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Safura Tower (12th Floor)
20, Kemal Ataturk Avenue
Banani Commercial Area
Dhaka-1213

aamra networks limited
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2019

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF aamra networks Limited

Report on the audit of the Financial Statements

Disclaimer of Opinion

We have audited the financial statements of **aamra networks Limited**, which comprise the statement of financial position as at 30 June 2019 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.

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. We could not confirm revenue amounting to Tk. 697,793,571 as management could not provide us original sales invoice due to loss of relevant documents caused by fire (Note: 1.3). However company provided us with system printed invoices from NBR approved VAT software.
2. We could not confirm cost of goods sold amounting to Tk. 341,729,677 as management could not provide us original Purchase order due to loss of relevant document caused by fire (Note: 1.3). However company provided us with system printed purchase order. In addition to that we could not confirm operating expenses amounting to Tk. 57,107,555 as management could not provide us documents due to loss of relevant document caused by fire (Note: 1.3).

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 International Financial Reporting Standards (IFRSs), the Companies Act, 1994, The Securities and Exchange Rules 1987, relevant notifications issued by Bangladesh Securities and Exchange Commission and other applicable laws and regulation 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 responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987 we also report the following:

- a) We have obtained all the information and explanations except those mentioned in basis for disclaimer of opinion 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 account except those mentioned in basis for disclaimer of opinion as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and return; and
- d) The expenditure incurred was for the purposes of the company's business except those mentioned in basis for disclaimer of opinion.

Place: Dhaka
Dated: 29 October 2019



K.M. Hasan
K.M. HASAN & CO.
Chartered Accountants

aamra networks limited
STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

	Notes	Amount in Taka	
		30 June 2019	30 June 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,013,795,561	957,496,957
Intangible assets	5	13,847,826	17,309,783
Advance, deposit & prepayments	8.1	11,755,010	9,857,510
Total non-current assets		1,039,398,397	984,664,250
Current assets			
Inventories	6	340,996,779	274,652,675
Trade and other receivables	7	323,477,346	293,133,078
Advance, deposit and prepayments	8.2	318,142,659	229,686,755
Cash and cash equivalents	9	31,441,308	109,621,323
Total current assets		1,014,058,092	907,093,831
TOTAL ASSETS		2,053,456,489	1,891,758,081
EQUITY AND LIABILITIES			
Capital and reserves			
Shareholders equity			
Share capital	10	530,412,090	530,412,090
Share premium	11	542,488,192	542,488,192
Retained earnings	12	800,684,416	641,695,458
Total equity		1,873,584,698	1,714,595,740
Non-current liabilities			
Deferred tax liability	13	19,520,087	15,418,851
Current liabilities			
Lease liabilities	14	2,537,647	3,172,106
Short term loan	15	55,207,684	53,457,234
Accrued expenses	16	24,508,196	21,920,103
Dividend payable		8,543,004	7,419,260
Provision for Beneficiaries' Profit Participation & Welfare Fund (BPP&WF)	17	15,569,254	21,178,055
Trade and other payables	18	35,951,709	27,072,895
Provision for tax	19	18,034,211	27,523,836
Total current liabilities		160,351,704	161,743,489
Total liabilities		179,871,791	177,162,340
TOTAL EQUITIES AND LIABILITIES		2,053,456,489	1,891,758,081
Net Asset Value (NAV) per share	29.4	35.32	32.33

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


Chairman


Managing Director & CEO


Director


Company Secretary


Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Date: 29 October 2019




K. M. HASAN & CO.
Chartered Accountants

aamra networks limited
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2019

	Notes	Amount in Taka	
		Jul'18-Jun'19	Jul'17-Jun'18
Revenue	21	1,132,418,024	949,509,019
Cost of goods sold & services	22	(693,389,922)	(543,182,984)
Gross Profit		439,028,102	406,326,034
Operating expenses	23	(189,387,091)	(164,853,899)
Operating Profit		249,641,010	241,472,135
Financial expenses	24	(8,677,083)	(14,451,140)
Other income	25	794,235	6,749,327
Loss on fire	26	(3,751,668)	-
Profit before WPPF		238,006,495	233,770,322
Beneficiaries' Profit Participation & Welfare Fund (BPP&WF)	17	(11,333,643)	(11,131,920)
Profit before income tax		226,672,853	222,638,402
Income tax expenses			
Current tax	27	(10,541,449)	(11,030,414)
Deferred tax	13	(4,101,236)	828,717
		(14,642,685)	(10,201,697)
Net Profit after income tax		212,030,167	212,436,705
Other comprehensive income		-	-
Total comprehensive income		212,030,167	212,436,705
Earnings per share (EPS)	29.1	4.00	4.01

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


Chairman


Managing Director & CEO


Director


Company Secretary


Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Date: 29 October 2019




K. M. HASAN & CO.
Chartered Accountants

aamra networks limited
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

Amount in Taka

Particulars	Ordinary Share Capital	Share Premium	Retained Earnings	Total
Balance at 01 July 2018	530,412,090	542,488,192	641,695,458	1,714,595,740
Dividend paid during the year	-	-	(53,041,209)	(53,041,209)
Net profit after tax during the year	-	-	212,030,167	212,030,167
Balance at 30 June 2019	530,412,090	542,488,192	800,684,416	1,873,584,698

For the year ended 30 June 2018

Amount in Taka

Particulars	Ordinary Share Capital	Share Premium	Retained Earnings	Total
Balance at 01 July 2017	380,000,000	159,131,807	482,299,963	1,021,431,770
Dividend paid during the year	-	-	(53,041,209)	(53,041,209)
Addition during the year	150,412,090	412,087,910	-	562,500,000
Adjustment during the year	-	(28,731,525)	-	(28,731,525)
Net profit after tax during the year	-	-	212,436,705	212,436,705
Balance at 30 June 2018	530,412,090	542,488,192	641,695,458	1,714,595,740


Chairman


Managing Director & CEO


Director


Company Secretary


Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Date: 29 October 2019




K.M. HASAN & CO.
Chartered Accountants


aamra networks limited
STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

	Notes	Amount in Taka	
		Jul'18-Jun'19	Jul'17-Jun'18
A. Cash flows from operating activities			
Cash received from customers & others		1,102,867,991	790,445,706
Cash paid to suppliers and employees		(621,247,166)	(479,559,872)
Operating expenses paid		(257,395,740)	(165,932,027)
Finance expenses paid	24	(8,677,083)	(14,451,140)
Income tax paid		(17,878,657)	(12,461,813)
Loss due to fire (Cash in hand)		(246,222)	-
Net cash provided from operating activities	30	197,423,123	118,040,854
B. Cash flows from investing activities			
Acquisition of property, plant & equipment		(224,801,663)	(350,397,114)
Acquisition of intangible assets		-	(200,000)
Net cash used in investing activities		(224,801,663)	(350,597,114)
C. Cash flows from financing activities			
Short-term loan (paid)/received	15	1,750,449	(184,446,119)
Lease liabilities (paid)/received	14	(634,459)	(899,367)
Proceeds from issue of share capital		-	533,768,475
Dividend paid		(51,917,435)	(45,621,949)
Net cash provided from financing activities		(50,801,475)	302,801,041
D. Net increase/ (decrease) in Cash and cash equivalents (A+B+C)			
		(78,180,015)	70,244,781
Cash and cash equivalents at the beginning of the year		109,621,323	39,376,541
Cash and cash equivalents at the end of the year	9	31,441,308	109,621,323
Net Operating Cash Flow Per Share (NOCFPS)	31	3.72	2.23

