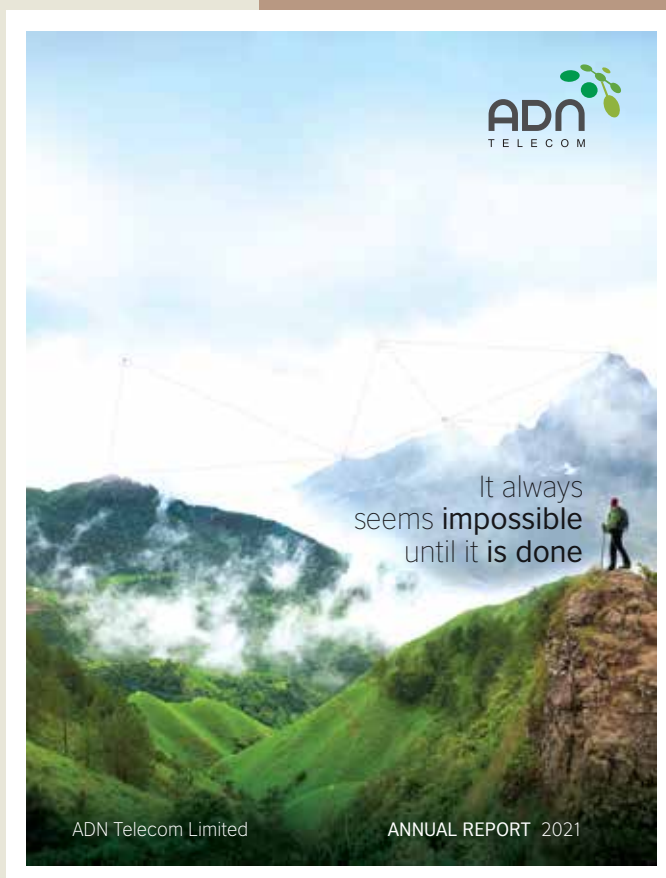


It always  
seems **impossible**  
until it **is done**



# 18<sup>th</sup> AGM

Annual General Meeting  
(AGM) of ADN Telecom Limited

Tuesday, 14 December, 2021  
11:00 a.m.

## ADN Telecom Limited

Registered & Corporate Office:  
Red Crescent Concord Tower (19<sup>th</sup> Floor)  
17, Mohakhali Commercial Area  
Dhaka-1212, Bangladesh.  
🌐 [www.adntel.com.bd](http://www.adntel.com.bd)

AGM Helpdesk:

☎ +88 0177 777 0551

☎ +88 0177 777 0324

✉ [investor.relations@adnsl.net](mailto:investor.relations@adnsl.net)









‘It always  
seems **impossible**  
until it **is done**’

- Nelson Mandela

Another year has passed with fear, phobia and uncertainty. The world has been witnessing, the devastating dimensions of the socio-economic crisis caused by the pandemic. Life got shattered around the world, we got prisoned in suffocating isolation and the hopes have not been a very relatable word. But Homo sapiens are born with the ancient spirit to fight the fears, break the hurdles and thrive with resistance. We have proved it many times in the history of mankind & novel coronavirus pandemic is just another moment the world pushes back against fear and isolationism, and turns instead towards hope, solidarity and a shared sense of global community. Though it seemed impossible this time to find hope in the prevailing adversity and stand firm on the oath of not losing, instead of waiting, stand-still for the hope of good days to come, we created the possibilities ourselves. Better days are about to come!





# 100 YEARS OF MUJIB

“My greatest strength is the love for my people, my greatest weakness is that I love them too much”

*Interview with Sir David Frost on the BBC, 1972*

FATHER OF THE NATION  
**BANGABANDHU**  
**SHEIKH MUJIBUR RAHMAN**



# LETTER OF TRANSMITTAL

To  
All esteemed Shareholders  
Bangladesh Securities and Exchange Commission (BSEC)  
Registrar of Joint Stock Companies & Firms (RJSC)  
Dhaka Stock Exchange Limited (DSE)  
Chittagong Stock Exchange Limited (CSE)

**Subject: Annual Report of ADN Telecom Limited (ADNTEL) for the year ended 30 June 2021.**

Dear Sir(s),

We are pleased to enclose a copy of ADNTEL's Annual Report containing the Directors' Report along with the Audited Financial Statements as on 30 June 2021 comprised of Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year ended 30 June 2021 along with notes thereto of ADNTEL for your kind information and records.

Yours Sincerely,  
For ADN Telecom Limited



**Md. Monir Hossain, FCS**  
Company Secretary



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Remembering the lives we have  
lost in the COVID-19 pandemic.

May their departed souls  
rest in peace.

---



# CHERISHING POSITIVITY CREATING POSSIBILITY



The future is shaped by those who put their effort into something greater. We thank everyone who has come up with significant enthusiasm to make this report happen. You are the ultimate artists of the greater picture we are envisioning.

‘To Err Is Human’

In spite of the fact that we attempted our best to create this presentation immaculately, we apologize for any inadvertent divergence.

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18<sup>th</sup> AGM

ANNUAL GENERAL MEETING

Virtual Meeting



Tuesday, 14 Dec 2021



11:00 AM, Dhaka Time



Live Webcast  
<https://adntel.bdvirtualagm.com>

WHAT'S  
INSIDE

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## Welcome to our Annual Report 2021

The objective of this report is to inform our valued stakeholders about our financial and non-financial performances in the financial year 2020-2021. It also includes an apposite presentation of our business activities, challenges, risks and the opportunities.

*To view the report online*



Scan



Visit [www.adntel.com.bd](http://www.adntel.com.bd)



# Notice of the 18<sup>th</sup> Annual General Meeting

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting (AGM) of the Shareholders of ADN Telecom Limited ("Company") will be held on Tuesday, 14 December 2021 at 11:00 a.m. (Dhaka Time) using digital platform through the link <https://adntel.bdvirtualagm.com> (pursuant to the BSEC Order No. SEC/SRMIC/94-231/91 dated 31 March 2021) to transact the following businesses:

## Agenda:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended on 30 June 2021 and the Reports of Directors and the Auditors thereon.
2. To approve Dividend for the year ended on 30 June 2021.
3. To elect Directors in place of those who shall retire by rotation in accordance with the provisions of Articles of Association of the Company.
4. To approve the re-appointment of the Independent Director of the Company.
5. To appoint the Statutory Auditors for the year 2021-22 and to fix their remuneration.
6. To appoint the Auditors to provide the certificate on compliance on the Corporate Governance Code of BSEC for the year 2021-22 and to fix their remuneration.

Dated: 21 November 2021  
Dhaka

By order of the Board of Directors



**Md. Monir Hossain, FCS**  
Company Secretary

## Notes:

1. The Shareholders whose name appeared in the Depository Register as on the "Record Date" i.e., 17 November 2021 will be eligible to attend/participate and vote in the Annual General Meeting through Digital Platform and to receive dividend.
2. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report 2021 will be emailed to respective Shareholder's email ID available in their BO A/C. The Annual Report 2021 will also be available in the Company's website at **[www.adntel.com.bd](http://www.adntel.com.bd)**
3. A shareholder entitled to attend/participate and vote at the Annual General Meeting may appoint a proxy on his/her behalf. Copy of proxy form duly signed and stamped shall be sent to the share office or through email at **[investor.relations@adnsl.net](mailto:investor.relations@adnsl.net)** not later than 48 hours before the meeting.
4. The shareholders can log into the link **<https://adntel.bdvirtualagm.com>** by using their BO A/C number and will be able to submit their questions or comments and vote electronically 24 hours before the meeting. For any IT related guidance in this regard Shareholders may contract cell number +880 1777 770 551.
5. The concerned Merchant Banks and all Depository Participants (DPs) are requested to provide the copies of the list of margin clients along with the bank details for entitlement of dividend on or before 13 December 2021 as per the following:
  - a) Hard copy: Registered mail or courier to Share Office, ADN Telecom Limited, Red Crescent Concord Tower (19<sup>th</sup> Floor), 17 Mohakhali C/A, Dhaka-1212.
  - b) Soft copy: Email to **[investor.relations@adnsl.net](mailto:investor.relations@adnsl.net)**
6. In compliance with the Circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013 issued by BSEC, no benefit in cash or kind shall be offered to the members during the Annual General Meeting.



EVERY  
NEW DAY  
BEGINS  
WITH  
POSSIBILITIES



Name of The Company

# ADN Telecom Limited

Date Of Incorporation 22 September, 2003

Authorized Capital BDT 2,000,000,000

Paid-up Capital BDT 646,516,660

Face Value (Per Share) BDT 10 each

## Listing In Stock Exchange

Dhaka Stock Exchange Ltd.

Listing year-2019

Trading Code-ADNTEL

Scrip Code: 22651

Chittagong Stock Exchange Ltd.

Listing year-2019

Trading Code-ADNTEL

Scrip Code: 24012

## Central Depository System

Through CDS the trading of shares was started on  
6 January 2020

## Registered & Corporate Office

Red Crescent Concord Tower (19<sup>th</sup> Floor), 17 Mohakhali C/A  
Dhaka 1212, Bangladesh

Telephone : +880 222 226 1234

IP Phone : +880 961 000 8888

Fax : +880 222 228 7551

Website: [www.adntel.com.bd](http://www.adntel.com.bd)

E-mail: [info@adnsl.net](mailto:info@adnsl.net)

## Bankers

The City Bank Limited  
Community Bank Bangladesh Limited

## Statutory Auditors

A. Wahab & Co.  
Chartered Accountants

## Corporate Governance Code Compliance Auditors

Ahsan Manzur & Co.  
Chartered Accountants

## Credit Rating Agency

Emerging Credit Rating Limited

## Membership

Dhaka Chamber of Commerce and Industry (DCCI)  
Internet Service Providers Association of Bangladesh (ISPAB)  
Wireless Internet Broadband Association (WIBA)  
Bangladesh Association of Software and Information Services (BASIS)  
e-Commerce Association of Bangladesh (e-CAB)  
Bangladesh Association of Publicly Listed Companies (BAPLC)  
Indian Importers Chambers of Commerce & Industry (IICCI)



**Board of Directors**

Asif Mahmood  
Chairman

Md. Moinul Islam  
Director

Md. Mahfuz Ali Sohel  
Director

Niaz Ahmed  
Director

Waqar Ahmad Choudhury  
Director

Ghulam Rasool  
Independent Director

Khondkar Atique -e- Rabbani  
Independent Director

Henry Hilton  
Managing Director (Ex-Officio)

Zahir Ahmed  
Advisor to the Board of Directors

**Audit Committee**

Ghulam Rasool  
Chairman

Md. Moinul Islam  
Member

Waqar Ahmad Choudhury  
Member

**Nomination & Remuneration Committee (NRC)**

Khondkar Atique -e- Rabbani  
Chairman

Md. Moinul Islam  
Member

Md. Mahfuz Ali Sohel  
Member

**Head of Internal Audit & Compliance**

Md. Abul Kashem

**Chief Financial Officer**

Mohammed Abdul Alim, FCA, CISA

**Company Secretary**

Md. Monir Hossain, FCS

# CORPORATE DIRECTORY

# ABOUT US



## ABOUT US

ADN Telecom Limited commenced its commercial operations in 2003 after being incorporated as 'Advanced Data Networks System Limited' on September 22, 2003, as a private limited company under the Companies Act, 1994. The company was renamed as "ADN Telecom Limited" on April 15, 2012, and was converted into a public limited company on July 25, 2012.

Today ADN Telecom Limited is one of the leading IT and telecommunication service providers in Bangladesh offering a wide range of data, voice, and internet services to its local and international clients.

ADNTEL owns the most diverse access network in the country empowered with wireless, fiber optics, and satellite infrastructures. Being ISO 9001:2015 certified company ADN Telecom has been ensuring seamless and secure connectivity for all its esteemed clients through constant innovative endeavors and prompt modernization.

BTRC has allocated several radio frequencies in different bands in favor of ADNTEL for its access and transmission networks which have driven the company to deploy the updated connectivity services countrywide. ADN Telecom is also tied up with leading global telecom operators such as Singtel, TATA Communications, and Orange Business Service that enables the company to provide end-to-end solutions, both domestically and internationally.

Currently, ADN Telecom Limited is enlisted in both Dhaka and Chittagong Stock Exchanges.

## Our Licenses Permissions & Certificates



Nationwide Internet  
Service Provider (NWISP)



Nationwide IP Telephony  
Service Provider (NWIPTSP)



VSAT Provider with Hub



IPTV Services



Frequencies  
(3.5 GHz, 5.4 GHz, 10.5 GHz, 18 GHz)



Video on Demand (VoD)/  
Streaming Services



Google Global Cache using  
permission



Facebook Cache using  
permission



Registration Certificate for  
Telecommunication Value Added  
Services (TVAS) in Bangladesh



Radio Equipment Importer  
and Vendor Enlistment Certificate



National Internet Exchange  
(NIX) Services



# VISION

Delivering innovation and delightful customer experience through passion, commitment and technology for a brighter tomorrow.

# MISSION

- Delight customers through consistent delivery of high quality services.
- Provide technical innovations by implementing next generation technologies and network advancement in services and operations for the benefit of customers.
- Provide a safe, challenging and rewarding environment for our employees.
- Be environmental friendly.
- Be profitable and successful in business.

# VALUES

- Achievement
- Respect
- Customer Satisfaction



## STRENGTH

- Strong Management with an excellent track record.
- One of the first ISPs in Bangladesh to have a diverse access network of fiber, wireless and satellite.
- Reliable and responsive network and service delivery.
- Largest provider of international MPLS and IPLC service.
- Strong relationship with NTTNs, ITCs, IIGs, ICXs and IGWs.
- Strategic investment in ITC & IIG.
- Strategic alliance with Singtel, Orange Business Services and TATA Communications.
- Nationwide coverage, including remote areas without fiber-based infrastructure.

## OPPORTUNITY

- Launching of the first Bangladeshi geostationary communications and broadcasting satellite Bangabandhu Satellite-1 which will expand our business horizon.
- Huge activities for digital Bangladesh creating new business arena.
- Opportunity to up sell and cross sell different digital products to large and existing client base.
- Due to availability of SEA-ME-WE-5, the lower price of bandwidth will help to increase the market growth.
- Market is growing at high rate.
- Use of new technology concepts like IoT, Cloud Services and Data Centers allow the creation and growth of new services and products.

# OUR SERVICES



## Internet Service

ADNTEL provides high-speed, secured and reliable internet services, everywhere in Bangladesh. ADNTEL also provides cutting-edge technologies such as WiMAX, WiFi, SDH, and GEAPON through wired infrastructure, wireless means, or satellite. To provide seamless and smooth services, ADNTEL's internet infrastructure is connected to both submarine and terrestrial cable. Additionally, ADNTEL is connected to different International Internet Gateways (IIG) and National Internet Exchange (NIX).



## Data Service IPVPN

This is a one-stop service where Internet Protocol Virtual Private Network (IPVPN) can connect multiple locations converging voice, video, and data onto one network at required performance levels by managing the bandwidth. This is a network-based solution that is intelligent, understanding the varying needs and performance parameters for different types of traffic. This secure solution allows consolidating different applications, end-users and supporting infrastructure onto a single private network.



## IP Telephony Service

The IP Telephone solution of ADNTEL is a fixed location telephone used over the internet and carries voice. It has all the services of a land phone and allows the user to make video-calls, use voicemail and many other Value Added Services. It offers everything one needs, from a simple stand-alone phone-set to a complete office PBX replacement.



## Telehouse & Hosting

ADNTEL offers telehouse and hosting services, otherwise known as Data Center service. These are configured for the most complex installations and co-location space. ADNTEL's Data Center complies with industry standards offering co-location facilities with 24X7 restricted access. At present ADNTEL have these facilities in two locations of Dhaka city (Motijheel and Mohakhali). There are future expansion plans to establish these facilities in major cities across the country to accommodate increasing demand.



## Digital Business

Every day we are exceeding our customers' expectations by providing digital infrastructure, business automation, and varieties of automation solutions by bringing together world-class programmers & Software Engineers under one roof.



## Project Sales

ADNTEL undertakes various significant projects of Government and Non-Government sectors providing services on turnkey basis.



## Multiprotocol Label Switching (MPLS)

ADNTEL provides global MPLS services in partnership with foreign carriers. It offers a range of cost-effective IP solutions that simplify the operation of corporate data networks with seamless any-to-any connectivity across the world. This service enables users to use a single connection between offices across the Asia Pacific region and beyond and allows the network to manage the application prioritization and routing of traffic.



## International Private Leased Circuit (IPLC)

IPLC offers a dedicated secure digital point to point private connection between two locations, one in Bangladesh and the other overseas. ADNTEL helps connect major national and international organizations with a direct link to their global offices for end-to-end connectivity using International Private Leased Circuit (IPLC) through high-speed, international long-distance cables.



# HISTORY & MILESTONES

**2021**  
Business Alliance with  
ADN DigiNet.

**2020**  
Started trading in  
DSE & CSE.

**2019**  
IPO approval &  
listing in DSE & CSE.

**2018**  
IPO Bidding  
approval.

**2017**  
Road show  
for IPO.

**2011**  
Strategic Alliance with  
TATA Communication.

**2013**  
Strategic Alliance with OBS  
(Orange Business Services)

**2012**  
• Rebranded as ADN Telecom Limited.  
• Converted to Public Limited Company.  
• Awarded 5.4 GHz band frequency.

**2010**  
Strategic Alliance with  
Bharti Airtel.

**2009**  
• Awarded ISO 9001:2008 certification.  
• Awarded Internet Protocol Telephony  
Service Provider (IPTSP) license.

**2006**  
• Strategic Alliance with Singtel.  
• Awarded 10.5 GHz frequency.

**2003**  
Incorporated as  
Advanced Data Network  
System Limited.

**2004**  
Awarded DDCSP license and  
3.5 GHz band frequency.

**2005**  
Awarded Nationwide  
Internet Service Provider  
(ISP) license. Awarded 18  
GHz frequency.

*Our Journey Towards  
**Excellence...***



# BUSINESS & SHARE MARKET INFORMATION

Number of Clients **750+**

Number  
of  
Circuits

**7000+**

**1000+**

Number of POPs

Number of  
regional HUBS

**9**

**4**

Number of Alliances

Number of Employees **500+**

Customer  
Service

**24/7**

**6**

Number of  
Regional Offices

Nationwide  
Network  
Coverage

**64**  
Districts  
**400+**  
Upazilas

ISO 9001: 2015  
Certification

**Incorporation  
of the Company  
22 September 2003**

## NOTABLE PROJECTS

IV Tier National Data Centre Project  
BD Police Nationwide Connectivity Project  
BSCL Island Project  
BD Army-UN Peacekeeping Mission

Starting date of  
Commercial  
Operation

**22 September 2003**

## Licences, Permisson & Certificate

- Internet Service Provider (ISP) Operator License (Nationwide)
- Internet Protocol Telephony Service Provider License (Nationwide IPTSP)
- VSAT Provider with Hub License
- Frequency 3.5 GHz, 5.4 GHz, 10.5 GHz & 18 GHz License
- 2.4 & 5.7 GHz (ISM) Band Frequency Permission
- Registration Certificate For Telecommunication Value Added Services Provider in Bangladesh
- Radio Equipment Importer and Vendor Enlistment Certificate
- National Internet Exchange (NIX) Services License

Consent of initial  
public offering

**1** October  
2019

Achived Master  
Brand Award By  
HBO World Congress

**2019**

Achived International  
Finance Award - 2019

**23** January  
2020

Achived Master Brand Award By  
HBO World Congress

**2020**

Membership of BAPLC

**29** January  
2020

## Free float securities holding of the Company as on 30 June 2021

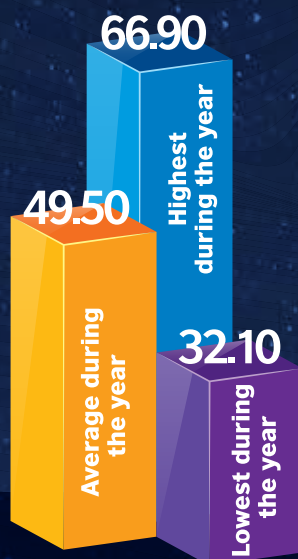
1. Total Outstanding Securities		64,651,666
LESS	a. Securities held by Sponsors/Directors	33,337,334
	b. Securities held by Government	-
	c. Strategic stakes by private corporate bodies/individuals (any holding more than 5% held by an individual/company be considered as strategic)	-
	d. Securities held by associate companies (cross holdings)	-
	e. Any other locked-in securities	8,549,750
2. Sub Total (a to e)		41,887,084
Total Free Float Securities (1-2)		22,764,582
No. of Sponsors -		6
% of free float securities in respect of total securities		35.21



## GENERAL INFORMATION

Authorized Capital	BDT 2,000 Million
Issued and fully Paid-up Capital	BDT 646.52 Million
Class of Share	Ordinary Share @ BDT 10 each
Voting Rights	One vote per Ordinary Share

**Market Value of the Shares (in BDT) as on 30 June 2021**



### DEMATERIALIZATION OF SHARES

The Company's shares are traded in dematerialized form and are available for trading with the Central Depository Bangladesh Limited (CDBL). The shareholders can hold the Company's shares with any of the depository participants, registered with the CDBL. ISIN for the Company's shares is BD0651ADNTL9.

### SHAREHOLDER SERVICES

If you have any queries relating to your shareholding and dividend, please contact at +880 1777 770 324 or mail to Share Office at [investor.relations@adnsl.net](mailto:investor.relations@adnsl.net)

## STOCK EXCHANGES LISTING

The shares of the Company are listed with both Dhaka & Chittagong Stock Exchange Ltd.

### Debut Trading Date

06 January 2020

### Trading Code

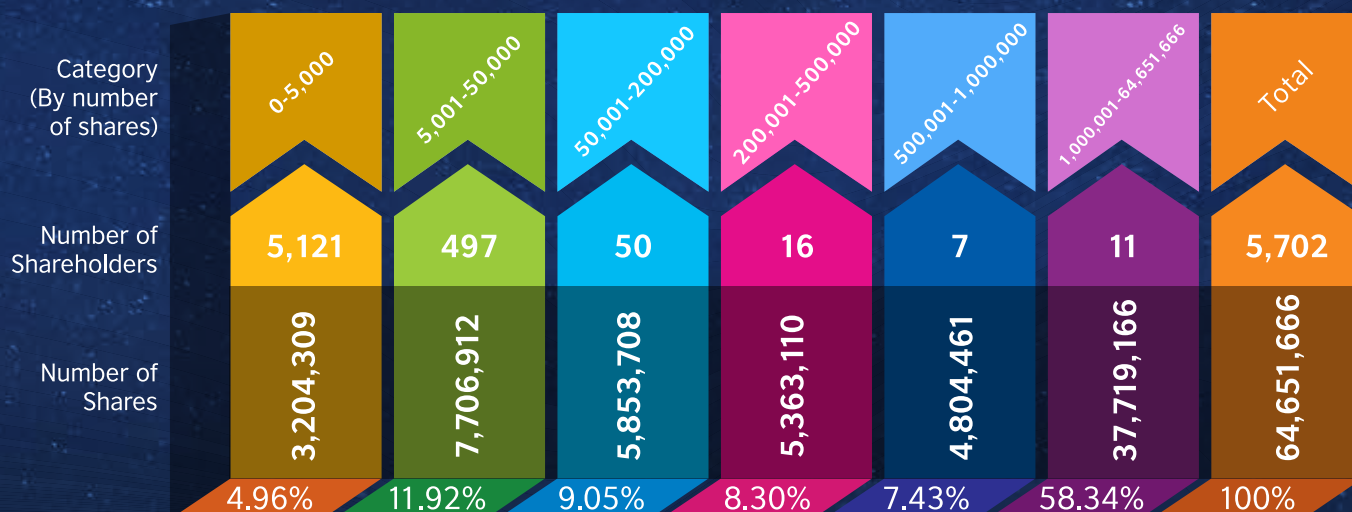
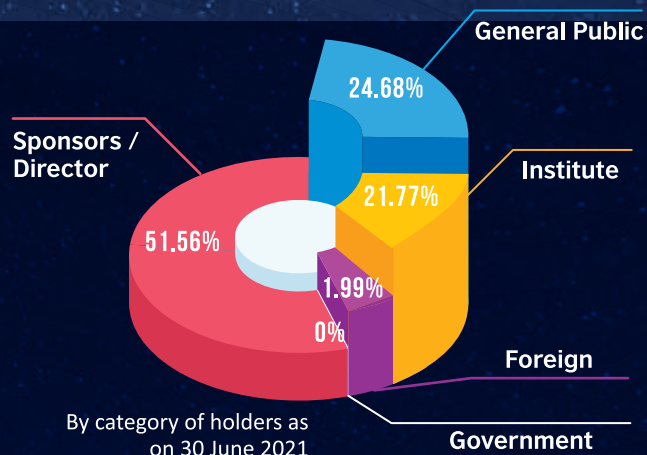
ADNTEL

### DSE Scrip Code

22651

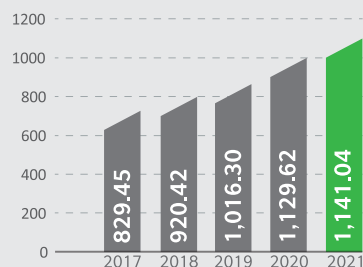
### CSE Scrip Code

24012

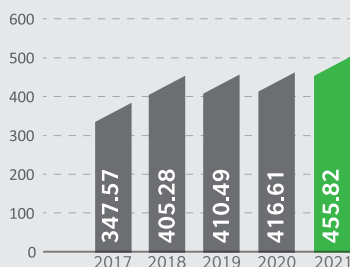


Particulars	2021	2020	2019	2018	2017
Net Revenue (BDT in Million)	1,141.04	1,129.62	1,016.30	920.42	829.45
Gross Profit (BDT in Million)	455.82	416.61	410.49	405.28	347.57
Net Profit Before Tax (BDT in Million)	189.69	156.62	161.01	182.31	152.17
Net Profit After Tax (BDT in Million)	165.86	161.47	127.11	119.63	105.93
Total Current Assets (BDT in Million)	1,100.15	1,090.59	573.68	570.94	496.30
Total Assets (BDT in Million)	2,337.29	2,233.63	1,516.59	1,428.59	1,240.73
Total Equity (BDT in Million)	1,678.81	1,633.53	943.45	843.43	723.80
Total Current Liabilities (BDT in Million)	455.62	416.64	383.81	362.47	291.22
Net Operating Cash Flow (BDT in Million)	135.85	180.52	191.23	152.58	155.83
Net Asset Value (NAV) (BDT)	25.97	25.27	14.59	18.80	16.13
EPS (BDT)	2.57	2.50	2.25	2.67	2.52
NOCFPS (BDT)	2.10	2.79	2.96	3.40	3.71

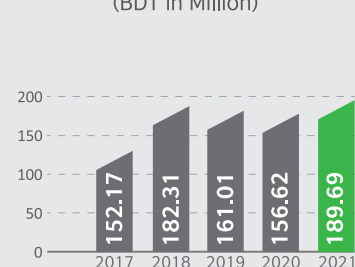
Net Revenue (BDT in Million)



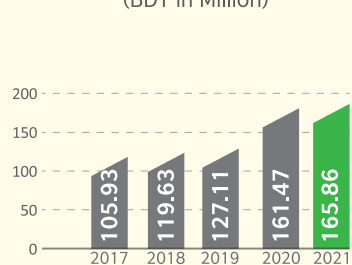
Gross Profit (BDT in Million)



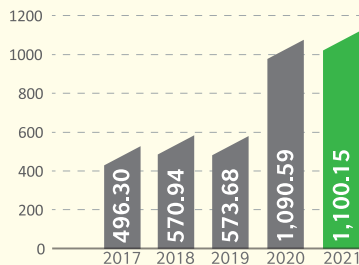
Net Profit Before Tax (BDT in Million)



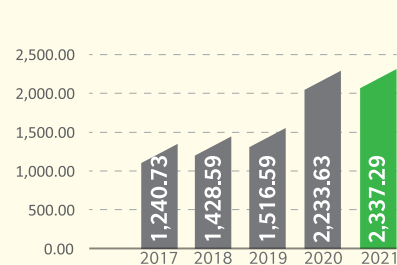
Net Profit After Tax (BDT in Million)



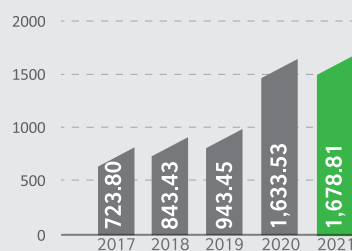
Total Current Assets (BDT in Million)



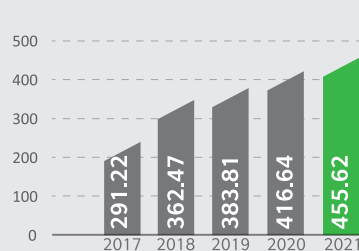
Total Assets (BDT in Million)



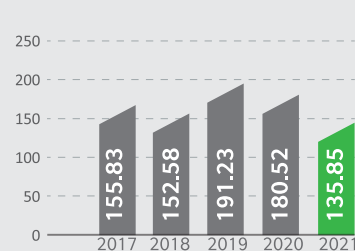
Total Equity (BDT in Million)



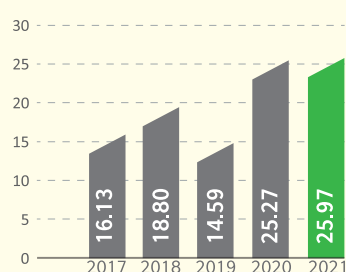
Total Current Liabilities (BDT in Million)



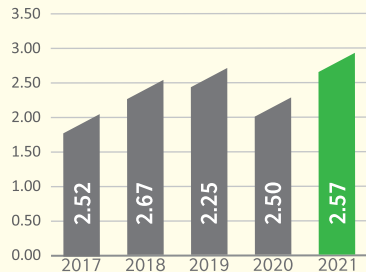
Net Operating Cash Flow (BDT in Million)



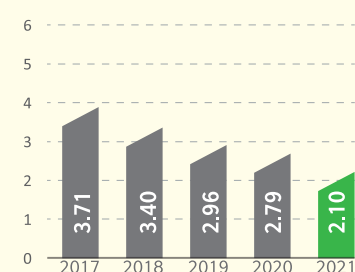
Net Asset Value (NAV) per share (BDT)

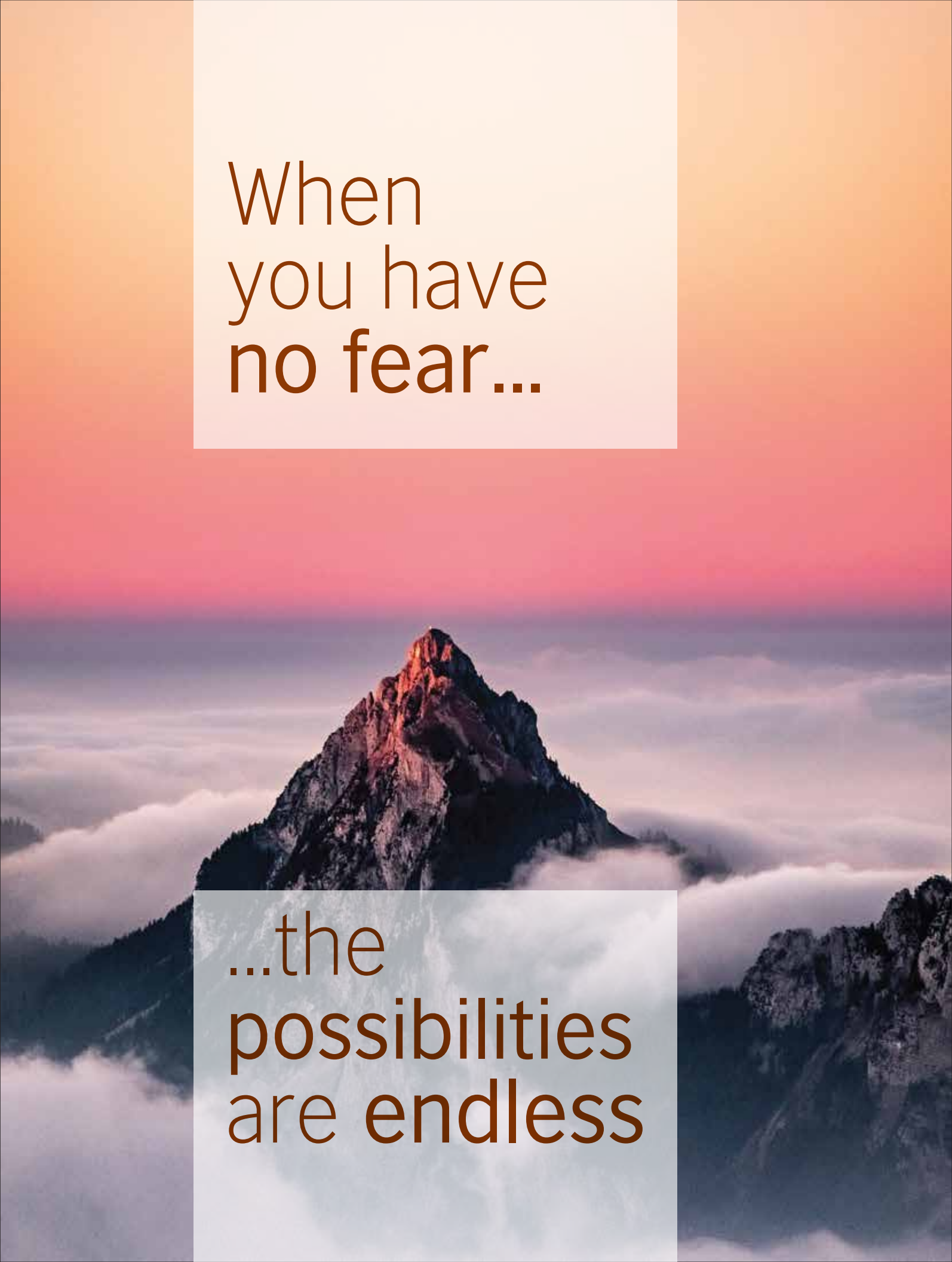


EPS (BDT)



NOCFPS (BDT)



A full-page background image featuring a sharp, rocky mountain peak that rises above a thick layer of white clouds. The sky is a gradient of warm colors, from orange at the top to pink and purple near the horizon, suggesting a sunset or sunrise. The mountain's peak is illuminated by the low sun, giving it a golden glow. The overall mood is one of awe and inspiration.

