



ANNUAL REPORT
2016-2017

PREFACE

Dnet is a not-for-profit social enterprise, established in 2001, designs knowledge solutions for the women, children, youth and elderly citizens. It is legally registered with the Registrar of Joint Stock Companies and Firms, and with NGO Affairs Bureau of Bangladesh. Dnet has a firm track record to work on the issues of legal and human rights, governance, social accountability and right to information. Since 2005, Dnet implemented four projects successfully with the financial support from Manusher Jonno Foundation, served around 500,000 marginalized and disadvantaged citizens and created benefits 4 to 15 times higher than the investment made over the period.

During 2005-2006, Dnet implemented “Abolombon: Empowering People through Improved Access to Livelihood Information on Governance and Human Rights”. Use of ICTs for ensuring governance and human rights information to the rural poor through Rural Information Center (Pallitathya Kendra) experimented in the project successfully. The livelihood content on law and human rights developed under the project became a single access point for many practitioners and human rights activists at the grassroots level and national level. On the basis of Phase-I success, Dnet designed and implemented the second phase of ‘Abolombon II: Empowering People through Improved Access to Livelihood Information’ during 2007-2010. In this phase, Dnet expanded content effort on agriculture, healthcare, law, and human rights, non-farm economic activities etc., which became a single livelihood knowledge base in Bangla language for the poor and marginalized in rural settings.

Dnet’s learning from the Pallitathya model expanded among other NGOs in around 50 Upazillas and even in the local government structure. The government of Bangladesh accepted Dnet’s Pallitathya model and replicated in all Union as Union Digital Center. Pallitathya Helpline (livelihood call center) was another model under this project proved effective for accessing counseling service over the phone, particularly for the women who had less mobility in the community. Subsequently, Dnet implemented (2010-2013) a project “Promoting Info Lady for Building Inclusive Information and Knowledge System”. The focus of this project was to build an inclusive information and knowledge system in Bangladesh for implementation of RTI through Hub-Spoke model. Dnet expanded its emerged Infolady model as a key vehicle to help marginalized citizens (women, farmer, labor, elderly citizens and adolescent girls) for access to government guaranteed safety-net benefit through the application of RTI Act 2009 to facilitate governance and transparency.

The learning derived Dnet to implement next round (2013-2017) of a project “Developing an Enabling Environment for Application of RTI Act 2009 through Infolady Model”. Dnet innovated technology and knowledge solutions on the issues of RTI Act 2009 implementation in Bangladesh to capacitate and facilitate both the supply and demand side. Dnet developed an audio-visual toolkit and mobile app on RTI knowledge for the supply and demand side, which are being used by the Information Commission, Bangladesh to train the government authorities and awareness of the citizens. Dnet has also developed a web-based platform to help citizens for filing and tracking RTI application to respective authorities online, and the

authority can reply and monitor the responses real-time (www.rtitracker.dnet.org.bd). Dnet has built a formal partnership with Information Commission, Bangladesh for expansion of this web-based solution countrywide and capacity building of respective authorities of the system.

Besides support from Manusher Jonno Foundation support, Dnet worked (2015-2017) for designing a blueprint for a technology-based Missing Child Alert and Response system in Bangladesh, linked with India and Nepal, which focuses on tracing and rescue of missing children. Dnet has developed project management collaborative tools for all regional actors, and Repatriation Information Management System (RIMS) for rescued victims to enhance cross-border coordination and quality of services. Dnet developed (2018) a Rapid Mapping and Assessment of Geographic Hot Spots in Dhaka supported by USAID/MSI via Cybernetics Systems Ltd, which aimed to ensure the availability of real data on Violent Extremism events in an organized manner (hotspot mapping, dashboard) for state and non-state actors.

Dnet acknowledges support and cooperation of all its partners in 2016-2017.



ABM Sirajul Hossain
CEO

PROGRAMME REPORT

Missing Child Alert:

‘Missing Child Alert’ (MCA) aimed to respond to the grave issue of child trafficking and the ‘missing children’ in South Asia. The project was led by Plan International and SAIEVAC (South Asia Initiative to End Violence against Children) with financial support from Post Code Loterij of the Netherlands. The pilot phase of the project had commenced in July 2012. The project was implemented in Bangladesh, India, and Nepal. The project was completed in 2016-17.