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


Chairman


Managing Director & CEO


Director


Company Secretary


Chief Financial Officer

Place: Dhaka
Date: 29 October 2019



aamra networks limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

1. ABOUT THE COMPANY

1.1 Reporting entity

aamra networks limited (formerly Global Online Services Limited) was incorporated in Bangladesh under The Companies Act, 1994 on 10 January 2001 vide registered No. C - 42228(1587)/2001 as a private company limited by shares. The company was converted in to a public company limited by shares on May 08, 2013 under The Companies Act 1994. The registered office of the company is situated at Safura Tower (12th floor), 20 Kemal Ataturk Avenue, Banani C/A, Dhaka - 1213.

1.2 Principal activities

Over the last decade, aamra networks limited has been consistently providing state-of-the-art IT communication solutions and services to its customers which includes Internet Access, Web Page Development and Hosting, Leased Port Internet Access, Total Network Solutions, Video Conferencing Solutions, various IT enable Support, Software Development and Maintenance Services etc.

1.3 Fire Incident at company's head office

FR Tower at Banani in Dhaka catches fire on Thursday, March 28, 2019. The fire incident, at FR Tower in Banani, caused huge losses to life and property. The companies accounts department was situated in FR Towers 9th floor. The companies nine months (from 01 July 2018 to 28 March 2019) hard copy evidences, Cash amounting to Tk. 246,222 and property, plant and equipment amounting to Tk. 3,505,446 have been destroyed by fire as mentioned in G.D at Banani Thana G.D No. 660(5) dated 10.04.2019.

2. SIGNIFICANT ACCOUNTING POLICIES

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 entities.

2.1 Basis of preparation of financial statements

These financial statements of aamra networks 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 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 estimate.

2.2 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 2001 and aamra networks limited has already got the renewed ISP license from BTRC for the period 30 June 2015 to 29 June 2020. It is expected that BTRC will continue the renewal of license in



2.3 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation in compliance with the requirements of International Accounting Standard (IAS) -16: "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

2.3.1 Depreciation on property, plant and equipment

Depreciation has been charged to allocate the cost of property, plant and equipment, over the period of their expected useful life, in accordance with IAS 16: "Property, Plant and Equipment". Depreciation is provided for the period in use of the assets. Acquisitions during the year are depreciated for effective month. Depreciation is charged at the following rates under reducing balance method:

<u>Category of property, plant and equipment</u>	<u>Rate (%)</u>
Furniture & Fixture	10
Office Equipment	15
Electric Installation	18
Telephone Installation	18
Computer & Computer Equipment	20
Data Centre	20
Fiber Optic Cable & Equipment	20
Radio link/infrastructure & Backbone	18
Motor Vehicle	20
Office Decoration	15
Wi-Fi Equipment & Installation	20

2.4 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.

2.5 Components of financial statements

- Statement of financial position.
- Statement of profit or loss and other comprehensive income.
- Statement of changes in equity
- Statement of cash flows.
- Notes to the financial statements

2.6 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:

- The Income Tax Ordinance & Rules, 1984
- The Value Added Tax Act & Rules, 1991
- Bangladesh Telecommunication Regulatory Commission Act, 2001
- Securities & Exchange Rules, 1987
- DSE & CSE Listing regulation



2.7 Valuation of inventories

Inventories are stated at cost which is lower than net realizable value in compliance with the requirements of paras 21 and 25 of IAS-2 (Inventories).

The cost of inventories is based on the weighted average cost principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realizable value (NRV) is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

2.8 Impairment

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.

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.

2.9 Trade & other receivables

Trade & other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition trade & other receivables are measured at amortized cost using the effective interest method, less any bad debts provision.

2.10 Advance, deposit & prepayments

Advances are initially measured at cost. After initial recognition, advances 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 Comprehensive Income.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects. Paid up share capital represents total amount contributed by the shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' 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.

2.13 Borrowings

Interest-bearing borrowings include short term bank loan. Interest-bearing borrowings are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost using the effective interest method.



2.14 Trade & other payables

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

2.15 Provision for tax

Provision for tax is made @ 25% on estimated taxable income in accordance with Income Tax Ordinance - 1984.

2.16 Deferred tax

Deferred tax (as per IAS-12) 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.

2.17 Revenue recognition

Revenue from goods & services

In compliance with the requirements of IFRS 15 : Revenue from receipts from customers against sales and services are recognized when products and services are provided to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Revenue from other income

Revenue from bank interest has been recognized at the time of received.

2.18 Earnings per share (EPS)

This has been calculated in compliance with the requirements of IAS 33 : Earnings Per Share is calculated dividing the basic earnings by the number of ordinary shares outstanding at the end of the year.

2.19 Number of employees

The number of employees engaged for the period who received a total salary of Taka 36,000 and above during the period was 364. None of them were receiving below Taka 3,000 per month.

2.20 Statement of cash flows

The statement of cash flows has been prepared in accordance with the requirements of "IAS 7: statement of cash flows" using direct method.



2.21 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.

2.22 Financial instruments

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

2.23 Foreign currency

Transactions in foreign currencies are translated to Taka at the foreign exchange rates prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies at reporting date are translated to Taka at the rates of exchange prevailing on that date. Resulting exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of profit or loss and other comprehensive income as per International Accounting Standard (IAS)-21 "The Effects of Changes in Foreign Exchange Rates".

'As per the Paragraph 28 of IAS 7" Unrealized gains and losses arising from changes in foreign currency exchange rates are not cash flows. However, the effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the statement of cash flows in order to reconcile cash and cash equivalents at the beginning and the end of the period. This amount is presented separately from cash flows from operating, investing and financing activities and includes the differences, if any, had those cash flows been reported at end of period exchange rates.

2.24 Provision, 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.

In accordance with the guidelines as prescribed by IAS-37 provisions were recognized in the following situations:

- * When the company has a present obligation as a result of past event.
- * When it is probable that an outflow of resources embodying economic benefits will be required
- * Reliable estimates can be made of the amount of the obligation.

The Company has contingent liability which has been disclosed in Note-20.

2.25 Events after the reporting period

As per IAS -10, Event after the reporting period are those event 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).



No material events had occurred from the end of the reporting period to the date of issue of this Financial Statements, which could materially affect the value stated in the Financial Statements.

