taka				13,051,928	15,363,820	
9.05 Other Receivables : Tk. 3,754,022						
Particulars		UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total 30.06.2014	Total 30.06.2013
FDR Interest Receivable from Bank		3,565,457	188,565	-	3,754,022	2,144,399
Total Taka		3,565,457	188,565	-	3,754,022	2,144,399
10.00 Cash and Cash Equivalents : Taka 159,366,727						
The break up of the amount is as follows:						
Cash in Hand				300,924	299,252	
Cash at Bank				25,710,198	44,993,119	
Fixed Deposit Receipts (FDR)				133,323,437	77,293,657	
Cash Available in BO Account				32,168	32,668	
Total Taka				159,366,727	122,618,696	
10.01 Cash at Bank : Taka 25,710,198						
The break up of the amount is as follows:						
A. CD Accounts		A/C No.				
Eastern Bank Ltd.		1061060000757		988,958	1,373,852	
Eastern Bank Ltd.		01061060001684		34,478	35,748	
First Security Bank Ltd.		010811100001575		108,548	563,065	
Sonal Bank Ltd.		001017833		583,387	19,425	
Bank Asia Ltd.		06933000002		1,652,588	6,063,999	
Bank Asia Ltd.		02133001275		542,123	32,308	
Sub-Total				3,910,082	8,088,396	
B. STD Accounts						
Eastern Bank Ltd.		01061040000139		14	589	
Prime Bank Ltd		12732030003986		4,339,784	6,885,707	
Prime Bank Ltd		12732080003998		1,763,526	4,230,170	
Prime Bank Ltd		12731080017622		100,645	1,085,299	
Prime Bank Ltd		12711020027776		2,792,917	2,509,121	
NCC Bank Ltd.		100210004661		4,358	5,769	
Prime Bank Ltd		12751050019650		412,495	420,864	

		Amount in Taka	
		30.06.2014	30.06.2013
UCBL	8413100000199	71,820	70,507
UCBL	8413100000216	3,796,950	2,057,310
UCBL	1310000274	527,070	442,779
UCBL	8413100000147	88,927	5,086,889
Rupali Bank Ltd.	240000338	2,165,307	4,516,742
Pubali Bank Ltd.	3478102001001	946,255	5,351,055
Dutch-Bangla Bank Ltd	171120344	3,261,304	3,118,603
Islami Bank BD. Ltd.	20502050900011812	399,495	1,123,320
Al-Arafah Bank Ltd.	0311220001107	1,117,499	-
Midland Bank Ltd.	0081090000066	11,750	-
Sub-Total		21,800,116	36,904,723
Total Taka (A+B)		25,710,198	44,993,119

10.02 FDR Account: Taka 133,323,437

The break up of the amount is as follows:

Prime Bank Ltd	1274106000996-7	2,006,000	1,823,123
Prime Bank Ltd	12741020010005	1,736,978	1,574,063
Prime Bank Ltd	12741040027175	7,767,787	7,045,736
Prime Bank Ltd	12741070010994	7,925,478	7,175,284
UCBL	41100009331	7,231,294	6,558,567
UCBL	1200003111	6,564,022	5,612,911
UCBL	1741300048326	5,584,000	5,000,000
Bank Asia Ltd.	02155008688	2,147,769	-
Bank Asia Ltd.	02155008710	4,205,000	-
Bank Asia Ltd.	2155008365	11,079,295	10,000,000
IDLC Finance td.	11252217203701	12,271,926	10,761,250
IDLC Finance td.	10452217203701	5,730,366	5,380,625
IDLC Finance td.	11253117203701	5,000,000	-
IFIC Bank Ltd.	1163276	1,221,002	1,100,000
IFIC Bank Ltd.	1186928	11,097,500	10,000,000
IFIC Bank Ltd.	1163897	5,000,000	-
IFIC Bank Ltd.	1187508	5,000,000	-
DBH	7102019005	2,500,000	-
EBL	1085830033634	5,755,020	5,262,098
Exim Bank Ltd.	02860100286686	6,000,000	-
Al-Arafa Bank Ltd.	0311330261359	2,500,000	-
Meghna Bank Ltd.	250000050	6,000,000	-
Meghna Bank Ltd.	250000068	4,000,000	-
Uttara Finance & Invest.Ltd.	0100120059314	5,000,000	-
Total Taka		133,323,437	77,293,657