- a) Dnet handed over the Missing Child Alert (MCA) website (standards.mcaconnect.org) including source codes and website control to Plan International, Bangladesh country office team. Dnet provided training to Plan International, Bangladesh Country Office team on MCA website content management, held on 21 September 2016.
- b) Developed the user manual on Repatriation Information Management System (RIMS) for early adopters in Bangladesh, India, and Nepal. Delivered hands-on training on RIMS to the early adopter (NGOs) in Kathmandu (16-17 August 2016).
- c) Incorporated three main functions in RIMS: i) dashboard, ii) one-to-one messaging tool for registered users and, iii) review the progress status of all cases in destination countries. We also handed over the control panel, admin management, source code and overall control of RIMS to Plan International, Bangladesh Country office. Presented RIMS before the government officials in Bangladesh, India, and Nepal.
- d) A three-member team from Dnet participated in RIMS regional workshop that was organized by Plan International, India held during 15-16 December 2016 in Delhi, India. Dnet presented RIMS with updated features and dashboard before the early adopters, partners, and distinguished guest. Dnet also facilitated the session on learning, challenges, and opportunities of RIMS.
- e) Dnet has taken over the ownership of RIMS and is maintain the system, which is being used by NGOs in Bangladesh, India, and Nepal. The RIMS portal has been handed over to Dnet Global. The human trafficking has been included in the agenda of action of Dnet Global. Dnet Global has conducted a workshop in Nepal with government officials so that the government officials can also use the system for facilitating the repatriation process.

Mental Well-being Program:

- a) Created a new portfolio of Dnet “Mental Wellbeing Program (MWP)’ in October 2016.
- b) Received a grant award for the project titled “Enhancing Tolerance and Inclusion through Mental Wellbeing (ETIMW)” from Democracy International valued US\$ 50,000, for nine months from May 2017 to January 2018.
- c) Adopted a set of questionnaires to screening the developmental delay of children from the age of 2 months to 60 months.
- d) Organized a consultation workshop with domain expert on content development for teachers and parents on the issue of mental well-being to prevent violent extremism.

- e) Promoted this new domain among stakeholders through meeting and presentation.

Right to Information:

Dnet is one of the pioneering institutions in Bangladesh, which was engaged with the enactment of the RTI Act 2009. Since then, through its DEAR Infolady project supported by Manusher Jonno Foundation, Dnet facilitated more than 5,000 rural citizens in filing RTI applications, which eventually helped in availing various safety net benefits, provisioned by the government. Dnet has been partnering with Information Commission, Bangladesh since 2011 and developed an online application system for citizens. This is one of the flagship agenda of Dnet, which falls under its 'Social Accountability' program.

- a) Formally integrated the RTI Online Application Tracking System into the mechanism of Information Commission, Bangladesh for expansion of the system countrywide.
- b) Developed a user manual on the RTI online tracking system.
- c) Drafted and shared the partnership/collaboration renewal agreement/MoU (for next 5 years) between Dnet and Information Commission Bangladesh.
Submitted DEAR InfoLady project completion report to Manusher Jonno Foundation.
- d) Dnet has renewed its agreement with the Information Commission to support it in maintain the portal.
- e) Dnet is implementing the project funded by FnF to expand the use of the portal.
- f) Dnet is working to raise fund for expanding the RTI portal country-wide.

Baby Basics Bangladesh Program:

The Baby Basics Bangladesh Program is funded by the U.S. Department of State Women's Health Innovation Program and designed with the assistance of the What to Expect Foundation and Dnet. It worked towards safe motherhood and increasing literacy for 38,000 mothers from 19 districts of Bangladesh and we want your company and support as we start this endeavor. The Baby Basics Bangladesh Program's main tool was the Babu Barta book, which is a low-literacy, evidence-based book that addresses the comprehensive health, economic, social and linguistic needs of expecting women in Bangladesh.