2.26 Related party disclosures

The company carried out a number of transactions with related parties (as per IAS-24) in the normal course of business and on arm's length basis. The information as required by IAS 24. Related party disclosure have been disclosed in note-32 to the Financial Statements.

2.27 Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of plant and equipment are capitalized as part of the cost of those assets, until such time as the assets are ready for their intended use in accordance with IAS 23. All other borrowing costs are charged to the statement of profit or loss and other comprehensive income as an expense in the period in which they are incurred.

3. OTHERS

3.1 Employee benefits

The company maintains the following benefit schemes for their employees:

(a) Defined contribution plan

The company maintains a recognized contributory provident fund for all its permanent employees. Assets of provident fund are held in a separate trustee board administered fund as per the relevant rules and is funded by contributions from both the employees and the company at pre-determined rates.

(b) Insurance scheme

Employees of the company are covered under group life insurance scheme & Medical Insurance.

(c) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for annual leave encashment based on the latest basic salary.

3.2 Beneficiaries' Profit Participation & Welfare Fund (BPP&WF)

The company has made a provision for Beneficiaries' Profit Participation & Welfare Fund (BPP&WF) for the year ended July'18 - June'19. The Company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation in accordance with "Bangladesh Labour (Amendment) Act 2013".

3.3 Reporting period

The reporting period covers 1 (one) year from 01 July 2018 to 30 June 2019.

3.4 Reporting currency

The financial statements are prepared and presented in Bangladeshi currency (Taka), which is the company's functional currency. All financial information presented have been rounded off to the nearest taka except where indicated otherwise.

3.5 Comparative information

Comparative information has been disclosed in the financial statements for all numerical information and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

3.6 General

3.6.1 Wherever considered necessary, previous years phrases and figures have been rearranged to conform to the current year presentation.

3.6.2 Figures have been rounded off to nearest taka.



	Amount in Taka	
	30 June 2019	30 June 2018
7. TRADE AND OTHER RECEIVABLES		
Balance as on 01 July	293,133,078	127,320,438
Add: Addition during the year	1,132,418,024	949,509,019
	1,425,551,102	1,076,829,457
Less: Received during the year	1,102,073,756	783,696,379
Balance as on 30 June	323,477,346	293,133,078
7.1 Ageing Schedule of Trade Receivable		
<u>Duration</u>		
1 - 30 days	168,952,064	188,965,856
31 - 60 days	101,371,238	1,884,675
61 - 90 days	50,685,619	6,177,692
91 - 180 days	2,468,425	96,104,855
181 - 365 days	-	-
Over 365 days	-	-
	323,477,346	293,133,078
7.2 Discloser as per Para F of Schedule XI, Part-1, The Companies Act, 1994		
Debts exceeding 6 months	-	-
Other debts less provision	323,477,346	293,133,078
	323,477,346	293,133,078
Receivable Considered good in respect of which the Company is fully secured.	-	-
Receivables considered good in respect of which the Company holds no security other than the debtor personal security.	323,477,346	293,133,078
Receivable considered doubtful or bad	-	-
Receivables due by common management	-	-
The maximum amount of receivable due by any director or other officer of the company	-	-
	323,477,346	293,133,078
8. ADVANCE, DEPOSIT & PREPAYMENTS		
Advance, deposit & prepayments - Non current (Note 8.1)	11,755,010	9,857,510
Advance, deposit & prepayments - Current (Note 8.2)	318,142,659	229,686,755
	329,897,669	239,544,265
8.1 Advance, deposit & prepayments (Non current)		
Security deposit		
Deposit against T & T	328,200	328,200
Deposit against rent-safura tower	343,575	343,575
Deposit against BTCL bandwidth bill	492,181	492,181
Deposit against ATL bandwidth bill	3,500,000	3,500,000
Deposit against POP	110,000	110,000
Security deposit POP rent Bogura	45,000	45,000
Security deposit POP Tanzania	121,600	121,600
Security deposit POP Mymensingh	96,000	96,000
Security Deposit POP Mirpur	30,000	30,000
Deposit against rent AEPZ.	70,954	70,954
Deposit against Summit Communication underground cabling bill	400,000	400,000
Deposit against rent F R Tower	3,570,000	3,570,000
Devo Tech Technology Park Ltd.	1,897,500	-
Deposit against rent NOC	560,000	560,000
Deposit against space rent for Coloasia	100,000	100,000
Bangladesh Hi-Tech Park	90,000	90,000
	11,755,010	9,857,510
8.2 Advance, deposit & prepayments (Current)		
Advance against office rent (Note-8.2.1)	2,572,000	3,227,000
Bank guarantee margin & tender security (Note-8.2.2)	25,508,951	24,913,351
Advance income tax (AIT) (Note-8.2.3)	58,087,075	60,239,492
Advance against expenses (Note-8.2.4)	231,852,144	140,463,535
VAT current account	122,489	843,377
	318,142,659	229,686,755

All the above advance, deposit and prepayments are considered as good and secured by the company management.



Amount in Taka	
30 June 2019	30 June 2018

8.2.1 Advance against office rent

Faruque Rupayan Tower -17th Floor	1,545,000	1,995,000
Faruque Rupayan Tower -5th Floor	560,000	740,000
Eshayat Corporation for BNS POP Uttara, Dhaka	-	40,000
KA 6 Kalachadpur Baridhara	30,000	30,000
Kawranbazar POP	100,000	4,000
Gulshan POP	180,000	252,000
Bangladesh Hi-Tech Park	36,000	36,000
Khulshi POP	6,000	30,000
Sylhet POP	40,000	100,000
Munna Tower Khulna POP	75,000	-
	2,572,000	3,227,000

8.2.2 Bank guarantee margin & tender security

Army Head Quarters, Dhaka Cant.	11,926,296	10,543,808
Atomic Power Research Institute	25,000	25,000
B I B M	-	2,500
Bangladesh Ansar & VDP	250,000	250,000
Bangladesh Bank	41,200	-
Bangladesh Computer Council	239,395	66,250
Bangladesh Hi-Tech Park Authori	92,354	-
Bangladesh Navy	852,500	852,500
Bangladesh Ordinance Factories	150,000	150,000
Bangladesh Telecommunication Co	1,200,000	-
BEPZA	1,292,944	1,034,472
Best Holdings Ltd.	200,000	200,000
Biman Bangladesh Airlines Ltd.	483,183	448,160
Bnagladesh Power Development bo	55,000	55,000
Border Guard	350,000	-
Bridge Management Capacity Dev.	-	55,000
BTRC (Bnagladesh Telecommunica	23,000	-
CAAB, Kurmitola, Dhaka	30,000	30,000
Coast Guard Sadar Dophtor	148,467	151,467
Commandant Bangladesh ordance F	50,000	50,000
DESCO	165,035	-
DG, BGB BIBIDHO A/C	35,698	-
DGFI	1,686,254	5,989,180
Dhaka Electric Supply Co (DESCO)	338,197	338,197
DPDC's	104,750	-
DPHE, P & C Division, LGED Dhaka	40,000	-
edotco Bangladesh Ltd.	68,352	68,352
Election Commission Secretariat	-	300,000
Grameenphone Ltd.	132,641	148,507
Hazrat Shahjalal Int. Airport	25,000	25,000
HCI- High Commission of INDIA	60,023	-
HIGH COMMISSION OF INDIA	60,000	60,000
ICDDR	381,504	381,504
Imperial Hospital Ltd.	350,307	350,307
Independend University	500,000	500,000
Islami Bank Bangladesh Ltd.	350,035	-
Khulna Shipyard Ltd.	-	13,000
Local Goernment Division	65,835	-
MediaStar (Prothom Alo)	-	9,525
Military Institute of Science T	60,000	60,000
Ministry of Family Planning	33,125	-
Ministry of Finance	-	2,640
Ministry of Home Affairs (NTMC)	-	124,953
Ministry of Public Administrati	727,556	691,056
Mutual Trust Bank Ltd.	150,000	-
NCC Bank	-	50,000



