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disclaimer
Orascom Telecom Bangladesh Limited (former Sheba Telecom (Pvt.) Limited) is a limited liability public company, duly incorporated and registered in Bangladesh, and is currently offering its services under the brand name banglalink and Icon. Unless the context specifically mentions otherwise, references to “banglalink”, “we”, “us” and “our” in this report imply Orascom Telecom Bangladesh Limited.

We are a communications company offering an extensive range of wireless communications services tailored to meet the needs of individual consumers, businesses and government entities. We have carefully crafted our operations to meet the specific needs of each of our targeted customer groups through focused communications solutions. We are the second largest mobile phone operator in Bangladesh, based on the number of wireless subscribers, and the number is rapidly increasing.
Our wireless data communications services include mobile productivity applications (such as internet access, messaging and E-mail services), location-based capabilities (such as field force locator and vehicle tracking), mobile entertainment applications (such as music station, song dedication and friend finder), and call-center based applications (such as advisory services regarding agriculture and business queries). We have launched our much acclaimed utility mobile bill pay, mobile remittance and mobile ticketing. Our wireless mobile voice communications services include basic local and international wireless voice services, as well as voice portal, voice chat, call waiting, caller identification, call block, and caller ring-back tone. We recently launched the country’s first premium mobile brand called “icon”, targeting the high valued subscribers. We have already established a nationwide EDGE/GPRS network, and such connectivity is also available to our roaming customers through 250 operators across 95 countries.

We are on a relentless pursuit to retain and attract subscribers by taking innovative actions to improve our customer care, sales and distribution functions, and brand awareness. Our continuous endeavor to improve our subscribers’ experience includes improving our network performance by adding cell sites to expand the coverage and capacity of our networks, introducing an ever increasing array of functions feasible over the phone, and offering subscribers excellent value propositions with our wide range of customized pricing plans. We have reached out aggressively to rural areas, fortified by a major network expansion, which has further contributed to our strong customer acquisition. Although we market our services using traditional print and broadcast media advertising, we also provide exposure to our brand name through various sponsorship activities of cultural and
national significance. Aside from enhancing our brand image, these initiatives further consolidate our role as a compassionate corporate citizen, committed to utilizing our resources to usher in positive changes all around us. Through the challenges and successes that cross our path, we remain steadfastly committed to making a difference through everything we do, and we look forward to the future with determined confidence.

**Bangladesh Mobile Telecom Market**

68.65 million subscribers as on December 31, 2010
Bangladesh’s success was based on a simple mission: “Bringing mobile telephony to the masses”, which was the cornerstone of its strategy. banglalink changed the mobile phone’s status from an item of luxury to one of necessity and made communication available to the general people of Bangladesh, thus earning a place in the hearts of millions. The mobile phone has since become the symbol for positive change in Bangladesh.

This positive change, quite rightly attributed to banglalink, has since become the corporate positioning of banglalink and is reflected in the slogan, “making a difference” or “din bodol”. Making a difference is a positioning that is reflected across everything banglalink does, be it through its products, services, CSR or other activities.

Bangladesh attained the 1 million subscribers mark in December 2005 and quickly gained 3 million subscribers the following year, in October 2006. In December 2007, banglalink overtook AKTEL to become the second largest operator in Bangladesh with more than 7.1 million customers. banglalink attained the 10 million mark in 2008, and closed the year 2008 with a 10.33 million subscriber base. At the end of 2009, the subscriber base reached 13.87 million. banglalink’s subscriber base continued to grow in 2010 and stood at 19.33 million as of December 2010.

Growth over the previous years have been fuelled with innovative products and services targeting different market segments, aggressive improvement of network quality and dedicated customer care, creating an extensive distribution network across the country, and establishing a strong brand that emotionally connected customers with banglalink.
Banglalink made significant advancements during 2010 in acquiring new subscribers and expanding the market share. The company registered 5.5 million new subscribers while the market share increased to 28.2%. Accordingly, Banglalink’s subscriber base reached 19.3 million by the end of 2010. The corporate subscriber base crossed the 100,000 mark.

OTBL launched the country’s first premium mobile brand called “icon”, targeting high valued subscribers.

The company pioneered Bangladesh’s overseas remittance service over the mobile phone. Banglalink is the first company in the Orascom group to launch mobile financial services covering mobile bill-pay, mobile remittance & mobile ticketing.
In view of growing demand, banglalink introduced data service to both prepaid and postpaid subscribers via its GPRS and EDGE Network. A steady growth in data traffic has been noticed during 2010.

banglalink continued to expand coverage across the country. In 2010, the number of Base Stations had increased significantly. Network coverage has been improved in urban areas through indoor coverage enhancement. In order to strengthen transmission infrastructure, the fiber optic network has been extended to 3,000 kilometers. Transmission network has been re-designed with different protection schemes to enhance the network robustness.

Installation of energy efficient BTS contributed to cost minimization as well as reduced carbon emissions. Solar powered panels are being deployed at BTS sites in an effort to use green energy.

Infrastructure sharing with other operators resulted in cost savings for the company as well as facilitated fast roll-outs.
vision, mission &
core values of banglalink

To understand people’s needs best and develop appropriate communication services to improve people’s lives and make them simpler.
innovative  
reliable  
straightforward  
passionate

- segmented approach in terms of products and services
- delivering superior benefits in every phase of the customer experience (before, after, during & after sales)
- creating optimum shareholder value

All employees of banglalink demonstrate the following values in day-to-day activities to ensure making a difference in every area of our operations.

Straightforward: We say what we do & we do what we say
Reliable: A promise made is a promise kept
Innovative: Whatever we do will be useful and useable
Passionate: We always deliver with honesty and passion
Annual Report 2010
Orascom Telecom Banagladesh Limited (OTBL) is fully owned by Orascom Telecom Ventures Ltd. 4, V. Dimech Street, Floriana, FRN 1504, Malta, which is a 100% owned subsidiary of Orascom Telecom Holding S.A.E., Egypt (OTH). The ultimate parent of the group is Wind Telecom S. p. A. (formerly Weather Investments).

From 200,000 subscribers in 1998 to more than 120 million subscribers, through its parent company, “Weather Investments”, OTH established itself as a global brand and is considered today to be one of the largest and most diversified telecom operators. Operating in eleven emerging markets, the company has a population under license of approximately 517 million with an average mobile telephony penetration of approximately 48% as of December, 2010. Orascom Telecom operates GSM networks in Algeria ("OTA"), Pakistan ("Mobilink"), Egypt ("Mobinil"), Bangladesh ("banglalink"), Burundi ("Leo Burundi"), Namibia ("Leo Namibia"), Central African Republic ("Telecel CAR"), North Korea ("koryolink") and Canada ("Wind Mobile") through its indirect equity shareholding in Globalive Wireless and its indirect equity ownership in Telecel Zimbabwe (Zimbabwe). OTH signed an extension agreement to the management contract with Lebanese mobile telecommunications operators ("Alfa") for further one year, commencing from February 1, 2011.

OTH's first operation was the Egyptian Company for Mobile Services commonly known as ("Mobinil"). Mobinil is a market leader, serving over 26 million subscribers, representing a market share of 40% (as of June 2010). Mobilin is one of Egypt's five largest companies listed with Cairo & Alexandria Stock Exchanges ("CASE") in terms of market capitalization.
OTH witnessed success as Orascom Telecom Algeria SPA (OTA) was launched in February 2002. It grew to become the market leader in terms of both subscriber numbers as well as the quality of telecommunications services provided. OTA serves over 15 million subscribers on its network and has a 59.1% market share (as of June 2010).

Pakistan Mobile Communications Ltd ("Mobilink") started its operations in Pakistan in 1994. In April 2001, OTH took over management control of the company. As the market leader, Mobilink serves over 32 million subscribers, representing a market share of 32.6% (as of June 2010).

In September 2004, OTH purchased 100% of Sheba Telecom (Pvt.) Limited in Bangladesh. OTH re-branded and launched its services as "banglalink" in February 2005. Immediately after the launch, OTH started its aggressive plans to develop banglalink into a leader in the mobile sector by rapidly
expanding its GSM network to provide high quality communications services at affordable prices. banglalink serves over 19.3 million subscribers with 28.2% market share (as of December 2010).

In the beginning of 2009, OTH had been awarded the management contract of Alfa, one of two Lebanese mobile telecommunications operators, owned by the Republic of Lebanon. The contract is extended till 1 February, 2012.

Koryolink is the first 3G mobile network to operate in the Democratic People's Republic of Korea ("DPRK") and is established as a joint venture between OTH (75%) and Korea Posts and Telecomm Corp (KPTC) (25%). OTH was awarded the license to establish a 3G mobile network in DPRK in January 2008 to deliver world-class voice and data communication services to the people of the DPRK. As of June 2010, Koryolink is serving approximately 185 thousand subscribers.

OTH has 65% indirect equity ownership in WIND Mobile, which has officially been granted its spectrum license from Industry Canada in 2008. “WIND Mobile” commenced its operations in Canada in December 2009, becoming the first national wireless provider in over a decade in the country and offering state of the art all-IP 3G network. WIND Mobile has launched its services in Toronto, Calgary, Edmonton, Ottawa and Vancouver with over 200 retail locations nationally and has succeeded in exceeding 100,000 subscriptions by early July 2010, only two quarters after the inauguration of its services. Since launching, WIND Mobile’s presence in the market has worked to drive competition by cost reduction, the introduction of more handsets and more advanced technologies.

OTH is traded on the Cairo & Alexandria Stock Exchange under the symbol (ORTE.CA, ORAT.EY), and on the London Stock Exchange, its GDR is traded under the symbol (ORTEq.L, OTLD.LI).