- a) Submitted project completion report to US Department of State. Under this program, 300 local facilitators trained, 1500 mom's clubs formed, and 32,000 Babu Barta books provided to 35,000 expectant mothers to facilitate reading and knowledge sharing behavior on pregnancy and childcare.
- b) The end evaluation report on Baby Basics Bangladesh Program produced. Higher performance on major pregnancy health indicators was observed among BBBP moms in comparison with the non-BBBP moms.
- c) The Babu Barta Book is now part of Aponjon program.
- d) Aponjon has also partnered with WRA, where Babu Barta book has been distributed.

SHIFT-MDDRM:

UNCDF, Dnet, FBCCI, and BDMS are implementing a three-year-long project named “Shaping Inclusive Finance Transformations in SAARC: Merchants Development Driving Rural Markets in Bangladesh (SHIFT-MDDRM)” with support from the European Union. The project aims to enhance growth and competitiveness of retail merchants in rural Bangladesh through vertical integration with FMCG value chains and horizontal integration with financial service value chains, especially through the introduction and use of digital business technologies and services. SHIFT-MDDRM targets 10,000 rural merchants, particularly women, in four districts (Sirajgonj, Tangail, Jamalpur, and Sherpur) to enhance their business competitiveness and growth.

- a) Awarded a new project SHIFT-MDDRM (Shaping Inclusive Finance Transformations: Merchants Development Driving Rural Markets) for three years from May 2017 to January 2020, valued US\$ 1,154,613 by UNCDF via EU.
- b) The grant agreement between Dnet and UNCDF drafted and agreed for signing.
- c) Project Implementation Strategy and Planning Workshop-Part 1 and Part-2 organized on 15th June 2017, 5th July and 9th July 2017. Project implementation strategy, milestones in three years, and one pager of all activities developed as a result.
- d) Organized Thinkshop on Micro merchants’ development held on 6th July 2017, where a total of 20 external guests (on the domain of Business Value Chain, Market Analysis, Policy, Technology, Banking, Micro Finance, Human Centered Design, Research, and Impact) participated in the Thinkshop.
- e) Conducted a Rapid appraisal (field study) for preliminary insights on micro-merchant need and opportunity from 12 to 17 July 2017.
- f) Organized Master Training on “Digital Financial Services-Part 1” from 22 to 24 July 2017, where 19 persons from Dnet, UNCDF, FBCCI, and Bangladesh participated. The training plan and sessions were designed and facilitated by UNCDF’s external consultant.

Contact Center Solutions:

Dnet provides one-stop call center solutions for all kinds of businesses and organizations with a full-fledged, technologically adept, ready to deploy infrastructure. Run by state-of-the-art solutions including CRM, CMS and other solutions that are fully customizable according to client’s need, we provide round the clock call center service with live chat, email support, medical transcription, and outbound call center services like Telemarketing, Phone survey, customer relationships management and overseas customer support. We offer 24/7/365 hardware and technical support and a dedicated team of skilled and ready call center agents. We have a number of ongoing ventures that include ICT Division fronted National Help Desk (NHD) – 999, Aponjon Call Center and 24/7 Doctor’s Counselling Service.

National Emergency Service (NES: 999):

Inspired by the concept of 'People's Call Center', promoted by Dnet back in 2004 during experimentation of 'Pallitathya Helpline' (URL), the ICT Division took the initiative to launch National Help Desk (NHD), with shortcode '999'. Dnet and MCC jointly implemented the test phase of the initiative. One can dial 999 and take support for three areas initially – Police, Ambulance and Fire Service. The service was also augmented through digital media and new areas will be added.

The service was run by ICT division and was dedicated for a general citizen to avail any sort of emergency service just by calling 999. During the implementation of the first phase, Dnet took part in developing Call center CMS, CRM, content, call center desk installation, agent deployment, agent training, instant IT support, and data management.

Inbound Service includes:

- Any kind of general query related to 999
- Fire, police and ambulance services
- Other non-emergency services
- Complain

Outbound Service includes:

- Quality monitoring
- Customer Feedback
- Phone Survey

Aponjon 24/7 doctors counseling line:

This service was also launched in 2017. Through this service, any pregnant woman and new mother who is registered to Aponjon service can get the opportunity to talk registered doctors for a medical emergency or any general query.