When  
you have  
**no fear...**

...the  
**possibilities  
are endless**



“I see a brighter, shinier  
**Digital Bangladesh,**  
ready to achieve  
bigger goals, surprise  
the world, and march  
ahead”

**Asif Mahmood**

Chairman  
ADN Telecom Limited





# Chairman's Message

Distinguished Shareholders,  
Firstly, I'd like to welcome all of you at the 18th Annual General Meeting (AGM) of our company. On behalf of the Board of Directors, I want to extend my sincere gratitude to all of you for your continued support and trust in us over the years. You inspire us to work harder and soar higher every year, resulting in our continued success through thick and thin. And for that, we thank you for having your trust in us.

As we all know, the world is still going through an unprecedented pandemic that has affected all of us in more ways than one. While the world is slowly trying to heal from the horrors of Covid-19, we still have a long way to go and the future of the virus and humanity is still quite uncertain. But we have faith in the scientists, doctors and volunteers of the world, in the health and safety measures taken by our government in vaccinating the nation, and above all in the undying spirit of humanity to overcome any adversity. We wish you all good health and mental peace.

Esteemed Shareholders,  
As the nation is slowly going back to normal life, our business is also getting back to its road to success. Our listing in both Dhaka and Chittagong Stock Exchange is gradually picking up, showing the result that we were hoping for when we enlisted our company just before the pandemic. We are expecting great results from this enlistment in the years to come.

Moreover, people's dependency on internet continues to be higher than ever before as more and more people are relying on their internet services for communication, work, classes, information and entertainment. TEAM ADN, our brave superheroes of support service team, are working relentlessly to ensure uninterrupted service to meet the demands of our clients.

Despite the uncertainty and instability of the global economy, ADNTEL has successfully retained its market reputation. In the Financial Year 2020-2021, the company was successful in generating BDT 1,141.04 million in revenue.

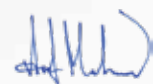
Moreover, the company was successful in translating this revenue growth to increased net profit, which stood at BDT 165.86 million in Financial Year 2021. This positive financial performance caused the basic earnings per share to increase from BDT 2.50 to BDT 2.57. As the chairman of your company ADNTEL, it gives me immense pleasure to see our TEAM ADN perform with such dedication and efficiency.

I must hereby also address our situation of fulfilling our SDG goals in the predicted timeline. Once again, due to the on-going pandemic, the timeline has been compromised, but we are trying our level best to catch up for the missed time and get back to our predicted timeline very soon. At ADN, we are committed to fulfilling our SDG goals and we will ensure that we successfully complete the goals with effective results.

Finally, I would also like to thank all our shareholders and other stakeholders for your constant support, cooperation & encouragement. I also thank all the members of our Board of Directors for your active participation and support at every stage of our operations. Thank you, all our clients, associates, partners and vendors, for believing in us and supporting us in our smooth service.

On the golden jubilee year of this nation, I see a brighter, shinier Digital Bangladesh, ready to achieve bigger goals, surprising the world and marching ahead to become a Shonar Bangla.

Thank you



Asif Mahmood  
Chairman  
ADN Telecom Limited

# HENRY HILTON

## MANAGEMENT DISCUSSION AND ANALYSIS OF BUSINESS FROM MANAGING DIRECTOR'S DESK



Distinguished Shareholders, Honorable Chairman, Board of Directors and dear colleagues, welcome to the 18<sup>th</sup> Annual General Meeting of your Company.

Year after year, we have received immense support and continued inspiration from our most valued shareholders. We thank you for your trust in ADN Telecom Limited. Throughout our glorious journey in the IT and Telecommunication industry of Bangladesh, many achievements have been added to our list of achievements. Needless to say, ADN Telecom is now a well-known brand in the world of Information and Telecommunication Technology.

With the onset of COVID-19 impact the company is able to generate revenue of BDT 1,141.04 million in FY 2020-2021 which is the highest revenue since inception. Our company has categorized its revenue generation in three categories; local service, IT Support & Services and Export Services. The company could achieve revenue growth in one category IT support and service while it faced revenue shrinkage in the other two categories. During COVID-19 lockdown imposed by the government of Bangladesh the offices of multinational companies were closed which caused the export services of the company to suffer. The company controlled its cost of service strictly. Key expenditures such as bandwidth cost and salary allowances decreased which increased the gross profit margin of the business from 36.88% in FY 2020-2021 to 39.95% in FY 2021. This was translated into higher operating profit margin however changes in tax rules resulted in the company incurring significantly higher tax in FY 2021 resulting in a marginal increase in net profit margin from 14.29% in FY 2019-2020 to 14.52% in FY 2020-2021.

Historically ADNTEL has maintained low dependence on debt which was particularly helpful during the COVID-19 pandemic; our low finance cost burden enabled us to give extended credit facilities to our customers which increased our customer retention and helped in building stronger customer loyalty and greater brand value. At present low cash conversion cycle with high current ratio of the company indicates that it simply maintains an outstanding liquidity position which gives us the confidence to continue with our expansion plan in FY 2022.

### **Accounting policies and estimation for preparation of Financial Statement**

The financial statements of ADN Telecom Limited have been prepared on a going concern basis under historical cost convention in accordance with International Financial Reporting Standards (IFRSs). The disclosures of information are made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and the financial statements have been prepared in accordance with International Accounting Standard (IAS) -1 using the accrual basis of accounting. In the preparation of these financial statements, management used available information to make judgments, estimate and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

### **Changes in Accounting Policies and Estimation of financial Statements**

The changes in accounting policies and estimation are described in the notes 2.00 of the financial statements.

### **Comparative analysis of Financial Performance**

The key operating and financial performances of the company for the last 5 years are annexed on page no. 20 of this annual report.

The company considered the three publicly listed Internet Service Providers and created a peer analysis from the publicly available data.

**Comparison of \*financial performance with the peer industry scenario**

Details	ADNTEL (Audited till 30 June 2021)	AAMRANET (Un-audited till 31 March 2021)	AGNISYS (Un-audited till 31 March 2021)	BDCOM (Un-audited till 31 March 2021)
	12 Months	9 Months	9 Months	9 Months
Net Revenue (BDT in Million)	1,141.04	791.60	366.11	488.50
Gross Profit (BDT in Million)	455.82	264.42	133.76	261.28
Net Profit Before Tax (BDT in Million)	189.69	107.85	68.06	50.57
Net Profit After Tax (BDT in Million)	165.86	98.39	52.16	38.27
Total Current Assets (BDT in Million)	1,100.15	1,251.34	659.52	740.84
Total Assets (BDT in Million)	2,337.30	2,632.80	1,190.42	1,189.06
Total Equity (BDT in Million)	1,678.81	2,063.37	1,056.88	824.63
Total Current Liabilities (BDT in Million)	455.62	463.35	117.48	299.55
Net Operating Cash Flow (BDT in Million)	135.85	132.40	55.00	50.97
Net Asset Value (NAV) Per Share (BDT)	25.97	36.70	14.57	15.17
EPS (BDT)	2.57	1.75	0.72	0.70
NOCFPS (BDT)	2.10	2.35	0.76	0.94

\*Financial information of peer companies is based on the data available on their website.

**Brief explanation of the financial and economic scenario of the country and the globe**

The global economy is recuperating invincibly from the COVID-19 outbreak, but the recovery process is very different and uneven among countries. In the World Bank published report titled, „ Global Economic Prospect, June 2021, the economic growth is projected at 5.6 percent in 2021 which was contracted to 3.5 percent in 2020. Substantial fiscal support for the economy, policy support and vaccine access are the major determinants of this unstable growth. Global growth is set to reach 4.3 percent and 3.1 percent respectively in 2022, and 2023 in that report.

In the World Economic Outlook (WEO) April 2021, International Monetary Fund (IMF) projected that the global economy to grow at 6.0 percent in 2021 which is 0.8 percent higher than the estimate of October 2020 WEO. For advanced economies, expected growth rate is 5.1 percent and for emerging markets and developing economies growth is projected at 6.7 percent in 2021. Initially the report made conservative prediction. After analyzing the recent resilient trend of global economic growth, the revised forecast has been made with higher projection.

Bangladesh economy has been consistently performing well with above 6 percent of GDP growth since FY 2010-11 to up until COVID-19 outbreak. The growth rate was elevated to 8.15 percent in FY 2018-19. According to the provisional estimates of BBS, growth rate achieved in FY 2019-20 is 3.51 percent. In FY 2020-21, the estimated GDP growth target is 5.47 percent. According to provisional estimate of BBS, per capita GDP and per capita national income stood respectively at US\$ 2,097 and US\$ 2,227 in FY 2020-21.

The domestic savings stood 24.17 percent of GDP, and national savings stood at 30.39 percent of GDP for the same period. The gross investment stood at 29.92 percent of GDP in FY 2019-20 where public investment

and private investment accounted for 8.67 percent and 21.25 percent of GDP, respectively.

**Risk and Concern**

The risk factors and the management of these factors are set out on the Note No. 45 to 48 of the Audited Financial Statements of the company.

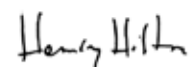
**Future plan**

In FY 2022 we wish to continue with our IPO utilization plan of primarily developing infrastructure and launching new products & services which in the long run will be an integral part of new customer acquisition and old customer retention. As the world is becoming more and more technology oriented, we believe that building robust network systems using the latest technology will provide us with a lasting competitive edge over our competitors.

**Gratitude and thanksgiving**

We would like to acknowledge the strength in our team. Each member works tirelessly, harnessing all their energy and skills to meet the needs of our customers and partners. They do whatever it takes to get the job done. We also want to thank you, our shareholders, for your continuing support, your confidence and above all for your trust. Rest assured that our passion for technology and our passion for quality will continue to generate the sustainable, profitable returns that you rightfully expect from us.

Thank you



**Henry Hilton**  
Managing Director  
ADN Telecom Limited



# BOARD OF DIRECTORS





## PROFILE OF THE BOARD OF DIRECTORS



**Asif Mahmood**

Chairman

Mr. Asif Mahmood, the Founder and Chairman of ADN Telecom Limited, is an optimistic tech personality, a successful entrepreneur and a visionary leader in the field of IT and the telecommunication sector of Bangladesh.

With his magnetic personality, leadership, and motivational proficiency, he tends to bring out the very best in all the team members of the ADN Family. Today ADN Telecom Limited, a flagship company of ADN Group of Companies, has become one of the largest IT and Telecommunication service providers in Bangladesh.

Having more than 30 years of experience in telecom sector, Mr. Mahmood has been contributing immensely to the global telecommunication scenario with foresight, innovation and technological modernization. His efforts to bring transformation in the telecom sector has made way for global technology giants like Singtel, TATA, Orange, Cisco Systems, Sun Microsystems and Oracle Corporation in the country and has boosted the process of materializing the vision of Digital Bangladesh.

Besides being the founder members of Wireless Internet Broadband Association (WIBA) and Bangladesh Association of Call Center & Outsourcing (BACCO), Mr. Mahmood has a strong tie-up with Dhaka Chamber of Commerce & Industry (DCCI) and Korea Bangladesh Chamber of Commerce and Industry (KBCCI).

Mr. Mahmood is active in various industry-level initiatives. He also has a diverse range of business interests where he has proven entrepreneurship records by developing ventures from startups. Currently he holds the Chairmanship of ADN Technologies Limited, Tech Valley Networks Limited, InGen Technology Limited, Advance Technology Computers Limited, ADN International Gateway Limited, bdnews24 Publishing Limited, ADN Eduservices Limited, BASE Limited and ADN DigiNet Limited. Moreover, he also holds the position of Managing Director of InGen Industries Limited, MyTel Limited and SEAF Ventures Management. He is also Director of Tech Valley Computers Limited, ADCOR International Limited and Greenworld Solutions Limited.

Mr. Mahmood has been engaged in various philanthropic social welfare activities to uplift the socio-economic conditions of various areas and to promote the cause of humanity in the society. He holds prestigious positions in various business areas as well as social welfare organizations. At present, he chairs the Board of Trustees of Goodheal Trust – a not-for-profit organization aiming to improve the quality of health care services in Bangladesh. He also heads the Board of the Centre for Media & Development Trust that promotes capacity building of media institutions & media professionals and sponsors holistic social development in the country. Additionally, he is an enthusiastic member of Army Golf Club, Uttara Club Limited, Gulshan North Club Limited and Gregorian Alumni Club Limited.

Mr. Asif Mahmood holds a B.Sc. in Engineering from National Institute of Technology (NIT), Durgapur, India and has attended many executive development programs on Governance & Leadership, Strategy and Business Negotiation in various countries around the world.

## PROFILE OF THE BOARD OF DIRECTORS

Mr. Md. Moinul Islam is the Founder Director of ADN Telecom Limited and has over 28 years of experience in the technology industry. Mr. Islam is currently the Chairman of Tech Valley Distributions Ltd. and Tech Valley Systems Ltd. He is the Managing Director of Tech Valley Computers Ltd. and a Director of Advance Technology Computers Ltd. Mr. Islam holds a M.Sc. in Applied Physics & Electronics from Dhaka University. He was the key person in achieving Zero TAX on ICT products among Seven members BCS Delegation in 1998, as well as in formulating the ICT Policy of Bangladesh from FBCCI- the first ever Policy work in the history of FBCCI. He is the former Vice President of Bangladesh Computer Samity and a current member of Dhaka Chamber of Commerce & Industry (DCCI). He is a lifetime member of Ex-Adamjee Cantonment Students Association and was a General Body Member (Term 2012-2014) of The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).



**Md. Moinul Islam**

Director

Member, Audit Committee

Member, Nomination and Remuneration Committee (NRC)



**Md. Mahfuz Ali Sohel**

Director

Member, Nomination and Remuneration Committee (NRC)

Mr. Md. Mahfuz Ali Sohel is the Founder Director of ADN Telecom Limited. Among other positions, he is currently the Chairman of Tech Valley Solutions Limited, Tech Valley Computers Limited and Unus Technology Limited; while being the Managing Director of Valley Power Solutions Limited and Nodi Agro Industries Limited. Presently, he is also a Director in Advance Technology Computers Limited. Besides this, He is the Board of Trustee of University of Skill Enrichment and Technology. Mr. Ali has an M.Sc. in Applied Physics & Electronics from Dhaka University and has over 32 years of experience in different fields. Due to his vast experience and knowledge on various fields of business he is a Member of Bangladesh Computer Samity (BCS), Dhaka Chamber of Commerce & Industry (DCCI), Dhaka Army Golf Club, Gulshan Society, Banani Society and Dhanmondi Club Limited.



## PROFILE OF THE BOARD OF DIRECTORS



**Niaz Ahmed**

Director

Mr. Niaz Ahmed is a Director of ADN Telecom Limited (Representing Savoy Ice Cream Factory Limited). He is a distinguished self-achieved businessman. He is the first generation businessman in the country. Starting in the early eighty's with a vision of 'taking our nation a step towards tomorrow', Mr. Niaz Ahmed (M.Com, L.L.B) has been one of the leading Entrepreneurs in the country over the year. The road was had been quite difficult and the tasks forbidding, but Mr. Niaz Ahmed made it possible only by his commitment, dedication and self-confidence. He is an emerging entrepreneur in Bangladesh. Being a business and law graduate, Mr. Ahmed started his career as Traders. Later he started chemical/Commodities business and within very short time established himself as a successful businessman.

Currently Mr. Niaz is also the Managing Director of Golden Oil Mills Limited and Savoy Ice Cream Factory Limited. He is engaged as a Chairman of Millennium Information Solution Ltd, Director of Al-Arafah Islami Bank Limited, AIBL Capital Market Services Ltd, Bangla Tel Limited, BD Link Communication Limited, Jibondhara Solution Limited and Trustee of South East University. Mr. Niaz is the Proprietor of Golden Trading Co., Khaja Corporation and Trade Plus and Managing Partner of Broadway Marketing Co.

Mr. Waqar Ahmad Choudhury is the Director and Managing Director & CEO of 'Vanguard Asset Management Ltd.' and he is a Director of 'ADN Telecom Limited' (representing 'Vanguard AML BD Finance Mutual Fund One').

Mr. Waqar Ahmad Choudhury was the stakeholder and sponsor Director from 1996 to 2012, of Green Delta Insurance Company Limited, one of the largest General Insurance Companies in Bangladesh. During this period Mr. Choudhury played a pivotal role making equity investments in creating the following ventures:

- Delta BRAC Housing Limited (DBH), largest housing finance company in Bangladesh.
- United Hospital Limited, one of the leading corporate hospitals in Bangladesh.
- Green Delta Securities Limited, having membership of Dhaka Stock Exchange and Chittagong Stock Exchange.
- Green Delta Capital Limited, one of the leading Merchant Banks in Bangladesh.

Apart from the above investments he played a key role to finalize the equity participation of IFC to Green Delta Insurance Company. He was immediate past Managing Director and CEO of Green Delta LR Holdings Limited with 30 years of experience in the field of investment banking mainly in the capital market, insurance and trading business.

Mr. Waqar is the Director of 'Union Capital Ltd.', 'Nascom (Pvt.) Ltd.', 'Rancom Trading (Pvt.) Ltd.' and 'AFC Health Ltd.', a concern of Active Fine Chemicals Ltd. represents as a Director of 'Vanguard AML Rupali Bank Balanced Fund'. He is also the Chairman of the Executive Committee and the Member of the Audit Committee of Union Capital Ltd.

He is widely reputed for crafting requisite strategic vision to achieve business goals. Mr. Waqar holds the Bachelor of Commerce in Finance and Banking from Adelphi University in Long Island, NY, USA.



**Waqar Ahmad Choudhury**

Director

Member, Audit Committee



## PROFILE OF THE BOARD OF DIRECTORS

Mr. Ghulam Rasool is an Independent Director of ADN Telecom Limited. Qualified with an MBA, IBA, University of Dhaka, in Marketing. Mr. Rasool has rich experience of 29 years in the IT industry. He has handled and competently managed the sales, services and later the management function. Presently he is the Managing Director & CEO of Asset Developments & Holdings Ltd.

He was instrumental in establishing Oman Computer Services (OCS) which was the pioneer IT Company of Oman. In his 16 years career with OCS as part of the core team, he witnessed the building of an organization from inception to being the market leader IT Company in Oman. He has worked in the management team holding senior positions. Mr. Rasool is a versatile and effective manager for IT solution providers with experience in different countries of the GCC like Oman, Kuwait and UAE. His 5 years stint in Australia as a Sales Manager of a finance company, gave him the added exposure to training and western systems and procedures of management.

Previously as Managing Director of Macro Software Systems, Oman, his achievement was to bring the company back from the brink after a management crisis threatened its very existence. He effectively retained clients, principles and held the core team together.

In his last assignment as Managing Director & CEO of Tech Valley Networks (TVN), provided leadership to meet the stated goals of the board of TVN by providing guidance to various teams to meet the ever-growing and complex IT solution deployment scenario of the Bangladesh market.



**Ghulam Rasool**

Independent Director  
Chairman, Audit Committee



**Khondkar Atique -e- Rabbani, FCA**

Independent Director

Chairman, Nomination and Remuneration Committee (NRC)

Mr. Khondkar Atique -e- Rabbani, B Tech (Hons) in Statistics from University of Bradford, UK, FCA is serving as an Independent Director of ADN Telecom Limited since January 2018. He is also serving as an Independent Director of Biman Bangladesh Airlines Limited since January 2021. Mr. Rabbani is the founder and Managing Director of The Computers Ltd., established in Nov 1983 engaged primarily in Blockchain and 4IR (Fourth Industrial Revolution) Research, Education and Development under its division called BARED (Blockchain Academy of Research, Education and Development), ERP/Software Consulting/ Development and ICT training as approved training service provider of IDB-BISEW project. Mr Rabbani has conducted numerous seminars/ courses/ spoken on Blockchain and 4IR including those in Government (CAGB, FIMA, IPF, Min of Finance, Cabinet Division, Min of ICT (Startup Bangladesh), Multinationals (ACI), Professional bodies/ Institutes (FRC, ICAB, IIAB, BCS, BASIS, BITM, BAAS, BDREN, bdSIG, BJIT, TCL, PMI, IBCOL (International Blockchain Olympiad, Hongkong 2021) since 2018. He is also the Chief Consultant of AtiqueRabbani Consulting engaged in advisory services on Accounting, Internal and IT Audit.

Mr. Rabbani is the past President and founder member of Institute of Internal Auditors Inc, Bangladesh Chapter. Mr Rabbani is also the founder member of BASIS (Bangladesh Association of Software and Information Services) formed in 1997 and BCS (Bangladesh Computer Samity) formed in 1987. Mr. Rabbani was past Vice President of DCCI (2016), Independent Director for ICB Securities and Trading Company Ltd. (2000 to 2012), past Independent Director of Energypac (2016-2019), Director of Dhaka Chamber of Commerce and Industry (2002-2004 & 2015-2017), Treasurer, BCS and BASIS (1997-99), Secretary, BASIS (1999-2001). He is a life member of Cadet College Club Ltd. and Mirzapore Ex Cadets Association.

Mr. Rabbani started work as a Programmer in British American Tobacco & Co., in Southampton, UK during 1977-78 as an industrial placement student from University of Bradford, UK. Mr. Rabbani articulated with Arthur Young McClelland Moores & Co. (AYMM & Co), UK and became a member of ICAB (Institute of Chartered Accountants Bangladesh) in 1989. Mr Rabbani's unique blend of IT/Software and Financial/Accounting expertise has been acquired and honed over his involvement in these two fields over the last four decades in UK and Bangladesh.

## PROFILE OF THE BOARD OF DIRECTORS



**Henry Hilton**

Managing Director (Ex-Officio)

Mr. Henry Hilton is the Ex.Officio Managing Director of ADN Telecom Limited, who has been a part of the company for more than a decade. He is an efficient business leader with 23 years of experience in the corporate sector.

While leading the overall local business endeavors successfully, Mr. Hilton has been also playing a significant strategic role in maintaining a strong relationship with international business alliances like Singapore Telecommunications Ltd. (Singtel), TATA Communications Ltd. (TCL), Orange Business Services (OBS) and other international carriers of telecommunication sector, which helped the organization expand its business, especially in the international arena. His supervision has visible impacts in the organization's growth, operational excellence and financial performances over the years, that have made him an integral part of the overall business endeavor of the company. As a top personnel handling the business affairs of the company, he has touched the milestone of leading ADN Telecom through the IPO procedures, which resulted in a successful enlistment in the capital market and transformed it into a public limited company.

Mr. Hilton is associated with trade bodies and associations like Dhaka Chamber of Commerce and Industry (DCCI) and Bangladesh Association of Software and Information Services (BASIS). At the same time he has strong attachment with Internet Service Provider Association of Bangladesh (ISPAB) where he also plays a robust role in taking strategic decisions.

Besides ADN Telecom Limited, he is currently holding the position of Managing Director of ADN International Gateway Limited, an IIG licensee and Director of ADN DigiNet Limited.

Before joining ADN Telecom Limited, Mr. Hilton played vital roles while working with renowned entities like Cosmos Group, Heidelberg Cement Bangladesh Limited and Agni Systems Limited.

Mr. Hilton pursued his MBA from the United States and has attended countless seminars and professional workshops home and abroad, where he had the opportunity to gain and share experience and skills to represent ADN Telecom and Bangladesh profoundly.

Mr. Zahir Ahmed, a veteran telecom expert joined ADN Telecom Limited as an Advisor to the Board of Directors in July 2019. He has an illustrious career spanning more than 40 years in the international telecommunication and banking sectors.

Before joining ADN Telecom Limited, Mr. Ahmed was the Managing Director and CEO of BRACNet & Bangla Tel Group. He was also the MD and CEO at Electronic Transactions Network Ltd. (ETN). Later, he carried out the responsibility of CEO at Mir Telecom as well.

Mr. Ahmed's versatile experience also includes consultancy work with the World Bank for banking sector reform and automation of the Central Bank. He also provided consultancy to Mastercard International and Grameen CyberNet Ltd. in various projects.

Mr. Zahir Ahmed pursued his MBA from the Institute of Business Administration (IBA) of Dhaka University.



**Zahir Ahmed**

Advisor to the Board of Directors



Hope is  
a passion  
for the possible





seamless and secured connectivity  
with nationwide coverage

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owns the most  
**DIVERSE  
ACCESS  
NETWORK**



Wireless

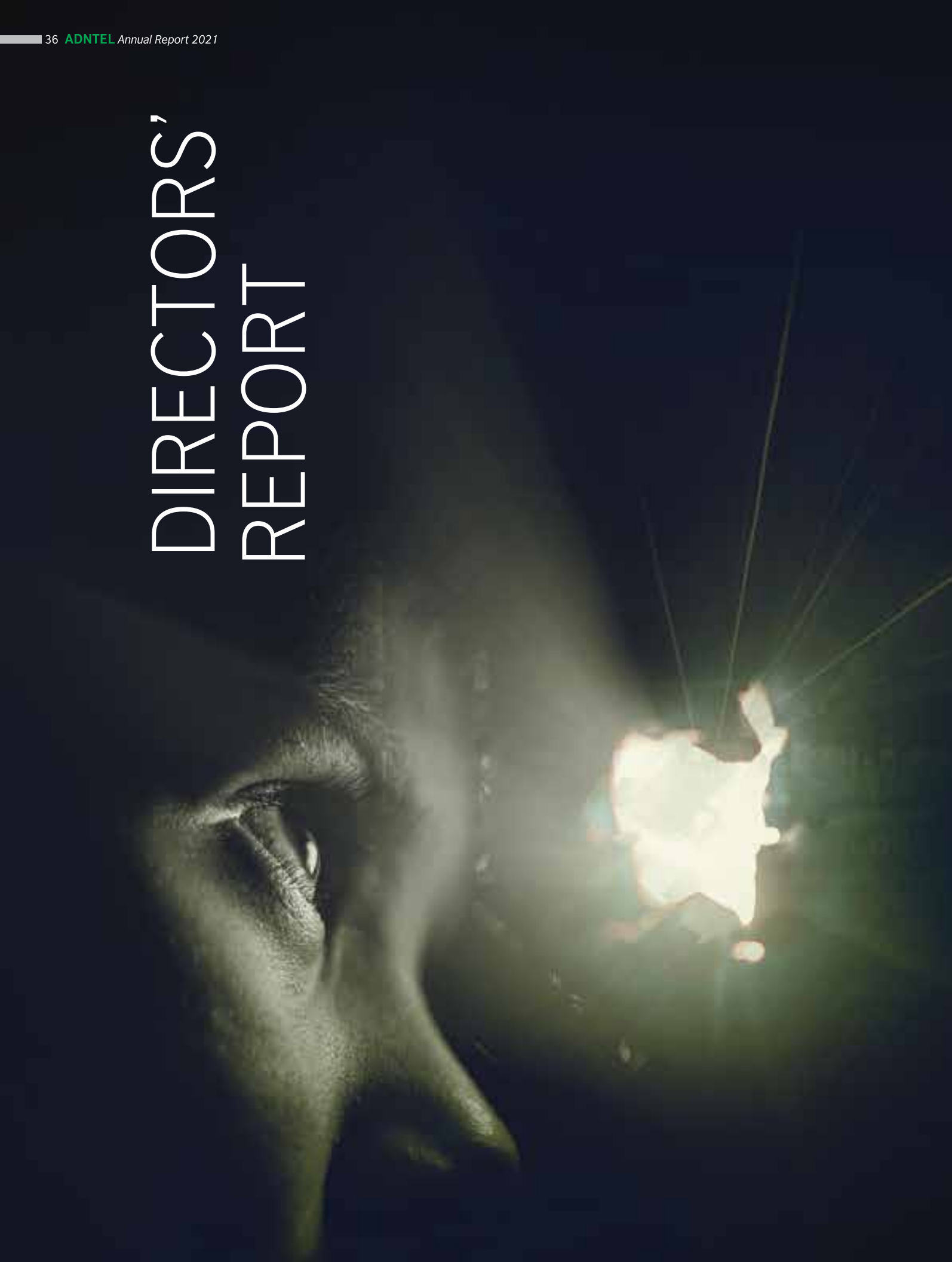


Fiber



Satellite

# DIRECTORS' REPORT



## Directors' Report

The Board of Directors of ADN Telecom Limited ("ADNTEL" or "Company"), with immense pleasure, to takes this opportunity of presenting the Directors' Report together with the audited financial statements of the Company for the year ended 30 June 2021. This is the second time we have presented the report after listing with Stock Exchanges. This report has been prepared in compliance with section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

## Principal Activities

ADN Telecom Limited is one of the leading internet and data connectivity service providers in Bangladesh. The company owns a diverse access network across the country with wireless, fiber, and satellite infrastructure. This ISO 9001:2015 certified company has been awarded with numerous distinguished licenses and permissions by BTRC (Bangladesh Telecommunication Regulatory Commission) as the Nationwide Internet Service Provider, Nationwide IP Telephony Service Provider, VSAT provider with Hub and International MPLS Services to name a few. ADNTEL provides world-class services through the most extensive network of customer touchpoints using state-of-the-art technologies.

## Share Capital

The Authorized Share Capital of the Company is BDT 2,000 million divided into 200 million Ordinary Shares of BDT 10/- (Taka Ten only) each. The issued and paid-up capital of the Company as on 30 June 2021 was BDT 646,516,660 /- (Sixty-Four Crores Sixty-Five Lacs Sixteen Thousand Six Hundred and Sixty only).

## Business Overview 2020-2021

Let us present before you a short review of the total operational and financial performance of our company from 01 July 2020 to 30 June 2021. In FY 2021 the company was successful in generating BDT 1,141.04 million in revenue. Moreover the company was successful in translating this revenue growth to increased net profit, which stood at BDT 165.86 million in FY 2021; this positive financial performance caused the earnings per share to increase from BDT 2.50 to BDT 2.57.

## Industry Outlook and Future Development

As part of Bangladesh government's Vision 2021 of "Digital Bangladesh", the ICT industry is going through massive positive changes to implement digitization in every aspect of the economy. Bangladesh was named the second most digitally competitive country in South Asia, which is a

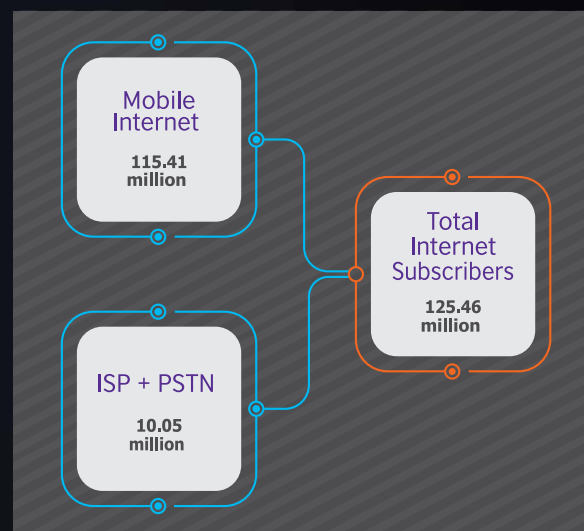
reflection of the country's comprehensive plans with ambitious goals for its digital transformation.

The motto of Digital Bangladesh is to establish E-governance and service delivery through utilizing information and communication technology to emphasize the overall development of the country and the nation. In this way, by ensuring mass people's access to information, sustainable progress can be achieved.

In consequence of this, the ICT industry is going through massive positive changes to implement digitization in every aspect of the economy with the following key priorities:

- i) Developing human resources ready for the digital age
- ii) Connecting citizens in ways most meaningful to them
- iii) Taking services to citizens' doorsteps and
- iv) Making the private sector and market more productive and competitive through the use of digital technology.

Connectivity is the key in the process of digitalization. With the rise of the internet revolution, Bangladesh also has become a hotspot for internet users.



As a result, the total number of internet subscribers has reached 125.46 million by the end of August 2021, providing the ICT industry with more opportunities.

The ISPs have been playing a major role as a catalyst in developing digital infrastructure, regulated by BTRC. In the following table, we can see the number of approved ISP's who play a significant role to transform Bangladesh digitally.



Categories	Number of Licensees
Nationwide	126
Central zone	90
Zonal	253
Category A	814
Category B	125
Category C	596

Source: Summary of BTRC License (As of 13-09-2021)

## Emerging growth of the industry

**Digital connectivity project:** In a move that could cover every corner of the country with the latest ICT infrastructure, the government is set to undertake a significant investment in digital connectivity project, making almost all government services digital and increasing the use of ICT at field levels.

Under this project, the government will establish more than 1 lac broadband and user connections, almost 10,000 digital labs, 57 specialized labs, a central cloud platform and frontier technology center of excellence, IT infrastructure in district and upazilla complexes and training facilities.

This project will transform government services into e-services, making them more accessible to the public.

The increasing broadband penetration will ease the accessibility of ICT across the country, ensuring good governance at all levels of the government, and human resource development.



### The Project will...

- Provide **109,244** broadband connections to govt offices
- Establish **10,000** Sheikh Russel Digital Labs in schools
- Set up **57** specialized IT Labs
- Establish **555** digital service & training centers
- Construct a **21**-story tower in capital's Purbachal
- Turn **10** localities into digital villages

Besides ensuring internet facilities for all by 2021, the government is also working on digitalizing 90% of its services by this year. The government has prioritized several issues, which are: quality education, job creation, creating an environment for research and innovation, increasing IT-based capabilities, creating ICT infrastructure, creating a conducive environment for investment, developing branding in the IT sector, and ensuring IT-based services in rural areas.

## Hi-Tech Park

Bangladesh Hi-Tech Park Authority is establishing hi-tech parks, software technology parks and IT training and incubation centers throughout the country to attract local and foreign investors for the development of hi-tech and IT/ITES industries which are creating employment opportunities and producing skilled workers.

It offers opportunities to invest in the hi-tech industry and promote businesses that are knowledge and capital based. Information technology, software technology, biotechnology, renewable energy, green technology, IT hardware, IT-enabled services and research and development, etc. are major areas of investment in the hi-tech industry in Bangladesh. Currently, eight hi-tech parks, including Bangabandhu Hi-Tech City, are ready for investment, while three more are awaiting inauguration.

## National Data Center

Bangladesh already has a National Data Centre that appears to be the world's seventh largest. The National Data Center will provide many services in the future, such as cloud computing, cloud desk and cloud storage. These services will help people and the government easily take advantage of e-services when they demand them. The government is planning to set up more data centers in the future in different capacities.