	Amount in Taka	
	30 June 2019	30 June 2018
North South University.	93,750	-
NRB Global Bank Ltd.	173,734	173,734
Police Commissioner, DMP	-	3,500
Police Head Quarters	25,000	-
RAB Forces Headquarters	70,046	-
Rapid Action Battalion	619,570	651,570
RHD	525,035	-
Teletalk Bangladesh Ltd.	750,000	750,000
The Inspector General of Prison	308,168	308,168
Trust Bank Ltd.	175,000	-
Unique Hotel & Resorts Ltd	25,000	-
	25,508,951	24,913,351
8.2.3 Advance income tax		
Balance as on 01 July	60,239,492	47,777,680
Add: Addition during the year	17,878,657	12,461,813
	78,118,149	60,239,492
Less: Adjustment during the year	20,031,074	-
Balance as on 30 June	58,087,075	60,239,492
8.2.4 Advance against expenses		
Advance against suppliers	231,082,657	138,996,089
Advance against IPO expenses	-	972,648
Advance to staff	769,487	494,798
	231,852,144	140,463,535
9. CASH AND CASH EQUIVALENTS		
Cash in hand	339,136	550,698
Cash at bank (Notes-9.1)	31,102,173	109,070,625
	31,441,308	109,621,323
9.1 Cash at bank		
Bank Asia Limited (MCB Banani Branch) (Note - 9.1.1)	3,402,917	1,889,626
Dhaka Bank Limited (Banani Branch) (Note - 9.1.2)	2,887,400	2,813,008
Dutch Bangla Bank Limited (Banani Branch) (Note - 9.1.3)	5,405,871	38,167,518
Shahjalal Islami Bank Limited (Banani Branch) (Note - 9.1.4)	18,725,661	28,390,967
BRAC Bank Limited (Gulshan Branch) (Note - 9.1.5)	380,324	37,809,507
Janta Bank Limited (Banani Branch) (A/C No. 0100153836391)	300,000	-
	31,102,173	109,070,625
9.1.1 Bank Asia Limited (MCB Banani Branch)		
A/C No: 01236050632	3,158,115	1,659,361
A/C No: 01236050650	144,256	142,300
A/C No: 01233051466	13,732	1
A/C No: 01233052008	86,814	87,964
	3,402,917	1,889,626
9.1.2 Dhaka Bank Limited (Banani Branch)		
A/C No: 206.100.3584	1,673,909	821,180
A/C No: 206.100.3714	1,141,677	1,916,564
A/C No: 201.100.7356	63,196	64,921
A/C No: 204.100.552	8,618	10,343
	2,887,400	2,813,008
9.1.3 Dutch Bangla Bank Limited (Banani Branch)		
A/C No: 1031100016776	38,228	11,378
A/C No: 1031200000594	4,313,756	36,302,901
A/C No: 1031100016790	40,195	41,345
A/C No: 1031200001113	1,013,692	1,811,894
	5,405,871	38,167,518



9.1.4 Shahjalal Islami Bank Limited (Banani Branch)

A/C No: 40143 11100005465
A/C No: 40143 13100000937
A/C No: 40143 13100000941
A/C No: 40143 13100000949

Amount in Taka	
30 June 2019	30 June 2018
9,983,237	20,727,243
662,135	7,432,830
143,847	230,894
7,936,442	-
18,725,661	28,390,967

9.1.5 BRAC Bank Limited (Gulshan Branch)

A/C No. 1501203495396001
A/C No. 1501203495396002 (USD)

79,935	37,331,439
300,389	478,067
380,324	37,809,507

10. SHARE CAPITAL

10.1 Authorized capital

100,000,000 ordinary shares @ Tk. 10 each

1,000,000,000 **1,000,000,000**

10.2 Issued, subscribed & paid-up capital

53,041,209 ordinary shares of Tk. 10 each.

530,412,090 **530,412,090**

10.3 The detail of shareholding positions are as follows

Name of Shareholders	30-Jun-19			30-Jun-18		
	No. of Shares	% of Holding	Amount in Taka	No. of Shares	% of Holding	Amount in Taka
Sponsors and Directors:						
aamra holdings ltd	12,600,000	23.76%	126,000,000	12,600,000	23.76%	126,000,000
aamra resources ltd	4,522,030	8.53%	45,220,300	4,522,030	8.53%	45,220,300
Syed Faruque Ahmed	100,000	0.19%	1,000,000	100,000	0.19%	1,000,000
Syed Farhad Ahmed	100,000	0.19%	1,000,000	100,000	0.19%	1,000,000
Syeda Munia Ahmed	100,000	0.19%	1,000,000	100,000	0.19%	1,000,000
Fahmida Ahmed	100,000	0.19%	1,000,000	100,000	0.19%	1,000,000
Sub-Total	17,522,030	33.03%	175,220,300	17,522,030	33.03%	175,220,300
Other than Sponsors and Directors (Note -10.3.1)	35,519,179	66.97%	355,191,790	35,519,179	66.97%	355,191,790
Total	53,041,209	100%	530,412,090	53,041,209	100%	530,412,090