11.00 Accounts Payable & Other Liabilities : Taka 36,819,413

The break up of the amount is as follows:

Accounts Payable	Note-11.01	28,557,226	27,803,447
Other Liabilities	Note-11.02	8,262,187	7,055,197
Total Taka		36,819,413	34,858,644

11.01	Accounts Payable : Taka 28,557,226			Amount in Taka	
	The break up of the amount is as follows:			30.06.2014	30.06.2013
	Sundry Creditors			27,470,658	26,708,002
	Unpaid Dividend			1,086,568	1,095,445
	Total Taka			28,557,226	27,803,447
11.02	Others Liabilities : Taka 8,262,187				
	The break up of the amount is as follows:				
	Liability for Expenses	Note- 11.02.(1)		5,995,726	4,507,190
	Liability for Other Finance	Note- 11.02.(2)		2,266,461	2,548,007
	Total Taka			8,262,187	7,055,197
11.02.(1)	Liabilities for Expenses: Taka 5,995,726				
	The break up of the amount is as follows:				
	Salaries & Allowances			5,263,628	3,827,982
	Outstanding Expenses			652,098	599,208
	Audit Fee Payable			80,000	80,000
	Total Taka			5,995,726	4,507,190
11.02.(2)	Liability for Other Finance: Taka 2,266,461				
	The break up of the amount is as follows:				
	Tax deducted on Employees Salaries			513,269	527,388
	Tax deducted on Suppliers			806,158	591,512
	Security Deposit -Broadband			360,950	1,127,298
	Security Deposit -Others			261,925	260,500
	VAT at Source			324,159	41,309
	Total Taka			2,266,461	2,548,007
12.00	Provision for Income Tax : Taka 6,627,384				
	The break up of the amount is as follows:				
	Opening Balance			4,334,992	5,484,427
	Provision made during the year	Note : 12.01		6,627,384	4,334,992
				10,962,376	9,819,419
	Less : Tax paid during the year			4,334,992	5,484,427
	Provision For Income Tax			6,627,384	4,334,992
12.01	Provision For Income Tax : Taka 6,627,384				
	Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total Taka 30.06.2014 30.06.2013
	Operating Income	18,108,252	-	8,633,239	26,741,491 23,828,334
	Add : Non-Operating Income	10,555,781	1,620,577	18,990	12,195,348 7,783,635
	Total Income	28,664,033	1,620,577	8,652,229	38,936,839 31,611,969
	Less : Revenue From IT Enable				
	Services	(7,878,257)	-	(6,959,002)	(14,837,259) 15,848,363
	Net Profit Before Tax	20,785,776	1,620,577	1,693,227	24,099,580 15,763,606
	Provision for Income Tax @ 27.5%	5,716,088	445,659	465,637	6,627,384 4,334,992

01. Provision for Income Tax has been charged on Non-operating income of Unit-2, Software Development Project of BDCOM Online Ltd., which is income tax exempted up to 30 June 2019 as per Sixth Schedule, Part-A , Para -33 of Income Tax Ordinance, 1984.

02. Income from Information Technology Enabled Service (ITES) has been declared as Tax Exempted Income upto June 30, 2019 as per Sixth Schedule Part-A of Para-33 of ITO 1984

13.00 Short Term Loan : Taka 3,282,146	Amount in Taka	
	30.06.2014	30.06.2013
The break up of the amount is as follows:		
Prime Bank 12777390035588	6,197	448,760
Bank Asia Ltd. (Motor Vehicale) 02135001177	1,807,176	-
Bank Asia Ltd. (Motor Vehicale) 02135001252	1,468,773	-
Total Taka	3,282,146	448,760

14.00 Share Capital

14.01 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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14.02 Issued, Subscribed and Paid-up Capital : Taka 333,399,528