During 2011, Wind Telecom S.p.A (formerly Weather Investments S.p.A.), which owns 51.7% shares of OTH, has completed the process of combining the business with VimpelCom Ltd. The new group is the world's 6th largest mobile telecommunications carrier by subscribers, with pro forma net operating revenues of US$ 21.5 billion and pro forma EBITDA of US$ 9.5 billion, in addition to a foothold extending throughout Europe, Asia, Africa, and North America.
Dear all,

banglalink witnessed another year of its sustained growth and re-enforced market position. banglalink continued to extend the subscriber base as well as the market share despite intense competition.

During 2010, banglalink registered 5.5 million new subscribers. The market share increased to 28.2% from 26.5%. banglalink’s subscriber base reached 19.3 million by the end of 2010 from 13.9 million a year earlier. The company posted 30.5% growth in Revenue and 21.5% increase in EBITDA.

banglalink pioneered mobile remittance service, being the first in the Sub-continent. Furthermore, OTBL launched the country’s first premium telecom brand, “icon”. Commensurate with these initiatives, Customer Care has been enhanced to ensure improved customer experience.

banglalink continued to expand its coverage across the country. In 2010, the number of Base Stations was increased to 6000. Network coverage has been improved in urban areas through indoor coverage enhancement. In order to
strengthen transmission infrastructure, the fiber optic network has been extended to 3,000 kilometers.

banglalink installed energy efficient BTS to minimize costs as well as reduce carbon emissions. Hybrid Solar panels are being deployed at BTS sites in an effort to use green energy.

banglalink remained a key contributor to the National exchequer. During the year, the company contributed 35.6% more to the exchequer than its preceding year’s contribution.

Finally, I would like to express my gratitude to our shareholders, directors, customers, vendors, bankers and regulators for their relentless guidance and support in banglalink’s progress.

banglalink employees delivered their responsibilities with the utmost dedication and professionalism. I take this opportunity to thank them all.

Sincerely,

Ahmed Abou Doma
Managing Director and CEO
Notice of Annual General Meeting

Notice is hereby given that the Sixteenth Annual General Meeting of Orascom Telecom Bangladesh Limited will be held at Tigers’ Den, Plot 4, Bir Uttam Mir Shawkat Sharak, Gulshan 1, Dhaka 1212 on August 04, 2011 at 4 p.m. (local time) to transact the following businesses:


2. To resolve no distribution of dividend for the year ended December 31, 2010;

3. To elect Directors of the Company under Article 58D in the vacancies caused under Article 58B;

4. To appoint Auditors of the Company for the year 2011 and fix their remuneration.

By Order of the Board of Directors

Sd/-

M Nurul Alam
Company Secretary

Dhaka, July 20, 2011

Notes:

1. Members entitled to attend and vote at the Annual General Meeting may appoint a Proxy/Attorney or Representative (of a member company) to attend in his/her stead. The Proxy Form must be affixed with the requisite revenue stamp and deposited at the Company’s Registered Office not less than 48 hours before the time appointed for holding the meeting.

2. Members whose names appeared in the Members Register on July 20, 2011 will be eligible to attend and vote in the AGM.
### Value Added Statement

<table>
<thead>
<tr>
<th></th>
<th>In million BDT</th>
<th>%</th>
<th>In million BDT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
<td>2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Value created</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>31,818</td>
<td>24,375</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other income</td>
<td>(50)</td>
<td>(41)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VAT</td>
<td>4,772</td>
<td>3,618</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>36,540</td>
<td>27,952</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Cost of network and services</td>
<td>17,644</td>
<td>10,037</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18,896</td>
<td>17,915</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Value distributed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>1,391</td>
<td>7%</td>
<td>1,147</td>
<td>6%</td>
</tr>
<tr>
<td>Contribution to Government</td>
<td>9,084</td>
<td>48%</td>
<td>9,616</td>
<td>54%</td>
</tr>
<tr>
<td>Providers of debt</td>
<td>2,780</td>
<td>15%</td>
<td>2,279</td>
<td>13%</td>
</tr>
<tr>
<td>Dividend to Shareholders</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>13,254</td>
<td>70%</td>
<td>13,041</td>
<td>73%</td>
</tr>
<tr>
<td>Value Added Statement</td>
<td>In million BDT</td>
<td>%</td>
<td>In million BDT</td>
<td>%</td>
</tr>
<tr>
<td>-----------------------</td>
<td>----------------</td>
<td>------</td>
<td>----------------</td>
<td>------</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td></td>
<td>2009</td>
<td></td>
</tr>
<tr>
<td>Value retained</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>8,491</td>
<td>45%</td>
<td>8,073</td>
<td>45%</td>
</tr>
<tr>
<td>Retained loss</td>
<td>(2,849)</td>
<td>-15%</td>
<td>(3,199)</td>
<td>-18%</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>-</td>
<td>0%</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>5,642</td>
<td>30%</td>
<td>4,873</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>18,896</td>
<td>100%</td>
<td>17,915</td>
<td>100%</td>
</tr>
<tr>
<td>Chart category</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td>7%</td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td>Contribution to Gov</td>
<td></td>
<td>48%</td>
<td></td>
<td>54%</td>
</tr>
<tr>
<td>Providers of debt</td>
<td></td>
<td>15%</td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td>45%</td>
<td></td>
<td>45%</td>
</tr>
<tr>
<td>Retained loss</td>
<td>-15%</td>
<td>100%</td>
<td>-18%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**distribution of value (2010)**
- Employees: 48%
- Contribution to Government: 45%
- Providers of debt: 13%
- Depreciation: 6%
- Retained loss: -15%

**distribution of value (2009)**
- Employees: 54%
- Contribution to Government: 45%
- Providers of debt: 13%
- Depreciation: 6%
- Retained loss: -18%
The hopeful smile of an unbounded future

Annual Report 2010
Orascom Telecom Bangladesh Limited is 99.9999% owned by Orascom Telecom Ventures Ltd. 4, V. Dimech Street, Floriana, FRN 1504, Malta, which is a 100% owned subsidiary of Orascom Telecom Holding S.A.E., Egypt ("OTH"). The ultimate parent of the group is Wind Telecom S. p. A. (formerly Weather Investments).

OTH established itself as a global brand and is considered as one of the largest and most diversified telecom operators. OTH is operating GSM networks in high growth markets in the Middle East, Africa and Asia, having a total population under license of approximately 517 million with an average mobile telephony penetration of approximately 48% as of 31 December, 2010.
OTH operates GSM networks in -

Algeria ("OTA")
Bangladesh ("banglalink")
Burundi ("Leo Burundi")
Central African Republic ("Telecel CAR")
Egypt ("Mobinil")
Namibia ("Leo Namibia")
North Korea ("koryolink")
Pakistan ("Mobilink")

Wind Mobile in Canada, through its indirect equity shareholding in Globalive Wireless and its indirect equity ownership in Telecel Zimbabwe (Zimbabwe).

OTH was also awarded the management contract of one of the two Lebanese mobile telecommunications operators ("Alfa") from the government of the Republic of Lebanon.

OTH reached almost 101 million subscribers as of December 31, 2010.

OTH is traded on the Cairo & Alexandria Stock Exchanges under the symbol (ORTE.CA, ORAT EY), and on the London Stock Exchange, its GDR is traded under the symbol (ORTEq.L, OTLD LI).
Shareholders of Orascom Telecom Bangladesh Limited as on December 31, 2010:

<table>
<thead>
<tr>
<th>Serial no.</th>
<th>Name of the shareholder</th>
<th>Number of shares held</th>
<th>Percentage of shareholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Orascom Telecom Ventures Limited</td>
<td>42,951,226</td>
<td>99.99998%</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Naguib Sawiris</td>
<td>1</td>
<td>0.0000034%</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Khaled Galal Bishara</td>
<td>1</td>
<td>0.0000034%</td>
</tr>
<tr>
<td>4</td>
<td>Mr. Rgy Sollman</td>
<td>1</td>
<td>0.0000034%</td>
</tr>
<tr>
<td>5</td>
<td>Mr. Rahsid Khan</td>
<td>1</td>
<td>0.0000034%</td>
</tr>
<tr>
<td>6</td>
<td>Mr. Ezzeldin M Heikal</td>
<td>1</td>
<td>0.0000034%</td>
</tr>
<tr>
<td>7</td>
<td>Mr. Afzal Hussain Choudhury</td>
<td>1</td>
<td>0.0000034%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>42,951,232</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total number of shares includes 18,186,351 shares which have been issued to the existing shareholders on December 31, 2010 against the share money deposited by shareholders and with obtaining prior consent from SEC.

**Subsequent Events**

- Change of denomination of share face value from BDT 1000.00 to BDT 10.00 each and increase of authorized share capital from BDT 47 billion to BDT 70 billion divided into 7 billion shares of BDT 10.00 each were approved by the shareholders in the Extra-ordinary General Meeting held on January 10, 2011 and subsequently approved by the appropriate authority of the Government of Bangladesh through certification on the amended Memorandum and Articles of Association of the Company.

- Wind Telecom S.p.A (formerly Weather Investments S.p.A.), which owns 51.7% shares of OTH, has completed the process of combining the business with VimpelCom Ltd. The new group is the world’s 6th largest mobile telecommunications carrier by subscribers, with pro forma net operating revenues of US$ 21.5 billion and pro forma EBITDA of US$ 9.5 billion, in addition to a foothold extending throughout Europe, Asia, Africa, and North America.
banglalink organogram

Shareholders

Audit Committee

Board of Directors

Managing Director & CEO
Ahmed Abou Doma

Chief Financial Officer
Mohamed Osman

HR & Admin Director
Tarek Beram

Information Technology Director
Nizar El Assaad

Company Secretary
M Nurul Alam

Chief Technical Officer
Ahmed Fady

Chief Commercial Officer
Asher Yaqub Khan

Regulatory & Legal affairs Director
Zakiul Islam

Head of PM & SC
A. Saboor
The Board of Directors of Orascom Telecom Bangladesh Limited has the pleasure in presenting the annual report 2010 together with the report of the directors of the Company for the year ended 31 December, 2010 with highlights of audited financial statements in accordance with section 184 of the Companies Act 1994.

