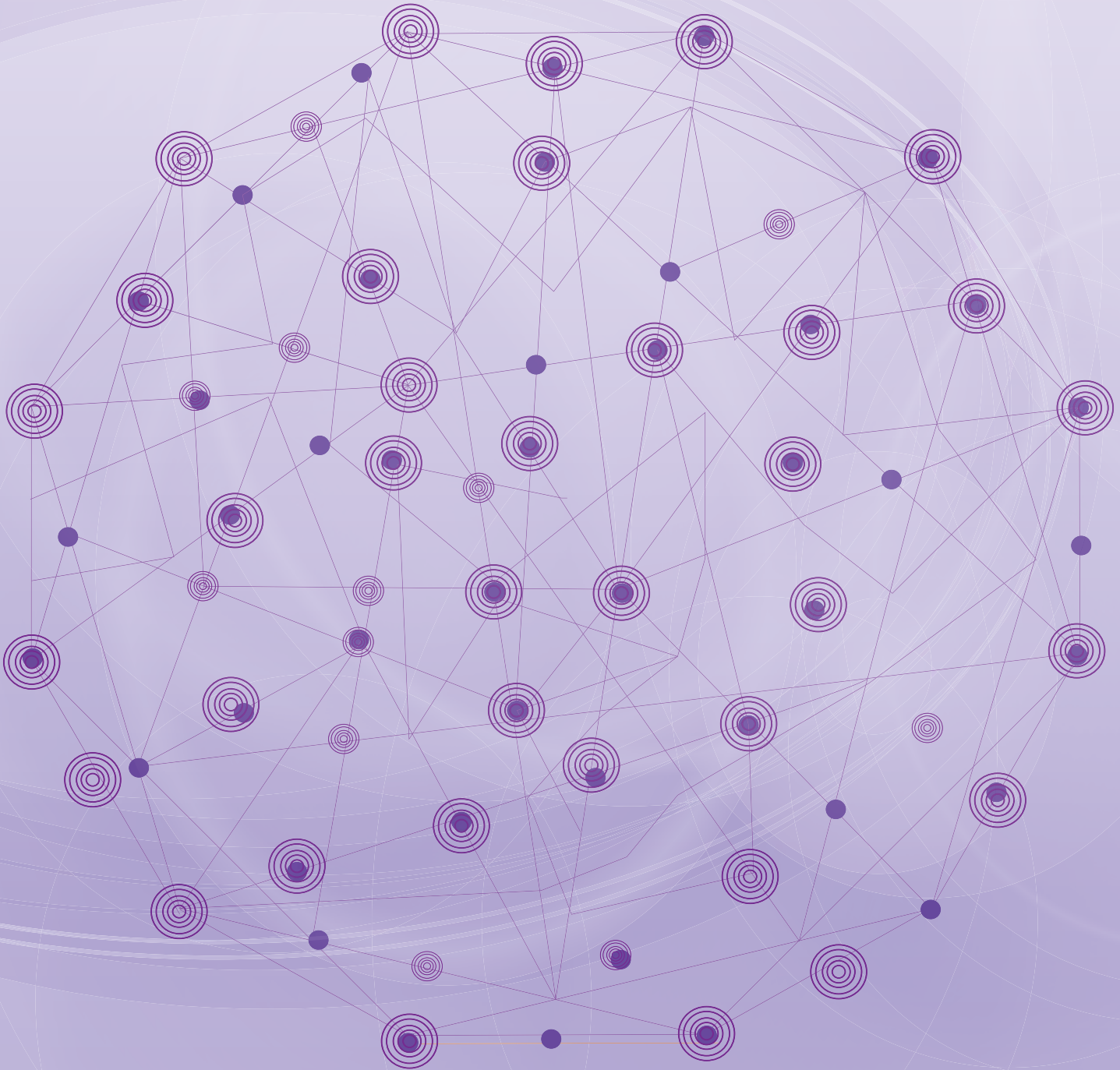


GENEX INFOSYS LIMITED

ANNUAL  
REPORT | 2019-2020



**genex**  
*realise excellence*



Annual Report 2019-2020

ANNUAL REPORT  
OF  
**GENEX INFOSYS LIMITED**  
2019-2020

**genex**  
*realise excellence*



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## LETTER OF TRANSMITTAL

To  
The Shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firms  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited  
Other Stakeholders

Subject: Annual Report for the year ended June 30, 2020 of Genex Infosys Limited

Dear Sir(s),

Please find an enclosed copy of the Annual Report 2019-20 containing Directors' Report and Auditor's Report along with the audited Financial Statements including consolidated and separate Statement of financial position as at June 30, 2020 and Statement of profit or loss and other comprehensive income, Statement of cash flows and Statement of Changes in Equity for the year ended June 30, 2020 along with the notes therein of Genex Infosys Limited for your kind perusal and record.

Thanking you,

Sincerely Yours,



Md. Jewel Rashed Sarker  
Company Secretary

### Genex Infosys Limited

Operations Centre:

1. Nitol Niloy Tower (6th- 12 Floor), Khilkhet, Nikunja-2, Dhaka- 1229  
2. BGMEA Bhaban (Level 11 & 12), 669/E Jhautala Road, South Khulshi, Chattogram

Registered & Corporate Office:

Nitol Niloy Tower (Level-08), Plot- 42& 69, Nikunja- 02, Khilkhet, Dhaka- 1229, Bangladesh  
P: +88 09612 111000, E: investor.relations@genexinfosys.com [www.genexinfosys.com](http://www.genexinfosys.com)



## NOTICE OF THE 8TH ANNUAL GENERAL MEETING

Notice is hereby given to the shareholders of Genex Infosys Limited that the 8th Annual General Meeting (AGM) of the Company will be held on Wednesday, December 30, 2020, at 3:00 P.M. virtually by using digital platform through the link 'http://digitalagmbd.net/genex8thagm2020' (in pursuance with Bangladesh Securities and Exchange Commission's Order No.SEC/SRMIC/04-231/25 dated 08 July, 2020) to transact the following businesses and to adopt necessary resolutions :

**Agenda-1:** To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2020 together with the Report of Directors' and Auditor's thereon.

**Agenda-2:** To declare dividend for the year ended June 30, 2020.

**Agenda-3:** To elect Directors in terms of the relevant provision of Articles of Association.

**Agenda-4:** To appoint Statutory Auditors for the year 2020-21 and fix their remuneration.

**Agenda-5:** To appoint Compliance Auditor as per Corporate Governance Code for the year 2020-21 and fix the remuneration.

**Agenda-6:** To approve the appointment of the Independent Director of the Company.

**Agenda-7:** To approve the retirement & re-appointment of Directors.

By order of the Board

Md. Jewel Rashed Sarker  
Company Secretary

Dated: Dhaka  
December 14, 2020

### Notes:

1. The Record Date of the Company is November 17, 2020 and the Shareholders with names in the Register of Members or in the Depository Register on the Record Date will be eligible to attend and vote in the AGM through Digital platform and qualify for dividend.
2. Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, soft copy of the Annual Report 2020 will be emailed to respective Shareholder's email ID available in their BO A/C. The Annual Report 2020 will also be available in the Company's website at [www.genexinfosys.com](http://www.genexinfosys.com)
3. A Shareholder entitled to attend/participate and vote at the Annual General Meeting may appoint a proxy on his/her behalf. Scanned copy of the proxy form, duly signed and stamped shall be sent through email at [investor.relations@genexinfosys.com](mailto:investor.relations@genexinfosys.com) no later than 48 hours before the meeting.
4. The Shareholders can log into the link "http://digitalagmbd.net/genex8thagm2020" by using their BO A/C number and will be able to submit their queries or comments and vote electronically 24 hours before the meeting. For any IT related guidance in this regard Shareholders may contact cell number +8809612111000.
5. The concerned Merchant Banks and all Depository Participants (DPs) are requested to provide the copies of the list of margin clients along with the bank details for entitlement of dividend on or before 30 December 2020 as per the following:
  - a) Hard copy: Deliver at the Share Office of the Company by registered mail or courier.
  - b) Soft copy: Email to [investor.relations@genexinfosys.com](mailto:investor.relations@genexinfosys.com)
6. In compliance with the Circular No: SEC/CMRRCD/2009-193/154 dated 24 October 2013 issued by BSEC, no benefit in cash or kind shall be offered to the members during the Annual General Meeting.