Time: 24/7

Type: Inbound

Aponjon Call center:

“Aponjon” (“the close/dear one /trusted one ”in Bangla) is a mobile phone-based health service for expecting and new mothers in Bangladesh. Aponjon services are available in text and voice form through Grameenphone, Banglalink, Robi, and Airtel.

Customer Care is the one-stop solution for the clients, anyone can dial 16227 from a mobile phone in Bangladesh and Press 1 to talk to Call Center agent from 8 AM till 11 PM.

The service consists of inbound and outbound calls.

Inbound Service includes:

- service related query, complain
- Self-registration through call center agents
- Update any kind of Aponjon customer information (DOB Update)
- Get connected to Aponjon Counseling Line for registered clients

Outbound Service includes:

- DOB update (The pregnant woman who gave birth her child, need to update her service to new mother by collecting the date of birth of her child)
- Customer verification
- Phone Survey

Insight Suite and digital Solution:

INSIGHT SUITE is a pack of software solutions offering data collection for diverse purposes and visualizing them on the fly. The suite comprises two mobile applications that connect with a Decision Support System seamlessly. INSIGHT Profiler and INSIGHT Seller, the two mobile apps, feed data into INSIGHT Explorer turning data into actionable insights through insightful visualizations.

Providing Insight Seller and Insight explorer to Haiti:

In 2017, full-fledged service of Dnet’s first BI brainchild Insight suite was offered to across border organization where it is still being run smoothly in Haiti. The major components delivered consisted of Insight Seller (includes: Configurable sales/order/monitoring/audit forms, Customizable process modules, Scheduler, Portfolio dashboard, Notifications center, Data storage and management, Dedicated support, SaaS or Enterprise modality) and Insight explorer (includes: Powerful visualizations, Configurable KPI modules, Live integration with INSIGHT Profiler & INSIGHT Seller, Interactive dashboards, Report scheduler, Data exports,

Integration with diverse data sources, Data storage & management, SaaS or Enterprise modality).

Currently, This Insight suite is being accompanied by digital solutions like e-commerce platform, ticketing system, and scheduler based on the requirement of another client iSocial where the product is also being market ready to be offered to the regular organization to strengthen the revenue stream.

Bridge – m vas platform:

The bridge is a telecom Platform Solution which can be used as an interface to connect to the Telecom SMS & Voice Services for the business.

'Bridge Solutions' provides a platform solution for the businesses who are willing to connect to their customers through a powerful Telecom Platform and act as an aggregator for the VAS services in the development sectors and extend the service offers to the commercial businesses as well.

It provides:

- SMS, IVR & OBD, USSD on a single Platform.
- Pluggable/Modular Design
- Separate Reporting & Management Portal
- State of the art Technology
- First Time a fully Functional OBD Platform developed in Bangladesh
- OBD Menu Based Browsing

GP Integration:

The first major achievement of Bridge platform in 2017 is that we were successfully able to complete our platform integration with one of the largest telecom operators in Bangladesh, Grameen phone. Since then, currently, Dnet is working on the integration with other telco operators so that we can launch our own services and not rely on any third party service provider.

Save the children:

Dnet also launched a content-based service for “Save the children” through their Bridge platform.

Solution designing:

As a solution designer, Dnet fosters innovations to cater solutions which are effective, replicable and scalable and has a wide impact on our socio-economic stature.

Complaint management system for ILO:

An integrated web-based complaints mechanism enabling the Bangladeshi migrants working in different countries to submit their complaints to appropriate authorities. Consists of a mobile app as well as a web platform. The app is being made for ILO in accordance with the help from BMET and ministry. The aim of this system is to ease the access of migrant workers to lodge complaints against dedicated authorities, recruitment agencies as well as any particular individual where the whole complaint will be treated and the progress can be tracked down by the complainer and the authority.