Overall, the ICT sector of Bangladesh is looking more promising than ever before with massive transformation underway, providing huge opportunities for the industry to grow manifold while enabling the nation with the power of the internet. The possibilities are endless in the Bangladeshi ICT industry right now and together, we can make the dream of Digital Bangladesh a reality.

## Impact of COVID-19 in Bangladesh

Bangladesh is facing an unprecedented economic challenge at present, like the rest of the world. But the pandemic has hit Bangladesh at a pivotal time when the country was making commendable progress on various economic and social indicators. The impact of the pandemic is already evident on many economic indicators of the last fiscal year. As the virus is yet to be contained and an effective vaccine is yet to be made available everywhere and to everyone, its economic repercussions are likely to

continue in the foreseeable future. Even after the situation is brought under control, the economic recovery may still take some time. Although the preceding fiscal year showed better performance on certain indicators than estimated by many, sustainability remains questionable as the global economy continues to suffer.

The impact of COVID-19 on the economy of Bangladesh has been transmitted through two main channels:

- (i) Depressed domestic demand and supply disruptions in the local economy, and
- (ii) The slowdown in global economic activities affecting global trade and international financial flows.

### ISP Industry

The changes in Internet user behavior during the pandemic have been unique because the shifts took place quickly. The coronavirus pandemic and the resultant extended homestays fueled the demand for internet for education and home office, encouraging the internet service providers (ISPs) to expand their services. However, the number of mobile internet users is not growing as fast as the number of broadband internet users on Wi-Fi. The regulatory authority official said that people were choosing broadband for its faster speed and relatively low cost. As per BTRC data, the number of new internet subscribers spiked from March 2020, when the country went into shutdown, and people were forced to stay at home. The total number of subscribers was 99.98 million in February, which jumped to 103.47 million in June, up by 3.49 million, according to the BTRC.

ISPAB data showed that internet bandwidth usage was 2,450 gigabits per second (Gbps) at the end of June, almost 33 percent more than 1,800 Gbps a year before.

### Our response during COVID-19 Pandemic

- Introducing work from home practice
- Maintaining health safety protocols
- Standby crisis management team
- Dedicated COVID-19 response taskforce
- A strategic approach to ensure uninterrupted connectivity
- Additional safety measures in employee pick & drop facility
- Providing COVID-19 Protective Materials to different stakeholders of the IT & ICT sector
- Regional campaign for COVID-19 vaccine registration

In the upcoming days, this will be the main challenge for the government to get them back on track and thus truly ensure sustainable development. In the current situation, it will be a challenge to implement

all the Sustainable Development Goals within a stipulated time.

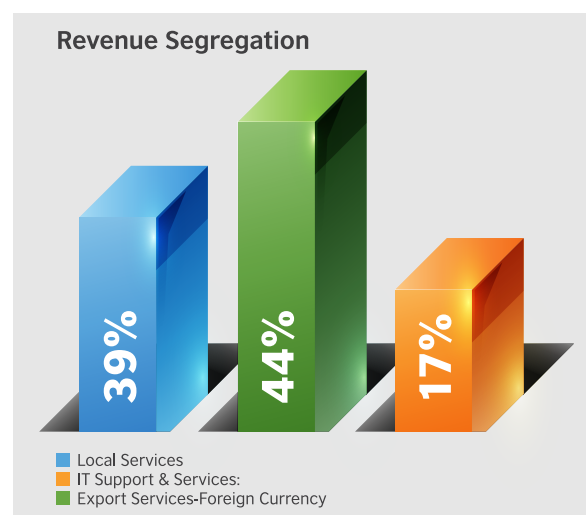
### Impact of COVID-19 and us

At ADNTEL too, the pandemic has definitely been a major hiccup, an unprecedented setback in fulfilling our SDG goals in the predicted timeline. But this has also been a huge learning experience for us to prepare ourselves better for future calamities of such sort. We are now equipped with better knowledge and a stronger urge to make up for the lost time, with better products and services to serve the nation with our state-of-the-art solutions. The work-from-home concept has become a bigger reality now than ever before, making people more dependent on various online solutions. Connectivity is key to success in this post-COVID world and ADNTEL is equipped to serve Bangladesh with better, faster, more efficient ways to connect with people and productivity.

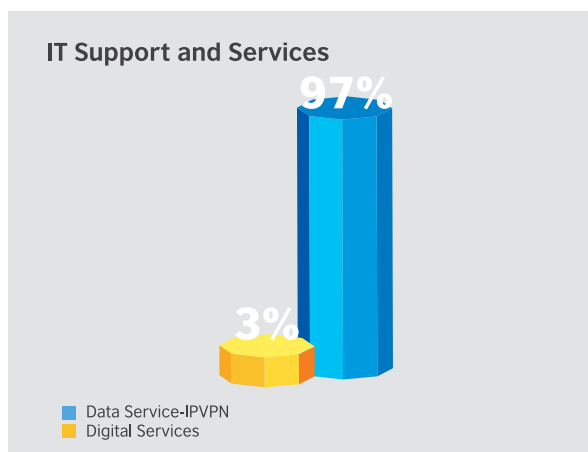
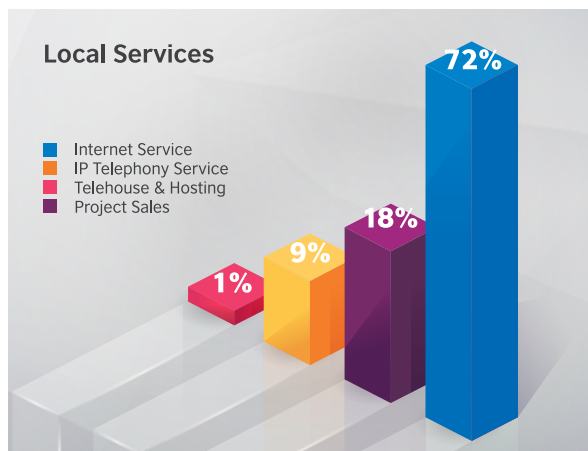
### Segment-wise or service/product-wise performance

Name of Segment	2020-21	2019-20
	BDT in Million	
<b>Local Services</b>		
Internet Service	137.46	133.78
Tele house & Hosting	0.73	0.59
Project Sales	34.78	41.39
IP Telephony Service	17.79	18.02
<b>Sub-total</b>	<b>190.76</b>	<b>193.79</b>
<b>IT Support &amp; Services</b>		
Data Service-IPVPN	438.95	334.64
Digital Services	12.15	25.63
<b>Sub-total</b>	<b>451.10</b>	<b>360.27</b>
<b>Export Services-Foreign Currency</b>		
Multiprotocol Label Switching (MPLS)	482.31	505.35
International Private Leased Circuit (IPLC)	16.87	70.21
<b>Sub-total</b>	<b>499.18</b>	<b>575.56</b>
<b>Total</b>	<b>1,141.04</b>	<b>1,129.62</b>

The company primarily earns revenue from three sources, local services, IT support & services and export services-foreign currency.



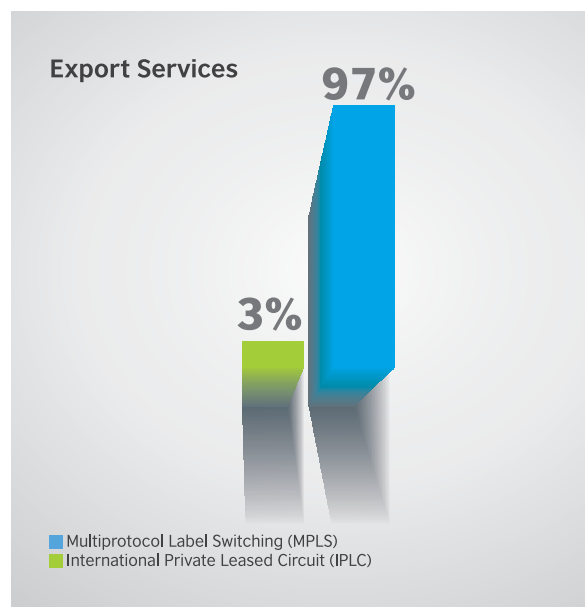
In FY 2021 the company's total revenue grew by 1.01% compared to previous year. Despite this pandemic situation, the company managed to sustain its revenue growth in the period by concentrating on its services. Local and IT support & service was increased by 15.84% whereas revenue from export services shrank by 13.27% due to changes in the global economic scenario caused by pandemic. However, the revenue growth in local segment was powered by increment of 2.75% in internet service, and 31.16% in IT support & service.



As a result, the company was able to realize growth in its total revenue. The company faced significant challenges to generate revenue as most of the businesses were impacted adversely during pandemic. However due to long term relationship with its customers the company was able to generate an overall positive revenue growth. In addition, the Company continued to exert efforts to yield market opportunities not only through the traditional marketing activities but also through digital and social media promotions.

### Key Operating and Financial Data of Preceding 5 (five) years

The key operating and financial performances of the company for the last 5 years are annexed on page no. 20 of this annual report.



### Property, Plant & Equipment

During the year under review, the company invested a sum of Tk. 162.40 million in properties, plants and equipment which is disclosed under note no. 04 of the audited financial statements of the Company on page no. 101 of this annual report.

### Risk and Concern

The Board of Directors recognizes the importance of sound risk management practices and internal controls to safeguard shareholders' investments and the Company's assets. The Board affirms its overall responsibility for the Company's system of risk management and internal control, which includes the establishment of an appropriate controlled environment and framework, along with reviewing its adequacy and integrity. The details of risk are disclosed under note no. 45 to 48 of the audited Financial Statements of the Company on page no. 120 of this annual report.

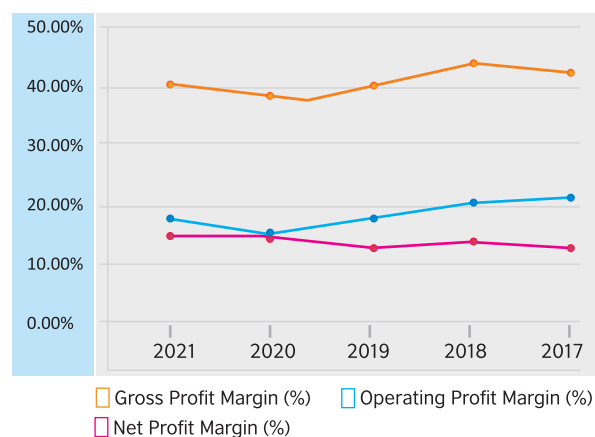


## Cost of goods sold, gross profit margin and net profit margin

The company's revenues and cost of goods sold & services, gross profit margin and net profit margin have continued to change due to increase in revenue volumes, as given below:

Particulars	2020-21	2019-20
Net Revenue (BDT in Million)	1141.04	1,129.62
Cost of Goods sold & services (BDT in Million)	685.22	713.01
Gross Profit (BDT in Million)	455.82	416.61
Operating Profit (BDT in Million)	196.04	165.03
Net Profit After Tax (BDT in Million)	165.86	161.47
Gross Profit Margin (%)	39.95	36.88
Operating Profit Margin (%)	17.18	14.61
Net Profit Margin (%)	14.54	14.29

Even though COVID-19 pandemic had significant impact on overall economy of Bangladesh, the company was successful in increasing its overall gross profit to BDT 455.82 million FY 2020-2021 from BDT 416.61 million in FY 2019-2020, resulting the increase of gross profit margin from 36.88% to 39.95%. The Net Profit Margin was also increased from 14.29% to 14.54% in current year.



## Discussion on Continuity of any Extraordinary Gain or Loss

No events of significant extraordinary gain or loss occurred during the reporting period requiring adjustment or disclosure in the financial statements of the company.

## Related Party Discussion

Disclosure of all related party transactions, including basis for such transaction, has been provided in the note no. 49 in the audited financial statements of the Company on page no. 122 of this annual report.

## Utilization of Proceeds from Public Issues, right issues and/or through any other instruments

Utilization of proceeds from public offering was audited by Aziz Halim Khair Choudhury, Chartered Accountants and the report for the month of June 2021 is provided below:

Purpose Mentioned in the Prospectus	Amount as per Prospectus	Utilized Amount	Un-Utilized Amount
BMRE for Infrastructure Development	326,660,018	64,804,954	261,855,064
Data Centre Setup	93,236,609	74,589,287	18,647,322
Loan Repayment	120,603,373	120,603,373	-
IPO Expenses	29,500,000	29,500,000	-
<b>Total</b>	<b>570,000,000</b>	<b>289,497,615</b>	<b>280,502,385</b>

## An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct listing, etc.

There is no decline in financial results of the company after it went for Initial Public Offering.

## Variance within Quarterly and Annual Financial Statements

There was no significant variance between quarterly financial performance and annual financial statements during the year of reporting.

## Remuneration to Directors

The information is incorporated in the note no. 29 in the audited financial statement on page no. 116 of this annual report, with reference to disclosure of Managerial Salary of the Company.

## Corporate & Financial Reporting: Fairness of Financial Statements

The Financial Statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities and Exchange Rules 1987. These statements fairly present the company's state of affairs, the result of its operations, cash flows and changes in equity.

In compliance with the requirement of Bangladesh Securities and Exchange Commission's Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, the Managing Director and the Chief Financial Officer have given their declarations about the fairness of the Financial Statements which is shown in Annexure-A on page no. 47 of this annual report.

## Books of Accounts

Proper books of accounts of the Company have been maintained.

### Accounting policies

Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

### Application of IAS and IFRS

International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

### Internal Control

The systems of internal control are sound and have been effectively implemented and monitored.

### Going Concern/Forward Looking Statement

There are no significant doubts upon the Company's ability to continue as a going concern.

### Significant Deviations from Last Year's Operating Result

There are no significant deviations in operating result of the business of the company compared to last year.

### Minority Shareholders Interest Protection

The Corporate governance philosophy at the Company emphasizes fairness and transparency to all stakeholders. The Company has a separate investor relation department through which minority shareholders can interact with the management or Board and express their concerns. Any Shareholders can communicate any grievance to the Company Secretary's office, where complaints are tracked to closure. The Board of Directors oversees the redressal of these complaints. The Annual General Meeting is another forum where they can interact with the Board.

### Dividend

The Board of Directors has recommended 10% cash dividend on 26 October 2021 for the year ended on June 30, 2021 which will be paid after approval in the Annual General Meeting of the company as per respective shareholder position on record date i.e. 17 November 2021.

Board of Director confirms that no bonus share or stock dividend has been declared as interim dividend.

## Management Discussion and Analysis

Management's discussion and analysis have been highlighted in the Managing Director's Statement and in Directors' Report.

### Board and Subcommittee Meetings and Attendance

During the financial year, five (5) meetings of the Board of Directors of the Company, four (4) meetings of the Audit Committee and four (4) meetings of the Nomination & Remuneration Committee were held. The details composition and attendance records of the Directors as required under condition no. 1 (5) (xxii) of the Corporate Governance Code of Bangladesh Securities and Exchange Commission are provided in Annexure-I on page no. 45 of this annual report. The Directors who could not attend the meetings were granted leave of absence.

### Shareholding Pattern

Shareholding pattern of the Company as on 30 June 2021 as required under condition no. 1(5) (xxiii) of the Corporate Governance Code of Bangladesh Securities and Exchange Commission has been shown in Annexure-II on page no. 46 of this annual report.

### Directors Appointment/ Re-appointments and Retirements

#### Directors Retiring by Rotation

In accordance with the relevant provisions of the Companies Act, 1994 and in terms of the Articles of Association of the Company, Mr. Md. Mahfuz Ali Sohel, Mr. Niaz Ahmed and Mr. Waqar Ahmad Choudhury retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment. The Nomination and Remuneration Committee and Board recommended their re-appointment.

#### Re-appointment of Independent Director

Mr. Khondkar Atique-e-Rabbani had completed his first term as Independent Director of the Company on 6 January 2021. On the recommendation of the Nomination and Remuneration Committee, the Board, subject to the approval of the shareholders, proposes to reappoint him as Independent Director for a further term of three consecutive years i.e. up to 6 January 2024.

The Company also has received declarations from Mr. Khondkar Atique-e-Rabbani to meet the criteria of independence and qualification in line with the Corporate Governance Code of BSEC.

Brief profiles of the said Directors are given in the profile of the Board of Directors section of the Annual

Report. In addition, the following table shows the names of Companies in which the above Directors also hold directorship and membership of committees of the Board.

### Credit Rating

Emerging Credit Rating Limited (ECRL) has affirmed A+ (Pronounced as single A plus) long term credit rating and ST-2 short term credit rating to ADN Telecom Limited. The outlook on the rating is Stable.

Name	Positions held with other entities
Md. Mahfuz Ali Sohel Director	Chairman, Tech Valley Solutions Limited Chairman, Tech Valley Computers Limited Chairman, Unus Technology Limited Managing Director, Valley Power Solutions Limited Managing Director, Nodi Agro Industries Limited Director, Advance Technology Computers Limited
Niaz Ahmed Director	Managing Director, Savoy Ice Cream Factory Limited Managing Director, Golden Oil Mills Limited Chairman, Millennium Information Solution Limited Director, Al-Arafah Islami Bank Limited Director, AIBL Capital Market Services Limited Director, Bangla Tel Limited Director, BD Link Communication Limited Director, Jibondhara Solution Limited Trustee, South East University Proprietor, Golden Trading Co. Proprietor, Khaja Corporation Proprietor, Trade Plus Managing Partner, Broadway Marketing Co. Member of Audit Committee, Al-Arafah Islami Bank Limited
Waqar Ahmad Choudhury Director	Director and Managing Director & CEO, Vanguard Asset Management Limited Director, Union Capital Limited Director, Nascom (Pvt.) Limited Director, AFC Health Limited Director, Rancom Trading (Pvt.) Limited Chairman, Executive Committee, Union Capital Limited Member, Audit Committee, Union Capital Limited
Khondkar Atique-e-Rabbani Independent Director	Founder and Managing Director, The Computers Limited Independent Director, Biman Bangladesh Airlines Limited

### Declaration of the Managing Director and CFO

Declaration by the Managing Director and CFO as required under condition no. 1(5) (xxvi) of the Corporate Governance Code of BSEC has been given in Annexure A on page no. 47 of this annual report.

### Corporate Governance

The Company is listed on the Dhaka Stock Exchange and Chittagong Stock Exchange. The Company has complied with all the applicable conditions set out in the Corporate Governance Code 2018 “the Code” issued by the Bangladesh Securities and Exchange Commission (BSEC). A report on Corporate Governance practices of the Company is annexed on page no. 65 of this annual report. The certificate required under the said code along with compliance status of corporate governance code of BSEC have been given in Annexure B and C respectively on page no. 48 & 49 of this annual report.

### Appointment of Statutory Auditors

The shareholders of the Company appointed M/S A. Wahab & Co., Chartered Accountants as statutory auditors for auditing the financial statements of the Company for the year ended 30 June 2021 until the conclusion of the 18<sup>th</sup> Annual General Meeting at a remuneration of BDT 290,000/- (Two Lac Ninety Thousand) excluding VAT in the 17<sup>th</sup> AGM of the Company.

As they have completed third consecutive year of audit and pursuant to Condition No. 2(2) of the Notification No. BSEC/ CMRRCD /2006-158/ 208/ Admin/81 dated 20 June 2018 of Bangladesh Securities and Exchange Commission (BSEC) and Regulation No. 15(3) of Dhaka Stock Exchange (Listing) Regulations, 2015, the retiring auditors are not eligible for re-appointment as statutory auditors.

In recommendation of the audit committee, the Board of Directors in their meeting held on 26 October 2021



proposed to appoint M/S. Rahman Mostafa Alam & Co., Chartered Accountants as statutory auditors of the Company until the conclusion of the next AGM for auditing the Financial statements for the year ended 30 June 2022 at a remuneration of BDT 300,000/- (Three Lac) excluding VAT.

Moreover, Statutory Auditors didn't engage with the company to perform any services which are laid down on condition No.7 on Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

#### **Appointment of Auditor to provide the certificate on Compliance of conditions of Corporate Governance code of BSEC**

M/S. Ahsan Manzur & Co. Chartered Accountants was appointed by the Shareholders in the 17<sup>th</sup> AGM to provide the certificate on compliance of conditions of the Corporate Governance Code of BSEC for the year 2021. They have completed assignment of certification and will retire at the 18th AGM and being qualified has expressed their willingness to be re-appointed for the next year.

The Board, as per the recommendation of the Audit Committee, recommended to appoint M/S. Ahsan Manzur & Co. Chartered Accountants, to provide the certificate on compliance of conditions of the Corporate Governance Code of BSEC for the year 2022 with a fee of BDT 35,000/- (Thirty-Five Thousand) excluding VAT subject to the approval by the Shareholders.

#### **Membership with BAPLC**

Being a publicly traded Company, ADN Telecom Limited has membership with the Bangladesh Association of Publicly Listed Companies (BAPLC). A certificate of BAPLC membership has been given in Annexure D on page no. 63 to this annual report.

#### **Contribution to National Exchequer**

ADN Telecom Limited has contributed BDT 79,137,152 (approx.) to the National Exchequer during the financial year ended June 30, 2021, which equates to 6.94% of the annual net turnover of the Company. Last three years' comparative data are as follows:

Particulars	Amount in BDT		
	Year 2020-2021	Year 2019-2020	Year 2018-2019
Corporate Tax	31,487,399	15,387,165	28,827,952
VAT	40,320,474	29,262,310	38,514,899
License Fees & Equipment Charge	7,329,279	4,322,244	7,625,710
<b>Total:</b>	<b>79,137,152</b>	<b>48,971,719</b>	<b>74,968,561</b>

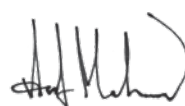
#### **Human Resources**

Human Resources are the most valuable assets for ADN Telecom Limited. It is our continuous endeavor to establish an open and enabling environment where our people can work with self-respect, dignity and scope for smooth career progression. We believe that our investments in Human Resource Development are key to sustainable growth profit orientation. The total strength of Company's employees stood 541 at the end of the year. The Company puts great emphasis on training and provides resources and opportunities for development to the employees. We have also created a healthy and productive environment, together with a strong performance management system to encourage excellence.

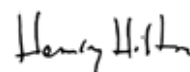
#### **Acknowledgement**

The Members of the Board of Directors of ADN Telecom Limited would like to extend its foremost regard and appreciation to the valued Shareholders and other stakeholders of the Company for their persistent support and guidance to the company that led to the cumulative achievements. The Board also expresses their gratitude to Bangladesh Telecommunication Regulatory Commission (BTRC), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), National Board of Revenue (NBR), Central Depository Bangladesh Limited (CDBL), Company's bankers, and other business alliances for their cooperation, positive support, and guidance. We express our heartfelt gratitude and deep indebtedness to our regulators whose guidance and support played an integral part in our successful listing in the respective stock exchanges. We record deep appreciation for all ADNTEL's employees who have adjusted their way of working to continue supporting our valued customers and partners during COVID-19 pandemic. Finally we extend thanks to our customers who play an important part in our success story. We promise that we will continue our journey towards a bright future. We look forward to your continued support in 2021-22 and the days ahead.

For and on behalf of the Board of Directors of ADN Telecom Limited,



**Asif Mahmood**  
Chairman



**Henry Hilton**  
Managing Director

## Annexure-I

### The Board and Sub Committee Meetings and Attendance:

The composition of the Board of Directors and their attendance in the meetings for the year ended 30 June 2021 are shown below. The Director who could not attend in any meeting was granted leave of absence. The Board of Directors did not take any meeting fee for their attendance.

Sl.	Name of the Directors	Position	Board of Directors Meeting	
			Meeting Held	Attended
1	Asif Mahmood	Chairman	5	5
2	Md. Moinul Islam	Director	5	5
3	Md. Mahfuz Ali Sohel	Director	5	5
4	Niaz Ahmed (Nominee of Savoy Ice Cream Factory Limited)	Director	5	4
5	Waqar Ahmad Choudhury (Nominee of Vanguard AML BD Finance Mutual Fund One)	Director	5	4
6	Ghulam Rasool	Independent Director	5	5
7	Khondkar Atique-e-Rabbani	Independent Director	5	5
8	Henry Hilton	Managing Director (Ex-Officio)	5	5

The composition of the Audit Committee and their attendance in the meetings for the year ended 30 June 2021 are shown below:

Sl.	Name of the Directors	Position	Audit Committee Meeting	
			Meeting Held	Attended
1	Ghulam Rasool Independent Director	Chairman	4	4
2	Md. Moinul Islam Director	Member	4	4
3	Waqar Ahmad Choudhury Director	Member	4	4

The composition of the Nomination & Remuneration Committee and their attendance in the meetings for the year ended 30 June 2021 are shown below:

Sl.	Name of the Directors	Position	Nomination & Remuneration Committee Meeting	
			Meeting Held	Attended
1	Khondkar Atique-e-Rabbani Independent Director	Chairman	4	4
2	Md. Moinul Islam Director	Member	4	4
3	Md. Mahfuz Ali Sohel Director	Member	4	4

## Annexure-II

**The Shareholding Pattern:**

In pursuant of the condition no. 1(5) (xxiii) of the Corporate Governance Code of Bangladesh Securities and Exchange Commission, the shareholding pattern of the Company as on 30 June 2021 are stated below:

Name of the Shareholders	Status	Shares Held	Percentage
<b>i. Parent/Subsidiary/Associated Companies and other related parties</b>			
ADN Technologies Limited		200,000	0.31%
ADN Telecom Ltd. Employees Provident Fund		200,000	0.31%
<b>ii. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit &amp; Compliance and their spouses and minor children</b>			
Asif Mahmood	Chairman	12,400,000	19.18%
Md. Moinul Islam	Director	6,510,000	10.07%
Md. Mahfuz Ali Sohel	Director	6,510,000	10.07%
Savoy Ice Cream Factory Limited	Director	1,345,000	2.08%
Niaz Ahmed	Nominated Director (Savoy Ice Cream Factory Limited)	-	-
Vanguard AML BD Finance Mutual Fund One	Director	1,333,334	2.06%
Waqar Ahmad Choudhury	Nominated Director (Vanguard AML BD Finance Mutual Fund One)	-	-
Ghulam Rasool	Independent Director	-	-
Khondkar Atique-e-Rabbani	Independent Director	-	-
Henry Hilton	Managing Director (Ex-Officio)	124,000	0.19%
Md. Monir Hossain, FCS	Company Secretary	-	-
Mohammed Abdul Alim, FCA	Chief Financial Officer	-	-
Md. Abul Kashem	Head of Internal Audit & Compliance	-	-
<b>iii. Executive (as explained in the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018)</b>			
Zahir Ahmed	Adviser	-	-
Abu Issa Mohammad Mainuddin	Director-Planning, Product & Project	-	-
Md. Azharul Huq Chowdhury	Chief Operating Officer	-	-
Mamun Mahmud	Director-HR	-	-
Shahriar Akbar Chowdhury	Adviser	-	-
<b>iv. Shareholders Holding Ten Percent (10%) or more voting interest</b>			
Asif Mahmood	Chairman	12,400,000	19.18%
Md. Moinul Islam	Director	6,510,000	10.07%
Md. Mahfuz Ali Sohel	Director	6,510,000	10.07%



**Annexure-A**

**Declaration by the Managing Director and Chief Financial Officer  
[As per the Condition no. 1(5) (xxvi) of the Corporate Governance Code of BSEC]**

Date: 26 October 2021

The Board of Directors,  
ADN Telecom Limited  
Registered Office:  
Red Crescent Concord Tower (19th Floor)  
17 Mohakhali C/A, Dhaka-1212.

**Subject: Declaration on Financial Statements for the year ended on 30 June 2021.**

Dear Sirs,

Pursuant to the condition No.1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- 1) The Financial Statements of ADN Telecom Limited for the year ended on 30 June 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 30 June 2021 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 statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

  
**Henry Hilton**  
Managing Director

  
**Mohammed Abdul Alim, FCA, CISA**  
Chief Financial Officer

Annexure-B  
[Certificate as per Condition no. 1(5) (xxvii)]

**Report to the Shareholders of**  
**ADN Telecom Limited**  
**On Compliance on the Corporate Governance Code**

**[Certificate as condition no.1(5) (XXVII), of BSEC Notification no. BSEC/CMRRCD/2006, -  
158/207/Admin/80 dated June 3, 2018]**

We have examined the compliance status to the Corporate Governance Code by ADN Telecom Limited for the year ended on June 30, 2021. This code relates to the notification No. BSEC/CMRRCD/2006, -158/207/Admin/80 dated June 3, 2018 of the Bangladesh Securities and Exchange Commission.

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

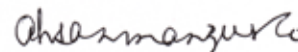
This is a scrutiny and verification and an independent audit on compliance of the condition of the Corporate Governance Code as well as the previous of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are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

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

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

Place: Dhaka

Dated: 07 November 2021



**Ahsan Manzur & Co.**  
**Chartered Accountants**

### Compliance Status of Corporate Governance Code of BSEC

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	<b>Board of Directors:</b>			
1(1)	<b>Size of the Board of Directors:</b> The total number of members of a company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	<b>Independent Directors:</b>			
1(2)(a)	At least one fifth (1/5) of the total number of Directors in the Company's Board shall be Independent Directors.	✓		
1(2)(b)	<b>Independent Director means a Director:</b>			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		

*[Signature]*



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and.	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:	✓		
1(3)	<b>Qualification of Independent Director:</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	<b>Independent director shall have following qualifications:</b>			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor's degree in economics or commerce or business or Law; or			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1(4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer: -</b>			
1(4)(a)	The Positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
1(5)	<b>The Directors' Report to Shareholders:</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	✓		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			N/A
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	<b>Meetings of the Board of Directors:</b> The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2	<b>Governance of Board of Directors of Subsidiary Company:</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
3	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):</b>			
3.1	<b>Appointment</b>			
3(1)(a)	Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	<b>Requirement to attend Board of Directors Meetings:</b> The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	<b>Board of Directors' Committee:</b>			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee	✓		
5	<b>Audit Committee:</b>			
5(1)	<b>Responsibility to the Board of Directors:</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	<b>Constitution of the Audit Committee:</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
<b>5(3)</b>	<b>Chairperson of the Audit Committee:</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
<b>5(4)</b>	<b>Meeting of the Audit Committee:</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
<b>5(5)</b>	<b>Role of Audit Committee:</b>			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		



Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		
<b>5(6)</b>	<b>Reporting of the Audit Committee:</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors:</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	<b>The Audit Committee shall immediately report to the Board on the following findings, if any:</b>			
5(6)(a)(ii)(a)	report on conflicts of interests;			N/A
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			N/A
5(6)(b)	<b>Reporting to the Authorities:</b> If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A





Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(7)	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	<b>Nomination and Remuneration Committee (NRC):</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		
6(2)	<b>Constitution of the NRC:</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.			N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			N/A
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	√		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	<b>Chairperson of the NRC:</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			N/A
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	✓		
6(4)	<b>Meeting of the NRC:</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			N/A
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC;	✓		
6(5)	<b>Role of the NRC:</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
6(5)(b)(i)	<b>formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:</b>			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board.	✓		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	<b>External or Statutory Auditors:</b>			
7(1)	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:</b>			
7(1)(i)	appraisal or valuation services or fairness opinions	✓		
7(1)(ii)	financial information systems design and implementation	✓		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements	✓		
7(1)(iv)	broker-dealer services	✓		
7(1)(v)	actuarial services	✓		
7(1)(vi)	internal audit services or special audit services	✓		
7(1)(vii)	any service that the Audit Committee determines.	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	any other service that creates conflict of interest	✓		





Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:  Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		
<b>8</b>	<b>Maintaining a website by the Company:</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance:</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		



# BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: (31-2021/008)

Date of issue : January 14, 2021



## Renewed Certificate

*This is to certify that*

**ADN TELECOM LIMITED**

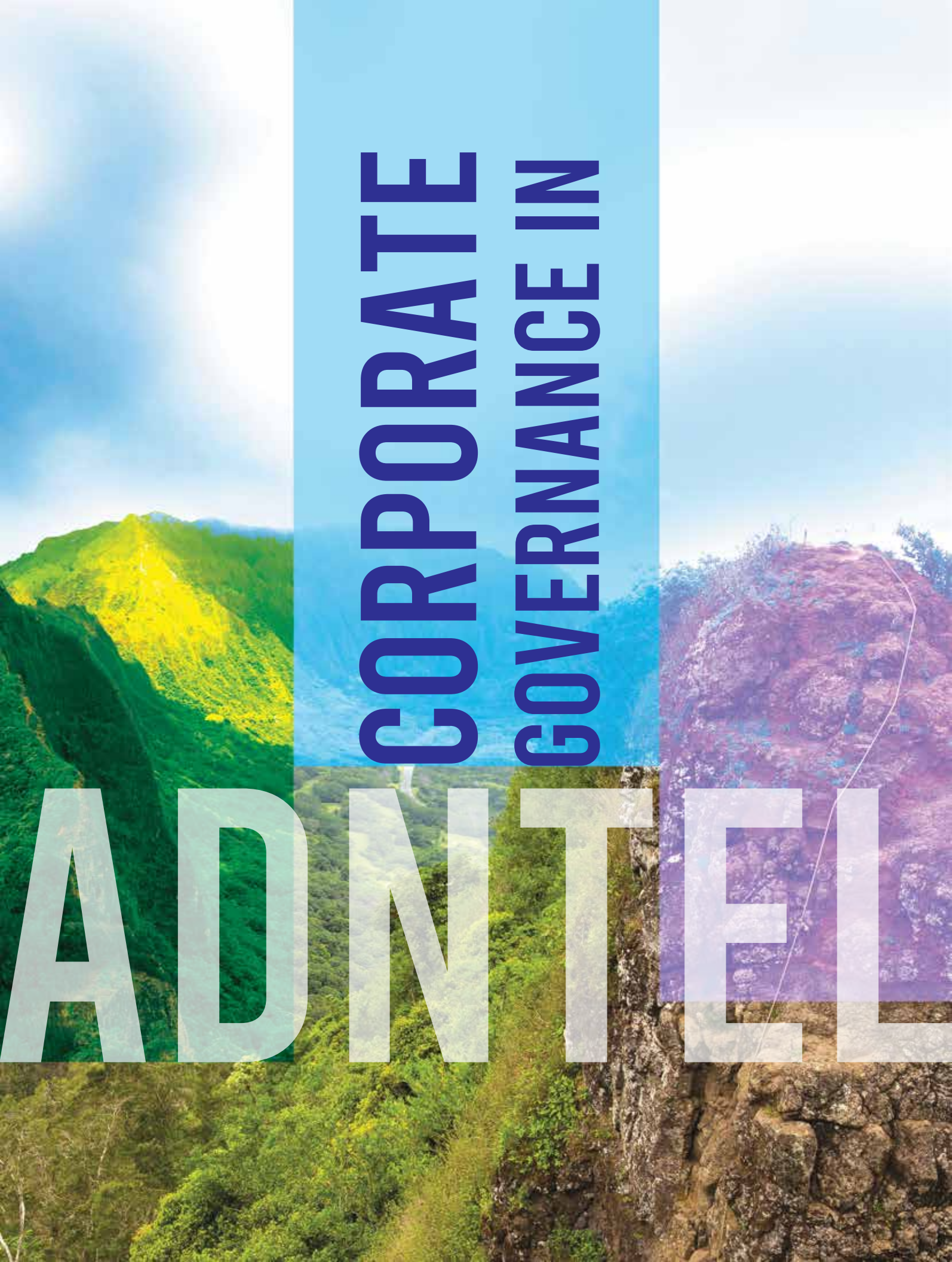
is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

*This certificate remains current until 31<sup>st</sup> December 2021.*



*[Signature]*  
Secretary-General





# CORPORATE GOVERNANCE IN

# ADNTELL



ADN Telecom Limited (ADNTEL) is committed to maintaining good corporate governance to improve accountability and transparency, and safeguard shareholders' interest. The Company has complied the applicable conditions set out in the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC). The Company has also obtained the auditor's certificate regarding Compliance on Condition of Corporate Governance Code for the year 2021 which is Provided in this Annual Report.