### Genex Infosys Limited

Operations Centre:

1. Nitol Niloy Tower (6th- 12 Floor), Khilkhet, Nikunja-2, Dhaka- 1229  
2. BGMEA Bhaban (Level 11 & 12), 669/E Jhautala Road, South Khulshi, Chattogram

Registered & Cororate Office:

Nitol Niloy Tower (Level-08), Plot- 42& 69, Nikunja- 02, Khilkhet, Dhaka- 1229, Bangladesh  
P: +88 09612 111000, E: [investor.relations@genexinfosys.com](mailto:investor.relations@genexinfosys.com)

[www.genexinfosys.com](http://www.genexinfosys.com)

# Who are we?

## ABOUT GENEX INFOSYS LIMITED

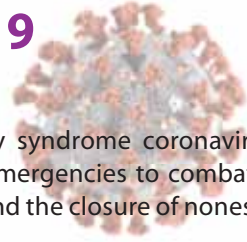
- ❑ Genex Infosys Limited, part of the IPE Group, is the leading outsourcing providers of customer experience management and trusted by world's leading brands. We achieve results through transforming our clients' businesses and delivering excellence in customer experience. We are experts in people interactions, and it gives us the edge in delivering a superior customer experience in every contact. Our business team of experts possesses the right mix of skills and experience from operations to research, Business development and project management. The depth and breadth of expert skill sets among Genex personnel that are formed with a global outlook are ultimately what set us apart from the rest.
- ❑ Genex Infosys Ltd. works with various kinds of organization across the country and outside the country as well, helping keep their systems and operations up and running. The company's services power the financial backbones of several Companies.
- ❑ We empower businesses with value-based innovative solutions and services which would allow you to focus on what you do best your core business

## OUR GUIDING PRINCIPLES

- ❑ Total commitment to achieve the best possible Customer Experience within the operating parameters provided.
- ❑ Complete understanding that the Employee Experience is the key to our ability to fulfill our mission.
- ❑ The end results are the measure of our success.
- ❑ Our ultimate success rests with our clients success and our ability to be an advocate for their goals.



## GENEX INFOSYS LTD. RESPONSE TO COVID-19



Novel coronavirus (COVID-19) pandemic, caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), has become a global problem. Government have declared health emergencies to combat the coronavirus, enforcing physical distancing, stay-at-home orders, travel restrictions, and the closure of nonessential businesses.

In response to the lockdown period, the company launched a massive program to ensure business continuity of its services using its Secure Borderless Workspaces model, which allows Genex associates to work remotely from the safety of their homes, while continuing to provide uninterrupted support services to our customers.

### **Genex Infosys Ltd. provide service all over the country to Corona helpline number-333 in favor of the government**

And, With the help of Bangladesh Police, we successfully distributed a week's worth of groceries to the underprivileged families who live in nearby slums.

We also donated groceries from a roadside stand in front of our office, so people who are in need can collect them.

Till date we have provided groceries for 460 families. We thank everyone who has volunteered in helping us, especially our team who has donated a day's Salary to support the unfortunate.



## A YEAR GONE BY

**Genex Infosys Ltd. was awarded the BASIS National ICT Award 2019 for implementing & managing National Information, Service & GRS Center (333), - an initiative of Access to Information (a2i).**

We were awarded under the category of Inclusion and Community Services - Sustainability & Environment.

The Award Ceremony was organized by Bangladesh Association of Software and Association (BASIS). Information Minister Dr Hasan Mahmud, MP; State Minister for the Ministry of Public Administration Mr. Farhad Hossain, MP; Minister of State for Information and Communication Technology Mr. Zunaid Ahmed Palak, MP were present in the award giving ceremony.





## A YEAR GONE BY

**Genex Infosys Limited attended the CTO Tech Summit 2020**, the Largest Tech Summit in Bangladesh. Mr. Tanvir Mosaddaque, COO of Genex Solutions was a Panel member at the "Digital Transformation within the Modern Workplace" Session.

Among the honorable guests who attended were, Mr. Dr. Mashiur Rahman (Adviser to the Honorable Prime Minister), Mr. Zunaid Ahmed Palak (State Minister, ICTD), Mr. Salman F Rahman MP, Adviser to Honorable Prime Minister and Mrs. HosneAra Begum ndc, Managing Director (Secretary), Bangladesh Hi-Tech Park Authority



**Genex Infosys wins the "ICT Solution Provider of the Year" award in local market category at the The Daily Star ICT Awards 2019**

### Prince Mojumder

Co-Founder and CEO, Genex Infosys Ltd.

Category: ICT Solution provider - Local Market Focus

Winning Company: Genex Infosys Ltd.

Genex Infosys started its journey in 2012 and within a space of seven years it became the first publicly-listed concern in Bangladesh's ITes sector, in a testament to the company's brilliance.

Starting with just two employees, Genex went on to become the largest business process management and IT services company in Bangladesh.

"From the beginning we were very systematic," said Prince Mojumder, co-founder and chief executive officer of Genex.



Snap From the Newspaper

## CHAIRPERSON'S STATEMENT



MR. CHOWDHURY FAZLE IMAM  
CHAIRMAN

Respected Shareholders, Colleagues, Media persons, Ladies and Gentlemen,

Assalamu-alaikum

On behalf of the Board of Directors and myself I extend my profound thanks and gratitude to you for the continued trust and confidence bestowed in our beloved Company.

With the unrelenting expansion of digital awareness in the Business and Government communities in the country combined with its challenges and opportunities, GIL has been in the forefront both in acquiring and developing its own knowledge and implementations of the same in the marketplace, thereby enriching the country overall.

Though the primary focus of GIL-traditionally was in the Contract related sectors, but we have been successful in expanding our contributions to assist more and more Government Institutions in implementing their automation and digital strategies. With these expansions came added challenges of change in technology, knowledge-gap-management, training needs, acquisition needs and generally the need to equip ourselves of the newest state of the art technologies.

I am happy to report that, GIL has been able to withstand these challenges and has generated sustainable long-term growth strategy in maintaining and expanding shareholder values, during the year of report. You may please note some of these strategies reflected in the financial reports already available with you.

We sincerely believe that- the hard work, dedication and commitment of our Executives and Employees are the backbone of our success, and thank them for their continuous commitment to the Company.

In this regards, we thank our shareholders and business partners for their continued good wishes and request for your uninterrupted support and patronization in all our future endeavors.

On Behalf of the Board

A handwritten signature in black ink, appearing to read 'C. F. Imam'.

Chowdhury Fazle Imam  
Chairman



MR. MOHAMMED ADNAN IMAM, FCCA  
MANAGING DIRECTOR

## MANAGING DIRECTOR'S OVERVIEW

Assalamu-alaikum

Respected Shareholders, Colleagues, Ladies and Gentlemen,

On behalf of myself and the Board of Directors, I welcome you all to this grand gathering of the 8th Annual General Meeting of Genex Infosys Limited. It is my humble pleasure to submit to you - the Annual Report and Financial Statements, including the updated status of your investment in GIL for the year 2019-2020.

Dear Shareholders, you are aware that the period of one year- in the field of technology- is a long time and lot of changes has happened during the time of this report. Fortunately, our patrons, who are also Leaders both in Politics and Business, have been keenly aware of this fast-changing environment in the Technology sector. GIL has been successful to adapt to the changes, creating challenges and opportunities to serve the market and implement some new and added requirements and changes, required in this regard.

Dear Shareholders, it is the immense pleasure to report to you that, GIL has not-only sustained its planned business growth pattern but in some areas surpassed its set targets.

Despite last year's challenges in the ITeS business, GIL has set an example and once again proved that with keen awareness of the market, hard work and sincerity, we can overcome most challenges by adapting to changed reality and timely managing its impacts. Such experience will help us face all future challenges head-on and putting forward right strategies for the continued growth and development of the Company.

Respected Shareholders and Members of the Board, in the fast-changing technology sector, there will be continuous challenges of change-technology, new products & process. But I can assure you that GIL will always be ready to take-on those challenges with your continued support and patronization.

I once again thank you all for spending your valuable time at this assembly, thereby giving us the courage and adding value to our humble efforts. We will also seek for your kindness if any of our unwanted mistakes in our humble arrangements would create any inconvenience to your comfort or created any disappointment.

Thanking you once again,

A handwritten signature in black ink, appearing to read 'Mohammed Adnan Imam'. The signature is written in a cursive style with a large, sweeping flourish at the end.