33,339,952.8 Ordinary shares of Taka. 10 each	333,399,528	303,090,480
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14.03 Compositions of Shareholdings

Particulars	As on 30.06.2014		As on 30.06.2013	
	No. of Shares	% of holdings	No. of Shares	% of holdings
Sponsor/Director	7,098,913	21.29	6,453,564	21.29
ICB (M. Fund, UNIT, Capital Management)	2,232,947	6.70	2,118,362	6.99
Financial Institution's, ICB - IA A/C & Other Investors A/C.	3,434,549	10.30	2,004,985	6.62
General Public	20,573,543	61.71	19,732,137	65.10
Total	33,339,952	100.00	30,309,048	100.00

14.04 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 as on 30 June 2014 :

Shareholders Range (in number of Shares)	Shareholders		Shareholdings	
	No.	%	No.	%
Less than 500 shares	5,266	58.89	707,569	2.12
500 to 5,000 Shares	3,272	36.59	4,529,908	13.59
5001 to 10,000 shares	201	2.25	1,474,684	4.42
10,001 to 20,000 shares	90	1.01	1,243,124	3.73
20,001 to 30,000 shares	29	0.32	714,620	2.14
30,001 to 40,000 shares	19	0.21	674,155	2.02
40,001 to 50,000 shares	7	0.08	326,795	0.98
50,001 to 100,000 shares	24	0.27	1,665,577	5.00
100,001 to 1,000,000 shares	27	0.30	8,095,534	24.28
Over 1,000,000 shares	7	0.08	13,907,986	41.72
Total	8,942	100.00	33,339,952	100.00

14.05 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.

14.06 Market Price

The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Taka 23.00 (High-Taka.23.50, Low-Taka.22.70) per share and Taka 22.60 (High-Taka.25.19 Low-Taka.20.61) per share in the Dhaka and Chittagong Stock Exchange respectively as of 30 June 2014.

14.07 Voting Rights

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

		Amount in Taka	
		30.06.2014	30.06.2013
15.00	Share Premium : Taka 119,504,000		
	The break up of the amount is as follows:		
	Share Premium	119,504,000	123,200,000
	Less : Tax Paid @ 3% (u/s : 53L of ITO 1984) on Share Premium	-	3,696,000
	Total Taka	119,504,000	119,504,000
16.00	Revenue From Sales, Services & Others : Taka 290,943,165		
	The break up of the amount is as follows:		
	Revenue from Unit -I	Notes-16.01	223,612,293
	Revenue from Unit -II	Notes-16.02	39,049,787
	Revenue from Unit -III	Notes-16.03	28,281,085
	Total Taka		290,943,165
16.01	Revenue From Unit -I : Taka 223,612,293		
	Revenue from Internet/Data Connectivity Services	Note-16.01(a)	201,775,363
	Revenue from IT Enable Services	Note-16.01(b)	7,878,257
	Revenue from Sale of Hardware	Note-16.01(c)	7,317,907
	Revenue from Internet (Educational Institutions)		6,640,766
	Total Taka		223,612,293
16.01(a)	Revenue from Internet/Data Connectivity Services : Taka 201,775,363		
	Internet/ Data Connectivity Services		232,041,668
	Less : VAT 15%		30,266,305
	Total Taka		201,775,363
16.01(b)	Revenue from IT Enable Services : Taka 7,878,257		
	IT Enable Services		8,232,779
	Less : VAT 4.5%		354,522
	Total Taka		7,878,257
16.01(c)	Revenue from Sale of Hardware : Taka 7,317,907		
	Sale of Hardware		7,610,623
	Less : VAT 4%		292,716
	Total Taka		7,317,907
16.02	Revenue From Unit -II : Taka 39,049,787		
	Revenue from Software & Graphic Design		32,653,733
	Revenue from Web Development, Hosting & Domain Reg.		1,782,739
	Revenue from AVLS Supply & Services	Note-16.02(a)	4,613,315
	Total Taka		39,049,787
16.02(a)	Revenue from AVLS Supply & Services : Taka 4,613.315		
	Sale of AVLS Service		4,797,848
	Less : VAT 4%		184,533
	Total Taka		4,613,315