Complaint management system for BLAST:

Dnet also prepared and delivered a complaint management system and a mobile application named “Sromik Jigyasha” for BLAST. **The app** focused on strengthening and building the capacity of workers to enable them to raise their voice and have access to legal remedies. It aimed to:

- Strengthen workers’, in particular, women workers’, knowledge and negotiating skills
- Establish RMG workers self-help-groups
- Provide advice, training and legal representation

FINANCIAL REPORT

Budget of 2016-2017

The budget for 2016-2017 as approved in August 2016.

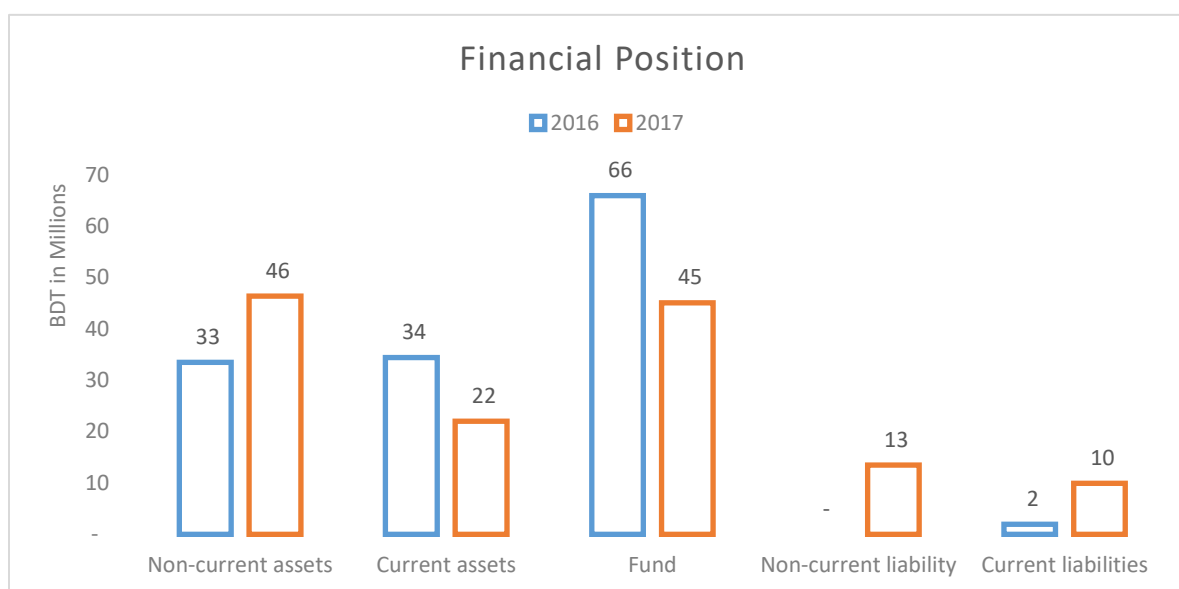
Expenditure budget

Particulars	Budget 2016-17 BDT in million			
	Approved on 8th AGM	Revised Budget	Actual Income	Variance
Foreign Grant/Donation	73.58	58.58	17.56	-41.02
Local Grant/Donation	57.35	57.35	75.31	17.96
Contribution/Overhead	5.21	3.99	0.00	3.99
Service Income	24.81	18.01	21.10	-3.09
Revenue from Sales	15.50	14.63	0.01	14.62
Registration & Subscription fees	0.59	0.59	0.00	0.59
Dividend	3.00	0.00	0.00	0.00
Bank Interest	2.16	1.29	0.73	0.57
	182	154	115	40