1. An Overview of the Year 2010:

Socio-Economic Update

In the year 2010, Bangladesh earned 5.8% growth in GDP, despite the impact of global economic recession on the export and remittance inflow. Strong performance of the Agricultural sector by the continued support of the government was the main contributor to maintain the respectable GDP. Bangladesh faces the challenges of maintaining food security for its large population, managing the effects of climate change, creating job
opportunities for a growing labour force and attaining higher economic growth to reduce poverty. Bangladesh needs to undertake major initiatives to improve power and gas supply, improve the investment climate and develop institutional capacity. Timely implementation of Annual Development Program (ADP) and practice of good governance in the public sector will encourage Foreign Direct Investment (FDI). Bangladesh has been awarded “BB” by the US based credit rating agency, Standard & Poor’s (S&P).

**Regulatory Environment**

Bangladesh Telecommunication (amendment) Act 2010 passed in the national parliament and published in the official gazette notification dated August 1, 2010. Bangladesh Telecommunication Regulatory Commission (BTRC) is the main regulator of the mobile operators’ activities. The market is overcrowded by 6 mobile operators and 13 fixed line operators. The current rate of mobile phone penetration is around 46% as on December 31, 2010 which was around 35% in the previous year. The rate of mobile penetration has a direct correlation to the overall development of a country, contributing significantly to the country’s GDP. SIM Tax is yet a big obstacle associated with the cost of subscriber acquisition, which is hindering the expansion of connectivity.

**Business Landmarks**

In 2010, banglalink achieved a number of milestones. During the year, its net addition of 5.457 million new customers to the subscriber base helped achieve a total of 19.327 million subscribers at the end of the year.

banglalink captured over 28.16% of the market share which was 26% in the last year.

In 2010, OTBL had launched a premium telecom brand, “icon”, specifically targeting the high-end lifestyle segment of the country.

During 2011, banglalink pioneered mobile financial services in Bangladesh, being the first operator in South Asia to launch international remittance over mobile. banglalink has won an award from the International Association of Money Transfer Networks (IAMTN) for this first-ever service in Bangladesh as well as in the Sub-continent. It also launched a range of other mobile financial services, such as Railway ticketing, utility bill pay, concert ticketing and domestic remittance services with the Bangladesh Post Office.
2 Business Activities

2.1 Financial Performance

Net revenue of the Company for the year 2010 was BDT 31,818 million against BDT 24,375 million of the previous year. Net growth was 30.54% over the last year. In the year 2010, Average Revenue Per User (ARPU) was US$ 2.3, which slightly decreased from US$ 2.5 in 2009.

This year, banglalink’s EBITDA has increased to BDT 8,890.00 million (equivalent US$ 127.0 million) which was BDT 7,315.00 million (US$ 104.5 million) at the end of 2009.

2.2 Continuous investment for Expansion

The mobile phone market in Bangladesh is overcrowded by 6 operators. 5 GSM operators and one CDMA are in tough competition for subscriber acquisition. In this competitive situation, banglalink has been able to maintain its second highest position in the industry. This has been possible with the continuous enhancement and expansion of the network in terms of coverage and quality, product innovation and segmentation, enhancement of customer care services, and aggressive brand building strategies. During the year 2010, banglalink’s sponsor shareholder OTH invested over BDT 4,552.50 million (equivalent US$ 67.4 million) in CAPEX and continued to be the country’s biggest FDI as of December 31, 2010 as per record in the Board of Investment (BOI).

2.3 Future Prospects

During this year, the company made a net loss of Tk. 2,848,806,229 and as at December 31, 2010, accumulated loss was Tk. 28,752,061,392 while current liabilities exceeded current assets by Tk. 33,068,431,534. The management is however, confident that the company will continue in operational existence for the foreseeable future on the basis of improved profitability and continued support of its bankers, equipment vendors and parent company Orascom Telecom Holding (OTH). Thus, the financial statements have been prepared in ongoing concern assumption.

3 Services and Marketing

banglalink’s marketing strategy focused on targeting different consumer
segments with specially designed products and services that are tailored to the needs of these segments. banglalink’s prepaid brand, “banglalink desh”, is perceived as the best prepaid package in the country with innovative tariff and value for money features and a very strong brand image. “banglalink business”, “banglalink SME” and “banglalink PCO” caters to the needs of the business segment including the thriving SME sector, where banglalink has been a pioneer in the country. In 2010, OTBL had launched a premium telecom brand, “icon”, specifically targeting the high-end lifestyle segment of the country.

banglalink provides its subscribers with a wide range of innovative value-added services including caller ring-back tone, music station, song dedication, voice portal, voice chat, voice-SMS, etc., to name a few. In recent years, banglalink also launched Facebook Text to update Facebook status, Timer SMS, Phone Back-up, Call Block, Friend Finder, Field Force Locator, Vehicle Tracking and call-center based information services, ‘banglalink Krishi Jigyasha 7676’ and ‘banglalink Babsha Jigyasha 7677’, which provide advisory services regarding agriculture and SME business queries, respectively. ‘banglalink jigyasha’ services won the Asia Mobile Awards 2009 under the category, Best Mobile Enterprise Application Product or Service. banglalink has already established a nationwide EDGE/GPRS network, serving both postpaid and prepaid subscribers. banglalink's international roaming network comprises of 250 operators across 95 countries and EDGE/GPRS connectivity is available to roaming customers as well.

banglalink’s customer care services are regarded as the best in the mobile industry of Bangladesh. A state-of-the-art call center with highly trained agents provides round-the-clock service to customers. banglalink is also the pioneer in taking customer service closer to its subscribers by introducing “banglalink service points” in over 1,350 locations across the country. A dedicated team of relationship managers provide exclusive services to business segment customers.

4. Corporate Social Responsibilities (CSR)

banglalink remained committed to play its role as a responsible corporate citizen to contribute in the socio-economic development of Bangladesh. The company undertook several projects for the welfare of the community and preservation of the environment. These initiatives consolidated banglalink’s reputation as a forerunner in corporate social activities. banglalink social activities include the following initiatives:
• Since 2005, banglalink has been cleaning the world’s longest sea beach, Cox’s Bazaar. A recent survey, conducted by an environmental advocacy group, found out that this project is one of the iconic CSR activities in Bangladesh, which has a far reaching impact in the community in a sustainable way.

• banglalink established a computer lab at a high school in a remote and impoverished village, where the students never saw a computer before. In addition, banglalink is setting up computer labs in 270 schools at district towns. The computer labs will be equipped with computers, internet, multimedia projectors, speakers and microphones.

• banglalink distributed 5,000 blankets among the destitute children of 57 orphanages across the country.

• banglalink took several initiatives to provide free services to Hajj pilgrims. This includes arranging air-conditioned buses for pilgrims, water distribution zone, phone counter for making free phone calls, free charging units etc.

• banglalink distributed free water and dates for the fasting people who got stranded at major traffic points of selected metro cities around iftar time.

5. Environment, Health and Safety (EHS)

banglalink is committed to establishing a safe, healthy and eco-friendly working environment at its own premises as well as the premises of its vendors. banglalink maintained adequate safety standards in 2010 and fully complied with safety regulations as per the law of Bangladesh.

Trainings on safety and environment are conducted to respective personnel whenever any new equipment is installed or upgraded.

Extensive trainings on health hazards (arising from height, temperature, humidity, electrical and radiological equipment and other hazardous objects) are offered to the personnel engaged in technical operations. These trainings are conducted by local and international experts.

Disposal of hazardous waste is dealt with according to hazardous waste treatment guidelines.

Permanent employees are offered periodic health checkups and covered under a wide ranging medical insurance. Corporate arrangements are in place with several reputed local and overseas hospitals to provide medical service
to banglalink employees. Health awareness programs are arranged with the participation of renowned medical professionals. Emergency evacuation drills and fire fighting trainings are conducted on a regular basis. Adequate quantity of safety appliances are installed in all banglalink premises.

6. Statutory Payment

The Directors are satisfied that all statutory payments have been made up-to-date.

7. The Board of Directors & Meetings

During the year 2010, a total of 7 meetings of the Board of Directors were held. The following table shows the composition of the Board of Directors and attendance at the Board meetings.

<table>
<thead>
<tr>
<th>Name of Directors</th>
<th>Number of meetings held whilst a Board member</th>
<th>Meeting attended</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Ragy Soliman</td>
<td>7</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Mr. Zouhair Abdul Khaliq</td>
<td>7</td>
<td>0</td>
<td>Leave granted</td>
</tr>
<tr>
<td>Mr. Ahmed Abou Doma</td>
<td>7</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Mr. Khalad Galal Bishara</td>
<td>7</td>
<td>1</td>
<td>Leave granted</td>
</tr>
</tbody>
</table>

The members who could not attend the meetings were granted leave by the Board of Directors.

8. Management Team

The Management Team, headed by Mr. Ahmed Abou Doma, CEO, sits once in a week to review, and where necessary, authorize corporate actions with respect to the matters concerning the Company’s interest, strategy and management of its business. The Management Team is responsible to the Board of Directors through the CEO.

9. Operations Management Team

The Operations Management Team comprising senior members of employees
from every department sits once every week to address the issues arising from day to day operations and providing feedback to the Management Team.

10. **Directors’ Election and Re-election**

The Director retiring by rotation under Article 58B is Mr. Ahmed Abou Doma, who, being eligible, offered himself for re-election under Article 58D.

11. **Auditors**

The Board of Directors recommended S. F. Ahmad & Co. as the auditor of the Company for the year 2011 for approval in the 16th Annual General Meeting.

12. **Shareholding**

Orascom Telecom Ventures Limited, a 100% owned subsidiary of Orascom Telecom Holding (OTH) is holding 99.999% shares of Orascom Telecom Bangladesh Limited.