Mohammed Adnan Imam  
Managing Director



MR. PRINCE MOJUMDER  
DIRECTOR & CO-FOUNDER

## MESSAGE FROM THE DIRECTOR & CO-FOUNDER

Dear Valued Shareholders, Colleagues, Ladies and Gentlemen,

We are pleased to inform you that we have ended yet another successful year with satisfactory results. Despite the challenging environment due to the Pandemic, we continue to grow our business profitably. This would not have been possible without our people. At Genex, our people are passionate about making a measurable impact in everything we do. It is the power of our people, our unique culture of excellence and innovative approach, which helps us deliver enduring results.

We have succeeded in adapting and thriving in the new environment. The crisis had provided an opportunity for companies to adapt to technology, as means of survival. Thus, we witnessed a profound shift to digitization and automation. Our keen interest in emerging technologies have enabled us to provide innovative solutions to help reengineer businesses. We are working on Robotic Process Automation, Cloud Solutions, Cyber security and successfully delivered to various clients. In fact, I am proud to say that during these trying times we did not lose a single client. Instead, we onboarded new Clients on both national and international fronts and formed new alliances with Global Tech Giants.

For our continuous contributions in the Industry and the export target, Genex was awarded the Outsourcing Award 2020 by BASIS under the category of "Export Excellence." Genex, with the help of the Government, also contributed by Training and Skill Development of the youth of Bangladesh and preparing them for IT jobs.

The only way we can continue to grow as an organization is by striving to push through boundaries and challenge ourselves to do even more. In remaining focused on our ambitions, we are now well positioned to continue driving sustainable and profitable growth, while delivering compelling value to our clients, people and shareholders.

I would like to thank our Board of Directors, shareholders and clients for their continued support. Thanks to our employees for their dedication and commitment. I'm incredibly proud of what we have accomplished together this past year, and excited to be working together for an even brighter future.

A handwritten signature in black ink, appearing to be 'Prince Mojumder'.

Prince Mojumder  
Director & Co-Founder

## BOARD OF DIRECTORS AND LEADERSHIP



### **MR. CHOWDHURY FAZLE IMAM CHAIRMAN**

Mr. Chowdhury Fazle Imam worked as head of production and quality control of Novartis (Bangladesh) Ltd for 19 years and was involved in setting up of formulation plant at Chittagong with some Swiss expertise. After retirement in 1999, he went back to London in 2000 and joined Martindale Pharmaceuticals and worked there till 2005.

He was also the head of Chemical Operations of Water Testing Laboratory of Camp, Dressor and Mckee (American engineering consultant to Bangladesh Government for public health and WASA), and a senior scientist with John Laing Construction and Consultant Company in U.K. He was the Managing Director of Archway Associates, a consultant and construction firm in Chittagong and involved in development and project management.

He established the construction and real estate company, AWR Developments (BD) Ltd, as the Chairman. He is also the chairman of AWR Real Estate Limited

### **MR. MOHAMMED ADNAN IMAM, FCCA MANAGING DIRECTOR**

Mr. Mohammed Adnan Imam is an UK qualified chartered certified accountant and has had a successful career in Finance and Investment Banking with Merrill Lynch in London. He started his own business in UK property development in 2004 and expanded into human resource outsourcing and private equity transactions. He has been very successful and has been recognized as a successful young entrepreneur of Britain. He started business in Bangladesh in 2008 which is involved in the areas of Finance, Technology, Real Estate and Trading.

As for Genex Infosys Limited, he is not just the founder of GIL, but the main architect of this Company. Since inception he has been in the helms of affairs as its Managing Director and also holds a sizeable equity stakes in the Company.



### **MR. PRINCE MOJUMDER DIRECTOR & CO-FOUNDER**

Mr. Prince Mojumder is a Director of Genex Infosys Limited, prior to that he was the Head of Sales and Marketing of BEXIMCO Limited and a Deputy General Manager of Bangladesh Online Limited. He has over 19 years of experience in customer services, technology solutions, communications services, and business process outsourcing and people management. He has very strong management skills in leading various teams and multiple projects. He has completed his MBA.





**MR. MEZBAH UDDIN**  
**NOMINEE DIRECTOR OF ORACLE SERVICES LIMITED**

Mr. Mezbah Uddin is involved in operating and leading IT related businesses since 2000. He is the Founder and developer of the 1st international call center in Chittagong in 2008. He has been involved with export/import/trading-oriented business from 2002 also. He has completed Masters of Business Administration (MBA).

He also on the Board of Directors of Bangladesh Association of Call Center & Outsourcing (BACCO), and a Member of Bhatiary Golf & Country Club Limited, Chittagong Khulshi Club Limited, and all Community Club Limited Dhaka. He is serving on the Board of Directors of Genex Infosys Limited as a representative Director of Oracle Services Limited.

**TANVEER ALI**  
**INDEPENDENT DIRECTOR**

Mr. Tanveer Ali is an Honours graduate. He is a partner at Inflection Ventures, a seed-stage tech fund with investments primarily in Silicon Valley; Inflection Ventures' portfolio includes companies such as CapLinked, NanoSatisfi, Vidcaster, Mattermark and TigerTrade. Their most recent exit, GateGuru, was acquired by Trip Advisor in June 2013. He is an Executive Director at Avarice Investments, a Singapore-domiciled investment fund focusing on manufacturing and mining. At the age of 17, Tanveer started his first company, Toronto-based Opening Bell Investments, an investment finance consulting practice. Tanveer is also an Executive Director at Olympic Industries, a publicly listed company. Tanveer has a BA in Political Science from the University of Waterloo, Canada.



**MRS. ROKEYA ISLAM**  
**INDEPENDENT DIRECTOR**

Mrs. Rokeya Islam is a Post-Graduate from the University of Dhaka. She has extensive experience in customer service and management having worked in Standard Chartered Bank and Premier Banks for 10 years. After completing her tenures with Banks, she has embarked on a successful career as a culinary, fashion, and interior design work in each service sector. She is a widely travelled person, and has consistency and leadership experience in the private sector to allow her to a leadership role on the Board of the Company.



**MR. MD. ABDUR RAHIM MIAH**  
**CHIEF FINANCIAL OFFICER**

Md. Abdur Rahim Miah, Chief Financial Officer of the company has successfully completed post graduation from National University. He has also completed Intermediate Level of CMA Course from the Institute of Cost and Management Accountants of Bangladesh (ICMAB), Registration Number 20101895. He has started his service in European Multinational Company. He has gathered vast knowledge on accounts and finance of different organizations like Multinational Company, Manufacturing Company, Trading Organizations, Publicly Listed and Private Limited Company etc. He has worked with Moody International for ISO Audit and certified as internal auditor. While his service life, he has participating various training program of VAT, Taxes, Auditing and accounting. He has also worked as system analyst for ERP software of printing industries and manufacturing industries with reputed software firm. He has also a certified user (accounts and finance module) of world renowned software SAP. At present he is studying in Institute of Cost and Management Accountants of Bangladesh (ICMAB) in final level.

**MD. JEWEL RASHED SARKER**  
**COMPANY SECRETARY**

Md. Jewel Rashed Sarker is the Company Secretary of the Company since 2018. Before joining Genex Infosys Limited, he served for various companies Accounts, Finance & Compliance sector. He completed her Chartered Accountancy (CA) course from Masih Muhith Haque & Co. (Chartered Accountant). He achieved her Master of Business Administration (MBA) Degree from America Bangladesh University, Masters in Accounting from NU and completed various short-term courses regarding Compliances, DSE Rules & Regulations, HRMIC from different reputed educations Institutions including DSE Training Center, Local Government Supporting Project (LGSP), BIM etc. At present he is studying on Cost & Management Accountancy Courses from ICMAB (The Institute of Cost and Management Accountants of Bangladesh). He gathered a good knowledge in Corporate Governance Guidelines, Stock Exchange (Listing) Regulations, Companies Act, 1994.