16.03 Revenue From Unit -III : Taka 28,281,085		Amount in Taka			
		30.06.2014	30.06.2013		
Revenue from IP Telephony Monthly Rent	Note-16.03(a)	867,351	492,365		
Revenue from IP Telephony Outgoing NWD Call	Note-16.03(b)	8,583,968	7,077,440		
Revenue from IP Telephony Outgoing ISD Call	Note-16.03(c)	2,097,822	1,162,032		
Revenue from IP Telephony Incoming NWD Call	Note-16.03(d)	2,475,922	856,982		
Revenue from IT Enable Services	Note-16.03(e)	6,959,002	2,720,497		
Revenue from Sale of Hardware & Equipments	Note-16.03(f)	7,297,020	8,708,834		
Total Taka		28,281,085	21,018,150		
16.03(a) Revenue from IP Telephony Monthly Rent :Taka 867,351					
Revenue From Monthly Rent		997,454	566,220		
Less : VAT 15%		130,103	73,855		
Total Taka		867,351	492,365		
16.03(b) Revenue from IP Telephony Outgoing NWD Call :Taka 8,583,968					
Revenue From Outgoing NWD Call		9,871,563	8,139,056		
Less : VAT 15%		1,287,595	1,061,616		
Total Taka		8,583,968	7,077,440		
16.03(c) Revenue from IP Telephony Outgoing ISD Call :Taka 2,097,822					
Revenue From Outgoing ISD Call		2,412,495	1,336,337		
Less : VAT 15%		314,673	174,305		
Total Taka		2,097,822	1,162,032		
16.03(d) Revenue from IP Telephony Incoming NWD Call :Taka 2,475,922					
Revenue From Incoming NWD Call		2,847,310	985,529		
Less : VAT 15%		371,388	128,547		
Total Taka		2,475,922	856,982		
16.03(e) Revenue from IPTSP IT Enable Services :Taka 6,959,002					
Revenue From IT Enable Services		7,272,157	2,824,151		
Less : VAT 4.5%		313,155	103,654		
Total Taka		6,959,002	2,720,497		
16.03(f) Revenue from Sales of IPTSP Hardware & Equipments :Taka 7,297,020					
Revenue From Hardware & Equipments		7,588,901	9,057,187		
Less : VAT 4%		291,881	348,353		
Total Taka		7,297,020	8,708,834		
17.00 Operating Expenses : Taka 118,599,200					
The break up of the amount is as follows:					
Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total	
				30.06.2014	30.06.2013
Services & Others (Notes- 17.a)	93,766,352	6,549,635	7,014,315	107,330,302	95,513,864
Hardware & Others (Notes- 17.b)	4,237,053	3,570,391	3,461,454	11,268,898	6,009,632
Total Taka	98,003,405	10,120,026	10,475,769	118,599,200	101,523,496

17 (a) Services & Others: Taka 107,330,302

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total	Total
				30.06.2014	30.06.2013
Bandwidth Charges	26,719,658	-	-	26,719,658	28,132,401
Electricity Charges	4,014,708	-	-	4,014,708	3,157,803
Telephone Charges	759,480	308,016	-	1,067,496	1,203,502
Domain Registration Exp.	-	211,039	-	211,039	100,250
Data Connectivity & Fiber Rent	61,984,406	-	-	61,984,406	51,748,846
Server Rent and Inter connectivity	288,100	-	7,014,315	7,302,415	5,067,595
Cost of Software (GLP & Others)	-	6,030,580	-	6,030,580	6,074,563
Freight & Carriage	-	-	-	-	28,904
Total Taka	93,766,352	6,549,635	7,014,315	107,330,302	95,513,864

17 (b) Hardware & Others: Taka 11,268,898

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total	Total
				30.06.2014	30.06.2013
Broadband Modem Concentrator & others	-	-	-	-	191,517
Cost of sales of Hardware	2,368,105	3,570,391	3,461,454	9,399,950	5,077,947
Cost of Sales of Optical Fiber/Cable	126,239	-	-	126,239	651,148
Radio Equipment & Other Acce.	913,520	-	-	913,520	73,210
Internet & Telecommunications	829,189	-	-	829,189	15,810
Total Taka	4,237,053	3,570,391	3,461,454	11,268,898	6,009,632