The Company believes in highest standards of good and ethical Corporate Governance practices. Good Corporate Governance practices stem from the culture and mindset of the organization. It is also believed that Corporate Governance is not only about enacting regulations and procedures but also maintaining and establishing an environment of trust and confidence among various stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The Company also believes that it not only has legal, contractual and social responsibilities, but also has obligations towards all its stakeholders. ADNTEL strives that all its stakeholders have access to clear, adequate and factual information relating to the Company.

To provide factual information to the stakeholders, the Company has been maintaining its official website ([www.adntel.com.bd](http://www.adntel.com.bd)) linked with the website of the Stock Exchanges, in which the information pursuant to the regulatory requirement are being uploaded regularly.

## 1. BOARD INDEPENDENCE & GOVERNANCE

In keeping with the BSEC condition of Corporate Governance Code, the Board of Directors of ADNTEL are upholding the highest standards of governance. The Board ensures the integrity of financial reporting system, financial and internal control, risk management and compliance with the applicable laws as well as oversees the functioning of the Company and that of its management and ensures that every decision taken is in the best interest of the stakeholders of the Company. The Board while performing its fiduciary duties recognizes its responsibilities towards the shareholders and other stakeholders, upholds the highest standards in all matters and ensures proper delegation of appropriate authority to the senior officials of the Company for effective management of operations.

The Board of Directors of ADNTEL considers that its constitution shall comprise Directors with mix of skill, experience and personal attributes that allow the Directors individually and the Board collectively to discharge their responsibilities and duties efficiently and effectively and understand the business of the Company as well as assess the performance of the management.

The composition of the Board embraces diversity. The Directors possess a wide range of experience, expertise and specialized skills to assist in decision-

making and leading the Company for the benefit of its shareholders.

### (a) Chairman

The Chairman of the Board is elected by the directors. He is a non-executive Director. The Board considers that the Chairman works independently.

The Chairman serves as the primary link between the Board and the Management, and works with the Managing Director and Company Secretary to set the agenda of the Board Meeting. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

### Responsibilities of the Chairman

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors. The Chairman is responsible for leadership of the Board and in particular, he will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, regulators, governments entities, Chamber bodies and other relevant stakeholders to ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of the Board discussions to promote constructive debate and effective decision making;
- Ensure that all the Board Committees are properly established, composed and operational;
- Support the Managing Director in strategy formulation and more broadly, provide support and give advise;
- Ensure an effective relationship among the Directors, acting as the principal conduit for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed; and
- Encourage active engagement by all members of the Board.

### (b) Chairman and Managing Director of the Company are different persons

Chairman of the Board and Managing Director of the Company are different persons with different roles and responsibilities, defined by the Board and thereby

preventing unregulated powers of decision making single handedly. The Chairman is a non-executive Director while the Managing Director is an executive, ex-officio Director.

### **Role of the Managing Director**

The Managing Director is responsible for running the business of the Company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and executing the Company's operating plan that is necessary to achieve the Company's objectives. He has the overall control on the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company.

### **(c) Criteria for Appointment of Independent Directors**

As per the Corporate Governance Code-2018 of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors.

Thus, in compliance with the Code, two (2) Directors out of the total eight (8) Directors are independent, having no share or interest in ADNTEL. Independence of the respective Independent Directors is confirmed during selection and appointment and they remain committed to continue with such independence throughout their tenure.

### **Role of Independent Directors**

The Independent Directors play a key role in the decision-making process of the Board as they involve in the overall strategy of the Company and oversee the performance of management. The Independent Directors are committed to acting in what they believe is in the best interest of the Company and its stakeholders.

The Independent Directors bring a wide range of experience, knowledge and judgment through their varied proficiency in business, economics, finance, management, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

### **(d) Induction of Board of Directors**

In relation to the selection and appointment of new Director, the existing Board of Directors possesses the following duties and responsibilities:

- Review the size and composition of the Board and the mix of expertise, skills, experience and perspectives that may be desirable to permit the Board to execute its functions;

- Identify competencies not adequately represented and agree to the process necessary to be assured that a candidate nominated by the shareholders, if any, with those competencies is selected;
- The Directors are appointed/re-appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled in by the Board in accordance with the stipulations of the Companies Act, 1994, and the Articles of ADNTEL;
- The Managing Director is appointed by the Board subject to the confirmation by the shareholders in the Annual General Meeting ;
- Any change in the members of the Board are intimated to Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC) and the Stock Exchanges.

### **(e) Composition and Category**

The Composition of the Board of Directors of the Company is in compliance with the condition nos. 1.1 & 1.2 of Bangladesh Securities and Exchange Commission's Corporate Governance Code dated June 3, 2018. The Board has the combination of Executive, Non-Executive and Independent Directors. The Board comprises of total eight (8) Directors, out of which one (1) is Executive Director (Ex-officio Managing Director), five (5) are Non – Executive Directors and two (2) are Independent Directors.

### **(f) Board's Effectiveness**

The Board has a fiduciary role, responsible for setting the strategic direction and long- term goals of the company. As elected representatives of the shareholders, the Board is expected to use its integrity and capability in vetting corporate strategies, policies, plans and major decisions, and to oversee and monitor the management in the interests of the Stakeholders of ADNTEL. Key to good governance in ADNTEL is an informed and well-functioning Board of Directors.

Broadly, the responsibilities of the Board include the followings:

- Reviewing and approving overall business strategy, as well as organization structure, developed and recommended by management;
- Ensuring that decisions and investments are consistent with long-term strategic goals;
- Ensuring that ADNTEL is operated to preserve its financial integrity and in accordance with policies approved by the Board;
- Overseeing, through the Audit Committee, the quality and integrity of the accounting and financial reporting systems, disclosure, controls & procedures and internal controls;

- Providing oversight in ensuring that ADNTEL risk appetite and activities are consistent with the strategic intent, operating environment, effective internal controls, capital sufficiency and regulatory standards;
- Overseeing, the establishment and operation of an independent risk management system for managing risks on an enterprise wide basis, the adequacy of the risk management function (including ensuring that it is sufficiently resourced to monitor risk by the various risk categories and that it has appropriate independent reporting lines) and the quality of the risk management processes and systems;
- Reviewing transactions for the acquisition or disposal of material assets.
- Ensuring that the necessary human resources are in place to meet its objectives, as well as appointing and removing executive officers, as deemed necessary;
- Reviewing management performance and ensuring that management formulates policies and processes to promote fair practices and high standards of business conduct by staff members;
- Establishing corporate values and standards, emphasizing integrity, honesty and proper conduct at all times with respect to internal dealings and external transactions, including situations where there are potential conflicts of interest;
- Providing a balanced and understandable assessment of ADNTEL's performance, position and prospects, and this extends to interim and other price-sensitive public reports, and reports to regulators;
- Ensuring that obligations to shareholders and others are understood and met.

#### **(g) Continuing Development Program of Directors & Appraisal of the Board's Performance**

Each and every Director is expected to make important contributions based on industry knowledge and understanding of the Business model of the company.

The Chairman ensures that all Directors receive a comprehensive and tailored induction on joining the Board, facilitated by the senior management and comprising;

- A formal corporate induction, including an introduction to the Board, and a detailed overview of ADNTEL, its strategy, operational structures and business activities;
- Directors also attend various workshops when necessary.

#### **Board's Appraisal**

Appraising of the Board's performance can clarify the individual and collective roles and responsibilities of its directors, and better knowledge of what is expected from them can help the Board become more effective. The Board appraisals may also improve the working relationship between the company's Board and its management.

Any discussion of performance appraisals necessarily cover two broad areas - the what and the how. In the case of a Board, what should be appraised is its ability first to define its responsibilities and establish annual objectives in the context of those general responsibilities, and then its record in achieving those objectives.

An appraisal shall also look at the resources and capabilities the board needs and are available to perform its job. The how of the Board appraisal is, of course, the process the Board uses to evaluate its own performance.

The following criteria are considered for the evaluation:



#### **(h) Directors Report on Preparation and Presentation of Financial Statements and Corporate Governance**

The Companies Act, 1994, requires the Directors to prepare financial statements for each accounting year.

The Board of Directors accepts the responsibility for the preparation of the financial statements (as well as the quarterly financial statements), maintaining adequate records for safeguarding the assets of the Company, preventing and detecting fraud and/or other irregularities, selecting suitable accounting policies and applying those policies consistently and making reasonable and prudent judgments and estimates where necessary.

The Board of Directors are also responsible for the implementation of the best and the most suitable corporate governance practices.



**(i) Evaluation of Managing Director by the Board**

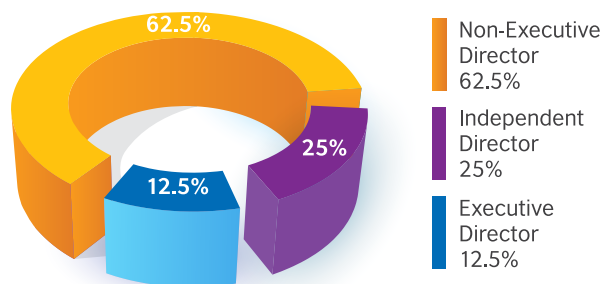
The Board of Directors evaluates the Managing Director's performance based on the goals set for him, considering the company's vision and mission. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board. The Board considers financial and non-financial goals during the appraisal of MD's performance.

**(j) Board of Directors election and appointment process**

The Board, as a whole, decides on the appointment of any Board member and composition of the Board and its committees.

The Board of Directors of the Company is in compliance with the condition nos. 1.1 & 1.2 of Bangladesh Securities and Exchange Commission's Corporate Governance Code-2018. The Board has the combination of Executive, Non-Executive and Independent Directors. The Board comprises of total eight (8) Directors, out of which one (1) is Executive Director (Ex-officio Managing Director), five (5) are Non-Executive Directors and two (2) are Independent Directors. The Managing Director is an Executive and ex-officio Director of the Board.

As per ADNTEL's Articles of Association, one-third of the Directors are required to retire from the Board every year, comprising those who have been in office the longest since their last election. A retiring Director shall be eligible for re-election.

**Board composition****2. BOARD SYSTEMS AND PROCEDURES****(a) Board Meetings**

The Board meets at least four (4) times a year, once in every 3 (three) months, inter-alia, to discuss and review the financial results, business policies, strategies etc. The maximum interval between two Board meetings is not more than 3 months. Additional Board Meetings are held by the Company as and when required. However, in case of business exigency or an urgent matter, approval of the Board is sought through resolution by circulation, which is noted in the subsequent Board Meeting.

The Company circulates the Board/Committee Meeting agenda and related notes/documents well in advance which provides for quick and easy accessibility. As a practice, the Company Secretary reports to the Board of Directors as and when required. All significant decisions taken by the Board/Committee Members is communicated to the functional heads of the concerned departments. The Board/Committee Members are apprised of the action taken or proposed to be taken by the Company on the observations/directions given in the previous meeting.

**(b) Written Code of Conduct for the Chairperson, other Board members and CEO**

The Board in its 111<sup>th</sup> Meeting held on March 20, 2019 laid down and adopted a Code of Conduct for the Chairperson, other Board Members and Managing Director/CEO of the Company in accordance with the Condition No. 1 (7) of the Corporate Governance Code – 2018. This Code is intended to provide guidance to the Chairperson, other Board members and Chief Executive Officer to manage the affairs of the Company in an ethical manner.

The complete Code of Conducts are available in the Company's website, link of which are:

<https://adntel.com.bd/wp-content/uploads/2019/05/Code-of-Conduct-for-Chairperson-other-Board-Members-and-Chief-Executive-Officer-.pdf>

## Ethics and Compliance

The Board is also committed to establish the highest levels of ethics and compliance of the company.

As a result, ADNTEL remains committed to upholding the highest standards of ethics and compliance by its employees. This commitment is reflected in its Employee Code of Conduct that covers, among other issues, the following areas:

- (i) Their relationship with and responsibilities to ADNTEL.

- (ii) Their relationship with and responsibilities to customers.
- (iii) Compliance with laws and regulations.
- (iv) Acting in a professional and ethical manner.
- (v) Protection of company assets.
- (vi) Disclosure of conflicts of interest.
- (vii) Prohibition of any conduct involving dishonesty, fraud, deceit or misrepresentation including insider trading.

## (c) Attendance in the Board of Directors and Committee Meetings

During the financial year under reporting total five (5) Board Meetings, four (4) Audit Committee Meetings & four (4) Nomination and Remuneration Committee Meetings were held and the attendance of the Directors are noted below:

Name of Directors	Attendance at 17 <sup>th</sup> AGM	Attendance at 7 <sup>th</sup> EGM	Board		Audit Committee		Nomination and Remuneration Committee	
			Total Meetings	Meetings Attended	Total Meetings	Meetings Attended	Total Meetings	Meetings Attended
Asif Mahmood Chairman	√	√	5	5	N/A	N/A	N/A	N/A
Md. Moinul Islam Director	√	√	5	5	4	4	4	4
Md. Mahfuz Ali Sohel Director	√	√	5	5	N/A	N/A	4	4
Niaz Ahmed Director	√	√	5	4	N/A	N/A	N/A	N/A
Waqar Ahmad Choudhury Director	√	√	5	4	4	4	N/A	N/A
Ghulam Rasool Independent Director	√	√	5	5	4	4	N/A	N/A
Khondkar Atique-e-Rabbani Independent Director	√	√	5	5	N/A	N/A	4	4
Henry Hilton Managing Director (Ex-Officio)	√	√	5	5	N/A	N/A	N/A	N/A

## (d) Whistle Blowing

Our whistle blowing practices serve as a channel for early identification of corporate fraud or risk by ensuring that employees reporting legitimate concerns on potential wrongdoings occurring within the organization are guaranteed complete confidentiality. Such complaints are investigated and addressed through a formalized procedure.

## (e) Independence of the Chairman of all Board Committee

The Chairmen of the Committees are selected by the Board. The Board considers that the Chairmen of both the committees are independent.

## (f) Board contains Member with Expert Knowledge and Responsible for Informing Board on Corporate Regulatory Rules, Responsibilities and Implications

The Board of ADNTEL consists of members who possess a variety of knowledge and experience in finance, economics, management, business administration, marketing and law. This ensures that together, they formulate the right policy for the development of the business while having the specialized skills and the ability to foresee developments across a larger perspective and with enough independence to audit the management in a balanced manner.

Respective qualifications of the Directors are appended in Directors' profile on page nos. 28-32 of this annual report.

**(g) Information Applied to the Board**

ADNTEL has incorporated its Governance Framework pursuant to the guidelines prescribed in the Code of Best Practices on Corporate Governance issued by the Bangladesh Securities and Exchange Commission (BSEC).

Related major Acts, Regulations and Guidelines are:

Sl.	Particulars
1	The Companies Act, 1994;
2	Securities & Exchange Ordinance-1969 and Securities & Exchange Rules- 1987;
3	Corporate Governance Code- 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC);
4	Policies, Procedures, Directives of BSEC;
5	Listing Regulations 2015 of StockExchanges;

Related internal guidelines:

Sl.	Particulars
1	Articles of Association;
2	Code of Conduct for the employees & the Board;
3	Board and Board Sub Committee Charters;
4	Different Manual like; (i) HR Manual, (ii) Procurement Policy, (iii) SOP for Agreement Execution and (iv) Delegation of Financial Authority etc.

**(h) Disclosure of Board Committees**

The Board of Directors have constituted two committees namely – Audit Committee and Nomination and Remuneration Committee which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their duties and responsibilities.

The Committees of the Board meet at regular intervals and have the requisite subject expertise to handle and resolve matters expediently. The Company Secretary acts as a Secretary to all the Committees of the Board.

Detailed composition, meetings and other information of all the Committees of the Board are herein below:

**Audit Committee**

The primary role of the Audit Committee is overseeing

the financial reporting process and disclosure of financial information, reviewing the financial statements before submission to the Board, reviewing the adequacy of internal control systems and reviewing findings of internal investigations besides recommending appointment/ removal of statutory auditors and fixing their remuneration.

The Audit Committee of the Board was constituted in compliance with condition 4(2) of the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code-2018. All the Members of the Audit Committee have the required qualifications and expertise to be a member of the Committee and possess the requisite knowledge of accounting and financial management.

A separate report on the activities of the Audit Committee has been presented on page no. 82 of this annual report.

**Nomination and Remuneration Committee**

The Board established the Nomination and Remuneration Committee with written terms of reference in compliance with Condition No. 4 and 6 (5) of the Corporate Governance Code. The primary duties of our Nomination and Remuneration Committee include, among others, (a) reviewing the structure, size and composition of our Board; (b) identifying individuals suitably qualified to become members of our Board; and (c) making recommendations to appointment of top level executive.

A separate report on the activities of the Nomination and Remuneration Committee has been presented on the page no. 83 of this annual report

**(i) Role of Chief Financial Officer, Head of Internal Audit & Compliance and Company Secretary****Chief Financial Officer**

The Chief Financial Officer is responsible for the finance, accounts and treasury functions of the Company. Besides, he attends all Board and committee meetings and presents financial statements and business results. He is to certify to the Board regarding financial statements and financial transactions of the Company according to the corporate governance code as issued by Bangladesh Securities and Exchange Commission (BSEC).

**Head of Internal Audit & Compliance**

The Head of Internal Audit and Compliance is responsible for reporting to the Board/ Audit Committee regarding any deviation from accounting and internal control, compliance and risk management systems of the Company.



### Company Secretary

The Company Secretary is responsible for ensuring proper information flow among the Board, its committees, senior management and the Directors. He ensures that Board procedures are complied with.

## 3. BOARD SYSTEMS AND AUDIT COMMITTEE

### (a) Financial Expert in the Audit Committee

The Audit Committee of the Board was constituted in the year 2017. All the Members of the Audit Committee have the required qualifications and expertise for appointment in the Committee and possess the requisite knowledge of business, accounting and financial management.

### (b) Reporting of Internal Auditor to the Audit Committee

The Company's internal control system was commensurate with its size and business nature. The system minimizes operational risks through effective control, systemic review and ongoing audit. The internal auditors undertook an audit of all functional areas and operations, their findings were referred to the Audit Committee of the Board.

The Company internalized its legal and technical appraisal functions to ensure optimum control. The Company's multi-level authorization structure ensures that higher exposure levels were duly authorized by personnel and committees with requisite experience and authority. Training programs and guidelines helped to implement linkage between goals and operations.

The Board has ultimate responsibility for establishing an effective system of internal control. The internal control system holds all business risks, including financial, operational and strategic risks. To mitigate all the risks as well as to establish a controlled environment, the Board holds its meeting with the requisite agenda dealing with all major aspects of the business. There is internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

ADNTEL made relevant mandatory disclosure in its financial statements under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh, besides that it submits all the reports/ statements regularly, which are required to submit to the regulators as well as the other stakeholders of the Company.

### (c) Proportion of Independent Directors in the Audit Committee

The Audit Committee of ADNTEL has been formed

pursuant to the Bangladesh Securities and Exchange Commission's Corporate Governance code- 2018 dated June 3, 2018.

The Audit Committee at ADNTEL was constituted in the year 2017 and the present members of the Committee are:

Name	Status in the Committee
Ghulam Rasool Independent Director	Chairman
Md. Moinul Islam Director	Member
Waqar Ahmed Choudhury Director	Member

Mr. Md. Monir Hossain, FCS, Company Secretary is also the Secretary of the Audit Committee. The Head of Internal Audit concurrently reports to the Managing Director as well as to the Audit Committee.

### (d) Report by the Audit Committee to the Board about the matters related to Conflict of Interest

The Audit Committee reports directly to the Board of Directors and under certain circumstances, can also report to the BSEC

The Audit Committee shall immediately report to the Board of Directors in the following cases:

- On conflict of interest;
- Suspected or presumed fraud or irregularity or material defect in the internal control system;
- Suspected infringement of laws, including securities-related laws, rules and regulations;
- Any other matter which should be disclosed to the Board of Directors immediately.

No such issues arose at ADNTEL during the year ended on 30 June 2021

### (e) Presence of the Chairman of the Audit Committee at the AGM

The Chairman of the Audit Committee is an Independent Director and was present at the last (17<sup>th</sup>) Annual General Meeting of the Company.

## 4. TRANSPARENCY & DISCLOSURE COMPLIANCES

### (a) Particulars of Purchase/ Sale of Goods/ Materials/ or Services by the Company for/ to Directors and/ or their Relatives etc.

No such issues arose at ADNTEL during the year ended 30 June 2021.

**(b) Disclosure in the Annual Report about Related Party Transaction**

Transactions with related parties have been made on arm's length basis and are in the ordinary course of business. Detailed transactions with related parties have been described at notes- 49 of the Financial Statements on the page no. 122 of this annual report.

**(c) Disclosure regarding Compliance of IFRS**

The Members of the Board, in accordance with the Bangladesh Securities & Exchange Commission's Corporate Governance Code- 2018, confirmed compliance with the financial reporting framework by the International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), as applicable in Bangladesh for preparation of the financial statements and any departure there from has been adequately disclosed.

**(d) Disclosure regarding Compliance of ICSB Secretarial Standards**

The Company has complied with the applicable Secretarial Standards adopted by the 'Institute of Chartered Secretaries of Bangladesh (ICSB)'.

**(e) Adverse Remarks in the Auditors' Report**

The audit report for the year ended on 30 June 2021 provided no adverse observations of the activities by the Statutory Auditors' of the Company.

**(f) Certification of Annual Financial Statements by the MD & CFO**

The Managing Director and Chief Financial Officer provides a certification on annual basis to the Board of Directors under Condition No.3 (3) (C) of the Corporate Governance Code- 2018 of BSEC.

**(g) Presentation of Financial Statements on the Website**

The Company's financial results and official news releases have been displayed on the company's website and also on the websites of the Dhaka Stock Exchange and Chittagong Stock Exchange.

**(h) Information relating to BSEC's Corporate Governance Code Compliance Certificate**

M/s. Ahsan Manzur & Co., Chartered Accountants have certified that the Company has complied with the conditions of Corporate Governance as stipulated under BSEC's Corporate Governance Code- 2018. The said certificate forms part of this Annual Report as an annexure to the Report of the Board of Directors.

**(i) Disclosure made to the prospective investors**

ADNTEL made relevant mandatory disclosure in its financial statements and all price sensitive

information under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh, besides that it submits all the reports/statements regularly, which are required to submit to the regulators as well as the other stakeholders of the Company and also displayed on the company's website and on the websites of the Dhaka and Chittagong Stock Exchanges for the prospective investors.

**(j) Disclosure of Remuneration of the Board of Directors**

The Board of Directors of the Company did not received any fees for attending the meeting of the Board and its committees. The Board Members also not received any remuneration. Only Managing Director of the Company is getting salary since he is an Ex-officio member of the Board.

However, the details of attendance of Directors in the meeting of the Board and its committees have been presented in Annexure-I on the page no. 45 of this annual report. The amount of remuneration paid to the Managing Directors is also disclosed as Managerial Salary in Note No. 29 of the audited financial statements for the year ended on 30 June 2021 on page no. 116 of this annual report.

**5. TRANSPARENCY AND INTERNAL AUDIT FUNCTIONS****(a) Establishment of Internal Audit Department in the Company**

The Company's internal control system was commensurate with its size and business nature. The system is minimizing operational risks through effective control, systemic review and on-going audit. There is an internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

The internal auditors undertook audit of all functional areas and operations, their findings referred to the Audit Committee of the Board.

**(b) Written Role and Responsibility of the Head of Internal Audit**

The Head of Internal Audit (HIA) is the key person who is responsible for ensuring the appropriate level of assurance in relation to the operation of internal controls, risk management and governance. Hence, appropriate governance arrangements would include the HIA having direct, unrestricted access to the accountable officer; a service level agreement (or similar) in place; and a strong audit committee in operation. The duties and responsibilities will also include oversee the following functions:

- (1) Financial reporting including disclosures
- (2) Internal control
- (3) Internal audit

- (4) Compliance with relevant ethical requirements, in particular independence and objectivity
- (5) The statutory audit or external audit
- (6) Remedial actions

#### **(c) Directors' Responsibility to Establish Appropriate System on Internal Controls**

The Company has taken proper steps and sufficient care in building a system of internal control, which is reviewed, evaluated and updated regularly. The internal audit department of the Company conducts periodic audit to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

#### **(d) Review of the Adequacy of Internal Control System**

ADNTEL has adequate system of internal controls for business processes, with regard to operations, financial reporting, fraud control, compliance with applicable laws and regulations, etc. These internal controls and systems are devised as a part of the principles of good governance and are accordingly implemented within the framework of proper check and balances.

The Company ensures that a reasonably effective internal control framework operates throughout the organization, which provides assurance with regard to safeguarding the assets, reliability of financial and operational information, compliance with applicable statutes, execution of the transactions as per the authorization and compliance with the internal policies of the Company.

The internal audit adopts a risk-based audit approach and conducts regular audits in the Company and evaluates on a continuous basis, the adequacy and effectiveness of the internal control mechanism, adherence to the policies and procedures of the Company as well as the regulatory and legal requirements. The internal audit department places its findings before the Audit Committee of the Board of Directors at regular intervals. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the control systems according to the changing business needs from time to time.

#### **(e) Report of the Internal Audit to the Audit Committee**

The internal auditors undertook audit of all functional areas and operations, their findings/report referred to the Audit Committee of the Board for appropriate actions/review.

### **6. SHAREHOLDERS INFORMATION**

Pattern of shareholdings as on 30 June 2021 are given below:

On the basis of Shareholders types:

Group Name	No. of Share holders	No. of Shares	Percent (%)
Sponsors/Directors	9	33,337,334	51.56
General Public	5,516	15,956,801	24.68
Financial Institutions & other Companies	176	14,071,699	21.77
Foreign Investor	1	1,285,832	1.99
<b>Total:</b>	<b>5,702</b>	<b>64,651,666</b>	<b>100.00</b>

**(a) Number of Shareholding (Parent/ Subsidiary/ Associated Companies and Other Related Parties)**  
Shareholding position of Parent/ Subsidiary/ Associated Companies and other Related Parties of the Company has been presented in Annexure-II of the Directors' Report.

#### **(b) Shares held by Directors/ Executives and Relatives of Directors/ Executives**

Shares held by the Directors/ Executives and relatives of Directors/ Executives of the Company has been shown in Annexure-II of the Directors' Report.

#### **(c) Shares held by Ten Percent (10%) or more Voting Interests in the Company**

The shareholding position of ten percent (10%) or more voting interests in the Company has been shown in Annexure-II of the Directors' Report.

#### **(d) Redressal of Shareholders Complaints**

Company Secretariat Department of ADNTEL is engaged to redress the complaints of the Shareholders related to their shares, non- receipt of annual reports, dividends and other share related matters.

The department also observes the monthly status of the number of shares holding by various categories like Sponsors/Director, Government, Institute, Foreign and General Public etc.

#### **(e) Growth/ Net Worth of the Company during the last 5 years**

Key operating and financial data of last preceding 5 (five) years has been shown under the heading of Financial Highlights on page no. 20 of this annual report.

#### **(f) Cash/ Stock Dividend Paid for the last 5 years**

The Company started its journey in the year 2003 and prior to listing in the stock exchanges in 2019, ADNTEL paid dividend to its shareholders in certain financial years i.e. 2010-2011(55% B), 2014-2015



(100% B), 2015-2016 (5% C), 2017-2018 (6% C) and thereafter in 2019-2020 (15% C). ADNTEL aims to provide commendable and sustainable rate of dividend to its shareholders.

#### **(g) EPS of the Company for the last 5 years**

The Earnings per Share (EPS) for the year 2021 stood at Tk. 2.57 in place of Tk. 2.50 in the previous year.

The last preceding 5 (five) years EPS has been shown under the heading of Financial Highlights on page no. 20 of this annual report.

#### **(h) Periodic Reminders to Shareholding who have not encashed their dividend**

In case of unpaid/unclaimed dividend, we serve our shareholders from our share department throughout the year on the working days. We also try to communicate them with the addresses available to send the dividend properly.

#### **(i) Means of Communication with the Shareholders**

As the owners of ADNTEL, our shareholders are one of our main stakeholders. In order to accommodate shareholders information, we regularly communicate with them across various channels—Stock Exchanges, face to face meetings, website, print media etc.

### **7. STAKEHOLDERS VALUE ENHANCEMENT**

Identification of stakeholders is the key to understanding the expectations from the Company and as such helps pave the pathway towards delivering value and fulfilling those expectations. While shareholders, customers, suppliers, employees and the government are the prime stakeholders; the regulators, local community, and the environmentally interested groups complete stakeholder circle of ADNTEL.

#### **(a) Encourage Employee Engagement**

Employees are considered ADNTEL's most valuable asset and key to Company's continued success. Employees are deemed key stakeholders as they drive ADNTEL's business forward. They wish to grow with the Company and develop their careers to that they aspire to be, hand-in-hand, whilst the Company progresses.

The employees are the main participant in the management decision and they are guided by the principle of individual opportunity, responsibility and reward based on merit.

#### **(b) Payment to Vendors on time**

ADNTEL foster to pay its vendors on time and the procurement policy is to maintain a good business relationship with all its service providers and material suppliers.

#### **(c) Payment of Taxes to the Govt. / Authorities on time**

ADNTEL contributes to the national exchequer in the form of Corporate Tax, VAT, License Fees & Equipment charges etc. regularly and in timely manner. ADNTEL always uphold its responsibilities to the development of the society and the country as a whole. Company's contribution to the national exchequer has been given on page no. 44 of this annual report.

#### **(d) Supply Chain Management**

ADNTEL rigorously follow up its internal procurement policy and upgrade the policy regularly to ensure strong control and fair treatment of suppliers.

### **8. RESPONSIBILITY TOWARDS SOCIETY**

As a responsible business entity with global affiliations, ADNTEL tends to meet the social causes, hence performs different types of social responsibilities with a view to engage the organization into direct and indirect social welfare.

While exploring any business scopes, ADNTEL also tries to ensure that the clients and supplier do not encourage child labor.

ADNTEL also tries to ensure zero corruption, use green energy and low carbon emission etc, while being committed to achieving the UN's Sustainable Development Goals (SDGs).

### **9. CORPORATE OBJECTIVES**

#### **(a) Vision and Mission Statement of the Company in the Annual Report**

The Vision and Mission statement of the Company has been given on page no. 14 of this annual report.

#### **(b) Overall Strength and Opportunity**

The overall strength and opportunity of the Company has been given on page no. 15 of this annual report.

#### **(c) Core Values & Code of Conduct**

The core values of the company have been given on page no. 14 of this annual report.

In line with that there are two sets of code of conducts one for the Chairperson, other Board Members and CEO in accordance with BSEC Corporate Governance Code- 2018 and another for ADNTEL employees.

#### **(d) Directors' Profiles and their Representation on the Board of other Companies & Organization**

The brief resume of the Directors as well as their representation on Board of other Companies and organizations have been included on page nos. 28 to 32 of this Annual Report.

## 10. TIMELINESS IN ISSUING FINANCIAL STATEMENTS AND HOLDING AGMs

The Company holds General Meeting of members once a year and the meeting is being held within 6 (six) months of completion of the respective financial year, as per the guidelines of BSEC as well as the permitted time limit of the Companies Act- 1994. The Company ensures effective interaction with the members at the Annual General Meeting. The Directors pay special attention in answering the various queries raised by the members at the Annual General Meeting.

**As required under “Bangladesh Secretarial Standard-2” issued by ICSB, particulars of the last three Annual General Meetings are disclosed hereunder:**

### 17<sup>th</sup> Annual General Meeting:

Date & Time: December 24, 2020 at 11:30 AM  
Venue: The AGM was held on virtually by using digital platform  
Participants: 270 Shareholders which represent 50,737,118 shares being 78.48% of paid-up shares of the Company.

Resolutions passed by the shareholders on the following:

- (i) Consideration and adoption of the financial statements of the company for the year ended June 30, 2020 together with auditors' report and the directors' report thereon ;
- (ii) Approval of 15% cash Dividend;
- (iii) Elect Directors in place of those who shall retire by rotation in accordance with the provisions of Articles of Association of the Company;
- (iv) Approve the re-appointment of the Independent Director of the Company;
- (v) Re-Appointment of A. Wahab & Co. Chartered Accountants as statutory auditors for the year 2020-21 and fixed their remuneration;
- (vi) Re-appointment of M/s. Ahsan Manzur & Co. Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code – 2018 for the year 2020-21 and fixed their remuneration.

### 16<sup>th</sup> Annual General Meeting:

Date & Time: November 24, 2019 at 12:00 PM  
Venue: Lakeshore Hotel, Ikebana Hall, Address: Road 41, House 46, Gulshan-2, Dhaka-1212 .  
Participants: 27 Shareholders which represent 41,510,000 shares being 92.53% of paid up shares of the Company.