## LEADERSHIP TEAM



**Prince Mojumder**  
Director & Co-Founder



**Vaibhav Kapoor**  
Senior Vice President



**Abu Taiyab**  
Executive Director,  
Solutions Division



**Tanvir Mosaddaque**  
COO, Solutions Division



**Shahed Iqbal**  
Head of Business  
Applications



**Major Dewan Mosfeq  
-Ur-Rahman (Retd.)**  
Head of Strategic Business



**MD. Jewel Rashed Sarker**  
Company Secretary



**MD. Abdur Rahim Miah**  
CFO



**Ashraful Haq**  
Head of Service Delivery



**Saeed Ahmed**  
Head of Business  
Development



**Saad Faruque**  
Head of Emerging Technology  
& Cyber Security



**Md. Mostofa Jaman**  
Head of Partnership  
and PR



## BRIEF HISTORY OF THE COMPANY

**Genex Infosys Limited** was Incorporate as Private Limited Company on 22-May-2012 & Vide Registration No. C-101900/12 in Bangladesh under the Companies Act 1994. Further it was converted into Public Limited Company on 15th September 2016 with Registrar of Joint Stock Companies and Firms (RJSCF) in Bangladesh under the Companies Act, 1994. In the meantime the company has obtained consent from Bangladesh Securities and Exchange Commission (BSEC) on 22 October 2018 regarding issuance of 20,000,000 ordinary shares through Initial Public Offering (IPO) which activities are going on.

### VISION

Establishing Digital Infrastructure and capabilities for Financial Transactions. Our vision is to always strive to achieve superior financial performance, be considered a leading IT business by reputation and performance.

### MISSION

Genex Infosys Limited (GIL) aspires to lead the IT Platform in Bangladesh by providing technological infrastructures, center solutions, IT Support and Software sector of the country. Fostering strong community partnerships with our clients, stakeholders and employees is an integral part of our mission. Also Genex Infosys Limited is the leading outsourcing providers of customer experience management and trusted by world's leading brands.

### STRATEGIC OBJECTIVES

In 2019, Genex became the first publicly listed company in the country's ITeS sector. From 2 to 4000+ employees, Genex expanded its operations in APAC region, managing over 150 million customer interactions a year. An ISO Certified and COPC compliant company which follows global standards of information security, best practices and intellectual confidentiality. Genex is the next generation Digital & Technological Services company offering comprehensive and innovative solutions to Enterprises of all shapes and size, regardless of their geography. With the vision of becoming most trusted Tech Brand in the APAC Region, Genex, armed with its diverse range of Business Units, strives for excellence through continuous transformation of business scopes for our clients which ensures significant value addition to our customer's business. A smart innovator in the IT Industry; trusted by Global Brands.

### PROCESS FOCUS

- ◆ To continuously improve internal processes to realize efficiencies
- ◆ Improve system accuracy and responsiveness
- ◆ Improve organizational structure
- ◆ Improve performance measurement and reporting capabilities
- ◆ Reduce administrative overheads
- ◆ Improve financial analysis, controls, and audit capabilities

### BUSINESS FOCUS

- ◆ Increase quality of service
- ◆ Implement innovative changes faster
- ◆ Increase and attain client loyalty
- ◆ Improve overall service and maximize market share
- ◆ Improve marketing, advertising and public relations
- ◆ Achieve and maintain excellent client service
- ◆ Increase regulatory compliances

### PEOPLE FOCUS

- ◆ To engage, develop and maintain the right people at the right places
- ◆ Employ professionals who bring success for clients
- ◆ Develop broad set of skills useful for client support
- ◆ To continuously learn and adopt applicable best practices
- ◆ To conduct training for employees and clients towards knowledge development both ways



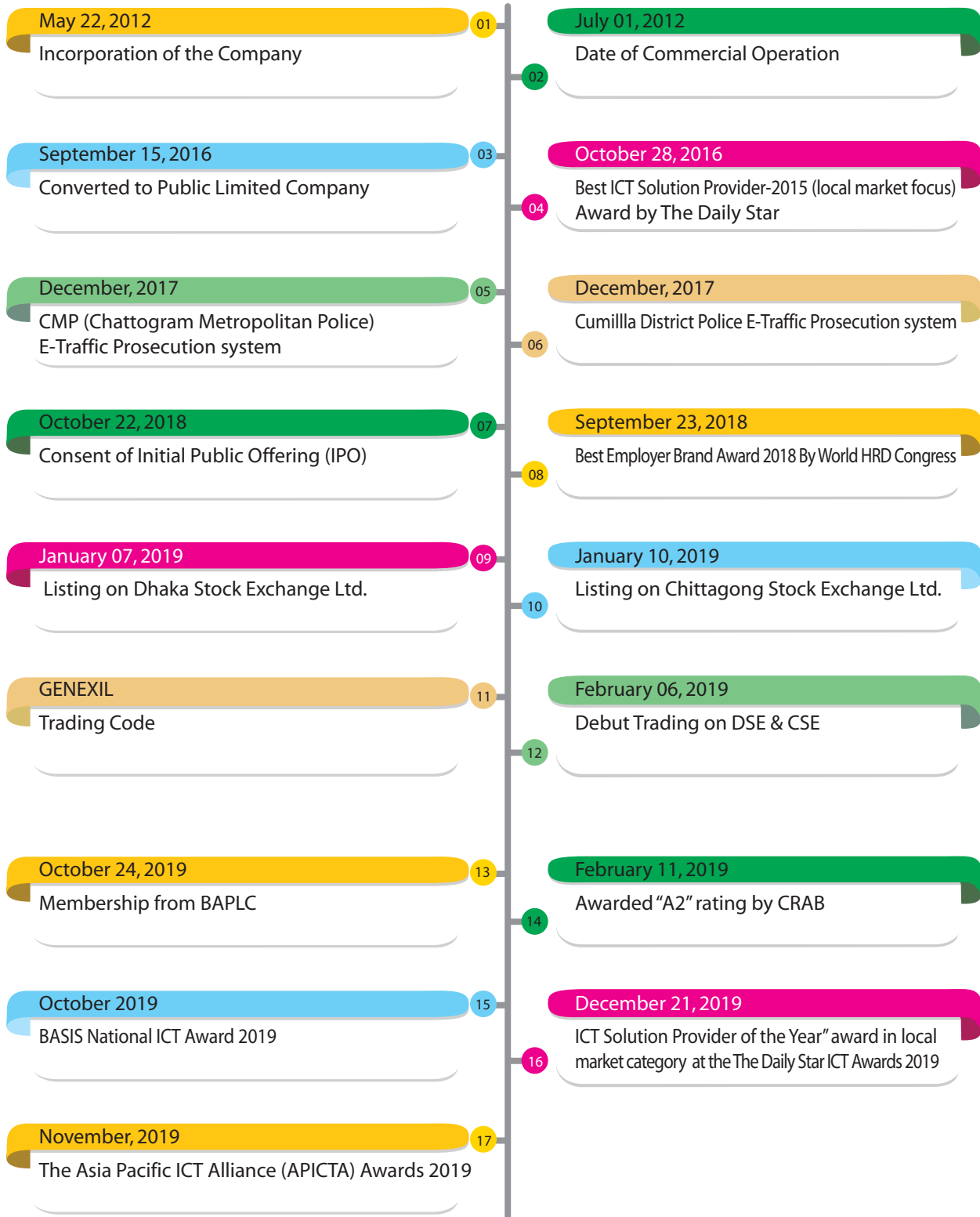
FOCUS

## CORPORATE DIRECTORY

<b>Name of the Company</b>	<b>Genex Infosys Limited (GIL)</b>
<b>Legal Position</b>	GIL was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of incorporation bearing no.C-101900/12 dated on 22-May-2012 by the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh. The Company Converted into public Limited company on 15-Sep-2016.
<b>Date of Incorporation</b>	22-May-2012 & Registration Number C-101900/12
<b>Commencement of its Commercial Operations</b>	01-Jul-12
<b>Authorized Capital</b>	Tk. 1,000,000,000 divided into 100,000,000 Ordinary Share of Tk. 10.00 each
<b>Paid up Capital</b>	Tk. 938,400,000 divided into 93,840,000 Ordinary Share of Tk. 10.00 each
<b>Line of Business</b>	The business of the company includes ITeS services , Such as to carry on activities relating to Data Entry, Data Processing, Business Process Outsourcing, IT Support and Software Maintenance, Digital Content Development and Management, Call Centre Service, Website Development, Marketing of software products and providing maintenance and support services both to domestic and international clients.
<b>Registered Office</b>	Plot 42 & 69, Nitol-Niloy Tower (Level-8), Nikunja-2, Khilkhet, Dhaka-1229. Tel: +88-09612111000 Fax: +88-02-9883121 Email: investor.relations@genexinfosys.com Web: www.genexinfosys.com