18.00 Administrative and Marketing Expenses : Taka 90,669,439

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total	Total
				30.06.2014	30.06.2013
Salary and Allowances	50,407,279	7,539,442	4,923,634	62,870,355	52,260,515
Traveling and Conveyance	3,728,382	49,904	39,410	3,817,696	3,298,488
Uniform & Others	85,178	-	-	85,178	17,930
Office Rent	3,720,895	-	-	3,720,895	2,866,307
VAT on Office Rent	139,164	-	-	139,164	116,556
Electricity Charges	446,079	-	-	446,079	350,867
Telephone Charges	253,160	102,672	-	355,832	401,168
Printing and stationeries	758,749	-	-	758,749	644,927
Courier & Postage Charges	239,058	-	-	239,058	189,800
Photo copy Charges	472	-	-	472	1,047
Advertisement Expenses	590,722	3,972	-	594,694	296,980
News Papers & Periodicals	21,183	-	-	21,183	22,461
Entertainment	700,272	130,221	6,531	837,024	941,366
Security charges	30,500	-	-	30,500	132,210
Repair & Maintenance	2,961,724	1,620	5,300	2,968,644	2,573,512
Utility Charges	733,133	5,000	-	738,133	333,078
Car Rent & Maintenance	2,700,940	-	577,392	3,278,332	2,370,970
Annual Listing Fee (DSE, CSE, CDBL, BAPLC)	732,664	-	-	732,664	545,553
License Registration & Renewal Fees	1,010,687	230,000	575,000	1,815,687	1,994,864
Insurance Premium	158,952	-	-	158,952	99,639
Fees & Professional Charges	255,000	-	-	255,000	10,000
Consultancy Fee	900,000	-	-	900,000	-
AGM Expenses	937,994	-	-	937,994	1,108,341
Promotional exp.	1,864,142	226,119	-	2,090,261	1,735,451
Audit Fee	40,000	20,000	20,000	80,000	80,000
Commission on Sales	215,185	-	48,791	263,976	284,791
Training Expenses	111,070	-	-	111,070	-
Tender Participation	66,923	500	28,000	95,423	36,143
Annual Refreshment Expenses	693,517	-	-	693,517	223,704
Revenue Sharing with BTRC	-	19,637	756,194	775,830	374,156
Sundry Exp.	846,887	7,941	2,250	857,078	1,215,209
Total Taka	75,349,910	8,337,027	6,982,502	90,669,439	74,526,033

01. The number of employees (casual and permanent) of the company as at 30 June 2014 was 279 and all of them received salary and allowances above Taka. 36,000 per year.

02. Electricity & Telephone Charges has been apportioned in between Operating Expenses and Marketing Expenses on the approx. basis of its utilization.

19.00 Financial Charges : Taka 474,301

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total	Total
				30.06.2014	30.06.2013
Bank Interest	330,665	-	-	330,665	1,326,622
Bank Charges & Others	123,458	16,042	4,136	143,636	152,902
Total Taka	454,123	16,042	4,136	474,301	1,479,524

20.00 Non Operating Income : Taka 12,195,348

The break up of the amount is as follows:

Particulars	UNIT-1 ISP	Unit-2 SDP	Unit-3 IPTSP	Total	Total
				30.06.2014	30.06.2013
Bank Interest from FDR	10,094,564	1,572,732	-	11,667,296	7,758,430
Bank Interest from STD A/C	457,759	47,845	18,990	524,594	
Other Income (Scrap Sale)	3,458	-	-	3,458	25,205
Total Taka	10,555,781	1,620,577	18,990	12,195,348	7,783,635