Resolutions passed by the shareholders on the

following:

- (i) Consideration and adoption of the financial statements of the company for the year ended June 30, 2019 together with auditors' report and the directors' report thereon ;
- (ii) Elect Directors in place of those who shall retire by rotation in accordance with the provisions of Articles of Association of the Company;
- (iii) Re-Appointment of A. Wahab & Co. Chartered Accountants as statutory auditors for the year 2019-20 and fixed their remuneration;
- (iv) Re-appointment of M/s. Mumlook Mustaque & Co. Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code – 2018 for the year 2019-20 and fixed their remuneration.

### 15<sup>th</sup> Annual General Meeting:

Date & Time: December 04, 2018 at 12:00 PM  
Venue: Lakeshore Hotel, Ikebana Hall, Address: Road 41, House 46, Gulshan-2, Dhaka-1212.  
Participants: 23 Shareholders which represent 34,353,166 shares being 76.58% of paid up shares of the Company.

Resolutions passed by the shareholders on the following:

- (i) Consideration and adoption of the financial statements of the company for the year ended June 30, 2018 together with auditors' report and the directors' report thereon;
- (ii) Approval of 6% cash Dividend;
- (iii) Elect Directors in place of those who shall retire by rotation in accordance with the provisions of Articles of Association of the Company;
- (iv) Confirm the appointment of Directors and Independent Director;
- (v) Appointment of A. Wahab & Co. Chartered Accountants as statutory auditors for the year 2018-19 and fixed their remuneration;
- (vi) Appointment of M/s. Mahfel Huq & Co. Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code - 2018 for the year 2018-19 and fixed their remuneration.

## 11. DELEGATION OF AUTHORITY

There is clearly spelled out the delegation of authority with specific task authority relationship. The board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes.

## 12. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Company has complied with all mandatory requirements of Corporate Governance Guidelines as enumerated in the Corporate Governance Code-2018 issued by Bangladesh Securities and Exchange Commission. M/s. Ahsan Manzur & Co., Chartered Accountants have certified that the Company complied with the conditions of Corporate Governance as stipulated under the Corporate Governance Guidelines which has been annexed on page no. 48 of this annual report.

## 13. RISK MANAGEMENT

The Company always concentrates on delivering high value to its stakeholders through appropriate tradeoff between risk and return. A well-structured and proactive risk management system is in place within the Company to address the risks relating to credit, market, liquidity and operations. Details of the Risk Management have been described at notes 45 to 48 of the Audited Financial Statements on page no. 120 of this annual report.

## 14. GOING CONCERNED

The board is satisfied that the Company has adequate resources to continue its business sustainably for the foreseeable future and consequently considers it appropriate to adopt the going concern basis in preparing the financial statements.

## 15. DIVIDEND DISTRIBUTION POLICY

Pursuant to the Directive on dividend distribution and management of unpaid/unclaimed dividends by Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2021-386/03/ dated January 14, 2021, the Board of Directors has approved the dividend distribution policy of the Company. Moreover, ADNTEL also ensures timely adoption of any directives and circulars prescribed by the Bangladesh Securities and Exchange Commission related to dividend distribution and management from time to time.

The objective of the above mentioned policy is to lay down the criteria to be considered by the Board of Directors of the Company before recommending dividends to its shareholders for a financial year. The detailed dividend distribution policy of the Company is available on the Company's website and can be viewed with this link:

[https://adntel.com.bd/wp-content/uploads/2021/05/ADNTEL\\_Dividend-Distribution-Policy.pdf](https://adntel.com.bd/wp-content/uploads/2021/05/ADNTEL_Dividend-Distribution-Policy.pdf)

## 16. SUMMARY OF UNPAID OR UNCLAIMED DIVIDEND

ADNTEL always thrive to complete the dividend

distribution process within the time schedule. At first, we distribute all the dividends through BEFTN and within 3 to 4 working days, then we receive the returned BEFTN report from the respective Bank. Then, we sort out the data and issue dividend warrants and request the shareholders through DSE & CSE and newspapers to collect the physical dividend warrants within a specified time.

Thereafter, for those who fail to collect their dividend physically, we send the warrants to their respective addresses through courier. But finally, some of the warrants return as the shareholders do not correctly mention their addresses in the BO set up. As a result, a portion of dividends remains undistributed.

Summary of the unpaid or unclaimed cash dividends including bank interest and others are mentioned below

### Aging analysis of unpaid/unclaimed cash dividend (As of June 2021)

	Amount in BDT
Up to 1 year	438,486
Over 1 year but within 3 years	Nil
<b>Total</b>	<b>438,486</b>

ADNTEL has no undistributed stock dividend so far to be distributed among the shareholders.



**Asif Mahmood**  
Chairman  
ADN Telecom Limited



**Md. Monir Hossain, FCS**  
Company Secretary  
ADN Telecom Limited



# SUSTAINABLE DEVELOPMENT GOALS

## The Journey towards meeting the SDGs

The Sustainable Development Goals (SDGs) are intergovernmental set of aspiration goals with 169 targets, contained in the paragraph 54 of United Nations Resolution A/RES/70/1 of 25 September 2015. The resolution is a broader intergovernmental agreement that, while acting as the Post 2015 Development Agenda (successor to the Millennium Development Goals), is built on the principles agreed upon under Resolution A/RES/66/288, popularly known as The Future We Want.

### COVID-19 Impact on Bangladesh and the roadmap to SDG:

The Covid-19 pandemic has disproportionately and detrimentally affected members of the most vulnerable social groups, including people living in poverty, elderly, and persons with disabilities, youth, women, and transgender people. A report by the United Nations on the impacts of Covid-19 on women notes that the compounded economic impacts are felt especially by women and girls who are generally earning less, saving less, and holding insecure jobs or living close to poverty.

Reference: Bangladesh Preparedness and Response Plan for COVID-19. - Ministry of Health & Family Welfare, July 2020



Reducing poverty is one of the core SDG of Bangladesh government, which includes pro-poor growth, increasing labor productivity, expanding employment opportunities, promoting overseas employment, targeted social safety nets etc. During the pandemic, none of these instruments except social safety net programs could function well.

Bangladesh has achieved remarkable success in food production and is now self-sufficient in producing major crops. But the supply chain of many food commodities were disrupted due to the pandemic, resulting in increase in prices of these items.



While Bangladesh's public health investment might be considered low, the country's health outcomes are better than many other comparable countries. But Covid-19 directly affected the health sector. Vaccinating the whole population has become a major challenge, and the nation is not out of danger of resurgence of the virus until majority of the population is fully vaccinated. In its fight against Covid-19, challenges are mounting to get access to health services for non-Covid-19 patients throughout the country as well.



This goal has been severely affected due to the pandemic. Since March 17, 2020, all schools, colleges, universities, and educational institutions remained closed for more than 18 months. Some institutions started opening up only from September 2021. All classrooms shifted from physical places to online, making the process of giving and receiving education more non-human and mostly uninteresting. Many non-government teachers lost on their regular earnings while many students have been affected psychologically remaining inside homes due to social distancing.

The main export-earning sector of the country is readymade garments, which predominantly employ women workers. During the initial lockdown due to pandemic, hundreds of workers lost their jobs due to the uncertainty of duration of lockdowns and export business being fully functional again. Gradually the garments are opening up again, re-employing the workers. But many of them faced major financial crisis during their unemployment stages.



Except for Padma Multipurpose Bridge, most of the construction-related projects were in a stalemate position for months before going back to work in progress, including mega projects like Dhaka Metro Rail and Hazrat Shahjalal International Airport Terminal 3.

It has been really challenging to maintain hygiene in urban slums to tackle the Covid-19 virus.



The impact of the Covid-19 pandemic on the environment has been complex. On one hand, air pollution had declined due to lockdowns and slowdown in economic activities. On the other hand, the disposal of large quantities of PPEs, plastic gloves, mask wrappers etc. posed a huge environmental threat.

In the upcoming days, this will be the main challenge for the government to get them back on track and thus truly ensure sustainable development. In the current situation, it will be a challenge to implement all the sustainable development goals within a stipulated time.

## ADNTEL's approach towards SDGs:

At ADNTEL, we perceive the vision of delivering innovative and delightful customer experiences through our passion, commitment and technology for a brighter tomorrow, based upon our pillars of responsibility, ethical business practices and transformational products and services. The Covid-19 pandemic may have delayed our progress towards fulfilling our SDG, but we are determined to catch up with the lost time and meet our SDG target with exemplary results.



Reducing poverty is one of the core SDG of Bangladesh government, which includes pro-poor growth, increasing labor productivity, expanding employment opportunities, promoting employment. At ADNTEL, our expanding business domain has been creating employment opportunities and enhancing the scope of involvement of large number of people directly and indirectly.



While Bangladesh's public health investment might be considered low, the country's health outcomes are better than many other comparable countries. We at ADNTEL are exploring more opportunities in health and well-being sector by training up skilled support staff. Besides physical health, we are also concerned about the mental well-being of our stakeholders. ADNTEL has implemented various social activities for well-being of the society. Good HEAL TRUST is one of them. ADNTEL patronizes the combined development of a trained health care workforce, institutions of excellence for evidence-based nursing education and training, creating employment opportunity through vocational training, leveraging technology to provide access to health services at the last mile, and a culture of prevention by early diagnosis and intervention. ADNTEL ensures equal opportunities for all its employees in terms of both their personal and professional development. While ensuring health and safety in the workplace, ADNTEL offers standard compensation scheme to its employees, comprising financial and qualitative benefits.



We are progressing with the implementation of clean energy in different projects in our heartfelt attempt in ensuring access to affordable, reliable, sustainable and modern energy for all. Moreover in our daily business operations we always ensure eco-friendly equipments for better tomorrow. Mentionable that, all the sites of Island Project by Bangladesh Government are powered by alternative energy sources which are installed and maintained by us.



Building resilient infrastructure, promoting sustainable industrialization and fostering innovation is at the core of our business model. We are committed to deliver connectivity with innovative products and service that provide with seamless solutions.



This sustainable development goal calls for a global partnership for sustainable development. Our strategic alliances with different stakeholders at home and abroad help us achieve this SDG in our daily operations.

In every footstep towards our goal, we tend to utilize our ability to deliver seamless and secured connectivity to accelerate the digital transformation while staying true to these sustainable development goals responsibly.









# REPORTS OF THE BOARD COMMITTEES



## Report of the Audit Committee

for the year ended on 30 June 2021

As per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) the Board of Directors of ADN Telecom Limited constituted an Audit Committee as a sub-committee of the Board of Directors of the Company.

### Composition of the Committee:

The Audit Committee consists of three Directors including one Independent Director. The Independent Director is the Chairman of the Committee. The Committee members are:

<b>Ghulam Rasool</b> Independent Director	Chairman
<b>Md. Moinul Islam</b> Director	Member
<b>Waqar Ahmad Choudhury</b> Director	Member

The Audit Committee acts as per the terms and conditions of the Corporate Governance Code of BSEC. All members of the Committee are 'financially literate' and can analyze and interpret financial statements to discharge their duties and responsibilities as members of the Committee. As per the Code, the Company Secretary of ADN Telecom Limited acts as the Secretary of the Committee.

### Major Role and Responsibilities:

The purpose, authority, composition, duties and responsibilities of the Audit Committee are delineated by the Board as per the Corporate Governance Code of BSEC. Among others, the major responsibilities of the Audit Committee are:

- Oversee the financial reporting process.
- Oversee the hiring and performance of external auditors.
- Monitor the integrity of the financial statements of the company and any formal announcements relating to the company's performance, reviewing significant financial reporting judgments before their submission to the Board of Directors for approval.
- Review the effectiveness of the accounting policies, internal control and business risk management systems of the company.
- Monitor and review the effectiveness of the company's internal audit function.
- Consider and discuss with the external auditors of the company the scope of their audit prior to its commencement and, subsequently the results, and review the effectiveness of the process, taking into consideration relevant professional and regulatory requirements;
- Other matters as per terms of reference of the Audit Committee as per notification of the BSEC.

### Major activities of the Audit Committee during the reporting period:

- During the year under review, four (4) meetings of the committee were held. The details of attendance of the members have been shown in Annexure- I of the Directors' Report. The Chief Financial Officer (CFO) and the Head of Internal Audit and Compliance (HIAC) attended the meetings by invitation.
- Reviewed the quarterly and half yearly financial statements of the Company before submission to the Board for approval.
- Reviewed the effectiveness of internal control.
- Met with the members of the external auditors and discussed on the audit of the financial statements of the Company.
- Reviewed the annual financial statements of the Company before submission to the Board for approval.
- Reviewed the Management Letter issued by the external auditors in their presence.
- Reviewed the statements of related party transactions submitted by the Management.
- Reviewing the Management Discussion and Analysis Report before disclosing in the Annual Report;
- Recommended for the appointment of External Auditors and fixation of their remuneration.
- Reviewed IPO Proceeds Utilization Report.

On behalf of the Committee,



**Ghulam Rasool**

Chairman

Audit Committee

Dated: 26 October 2021



## Report of the Nomination & Remuneration Committee

for the year ended on 30 June 2021

As per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) the Board of Directors of ADN Telecom Limited has constituted a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board of Directors of the Company.

### Composition of the Committee:

The Nomination and Remuneration Committee (NRC) consists of three Directors including one Independent Director. The Independent Director is the Chairman of the Committee. The Committee members are:

<b>Khondkar Atique-e-Rabbani</b> Independent Director	Chairman
<b>Md. Moinul Islam</b> Director	Member
<b>Md. Mahfuz Ali Sohel</b> Director	Member

The Nomination and Remuneration Committee (NRC) acts as per the terms and conditions of the Corporate Governance Code of BSEC. All the members of the Committee possess adequate knowledge and have business expertise in their own arena. As per the Code, the Company Secretary of ADN Telecom Limited acts as the Secretary of the Committee.

### Major Role and Responsibilities:

The terms of reference of the Nomination and Remuneration Committee (NRC) have been determined by the Board as per the Corporate Governance Code of BSEC. Among others, the major responsibilities of the Audit Committee are:

- i. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top-level executive, considering the following:
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
  - b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- ii. To devise a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- iii. To identify persons who are qualified to become directors and who may be appointed in top-level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- iv. To formulate the criteria for evaluation of the performance of independent directors and the Board;
- v. To identify the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- vi. To develop, recommend and review annually the company's human resources and training policies.

### Major activities of the NRC during the reporting period:

- During the year under review, four (4) meetings of the committee were held. The details of attendance of the members have been shown in the Annexure- I of the Directors' Report. The Chief Financial Officer (CFO) and the Head of HR attended the meetings by invitation.
- The Committee made recommendation to the Board for approval of the appointment of Directors.
- The Committee reviewed the management proposals for the appointments of top-level executives and senior management of the Company and also made observations on the company's needs for employees at different levels and determine their selection considering the business strategy of the company.

On behalf of the Committee,



**Khondkar Atique-e-Rabbani**

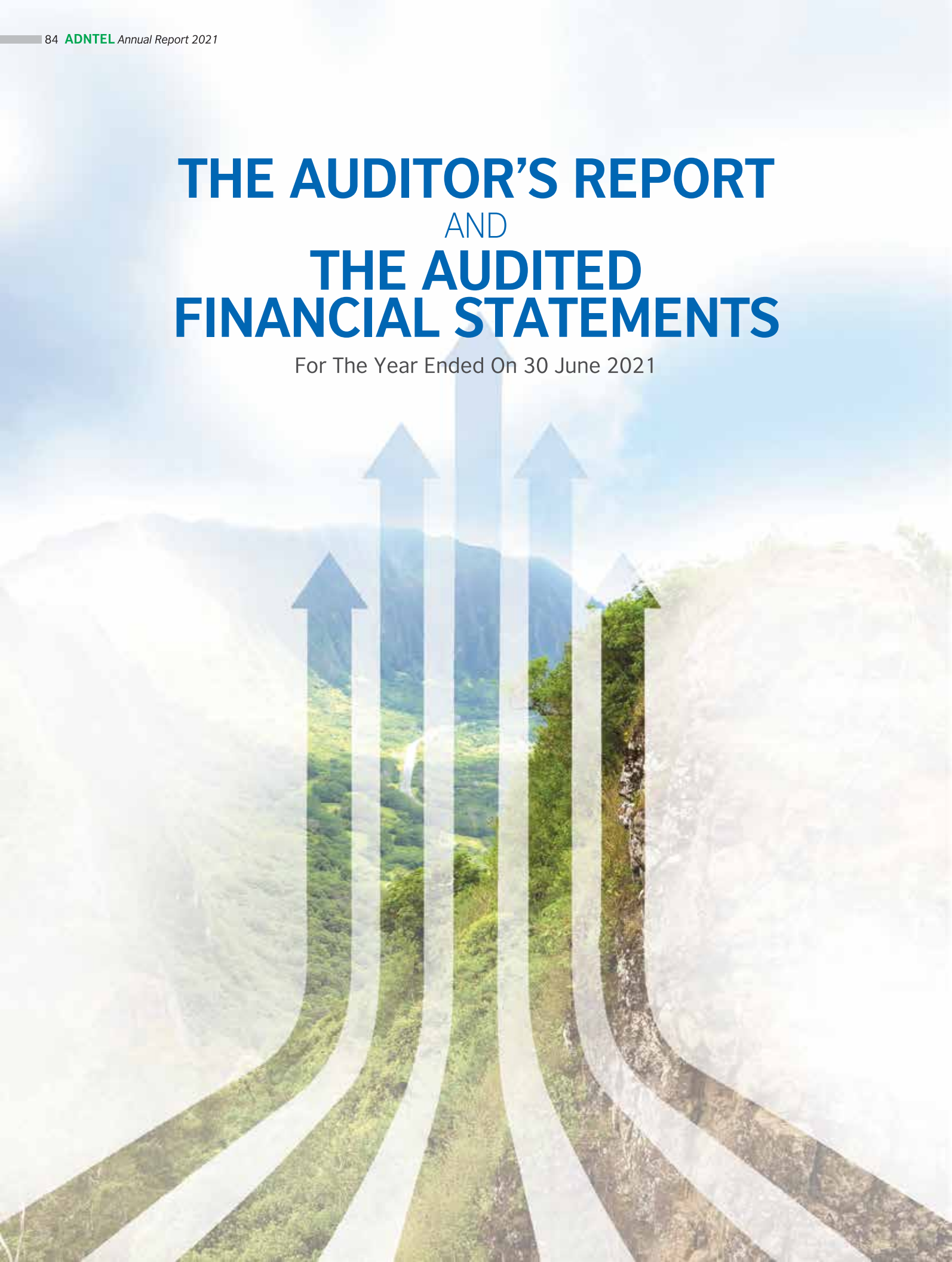
Chairman

Nomination & Remuneration Committee

Dated: 26 October 2021

# **THE AUDITOR'S REPORT AND THE AUDITED FINANCIAL STATEMENTS**

For The Year Ended On 30 June 2021



**Independent Auditor's Report  
To the Shareholders of ADN Telecom Limited**

**Report on the Audit of the Financial Statements**



**Opinion**

We have audited the Financial Statements of ADN Telecom Limited, which comprise the Statement of Financial Position as at June 30, 2021 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the Financial Position of the Company as at June 30, 2021, and its Financial Performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

Risk	Our response to the risk
<b>Revenue Recognition</b>	
At year end the Company reported net revenue of BDT 1,141,044,570 of which Local Services, IT Support & Service and Export Services amounted to BDT 190,760,497, BDT 451,100,822 & BDT 499,183,251 respectively.	Our audit procedures included, among others, the following:  We evaluated the revenue recognition principles applied by the Company towards applicable accounting standards;
The Company has multiple revenue units including Internet Service, Data Connectivity-IPVPN, IP (Internet Protocol), Telephony Services, Telehouse & Hosting, Digital Business, Equipment Sales, MPLS and IPLC.	We evaluated the revenue recognition of different segments of revenue in relation to the terms of the service terms;
The company has complex terms of contracts, which require significant management estimation and judgment in determining the timing of revenue recognition and measurement.	We tested the key controls over the calculation, authorization and the approval of bills forwarded to customers and the capturing and recording of revenue transactions;
Revenue is derived from several business segments and agreement with customers contain more than one performance obligation. Hence the management needs to determine the basis for allocating the consideration received between the separate performance obligations based on relative standard selling price. This matter is considered a key audit matter due to the level of judgment required to determine the timing of revenue recognition and measurement.	We tested the timing of the revenue recognition;  We evaluated the appropriateness of the notes related to the company's revenue  We critically assessed manual journals posted to revenue to identify unusual or irregular items; and  Finally assess the appropriateness and presentation of disclosures against relevant accounting standards.
See note no. 22.00 to the Financial Statements	



**A. WAHAB & CO.**  
Chartered Accountants

<b>Measurement of Deferred Tax Liability</b>	
<p>The Company reported net deferred tax liability totaling BDT 135,909,619 as at 30 June 2021. Because of reduction in the rate of tax during the year there has been income in deferred tax for Tk. 7,665,021.</p> <p>Significant judgment is required in relation to deferred tax liability as their adjustability is dependent on forecasts of future.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liability and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We also assessed the appropriateness of presentation of disclosures against IAS 12 "Income Tax".</p> <p>We also used the 3rd schedule of the Income Tax Ordinance (ITO 1984) for the calculation of deferred tax.</p>
See note no <b>20.02 &amp; 28.00</b> to the Financial Statements	
<b>Provision for Current Income Tax</b>	
<p>Provision for the income tax requires the consideration of income from Local Sales, IT Support &amp; Services and Export Sales also consider the previous year's shortfall provision.</p>	<p>We reviewed the tax calculation work flows and related details. To be specific, our substantive testing procedures included the following:</p> <p>Current tax has been calculated on the basis of add and back of some inadmissible and admissible expenses respectively as per ITO 1984.</p> <p>Tax on Incomes from Export was derived properly.</p> <p>Exclusions as allowable by the 6<sup>th</sup> Schedule Part- A of ITO 1984 were applied duly.</p>
See note no <b>20.01 &amp; 28.00</b> to the Financial Statements	
<b>Acquisition of Property, Plant &amp; Equipment</b>	
<p>At the end of the year the Company recorded total Property, Plant and Equipment BDT 1,222,023,149 (Carrying Amount) The company made a number of significant acquisitions for BDT 203,005,043 during the year.</p> <p>There is a risk that the assets being overvalued, either by inflating cost or valuation.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Property, Plant &amp; Equipment and reviewed:</p> <p>The company actually owning the assets.</p> <p>Checked the purchase invoice for the assets purchases.</p> <p>Checked the bank statement and proper calculation of LC related works.</p> <p>Checked the due amount that related to suppliers of Property, Plant and Equipment.</p>
See note no <b>4.00 &amp; Annexure-A</b> to the Financial Statements	
<b>Provision for Gratuity</b>	
<p>The Company reported Provision for Gratuity totaling BDT 54,030,709 as at 30 June 2021.</p> <p>This matter is considered a key audit matter due to the level of judgment. It is unfunded and no actuarial valuation has been done.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of provision for gratuity.</p> <p>We tested the key controls over the calculation.</p> <p>We tested the timing of the record as expenses and adjustment.</p>
See note no <b>17.00</b> to the Financial Statements	

**A. WAHAB & CO.**  
**Chartered Accountants**

Legal and regulatory matters	
<p>We focused on this area because the company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the company's best estimate for existing legal matters that have a probable and estimable impact on the company's Financial position</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the company's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the company's provisions and contingent liabilities disclosure</p>

### Reporting to other information

The Directors as well as Management are responsible for other information. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Report on other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the ADN Telecom Limited so far as it appeared from our examination of these books;
- c) The Statements of Financial Position as at June 30, 2021 and Statements of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

FOR A. WAHAB & CO.  
CHARTERED ACCOUNTANTS

Md. Showkat Hossain, FCA  
Partner

Enrolment No.-196  
DVC: 2110310196AS938920

Dated: Dhaka, October 31, 2021





**ADN TELECOM LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2021**


**A. WAHAB & CO.**  
**Chartered Accountants**

Particulars	Notes	30-06-2021	30-06-2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>1,237,142,467</b>	<b>1,143,041,677</b>
Property, Plant and Equipment	4.00	1,222,023,149	1,130,596,707
Intangible Assets	5.00	631,401	775,196
Investment in Associates	6.00	14,487,916	11,669,774
<b>Current Assets</b>		<b>1,100,154,547</b>	<b>1,090,589,603</b>
Investment in FDR	7.00	52,965,500	70,000,000
Trade and Other Receivables	8.00	553,673,046	434,397,359
Advance, Deposits and Prepayments	9.00	223,173,486	197,192,642
Cash and Cash Equivalents	10.00	270,342,515	388,999,602
<b>Total Assets</b>		<b>2,337,297,014</b>	<b>2,233,631,280</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital &amp; Reserves</b>		<b>1,678,810,891</b>	<b>1,633,531,883</b>
Share Capital	11.00	646,516,660	646,516,660
Share Premium	12.00	413,704,659	413,704,659
Retained Earnings	13.00	618,589,572	573,310,564
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>		<b>202,868,019</b>	<b>183,458,294</b>
Long Term Loan	14.00	28,424,800	-
Lease Liabilities	15.00	38,533,600	39,883,654
Deferred Tax Liability	20.00	135,909,619	143,574,640
<b>Current Liabilities</b>		<b>455,618,104</b>	<b>416,641,102</b>
Current Portion of Long Term Loan	14.00	15,573,133	-
Current Portion of Lease Liabilities	15.00	40,464,542	31,141,653
Short Term Loan	16.00	15,111,378	37,077,068
Accrued Expenses	17.00	115,279,225	100,486,263
Provision for Workers' Participation and Welfare Fund	18.00	9,443,343	7,786,474
Trade and Other Payables	19.00	227,820,597	208,829,837
Provision for Tax Liability	20.00	31,487,399	31,319,807
Unclaimed Dividend	21.00	438,486	-
<b>Total Equity and Liabilities</b>		<b>2,337,297,014</b>	<b>2,233,631,280</b>
<b>Net Asset Value (NAV) Per Share</b>	31.00	<b>25.97</b>	<b>25.27</b>

The annexed Notes from 1 to 53 form an integral part of these financial statements.

  
**Mohammed Abdul Alim, FCA**  
**Chief Financial Officer**

  
**Md. Monir Hossain, FCS**  
**Company Secretary**

  
**Henry Hiton**  
**Managing Director**

  
**Md. Moinul Islam**  
**Director**

  
**Asif Mahmood**  
**Chairman**

Subject to our separate report of even date.



  
**(A. WAHAB & CO.)**

**CHARTERED ACCOUNTANTS**  
Signed By: Md. Showkat Hossain, FCA  
Enrolment No.-196  
DVC: 2110310196AS938920

Dated: Dhaka, October 31, 2021

**A. WAHAB & CO.**  
Chartered Accountants

**ADN TELECOM LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Particulars	Notes	30-06-2021	30-06-2020
Net Revenue	22.00	1,141,044,570	1,129,619,018
Cost of Goods Sold & Services	23.00	(685,222,930)	(713,006,415)
<b>Gross Profit</b>		<b>455,821,640</b>	<b>416,612,603</b>
<b>Operating Expenses</b>			
Administrative Expenses	24.00	(158,523,115)	(145,792,777)
Distribution and Marketing Expenses	25.00	(101,253,820)	(105,793,964)
<b>Total Operating Expenses</b>		<b>(259,776,935)</b>	<b>(251,586,741)</b>
<b>Operating Profit</b>		<b>196,044,705</b>	<b>165,025,862</b>
Other Non-Operating Income	26.00	15,770,719	14,109,601
Financial Expense	27.00	(13,505,221)	(15,619,504)
		<b>198,310,202</b>	<b>163,515,959</b>
Provision for Workers' Participation and Welfare Fund	18.00	(9,443,343)	(7,786,474)
Share of profit/(loss) of associates	6.00	818,142	894,185
<b>Profit before Income Tax</b>		<b>189,685,001</b>	<b>156,623,670</b>
<b>Provision for Tax</b>			
Current Tax	28.00	(31,487,399)	(15,387,165)
Deferred Tax	28.00	7,665,021	20,231,886
<b>Total Provision for Tax</b>		<b>(23,822,379)</b>	<b>4,844,721</b>
<b>Net Profit After Tax</b>		<b>165,862,622</b>	<b>161,468,391</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>165,862,622</b>	<b>161,468,391</b>
<b>Basic Earnings Per Share (EPS)</b>	30.01	<b>2.57</b>	<b>2.86</b>
<b>Diluted Earnings Per Share (EPS)</b>	30.02	<b>2.57</b>	<b>2.50</b>

The annexed Notes from 1 to 53 form an integral part of these financial statements.

  
Mohammed Abdul Alim, FCA  
Chief Financial Officer

  
Md. Monir Hossain, FCS  
Company Secretary

  
Henry Hiron  
Managing Director

  
Md. Moinul Islam  
Director

  
Asif Mahmood  
Chairman

Subject to our separate report of even date.



  
(A. WAHAB & CO.)

CHARTERED ACCOUNTANTS

Signed By: Md. Showkat Hossain, FCA  
Enrolment No.-196

DVC: 2110310196AS938920

Dated: Dhaka, October 31, 2021

**A. WAHAB & CO.**  
**Chartered Accountants**

**ADN TELECOM LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

Particulars	Ordinary Share Capital	Share Premium	Retained Earnings	Total
Balance as at 1st July 2020	646,516,660	413,704,659	573,310,564	1,633,531,883
Dividend for the year 2020	-	-	(96,977,499)	(96,977,499)
Adjustment during the year- Income Tax short provision for 30-06-2019 & 30-06-2020	-	-	(23,606,115)	(23,606,115)
Net Profit after tax for the year	-	-	165,862,622	165,862,622
<b>Balance as at 30 June 2021</b>	<b>646,516,660</b>	<b>413,704,659</b>	<b>618,589,572</b>	<b>1,678,810,891</b>
Balance as at 1st July 2019	448,600,000	83,005,464	411,842,173	943,447,637
Addition during the year	197,916,660	372,083,342	-	570,000,002
Adjustment during the year	-	(41,384,147)	-	(41,384,147)
Net Profit after tax	-	-	161,468,391	161,468,391
<b>Balance as at 30 June 2020</b>	<b>646,516,660</b>	<b>413,704,659</b>	<b>573,310,564</b>	<b>1,633,531,883</b>

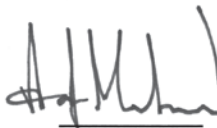
The annexed Notes from 1 to 53 form an integral part of these financial statements.

  
Mohammed Abdul Alim, FCA  
Chief Financial Officer

  
Md. Monir Hossain, FCS  
Company Secretary

  
Henry Hiton  
Managing Director

  
Md. Moinul Islam  
Director

  
Asif Mahmood  
Chairman

Subject to our separate report of even date.

  
(A. WAHAB & CO.)

CHARTERED ACCOUNTANTS

Signed By: Md. Showkat Hossain, FCA

Enrolment No.-196

DVC: 2110310196AS938920

Dated: Dhaka, October 31, 2021





**ADN TELECOM LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Particulars	Notes	30-06-2021	30-06-2020
<b>Cash Flow from Operating Activities</b>			
Cash Received from Customers	34.00	1,025,080,834	1,062,727,681
Cash Paid to Suppliers & Others	35.00	(574,690,488)	(626,255,129)
Paid for Operating Expenses	36.00	(272,459,257)	(199,544,595)
<b>Cash generated from Operations</b>		<b>177,931,089</b>	<b>236,927,957</b>
Finance Expenses Paid	37.00	(13,721,522)	(16,369,684)
Interest Received on Short term deposit	39.00	10,744,105	6,188,324
Paid for WPPF	18.00	(7,786,474)	(8,009,194)
Income Tax Paid	38.00	(31,319,807)	(38,220,700)
<b>Net Cash Flow from Operating Activities</b>	33.00	<b>135,847,391</b>	<b>180,516,703</b>
<b>Cash Flow from Investing Activities</b>			
Acquisition of Property, Plant & Equipments and Intangible Assets	40.00	(162,398,751)	(204,377,315)
Investment in FDR	7.01	17,034,500	(70,000,000)
Investment in Sister Concern	6.01	(2,000,000)	-
<b>Net Cash Flows from / (used) for Investing Activities</b>		<b>(147,364,251)</b>	<b>(274,377,315)</b>
<b>Cash Flow from Financing Activities</b>			
Repayment of Long Term Borrowing	41.00	(6,002,067)	(77,957,842)
Receipt of Long Term Borrowing	14.01	50,000,000	-
Proceeds from issuance of share capital		-	197,916,660
Proceeds from issuance of share capital-Premium		-	330,699,195
Repayment of Short Term Borrowing	42.00	(65,240,497)	(73,203,677)
Receipt of Short Term Borrowing	43.00	43,274,806	98,504,840
Dividend Paid		(96,539,013)	(655,775)
Repayment to Lease Finance	44.00	(32,633,457)	(38,546,909)
Fund Received from Lease Finance		-	4,800,000
<b>Net Cash Flows from/ (used) for Financing Activities</b>		<b>(107,140,227)</b>	<b>441,556,492</b>
<b>Net Cash Increase/(Decrease) during the year</b>		<b>(118,657,087)</b>	<b>347,695,880</b>
Opening Cash and Cash Equivalents	10.00	388,999,602	41,303,722
<b>Closing Cash and Cash Equivalents</b>	10.00	<b>270,342,515</b>	<b>388,999,602</b>
<b>Net Operating Cash Flow per share</b>	32.00	<b>2.10</b>	<b>2.79</b>

The annexed Notes from 1 to 53 form an integral part of these financial statements.

  
**Mohammed Abdul Alim, FCA**  
 Chief Financial Officer

  
**Md. Monir Hossain, FCS**  
 Company Secretary


  
**Henry Hiton**  
 Managing Director

  
**Md. Moinul Islam**  
 Director

  
**Asif Mahmood**  
 Chairman

Subject to our separate report of even date.



  
 (A. WAHAB & CO.)  
 CHARTERED ACCOUNTANTS  
 Signed By: Md. Showkat Hossain, FCA  
 Enrolment No.-196  
 DVC: 2110310196AS938920

**A. WAHAB & CO.**  
**Chartered Accountants**

**ADN Telecom Limited**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2021**

**1.00 Company and its activities**

**a) Company Profile:**

ADN Telecom Limited (formerly Advanced Data Networks System Limited) was incorporated on 22 September, 2003 Vide registration # C-50557 (852)/2003 as a Private Limited Company by shares under The Companies Act, 1994. The company was converted into a public limited company by shares on 25 July, 2012. The company has been listed with both the Dhaka and Chittagong Stock Exchanges on December 2019.