<b>Operational Office (Dhaka)</b>	Plot 42 & 69, Nitol-Niloy Tower (Level 6-12), Nikunja-2, Khilkhet, Dhaka-1229. Tel: +88-09612111000 Fax: +88-02-9883121
<b>Operational Office (Chittagong)</b>	BGMEA Bhaban (11th & 12th Floor) Zakir Hossain Road, Khulshi, Chittagong Tel: +88-031-2867401-10 Fax: +88-031-2867412
<b>Board of Directors</b>	6 Directors
<b>Auditors</b>	M M Rahman & Co. Chartered Accountants Padma Life Tower, Level-10, 115 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka-1000 Tel: +88-02-48311029, +88-02-48311027 E-mail: info@mmrahman.org
<b>Tax Consultants</b>	Advocate Salauddin Mahmud Eastern Commercial Complex, 73 Kakrail, Room-7/08, 7th Floor, Dhaka 1000 Tel: +88-02-9359041, +88-02-9332132 Email: tax.race@yahoo.com
<b>Legal Advisors</b>	Md. Riaz Uddin, Barrister-at-Law (Lincoln's Inn) House No-500/J, Road-8, Dhanmondi, Dhaka 1205 Tel: +88-02-9611658, +88-02-9611858
<b>Banker for IPO</b>	AB Bank Limited
<b>Banker of the Company</b>	Eastern Bank Limited Mercantile Bank Limited, Meghna Bank Limited National Credit & Commerce Bank Limited NRB Global Bank Limited, AB Bank Limited Prime Bank Limited, Union Bank Limited NRB Commercial Bank Limited Dutch Bangla Bank Limited Sonali Bank Limited
<b>Compliance Officer</b>	Md. Arifur Rahaman, Senior Officer (Accounts & Finance)

## SIGNIFICANT MILESTONES



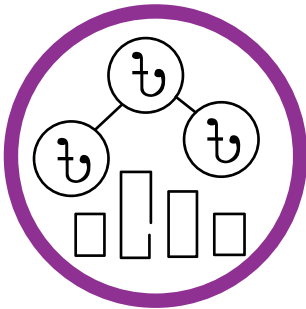
## AWARD SNAPS



## “IT’S NOT JUST ABOUT BEING BIG IT’S ABOUT ACCOMPLISHMENT”



Strong Team of  
4000+ People



1st Publicly Listed  
BPO & ITeS Company  
In Bangladesh



20+ Global  
Tech Partnerships



150 Million+  
Customer Interactions  
Managed Per Year



5 Delivery  
Centers Across  
South-East Asia

## MAKE YOUR BUSINESS SMARTER

### GENEX INFOSYS LIMITED

Omni-channel Contact Center Management and Tech Support	Revenue Generation and Protection
Back Office and Shared Service Management	Robotic Process Automation, Social Media and In-App Support
IT Infrastructure Design, Implementation & Management	Cyber Security Solutions
Enterprise Communication and Collaboration Solutions	SOC, NOC & Infra as a Service
Digital Transformation and Cloud Services	Technology Consulting and Professional Services
Applications Development and Software as a Service	AI Chat & Voice Bot Solution
Digital Marketing and Ad Network	Digital Content Development





## COMPANY AT A GLANCE

- Established in the year 2012, the first largest private company in ITeS sector in Bangladesh.
- Licensed Business Process Outsourcing (BPO) in Bangladesh awarded by BACCO.
- GIL is the owner of the largest ITES service of Bangladesh, known as 'Contact Center'
- The total paid up capital is BDT Tk. 938,400,000
- 2768 employees are currently working at Genex Infosys Limited.
- Some of unique and first of its kind projects in Bangladesh like Bangladesh Post Office (BPO) automation. Online Tuition Fees Payment with Sonali Bank Ltd.
- Providing services to Government projects, named "333"
- Converted as public limited company in 2016
- Listed with Dhaka and Chittagong Stock Exchange Limited in 2019
- Debut Trading of shares with Dhaka and Chittagong Stock Exchange Limited in 2019

## PRODUCTS AND SERVICES

### Name of Products & Services



Data Entry



Data Processing



Business Process Outsourcing



IT Support and Software Maintenance



Digital Content Development and Management



Call Centre Service



Website Development



Development of software products and maintenance



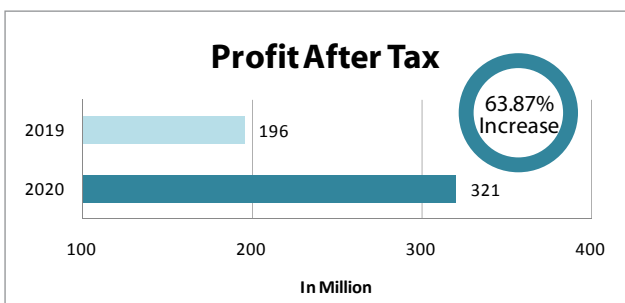
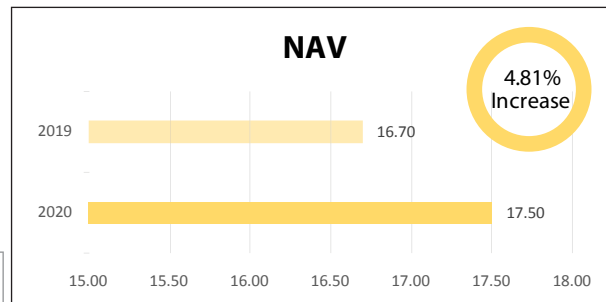
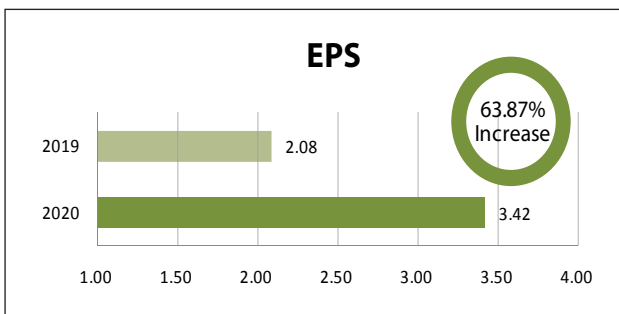
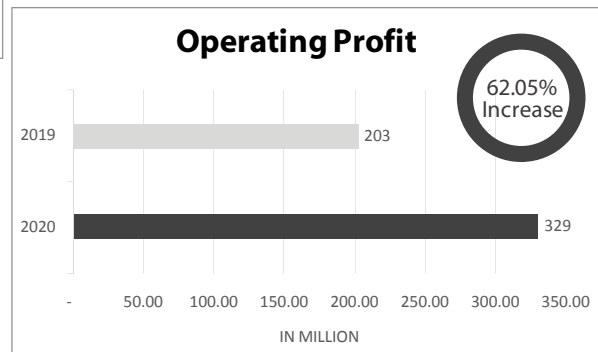
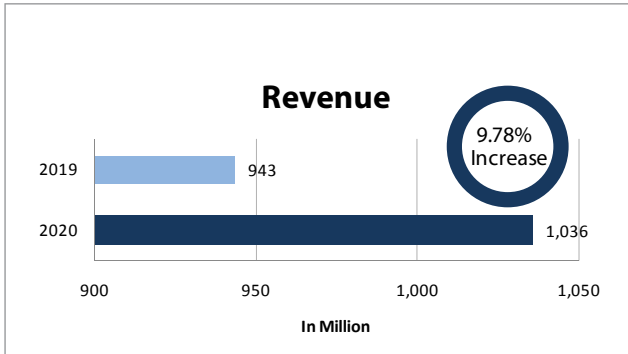
Maintenance and support services both to domestic and International clients



# ITeS

a New Technology  
Driven World...