13. **Shareholders Meeting held during the Year 2010:**

<table>
<thead>
<tr>
<th>Date of meeting</th>
<th>Nature of meeting</th>
<th>Purpose of meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(ii) Election/re-election of Directors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(iii) Appointment/re-appointment of Statutory Auditors &amp; fix their remuneration for the year 2010.</td>
</tr>
</tbody>
</table>

14. **Corporate Financial Reporting Framework**

- The Financial Statements prepared by the management of the Company present fair state of affairs, the result of operations, cash flows and changes in equity.

- Proper books of accounts of the Company have been maintained.
• Proper accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement.

• Bangladesh Financial Reporting Standards (BFRS) have been followed in preparation of the financial statements.

• A sound internal control system is in place which gives reasonable assurance against any material misrepresentation and/loss.

• The internal control system is subject to review by the Company’s Audit Committee from time to time.

15. Acknowledgement

The Directors appreciated the excellent efforts of the employees, both in-team and individually, during the year 2010, when the company achieved 30.54% growth in terms of revenue and 39.34% growth in term of subscriber base.

The Directors expressed their gratitude to the Customers, Dealers, Trade Partners, Vendors, Contractors, Media and Regulators for bestowing their trust and confidence on Orascom Telecom Bangladesh Limited, ‘OTBL’. We accept their confidence in us in all respect and will continue to strive to live up to expectations.

The Board of Directors would like to thank all stakeholders including Bangladesh Telecommunication Regulatory Commission, Securities and Exchange Commission, Bangladesh Bank, Board of Investment, Bankers, Insurance Companies, Utility Providers, Government Agencies and individuals whose extended cooperation helped us in our achievements.

For and on behalf of the Board of Directors,

Ahmed Abou Doma
Managing Director & CEO
1. Corporate Directory
2. Board of Directors
3. Management Team
4. Audit Committee
5. Internal Control Framework
6. Risk Management
7. Directors’ Statement of Responsibility
## Corporate Directory

### Board of Directors
- Khaled Galal Bishara
- Ragy Soliman
- Ahmed Abou Doma

### Audit Committee
- Ragy Soliman
- Ahmed Abou Doma
- Khaled Galal Bishara

### Managing Director
- Ahmed Abou Doma

### Chief Financial Officer
- Mohamed Hassan Osman

### Company Secretary
- M Nurul Alam

### Auditor (Outgoing)
- Rahman Rahman Huq (KPMG)
  - Chartered Accountants
  - 9, Mohakhali C/A
  - Dhaka-1212. Bangladesh

### Auditor (Incoming)
- S. F. Ahmed & Co.
  - Chartered Accountants
  - House-25, Road-13A, Block-D
  - Banani, Dhaka-1213. Bangladesh

### Registered & Corporate Office
- Tigers’ Den, House 4, SW,
  - Bir Uttam Mir Shawkat Sharak,
  - Gulshan 1, Dhaka 1212, Bangladesh

### Legal Advisor
- Syed Ishtiaq Ahmed & Associates
  - Concord Ovilash (1st Floor)
  - House #62, Road #11/A
  - Dhanmondi, Dhaka-1209

### Banks
- Bank Asia
- BRAC Bank
- CITI NA
- Commercial Bank of Ceylon
- Dhaka Bank
- Dutch-Bangla Bank
- Eastern Bank
- HSBC
- IFIC Bank
- Jamuna Bank
- Mutual Trust Bank
- National Bank
- One Bank
- Premier Bank
- Prime Bank
- Pubali Bank
- Shahjalal Islami Bank
- Southeast Bank
- Standard Chartered Bank
- The City Bank
- The Trust Bank
- Islamic Bank Bangladesh
- United Commercial Bank
Mr. Ragy Soliman joined Orascom Telecom in 2003 in the position of Director – Legal Affairs. Effective October 2007, Mr. Soliman assumed the position of OTH's General Counsel at Orascom Telecom. In his role as General Counsel to Orascom Telecom, Mr. Soliman has oversight and management responsibility for all legal and corporate governance matters. He also serves on a number of executive management committees. Prior to his appointment in 2003, Mr. Soliman represented a broad range of international corporate and governmental clients as a Senior Associate with Ibrachy & Dermarkar in Egypt and in other International law firms. He holds a Master's Degree in International Business Law from London University.

Mr. Ahmed Abou Doma has been appointed as the Managing Director and CEO for banglalink on January 7, 2009.

Before that, Mr. Ahmed Abou Doma held the position of Marketing Director of Mobinil, the Egyptian Company for Mobile Services between the years 2003 and 2008. During this period, the company witnessed an unprecedented growth in subscribers from 2.7 million in 2003 to 20 million by the end of 2008, becoming the largest mobile service provider in the Egyptian market.

Mr. Ahmed Abou Doma started his career in the field of Information Technology when he joined IBM in 1993, where he held the responsibility of owning and developing some of IBM’s business verticals such as cross industry applications, Health and Academia.

Soon after, Mr. Ahmed Abou Doma joined Datum IDS in 1996, at a time when the Internet was a new concept in Egypt. Mr. Ahmed Abou Doma led the
Business Development team in establishing and setting the ground rules for the Internet business unit in the company.

Mr. Ahmed Abou Doma continued to evolve in the Marketing domain and started a long path of success with Mobinil when he joined the company in 1998 as Market Development Manager, where he was in charge of developing postpaid and prepaid services, as well as tariff design for the consumer segment. As part of the startup team of Mobinil, he contributed to the laying down of basic GSM value propositions that were introduced for the first time in the Egyptian market for both postpaid and prepaid.

In 2000, Mr. Ahmed Abou Doma took on the role of Senior Market Manager for Planning and Development. Within that role, he was responsible for running the planning and budgeting functions as well as market research.

In 2001, Mr. Ahmed Abou Doma’s scope within Mobinil expanded, when he held the position of Senior Manager for Market Strategy and Analysis, as he led various functions encompassing strategic marketing, pricing, planning, market intelligence analysis and customer relations management (CRM).

Born in Cairo, Egypt, Mr. Ahmed Abou Doma acquired a Bachelor of Science degree in Electronics and Communication Engineering from Cairo University in 1992. He has received the prestigious “Telecom Business Planning Award” by the international Telecommunication Union (ITU) based in Switzerland. He also completed the International Executive Program (IEP) from INSEAD Business School in Singapore and France. Mr. Ahmed Abou Doma is also a member of various Marketing Committees.
Mr. Khaled Bishara was the Group Chief Executive Officer of Orascom Telecom Holding S.A.E. He sits on the board of Orascom Telecom Holding (OTH) since 2003, the largest GSM operator in the Middle East, Africa and Pakistan.

Mr. Bishara was appointed Chief Operating Officer of OTH in April 2009. He was previously COO of Wind Telecommunications. He brings a wealth of experience in both telecommunication and information technology with a strong management and entrepreneurial experience.

Mr. Bishara headed the fixed line and portal business unit at Wind Telecomunicazioni S.p.A from 2005, until he was promoted to Chief Operating Officer of the company. At Wind, he played a key and instrumental role in restructuring the company’s organization, which led to the successful turnaround of Wind from a continuously loss making company to one of the best performing mobile, fixed line and broadband integrated operators in Europe within a record time span of three years. Prior to joining Wind, he was the cofounder, Chairman and CEO of LiNKdotNET ("LDN"), the largest private Internet Service Provider ("ISP") in the Middle East. In 2001, following successful negotiations, Microsoft chose to partner with LDN headed by Mr. Bishara to launch MSN Arabia, the Middle East’s first global portal, bringing a full internet experience of MSN to users in the region.

In December 2003, Business Today Egypt chose Mr. Bishara as the “Young Executive of the Year” for executives under the age of 40.

Mr. Bishara earned his Bachelor of Science degree from the American University in Cairo where he is a member of the Advisory Board for the Computer Science and Engineering Department. He is an active member of the Software Community in the Middle East, a founding member of the Egyptian Software Association and the Internet Society of Egypt. He is also a board member of WIND Italy, and various telecom and IT companies.
management team
Ahmed Abou Doma
Chief Executive Officer

Mr. Ahmed Abou Doma joined banglalink as the CEO on January 7, 2009. Before joining banglalink, he served as the Marketing Director of Egyptian Company for Mobile Services, "Mobinil" (a subsidiary of OTH), from 2003 to 2008. He had joined Mobinil in 1998.

Prior to joining Mobinil, Mr. Ahmed Abou Doma started his career in the Information Technology field, where he held several positions with multinational firms such as IBM and Datum IDS. He brings over 17 years of solid managerial and commercial experience.

Mr. Ahmed Abou Doma has completed IEP Certification from INSEAD Business School, and holds a Bachelor’s degree from Cairo University, Egypt, majoring in Communication & Electrical Engineering.

Mohamed Osman
Chief Financial Officer

Mr. Mohamed Osman joined banglalink in July 2005 as Finance Director and remained in this role until July 2006. Prior to joining as CFO on November 23, 2008, he worked for OTH as Revenue Assurance Director. He joined the Egyptian Company for Mobile Services, "Mobinil" (a subsidiary of OTH) in June 2001, and prior to that, served in the Egyptian Telecom Company for one year.

Mr. Mohamed Osman has over 14 years of experience in the telecom industry, where he held several management positions. He holds a Bachelor’s degree in Accounting from the Helwan University in Cairo.
Mr. Ahmed Fady is the Chief Technical Officer of banglalink. He joined banglalink in October 2004 as Operations & Maintenance Senior Manager.

Prior to joining banglalink, Mr. Fady was NOC Manager in Orascom Telecom Algeria, “Djezzy” (a subsidiary of OTH).

Mr. Ahmed Fady has over 14 years of experience in the telecom industry, where he held several management positions. He holds a Bachelor of Engineering degree in Electronics and Communications from Cairo University, Egypt.

Mr. Asher Yaqub Khan joined the Company as the Chief Commercial Officer on September 1, 2009.

Mr. Asher Yaqub Khan brings with him a proven history of 15 years of success in the fields of strategic and commercial expertise, 13 of them being exclusively in the telecom industry. He holds an MBA from the Lahore University of Management Sciences in Pakistan.