The registered office of the company is located at Red Crescent Concord Tower, (19th Floor), 17 Mohakhali C/A, Dhaka- 1212, Bangladesh.

**b) Nature of Business:**

ADN Telecom Ltd. is the prime service provider for domestic and international connectivity services and solutions duly authorized by the Bangladesh Telecommunication Regulatory Commission (BTRC). The principal activities of the company are providing seamless, secured data & internet connectivity to various grades of customers using fiber, satellite and wireless solutions since 2003.

ADN Telecom is a first tier Telecom service provider as well as an IT Enabler Service provider. It's range of products allow it to deliver service to mostly corporate, B2B, government, financial institutions, etc. There are future plans to expand coverage to include B2C products and services.

**c) Legal Compliance:**

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of The Companies Act 1994, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

**d) Compliance with International Financial Reporting Standards:**

IAS	Title	Remarks
IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventory	Complied
IAS 7	Statement of Cash Flows	Complied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant and Equipment	Complied
IAS 17	Leases	N/A
IAS 19	Employee Benefits	Complied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27	Separate Financial Statements	N/A
IAS 28	Investments in Associates and Joint Ventures	Complied
IAS 31	Interests in Joint Ventures	N/A
IAS 32	Financial Instruments: Presentation	Complied
IAS 33	Earnings per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	Complied
IAS 39	Financial Instruments: Recognition and Measurement	Complied
IAS 40	Investment Property	N/A
IAS 41	Agriculture	N/A
IFRS 1	First Time Adoption	N/A
IFRS 2	Share Based Payment	N/A
IFRS 3	Business Combinations	N/A



**A. WAHAB & CO.**  
**Chartered Accountants**

IAS	Title	Remarks
IFRS 4	Insurance Contracts	N/A
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations	N/A
IFRS 6	Exploration for and Evaluation of Mineral Resources	N/A
IFRS 7	Financial Instruments : Disclosures	Complied
IFRS 8	Operating Segments	N/A
IFRS 10	Consolidated Financial Statements	N/A
IFRS 11	Joint Arrangements	N/A
IFRS 12	Disclosure of Interests in Other Entities	Complied
IFRS 13	Fair Value Measurement	Complied
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from contracts with customers	Complied
IFRS 16	Leases	Complied

**2.00 Significant Accounting Policies and Basis of Preparation**

The accounting policies set out below, which comply with International Financial Reporting Standards (IFRSs), have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the company.

**2.01 Statement of Compliance:**

These financial statements of ADN Telecom Limited have been prepared on a going concern basis under historical cost convention in accordance with International Financial Reporting Standards (IFRSs). The disclosures of information are made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and the financial statements have been prepared in accordance with International Accounting Standard (IAS) -1 using the accrual basis of accounting. In the preparation of these financial statements, management used available information to make judgments, estimate and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

**2.02 Going Concern:**

The Company has adequate resources to continue in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. It is to be mentioned that, license from BTRC is being regularly renewed by them since 2003 and ADN Telecom Limited has already got the renewed ISP, VSAT and IPTSP license from BTRC in due time. It is expected that BTRC will continue the renewal of license in future.

**2.03 Functional and Presentation Currency:**

Items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest Taka.

**2.04 Reporting Period:**

These financial statements cover one year starting from July 01, 2020 to June 30, 2021.

**2.05 Comparative Information and Rearrangement thereof:**

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

**2.06 Risk and uncertainty for use of estimates and Judgments:**

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) requires management to make judgments, estimates and assumptions that affect the applicable of accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised in any future years affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors."





**A. WAHAB & CO.**  
**Chartered Accountants**

**2.07 Materiality and Aggregation:**

Each material item considered by management as significant has been presented separately in financial statements. No amount has been set off unless the ADN Telecom Ltd. has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

**2.08 Consistency:**

In accordance with IFRS framework for the presentation of financial statements together with IAS-1 and IAS-8, ADN Telecom Limited discloses its information consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies, correction of errors, the amount involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. However, for changes in the accounting estimates the related amount is recognized prospectively in the current period and in the next period or periods.

**2.09 Foreign Currency Transactions and Translations:**

**a) Foreign currency transactions:**

Transactions/Day End Balances in foreign currencies are converted into respective functional currencies at the rate of exchange ruling at the date of transactions as per IAS 21 'The Effects of Changes in Foreign Exchange Rates'. Effects of Exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the Company are recorded in the Statement of Profit or Loss and Other Comprehensive Income.

**b) Foreign currency translations:**

Assets and liabilities have been presented into Taka (which is functional currency of the Company) using year end spot rate of exchange of the Company and incomes and expenses are translated using spot rate of exchange. The foreign currency translation difference is a net result of exchange difference of year end standard mid rate and monthly average of standard mid rate arising from translation of functional currency to presentation currency.

**2.10 Statement of Cash Flows:**

IAS 1 requires that a complete set of financial statement requires preparation of statement of cash flows. The statement of cash flows is prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with the information about ability of the enterprise to generate cash and utilization of those cash.

Statement of cash flows has been prepared under the direct method for the year end, classified by operating, investing and financing activities as prescribed in paragraph 10 and 18(a) of IAS 7 Statement of Cash Flows.

As per Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018. A reconciliation of Net Cash Flow from Operating Activities between Direct method and Indirect method is shown in Note: 33.00.

**2.11 Statement of Changes in Equity:**

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth. The statement also shows item-wise movement along with the description of changes from the end of last year to the end of current year.

**2.12 Property, Plant and Equipment:**

**a) Recognition and measurement:**

In pursuant to IAS 16: "Property, Plant and Equipment", the cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Property, Plant & Equipment have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs of enhancement of existing assets are recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of such items can be measured reliably. All other expenditures are charged to the Statement of Profit or Loss and Other Comprehensive Income in the financial year which they are incurred.



**b) Assets Obtained under Lease Agreements:**

IFRS 16: "Leases" has come into force on 1 January 2019, ADN Telecom Limited applied IFRS 16 its financial statements using modified retrospective approach where the company measured the lease liability at the present value of the remaining lease payments, discounted it using the incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of initial application on a lease by lease basis. Due to applying modified retrospective effect, prior year results have not been restated.

**Right-of-use assets (ROU)**

The ADN Telecom Limited recognizes right-of-use assets at the date of initial application of IFRS 16. The ROU asset is initially measured at cost at the amount of the lease liability plus any initial direct costs incurred by the lessee and depreciated using the straight line methods from the commencement date (from the beginning of July 2019) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The ROU assets are presented under Property, Plant and Equipment (note 4).

Lease Liability at the commencement date of lease, the ADN Telecom Limited recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments.

**Short-term lease and leases of low value assets:**

The ADN Telecom Limited has elected not to recognize ROU assets and lease liabilities for leases of low value assets less than valuing of BDT 240,000 and short term lease, i.e. for which the lease term ends within 12 months of the date of initial application. The ADN Telecom Limited recognizes lease payments associated with these leases as an expense.

The impact of the new standard on lessees' financial statements are:

- An increase in recognized assets and liabilities;
- More lease expenses recognized in early periods of lease, and less in the later periods of a lease;
- A shift in lease expense classification from rental expenses to interest expense and depreciation

As per IFRS 16: "Leases", summary of lease related information is provided in the table below:

**Summary of IFRS 16:**

Particulars	ROU Assets	Lease Liability
Opening Balance	100,827,318	71,025,307
Addition	40,606,292	40,606,292
Depreciation/Interest Expense	37,505,640	8,440,043
Accumulated Depreciation/ Lease Payment	69,919,624	41,073,500
Closing Balance (Notes 4.00 & Annexure-A)	71,513,986	78,998,142

**c) Depreciation:**

No depreciation is charged on land as the land has unlimited useful life. Depreciation on assets is calculated using the Reducing Balance Method to allocate the cost amount over their estimated useful lives. In respect of addition of Property, Plant & Equipment, depreciation is charged from the date of use. No depreciation is charged in the month of disposal.

Depreciation is charged using the following rates on the Property, Plant & Equipment except ROU assets, ROU assets depreciation is calculated on straight line basis:

Assets Category	2020	2019
Land and Land Development	0%	0%
Radio Link, Infrastructure & Backbone Equipments	5%	5%
Data Centre	5%	5%
Fiber Equipment & Accessories	5%	5%
Computer & Accessories	30%	30%
Office Equipments	20%	20%
Optical Fiber	30%	30%
Furniture & Fittings	10%	10%
IPTSP & Video Conference Equipment	20%	20%
Motor Vehicle	20%	20%
Support Equipment	5%	5%





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**d) Gain or Loss on Disposal:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as profit or loss. However, No disposal occurred during the year.

**e) Compliance of VAT and TAX:**

ADN Telecom Limited complies all rules and regulations of IT-1984 and VAT and supplementary Act, 2012 for addition of all Property, Plant and Equipment.

**f) Capitalization of Borrowing Costs:**

As per the requirements of IAS 23: "Borrowing Costs", directly attributable borrowing costs are capitalized during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognized as profit or loss in the period in which they are incurred.

**2.13 Intangible Assets:**

Intangible assets (IAS - 38 Para -8) that are acquired by the Company such as computer software and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Intangible assets are amortized on a reducing balance method and charged in statement of profit or loss and other comprehensive income. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**2.14 Impairment of Assets:**

**a) Non-derivative financial assets**

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

**b) Non-financial assets**

The carrying amount of the non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the assets' recoverable amounts are estimated. For intangible assets that have indefinite lives, recoverable amount is estimated at each reporting date. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit (CGU) exceeds its estimated recoverable amount.

**2.15 Investment in Associates:**

As per IAS-28: "Investments in Associates and Joint Ventures" this investment is required to be treated as Investment in Associate using Equity Accounting Method. Under Equity Accounting the carrying value of the Investment is equal to cost plus any profit earned after acquisition.

**2.16 Trade and Other Receivables:**

Accounts Receivable represent the amounts due from subscribers and other parties for services. Accounts Receivable are measured at the original invoice amount. Accounts Receivables are stated net of allowance for doubtful debts. Other receivables comprise other non-trade receivables and interest receivables. Other receivables are stated net of provision for doubtful debts, if any.

**2.17 Advance, Deposit & Prepayments:**

Advances are initially measured at cost. After initial recognition, advance are carried at cost less deduction, adjustment or charges to other account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Profit or Loss and Other Comprehensive Income.

**2.18 Cash & Cash Equivalents:**

Cash and cash equivalents comprise cash balances and call deposits with maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the company in the management of its short term commitments.





**2.19 Provisions, Contingent Liabilities and Contingent Assets:**

The preparation of financial statements in conformity with IAS-37: "Provision, Contingent Liabilities and Contingent Assets", requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements. Due to the inherent uncertainty involved in making estimates, actual result reported could differ from those estimates. All provisions are recognized by making the best estimate of the amounts.

**2.20 Trade & Other Payables:**

Trade & other payables for goods and services received have been accounted for those goods and services for which no payment has been made. Payables are not interest bearing and are stated at their normal value.

**2.21 Financial Instruments**

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

**2.22 Employee Benefits:****(a) Provident Fund:**

The company operates a contributory provident fund for its permanent employees, which is funded by contribution partly from the employee and partly from the company at predetermined rates. This contribution is invested separately from the company's assets. It is administered by a Board of Trustees.

**(b) Group Insurance Benefit:**

The permanent employees of the company are covered under a Group Term Health Insurance Scheme. Premium of which is being charged to Statement of Profit or Loss and Other Comprehensive Income. All regular employees are entitled to the benefits of the Group term insurance coverage from the date of joining.

**(c) Gratuity Benefit:**

The Company has an unfunded and unrecognized gratuity scheme for all permanent employees under which an employee is entitled to the benefit depending on length of service with the Company.

**(d) Workers' Profit Participation Fund:**

The company has made a provision for Workers' Profit Participation Fund (WPPF) for the year ended June 30, 2021. The Company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation Fund in accordance with Bangladesh Labour Act, 2006 as amended 2013.

**2.23 Income Tax Expenses:**

Income Tax Expenses comprise current and deferred taxes. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

**a) Current Tax:**

Current Tax is the tax payable on the taxable income for the year, using tax rates as applicable for the respective concern year as per Income Tax Ordinance (ITO) 1984, and any adjustment to tax payable in respect of previous years. Current Tax has been calculated on the basis of add and back of some inadmissible and admissible expenses respectively as per ITO 1984. The tax rate used for the reporting period (Except revenue earned from export service) is as follows:

Year:	Tax rate:
2020-2021	22.50%
2019-2020	25.00%

The tax rate used for revenue earned from export service is 11.25% as per The Sixth Schedule- (Part A, Para 28), ITO 1984.

**b) Deferred Tax:**

Deferred tax is recognized in accordance with the provision of IAS-12. Deferred tax arises due to temporary difference deductible or taxable for the events of transactions recognized in the statement of comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/ reported amount in the financial statement. Deferred tax asset or liability is the amount of income tax payable or recoverable in future period(s) recognized in the current period. The deferred tax asset/ income or liability/ expense does not create a legal liability/ recoverability to and from the income tax authority. This is recognized for book purpose as equalization item presented in the financial statements to show the retained earnings as a consistent reflection of the business events. The nature and amount of a change as deferred tax in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods.



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**2.24 Capital / Shareholder's Equity:**

**a) Authorized Capital:**

Authorized capital is the maximum amount of share capital that the Company is authorized by its Memorandum and Articles of Association to issue to shareholders.

**b) Paid-up Capital:**

Paid-up Capital represents total amount of shareholders capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholder's meetings. In the event of a winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

**c) Share Premium:**

The share premium represents the excess amount received by the Company from its shareholders over the nominal/par value of its share. The amount of share premium may be utilized as per the provision of Section 57 of The Companies Act, 1994.

**d) Retained Earnings:**

The surplus amount after appropriation of profit is kept in Retained Earnings.

**2.25 Proposed Dividend:**

The amount of proposed dividend has not been accounted for but disclosed in the notes to accounts along with the dividend per share in accordance with the requirement of IAS 1: "Presentation of Financial Statements". Also, the proposed dividend has not been considered as "Liability" in accordance with the requirements of IAS 10: "Events after the Reporting Period". because no obligation exists in the time of approval of accounts and recommendation of dividend by the Board of Directors.

Dividend proposed by the Board of Directors for the period under review shall be accounted for after the approval of shareholders in the Annual General Meeting and the period of such approval.

**3.00 Revenue Recognition, Measurement and Presentation**

Revenues are recognized when goods are delivered or services rendered, to the extent that it is probable that the economic benefits from the transactions will flow to the company and the revenues can be reliably measured. Revenues are measured at the fair value of the consideration received or receivable, net of discounts and sales related taxes. These taxes are regarded as collected on behalf of the authorities.

Revenue from rendering services include the following:

1. Internet Service
2. Data Service-IPVPN-IT Support & Service
3. IP Telephony Service
4. Telehouse & Hosting
5. Digital Business-IT Support & Service
6. Project Sales
7. Multiprotocol Label Switching (MPLS)-IT Support & Service
8. International Private Leased Circuit (IPLC)-IT Support & Service

Company provides these services to the client on a monthly basis, and it is charged to the clients as prepaid or postpaid basis. The company recognizes revenue on the following basis:

- a. The company recognizes service as revenue when invoice is raised at the beginning of the month for prepaid customers and at the end of the month for the post paid customers.
- b. Interest income on bank deposits and short-term investments is recognized on receipt or accrual basis.
- c. All other income is recognized on receipt or due basis.
- d. As per Income Tax Ordinance 1984. Sixth Schedule Part-A, Para-28, the company enjoyed export service for MPLS and IPLC services.

**3.01 Earnings Per Share (EPS):**

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings Per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income. Earnings per share (EPS) has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the period. Details are shown in note 30 to the financial statements.



**a) Basic Earnings per Share:**

Basic EPS is calculated by dividing profit or loss attributable to ordinary equity holders of the entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

**b) Diluted Earnings per Share:**

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the total number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

**3.02 Related Party Disclosure:**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24 'Related Party Disclosures', BSEC guidelines. Details of the related party transactions have been disclosed in note 49.

**3.03 Components of Financial Statements:**

- a) Statement of Financial Position
- b) Statement of Profit or Loss and Other Comprehensive Income
- c) Statement of Changes in Equity
- d) Statement of Cash Flows; and
- e) Notes, comprising a summary of significant accounting policies and other explanatory information.

**3.04 Other Regulatory Compliances:**

The company is also required to comply with the following major legal provisions in addition to The Companies Act, 1994 and other applicable laws and regulations but not limited to:

- i) The Income Tax Ordinance & Rules, 1984
- ii) The Value Added Tax Act, 2012 & Rules, 2016
- iii) Bangladesh Telecommunication Regulatory Commission Act, 2001
- iv) The Customs Act, 1969
- v) Bangladesh Labour Act, 2006 (Amended in 2013)
- vi) Bangladesh Labour Rules, 2015
- vii) The Bangladesh Securities and Exchange Commission Act, 1993
- viii) The Securities and Exchange Ordinance, 1969
- ix) The Securities and Exchange Rules, 2020
- x) DSE & CSE Listing Regulations
- xi) Corporate Governance Code of BSEC.

**3.05 Events after the reporting period**

As per IAS -10: "Events after the Reporting Period" are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the Financial Statements are authorized for issue. Two types of event can be identified:

\*Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and

\*Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

Details are shown in note 53 to the financial statements.

**3.06 Reconciliation of Books and Accounts:**

Books of account in regard to Parties (in Bangladesh and outside Bangladesh) as well as Bank are reconciled at regular intervals to keep the unreconciled balances within non-material level.





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**4.00 Property, Plant & Equipment:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Freehold Property, Plant & Equipment	4.01	1,150,509,163	1,062,183,374
Right of Use of Assets (ROU)	4.02	71,513,986	68,413,333
		<b>1,222,023,149</b>	<b>1,130,596,707</b>

Details of Property, Plant & Equipment are shown in "Annexure- A"

**4.01 Freehold Property, Plant & Equipment:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Land and Land Development	54,876,546	54,876,546
Radio Link, Infrastructure & Backbone Equipments	506,261,050	478,294,762
Data Centre	18,244,174	3,632,717
Fiber Equipment	172,261,001	176,070,054
Computer & Computer Equipments	17,545,414	15,484,968
Office Equipment	22,833,107	18,699,462
Optical Fiber	37,843,911	34,933,507
Furniture & Fittings	20,525,607	13,819,712
IPTSP & Video Conference Equipment	36,336,161	15,817,097
Motor Vehicle	12,100,010	14,803,915
Support Equipment	251,682,183	235,750,635
<b>Total Freehold Property, Plant &amp; Equipment</b>	<b>1,150,509,163</b>	<b>1,062,183,374</b>

**4.02 Right of Use of Assets (ROU)**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
ROU Assets	71,513,986	68,413,333
<b>Total Right of Use of Assets (ROU)</b>	<b>71,513,986</b>	<b>68,413,333</b>

**5.00 Intangible Assets:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Software	631,401	775,196
<b>Total</b>	<b>631,401</b>	<b>775,196</b>

Details of Intangible Assets are shown in "Annexure- B"

**6.00 Investment in Associates:**

The movement of the investment is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	11,669,774	10,775,589
Add: Addition during the year	2,000,000	-
	<b>13,669,774</b>	<b>10,775,589</b>
Add: Share of profit of Associates	818,142	894,185
<b>Closing Balance</b>	<b>14,487,916</b>	<b>11,669,774</b>

**6.01 The details break-up is made up as follows:**

Particulars	Notes	30-06-2021	30-06-2020
My Tel Limited	6.01.01	8,958,702	9,242,212
ADN International Gateway Limited	6.01.02	3,539,191	2,427,563
ADN Diginet Ltd.	6.01.03	1,990,023	-
<b>Total</b>		<b>14,487,916</b>	<b>11,669,775</b>

**6.01.01 My Tel Limited:**

The movement is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	9,242,212	9,265,275
Add: Addition during the year	-	-
	<b>9,242,212</b>	<b>9,265,275</b>
Less: Share of loss of Associates	(283,510)	(23,063)
<b>Closing Balance</b>	<b>8,958,702</b>	<b>9,242,212</b>

ADN Telecom Limited holds 32% shares of My Tel Limited. As per IAS 28 this investment is required to be treated as Investment in Associated using Equity Accounting Method. Under Equity Accounting the carrying value of the Investment in My Tel Ltd. is equal to cost plus any profit earned or loss incurred after acquisition.



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**6.01.02 ADN International Gateway Limited:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	2,427,563	1,510,314
Add: Addition/adjustment during the year	-	-
	<b>2,427,563</b>	<b>1,510,314</b>
Add: Share of profit of associates	1,111,628	917,249
<b>Closing Balance</b>	<b>3,539,192</b>	<b>2,427,563</b>

ADN Telecom Limited acquired 40% shares of ADN International Gateway Limited. As per IAS 28 this investment is required to be treated as Investment in Associate using Equity Accounting Method. Under Equity Accounting the carrying value of the Investment in ADN International Gateway Limited is equal to cost plus any profit earned after acquisition.

**6.01.03 ADN Diginet Ltd.**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	-	-
Add: Additions during the year	2,000,000	-
	<b>2,000,000</b>	<b>-</b>
Add: Share of profit of associates	(9,976)	-
<b>Closing Balance</b>	<b>1,990,024</b>	<b>-</b>

ADN Telecom Limited acquired 40% shares of ADN Diginet Ltd. As per IAS 28 this investment is required to be treated as Investment in Associate using Equity Accounting Method. Under Equity Accounting the carrying value of the Investment in ADN Diginet Ltd. is equal to cost plus any profit earned after acquisition.

**7.00 Investment in FDR**

The details break-up is made up as follows:

Name of the Bank	FDR No.	Date of Issue	Date of Last Maturity	30-06-2021	30-06-2020
Eastern Bank Ltd	1045450448024	05-01-2020	04-07-2021	42,372,400	40,000,000
Eastern Bank Ltd	1045450448034	05-01-2020	04-07-2021	10,593,100	10,000,000
Prime Finance Ltd	TDR-10698/20	09-03-2020	08-09-2020	-	20,000,000
<b>Total</b>				<b>52,965,500</b>	<b>70,000,000</b>

The above balances are in agreement with the respective FDR statements issued by the bank.

**8.00 Trade and Other Receivables:**

The details break-up is made up as below:

Particulars	Notes	30-06-2021	30-06-2020
Trade Receivable	8.01	429,117,792	312,796,916
Other Receivable	8.02	124,555,255	121,600,443
<b>Total</b>		<b>553,673,046</b>	<b>434,397,359</b>

**8.01 Trade Receivables:**

The movement is as below:

Particulars	Notes	30-06-2021	30-06-2020
Opening Balance		312,796,916	245,252,904
Add: Addition during the year	22.00	1,141,044,570	1,158,881,328
		<b>1,453,841,485</b>	<b>1,404,134,232</b>
Less: Received during the year		1,024,723,694	1,091,337,316
<b>Closing Balance</b>		<b>429,117,792</b>	<b>312,796,916</b>

**8.02 Other Receivables:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Mobile Bill Receivable		8,889	8,682
ADN Technologies Ltd.		20,140,837	20,167,595
InGen Technology Ltd.		37,608,879	37,608,879
ADN Eduservices Ltd.		40,472,362	38,722,362
VAT Receivable from Customers		-	2,079,658
BDNews24.Com		4,250,000	4,250,000
Industrial and Infrastructure Development Finance Company Ltd (IIDFC)		-	1,715,593
		<b>102,480,967</b>	<b>104,552,769</b>
Interest Receivable		22,074,288	17,047,674
<b>Total</b>		<b>124,555,255</b>	<b>121,600,443</b>



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**8.02.01 Interest Receivable:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	17,047,674	9,126,397
Add: Addition During the year	8,838,957	8,939,908
	<b>25,886,631</b>	<b>18,066,305</b>
Less: Adjustment during the year	3,812,343	1,018,631
<b>Closing Balance</b>	<b>22,074,288</b>	<b>17,047,674</b>

The amount is receivable on FDR & Sister Concerns.

**8.02.01(a) The details break-up is made up as follows:**

Particulars	Opening Balance	Addition	Adjustment	Closing Balance
ADN Edu Service Ltd.	7,442,814	2,981,735	-	10,424,549
ADN Technologies Ltd.	726,631	1,781,038	-	2,507,669
BD News24.com	815,000	-	-	815,000
InGen Technology Ltd.	5,473,366	2,125,788	-	7,599,154
FDR	2,589,863	1,950,396	3,812,343	727,916
<b>Interest Receivable</b>	<b>17,047,674</b>	<b>8,838,957</b>	<b>3,812,343</b>	<b>22,074,288</b>

**9.00 Advance, Deposits and Prepayments:**

This is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Advance	9.01	188,867,522	168,069,209
Deposits	9.02	34,305,963	29,123,433
<b>Total</b>		<b>223,173,486</b>	<b>197,192,642</b>

All the above Advance, Deposits & Prepayments are considered secured by the management.

**9.01 Advance:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Advance against Staff Salary		2,895,750	4,061,750
Advance against Imprest Fund		1,072,139	1,285,864
Advance against Expenses	9.01.01	14,038,723	17,736,548
Advance against Employee Laptop Scheme		796,486	998,320
Advance against Letter of Credit (L/C)		10,300,719	12,504,930
Advance Income Tax	9.01.02	31,487,399	60,696,538
Advance Rent- POP and Office		1,991,355	1,509,268
Advance to Others	9.01.03	126,284,951	69,275,990
<b>Total</b>		<b>188,867,522</b>	<b>168,069,209</b>

**9.01.01 Advance against Expenses:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Advance to employees	6,691,835	2,432,615
Advance to vendors	7,346,888	15,303,933
<b>Total</b>	<b>14,038,723</b>	<b>17,736,548</b>

**9.01.02 Advance Income Tax:**

a) The movement of the Advance Income Tax is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	60,696,538	35,371,148
Add: Addition during the year	31,487,399	25,325,390
	92,183,937	60,696,538
Less: Adjustment during the year	60,696,538	-
<b>Closing Balance</b>	<b>31,487,399</b>	<b>60,696,538</b>

b) The details break-up of addition during the year is as follows:

Particulars	30-06-2021	30-06-2020
Advance Income Tax (AIT) Deducted at Source	31,487,399	-
Advance Tax Paid	-	-
<b>Total</b>	<b>31,487,399</b>	<b>-</b>

c) Year wise break up is as follows:

Income Year	Assessment year	30-06-2021	30-06-2020
2018-2019	2019-2020	-	35,371,148
2019-2020	2020-2021	-	25,325,390
2020-2021	2021-2022	31,487,399	-
<b>Total</b>		<b>31,487,399</b>	<b>60,696,538</b>





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**9.01.03 Advance to Others:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Advance for Land purchase- ADN Technologies Ltd.	12,506,655	12,506,655
Advance against Bandwidth Purchase-AIG	14,856,869	14,856,869
Advance against Bandwidth Purchase-BD Link	6,615,000	6,615,000
AB Hightech Consortium Ltd.	-	2,400,000
Tech Valley Networks Ltd.	67,474,018	7,575,057
BASE Ltd.	900,000	400,000
Facility Bigdata II Ltd.	7,000,000	7,000,000
Devo Tech Technologies Ltd.	2,475,000	3,465,000
My Tel Limited	14,457,409	14,457,409
<b>Total</b>	<b>126,284,951</b>	<b>69,275,990</b>

**9.02 Deposits:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Bank Guarantee Margin for Tender Security	9.02.01	9,355,139	6,746,671
Earnest Money for Tender Security	9.02.02	964,990	796,290
Security Deposit	9.02.03	23,985,834	21,580,472
<b>Total</b>		<b>34,305,963</b>	<b>29,123,433</b>

**9.02.01 Bank Guarantee Margin for Tender Security:**

a) The movement of the Bank Guarantee Margin for Tender Security is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	6,746,671	3,407,733
Add: Addition during the year	4,591,220	5,966,688
	<b>11,337,891</b>	<b>9,374,421</b>
Less: Adjustment during the year	1,982,752	2,627,750
<b>Closing Balance</b>	<b>9,355,139</b>	<b>6,746,671</b>

b) The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Establishment of iv-Tier Nation	1,950,000	1,950,000
Bangladesh Power Development Board	4,980	4,980
Bangladesh-India Friendship Power Co.-Internet Connectivity	8,910	-
Bangladesh Krishi Bank - Tender of Data Connectivity	1,179,436	704,678
Bangladesh Agriculture Development Corporation (BADC)- Data Connectivity	12,000	-
Bangladesh Computer Council (BCC)-IPVPN Connectivity	1,496,250	-
Bangladesh Metrological Department-WAN Connectivity	180,000	-
BTRC-IP Telephony Service	100,000	100,000
Civil Aviation Authority of Bangladesh (CAAB)	875,000	-
Dhaka Metropolitan Police (DMP)-Internet Connectivity	21,000	-
Dhaka Power Distribution Company (DPDC) -WAN Connectivity	607,458	333,598
Hazrat Shahjalal International Airport- Wifi Connectivity	50,000	50,000
IFIC Bank Ltd.-Data Connectivity	15,000	-
Local Govt. Engineering Department (LGED)-Internet Connectivity	20,000	-
National University-Internet Connection	26,900	26,900
Roads and Highway Department (RHD)-Internet and Data Connectivity	22,500	-
Robi Axiata Ltd- 3Z Antenna Alignment Tool	46,820	46,820
Rupali Bank Ltd.-Data Connectivity	36,190	-
Sonali Bank Ltd - WAN Connectivity	800,644	712,644
Titas Gas Transmission-Internet and Data Connectivity	52,500	-
Dhaka Water Supply and Sewerage Authority (WASA)-Internet Connectivity	30,000	-
Bangladesh Communication Satellite Co. Ltd.	1,714,597	1,714,597
Info Sarker-Data Connectivity	-	997,500
Bangladesh Securities and Exchange Commission (BSEC) Internet Connectivity	60,000	60,000
Army HQ, Dhaka Cantonment WiFi Project	24,454	24,454
Bangladesh Inland Water Transport Authority (BIWTA)	5,500	5,500
Rajshahi Krishi Unnayan Bank-Data Connectivity	15,000	15,000
<b>Total</b>	<b>9,355,139</b>	<b>6,746,671</b>



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**9.02.02 Earnest Money for Tender Security:**

a) The movement of the Earnest Money for Tender Security is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	796,290	632,340
Add: Addition during the year	3,395,000	173,950
	<b>4,191,290</b>	<b>806,290</b>
Less: Adjustment during the year	3,226,300	10,000
<b>Closing Balance</b>	<b>964,990</b>	<b>796,290</b>

b) The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Naval Store Depo-Internet Connectivity	220,000	-
Immigration & Passport Office-Internet Connectivity	120,000	120,000
Chittagong Port Authority - WAN Connectivity	100,000	100,000
Investment Corporation of Bangladesh - Internet Connectivity	25,000	25,000
Jamuna Oil Company Ltd- WAN Connectivity	126,000	126,000
Janata Bank Ltd- WAN Connectivity	1,450	1,450
Payra Port Authority- WAN Connectivity	30,000	30,000
Rajshahi Krishi Unnayan Bank - WAN Connectivity	230,000	230,000
Rupali Bank Ltd - WAN Connectivity	65,000	65,000
Bangladesh Army - Cantonment WiFi Project	30,000	30,000
UCEP Bangladesh - WAN Connectivity	12,500	63,800
Bangladesh Krishi Bank - WAN Connectivity	5,040	5,040
<b>Total</b>	<b>964,990</b>	<b>796,290</b>

**9.02.03 Security Deposits-Office & POP Rent and Security Deposits to Others:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Security Deposits-Office & POP Rent	9.02.03(a)	9,835,225	9,608,175
Security Deposits to Others	9.02.03(b)	14,150,609	11,972,297
<b>Total</b>		<b>23,985,834</b>	<b>21,580,472</b>

**9.02.03(a) Security Deposits-Office & POP Rent:**

i) The movement of the Security Deposits is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	9,608,175	9,662,181
Add: Deposit during the year	301,500	250,000
	<b>9,909,675</b>	<b>9,912,181</b>
Less: Refund/Adjustment during the year	74,450	304,006
<b>Closing Balance</b>	<b>9,835,225</b>	<b>9,608,175</b>

ii) The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Agrabad POP	300,000	300,000
Badda Store	375,000	375,000
Banani POP	30,000	30,000
Baridhara POP	136,000	136,000
RCC Tower office Rent (3rd & 4th Floor)	1,229,760	1,229,760
Narayanganj POP	40,000	40,000
BEPZA POP	150,000	150,000
Bogra Office	46,500	52,500
Chittagong Office	500,000	500,000
Chittagong Port-POP	15,000	15,000
Dhanmondi Office Rent	450,000	450,000
Faridpur POP	50,000	50,000
Gazipur Store	75,000	75,000
Gazipur POP	370,000	370,000
Gulshan-1 POP	48,000	48,000
Gulshan-2 POP	100,000	100,000
Gulshan Office-3 A (Navana Shefali)	150,000	150,000
Gulshan Office-3 C (Navana Shefali)	150,000	150,000
Gulshan Office- (Technical & Customare Care)	300,000	-



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Particulars	30-06-2021	30-06-2020
JBT Tower POP & Office Rent	243,714	243,714
Kalurghat POP	90,000	90,000
KEPZ POP	41,727	41,727
Kawranbazar POP-2-SD-POP	100,000	100,000
Khulna (Shib Bari) POP	20,000	20,000
Mawna POP	72,000	72,000
Mirpur-10 POP	21,000	21,000
RCC Tower (19th floor) Office Rent	753,750	753,750
Nowabpur-POP	300,000	300,000
Rajshahi Krishi Unnayan Bank	-	50,000
Rangpur Office	50,000	50,000
Shanti Nagar POP	60,000	60,000
Sylhet Office Rent	50,000	50,000
Sylhet POP	27,000	27,000
Sylhet POP-1	50,000	50,000
Tongi (SKS) POP	100,000	100,000
Uttara POP-1	72,000	72,000
Uttara POP-3	50,000	50,000
Uttara POP-2	50,000	50,000
Uttara Support Office Rent	120,000	120,000
Devo Tech-Office	1,650,000	1,650,000
Red Crescent Society. (5th)	897,840	897,840
Ashulia POP	135,000	135,000
BEPZA (CEPZ)	96,934	95,884
CTG NOC	69,000	87,000
Mymensingh Office	200,000	200,000
<b>Total</b>	<b>9,835,225</b>	<b>9,608,175</b>