## OUR PERFORMANCE IN 2020



## CORPORATE OPERATIONAL RESULTS

### FOR THE LAST FIVE YEARS

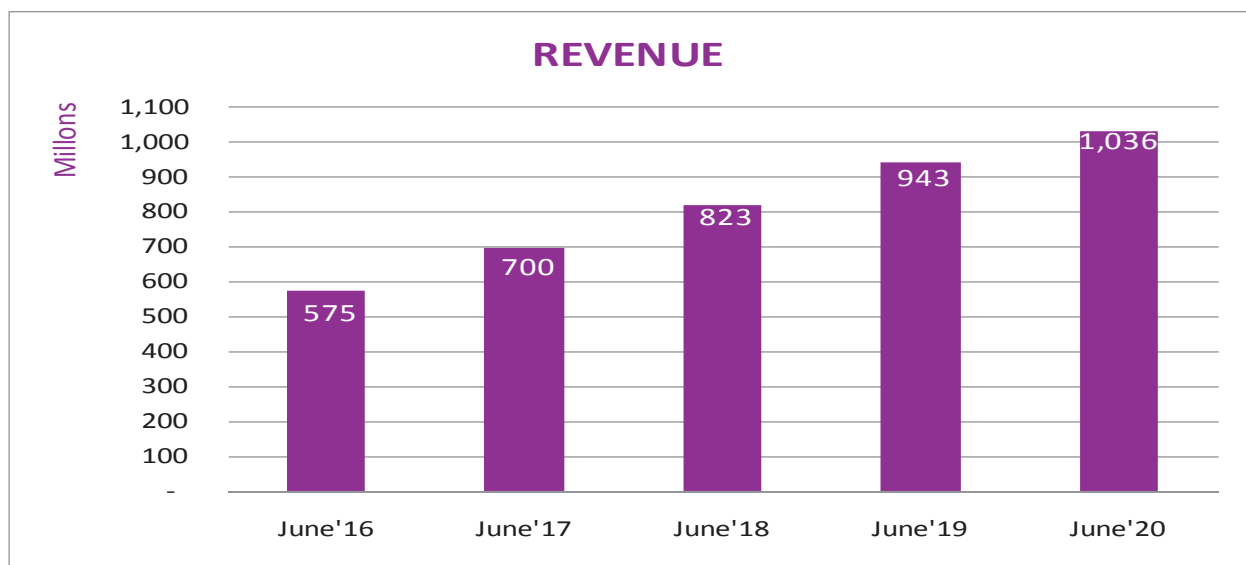
#### KEY OPERATING AND FINANCIAL INFORMATION

The key operating and financial information for the year- 2019-2020 along with the preceding four years are presented below:

Particulars	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17	FY 2015-16
<b>Assets Employed</b>					
Total Assets	2,398,660,036	2,170,960,203	1,956,186,487	1,763,366,953	1,396,486,421
Total Current Assets	688,484,944	635,186,547	507,912,020	400,804,749	555,363,680
Property, Plant & Equipment	1,181,491,245	979,005,985	1,020,806,250	1,068,495,629	410,060,791
Intangible Assets	324,536,158	300,336,225	227,757,012	207,898,583	232,170,664
Inventories	69,619,890	43,363,921	39,884,611	20,741,649	16,268,360
Accounts Receivable	449,170,824	362,457,559	377,929,219	318,730,609	296,245,551
<b>Financed By</b>					
Share Capital	938,400,000	816,000,000	616,000,000	616,000,000	10,000,000
Revaluation Reserve					
Retained Earnings	703,888,608	546,511,123	368,623,962	244,370,211	322,384,342
<b>Revenue and Profit</b>					
Revenue	1,035,595,131	943,335,014	823,004,617	699,581,499	574,640,931
Gross Profit	495,285,664	385,591,362	277,116,902	238,665,472	226,307,315
Net Profit Before Tax	321,515,137	195,678,820	124,256,909	111,993,104	131,757,405
Net Profit After Tax	320,577,515	195,627,969	124,256,909	111,993,104	131,757,405
EPS	3.42	2.08	2.02	2.02	6.59
Net Asset Value Per Share	17.50	16.70	15.98	13.97	332.38
Note: * Re-stated					
<b>DIVIDEND:</b>					
Cash	10% (Proposed)	5%			
Stock	10% (Proposed)	15%			
Number of Shareholders	93,840,000	81,600,000	61,600,000	61,600,000	1,000,000
Market Price (TK)					

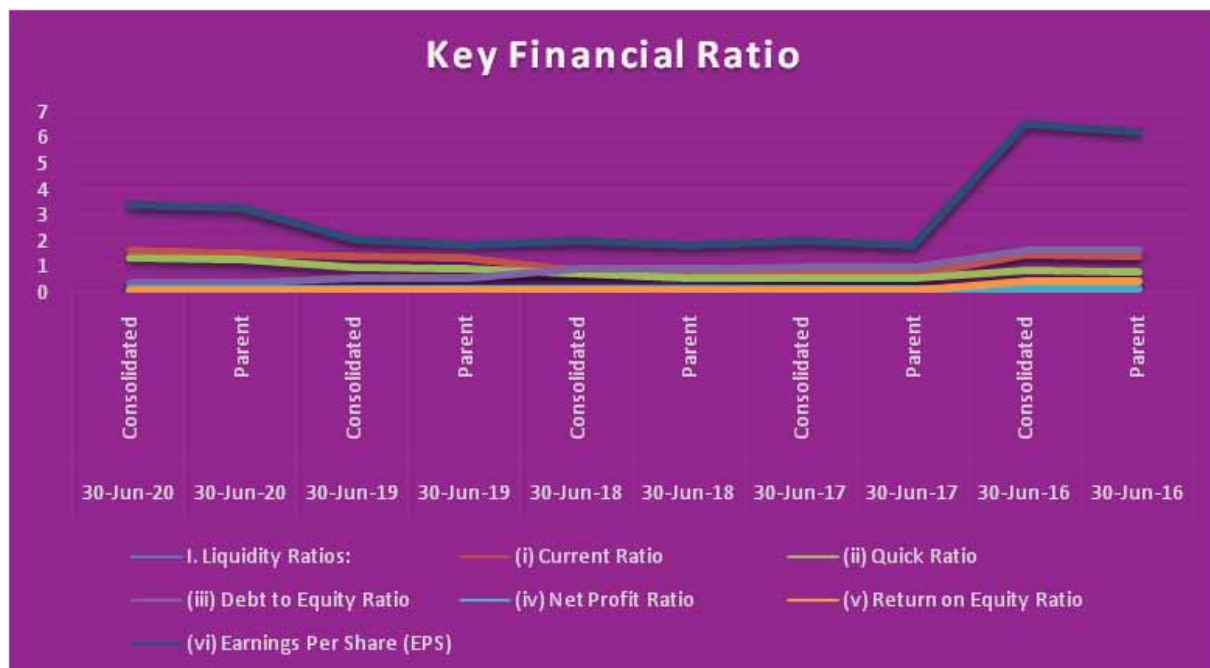
## PERFORMANCE AT A GLANCE

Year	June 2020	June 2019	June 2018	June 2017	June 2016
REVENUE	1,035,595,131	943,335,014	823,004,617	699,581,499	574,640,931