Prior to joining banglalink, he held the position of the Vice President and Chief Marketing Officer of Ufone, Pakistan, which he had assumed in February 2008.

Previously, he worked at “Mobilink” (a subsidiary of OTH), as the Director, Value Added Services, Long Distance International and International Roaming from January 2006 to February 2008. He conceptualized revolutionary new ideas in Mobile Banking, M-commerce, Mobile Advertising, M2M and other leading technologies in this short span of time.
Tarek Beram  
**Human Resources & Administration Director**

Mr. Tarek Beram joined banglalink with an FMCG background in several multinational firms. In his previous position, he managed the organizational development functions in Cadbury Schweppes for 3 years. Earlier, he had served in various HR capacities in the British supermarkets chain, ‘Sainsbury's'.

He started his career in the Americana Group, which manages major fast food chains in the Middle East, including KFC, Pizza Hut and TGI Friday's.

Mr. Tarek Beram also played basketball as a professional for 13 years, and was a member of the Egyptian national team.

Mr. Tarek Beram holds a Master’s degree in International Business Administration from ESLSCA - a French business school.

Zakiul Islam  
**Regulatory and Legal Affairs Director**

Mr. Zakiul Islam, appointed Regulatory and Legal Affairs Director in banglalink from July 1, 2009, joined the Company as Senior Manager of Regulatory Affairs in 2007. Prior to joining banglalink, he served at Warid Telecom as the Head of the Project Management Department, with the responsibility of timely roll-out of network throughout the country. He has also worked for the Apex Group as an Executive Director and for NV Phillips, The Netherlands as a Business Unit Manager. Mr. Islam brings over 11 years of extensive experience in the telecom industry.

Mr. Zakiul Islam holds a degree in Electrical & Electronic Engineering from the Bangladesh University of Engineering & Technology (BUET) and did his Master of Business Administration in Executive Management from Royal Roads University of Canada in 2010. He also held the responsibilities as President of Association of Mobile Telecom Operators of Bangladesh (AMTOB). He is a Fellow member in IEB and an old Faujian.
Nizar El-Assaad
IT Director

Mr. Nizar El-Assaad joined banglalink on November 2004 as Senior Manager of IT Infrastructure & Operations, and was appointed as IT Director from July 1, 2009.

Prior to joining banglalink, Mr. Assaad co-founded Anzima Cooperative Solutions in Beirut, Lebanon. Anzima is an IT solution firm which provides state-of-the-art IT solutions. He worked in this company for almost 10 years.

Mr. Nizar El-Assaad holds a Bachelor of Engineering degree in Computer and Communications from the American University of Beirut in Beirut, Lebanon.

M Nurul Alam
Company Secretary

Mr. M Nurul Alam joined banglalink as Company Secretary in November 2007. Prior to joining banglalink, he was working with GlaxoSmithKline Bangladesh Limited - a renowned multinational pharmaceutical manufacturing and marketing company. He has 30 years of experiences in corporate affairs, Company Secretariat, internal auditing in different multinational companies.

Mr. M Nurul Alam is a Fellow Member of the Institute of Chartered Secretaries of Bangladesh with Masters of Accounting and a member of the Institute of Internal Auditors of Bangladesh and Institute of Accounting Technicians of Bangladesh.

4 Audit Committee Report

The Audit Committee of the Company is comprised of the following Directors:
Mr. Ragy Soliman  Non Executive Director  Chairman
Mr. Ahmed Abou Doma  Managing Director  Member
Mr. Khaled Bishara  Non Executive Director  Member

The Company Secretary is extending support to the Audit Committee, who attends the Committee’s meeting as the Secretary of the Committee. The Company Secretary also acts as the Corporate Compliance Officer of the Company as per the Companies Act 1994.

Role of the Committee

The Audit Committee has a Charter which has been reviewed by the major shareholder of the Company (Orascom Telecom Holding S.A.E.) and approved by the Board of Directors. The Audit Committee’s role flows directly from the Board’s oversight function and is authorized by the Board to investigate any activity within its Charter. The Committee’s main responsibilities include:

- Reviewing the company’s financial statements;
- Reviewing and monitoring the effectiveness of the external and internal audit activities;
- Recommending to the Board of Directors, the appointment, re-appointment or removal of external auditors;
- Reviewing the adequacy and effectiveness of the existing internal control and risk management system;
- Reviewing and monitoring the company’s ethical standards for ensuring compliance with regulatory and financial reporting requirements and its relationship with the relevant regulatory authorities.

The Committee opines that proper internal control and process are in place to provide reasonable assurance that the Company’s assets are safeguarded and that the financial position of the Company is adequately managed.

On behalf of the Audit Committee,

Sd/-

Ragy Soliman
Chairman
Audit Committee
5 Internal Control System

Our internal control system consists of procedures and methods adopted by our management to achieve reasonable assurance in safeguarding assets, prevention and detection of errors, accuracy and thoroughness of accounting records, and dependability of financial statements. These operations are vital not only to business success, but also to uphold the Company's image as a transparent and ethical corporate entity. As such, our management oversees these with meticulous attention.

The management recognizes its responsibility to present a balanced and understandable assessment of the Company's position and prospect. The management is accountable for reviewing and approving the effectiveness of internal controls operated by the Company, including financial, operational and compliance controls, and risk management. The management has further responsibilities of implementing all appropriate corporate policies it perceives as necessary, and of ensuring due compliance with said policies.

The overall control system is subject to review by the OTH Internal Audit, which is conducted twice or more in a year. The report of the OTH Internal Audit is subsequently reviewed by the OTH Audit Committee.

Managerial and Administrative Model - Overseas Subsidiaries Guidelines

OTBL Board of Directors has adopted the Managerial and Administrative Model (MAM) - Overseas Subsidiary Guidelines (OSG) of Wind Telecom S.p.A (formerly Weather Investments S.P.A). The Code of Ethics and Matrix of Forbidden Conducts in accordance with OSG have been circulated among all employees of OTBL for compliance. Managers and senior employees have signed the acknowledgement of the Code of Ethics and the Matrix of Forbidden Conducts. In order to implement an effective internal control system, 15 policies, in addition to the existing processes, procedures and policies have been identified and internal control procedures are being implemented to ensure compliance of the Code of Ethics and Matrix Forbidden Conducts.

Internal Audit

The role of internal audit is to provide support to the Board of Directors and Management of the Company through carrying out independent audit
activities as per approved audit plan. The head of the internal audit reports to the Managing Director and CEO administratively and to the Audit Committee functionally.

**Compliance of Regulatory Requirements**

As per requirement of law and corporate governance guidelines issued by the Securities and Exchange Commission, the company has a full fledged Company Secretary performing the activities as compliance officer. Specifically, the officer performs as the bridge between the Board of Directors, Management, Shareholders and regulatory authorities on statutory decisions.

**6 Risk Management**

Effective risk management is a pivotal prerequisite to business success and sustainability. In the course of our business, we are exposed to a multitude of risk factors, including the impact of interest rate changes, increased regulatory requirements, environmental issues, and changes in corporate tax rates. Being a subsidiary of a leading international company, we are also affected by foreign currency rate fluctuations, and impacted by global trends such as recessions or expansions in the global market. Furthermore, the quality of our service, which eventually translates into our ability to retain and attract customers, also has a direct impact on the health of our business.

Given this nature of our business, our management contemplates risks from both local and global perspectives. Accordingly, we have established a risk management framework, which incorporates the processes of risk identification, intensity assessment, mitigation planning, and monitoring. Consequently, risks are duly identified and managed at various layers of operational, tactical and strategic levels.

To further facilitate risk management activities, the management has approved a comprehensive EHS policy, and instituted the following watchdogs

- Audit Committee
- Internal Audit
- Operations Management Team
- EHS Committee
- Statutory Auditors
The Audit Committee performs in accordance with the Audit Committee Charter.

The Operations Management Team meets each week to evaluate and explore Operational issues. Subsequently, it either takes appropriate actions, or if the gravity of the issue so requires, forwards it to the Management Team for final decision-making.

The EHS Committee oversees issues relating to environment, health and safety, and is empowered to take all necessary steps to ensure compliance.

The External Auditors are engaged for reviewing financial transactions and carry out audit over the financial records and documents as per related standards, laws and submitting quarterly reports.

7 Directors’ Statement of Responsibilities

The Directors are responsible to ensure maintaining proper accounting records, which disclose the reasonable accuracy of the financial position of the company at any time from which financial statements can be prepared in compliance with the provisions of The Companies Act 1994.

The Directors are required by law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for the period.

The Directors are also responsible for ensuring the effective internal control system and for taking reasonable steps to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities.