21.00 Sustainable Estimated Loss on Marketable Securities : Taka 703,500

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

Particulars	No. of Share	Total	Total
		30.06.2014	30.06.2013
Cost	1,005,000	19,966,332	19,966,332
Less : Fair Market Value at the year ended	1,005,000	5,326,500	6,030,000
Total Loss on Marketable Securities	1,005,000	14,639,832	13,936,332
Less : Adjusted as on 30.06.2013	1,005,000	13,936,332	-
Sustainable Estimated Loss		703,500	13,936,332

22.00 Deferred Tax (Income)/Expenses : 1,219,894

	Carrying Amount (Tk.)	Tax Base (Tk.)	Taxable (Deductible) temporary differences
As at June 30, 2014			
Property, Plant & Equipment (Excluding Land)	252,319,901	240,575,173	11,744,728
Net Taxable Temporary Difference			11,744,728
Applicable Tax Rate			27.50%
Deferred tax liability (a)			3,229,800
As at June 30, 2013			
Property, Plant & Equipment (Excluding Land)	240,818,635	233,509,885	7,308,750
Net Taxable Temporary Difference			7,308,750
Applicable Tax Rate			27.50%
Deferred tax liability (b)			2,009,906
Deferred Tax (Income)/Expenses (a-b)			1,219,894

	Amount in Taka	
	30.06.2014	30.06.2013
23.00 Earning Per Share (EPS) 1.49		
Profit From Continuing Operation attributable to the ordinary Equity holders	49,568,557	44,668,236
Less: Preference Share Dividend	-	-
Profit attributable to the ordinary equity holders	49,568,557	44,668,236
Total outstanding shares as on 30 June 2014	33,339,952	30,309,048
Basic Earning Per Share (EPS)	1.49	1.47
Re-stated Earning Per Share (EPS)		1.34
23.01 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.		
23.02 Net Operating Cash Flows Per Share (NOCFPS)		
Net Cash Flow from Operating Activities	65,324,030	63,357,175
Total no of Ordinary Shares	33,339,952	30,309,048
Basic Net Operating Cash Flows Per Share (NOCFPS)	1.96	2.09
Re-stated Net Operating Cash Flows Per Share (NOCFPS)		1.90
24.00 Provision for Bad and Doubtful Debts : Tk. 1,309,200		
Opening Balance as on 01.07.2013	-	-
Add : Charge During the year	1,309,200	-
Total Taka	1,309,200	-

This represent the sum of dues receivables since long in respect of Dial-up Internet & Fax services [Note-9.01(a)], which is not in existance and doubtful of recovery.

Provision for bad & doubtful debts has been made as per company policy.

Fixed Assets Schedule
As at 30 June 2014

Schedule-A/1

 Note: 3.00
Unit-1 (ISP)

Particulars	Cost			Rate of Dep.	Total as at 30.06.14	Depreciation			W.D.V. as at 30.06.14
	Opening Balance as at 01.07.13	Additions during the year	Adjustment during the year			Opening Balance as at 01.07.13	Charge For the year	Adjustment during the year	
Land	27,000,000	-	-	0%	27,000,000	-	-	-	27,000,000
Building (Floor Space)	67,101,909	-	-	2.5%	67,101,909	1,594,719	-	4,907,876	62,194,033
Internet System Hardware	122,521,470	10,467,898	-	18%	132,989,368	8,471,244	-	88,580,724	44,408,644
Furniture & Fixture	2,621,635	244,700	-	10%	2,866,335	146,187	-	1,373,633	1,492,702
Office Renovation	8,328,085	71,561	-	18%	8,399,646	892,623	-	4,285,315	4,114,331
Sundry Assets	845,535	-	-	10%	845,535	37,011	-	512,436	333,099
Crockeries & Cutleries	67,007	17,370	-	10%	84,377	2,699	-	45,441	38,936
A. C. Installation	3,112,479	-	-	18%	3,112,479	288,876	-	1,796,490	1,315,989
PABX Installation	342,783	-	-	18%	342,783	7,538	-	308,443	34,340
Office Equipments	11,792,534	1,040,515	-	15%	12,833,049	661,045	-	8,298,309	4,534,740
V-Sat Tower	3,919,414	-	-	15%	3,919,414	123,426	-	3,220,002	699,412
Telephone & Installation	10,453,544	87,148	-	15%	10,540,692	252,408	-	9,052,413	1,488,280
Motor Vehicles	5,982,870	4,146,126	-	15%	10,128,996	777,357	-	3,825,296	6,303,701
Generator/Online UPS	5,409,796	1,289,839	-	15%	6,699,635	586,609	-	2,599,644	4,099,991
Cable Installation	5,699,620	1,958,793	-	15%	7,658,413	640,397	-	2,837,531	4,820,882
Broad Band Equipments	48,072,346	1,458,034	-	18%	49,530,380	4,404,721	-	28,517,784	21,012,596
Radio Equipments	16,951,256	5,383,579	-	18%	22,334,835	2,242,267	-	8,922,159	13,412,676
Electrical Installation	1,536,709	37,993	-	15%	1,574,702	138,862	-	779,491	795,211
Optical Fiber Deployment	62,017,541	13,327,025	-	15%	75,344,566	7,029,850	-	27,775,492	47,569,074
Neon Sign & Others	18,767	-	-	20%	18,767	1,430	-	13,047	5,720
Base Tower & Installation	6,706,908	2,249,161	-	10%	8,956,069	697,703	-	1,480,166	7,475,903
WiFi Base Station	6,944,239	-	-	20%	6,944,239	1,053,363	-	2,730,788	4,213,451
Sub Total	417,446,447	41,779,742	-		459,226,189	30,050,334	-	201,862,479	257,363,710