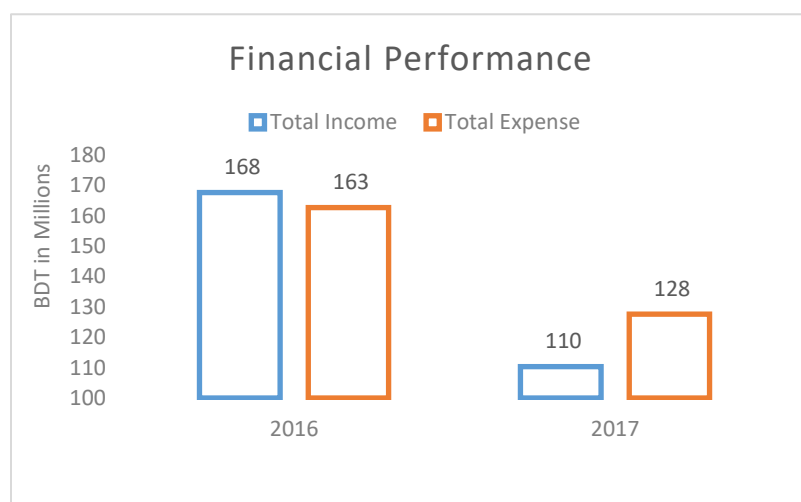
Expenditure budget

Particulars	Budget 2016-17 BDT in million			
	Approved on 8th AGM	Revised Budget	Actual Expendi ture	Variance
Land & Land Development	0.00	0.00	0.00	0.00
Leasehold Improvement	0.00	0.00	0.06	-0.06
Vehicle	0.00	0.00	0.00	0.00
Office Equipment	4.81	2.65	7.76	-5.11
Furniture & Fixture	0.75	0.75	0.20	0.55
Software	5.17	5.17	0.41	4.77
Patent & Trade Mark	0.10	0.10	0.00	0.10
Investment	16.00	17.50	16.53	0.97
Salaries/Allowances	100.81	85.69	72.64	13.05
General Administrative Expenses	27.07	23.31	22.69	0.62
Research Expenses	5.28	3.96	1.46	2.50
Program Activity Expenses	31.24	23.95	38.15	-14.20
Service Management Cost	5.78	5.78	0.00	5.78
	197	169	160	9

Financial Analysis of 2016-2017



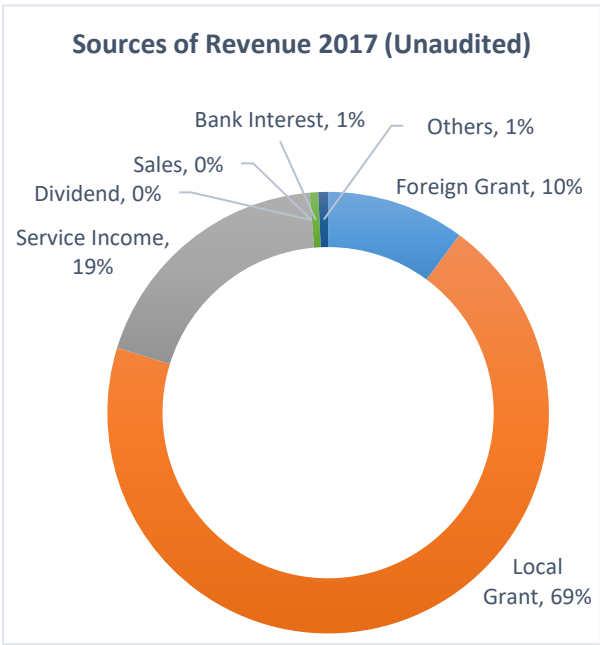
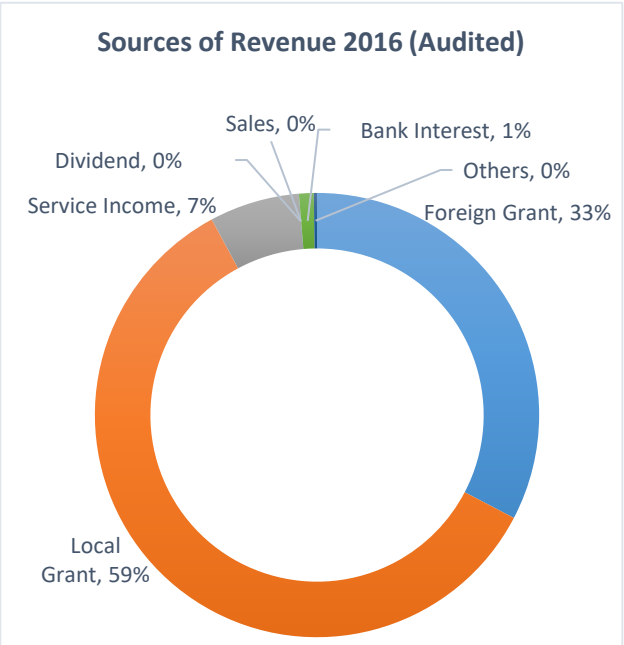
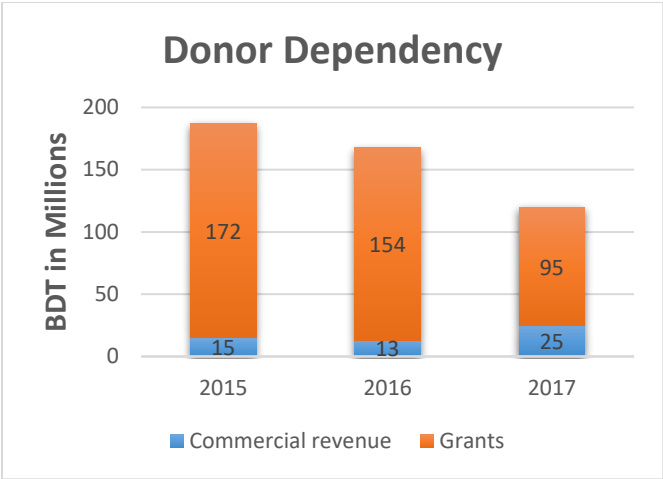
Compared to the last year 2016 Non-current Asset has been increased due to investment in subsidiaries as well as an increase in other assets as expected. The current asset has been decreasing due to a decrease in revenue however, we have started savings per month 200 K as FDR. We see a reduction of fund account due to a loss in the year 2016-17 and to sustain that loss as well as to manage the promised investments and other operating expenses we had to create a concurrent liability which is term loan taken from Bank. Also, current liability is increased to manage the working capital by delaying vendor payments.