Rahaman Rahaman Huq was the company’s statutory auditors, who have examined the financial statements made available to them by the Board of Directors, together with all relevant records and minutes of the meeting of the board of directors and shareholders. The Directors are of the view that the financial statements have been prepared under the Generally Accepted Accounting Principles (GAAP), and in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) as laid down by the Institute of Chartered Accounts of Bangladesh (ICAB).
financials
<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, Plants and Equipment (at cost less depreciation)</td>
<td>55,574,171</td>
<td>52,174,418</td>
<td>45,179,904</td>
<td>29,104,311</td>
<td>13,326,818</td>
</tr>
<tr>
<td>Project under construction</td>
<td>10,789,050</td>
<td>6,504,859</td>
<td>13,115,864</td>
<td>6,786,529</td>
<td>2,425,482</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>2,392,515</td>
<td>2,442,103</td>
<td>2,361,012</td>
<td>194,805</td>
<td>223,025</td>
</tr>
<tr>
<td>Inter-company Receivables</td>
<td>13,078</td>
<td>12,035</td>
<td>9,193</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other non-current Assets</td>
<td>73,294</td>
<td>69,694</td>
<td>66,294</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Current Assets</td>
<td>5,418,435</td>
<td>5,186,948</td>
<td>4,978,822</td>
<td>4,976,242</td>
<td>4,116,100</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>75,261,443</td>
<td>66,390,057</td>
<td>65,711,089</td>
<td>41,061,887</td>
<td>20,091,425</td>
</tr>
<tr>
<td><strong>Equity &amp; Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share Capital</td>
<td>42,951,232</td>
<td>24,764,881</td>
<td>24,764,881</td>
<td>637,294</td>
<td>637,294</td>
</tr>
<tr>
<td>Share Money Deposit</td>
<td>4,652,549</td>
<td>18,186,352</td>
<td>17,633,539</td>
<td>16,146,303</td>
<td>10,958,918</td>
</tr>
<tr>
<td>Retained Earnings/(loss)</td>
<td>(28,752,061)</td>
<td>(25,903,255)</td>
<td>(22,704,240)</td>
<td>(15,573,478)</td>
<td>(7,764,780)</td>
</tr>
<tr>
<td>Long-term Loan</td>
<td>16,908,879</td>
<td>18,914,385</td>
<td>17,495,076</td>
<td>19,928,262</td>
<td>-</td>
</tr>
<tr>
<td>Inter-company Payable</td>
<td>3,597,777</td>
<td>2,809,671</td>
<td>2,342,032</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>35,913,067</td>
<td>27,618,023</td>
<td>26,179,761</td>
<td>19,923,506</td>
<td>16,259,992</td>
</tr>
<tr>
<td><strong>Total Equity &amp; Liabilities</strong></td>
<td>75,261,443</td>
<td>66,390,057</td>
<td>65,711,089</td>
<td>41,061,887</td>
<td>20,091,425</td>
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</tbody>
</table>
banglalink is one of the largest contributors to the Exchequer of Bangladesh. This contribution is made in the form of SIM Tax, Custom Duties, VAT and various fees. In 2010 alone, banglalink contributed BDT 14,098 million. Since 2005, banglalink contributed BDT 51,216 million to national exchequers.
Bangladesh has always strived to make a difference by increasing the welfare of the country through socially responsible activities. In line with this, bangladesh has taken a number of initiatives throughout the year.

- Cox’s Bazaar Beach Cleaning Project and International Coastal Cleanup Day
- ICT Support for Underprivileged Children: Computer Lab Set Up
- Donating Blankets at Orphanages
- Special arrangements for Hajj Pilgrims at the Hajj Camp-2010
- Water & Date Distribution and Iftar at Orphanages during Ramadan

**Cox’s Bazaar Beach Cleaning Project and International Coastal Cleanup Day**

Since 2005, bangladesh has been cleaning the longest sea beach of the world-Cox’s Bazaar. Right when Cox’s Bazaar’s very existence was under threat, due to littering and pollution by visiting tourists, bangladesh undertook the
unique initiative of cleaning the beach and conserving one of the nation’s prime tourist spots.

Under this project, 26 female workers clean the beach 363 days a year in 2 shifts. banglalink has placed unconventional bins in appropriate intervals throughout the beach. Moreover, to generate awareness, signboards have been placed, requesting people to not litter and drop the waste in designated bins. Representatives communicate similar messages through microphones as well.

Recently, MRDI (Management and Resource and Development Initiative) & Manusher Jonno Foundation, an advocacy group, conducted a survey under the category, ‘Mainstreaming CSR to Address Poverty’, and found out that this project is one of the iconic CSR activities in Bangladesh, which has a great impact in the community in a sustainable way.

To generate further awareness and create hype, especially among the nation’s youth, banglalink observed International Coastal Cleanup Day in 2010. Almost 500 volunteers from prominent universities, colleges and different organizations from Dhaka, Chittagong and Cox’s Bazaar joined hands to clean the beach, which makes this the largest voluntary initiative. Through this initiative, banglalink seeks to make positive change and promote water pollution prevention efforts.

Just like this, banglalink has been truly making a difference in preventing environmental pollution at Cox’s Bazaar beach and preserving the environment there. Moreover, banglalink is educating and generating awareness among the visiting tourists and encouraging them to join hands in making a difference.

**ICT Support for Underprivileged Children: Computer Lab Set Up**

An unremarkable high school in a nondescript backwater village of our country just became equipped with a computer lab sponsored by banglalink. Many of the students in the high school had never seen a real computer in their lives; most people in the village had never heard of such a thing, and if they had, they could not care less: what can a computer do for them?

Students were used to slogging through their SSC ‘Computer Science’ syllabus by memorizing concepts and definitions from the boring, black-and-white, blurred images of CPUs and monitors on newsprint. These
were the digital-not-haves in the increasingly digital, but as quickly digitally divided, world. Chances that these students would grow the right skills to compete in the globalized world were remote.

Now, the newly established computer lab is offering them a ray of hope. Even the villagers are coming by to see the lab and finding out how a computer can impact their lives.

This is how banglalink is making a difference, and in the process, aiding the government in achieving its vision of ‘Digital Bangladesh’. The use of information and communication technology has been playing a vital role in the 21st century due to globalization and the government is very much interested to adapt with the coming future. The government has declared the “Vision 2021” in the election manifesto which targets the establishment of a resourceful and modern country by 2021 through the effective use of information and communication technology - "Digital Bangladesh".

To make this a vision a reality, banglalink is setting up computer labs in 270 schools at a district level. The computer labs are equipped with personal computers, laptops, internet modems, multimedia projectors, speakers and microphones.

Starting in Tungipara and Kotalipara with 20 computer labs, banglalink has widened its project with 76 labs at Monirampur, while 154 more schools are in the pipeline. In this regard, the Government and banglalink also organized a launching program and an orientation for over 2,000 teachers of Monirumpur on December 23, 2010 at Monirumpur Upazila Porishad office.

This is the story of 96 computer labs and if anyone just walks into some of these computer labs, a buzz of activities can be seen in an otherwise unexciting establishment of learning, and stories of lives being transformed can be witnessed.

**Donating Blankets at Orphanages**

Committed to making a difference and keeping the approaching winter in mind, banglalink took the initiative of spreading some warmth among the orphans of our society. With this objective, banglalink distributed 5,000 blankets among the students of 57 orphanages nationwide that were not covered in the first phase. The districts covered in this turn were-
Narayanganj, Mymensingh, Khulna, Rajshahi and Rangpur.

Besides generating a lot of excitement among the children, the initiative was highly appreciated by the orphanage administration. Overall, the atmosphere was very warm and joyous. The young ones were delighted indeed and their smiles said it all. The administration appreciated banglalink’s thoughtfulness of protecting these underprivileged children from the harshness of winter. Moreover, our initiative gained enormous appreciation from the local communities as well. The initiative was much needed to say the least, especially given the fact that, this winter, Bangladesh experienced some severe temperature drops in many districts.

**Special arrangements for Hajj Pilgrims at the Hajj Camp-2010**

Every year, thousands of people from the Muslim community of Bangladesh gather at the Hajj Camp where they depart for Hajj during this time of the year. This is an excellent opportunity for us to do CSR activities and share the spirit with the Muslim community of this country. In 2010, banglalink took several initiatives to provide facilities and services for the Hajj pilgrims. The following are services and facilities that were provided:

- Two branded AC buses (40 seats) to provide transportation for the Hajj Pilgrims for 45 days
- One branded water distribution zone, from where daily 2,000 liter drinking water was supplied for 45 days
- One phone counter with free phone services for the Hajj pilgrims
- Free charging units
- I’top-up facility
- 5000 pcs branded passport and document holder

Other than these, to further aid the pilgrims, banglalink provided them with trolleys, signs, information through VAS, etc.

This has been a great opportunity for us to portray banglalink as a socially responsible corporate entity, as this Hajj Camp has become a very significant touch point to engage with a huge number of people, and has become very successful in connecting with millions of people from around the country.
Water & Date Distribution and Iftar at Orphanages during Ramadan

Ramadan teaches us the lessons of sacrifice, sharing and helping people who are in need. As a socially responsible company, banglalink took the initiative to live the true spirit of Ramadan by creating examples and trying to make a difference through various activities during the month of Ramadan.

For the second time, from the beginning of Ramadan, banglalink distributed free water and dates for the fasting people who got stranded at major traffic points of selected metro cities around iftar time.

banglalink also took another special initiative by arranging regular iftar & dinner in different orphanages around the country. Specially ordered fresh and nutritious food was arranged for the orphans at iftar and the dinner was cooked in the orphanage premises by an experienced cook.

However, banglalink, as a single organization, can contribute only so much to make a difference in the lives of the distressed segment of the population. Nevertheless, banglalink reminded everyone that some very simple efforts can help bring smiles to the faces of so many underprivileged people of our country.
surfing the waves of awareness

Annual Report 2010
Introduction

Environment, Health and Safety management are high priorities for responsible companies and banglalink is no exception to that. As a leading multinational GSM Service provider/operator and as a good corporate entity, banglalink is committed to provide and maintain safe, healthy working environments including safe systems of work for all its employees and vendors on company premises, and at the same time, paying due regards to all impacts of its activities on the physical environment.

Our Mission

"The mission of the EHS & Security Division is to ensure that an environmentally responsible, safe and healthy work environment exists at banglalink."
We do this by being proactive in identifying risks and emerging issues and by developing and implementing innovative, practical and sustainable processes to manage them, including training and awareness, teaching, provision of expert advice, emergency response and assurance.

Through close collaboration with all employees of bangladesh, we establish and maintain Environmental Health and Safety systems that are widely acknowledged to be of excellent quality."

**Environmental Safety**

bangladesh is committed to ensure that Environmental Health and Safety at work is a primary business objective and moves ahead to the continual improvement of its Environmental Health and Safety at Work performance. To meet the requirements of the action plan, we are working accordingly to meet the targets.

bangladesh respectfully complies with the law of the land and obtains required permissions and licenses whenever required for any new installations or for any existing installations. Permissions are processed and availed through the regulatory authority or from the Government authority or autonomous bodies as required by the existing law.

bangladesh conducts the necessary training to the technical team through the vendors as and when they require, especially in case any new items are installed or upgraded.