Schedule-A/2

Fixed Assets Schedule

As at 30 June 2014

 Note: 3.00
Unit-2 (SDP)

Particulars	Cost			Rate of Dep.	Depreciation			W.D.V. as at 30.06.14	
	Opening Balance as at 01.07.13	Additions during the year	Adjustment during the year		Total as at 30.06.14	Charged during the year	Adjustment during the year		Total as at 30.06.14
System Hardware	10,604,094	178,880	-	18%	6,948,950	657,926	-	7,606,876	3,176,098
Furniture & Fixture	637,019	-	-	10%	426,532	21,049	-	447,581	189,438
Office Renovation	1,625,370	-	-	18%	1,287,435	60,828	-	1,348,263	277,107
Sundry Assets	86,212	-	-	10%	48,454	3,776	-	52,230	33,982
Books & Periodicals	73,226	-	-	10%	50,175	2,305	-	52,480	20,746
A. C. Installation	256,790	-	-	18%	228,240	5,139	-	233,379	23,412
Electric Installation	150,494	-	-	18%	134,944	2,799	-	137,743	12,752
Peripheral Equipment	4,493,291	65,800	-	15%	3,375,644	173,921	-	3,549,565	1,009,526
Software Development	28,002,242	-	-	15%	20,695,898	1,095,952	-	21,791,850	6,210,392
Telephone & Installation	1,795,605	3,780	-	15%	1,400,258	59,775	-	1,460,033	339,352
Auto Generator	601,190	-	-	15%	507,668	14,028	-	521,696	79,494
Crockeries & Cutleries	4,080	-	-	15%	2,763	198	-	2,961	1,119
Sub Total	48,329,613	248,460	-		35,106,961	2,097,695	-	37,204,656	11,373,417

Schedule-A/3

Fixed Assets Schedule

As at 30 June 2014

 Note: 3.00
 Unit-3 (IPTSP)

Particulars	Cost			Rate of Dep.	Depreciation			W.D.V. as at 30.06.14
	Opening Balance as at 01.07.13	Additions during the year	Adjustment during the year		Total as at 30.06.14	Charged during the year	Adjustment during the year	
System Hardware	9,663,162	3,325,008	-	18%	3,197,965	1,476,189	-	4,674,154
Furniture & Fixture	-	16,650	-	10%	-	416	-	416
Telephone Installation - IP	275,937	3,678	-	15%	80,694	29,517	-	110,211
Software Development	3,739,665	141,195	-	15%	1,480,648	352,152	-	1,832,800
Electric Installation	21,180	-	-	15%	6,642	2,181	-	8,823
Radio Equipment	29,638	-	-	18%	1,952	4,983	-	6,935
Sub Total	13,729,582	3,486,531	-		4,767,901	1,865,438	-	6,633,339
Grand Total as on 30.06 2014	479,505,642	45,514,733	-		211,687,007	34,013,467	-	245,700,474
Grand Total as on 30.06 2013	441,458,251	38,780,781	(733,390)		179,578,918	32,659,619	(551,530)	279,319,901
								267,818,635