**9.02.03(b) Security Deposits to Others:**

i) The movement of the Security Deposits Others is as below:

Particulars	30-06-2021	30-06-2020
Opening Balance	11,972,297	14,319,756
Add: Deposit during the year	3,717,912	2,043,684
	<b>15,690,209</b>	<b>16,363,440</b>
Less: Refund/Adjustment during the year	1,539,600	4,391,143
<b>Closing Balance</b>	<b>14,150,609</b>	<b>11,972,297</b>

ii) The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Agrani Bank Ltd.-Data Connectivity	25,000	25,000
Bangla Phone- WAN Connectivity Purpose	35,000	35,000
Bangladesh House Building Finance - WAN Connectivity	5,000	5,000
Bangladesh Marine Academy-Internet Connectivity	7,000	-
Bangladesh Navy-Khulna Internet Connectivity	50,000	50,000
Bangladesh Open University Internet Connectivity	25,000	-
Bangladesh Police Data Connectivity	240,000	-
Bangladesh Power Development Board-WAN Connectivity	33,800	-
Bangladesh Secretariat- WAN Connectivity	22,700	22,700
Bangladesh Shipping Corporation	10,000	-
Bangladesh Submarine Cable Limited- Bandwidth Bill	2,452,502	1,891,290
BD Link Communication Ltd- Bandwidth Bill	1,913,508	1,913,508
BD-India Friendship Power Co.-WAN Connectivity	8,000	-
BEPZA at Comilla EPZ - WAN Connectivity	200,000	200,000
BGB Bibidho Fund-WAN Connectivity	253,408	253,408
BIGM-Data Connectivity	15,000	-
BSMRMU General Fund-Internet Connectivity	35,000	-
BTRC Submarine Cable- Data Connectivity	2,000,000	2,000,000
Cable Entertainment Ltd- Fiber Connectivity Purpose	225,000	225,000
Central Depository BD Ltd.-Data Connectivity	500,000	500,000
Coast Guard Force. HQ-Internet Connectivity	20,000	-
Commandant, MIST Internet Connectivity	50,000	-
Commanding Officer, Naval Store-Internet Connectivity	-	600,000
CPA, Bander SDO-Internet Connectivity	20,000	-





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Particulars	30-06-2021	30-06-2020
DC Logistics Division Police-Data Connectivity	340,000	-
Department of Inspection for Factories & Establishments-Internet Connectivity	96,000	96,000
Electricity Generation Co. -Internet Connectivity	17,000	-
Fiber @ Home- Underground Cabling Bill	300,000	300,000
HASIA -WAN Connectivity	6,500	6,500
ICOM (CoLoCity)- Colocation Rent	36,000	36,000
Immigration & Passports-Internet Connectivity	700,000	-
Islami Bank Bangladesh Ltd- Internet Connectivity	10,000	10,000
Janata Bank Ltd -WAN Connectivity	100,300	100,300
Karnaphuli Gas Distribution Co.-Internet Connectivity	25,000	-
ADN International Gateway Ltd. - WAN Connectivity Purpose	2,246,533	2,246,533
Mango Tele services Internet Bandwidth Bill	354,000	354,000
Mir Telecom Ltd- Interconnectivity Bill	100,000	100,000
National Board of Revenue-Internet Connectivity	22,000	-
National University-Internet Connectivity	150,000	150,000
Novotel Ltd- Inter Connectivity	100,000	100,000
NRB Telecom Ltd- Interconnectivity Bill	11,000	11,000
Payra Port Authority-Internet Connectivity	64,857	64,857
PKSF-Internet Connectivity	145,752	127,752
RAB- Internet Connectivity	-	160,000
Rupali Bank Ltd-Internet Connectivity	69,000	69,000
Secretary National Curriculum -Internet Connectivity	21,000	-
Security Against -T&T-Internet Connectivity	94,500	94,500
Shahjalal Islami Bank Ltd- WAN Connectivity	20,000	20,000
Sonali Bank Ltd-Internet Connectivity	695,100	97,800
Standard Bank Ltd.- WAN Connectivity	45,000	15,000
Sub Divisional Engineer ICT- WAN Connectivity	30,000	-
Supreme Court of Bangladesh- WAN Connectivity	14,524	14,524
Surveyor General of Bangladesh-Internet Connectivity	13,000	-
Sylhet Cable Systems Ltd -Fiber Connectivity	9,000	9,000
Uttara Bank Ltd-WAN Connectivity	20,000	20,000
West Zone Power Distribution Company Ltd.-Internet Connectivity	148,625	48,625
<b>Total</b>	<b>14,150,609</b>	<b>11,972,297</b>

**10.00 Cash and Cash Equivalents:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Cash in Hand	10.01	852,441	1,100,355
Cash at Bank	10.02	269,490,074	387,899,247
<b>Total</b>		<b>270,342,515</b>	<b>388,999,602</b>

**10.01 Cash in Hand:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Chattogram Office	70,000	70,000
Dhaka Office	772,441	1,020,355
Sylhet Office	10,000	10,000
<b>Total</b>	<b>852,441</b>	<b>1,100,355</b>

The above cash in hand at year end has been counted and certified by the management.



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**10.02 Cash at Bank:**

This is made up as follows:

<b>Current A/C</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
Bank Asia Ltd., A/C # 02833000153, Mohakhali Branch	326	1,016
BRAC Bank Ltd., A/C # 1501202526004001, Gulshan Branch	187,029	43,460
Community Bank, A/C # 31101 Police Plaza	232,252	-
Dutch Bangla Bank Ltd., A/C # 114.110.9273, Mohakhali Branch	11,928,945	1,903,739
Eastern Bank Ltd., A/C # 1041070145438, Gulshan Branch	342,906	967,598
Global Islami Bank- A/C # 1111000005423, Mohakhali Branch	5,442,721	9,880,036
Islami Bank Bangladesh Ltd. A/C # 20501910100306007 Mohakhali Branch	458,204	302,453
Janata Bank Ltd. A/C # 001-101602, Mohakhali Branch	543,693	154,725
Mercantile Bank Ltd., A/C # 11311100002377, Mohakhali Branch	771	678,650
Mutual Trust Bank Ltd., A/C # 460210003615, Corporate Branch	623,979	36,477
NRBC Bank Ltd., A/C # 012133300000536 Banani Branch	1,290	-
Pubali Bank Ltd., A/C # 3677102002013 Mohakhali Branch	624,954	-
Rupali Bank Ltd A/C # 0620020001466 Gulshan Branch	66,250	2,662,282
The City Bank Ltd., CD A/C # 1101361323001, Gulshan Branch	2,363,623	546,202
The City Bank Ltd., A/C # 1101361323002, Gulshan Branch	7,369	7,714
	<b>22,824,310</b>	<b>17,184,350</b>
<b>Short Term Deposit A/C</b>		
Bank Asia Ltd., Dividend A/C # 02836000222 Mohakhali Branch	438,486	-
Dutch Bangla Bank Ltd., A/C # 114.120.2440, Mohakhali Branch	1,056,337	816,807
IFIC Bank, A/C # 0180032429041 Mohakhali Branch	8,190	-
Mutual Trust Bank Ltd., A/C # 0046132001329, Corporate Branch	243,503,929	309,044,150
One Bank Ltd., A/C # 0023000000963 Gulshan Branch	246,651	5,600,850
The City Bank Ltd., A/C # 3101361323001, Gulshan Branch	977,000	287,454
United Commercial Bank Ltd., A/C # 0781301000000427-Mohakhali Branch	435,171	1,513,484
	<b>246,665,764</b>	<b>317,262,745</b>
<b>Foreign Currency A/C</b>		
One Bank Ltd. USD A/C 21130000128 Gulshan Branch US\$..@TK.	-	53,354,921
One Bank Ltd. EURO A/C 21130000139 Gulshan Branch US\$..@TK.	-	97,231
	-	<b>53,452,152</b>
<b>Total</b>	<b>269,490,074</b>	<b>387,899,247</b>

Bank balances are reconciled at regular intervals to keep the unreconciled balances within non-material level. The above balances have been confirmed and reconciled with the respective bank statement balances.

**11.00 Share Capital:****11.01 Authorized Capital:**

200,000,000 -Ordinary Shares of Tk. 10 each  
**Total**

2,000,000,000	2,000,000,000
<b>2,000,000,000</b>	<b>2,000,000,000</b>

**11.02 Issued, Subscribed, and Paid-up Capital:**

64,651,666 Ordinary Shares of Tk. 10 each  
**Total**

646,516,660	646,516,660
<b>646,516,660</b>	<b>646,516,660</b>

**11.03 The Detail Shareholding positions are as follows:**

Name of Shareholders	30-06-2021		30-06-2020	
	% of Holding	Amount in Taka	% of Holding	Amount in Taka
<b>Sponsors and Directors:</b>				
Asif Mahmood	19.18%	124,000,000	19.18%	124,000,000
Md. Moinul Islam	10.07%	65,100,000	10.07%	65,100,000
Md. Mahfuz Ali Sohel	10.07%	65,100,000	10.07%	65,100,000
Savoy Ice Cream Factory Ltd.	2.08%	13,450,000	2.08%	13,450,000
Vanguard AML BD Finance Mutual Fund One	2.06%	13,333,340	2.06%	13,333,340
Henry Hilton	0.19%	1,240,000	0.19%	1,240,000
Md. Abu Yousof Zakaria	2.64%	17,050,000	2.64%	17,050,000
Mohammad Ali Sarker	2.64%	17,050,000	2.64%	17,050,000
Mamonoor Rashid	2.64%	17,050,000	2.64%	17,050,000
<b>Sub-Total</b>	<b>51.56%</b>	<b>333,373,340</b>	<b>51.56%</b>	<b>333,373,340</b>
<b>Other than Sponsors and Directors</b>	<b>48.44%</b>	<b>313,143,320</b>	<b>48.44%</b>	<b>313,143,320</b>
<b>Total</b>	<b>100%</b>	<b>646,516,660</b>	<b>100%</b>	<b>646,516,660</b>



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**11.04 Share Holding Percentage by category:**

This is made up as follows:

Shareholders	Percentage 30-06-2021	Percentage 30-06-2020
Sponsors / Director	51.56	51.56
Government	-	-
Institute	21.77	13.20
Foreign	1.99	1.99
General Public	24.68	33.25
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**11.05 Distribution Schedule of the Shares:**

Range of Shareholdings	Number of Shareholders	Total Number of Shares	Percentage 30-06-2021	Percentage 30-06-2020
0-5,000	5,121	3,204,309	4.96	7.85
5,001-50,000	497	7,706,912	11.92	14.30
50,001-200,000	50	5,853,708	9.05	9.09
200,001-500,000	16	5,363,110	8.30	5.31
500,001-1,000,000	7	4,804,461	7.43	2.94
1,000,001-64,651,666	11	37,719,166	58.34	60.51
<b>Total</b>		<b>64,651,666</b>	<b>100.00</b>	<b>100.00</b>

**11.06 Utilization of IPO Proceeds:**

The details break-up is made up as follows:

Purpose Mentioned in the Prospectus	Amount as per Prospectus	Utilized Amount	Un-Utilized Amount
BMRE for Infrastructure Development	326,660,018	64,804,954	261,855,064
Data Centre Setup	93,236,609	74,589,287	18,647,322
Loan Repayment	120,603,373	120,603,373	-
IPO Expenses	29,500,000	29,500,000	-
<b>Total</b>	<b>570,000,000</b>	<b>289,497,615</b>	<b>280,502,385</b>

**11.06.01** The Un-utilized amount is lying with the following Bank Accounts which includes interest.

Name of the Bank	Accounts No.	Unutilized Amount	Interst Amount	Amount
Mutual Trust Bank Ltd.	46132001329	230,502,385	1,042,375	231,544,760
Eastern Bank Ltd	1045450448024	40,000,000	2,372,400	42,372,400
Eastern Bank Ltd	1045450448034	10,000,000	593,100	10,593,100
One Bank Ltd.	0023000000963	-	246,651	246,651
<b>Total</b>		<b>280,502,385</b>	<b>4,254,526</b>	<b>284,756,911</b>

**12.00 Share Premium:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	413,704,659	83,005,464
Add: Received during the year	-	372,083,342
	<b>413,704,659</b>	<b>455,088,806</b>
Less: Adjustment during the year	-	41,384,147
<b>Closing Balance</b>	<b>413,704,659</b>	<b>413,704,659</b>

**13.00 Retained Earnings:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	573,310,564	411,842,173
Net Profit after Tax for the year	165,862,622	161,468,391
	<b>739,173,186</b>	<b>573,310,564</b>
Dividend for the year 2020	(96,977,499)	-
Adjustment during the year for Income Tax short provision for 30-06-2019 & 30-06-2020	(23,606,115)	-
<b>Closing Balance</b>	<b>618,589,572</b>	<b>573,310,564</b>





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**14.00 Long Term Loan:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
IDLC	14.01	43,997,933	-
		<b>43,997,933</b>	-
Current Portion of Term Loan		(15,573,133)	-
<b>Total</b>		<b>28,424,800</b>	-

The above balances have been confirmed by IDLC.

**14.01 IDLC Finance Limited (IDLC)- Term Loan:**

a) The movement is as follows:

Particulars	Notes	30-06-2021	30-06-2020
Opening Balance		-	42,104,677
Add: Received during the year		50,000,000	-
Add: Interest Charged during the year	27.01	2,182,633	2,648,893
		<b>52,182,633</b>	<b>44,753,570</b>
Less: Paid during the year		8,184,700	44,753,570
<b>Closing Balance</b>		<b>43,997,933</b>	-

**15.00 Lease Liabilities:**

The movement is as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	71,025,307	104,772,216
Add: During the year*	40,606,292	4,800,000
Add: Interest charged during the year	8,440,043	7,585,632
	<b>120,071,642</b>	<b>117,157,848</b>
Less: Paid during the year	41,073,500	46,132,541
<b>Closing Balance</b>	<b>78,998,142</b>	<b>71,025,307</b>

\*Lease liabilities addition in this year is under IFRS 16 and it does not consider in the Statement of Cash Flow.

**15.01** The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Payment Less than 1 Year	40,464,542	31,141,653
Payment 2 to 5 Years	38,533,600	39,883,654
<b>Total</b>	<b>78,998,142</b>	<b>71,025,307</b>

**16.00 Short Term Loan:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Community Bank Ltd. Loan Against Trust Receipts (LATR)	16.02	1,547,281	-
Eastern Bank Ltd. Bank A/C 1042040369502 Gulshan Branch		-	3,937,909
The City Bank Ltd. Loan Against Trust Receipts (LATR)	16.01	8,642,396	29,018,287
The City Bank Ltd. A/C# 6331361323001, Gulshan Branch	16.03	4,921,701	4,120,871
		<b>15,111,378</b>	<b>37,077,068</b>

The above balances are in agreement with the respective loan statement issued by the bank.

**16.01** The movement of The City Bank Ltd. loan against LATR is as follows:

Particulars	Notes	30-06-2021	30-06-2020
Opening Balance		29,018,287	7,329,055
Add: Addition During the year		36,513,167	87,843,709
		<b>65,531,454</b>	<b>95,172,764</b>
Less: Repayment during the year		56,889,059	66,154,477
<b>Closing Balance</b>	16.01.01	<b>8,642,396</b>	<b>29,018,287</b>



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16.01.01 The details break-up is made up as follows:

<b>Short Term Loan No</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
LATR # 23032 (LC-90150)	2,505,057	-
LATR # 23033 (LC-90175)	4,072,558	-
LATR # 23034 (LC-10475)	2,064,781	-
LATR # 000124 (LC-10158)	-	2,330,979
LATR # 00019 (LC-10112)	-	2,018,487
LATR # 23016 (LC-115)	-	343,204
LATR # 23017 (LC-10311)	-	5,213,999
LATR # 23018 (LC-377)	-	597,750
LATR # 23019 (LC-360)	-	12,445,863
LATR # 23020 (LC-470)	-	1,542,614
LATR # 23021 (LC-310)	-	4,525,392
<b>Total</b>	<b>8,642,396</b>	<b>29,018,287</b>

16.02 The movement of The Community bank Loan Against Trust Receipts (LATR) accounts is as follows:

<b>Particulars</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
Opening Balance	-	-
Add: Addition during the year	1,547,281	-
	<b>1,547,281</b>	-
Less: Repayment during the year	-	-
<b>Closing Balance</b>	<b>1,547,281</b>	-

16.03 The movement of The City Bank Ltd. Overdraft Accounts is as follows:

<b>Particulars</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
Opening Balance	4,120,871	-
Add: Addition During the year	5,214,359	9,070,072
	<b>9,335,230</b>	<b>9,070,072</b>
Less: Repayment during the year	4,413,529	4,949,200
<b>Closing Balance</b>	<b>4,921,701</b>	<b>4,120,871</b>

17.00 **Accrued Expenses:**

The details break-up is made up as follows:

<b>Particulars</b>	<b>Notes</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
Salaries & Allowance		22,536,460	21,192,139
Director Remuneration		-	179,000
Bandwidth and Fiber Rent		27,555,723	16,876,521
IPTSP Interconnection Charges		1,815,609	1,662,565
Overtime, Holiday Allowance & Conveyance		1,731,279	2,647,257
Provision for Rent		721,096	656,478
Provision for Bad debts		3,325,194	3,303,794
Vehicle Expense		1,024,000	1,353,600
Mobile Bill		517,502	543,193
Provision for Gratuity	17.01	54,030,709	49,375,668
Provision for Consultancy Fee		-	616,000
Utilities Expense		2,021,653	2,080,048
<b>Total</b>		<b>115,279,225</b>	<b>100,486,263</b>

17.01 **Provision for Gratuity (Note: 2.22(c))**

The Gratuity Fund is unfunded and no actuarial valuation has been done. The movement is as follows:

<b>Particulars</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
Opening Balance	49,375,668	36,400,117
Add: Provision during the year	12,412,098	16,943,559
	<b>61,787,766</b>	<b>53,343,676</b>
Less: Disbursement during the year	7,757,057	3,968,008
<b>Closing Balance</b>	<b>54,030,709</b>	<b>49,375,668</b>

18.00 **Provision for Workers' Participation and Welfare Fund:**

The movement is as follows:

<b>Particulars</b>	<b>30-06-2021</b>	<b>30-06-2020</b>
Opening Balance	7,786,474	8,009,194
Add: Provision during the year	9,443,343	7,786,474
	<b>17,229,817</b>	<b>15,795,668</b>
Less: Disbursement during the year	7,786,474	8,009,194
<b>Closing Balance</b>	<b>9,443,343</b>	<b>7,786,474</b>

As per Bangladesh Labor Act, 2006 as amended in 2013, the amount is computed @ 5% of net profit before Income Tax.



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**19.00 Trade and Other Payables:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Trade Payables	19.01	164,020,737	158,604,222
Others Payables	19.02	63,799,860	50,225,615
<b>Total</b>		<b>227,820,597</b>	<b>208,829,837</b>

**19.01 Trade Payables:**

a) The movement is as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	158,604,222	170,159,034
Add: Addition During the year	466,035,342	533,857,402
	<b>624,639,564</b>	<b>704,016,435</b>
Less: Adjustment during the year	460,618,827	545,412,213
<b>Closing Balance</b>	<b>164,020,737</b>	<b>158,604,222</b>

**19.02 Others Payable:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Advance Technology Computers Ltd.		4,061,427	4,061,427
Employee PF Payable	19.02.01	7,696,659	4,287,054
Security Deposit from Customer		413,041	413,041
Deferred Letter of Credit	19.02.02	18,352,796	18,211,954
Withholding Tax Payable	19.02.03	12,277,605	12,080,759
Withholding VAT Payable	19.02.04	20,727,739	10,796,913
C&F Agents		270,593	374,467
<b>Total</b>		<b>63,799,860</b>	<b>50,225,615</b>

**19.02.01 Employee Provident Fund Payable:**

a) The movement is as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	4,287,054	1,879,507
Add: Addition during the year	24,865,206	27,746,717
	<b>29,152,260</b>	<b>29,626,224</b>
Less: Adjustment during the year	21,455,601	25,339,170
<b>Closing Balance</b>	<b>7,696,659</b>	<b>4,287,054</b>

b) Financial Reporting Council (FRC) notification no.179/FRC/FRM/CIRCULAR/2020/2 dated 07 July 2020 states that any fund forfeited as per rule must be returned to the company's account in the same fiscal year. Amount of Tk. 941,026/- forfeited and returned to company's account in the current year and shown as Other Non-Operating Income (Note - 26).

**19.02.02 Deferred Letter of Credit:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	18,211,954	18,309,460
Add: Exchange Loss/(Gain)	140,842	(97,505)
	<b>18,352,796</b>	<b>18,211,954</b>
Less: Payment/Adjustment During the Year	-	-
<b>Total</b>	<b>18,352,796</b>	<b>18,211,954</b>

**19.02.03 Withholding Tax Payable:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Employees Tax Payable		4,178,668	2,187,370
Director Remuneration Tax Payable		-	63,000
Rent Tax Payable		1,101,820	157,954
Suppliers Tax Payable	19.02.03(a)	6,997,117	9,672,435
		<b>12,277,605</b>	<b>12,080,759</b>





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**19.02.03(a) Suppliers Tax Payable:**

The details movement is as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	9,672,435	5,725,431
Add: Addition During the year	13,937,030	15,992,486
	<b>23,609,465</b>	<b>21,717,917</b>
Less: Adjustment during the year	16,612,348	12,045,482
<b>Closing Balance</b>	<b>6,997,117</b>	<b>9,672,435</b>

**19.02.04 Withholding VAT Payable:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Rent VAT Payable	4,389	1,526,988
Suppliers VAT Payable	12,964,418	9,269,925
Sales VAT Payable	7,758,933	-
<b>Total:</b>	<b>20,727,739</b>	<b>10,796,913</b>

**20.00 Provision for Tax Liability:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
For Current Tax	20.01	31,487,399	31,319,807
For Deferred Tax	20.02	135,909,619	143,574,640
<b>Total</b>		<b>167,397,018</b>	<b>174,894,447</b>

**20.01 Provision for Current Tax:**

The movement is as follows:

Particulars	Notes	30-06-2021	30-06-2020
<b>Opening Balance</b>		31,319,807	28,827,952
Add: Provision made during the year	28.00	31,487,399	15,387,165
		<b>62,807,206</b>	<b>44,215,117</b>
Less: Adjustment & Paid during the year	20.01.01	31,319,807	12,895,310
<b>Closing Balance</b>		<b>31,487,399</b>	<b>31,319,807</b>

**20.01.01 Adjustment & Paid During the year:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Tax Paid	429,382	12,895,310
Adjusted with Advance income tax	30,890,425	-
<b>Total</b>	<b>31,319,807</b>	<b>12,895,310</b>

**20.02 Provision for Deferred Tax:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Opening Balance		143,574,640	163,806,526
Add: Provision made during the year		-	-
		<b>143,574,640</b>	<b>163,806,526</b>
Less: Provision realized during the year	28.00	(7,665,021)	(20,231,886)
<b>Closing Balance</b>		<b>135,909,619</b>	<b>143,574,640</b>

**20.02.01 Calculation of Deferred Tax:**

The details break-up is made up as follows:

Particulars	Carrying Amount	Tax Base	Temporary Difference
<b>As on 30 June, 2020</b>			
Property, Plant & Equipment	1,062,183,374	487,884,808	574,298,566
Applicable Tax Rate			25%
<b>Deferred Tax Liability</b>			<b>143,574,642</b>
<b>As on 30 June, 2021</b>			
Property, Plant & Equipment	1,150,509,163	546,466,403	604,042,760
Applicable Tax Rate			22.50%
<b>Deferred Tax Liability</b>			<b>135,909,621</b>

Deferred Tax has been calculated on taxable temporary differences only as per Prudent Concept. ROU Assets is not considered to calculation of deferred tax.



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**21.00 Unclaimed Dividend**

In compliance with the clause 3 (vii) of the BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the summary of the unclaimed dividend is as follows which includes Bank interest and others:

Particulars	Year of Distribution	30-06-2021	30-06-2020
Unclaimed Dividend	Financial Year 2019-2020	438,486	-
<b>Total</b>		<b>438,486</b>	<b>-</b>

**22.00 Net Revenue:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Local Services	22.01	190,760,497	193,785,850
IT Support & Services:	22.02	451,100,822	360,267,180
Export Services-Foreign Currency	22.03	499,183,251	575,565,987
<b>Total</b>		<b>1,141,044,570</b>	<b>1,129,619,018</b>

**22.01 Local Service:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Internet Services	137,463,883	133,779,708
IP Telephony Services	17,786,172	18,025,064
Telehouse & Hosting Services	727,762	588,885
Project Sales	34,782,681	41,392,193
<b>Total</b>	<b>190,760,497</b>	<b>193,785,850</b>

**22.02 IT Support & Services:**

Data Service-IPVPN	438,952,584	334,637,878
Digital Services	12,148,238	25,629,302
<b>Total</b>	<b>451,100,822</b>	<b>360,267,180</b>

**22.03 Export Service-Foreign Currency:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Multiprotocol Label Switching (MPLS)-IT Support & Services	482,314,433	505,349,818
International Private Leased Circuit (IPLC)-IT Support & Services	16,868,818	70,216,169
<b>Total</b>	<b>499,183,251</b>	<b>575,565,987</b>

**23.00 Cost of Goods Sold & Services:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Bandwidth Cost	219,841,577	244,910,284
Infrastructure, Optical Fiber & Network Equipment Cost	59,983,229	66,237,762
Salary & Allowances	144,349,912	149,625,286
Cost of Project Sales	31,180,417	46,434,226
Fiber Lease Rent	63,479,362	57,699,210
IP Telephony Inter Connectivity Expenses	5,301,336	4,529,012
BTRC Charges on Equipment	1,851,891	1,829,200
BTRC License Fees	2,881,647	876,875
Consumable Items	6,824,188	4,441,167
Entertainment	109,144	133,764
Fire and Burglary Insurance Expenses	414,000	403,219
POP Expenses and Rent	14,490,449	12,732,577
IPTSP Revenue Sharing with BTRC	599,296	760,304
Equipment Repair & Maintenance	2,736,318	1,604,751
Telephone, Mobile and Fax	4,856,716	4,343,265
Travelling & Conveyance	226,653	612,012
Vehicle Expenses	10,413,222	8,896,333
Utilities	13,347,808	8,480,232
Digital Services Cost	10,653,240	14,203,347
Depreciation Expenses	91,682,524	84,253,589
<b>Total</b>	<b>685,222,930</b>	<b>713,006,415</b>

Annexure-A



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**24.00 Administrative Expenses:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary & Allowances		95,179,244	93,976,950
Director Remuneration		-	2,400,000
Group Life Insurance Premium		224,285	1,028,312
Professional & Technical Fees		1,132,817	720,276
Courier Expenses		159,435	150,000
Telephone, Mobile and Fax		1,529,071	1,599,930
Office Maintenance		7,326,765	6,647,355
Travelling and Conveyance		688,357	1,527,052
Entertainment Expenses		887,120	1,043,668
ISO Certificate Expenses		138,000	48,875
Medical Expenses		1,930,412	807,099
Stationeries Expenses		1,247,918	1,510,091
Newspaper, Books & Journals		105,740	105,986
License & Regulatory Fee		1,858,445	806,990
Legal Fees		163,325	221,750
Repairs & Maintenance		2,377,989	1,447,557
Vehicle Expenses		12,615,792	6,367,013
AGM Expenses		737,000	286,238
Training & Development Expenses		1,211,685	832,285
Utilities Expenses		8,969,843	7,348,581
Depreciation Expenses	Annexure-A	19,896,078	16,722,971
Amortization Expenses	Annexure-B	143,794	193,798
<b>Total</b>		<b>158,523,115</b>	<b>145,792,777</b>

As per IFRS-16, POP Rent is treated as ROU Assets and Charged depreciation on it.

**25.00 Distribution and Marketing Expenses:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary & Allowances		69,820,440	77,827,527
Advertisement Expense		8,445,768	8,589,750
Business Promotion Expenses		9,226,131	4,922,803
Travelling and Conveyance		4,910,919	4,574,141
Entertainment Expense		276,468	347,953
Printing Expenses		110,649	813,390
Telephone, Mobile and Fax		980,527	1,121,441
Vehicle Expenses		3,670,151	3,471,399
Tender Participant Expenses		487,574	251,946
Bad Debts	25.01	3,325,193	3,873,614
<b>Total</b>		<b>101,253,820</b>	<b>105,793,964</b>

**25.01 Bad Debts:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Bad debts Provision	3,325,193	3,303,794
Bad debts write off	-	569,820
<b>Total</b>	<b>3,325,193</b>	<b>3,873,614</b>

**26.00 Other Non Operating Income:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Interest on Related parties		6,892,460	6,350,046
Interest on short term deposit (STD) A/C		5,454,179	5,149,911
Interest on FDR		2,483,054	2,609,644
Provident Fund Forfeiture amount	26.01	941,026	-
<b>Total</b>		<b>15,770,719</b>	<b>14,109,601</b>

**26.01** Following Financial Reporting Council (FRC) notification no.179/FRC/FRM/CIRCULAR/2020/2 dated 07 July 2020, a total amount of Tk. 941,026 has been recognized as other income being Forfeiture Account Balance upto 30.06.2021 recovered from Provident Fund.





**27.00 Financial Expenses:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Interest on Term Loan	27.01	3,672,644	6,333,361
Interest on Finance Lease	15.00	8,440,043	8,203,179
Bank Service Charges		1,608,835	1,833,144
		<b>13,721,522</b>	<b>16,369,684</b>
Exchange (Gain)/Loss	27.02	(216,301)	(750,180)
<b>Total</b>		<b>13,505,221</b>	<b>15,619,504</b>

**27.01 Interest on Term Loan:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Short Term Loan		1,490,011	1,067,175
Long Term Loan-IIDFC		-	2,617,293
Long Term Loan-IDLC	14.01	2,182,633	2,648,893
<b>Total</b>		<b>3,672,644</b>	<b>6,333,361</b>

**27.02 Exchange (Gain)/Loss:**

The details break-up is made up as follows:

Particulars		30-06-2021	30-06-2020
Transaction( Gain)/Loss		(345,125)	(632,333)
Translation ( Gain)/Loss Payable		140,842	(97,505)
Translation ( Gain)/Loss Receivable		(12,018)	(20,342)
<b>Total</b>		<b>(216,301)</b>	<b>(750,180)</b>

**28.00 Income Tax Expenses:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Current Tax Expenses	Annexure-D	31,487,399	15,387,165
<b>Total Current Tax</b>		<b>31,487,399</b>	<b>15,387,165</b>
Deferred Tax Expenses/(Income)	20.02	(7,665,021)	(20,231,886)
<b>Total</b>		<b>23,822,379</b>	<b>(4,844,721)</b>

**29.00 Disclosure of Managerial Salary:****29.01** The total amount of salary paid to the director of the company during the period is as follows

Name	Designation	30-06-2021	30-06-2020
Henry Hilton	Managing Director (Ex-Officio)	5,478,892	5,524,193
		<b>5,478,892</b>	<b>5,524,193</b>

**29.02** The total amount of salary paid to the Directors and top executives of the company is as follows:

Name	Designation	30-06-2021	30-06-2020
Zahir Ahmed	Adviser	5,478,892	5,524,193
Henry Hilton	Managing Director (Ex officio)	4,174,800	5,016,421
Abu Issa Mohammad Mainuddin	Director-Planning, Product & Project.	4,039,408	3,291,527
Md. Azharul Huq Chowdhury	Chief Operating Officer	4,039,408	-
Mamun Mahmud	Director-HR	3,990,000	-
Shahriar Akbar Chowdhury	Adviser	3,920,000	-
Ziaul Haque	Head of Enterprise Business	2,841,253	3,265,800
Mohammed Abdul Alim FCA, CISA	Chief Financial Officer	2,689,768	3,100,736
Col. Md. Ziaul Haque Khaled	Head of Government Affairs	2,581,800	-
Md. Monir Hossain FCS	Company Secretary	2,243,284	2,587,827
Jyoti Agarwala	Head of Regional Business	2,185,380	-
		<b>38,183,993</b>	<b>22,786,504</b>

Details are shown in "Annexure-C"

i) No amount of money was expensed by the company for compensating any member of the Board for special services rendered.

ii) The company does not pay any board meeting attendance fee to the directors of the company.



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Disclosures under para 3 of Schedule XI part II of the Companies Act 1994

Salary Range ( Monthly)	Number of Employees
Below Tk. 3,000	Nil
Above Tk. 3,000	541

Disclosures under para 6 of Schedule XI part II of the Companies Act 1994

Name of the Auditors	Purpose	30-06-2021	30-06-2020
A. Wahab & Co. Chartered Accountants	Audit Fee	333,500	299,000
<b>Total</b>		<b>333,500</b>	<b>299,000</b>

**30.00 Earnings Per Share (EPS):**

**30.01 Basic Earnings Per Share (EPS):**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Profit Attributable to Ordinary Shareholder		165,862,622	161,468,391
Weighted Average Number of Ordinary Shares Outstanding during the Year	30.04	64,651,666	56,518,105
<b>Basic Earnings Per Share (EPS)</b>		<b>2.57</b>	<b>2.86</b>

**30.02 Diluted Earning per Share:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Profit Attributable to Ordinary Shareholder	165,862,622	161,468,391
Total number of Existing share	64,651,666	64,651,666
<b>Diluted Earning Per Share</b>	<b>2.57</b>	<b>2.50</b>

EPS has been calculated as per IAS 33.

**30.03 Weighted Average Number of Ordinary Shares:**

The following calculation is for the denominator of the EPS calculation.

Particulars	Number of Days Outstanding	Number of Shares in Issue	Weighted Average Number of Shares
Outstanding shares as at 1st July 2020	365	64,651,666	56,518,105
<b>Total</b>		<b>64,651,666</b>	<b>56,518,105</b>

**30.04 Weighted Average Number of Ordinary Shares as on 30 June, 2021:**

The following calculation for the denominator of the EPS calculation.