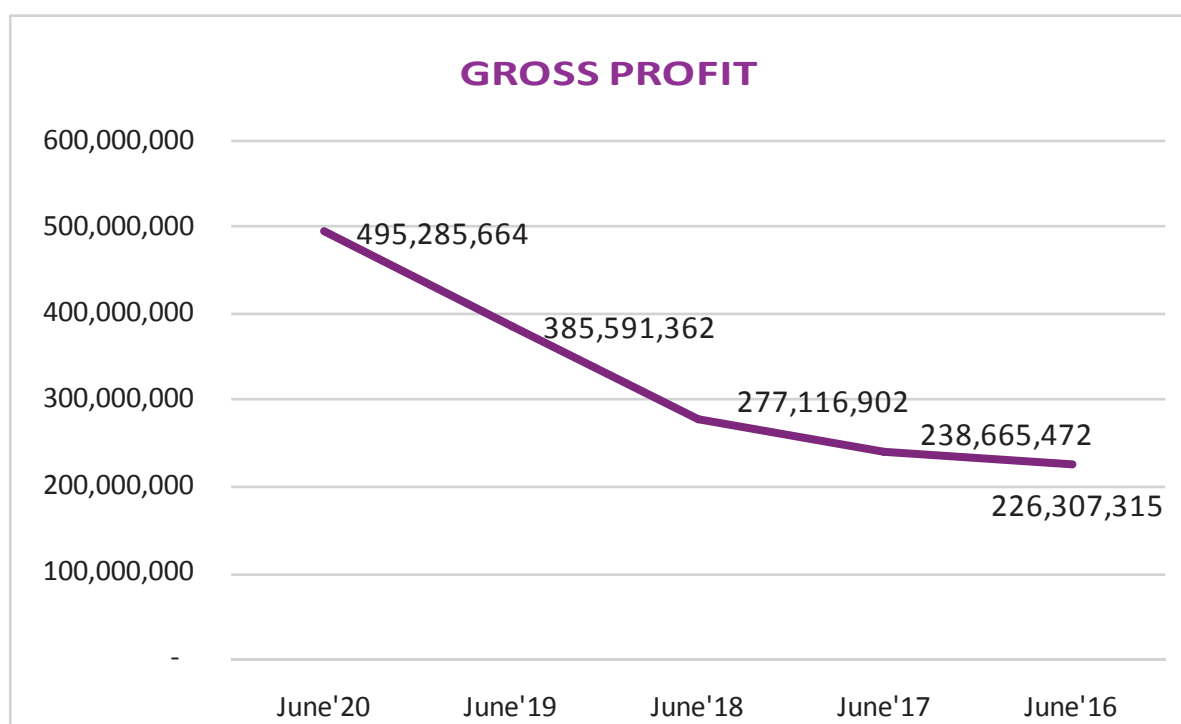
## KEY FINANCIAL RATIO

Particulars	June-20 Consolidated	June-20 Parent	June-19 Consolidated	June-19 Parent	June-18 Consolidated	June -18 Parent	June-17 Consolidated	June17 Parent	June-16 Consolidated	June16 Parent
<b>I. Liquidity Ratios:</b>										
(i) Current Ratio	1.67	1.55	1.40	1.31	0.88	0.83	0.75	0.7	1.44	1.39
(ii) Quick Ratio	1.37	1.25	0.98	0.90	0.73	0.69	0.64	0.60	0.84	0.80
(iii) Debt to Equity Ratio	0.43	0.44	0.56	0.57	0.92	0.92	0.99	0.99	1.70	1.66
(iv) Net Profit Ratio	30.96%	31.24%	20.74%	20.68%	15.00%	15.00%	16.01%	16.06%	22.93%	23.69%
(v) Return on Equity Ratio	21.34%	20.96%	23.09%	21.80%	13.00%	11.00%	18.78%	17.48%	48.22%	45.18%
(vi) Earnings Per Share (EPS)	3.42	3.30	2.08	1.95	2.02	1.9	2.02	1.89	6.59	6.25



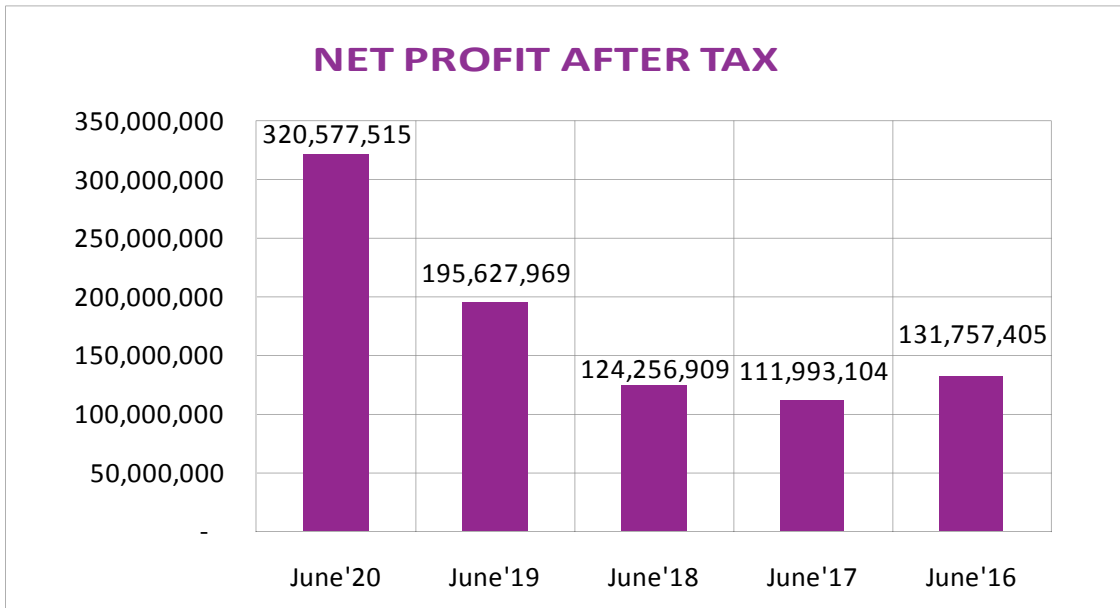
### GROSS PROFIT

Year	June 2020	June 2019	June 2018	June 2017	June 2016
GROSS PROFIT	495,285,664	385,591,362	277,116,902	238,665,472	226,307,315



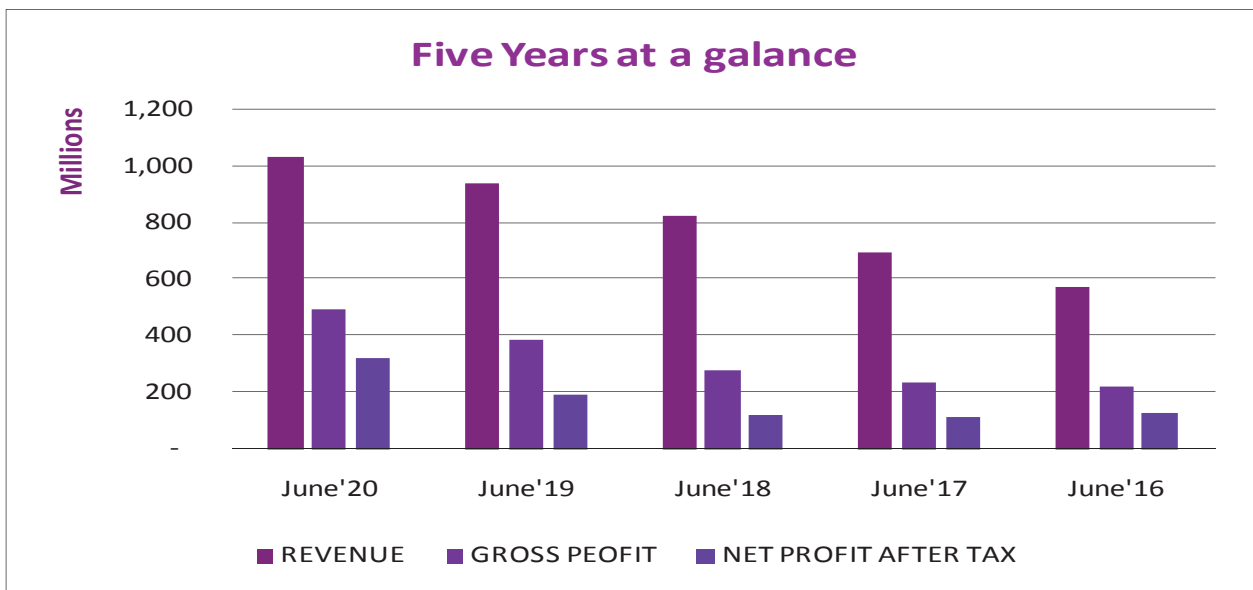
**NET PROFIT AFTER TAX**

Year	June 2020	June 2019	June 2018	June 2017	June 2016
Net Profit After Tax	320,577,515	195,627,969	124,256,909	111,993,104	131,757,405



**FIVE YEARS AT A GLANCE**

Year	June 2020	June 2019	June 2018	June 2017	June 2016
REVENUE	1,035,595,131	943,335,014	823,004,617	699,581,499	574,640,931
GROSS PROFIT	495,285,664	385,591,362	277,116,902	238,665,472	226,307,315
NET PROFIT AFTER TAX	320,577,515	195,627,969	124,256,909	111,993,104	131,757,405







## DIRECTORS' RESPONSIBILITY STATEMENT

### RESPONSIBILITY TO FINANCIAL STATEMENTS

The Board of Directors of Genex Infosys Limited would like to inform that the financial statements containing the audited accounts for the year ended June 30, 2020 are in conformity with the requirements of the Companies Act, 1994, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by ICAB, Bangladesh Securities & Exchange Rules, 1987 and the listing Regulations of the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present the Company's financial condition and results of operations. These Financial Statements are audited by the Statutory Auditors, M/s. M M Rahman & Co., Chartered Accountants, Member firm of "Russell Bedford International".