10.3.1 Other than Sponsors and Directors

	30-Jun-19		30-Jun-18	
	No. of Share	Amount in Taka	No. of Share	Amount in Taka
Augere Holdings (Netherlands) B.V	8,477,970	84,779,700	8,477,970	84,779,700
Mahmudul Huq	800,000	8,000,000	800,000	8,000,000
Intekhab Mahmud	200,000	2,000,000	200,000	2,000,000
Md. Ehsanul Habib	200,000	2,000,000	200,000	2,000,000
Food Chain Asia Ltd.	2,000,000	20,000,000	2,000,000	20,000,000
Mahtab Uddin Ahmed	120,000	1,200,000	120,000	1,200,000
Arifur Rahman	100,000	1,000,000	100,000	1,000,000
Showkat Ali Sarkar	20,000	200,000	20,000	200,000
Touhidul Alam Zenith	200,000	2,000,000	200,000	2,000,000
Enayet Uddin Md. Kaiser Khan	100,000	1,000,000	100,000	1,000,000
Md. Shahniaz Jewel	60,000	600,000	60,000	600,000
Mustafa Kamal Shaheen	100,000	1,000,000	100,000	1,000,000
Sohel Ahmed	20,000	200,000	20,000	200,000
Md. Sanowar Hossain	16,000	160,000	16,000	160,000
Md. Nurul Afsar & Sharmin Jahan	6,000	60,000	6,000	60,000
Md. Monirul Islam Sarkar	5,000	50,000	5,000	50,000
Md. Ahsanul Habib	2,500	25,000	2,500	25,000
ATM Rakibul Hoque	100,000	1,000,000	100,000	1,000,000
Kazi Rafiqul Islam	100,000	1,000,000	100,000	1,000,000
Parvez Ahmed	5,000	50,000	5,000	50,000
Abdul Quadir Chowdhury	100,000	1,000,000	100,000	1,000,000
Abaci Investments Limited (MDA)	100,000	1,000,000	100,000	1,000,000
National Finance Ltd.	1,000,000	10,000,000	1,000,000	10,000,000
MTB Securities Ltd.	400,000	4,000,000	400,000	4,000,000
Pradip Kumar Das	400,000	4,000,000	400,000	4,000,000
Bishwajit Das	400,000	4,000,000	400,000	4,000,000



	Amount in Taka			
	30 June 2019		30 June 2018	
Major General Md. Shamsul Haque	25,500	255,000	25,500	255,000
Masudur Rahman	20,000	200,000	20,000	200,000
Investment Corporation of Bangladesh (ICB)	5,400,000	54,000,000	5,400,000	54,000,000
General Public	15,041,209	150,412,090	15,041,209	150,412,090
	35,519,179	355,191,790	35,519,179	355,191,790

11. SHARE PREMIUM

Balance as on 01 July	542,488,192	159,131,807
Add: Addition during the year	-	412,087,910
	542,488,192	571,219,717
Less: Adjustment during the year	-	28,731,525
Balance as on 30 June	542,488,192	542,488,192

12. RETAINED EARNINGS

Balance as on 01 July	641,695,458	482,299,963
Add: Net Profit after tax during the year	212,030,167	212,436,705
	853,725,625	694,736,667
Less: Dividend paid during the year	53,041,209	53,041,209
Balance as on 30 June	800,684,416	641,695,458

13. DEFERRED TAX LIABILITY

Balance as on 01 July	15,418,851	16,247,568
Charged during the year	4,101,236	(828,717)
Balance as on 30 June	19,520,087	15,418,851

Details of calculation of deferred tax liability is shown in annexure "C".

14. LEASE LIABILITIES

CAPM = Lease - VL16TI0005	2,537,647	3,172,106
	2,537,647	3,172,106

15. SHORT TERM LOAN

Shahjalal Islami Bank Limited (Banani Branch)

SIBL = LTR No-4013 32300002235	1,382,638	-
SIBL = LTR No-4013 32300002239	1,430,905	-
SIBL = LTR No-4013 32300002242	10,273,616	-
SIBL = LTR No-4013 32300001886	-	1,764,480
SIBL = LTR No-4013 32300001907	-	289,332
SIBL = LTR No-4013 32300001908	-	127,835
SIBL = LTR No-4013 32300001923	-	561,344
SIBL = LTR No-4013 32300001924	-	86,367
SIBL = LTR No-4013 32300001931	-	169,582
SIBL = LTR No-4013 32300001936	-	152,196
SIBL = LTR No-4013 32300001946	-	11,956,100
SIBL = LTR No-4013 32300001959	-	862,967
SIBL = LTR No-4013 32300001960	-	309,153
SIBL = LTR No-4013 32300001974	-	5,989,360
SIBL = LTR No-4013 32300001984	-	257,422
SIBL = LTR No-4013 32300002008	-	467,067
SIBL = LTR No-4013 32300002017	-	327,926
SIBL = LTR No-4013 32300002019	-	91,720
SIBL = LTR No-4013 32300002023	-	406,140
SIBL = LTR No-4013 32300002036	-	436,318
SIBL = LTR No-4013 32300002044	-	2,451,304
SIBL = LTR No-4013 32300002049	-	37,923
SIBL = LTR No-4013 32300002065	-	251,135
SIBL = LTR No-4013 32300002066	-	247,926
SIBL = SOD - 4013.341.11241	15,859,375	-
SIBL = SOD - 4013.341.11279	14,872,106	-



	Amount in Taka	
	30 June 2019	30 June 2018
SIBL = SOD - 4013.341.11364	4,832,556	-
SIBL = SOD - 4013.341.11534	4,482,243	-
SIBL = SOD - 4013.341.11535	2,074,246	-
SIBL = SOD - 4013.341..8992	-	9,979,020
SIBL = SOD - 4013.341.1029	-	8,674,132
SIBL = SOD - 4013.341.9298	-	7,560,487
	55,207,684	53,457,234
16. ACCRUED EXPENSES		
Accrued expenses (Note - 16.1)	20,619,656	16,228,389
Withholding tax and VAT payable (Note - 16.2)	3,888,540	5,691,714
	24,508,196	21,920,103
16.1 Accrued expenses		
Salary & allowances	11,118,551	10,421,243
Office & roof rent	2,166,704	2,232,942
Utilities expenses	1,090,716	911,300
PF liabilities	5,790,086	2,144,948
Audit fee	195,500	172,500
Telephone & mobile bill	258,099	345,456
	20,619,656	16,228,389
16.2 Withholding tax and VAT payable		
VAT payable	-	2,207,000
Tax payable	2,269,352	1,547,868
TDS on Royalty Fee	1,619,188	1,936,846
	3,888,540	5,691,714
17. PROVISION FOR BENEFICIARIES' PROFIT PARTICIPATION & WELFARE FUND (BPP&WF)		
Balance as on 01 July	21,178,055	10,046,135
Add: Addition during the year	11,333,643	11,131,920
	32,511,698	21,178,055
Less: Adjustment during the year	16,942,444	-
Balance as on 30 June	15,569,254	21,178,055
18. TRADE AND OTHER PAYABLES	35,951,709	27,072,895
19. PROVISION FOR TAX		
Balance as on 01 July	27,523,836	16,493,421
Add: Addition during the year	10,541,449	11,030,414
	38,065,285	27,523,836
Less: Adjustment during the year	20,031,074	-
Balance as on 30 June	18,034,211	27,523,836
20. CONTINGENT LIABILITIES		

Contingent liability is BDT 7,753,353. Following are the detail of the pending issues related to litigation regarding Taxation filed by ANL for the assessment year 2004-05 and 2005-06 that are pending in the High Court and for the assessment year 2006-07 and 2007-08 that are pending in the Income Tax Appellate Tribunal:

Assessment Year	Income Tax Paid	Further Income Tax claimed by NBR	Current Status
2004-05	620,000	4,582,514	Pending in the High Court
2005-06	1,075,165	6,769,017	Pending in the High Court
2006-07	429,244	(200,584)	Pending in the Income Tax Appellate Tribunal
2007-08	1,469,218	236,033	



	Amount in Taka	
	Jul'18-Jun'19	Jul'17-Jun'18
21. REVENUE		
Internet & Wi-Fi bandwidth and equipment sales (Taxable unit) (Note-21.1)	766,460,371	586,209,642
IT support & software (Non taxable unit) (Note-21.2)	347,528,403	346,170,451
EPZ project (Non taxable unit) (Note-21.3)	18,429,251	17,128,926
	1,132,418,024	949,509,019
21.1 Internet & Wi-Fi bandwidth and equipment sales (Taxable unit)		
Internet & Wi-Fi bandwidth	431,599,363	420,638,232
Computer & related accessories	132,717,492	90,758,763
Equipments sale	238,239,237	135,955,920
	802,556,092	647,352,915
Less: Value added tax (VAT)	36,095,722	61,143,274
Net Revenue from Internet & Wi-Fi bandwidth and equipment sales	766,460,371	586,209,642
21.2 IT support & software (Non taxable unit)		
IT support & services	204,058,955	244,647,558
Software & website services	153,814,416	112,057,960
	357,873,371	356,705,518
Less: Value added tax (VAT)	10,344,968	10,535,067
Net Revenue from IT support & software	347,528,403	346,170,451
21.3. EPZ project (Non taxable unit)		
Internet Service	17,364,752	16,742,652
Equipments sale	353,862	438,049
IT support & services	1,638,492	2,249,800
	19,357,106	19,430,501
Less: Value added tax (VAT)	927,855	2,301,575
Net Revenue from EPZ project	18,429,251	17,128,926
22. COST OF GOODS SOLD & SERVICES		
Internet & Wi-Fi bandwidth and equipment sales (Taxable unit) (Note-22.1)	574,070,293	419,740,575
IT support & software (Non taxable unit) (Note-22.2)	108,088,213	112,387,827
EPZ project (Non taxable unit) (Note-22.3)	11,231,417	11,054,582
	693,389,922	543,182,984
22.1 Internet & Wi-Fi bandwidth and equipment sales (Taxable unit)		
Wages, salary & other allowances	70,250,783	62,648,619
Company's contribution to provident fund (PF)	1,646,056	1,535,268
Infrastructure, optical fiber & networking equipment cost	59,315,920	51,513,940
POP expenses & roof rent	6,827,344	7,446,585
Utilities expenses	3,633,749	1,964,626
Repairs & maintenances	942,853	783,567
Cost of bandwidth	110,712,792	92,317,271
Cost of equipment and Computer & related accessories	230,265,923	140,597,916
License renewal & others fee	1,011,424	489,650
Entertainment expenses	93,019	27,664
Communication expenses	2,735,777	1,803,756
Depreciation charges	86,634,653	58,611,714
	574,070,293	419,740,575
22.2 IT support & software (Non taxable unit)		
Wages, salary & other allowances	31,853,105	36,995,469
Company's contribution to provident fund (PF)	746,354	906,612
Cost of IT support & software	28,185,621	31,977,631
Utilities expenses	1,681,561	1,210,133
Repairs & maintenances	427,509	462,714
License renewal & others fee	458,600	289,149
Entertainment expenses	42,176	16,336
Research & development	689,070	536,025
Communication expenses	1,260,382	1,092,229
Depreciation charges	39,281,878	34,611,583
Amortization of intangible asset	3,461,957	4,289,946
	108,088,213	112,387,827



Amount in Taka	
Jul'18-Jun'19	Jul'17-Jun'18

22.3 EPZ project (Non taxable unit)

Wages, salary & other allowances	1,027,800	1,538,000
Company's contribution to provident fund (PF)	54,000	82,800
Infrastructure, optical fiber & networking equipment cost	2,846,371	2,637,406
Cost of equipment	254,893	262,830
POP expenses	406,307	396,061
Utilities expenses	74,869	84,628
Cost of bandwidth	6,293,671	5,726,309
Communication expenses	43,947	45,839
Depreciation charges	229,559	280,709
	<u>11,231,417</u>	<u>11,054,582</u>

23. OPERATING EXPENSES

Internet & Wi-Fi bandwidth and equipment sales (Taxable unit) (Note-23.1)	122,878,362	103,171,924
IT support & software (Non taxable unit) (Note-23.2)	65,821,018	60,982,720
EPZ project (Non taxable unit) (Note-23.3)	687,712	699,255
	<u>189,387,091</u>	<u>164,853,899</u>

23.1 Internet & Wi-Fi bandwidth and equipment sales (Taxable unit)

Salary & other allowances	43,418,824	37,087,653
Company's contribution to provident fund (PF)	994,792	957,076
Office rent	12,804,008	12,582,941
Utilities expenses	3,576,070	3,394,612
Travelling expenses	3,197,644	4,688,375
Training Expenses	154,123	441,770
Stationery expenses	728,097	909,785
Repair & maintenance	494,719	423,681
Telephone & mobile bills	1,345,997	1,062,044
Conveyance	5,191,917	4,081,568
Audit & professional fees	226,775	576,320
Royalty expenses *	12,254,595	6,624,554
Regulatory fees & form	2,513,278	803,197
Courier & postage	109,472	87,405
Business development & marketing	1,711,905	1,261,463
Vehicle expenses	4,300,415	3,175,955
Papers & Periodicals	26,950	8,631
Insurance expenses	1,667,848	1,235,251
Security & protection expenses	295,535	434,239
Annual general meeting expenses	34,402	-
Office maintenances	1,203,193	1,194,930
Entertainment expenses	26,189	1,029,150
Depreciation charges	26,601,612	21,111,325
	<u>122,878,362</u>	<u>103,171,924</u>

23.2 IT support & software (Non taxable unit)

Salary & others allowances	29,686,960	21,901,123
Company's contribution to provident fund (PF)	451,058	565,176
Office rent	5,805,592	7,430,520
Utilities expenses	1,621,462	2,004,598
Travelling expenses	1,449,875	2,768,594
Training Expenses	69,883	260,876
Stationery expenses	338,909	537,249
Repair & maintenances	236,279	250,193
Telephone & mobile bills	638,740	627,161
Conveyance	2,390,222	2,451,973
Audit & professional fees	102,825	340,330
Royalty expenses *	5,556,477	3,911,954
Regulatory fees & form	1,139,571	474,307
Courier & postage	61,136	67,198
Business development & marketing	776,212	744,923
Vehicle expenses	1,949,894	1,875,475
Papers & Periodicals	12,220	5,097
Insurance expenses	756,236	729,444



	Amount in Taka	
	Jul'18-Jun'19	Jul'17-Jun'18
Security & protection expenses	134,002	256,428
Annual general meeting expenses	15,598	-
Office maintenances	554,294	705,634
Entertainment expenses	11,874	607,737
Depreciation charges	12,061,701	12,466,729
	65,821,018	60,982,720

* A common trade mark: "aamra the power of we" is registered by aamra holdings limited (AHL) which is also used by aamra networks limited (ANL). ANL is paying AHL royalty fees for using the said trade mark.