Particulars	Number of Days Outstanding	Number of Shares in Issue	Weighted Average Number of Shares
Outstanding shares as at 1st July 2020	365	64,651,666	64,651,666
<b>Outstanding shares as at 30 June 2021</b>		<b>64,651,666</b>	<b>64,651,666</b>

**30.05 Net Profit excluding Extra-ordinary Income or non-recurring income from other than core operation**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Net profit after tax	165,862,622	161,468,391
Less: Extra Ordinary Income or non-recurring income	(15,770,719)	(14,109,601)
<b>Net Profit excluding Extra Ordinary income or non-recurring income</b>	<b>150,091,903</b>	<b>147,358,791</b>

**30.06 Earning Per Share excluding Extra-ordinary Income or non-recurring income from other than core operation**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Net Profit excluding Extra Ordinary	150,091,903	147,358,791
Weighted Average Number of Ordinary Shares	64,651,666	56,518,105
<b>Earnings Per Share (EPS)</b>	<b>2.32</b>	<b>2.61</b>



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**31.00 Net Asset Value Per Share (NAV):**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Share Capital		646,516,660	646,516,660
Share Premium		413,704,659	413,704,659
Retained earnings		618,589,572	573,310,564
<b>Net Asset Value (NAV)</b>		<b>1,678,810,891</b>	<b>1,633,531,883</b>
Total number of Existing share	30.04	64,651,666	64,651,666
<b>Net Asset Value Per Share (NAV)</b>		<b>25.97</b>	<b>25.27</b>

**32.00 Net Operating Cash Flow Per Share:**

The details break-up is made up as follows:

Particulars	30-06-2021	30-06-2020
Net Cash Flow from Operating Activities	135,847,391	180,516,703
Total number of Existing share	64,651,666	64,651,666
<b>Net Operating Cash Flow per share</b>	<b>2.10</b>	<b>2.79</b>

Due to Covid-19, during the current year cash received is lower than the cash payment and cash payment are significantly higher than that of last year.

**33.00 Reconciliation of Cash Flow from Operating Activities through Indirect Method:**

As per Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, Dated: 20 June 2018: A Reconciliation of Net operating cash flow under Indirect Method is provided below:

Particulars	30-06-2021	30-06-2020
<b>Cash flow from Operating Activities:</b>		
As per direct method	<b>135,847,391</b>	<b>180,516,703</b>
<b>As per indirect method:</b>		
Profit after Income tax	165,862,622	161,468,391
<b>Add: Non Cash item</b>		
Depreciation Charges	111,578,602	100,976,560
Amortization of Intangible assets	143,794	193,798
Increase in Provision for Workers' Profit Participation Fund (WPPF)	1,656,869	(222,720)
Share of profit/(loss) of associates	(818,142)	(894,185)
Decrease in Income Tax Provision	167,592	2,491,854
Decrease in Retained Earnings	(23,606,115)	-
Increase in Trade and Other Receivables	(119,275,688)	(90,999,946)
Increase in Advance, Deposits and Prepayments	(25,980,844)	(8,217,741)
Increase in Trade and Other Payables	18,990,760	2,400,192
Increase in Accrued Expenses	14,792,963	33,552,385
Deferred tax Assets/(liabilities)	(7,665,021)	(20,231,886)
<b>Net Cash Flow from Operating Activities</b>	<b>135,847,391</b>	<b>180,516,703</b>

**34.00 Cash Received from Customers:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Revenue during the year	22.00	1,141,044,570	1,129,619,018
Changes in Trade Receivable	8.01	(116,320,879)	(67,544,012)
Exchange gain	27.02	357,143	652,675
<b>Total:</b>		<b>1,025,080,834</b>	<b>1,062,727,681</b>

**35.00 Cash Paid to Suppliers & Others:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Cost of Goods & Services	23.00	(685,222,930)	(713,006,415)
Changes in Trade and other Payable increase/(decrease)	19.00	18,990,760	2,400,192
Depreciation in Cost of Goods Sold & Services	23.00	91,682,524	84,253,589
Translation gain	26.02	(140,842)	97,505
<b>Total:</b>		<b>(574,690,488)</b>	<b>(626,255,129)</b>





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**36.00 Paid for Operating Expenses & Others:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Change in Advances, Deposits and Pre-payments	9	(57,468,243)	(8,217,741)
Changes in other receivable	8.02	2,071,803	(15,534,653)
Change in Retained Earnings		(23,606,115)	-
Change in Accrued Expenses	17.00	14,792,962	33,552,385
Advance Income Tax Add Back FY-2018-2019	20.00	31,487,399	25,325,390
Administrative Expenses	24	(158,523,115)	(145,792,777)
Distribution & Marketing Expenses	25	(101,253,820)	(105,793,964)
Depreciation in Administrative Expenses	24	19,896,078	16,722,971
Amortization in Administrative Expenses	24	143,794	193,798
		<b>(272,459,257)</b>	<b>(199,544,595)</b>

**37.00 Financial Expenses Paid:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Financial Expenses	26.00	(13,721,522)	(16,369,684)
		<b>(13,721,522)</b>	<b>(16,369,684)</b>

**38.00 Income Tax Paid:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Tax Payable Opening	20.00	174,894,447	192,634,474
Add: Provision during the year	28.00	23,822,379	20,480,673
		<b>198,716,825</b>	<b>213,115,147</b>
Tax Payable Closing		167,397,018	174,894,447
Tax Paid during the year		<b>(31,319,807)</b>	<b>(38,220,700)</b>

**39.00 Interest Received:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Opening Interest Receivable	8.02.01	17,047,674	9,126,397
Interest Income during the year	26.00	15,770,719	14,109,601
Less: Closing interest Receivable	8.02.01	(22,074,288)	(17,047,674)
<b>Interest Received during the year</b>		<b>10,744,105</b>	<b>6,188,324</b>

**40.00 Acquisition of Property, Plant & Equipments and Intangible Assets:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Acquisition of Property, Plant & Equipment	Annexure-A	(162,398,751)	(204,167,315)
Acquisition of Intangible Assets	Annexure-B	-	(210,000)
		<b>(162,398,751)</b>	<b>(204,377,315)</b>

**41.00 Repayment of Long Term Borrowing:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Payment to IIDFC		-	(35,853,165)
Payment to IDLC	14.01	(6,002,067)	(42,104,677)
		<b>(6,002,067)</b>	<b>(77,957,842)</b>

**42.00 Repayment of short Term Borrowing:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Repayment to City Bank Ltd. LATR	16.01	(56,889,059)	(66,154,477)
Repayment to City Bank Ltd.- Over Draft	16.02	(4,413,529)	(4,949,200)
Repayment to Eastern Bank Ltd.	16.00	(3,937,909)	(2,100,000)
		<b>(65,240,497)</b>	<b>(73,203,677)</b>



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**43.00 Receipts of short Term Borrowing:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Receipts from City Bank Ltd.	16.01	36,513,167	87,843,709
Receipts from City Bank Ltd.- Over Draft	16.02	5,214,359	9,070,072
Community Bank Ltd. Loan against Trust Receipts (LATR)		1,547,280	
Receipts from Eastern Bank Ltd.		-	1,591,059
		<b>43,274,806</b>	<b>98,504,840</b>

**44.00 Repayment to Lease Finance:**

The details break-up is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Total Payment to Lease Finance	15.00	(41,073,500)	(46,132,541)
Interest Charged during the year	15.00	8,440,043	7,585,632
		<b>(32,633,457)</b>	<b>(38,546,909)</b>

**45.00 Financial Risk Management:**

International Financial Reporting Standard IFRS 7 "Financial Instruments: Disclosures" - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the companies policies for controlling risks and exposures. The company has exposure to the following risks from its use of financial instruments.

- Credit Risk
- Liquidity Risk
- Market Risk

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the company.

**46.00 Credit Risk:**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers and investment securities. The company's Revenue are made to Bank, Financial Institution, Multinational Corporate, Public & Private Ltd. companies, ADN's strategic partners include among the largest companies in the global telecommunications sector, including Singapore Telecommunications Ltd. (SingTel), Tata Communications Ltd. as well as Orange. The company also has a strategic alliance with Bharti Airtel and British Telecom (BT).

**Exposure to Credit Risk**


The maximum exposure to credit risk at the reporting date was:

Particulars	30-06-2021	30-06-2020
Trade and Other Receivables	553,673,046	434,397,359
Advance, Deposit & Prepayments	223,173,486	197,192,642
Cash and Bank Balance	270,342,515	388,999,602
<b>Total</b>	<b>1,047,189,047</b>	<b>1,020,589,603</b>

**Credit Exposure by Credit Rating**

Credit Exposure by Credit Rating

As at 30 June 2021			
Credit Rating		Amount	(%)
Trade and Other Receivables		553,673,046	52.87%
Advance, Deposit & Prepayments		223,173,486	21.31%
Cash and Bank Balance			
Cash on hand		852,441	0.08%
<b>Cash at bank</b>		<b>269,490,074</b>	<b>25.73%</b>
Bank Asia Ltd.	AA2	326	0.0000%
BRAC Bank Ltd.	AA1	187,029	0.0179%
Dutch Bangla Bank Ltd..	AA+	1,056,337	0.1009%
Dutch Bangla Bank Ltd.	AA+	11,928,945	1.1391%
Eastern Bank Ltd.	AA+	342,906	0.0327%
Islami Bank Bangladesh Ltd.	AAA	458,204	0.0438%
Janata Bank Ltd.	AAA	543,693	0.0519%
Mercantile Bank Ltd.	A(AAA)	771	0.0001%
Mutual Trust Bank Ltd.	AA	243,503,929	23.2531%
Mutual Trust Bank Ltd.	AA	623,979	0.0596%
NRB Global Bank.	A+	5,442,721	0.5197%
Rupali Bank Ltd.	A-(AAA)	66,250	0.0063%





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The City Bank Ltd.	AA2	2,363,623	0.2257%
The City Bank Ltd.	AA2	7,369	0.0007%
The City Bank Ltd.	AA2	977,000	0.0933%
United Commercial Bank Ltd.	AA	435,171	0.0416%
Community Bank Ltd.	AA	232,252	0.0222%
NRBC Bank Ltd.	A	1,290	0.0001%
Pubali Bank Ltd.	AA+	624,954	0.0597%
IFIC Bank Ltd.	AA	8,190	0.0008%
One Bank Ltd.	AA	246,651	0.0236%

**47.00 Liquidity Risk:**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

The following are the contractual maturities of financial liabilities as at 30 June 2021

Particulars	Carrying Amount	Maturity period	Nominal interest rate	Within 6 months or less	Within 6 -12 months	More than 1 year
	Taka	Taka	%	Taka	Taka	Taka
Trade and Other Payables	227,820,597	-	N/A	-	227,820,597	-
Accrued Expenses	115,279,225	-	-	80,695,458	34,583,768	-
Short Term Loan	15,111,378	-	9.00%	15,111,378	-	-
Lease Obligation	78,998,142	Jan-23	N/A	20,232,271	20,232,271	-
Provision for Workers Profit Participation Fund (WPPF)	9,443,343	Jan-22	N/A	9,443,343	-	-
Provision for Tax Liability	31,487,399	-	N/A	-	31,487,399	-
<b>Total:</b>	<b>478,140,085</b>			<b>125,482,450</b>	<b>314,124,035</b>	<b>-</b>

**48.00 Market Risk:**

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

**Currency Risk**

The Company is exposed to currency risk on purchases of equipments & received currency from global Partners that are denominated in a currency other than the functional currency primarily U. S. Dollars. The effects of foreign purchase are insignificant to the Company. The Company has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 30 June 2021. There are no foreign currency monetary assets and liabilities as at 30 June 2021 resulting net exposure to foreign currency risk is nil.

**Interest Rate Risk**

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local currency loans are however not significantly affected by fluctuations in interest rates.





**49.00 Related Party Disclosures:**

During the year the Company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balances have been set out in accordance with the provisions of IAS 24 "Related Party Disclosure":

SL	Name of Company/Party	Relationship	Nature of Transaction	Ref. Note	Balance as on 01.07.2020	Total Transaction FY 2020-2021		Balance as on 30.06.2021
						Addition	Payment/ Adjustment	
1	Tech Valley Networks Ltd.	Concern under common management	Intercompany Loan	8.02	-			-
			Equipment Purchase*	9.01.03	7,575,057	59,898,961	-	67,474,018
			Interest Receivable	8.02.01(a)	-			-
	<b>Total</b>				<b>7,575,057</b>	<b>59,898,961</b>	<b>-</b>	<b>67,474,018</b>
2	ADN Technologies Ltd	Concern under common management	Advance for land purchase	9.01.4	12,506,655	-	-	12,506,655
			Intercompany Loan	8.02	19,898,350			19,898,350
			Cost Sharing	8.02	269,245	(26,758)	-	242,487
			Interest Receivable	8.02.1(a)	726,631	1,781,038		2,507,669
	<b>Total</b>				<b>33,400,881</b>	<b>1,754,280</b>	<b>-</b>	<b>35,155,161</b>
3	My Tel Ltd.	Concern under common management	Intercompany Loan	9.01.03	14,457,409	-		14,457,409
			Investment In Share	6.01.01	9,288,339	-		9,288,339
	<b>Total</b>				<b>23,745,748</b>	<b>-</b>	<b>-</b>	<b>23,745,748</b>
4	ADN International Gateway Ltd.	Concern under common management	Service Purchase	9.01.03	14,856,869			14,856,869
			Security Deposit	9.02.03(b)	2,246,533		-	2,246,533
			Investment In Share	6.01.02	2,510,314		-	2,510,314
			Trade Payable	19.01	12,505,368		20,416,859	(7,911,491)
	<b>Total</b>				<b>32,119,084</b>	<b>-</b>	<b>20,416,859</b>	<b>11,702,225</b>
5	InGen Technology Ltd.	Concern under common management	Intercompany Loan	8.02	23,750,000	-	-	23,750,000
			Cost Sharing	8.02	13,858,879			13,858,879
			Interest Receivable	8.02.1(a)	5,473,366	2,125,788		7,599,154
	<b>Total</b>				<b>43,082,245</b>	<b>2,125,788</b>	<b>-</b>	<b>45,208,033</b>
6	ADN Eduservices Ltd.	Concern under common management	Intercompany Loan	8.02	31,480,000	1,750,000		33,230,000
			Cost Sharing	8.02	7,242,362			7,242,362
			Interest Receivable	8.02.1(a)	7,442,815	2,981,734		10,424,549
	<b>Total</b>				<b>46,165,177</b>	<b>4,731,734</b>	<b>-</b>	<b>50,896,911</b>
	<b>Grand Total</b>				<b>170,015,110</b>	<b>68,510,763</b>	<b>20,416,859</b>	<b>234,182,096</b>

\*This transactions in relation to utilization of the issue proceeds as per ADNTEL approved IPO Prospectus Section XXII (j).



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**50.00 Contingent Liability:**

As per IAS 37: A contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because:

(1) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(2) the amount of the obligation can not be measured with sufficient reliability.

Contingent Liability of Bank Guarantee: The company has issued total bank guarantee of Tk. 93,551,390 of which Tk. 9,355,139 has been accounted for (Note: 9.02.1)

**51.00 Attendance Status of Board of Directors Meeting:**

During the year from 01.07.2020 to 30.06.2021 there were 5 (Five) Board Meetings held. The attendance status of all the meetings are as follows:

Name of the Director	Position	Meeting Held	Attended	Remarks
Asif Mahmood	Chairman	5	5	
Henry Hilton	Managing Director (Ex-Officio)	5	5	
Md. Moinul Islam	Director	5	5	
Md. Mahfuz Ali Sohel	Director	5	5	
Niaz Ahmed (Nominee of Savoy Ice Cream Factory Limited)	Director	5	4	
Waqar Ahmad Choudhury (Nominee of Vanguard AML BD Finance Mutual Fund One)	Director	5	4	
Ghulam Rasool	Independent Director	5	5	
Khondkar Atique-e- Rabbani	Independent Director	5	5	

For Board Meeting, attendance fees were not paid to the Directors of the company.

**52.00 Other Disclosures:**

- Disclosure of Key Management Personnel Compensation has been shown in Annexure-C.
- Due to competitive market and technological transformation IPLC and MPLS Services user reduced their services from earlier year that's why Export services revenue was decreased.
- Implementation of IFRS-16, POP and Office Rent is treated as ROU Assets opposite on Lease liability. Charged on depreciation and interest respectively on it. So POP expense and Rent, Office rent decreased, on the other side Depreciation and Interest of Finance lease expense increased.
- Management has introduced pick & drop service in this COVID 19 pandemic situation considering employees health & safety. There are required to rental car to continue the pick & drop service and Vehicle expense is increased.
- Due to COVID 19 pandemic situation considering employees health & safety. Office maintenance expense increased for hand sanitizer, mask and others health & safety equipments.
- In this period tax authority has changed Income Tax rate than earlier year. That's why this period deferred tax figure shown positive.

**53.00 Subsequent Disclosure of Events after the Reporting Period Under IAS 10:**

The Board of Directors of ADN Telecom Limited in its 124th meeting held on 26.10.2021 has recommended for declaration of cash dividend @ 10% to the shareholders for approval in the ensuing Annual General Meeting.

  
Mohammed Abdul Alim, FCA  
Chief Financial Officer

  
Md. Monir Hossain, FCS  
Company Secretary

  
Henry Hilton  
Managing Director

  
Md. Moinul Islam  
Director

  
Asif Mahmood  
Chairman

Dated: Dhaka, October 31, 2021



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**ADN TELECOM LIMITED**  
**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT JUNE 30, 2021**

Annexure-A

Particulars	Cost				Depreciation				Written Down Value 30 June 2021
	Opening Balance	Addition	Disposal/ Adjustment	Closing Balance	Rate	Opening Balance	Charged during the year	Disposal/ Adjustment	
Freehold:									
Land and Land Development	54,876,546	-	-	54,876,546	0%	-		-	-
Radio Link, Infrastructure & Backbone Equipments	698,255,934	52,308,069	-	750,564,003	5%	219,961,172	24,341,781	-	244,302,953
Data Centre	3,718,580	14,984,476		18,703,056	5%	85,863	373,019		458,882
Fiber Equipment	236,735,121	4,970,935	-	241,706,056	5%	60,665,068	8,779,988	-	69,445,055
Computer & Computer Equipments	55,555,723	6,803,039	-	62,358,762	30%	40,070,755	4,742,593	-	44,813,348
Office Equipment	57,476,135	8,279,224	-	65,755,359	20%	38,776,673	4,145,579		42,922,252
Optical Fiber	80,637,650	13,394,929	-	94,032,579	30%	45,704,143	10,484,525		56,188,668
Furniture & Fittings	26,573,771	8,438,008	-	35,011,779	10%	12,754,059	1,732,114	-	14,486,172
IPTSP & Video Conference Equipment	31,025,435	25,017,070	-	56,042,505	20%	15,208,338	4,498,006	-	19,706,344
Motor Vehicle	35,714,280	-	-	35,714,280	20%	20,910,365	2,703,905	-	23,614,270
Support Equipment	277,122,606	28,203,001	-	305,325,607	5%	41,371,971	12,271,453	-	53,643,424
Sub Total	1,557,691,781	162,398,751	-	1,720,090,532		495,508,407	74,072,962	-	569,581,369
Leasehold:									
ROU Assets	100,827,318	40,606,292	-	141,433,610		32,413,984	37,505,640	-	69,919,624
Sub Total	100,827,318	40,606,292	-	141,433,610		32,413,984	37,505,640	-	69,919,624
Closing Balance as at 30 June 2021	1,658,519,099	203,005,043	-	1,861,524,143		527,922,391	111,578,602	-	639,500,993
Closing Balance as at 30 June 2020	1,454,351,784	204,167,315	-	1,658,519,099		426,945,832	100,976,560	-	527,922,392
									1,130,596,707

## Allocation of Depreciation

Particulars	Notes	2020-21	2019-2020
Cost of Goods Sold & Services	23	91,682,524	84,253,589
Administration	24	19,896,078	16,722,971
<b>Total Depreciation</b>		<b>111,578,602</b>	<b>100,976,560</b>

## Break Up of Administration Depreciation

	2020-21	2019-2020
Office Equipment	4,145,579	3,898,653
ROU Assets	13,069,867	10,573,111
Furniture & Fixtures	1,732,114	1,194,417
Computer & Computer Equipment (20% of total dep.)	948,519	1,056,790
<b>Total</b>	<b>19,896,078</b>	<b>16,722,971</b>





**A. WAHAB & CO.**  
Chartered Accountants

**ADN TELECOM LIMITED**  
**SCHEDULE OF INTANGIBLE ASSETS**  
**AS AT JUNE 30, 2021**

**Annexure-B**

Particulars	Cost				Amortization				Written Down Value 30 June 2021
	Opening Balance	Addition	Disposal/ Adjustment	Closing Balance	Rate	Opening Balance	Charged during the year	Disposal/ Adjustment	Closing Balance
Quick Book Software	225,000	-	-	225,000	20%	201,652	4,331	-	205,983
Employee Performance Management Software	248,400	-	-	248,400	20%	146,655	18,873	-	165,528
Share Management Software	210,000	-	-	210,000	20%	42,000	31,163	-	73,163
Network Performance Software	1,697,610	-	-	1,697,610	20%	1,215,508	89,427	-	1,304,935
Closing Balance as at 30 June 2021	2,381,010	-	-	2,381,010		1,605,815	143,794	-	1,749,609
Closing Balance as at 30 June 2020	2,171,010	-	-	2,381,010		1,412,017	193,798	-	1,605,815
									775,196

**Allocation of Amortization**

	Notes	2020-2021	2019-2020
Administration	24	143,794	193,798
<b>Total</b>		<b>143,794</b>	<b>193,798</b>



**A. WAHAB & CO.**  
Chartered Accountants

**ADN TELECOM LIMITED**  
**AS AT JUNE 30, 2021**  
**KEY MANAGEMENT PERSONNEL COMPENSATION**

Disclosures under para 4 of Schedule XI part II of the Companies Act, 1994 and Para17 of IAS 24.

**Annexure-C**

Name	Designation	Short term benefit		Post employment benefit (Provident Fund)	Other long term benefit	Termination benefit	Share based benefit
		Remuneration/ Salary	Bonus				
Zahir Ahmed	Adviser	5,478,892	380,000	N/A	N/A	N/A	N/A
Henry Hilton	Managing Director (Ex officio)	4,174,800	409,500	10% on basic salary	N/A	N/A	N/A
Abu Issa Mohammad Mainuddin	Director-Planning, Product & Project.	4,039,408	367,435	10% on basic salary	N/A	N/A	N/A
Md. Azharul Huq Chowdhury	Chief Operating Officer	4,039,408	367,435	10% on basic salary	N/A	N/A	N/A
Mamun Mahmud	Director-HR	3,990,000	390,000	10% on basic salary	N/A	N/A	N/A
Shahriar Akbar Chowdhury	Adviser	3,920,000	332,500	N/A	N/A	N/A	N/A
Ziaul Haque	Head of Enterprise Business	2,841,253	258,447	10% on basic salary	N/A	N/A	N/A
Mohammed Abdul Alim FCA	Chief Financial Officer	2,689,768	232,478	10% on basic salary	N/A	N/A	N/A
Col. Md. Ziaul Haque Khaled	Head of Government Affairs	2,581,800	241,800	10% on basic salary	N/A	N/A	N/A
Md. Monir Hossain FCS	Company Secretary	2,243,284	199,539	10% on basic salary	N/A	N/A	N/A
Jyoti Agarwala	Head of Regiona Bunisess	2,185,380	351,000	10% on basic salary	N/A	N/A	N/A
<b>Total:</b>		<b>38,183,993</b>	<b>3,530,134</b>				



**A. WAHAB & CO.**  
Chartered Accountants

**ADN Telecom Ltd**  
**Current Tax Calculation**  
**For the year ended June 30, 2021**

**Annexure-D**

As on 30 June 2021

Amount in BDT

Profit before tax					189,685,001
Inadmissible Expenses					112,851,334
Admissible Expenses					(137,012,617)
<b>Profit before corporate Tax</b>					<b>165,523,718</b>
Particulars	Revenues	Percentage of Revenue	Profit apportions as per % of Revenue	Tax Rate	Provision for Current Tax
Export Services	499,183,251	43.75%	72,413,182	11.25%	8,146,483
IT Support & Services	451,100,822	39.53%	65,438,185	0.00%	-
Local Services	190,760,497	16.72%	27,672,352	22.50%	6,226,279
<b>Total</b>	<b>1,141,044,570</b>	<b>100.00%</b>	<b>165,523,718</b>		<b>14,372,762</b>

As on 30 June 2020

Amount in BDT

Profit before tax					156,623,670
Add: Inadmissible Expenses					102,501,945
Less: Admissible Expenses					(176,548,159)
<b>Profit before corporate Tax</b>					<b>82,577,456</b>
Particulars	Revenues	Percentage of Revenue	Income apportions as per % of Revenue	Tax Rate	Provision for Current Tax
Export Services	575,327,246	50.93%	42,057,596	12.50%	5,257,200
Local Services	554,291,772	49.07%	40,519,860	25.00%	10,129,965
<b>Total</b>	<b>1,129,619,018</b>	<b>100.00%</b>	<b>82,577,456</b>		<b>15,387,165</b>

**Current Tax Expenses for 2021**

Regular tax on the basis of net profit - As above  
AIT deducted at source by Customers (U/S- 82/C)- Note: 9.01.02  
Tax on the basis of Gross receipt @ 0.60%



Which ever  
is higher

14,372,762  
31,487,399  
4,139,662





A dark, atmospheric photograph of a road at night. The road is a two-lane asphalt road with a dashed white line down the center, receding into the distance. The road is flanked by dark, silhouetted trees and foliage. A bright, glowing light source is visible on the horizon, creating a strong lens flare that illuminates the road and the surrounding trees. The overall mood is mysterious and hopeful, suggesting a path through darkness towards light.

WE MUST BRING  
OUR OWN **LIGHT**  
TO THE **DARKNESS**

## FEW OF OUR VALUED CLIENTS

## Multinational companies (MNCs)



## Government Agencies & Embassies

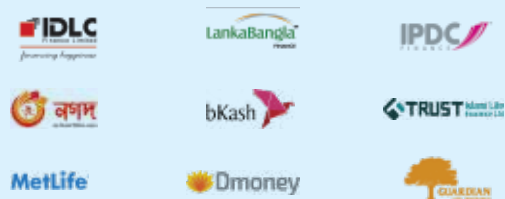


## Strategic Alliances

## Enterprises & Corporates



## Financial Services



## Banks







**MOMENTS**

&

**MEMORIES**

## HIGHLIGHTS OF 17<sup>th</sup> AGM-2020





# International Women's Day 2021



## Mujib 100 Years





# 50 Years of Bangladesh



## Voice of ADN

*Voice of*  
**ADN**





# National Mourning Day



## COVID-19 Vaccine Card Registration Campaign



# Media Coverage



এডিএন টেলিকমের ৭ম ইজিএম ও  
১৭তম এজিএম অনুষ্ঠিত

এডিএন টেলিকম লিমিটেডের সপ্তম ইজিএম ও ১৭তম এজিএম গতকাল ডিহালায় জারি হয়ে  
অনুষ্ঠিত হয়েছে। এডিএন টেলিকমের সার্বভৌম অধীনে অন্তর্ভুক্ত করা পলিটেকনিক  
কম্পানি কোম্পানি সর্বমোট ১৭টি করে। আরও অর্থাৎ ১৭টি ইউটিলিটি কোম্পানির সমন্বিত,  
বিশ্ব হিসাব বহরে কোম্পানি আর্থ-বাজার হিসাব ও অর্থের পূর্ণ নির্ভরতা প্রকল্পের অধীনে  
হিসাবের আওতায় ডিহালা শেয়ারহোল্ডারদের স্বত্বাধীনে ১০ শতাংশ লাভ বন্টন প্রকল্প  
করা হয়। আরও এজিএম-এ পলিটেকনিক, পলিটেকনিক, পলিটেকনিক, পলিটেকনিক, পলিটেকনিক,  
বিশ্ব হিসাব, কোম্পানি কোম্পানি, স্বত্বাধীনে প্রকল্প, স্বত্বাধীনে প্রকল্প, স্বত্বাধীনে প্রকল্প,  
অর্থিক-ই-বাজার, অর্থিক-ই-বাজার, অর্থিক-ই-বাজার, অর্থিক-ই-বাজার, অর্থিক-ই-বাজার  
মোহাম্মদ আলম আলম উল্লেখ করেন। - বিজয়

৭ম ইজিএম ও ১৭তম এজিএম অনুষ্ঠিত  
২৫ ডিসেম্বর ২০২০  
paper.bonihbar.ta.net/c/57268134



এডিএন টেলিকমের ১৫% লভ্যাংশ অনুমোদন

অর্থায়ন ও টেলিযোগাযোগ খাতের শীর্ষস্থানীয় প্রতিষ্ঠান এডিএন টেলিকমের সপ্তম  
ইজিএম ও ১৭তম এজিএম সফলভাবে ডিহালায় জারি হয়ে অনুষ্ঠিত হয়। শেয়ারহোল্ডার  
হাসিনাভাতির পর এটি স্থানীয় ইজিএম ও এজিএম। কোম্পানির চেয়ারম্যান আলম  
মাহমুদের সভাপতিত্বে সভা পরিচালনা করেন কোম্পানির সিনিয়র ম্যানেজার মোহাম্মদ আলম। সভায়  
শেয়ারহোল্ডারদের স্বত্বাধীনে ১৫ শতাংশ লভ্যাংশ অনুমোদন করা হয়। আরও  
কোম্পানির পরিচালক মো. হুমায়ুন ইসলাম, মো. মাহমুজ আলী সোহেল, নিয়ন্ত্রণ অধিদপ্তর  
হিসাবের অধিদপ্তর মোহাম্মদ আলম, স্বত্বাধীনে প্রকল্প, স্বত্বাধীনে প্রকল্প, স্বত্বাধীনে প্রকল্প,  
বিশ্ব হিসাব, কোম্পানি কোম্পানি, স্বত্বাধীনে প্রকল্প, স্বত্বাধীনে প্রকল্প, স্বত্বাধীনে প্রকল্প,  
অর্থিক-ই-বাজার, অর্থিক-ই-বাজার, অর্থিক-ই-বাজার, অর্থিক-ই-বাজার, অর্থিক-ই-বাজার  
মোহাম্মদ আলম আলম উল্লেখ করেন। - বিজয়

## The Daily Star



ADN Telecom Limited from Monday started setting up booth to help people from all walks of life register for Covid-19  
vaccines and get printouts of relevant papers for free. The booths were set up at various places in Dhaka, Chattogram and  
Rajshahi divisions and the service, now available from 9:00am to 5:00pm every day, is planned to be extended to other  
parts of the country gradually.

ADN TELECOM LIMITED

২৫ ডিসেম্বর ২০২০

## NEW AGE Business

10



Country's leading telecommunication and internet service provider ADN Telecom Ltd officials  
launch Covid-19 vaccine card registration assistance programme at a ceremony in Dhaka on  
Monday. During the campaign, people can get free registration and prints of Covid-19 vaccine  
card at ADN Telecom's booths at different places of Dhaka, Chattogram and Rajshahi divisions  
from 9:00am to 5:00pm every day.

- New Age photo

## The Financial Express

Trade & Market



ADN Telecom Limited launches the Covid-19 vaccine card registration assistance programme with the slogan  
'Safety Come Next Journey' on Monday. Managing Director of ADN Telecom Henry Hillon along with  
other high officials of the company were present in the campaign inauguration ceremony. People can register  
for the Covid-19 vaccine card and print free vaccine cards at ADN-owned booths in Dhaka, Chattogram  
and Rajshahi divisions from 9:00 am to 5:00 pm every day



Please scan to  
watch the news





## NOTES

[illegible]



## ADN Telecom Limited

**Registered Office:** Share Office, Red Crescent Concord Tower (19<sup>th</sup> Floor)  
17, Mohakhali C/A, Dhaka - 1212.

### PROXY FORM

I/We.....  
of.....being a member(s) of ADN Telecom Limited do hereby appoint Mr./Ms. ....as my/our proxy to attend and vote for me/us and my/our behalf at the **18<sup>th</sup> Annual General Meeting (AGM)** of the Company to be held on **Tuesday, 14 December 2021 at 11:00 a.m. (Dhaka Time)** using Digital Platform through the link **<https://adntel.bdvirtualagm.com>** (pursuant to BSEC Order No. SEC/SRMIC/94-231/91 dated 31 March 2021).

As witness my/our hand this ..... day of December 2021.

**Signature of Shareholder(s)**

**Signature of Proxy**

No. of Shares held on Record date (17 November 2021) .....

BO ID NO.																			
-----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Revenue  
Stamp

Notes:

1. A member entitled to attend at the Annual General Meeting (AGM) may appoint a proxy to attend on his/her behalf. The scanned copy of "Proxy Form", duly signed and affixed with BDT 20 revenue stamp must be sent through email to Company's Share Office at to **[investor.relations@adnsl.net](mailto:investor.relations@adnsl.net)** /deposited at the Registered Office of the Company no later than 48 hours before commencement of the AGM.
2. Signature of the member(s) must be in accordance with the specimen signature recorded with the Company or with Depository Participant(s) (CDBL).



To attend/participate in  
virtual AGM  
please scan the QR Code

**Signature Verified**

**Authorized Signatory**



## ADN Telecom Limited

**Registered Office:** Share Office, Red Crescent Concord Tower (19<sup>th</sup> Floor)  
17, Mohakhali C/A, Dhaka - 1212.

### ACKNOWLEDGEMENT

I /We hereby record my/our attendance at the 18th Annual General Meeting (AGM) of the Company to be held on **Tuesday, 14 December 2021 at 11:00 a.m. (Dhaka Time)** using Digital Platform through the link **<https://adntel.bdvirtualagm.com>** (pursuant to BSEC Order No. SEC/SRMIC/94-231/91 dated 31 March 2021)

Name of the Shareholder	
No. of Shares	
BO ID No.	
Name of the Proxy	



To attend/participate in  
virtual AGM  
please scan the QR Code

Signature of Shareholder/ Proxy

Signature Verified by







# ADNTEL

**ADN Telecom Limited**  
Red Crescent Concord Tower (19<sup>th</sup> Floor)  
17, Mohakhali Commercial Area, Dhaka-1212, Bangladesh.  
[www.adntel.com.bd](http://www.adntel.com.bd)