In terms of volume, In 2017 the overall income and expenditure of Dnet have been reduced compared to 2016. On the other hand, expenditure has been increased more than the revenue earned so we faced loss in this year 2016-17. To cover up the expenditure we arranged term loan support from Bank and internal sources.

Consecutive last few years overall revenue of Dnet (Grant and Commercial) has been reduced. However, as a social enterprise, we focused on commercial revenue as per our last strategy in January 2016 and it is increasing promisingly but not up to expected. In terms of volume revenue from grants has been reducing which was unexpected.

We needed to focus on increasing the overall revenue commercial and grant keeping our promising financial sustainability objective.



AUDIT REPORT 2016-2017



Dnet Consolidated Statement of Financial Position as at 30 June 2017

	Notes	30.06.2017 Taka	30.06.2016 Taka
Assets			
Non-current assets			
Property, Plant and Equipment	03.00	22,608,015	24,559,083
Construction Work in progress	04.00	-	2,748,069
Intangible Assets	05.00	1,732,592	1,586,774
Investment	06.00	20,918,406	4,395,000
		45,259,013	33,288,927
Current assets			
Loan, Advance & Prepayment	07.00	1,864,855	5,955,122
Advance Income Tax	08.00	546,685	786,953
Inter Project Loan	09.00	-	-
Accounts Receivable	10.00	9,115,709	3,670,023
Security Deposit	11.00	27,500	17,500
Cash & Cash Equivalents	12.00	11,306,339	24,187,595
		22,861,088	34,617,193
Total assets		68,120,102	67,906,120
Fund and Liabilities			
Fund			
Fund Account	13.00	15,897,804	35,772,748
Fixed Assets Fund	14.00	3,182,525	4,564,414
Intangible Assets Fund	15.00	1,583,446	1,475,765
HR Management Fund	16.00	14,670,953	13,330,736
Grant in Advance	17.00	9,244,265	10,823,145
		44,578,993	65,966,808
Current liabilities			
Accounts Payable	18.00	5,235,145	531,695
Unearned Revenue	19.00	967,001	398,840
VAT & Tax Payable	20.00	-	-
Provision for Expenses	21.00	993,024	1,008,778
Inter Project Loan	22.00	-	-
Short Term Loan	23.00	2,600,000	-
Bank loan	24.00	13,468,161	-
Accrued Expenses	25.00	277,777	-
		23,541,108	1,939,313
Total Fund and Liabilities		68,120,102	67,906,120

The annexed notes form an integral part of these Financial Statements.