23.3 EPZ project (Non taxable unit)

Salary & others allowances	253,100	238,900
Company's contribution to provident fund (PF)	13,680	13,320
Stationery expenses	19,353	22,366
Repair & maintenances	26,384	32,443
Telephone & mobile bills	62,720	53,394
Conveyance	79,624	70,637
Courier & postage	25,361	26,388
Office maintenance	19,280	21,992
Depreciation charges	188,210	219,815
	687,712	699,255

24. FINANCIAL EXPENSES

Internet & Wi-Fi bandwidth and equipment sales (Taxable Unit)	5,966,127	9,078,756
IT Support & Software (Non Taxable Unit)	2,705,161	5,361,217
EPZ Project (Non Taxable Unit)	5,795	11,168
	8,677,083	14,451,140

25. OTHER INCOME

Interest on bank deposit	794,235	6,749,327
	794,235	6,749,327

26. LOSS ON FIRE

Office Decoration	3,204,546	-
Furniture & Fixture	300,901	-
Cash in Hand	246,222	-
	3,751,668	-

27. PROVISION FOR - CURRENT TAX

Net revenue (Taxable unit)	766,460,371	586,209,642
Allowable cost of service	(574,070,293)	(419,740,575)
Allowable excess depreciation	(9,403,648)	(5,638,766)
Gross Profit	182,986,429	160,830,300
Allowable operating expenses	(122,878,362)	(103,171,924)
Allowable excess depreciation	(5,063,503)	(3,637,584)
Allowable Operating Profit	55,044,565	54,020,792
Allowable finance cost	(5,966,127)	(9,078,756)
Other income	794,235	6,749,327
Allowable Profit before WPPF	49,872,673	51,691,363
Workers' Profit Participation Fund (WPPF)	(7,706,877)	(7,569,706)
Business income before Tax	42,165,796	44,121,658
Provision for Tax on business income @ 25%	10,541,449	11,030,414
Provision for Tax during the year	10,541,449	11,030,414

28. DISCLOSURE OF MANAGERIAL SALARY

28.1 The total amount of salary paid to the director of the company during the period is as follows :

Name	Designation		
Syed Farhad Ahmed	Managing Director	3,900,000	3,900,000
		3,900,000	3,900,000



Amount in Taka	
Jul'18-Jun'19	Jul'17-Jun'18

28.2 The total amount of salary paid to the director of the top five executive of the company during the period year is as follows:

Name	Designation		
Syed Farhad Ahmed	Managing Director	3,900,000	3,900,000
Sharful Alam	Chief Operating Officer	2,766,000	2,766,000
AKM Quamruzzaman	Company Secretary	1,596,000	1,596,000
Md. Anamul Haque	Chief Financial Officer	645,000	585,000
Khaled Aahamed Nur	General Manger	2,081,000	2,051,000
Mahbubor Rahman	Deputy General Manger	1,856,000	1,856,000
Kh. Md Moinuddin	Deputy General Manger	1,981,000	1,921,000
		14,825,000	14,675,000

28.3 Aggregate amount of salary paid to all director and managers of the company during the period is as follows:

Particulars	Nature of Payment		
Director	Salary	3,900,000	3,900,000
Managers and Above	Salary	43,568,000	38,570,500
		47,468,000	42,470,500

- 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.

28.4 Disclosures under para 3 of schedule XI part II of the Companies Act, 1994

Salary Range (Monthly)	Number of Employee's
Below Tk. 3000	Nil
Above Tk. 3000	364

28.5 Disclosures under para 6 of schedule XI part II of the Companies Act, 1994

Amount paid to Auditor			
Name of Auditor	Purpose		
K. M. Hasan & Co. Chartered Accountants	Audit Fee	195,500	172,500

29. INFORMATION AS REQUIRED BY ANNEXURE – E (B)(25)(f),(g),(i) OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015

29.1 Earnings per share (EPS)

Particulars		
Net Profit after Tax	212,030,167	212,436,705
Weighted average number of ordinary shares	53,041,209	53,041,209
Earnings Per Share (EPS)	4.00	4.01

29.2 Net profit excluding Extra-ordinary income or non-recurring income coming from other than core operation

Particulars		
Net Profit after Tax	212,030,167	212,436,705
Less: Extra-ordinary income or non-recurring income		
Interest on bank deposit	794,235	6,749,327
Net profit excluding Extra-ordinary income or non-recurring income	211,235,932	205,687,378

29.3 Earnings per share excluding extra-ordinary income or non-recurring income coming from other than core operation

Net profit after tax except Extra-ordinary income or non-recurring income	211,235,932	205,687,378
Weighted average number of ordinary shares	53,041,209	53,041,209
Earnings Per Share (EPS)	3.98	3.88



	Amount in Taka	
	Jul'18-Jun'19	Jul'17-Jun'18
29.4 Net Asset Value per Share		
Particulars		
Share Capital	530,412,090	530,412,090
Share Premium	542,488,192	542,488,192
Retained Earnings	800,684,416	641,695,458
Total Shareholders' Equity	1,873,584,698	1,714,595,740
Total Number of Ordinary Shares	53,041,209	53,041,209
Net Asset Value (NAV) per Share	35.32	32.33

30. RECONCILIATION OF CASH FLOWS 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:

Profit after income tax	212,030,167	212,436,705
Add: Non-cash Items		
Depreciation charges	164,997,613	127,301,874
Loss on fire	3,505,446	-
Amortization of Intangible Asset	3,461,957	4,289,946
	<u>383,995,182</u>	<u>344,028,525</u>
Add/(less): Changes in Working Capital		
Inventories	(66,344,104)	(49,286,831)
Trade and other receivables	(30,344,268)	(165,812,640)
Advance, deposit & prepayments	(90,353,404)	(50,776,015)
Accrued expenses	2,588,094	3,438,206
Provision for Beneficiaries' Profit Participation & Welfare Fund (BPP&WF)	(5,608,801)	11,131,920
Trade and other payable	8,878,814	15,115,991
Provision for tax	(9,489,625)	11,030,414
Deferred tax asset/(liability)	4,101,236	(828,717)
Net cash provided from operating activities	197,423,123	118,040,854

31. Net Operating Cash Flow Per Share (NOCFPS)

Operating Cash Inflow at the year end	197,423,123	118,040,854
Weighted average number of Ordinary Shares	53,041,209	53,041,209
Net Operating Cash Flow per Share	3.72	2.23



32. RELATED PARTY DISCLOSURES

The details of related party transaction during the year along with the relationship is illustrated below in accordance with IAS 24:

Amount in Taka

SL	Related parties	Relationship	Nature of Transaction	Transaction during the Year		Balance as on 30 June 2019	Balance as on June 2018
				Addition during the year	Payment / Adjustment		
1	aamra holdings limited	Concern under common management	Software maintenance	144,000	144,000	-	-
2	aamra holdings limited	Concern under common management	Intercompany loan account	64,906,000	64,906,000	-	-
3	aamra technologies limited	Concern under common management	IIg bandwidth & Equipment Purchase	74,236,334	73,691,883	10,704,100	10,159,649
4	aamra technologies limited	Concern under common management	Intercompany loan account	83,900,000	83,900,000	-	-
5	Syed Faruque Ahmed	Chairman	Office rent (Chittagong)	837,900	764,750	73,150	73,150
6	Syed Farhad Ahmed	Managing Director	Salary	3,900,000	3,600,000	300,000	300,000
Total Related Party Transactions				228,924,234	228,006,633	11,077,250	10,532,799

33. EVENTS AFTER THE REPORTING PERIOD

33.1 The Board of Directors in its meeting held on 29 October 2019 approved the financial statements for the year ended June 30, 2019. The Board of Directors also authorized the same for issue.

33.2 The Board of Directors recommended 6% cash dividend and 6% stock dividend for the shareholders subject to approval in the ensuing Annual General Meeting.

33.3 Except above, no other significant event occurred till the date of signing the financial statements.



aamra networks limited
Schedule of Property, Plant and Equipment
As at 30 June 2019

A. Property, plant and equipment (Except EPZ Project)

Particulars	Cost			Depreciation			Amount in Taka		
	Balance as on 30.06.2018	Addition during the year	Disposal during the year	Balance as on 30.06.2018	Charge during the year	Disposal during the year	Balance as on 30.06.2019	Written Down Value as on 30.06.2019	Written Down Value as on 30.06.2018
Land and Land Development	196,344,514	2,315,350	-	200,659,864	-	-	-	200,659,864	188,344,514
Furniture & Fixture	8,618,267	428,572	461,327	8,785,512	8,785,455	523,791	3,553,620	5,231,862	5,627,812
Office Equipment	42,167,814	13,739,689	-	55,907,503	4,424,347	-	23,973,620	25,923,663	16,608,341
Electric Installations	5,450,230	-	-	5,450,230	4,826,346	-	4,938,645	511,585	623,884
Telephone Installation	2,995,531	-	-	2,995,531	12,985	-	2,936,377	59,154	72,139
Computer & Comp. Equipment	21,896,639	638,400	-	22,535,039	17,666,790	920,650	18,586,440	3,948,599	4,230,849
Data Centre	215,175,743	115,700	-	215,291,443	36,525,228	35,380,058	23,715,286	141,576,157	176,850,515
Fiber Optic Cable & Equipment	123,109,531	81,397,696	-	204,507,216	65,943,720	19,732,001	85,675,722	118,831,495	57,165,810
Infrastructure & Backbone Equipments	620,961,668	118,331,057	-	739,292,726	295,373,917	70,794,472	368,169,389	373,124,337	325,587,751
Motor Vehicle	16,414,154	6,970,000	-	23,384,154	6,915,631	3,061,371	9,977,002	13,407,152	9,498,523
Office Decoration	61,072,522	665,209	8,787,252	53,150,479	36,183,249	2,526,811	33,133,354	20,017,125	24,983,273
WiFi Equipment & Installation	182,495,916	-	-	182,495,916	47,090,628	27,091,058	74,171,008	108,324,231	135,405,288
Sub-Total	1,498,892,529	224,801,663	9,248,579	1,714,445,613	543,993,828	164,579,844	702,830,539	1,011,615,074	954,896,702

B. Property, plant and equipment (EPZ Project)

Particulars	Cost			Depreciation			Amount in Taka		
	Balance as on 30.06.2018	Addition during the year	Disposal during the year	Balance as on 30.06.2018	Charge during the year	Disposal during the year	Balance as on 30.06.2019	Written Down Value as on 30.06.2019	Written Down Value as on 30.06.2018
Furniture & Fixture	473,134	-	-	227,080	24,638	-	251,658	221,476	248,084
Office Equipment	1,446,128	-	-	1,446,128	58,158	-	1,116,679	329,449	367,587
Computer & Comp. Equipment	728,750	-	-	694,276	24,895	-	629,174	99,579	124,474
Infrastructure & Backbone Equipment	3,674,441	-	-	2,537,419	204,664	-	2,742,083	932,358	1,137,022
Office Decoration	2,264,388	-	-	1,961,310	105,463	-	1,856,773	997,625	703,069
Sub-Total	8,586,851	-	-	5,988,596	417,768	-	6,406,364	2,180,487	2,598,255
Total as at 30 June 2019	1,507,479,380	224,801,663	9,248,579	1,723,032,464	164,997,613	5,743,133	709,236,903	1,013,795,561	957,496,957
Total as at 30 June 2018	1,065,911,181	441,568,199	-	422,680,549	127,301,874	-	549,982,423	957,496,957	643,230,633

Total Depreciation has been apportioned as following:

Dep: Except EPZ Project	Amount in Taka	
	Taka	Dep: EPZ Project
Cost of goods sold & services	125,916,531	229,559
Operating expenses	36,663,313	188,210
	164,579,844	417,768



aamra networks limited
Schedule of Intangible Assets
As at 30 June 2019

Amount in Taka

Particulars	Cost		Amortization				Written Down Value as on 30.06.2019	Written Down Value as on 30.06.2018
	Balance as on 30.06.2018	Addition during the year	Balance as on 30.06.2019	Rate of Amortization	Balance as on 30.06.2018	Charged during the year		
Computer Software	45,340,117	-	45,340,117	20%	28,030,334	3,461,957	31,492,291	17,309,783
Total as at 30 June 2019	45,340,117	-	45,340,117		28,030,334	3,461,957	31,492,291	17,309,783
Total as at 30 June 2018	45,140,117	200,000	45,340,117		23,740,388	4,289,946	28,030,334	21,399,728

Total Amortization has been charged as following:

Intangible assets	Amount in Taka	
	Jul'18-Jun'19	Jul'17-Jun'18
Cost of goods sold & services	3,461,957	4,289,946
	3,461,957	4,289,946



aamra networks limited
 Schedule of Calculation of Deferred Tax Liability
As at 30 June 2019

Particular	Carrying Amount		Taxable/(Deductible) temporary differences
	Accounting Base	Tax Base	
	Tk.	Tk.	Tk.
Relevant assets			
Property, plant & equipments (Taxable unit)	1,011,615,074	922,252,020	89,363,055
Property, plant & equipments (Non Taxable unit)	2,180,487	1,795,466	385,021
Intangible assets	13,847,826	25,515,550	(11,667,724)
Relevant liabilities			
Total temporary differences			78,080,351
Deferred tax liability @ 25%			19,520,087
Deferred tax asset @ 25%			-
Balance as on 01 July 2018			15,418,851
Movement during the year			4,101,236
Net deferred tax (asset)/ liability			19,520,087