The summary of the works we have done during the last year are as follows:

**Hazards Awareness**

Intensive trainings are conducted by local and international trainers for the engineers/technical team to make aware of the electrical, radiological, height and other potential hazards and the usage of Personal Protective Equipments (PPE) to avoid any unwanted incidents.

EHS & Security Division ensures quality equipments that don’t contain any hazardous substances. In view to the context, while we purchase and install new equipments, we try to ensure the international phase out requirements
for hazardous materials. We are also implementing the procedures for the
management of waste from existing equipment according to hazardous waste
guidelines where necessary.

Required essential training is conducted to the people involved in the issues
by the third party/manufacturer/supplier/installer/integrator. As per purchase
/installations/service contracts, banglalink tries to accommodate the services
to be carried out by the system integrator after they are installed.

**Medical Support Services for Employees’ Health**

To support the employees’ health related issues, the EHS & Security Division
has taken essential and serious day-to-day measures. All permanent
employees are under full medical coverage with renowned national insurance
company, PROGATI. Pre-employment medical check-ups, executive health
checkups, and emergency medical support for all employees of banglalink
have been ensured as additional medical emergency support.

A Company Doctor has been appointed to provide emergency medical support
to the employees of banglalink either physically or over the telephone (after
office hours).

The EHS & Security Division also arranged the signing of agreements with
several international and locally renowned hospitals to serve the employees
of the Company around the country, besides the medical insurance coverage.
These agreements were signed with hospitals in Thailand (Bangkok) Dhaka,
Chittagong, Khulna and Bogra.

The hospitals signed the corporate agreements with banglalink are:

1. Bangkok Hospital Medical Center (4 Hospitals under its umbrella)
2. Apollo Hospitals, Dhaka
3. Square Hospitals, Dhaka
4. United Hospital Limited, Dhaka
5. Popular Diagnostic Center (all branches around the country)
6. Monowara Hospital, Dhaka
7. Holy Crescent Hospital, Chittagong
8. Chittagong Metropolitan Hospital
9. Khulna Surgical Hospital
10. Doctor’s Clinic, Bogra
Executive Health Checkup

Agreements signed with the hospitals for executive health checkups for employees are:

1. Apollo Hospitals, Dhaka
2. Square Hospitals, Dhaka
3. United Hospital, Dhaka

Health Awareness Program

The EHS & Security Division arrange periodical health awareness programs in collaboration with the country’s renowned hospitals to make employees aware of the latest medical innovations, and available services of the country and around the developed medical institutes. Our company doctor also facilitates Health Awareness Programs in different regional offices to make our employees aware about existing and potential diseases. Several medical awareness programs were conducted on:

- Hypertension
- Breast Cancer
- Cervical Cancer
- Typhoid & Paratyphoid Fever
- Dengue Fever
- Food Habits During Ramadan
- Exercise for computer users

Safety Measures

Ensuring safety at the work place is one of the commitments of the EHS & Security Division. We have placed an adequate number of safety appliances to ensure safety in case of any emergency at banglalink office premises. To make all employees well acquainted with the use of the following appliances, necessary training sessions are also being organized periodically. We also monitor periodical checkups of all our safety appliances/devices conducted by the respective vendors and EHS division.

- Addressable Fire Detection System
- Portable Fire Extinguisher
- Break Glass & Loop Sounder Points
- Fire Hydrant System
Auto Sprinkler System
- FM-200 Auto Gas Suppression System (At IT Server Room & Switch rooms)
- Fire Brigade Point
- PA System
- First Aid Box
- Fire Blanket
- Fire mask
- Retractable belt (for warehouses)
- Search light
- Stretcher
- Wheel chair
- Personal Protective Equipments for technical team

Emergency Evacuation Drill

To improve the state of readiness and awareness in case of an emergency, we have organized evacuation drills in coordination with the Fire Service & Civil Defense Authority for all our employees at Tigers’ Den in the year 2010. This evacuation drill increases the level of confidence in all our employees to meet any unforeseen emergency.

CSR Activity

Two voluntary "Blood Donation Programs" at Tigers’ Den were conducted by the EHS & Security Division and C&B Unit to assist Thalassaemia patients.

Formulation of Policy/Guidelines

The EHS & Security Division has formulated a few guidelines/policies for smooth & safe business operation of bangalalink employees, which are as follow:

- Road Safety Guidelines
- Working at Height Guidelines
- Desk Clean Policy

Training Activity

Training on “Fire Fighting” for the security personnel of 3 warehouses (Tejgaon, Ashulia & Tongi) and all Security Personnel of Tigers’ Den have been
conducted to strengthen safety measures and to increase the courage of the security personnel during any emergency.

**Installation of Fire Detection & Protection System**

As part of upgrading security appliances in different offices, Fire Detection and Protection Systems have been installed by EHS & Security Division at the following locations:

1. Technical & Sales Office, Tangail
2. Technical Office, Bijoy Nagar, Dhaka
3. Second Call Center at Siam Tower, Uttara, Dhaka
4. Gulshan Customer Care & Sales Center, Dhaka

**Safety Vehicle Audit**

An audit has been conducted jointly by the EHS & Security Division and Fleet management Unit on 254 vehicles of bangalink on the basis of a checklist prepared by us from a road safety point of view. Faulty vehicles have been identified and rectified later on. A re-audit was also conducted to see the rectification of the faulty vehicles.

**Formation of Emergency Response Team**

Emergency Response teams have been formed at:

1. Madona Tower;
2. Land View Commercial Center;
3. Care Line (Uttara & Gulshan-1) in Dhaka and
4. All Regional Offices.

**First Aid Coverage (Medicine):**

We have already covered more than 90% of our total employees by providing first aid medicine on a monthly basis (offices with less than five employees are not covered).
Conclusion

Occupational Health & Safety are vast and a basic necessity for every occupation. It is the responsibility of banglalink to conduct all business activities in a reasonable manner, free from recognized hazards, to respect the environment, health and safety of our employees & properties, customers, suppliers and community neighbors as well. In view of that, we are intending to arrange more health & safety awareness sessions for regional employees, safety awareness for the drivers of banglalink, conduct more fire evacuation drills in cooperation with Bangladesh Fire Service & Civil Defense Authority, fire fighting training for the Fire Fighters of each floor, basic first aid training for the First Aiders of each floor and vehicle audits through computerized automobile workshops. Finally, we believe that, every employee has the right to work in a safe and healthy environment and we are determined to ensure that with adequate options and measures to improve everyday.
the hearts of tigers,
bound for glory

Annual Report 2010
Business dynamics, technology and the hastening pace of market growth has pushed the organization to develop and maintain a strong sustainable competitive advantage. The need for sustainable competitive advantage has involved HR in translating business strategy into action. With the adaptation of doing things differently, HR has been fostering and promoting a culture that incorporates the organization’s values, which has an inevitable impact on growth, development and achievement of sustainable competitive advantage. Historically, HR was viewed as the systematizing, policing arm of executive management. Today, HR is valued as the strategic business partner of the organization, and is relied on for playing a vital role in the development and achievement of sustainable competitive advantage by translating business strategy into action.

For the success and sustainability of any business, the main asset is its people, and HR is the custodian of these people. The scenario is no different for bangalink. 2010 was a good year for the business, seeing an increase in
the customer base, improvement in network quality, financials, customer satisfaction and innovation in bangalinx’s products. The major challenges that HR faced in 2010 was to attract the best talents to deliver these results and to manage the performance of existing employees, as well as their development.

**Attracting the Best Talents**

Widely known and acknowledged, the key to business success is the placement of the right talent at the right position. Bangladesh, being a developing country, has a dearth of talent when compared to the demand in the corporate world. Therefore, the competition of attracting talents amongst the organizations is fierce. Hence, HR has to be consistently vigilant and innovative to attract the best talent.

At bangalinx HR, we flex our muscles of brand image and competitive pay package to attract talents across all levels. The participation at the career fair of the country’s premium business school and one of the leading private universities is demonstrative of this approach. The snap shot of bangalinx manpower in 2010 is given below:

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Onboard Manpower Status</th>
<th>Newly Joined employees</th>
<th>Separation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expatriate</td>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local - Permanent</td>
<td>1,260</td>
<td>291</td>
<td>158</td>
</tr>
<tr>
<td>Local - Temporary</td>
<td>919</td>
<td>612</td>
<td>337</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,196</strong></td>
<td><strong>893</strong></td>
<td><strong>495</strong></td>
</tr>
</tbody>
</table>

**Developing Our Talent**

Developing talent to face the ever changing and challenging business environment, and for achieving sustainable competitive advantage is an important aspect of HR. Given the technical nature of the industry that bangalinx operates in, it has to develop its people to take up new technologies and implement them in business. This helps us stay one step ahead of our competitors. bangalinx HR thus focuses on extensive technical training to provide our talents with knowledge and skills for competitive advantage. At the same time, we also focus on leadership and managerial skills, which are equally important to develop capable managers and leaders.
to run the business independently and effectively, as well as to make them ready to face future challenges.

The table below gives a preview of how critically banglalink views its people development:

**Training Information 2010**

<table>
<thead>
<tr>
<th>Number of Training Programs Delivered:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Functional/technical training</td>
<td>50</td>
</tr>
<tr>
<td>• Core &amp; Managerial training</td>
<td>44</td>
</tr>
<tr>
<td>• Training delivered locally</td>
<td>78</td>
</tr>
<tr>
<td>• Training delivered internationally</td>
<td>16</td>
</tr>
</tbody>
</table>

**Total Training Man-hour:**

26572

**Total Number of Participants Attended in Different Programs:**

1124

Besides formal training, banglalink also practices job rotation to enhance individual functional competency.

People development is one of the most important and effective tools that contribute in retaining permanent employees for banglalink where the success is strongly reflected by the retention rate of 87% in 2010.