Chairperson
Dnet

Chief Executive Officer
Dnet

This is the Consolidated Statement of Financial Position referred to in our separate report of even date.

Dhaka,
25 April 2018

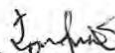
ACNABIN
Chartered Accountants




Dnet
Consolidated Statement of Income and Expenditure
for the year ended 30 June 2017

	Notes	2016-17 Taka	2015-16 Taka
Income			
Grant Income / Donation	26.00	93,076,753	154,438,040
Revenue from Service	27.00	21,085,500	10,956,521
Revenue from Sales	28.00	6,433	23,162
Other Income	29.00	794,387	2,184,787
Total Income		114,963,073	167,602,510
Expenditure			
Salaries and Benefits	30.00	72,644,209	71,723,407
Rent and Utility	31.00	7,666,776	8,219,042
Stationeries and Printing	32.00	1,137,502	1,527,228
Branding and Promotion	33.00	803,504	1,512,869
Research and Development	34.00	1,459,433	3,723,693
Program/Activity Expenses	35.00	35,151,197	58,506,962
Professional Services	36.00	2,251,703	3,182,171
Office Maintenance Cost	37.00	3,231,880	4,061,396
Other Expenses	38.00	10,656,451	9,846,607
Income Tax	39.00	62,623	354,752
Total Expenditure		135,065,277	162,658,127
Income (under)/over expenditure		(20,102,205)	4,944,384


The annexed notes form an integral part of these Financial Statements.


Chairperson
Dnet


Chief Executive Officer
Dnet

This is the Consolidated Statement of Income and Expenditures referred to in our separate report of even date.


Dhaka,
25 April 2018


ACNABIN
Chartered Accountants

Dnet
Consolidated Statement of Cash Flows
for the year ended 30 June 2017

	2016-17	2015-16
	Taka	Taka
Cash flows from operating activities		
Surplus/(Deficit)	(20,102,205)	4,944,384
Adjustments for		
Depreciation	9,820,521	8,835,244
Amortization	263,182	651,803
Loss of Asset	109,706	93,913
Gain of Asset	-	(82,442)
Adjustment in Fund Account	227,261	4,054,252
(Increase)/Decrease in Loan, advance and prepayments	4,090,267	(757,689)
(Increase)/Decrease in Advance income tax	240,269	148,504
(Increase)/Decrease in Accounts receivables	(5,445,686)	11,026,473
(Increase)/Decrease in Security Deposits	(10,000)	7,000
Increase/(Decrease) in Accounts Payable	4,703,450	(9,238,695)
Increase/(Decrease) in Unearned revenue	568,161	268,111
Increase/(Decrease) in Vat & Tax payable	-	(172,594)
Increase/(Decrease) in Provision for expenses	(15,754)	108,854
Increase/(Decrease) in Fixed assets fund	(1,381,889)	(1,878,505)
Increase/(Decrease) in Intangible assets fund	107,681	665,588
Increase/(Decrease) in HR management fund	1,340,217	84,007
Increase/(Decrease) in Grant in advance	(1,578,880)	(27,524,781)
Increase/(Decrease) in Accrued expenses	277,778	-
Net cash from operating activities	(6,785,922)	(8,766,576)
Cash flows from investing activities		
Acquisition of property, plant & equipment	(5,268,321)	(6,196,226)
Acquisition of Intangible asset	(409,000)	(1,428,397)
Construction Work-in-Progress	-	(2,748,069)
Investment	(16,523,406)	(250,000)
Proceeds from Sale of asset	37,231	101,710
Net cash used in investing activities	(22,163,496)	(10,520,982)
Cash flows from financing activities		
Bank Loan	13,468,161	-
Short Term Loan	2,600,000	-
Net cash used in financing activities	16,068,161	-
Net increase in cash and cash equivalents	(12,881,257)	(19,287,558)
Cash and cash equivalents at beginning of period	24,187,595	43,475,153
Cash and cash equivalents at end of period	11,306,339	24,187,595


Chairperson
Dnet


Chief Executive Officer
Dnet