Schedule of Deferred Revenue Expenditure
 As on 30 June 2014
 Schedule - B

Particulars	Original Amount		Rate of Amortisation	Amortization Amount			Net Amount As on 30.06.14
	Balance As on 01.07.2013	Addition during the year		Balance As On 30.06.14	Charged during the year	Balance As On 30.06.14	
Deferred Revenue Expenses	91,200	-	20%	91,200	-	91,200	-
Capital Issue Expenses (Pref.share)	1,685,343	-	20%	1,306,515	337,069	1,643,584	41,759
Pre-Operation Expenses (IPTSP)	1,600,018	-	20%	1,280,016	320,002	1,600,018	-
Graphic Design Project Exp.	2,496,315	-	20%	2,496,315	-	2,496,315	-
Total as on 30.06.2014	5,872,876	-		5,174,046	657,071	5,831,117	41,759
Total as on 30.06.2013	5,872,876	-		3,999,471	1,174,576	5,174,046	698,830

As per decision of the Management of the company following steps has been taken :

- 1) To amortize deferred expenses over period of (Five) years commencing from 01.07.2009
- 2) To amortize preference share issue expenses amounting is TK. 208,759 of IP Telephony over a period of 5 (Five) years effective 01 July 2010.

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

(Annexure-3)

Name of the BAS	BAS no	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Cash Flow Statements	7	Applied
Accounting Policies, changes in Accounting Estimates and Errors	8	Applied
Events after the Balance Date	10	Applied
Construction Contracts	11	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	N/A
Investment in Associates	28	Applied
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied
Earnings per Shares	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	Applied
Agriculture	41	N/A
Name of the BFRS	BFRS no	Status
First Time Adaption of BFRS	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-current Assets Head for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied
Operating Segments	8	N/A

BDCOM ONLINE LIMITED

Registered, Corporate & Share Office:RANGS Nilu Square (5th Floor), Satmosjid Road, House #75, Road # 5/A Dhanmondi R/A, Dhaka-1209, Bangladesh; Ph: +88 09666 333 666, Fax: +88028122789

PROXY FORM

I/We.....of.....
being a member of BDCOM Online Limited hereby appointed
 Mr./Mrs./Ms.....of.....
as my/our proxy to attend and vote for me/us on me/our behalf at the 18thAnnual General Meeting of the Company to be held on Thursday, the December 25, 2014 at 11.00 a.m. at the AMM Convention Center, House No. 56/A, Road NO. 3/A, Dhanmondi, Dhaka-1209 and at any Adjournment thereof, as witness my/our hand this.....day of December, 2014 signed by the said in presence of.....



(Signature of the Proxy)

Date.....

(Signature of the Shareholders)

(Signature of the witness)

ID.....

Register folio/BO.....

Date.....

Signature verified

Note: A member is entitled to attend and vote at the General meeting may appoint a proxy to attend and vote in his/her stead. The proxy form,duly filled, stamped, signed must be deposited at the share office of the company not later than 48 hours before the time appointed for the meeting.

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ATTENDANCE SLIP

I/We hereby record my/our attendance at the 18thAnnual General Meetingbeing held on Thursday, theDecember 25, 2014 at 11.00 a.m. at the AMM Convention Center, House No. 56/A, Road NO. 3/A, Dhanmondi, Dhaka-1209.

Name of Member/Proxy.....

Register Folio/BO. No..... holding ofOrdinary Shares of BDCOM Online Limited

.....
 Signature of Shareholder(s)/Proxy

- N.B:
1. Please present this slip at the reception desk.
 2. Please note that AGM can only be attended by the honorable Shareholder and or properly constituted proxy.



09 666 333 666

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