**Absorbing Temporary Employees as Permanent through Recruitment**

Absorbing internal skilled resources who are part of the company as temporary employees through recruitment, provides the keystone for development and achievement of sustainable competitive advantage. Managing temporary employees in the competitive industry is an extreme challenge, and absorbing them as permanent employees provides them with the platform of portfolio enhancement and due recognition towards the organization. The organization, in return, can develop these employees through training and retain their skills, which provides further basis for sustainable competitive advantage.
The table below gives a preview of how critically bangalink focuses on absorbing temporary employees as permanent through recruitment:

<table>
<thead>
<tr>
<th>Temporary Employee Population in 2010</th>
<th>Number of Temporary Employees Absorbed as Permanent through Recruitment in 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>919</td>
<td>132</td>
</tr>
</tbody>
</table>

**Performance Management**

Here in bangalink, performance management is about aligning the objectives of individuals with organizational and business goals. It is an annual process starting with setting individual objectives in line with the functional and business objectives, and ending with the assessment of performance, feedback on the areas of improvement and assigning a rating based on core and managerial competencies.

Even in this process, we foster an open culture as the objectives are set by individuals and then approved by a line manager, and also, during appraisal, the incumbent is first asked to make a self assessment, which is then agreed with and approved by the line manager.

Outcome from the performance appraisal is crucial, as it is directly linked with individual bonus, salary increase and promotion. We have completed this process successfully for 2010 and a total of 218 high performers have been promoted.

**Reward and Recognition**

Reward in the HR world is comprised of three components - the salary, which is the monthly monetary payment for the job; benefits, the non monetary benefits like life insurance, medical coverage, canteen and gym facilities at bangalink; and incentive, the cash incentive in addition to the salary, recognizing individual contribution to the business, like the company and performance bonus in bangalink.
Special benefits like Marriage Allowance, “Executive” Health Checkup Packages and Child Birth Allowances have been introduced for employees in 2010. These benefits have played an important part in motivating employees. Apart from these, a series of other benchmarked benefits have been indentified and have been introduced one-by-one, as per plan.

The contributory provident fund was introduced in March 2008. This is one of the major long term benefits for the permanent employees of banglalink.

Often, non monetary recognition plays a vital role in employee motivation. We at banglalink, try and recognize extra initiative as well as innovation and renovation efforts of individuals through an appreciation certificate and a small token such as a dinner coupon or gift voucher, etc. We also practice providing awards to the best performers every quarter in certain departments.

**Energizing our Employees**

To energize our employees and give them some entertainment besides work, in 2010, we organized an interdepartmental cricket tournament and a regional soccer tournament. In the finals of the “banglalink cricket tournament 2010”, all employees were invited to come with their families and enjoy the day. Employees also had the opportunity to be part of departmental excursions, where they traveled to beautiful parts of Bangladesh with their colleagues in order to be able to get away from the daily mechanized routine. There was also special screening of a movie where employees were invited to come with their families and enjoy the day. In addition there were screenings of key World Cup 2010 football matches as well ICC World Cup Cricket matches at the office premises, where employees could cheer for the tournament as one voice. Such events give us an opportunity to live the spirit of cross functional and cross level engagement.

As a whole banglalink HR has enjoyed a successful year in 2010 by engaging in activities, related to building partnerships across the organization for achieving sustainable competitive advantage. We look forward to a promising 2011 with more success by enhancing the role of business strategic partners.
Customer Care

banglalink Customer Care once again proved to be a key strength to the company in 2010 with a passion to provide quality service under the theme of “Kotha Dilam” (We Promise).

The state-of-the-art banglalink Call Center that caters to over 20 million customers, managed to answer over 70 thousand calls with various queries every day. With strict service quality monitoring, banglalink Call Center managed to maintain around 90% service quality and an optimal service level.

banglalink continues to expand its “Customer Care Network” by adding more Touch Points at strategic and commercially important locations to ensure easy access for its existing and potential customers. Having over 1350 Customer Care Touch Points, banglalink certainly can claim the largest “Customer Care Network” in the country.
banglalink customer service remains among the frontiers in catering personalized service to its high value postpaid segment. A group of well-trained and dedicated credit monitoring team is engaged in serving the high value customers and assisting in their payment clarifications, billing queries, retention, etc.

banglalink customer care also played a major role in business development & customer retention. A dedicated team of Enterprise Relationship Managers were there to serve a large number of corporate & high value customers. An experienced customer service research team assists the company to be aware about the market pulse and voice of the banglalink customers and its competitors, enabling precision product design and effective communication strategies, thereby giving the company an edge over its competitors.

Despite an aggressive growth in customer-base, banglalink Customer Care has been maintaining a Customer Satisfaction Index (CSI) at more than 92%, measured both in-house and out-sourced. This simply translates to the fact that banglalink customers are highly satisfied with its Customer Care service quality.

With continuous back-end automation developments and key differentiation factors like customer turn around time (TAT) less than 10 minutes at all front-end touch points, one call service at Call Centers, the largest customer care network across the country and many more, banglalink Customer Care promises to continue to deliver high quality service to its customers.

Ensuring the best Customer Experience

We have built an extensive coverage across the country for both voice and data service to ensure the best possible user experience to our customers with:

- Over 6000 base station sites for radio coverage all over the country;
- Fast rollout in rural areas through infrastructure sharing;
- Country wide data coverage along with voice;
- Consistent Network Availability throughout the year;
- Improved Network Quality in traffic dense areas.

With the help of cross functional support, the Technical team has improved network quality and customer perception by analyzing, investigating & addressing the complaints received from end users. We also carry out regular network drive testing campaigns to benchmark our networks against those of other major competitors in our effort to improve QoS and ensuring the best
Network Technology Evaluation

Access Network Evaluation

In 2010, Voice and data services coverage continued its growth by maintaining fast rollout activities in order to support market demands. Network coverage has been improved in urban areas through indoor coverage enhancement. We are continuously modernizing our network with new energy efficient BTS equipments which are able to provide low cost and low power solutions.

There has also been a growing demand for fast and reliable data services and steady growth in data traffic. banglalink introduced data service to both
prepaid and postpaid subscribers via its GPRS and Edge Network.

At the end of 2010, all major highways were covered with seamless data network along with voice.

**Transmission Network Evaluation**

banglalink has established an optical connected transmission network throughout the country. Having its own fiber optic network gives banglalink greater control, reduced reliance on third party leased lines and reduced transmission costs. It has Fiber and Microwave backbones connecting all the major cities. Our transmission network has been designed with different protection schemes to enhance network robustness.
Fiber optic network

Core Network Evaluation

banglalink core network capacity has been increased continuously throughout 2010 to cater to increased traffic. We have also implemented the following state-of-the-art technological features during the year:

- To increase efficiency of traffic management, MPLS technology has been successfully implemented;

- To reduce footprint, power consumption and TCO under severe
power crisis, two Advanced Telecom Computing Architecture (ATCA) platforms have been aired;

- To resolve the subscriber unreachable problem while downloading data for high-end handset, Gs interface has been launched between MSC & SGSN.

**New Products and Newer Services**

Since its inception, banglalink has always tried to be in the forefront with its innovative basket of products and services. In line with such efforts, banglalink has introduced a number of new value added services throughout 2010 including:

- New Mobile Financial Services (MFS) were introduced including International Remittance, Utility Bill Payment and M-ticketing;

- Easy Divert solution was launched for the first time in the country using banglalink’s own technical resources whereby a subscriber can receive incoming calls on another banglalink mobile while his/her own mobile phone is not available for use;

- Field Force Locator was developed for corporate users to locate their own members at any time;

- A cell traffic based discount solution was prepared mostly using in-house resources and was launched on a limited level.

**Cost Reduction and Innovation**

**Infrastructure Sharing**

Infrastructure sharing ensured cost reduction through lower investment and also helped in fast rollouts in rural areas to reach people all over the country.

We have been able to make major progress in infrastructure sharing with other operators during 2010. Sharing agreements have been executed with all major mobile operators.
Operational Efficiency

Efficiency enhancement is a constant drive in banglalink operations. Challenging infrastructure situations like country wide electricity crises pushed the team to be more innovative and committed to drive out non value adding costs throughout its value chain activities. With no commercial power connection in newly added sites, Diesel Generators (DG) remained the only option in 2010, while BL could manage at least 900,000 Hours DG run time savings with its innovation in place, which is equivalent to reduced carbon emission of \( \sim 9000 \) ton.

The company is committed to the green environment for the present as well the future.

Green Energy Sites

As a continuous urge to develop in the creative arena, banglalink has increased its efforts to explore green energy backup for sites without any commercial power. In sync with this, hybrid solar sites are being deployed to replace the diesel generators. These green energy sites are able to manage considerable DG run hour savings, eventually contributing to significant carbon emission reductions. We have a plan to continue this endeavor in 2011 as well.

Minimize Greenhouse effects

An intelligent ventilation system (Fan Control Unit, FCU) deployment has been started in BL sites, that makes the use of a DC ventilation fan with smart controller to improve indoor temperature efficiency and optimize AC run hour, eventually contributing to save energy usage, and most importantly, optimizing the production of greenhouse gases. In 2010, BL deployed FCUs in many sites and has a plan to deploy all the future sites with this environment friendly device.

Noiseless BTS Sites

Diesel Generator (DG) run sites have the potential to create an enormous amount of noise. BL has deployed many noiseless DGs which expedited the site deployment in densely populated urban areas keeping the sound level at a minimum. BL will continue to deploy noiseless DGs in all 2011 DG run sites.
This annual report contains statements that are, or may be, forward looking statements regarding our business outlook. Because our business outlook depends on a multitude of factors that span national, political, economic, regulatory, environmental, and global arenas, they are inherently predictive and speculative in nature. Our strategies, policies and investments are predicated on these factors, and any unforeseeable change may cause our actual performances to differ from those envisioned in this report. Furthermore, despite our utmost care to ensure accuracy, we cannot guarantee the reliability or completeness of information collected from different available sources.

Accordingly, we appreciate prospective investors being mindful of these cautionary statements, and applying own judgment while contemplating or conducting any transactions with the company.
the colors of
a million stories

Annual Report 2010