### IN PREPARATION OF ACCOUNTS, THE APPLICABLE ACCOUNTING STANDARDS HAVE BEEN FOLLOWED

The company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and correct view of the state of affairs of the Company as at June 30, 2020 and of the profit of the Company for the year ended on that date;

The company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1994 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

### RESPONSIBILITY TO INTERNAL SYSTEM

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

### OPINION OF THE STATUTORY AUDITOR

M/s. M M Rahman & Co., Chartered Accountants, the external auditor of the Company has carried our annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the Management together with all the financial records, related data, and minutes of shareholders meeting and board meetings, relevant policies and expressed their opinion as such.

## DIRECTORS' RESPONSIBILITY STATEMENT

OUR CORE VALUES	OUR GUIDING PRINCIPLES	GENEX COMPETITIVE EDGE
Integrity	<p><b>Commitment</b></p> <p>Total commitment to achieve the best possible Customer experience within the operating parameters provided.</p>	The first publicly listed BPM & ITS company in the country managing end to end Customer experience for top global brands. The largest BPM company which handles more than 100 million customer interactions/year
Transparency	<p><b>Understanding</b></p> <p>Complete understanding that the Employee Experience is the key to our ability to fulfill our mission.</p>	Multiple delivery centers in the south east Asian region, capable of managing delivery in multiple languages.
Teamwork	<p><b>Results</b></p> <p>The End Results are the measure of our success.</p>	Multiple business units like Genex BPM, Genex Solutions, Genex Digital giving a unique edge to provide a variety of IT Services, Solutions, Applications development under a single umbrella.
Excellence	<p><b>Success</b></p> <p>Our ultimate success rests with our Clients success and our ability to be an Advocate for their goals.</p>	Trusted partner of Global brands with proven track record, entrusted in managing best in class customer experience and digital transformation in a cost effective manner.

## MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL POSITION AND PERFORMANCE

For last five financial years the company generated moderate growth in sales and profitability.

Accounting policy and estimation for preparing financial statements have been remained same as it was before. Hence, there is no effect in this regard.

The economic scenario of Bangladesh has been good. In last fiscal year Bangladesh enjoyed 8.15% economic growth. Per capita income has been increased to USD 1,909 in 2019-20, which was USD 1,888 in FY 2018-19. We are going to be middle income country by 2027. Export is experiencing mild growth and Forex Reserve around USD 35 billion plus. The world economy has been recovering from economic meltdown of 2008. Global growth for 2020-21 is projected to remain steady at its 2017 level. Global growth is projected at 2.6 percent for 2020-21.

Comparatives on the financial performance of the company for the year ended June 30,2020 are summarized under: <b>Particulars</b>	<b>2019-20(Tk.)</b>	<b>2018-19(Tk.)</b>	<b>Increased/ (decreased)</b>	<b>Growth (%)</b>
Revenue	1,035,595,131	943,335,014	92,260,117	9.78%
Cost of Service & Sales	540,309,467	557,743,652	(17,434,185)	-3.13%
Gross Profit	495,285,664	385,591,362	109,694,302	28.45%
Operating Expenses	62,055,288	60,925,872	1,129,416	1.85%
Operating Profit	329,093,623	203,076,789	126,016,834	62.05%
Profit Before Tax	321,515,137	195,678,820	125,836,317	64.31%
Profit After Tax	320,577,515	195,627,969	124,949,546	63.87%

### FINANCIAL HIGHLIGHTS & ANALYSIS

The Gross Revenue, Net Profit (BT) and Net Profit (AT) increased by 9.78%, 64.31% and 63.87% during the FY 2019-20 over the previous year. The Cost of Sales decreased at 3.13% over the previous year due to decrease of Financial Cost compare to previous year. The increase of Gross profit Margin 28.45% during the FY 2019-20 over the previous year. However, the Company earned an extra ordinary income of Tk. 8,497,271 (Eighty-four lac ninety-seven thousand two hundred seventy-one only) (depicted in Note 28 of standalone accounts) during the year 2019-2020 resulting of Net Profit Margin increased by 63.87% against the previous year. The EPS for the year under review is Tk. 3.30, a 68.86% increase over the previous year. EPS calculation took place on the basis accounts during the year 2019-2020. EPS calculation took place on the basis of present outstanding 93,840,000 shares of Tk. 10 each. And the consolidated EPS increased by 63.87% which is Tk.3.42 per share in the year 2019-2020 as against Tk. 2.08 per share of 2018-2019.

### FINANCIAL & ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE

The National Economy continued its upward pace and remained strong and resilient during the year 2019-2020. This report year also witnessed a number of negative events creating challenges for the economy, Rohingya influx and two major consecutive floods in the north east regions. Despite these negative events, the economy grew by 5.24% during the year 2019-2020. This consistent growth pattern has created the fastest expansion of the economy in the year of report. It was also the eighth year un-faltered GDP growth in Bangladesh- surpassing all the mid-level economies in South Asia- including India. Most analysts predict that this upward pace will continue for sometimes to come.

Economic growth has also resulted in Inflation, but due to timely and appropriate monetary policy the rate was kept under check- to 5.65% during FY 2020, compared to FY19- 5.48% and in 5.78% FY 2018-19.

### RISK MANAGEMENT

The Company always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. GIL has a befitting risk management policy and a periodic monitoring system to address the concerns and uncertainties that are likely to hit the Company's business activities, operations, liquidity and financial position for future performances. The Company's risk recognition system works on a real time basis based on a comprehensive framework as such. Accordingly, a well-structured and proactive risk management system is in place within the Company to address the volatilities relating to market, liquidity, exchange rate and operations.

### FUTURE PLAN & PROJECTION

The Company has taken numerous initiatives to introduce new technologies for BPO services and to cope up with market demand. Some of the major initiatives are:

- Introduce new technology in line to AI machine learning to further expand business with existing clients.
- Take leverage of our customer relationship with existing international clients to further to further expand existing business with them and utilize them as success stories to attract new international clients.
- Launch smart apps for SME's as well as large corporates in the field of attendance, invoicing and intra departmental collaboration.
- Includes solutions, marketplace along with the services to leapfrog towards becoming a tech company as a whole.



Mohammed Adnan Imam  
Managing Director  
Genex Infosys Ltd.

## REPORT ON HUMAN RESOURCE (HR) MANAGEMENT

Genex Infosys Limited believes that no organization can build a good team of working professionals without sound Human Resource Management. Any organization without a proper set up for Human Resource Management is bound to suffer while managing its regular activities. GIL is quite aware of the necessity for efficient Human Resource Management and has formulated its policy efficiently to cater to its future needs. The implementation thereof is based on different processes which, inter-alia, include the following:

### RECRUITMENT

Priority is given to infuse fresh brains by recruiting new incumbents side by side the experienced ones. Keeping this in mind, process of recruiting fresh and experienced personnel is a regular feature. In case of new recruits, Bsc. Msc. in Engineering, CA, CMA, CS, Masters, BBA and MBA are given preference. The Management of GIL believes in the importance of recruiting young & energetic personnel and building them up for undertaking future leaderships.

### TRAINING

To facilitate scope of training for the new recruits, changes in the schedule of In-house Training has been brought by increasing number of sessions and inviting guest speakers as and when required. The training programs of the Company are chalked out with idea to educate and develop selected personnel so that they acquire required knowledge, skill and experience needed to manage future positions.

Thus, the staff members get the opportunity to sharpen their existing skills or develop specialized skills which in turn, will help them to take up new roles.

### PERFORMANCE APPRAISAL

GIL evaluates performances of its work forces according to their potentials and awards benefits and incentives according to merits. In GIL there exists various beneficiary schemes for the welfare of employees which includes Medical benefit, Festival Bonus, Cash incentive for Eid festivals, Transport Facility, Car Allowance, Training Home & Abroad etc.

### MAINTAINING WORK ATMOSPHERE

GIL believes that a safe, clean & healthy environment can bring out the best in employees. A friendly atmosphere gives the staff member's job satisfaction. GIL provides friendly atmosphere so that all the employees can enjoy working with encouragement. GIL is fully alive to its obligation and necessity to build up strong work force for its continuous growth and has formulated its Human Resource Policies keeping eyes open to satisfy all needs and requirements.

### REDRESS OF INVESTORS

GIL is committed to maintaining highest standard of conduct and professional behavior in dealing with its shareholders. Share Department of the company maintains systematic records and information relevant to the shareholders. Share Department officials are always ready to help shareholders whenever in need of share related services like share transfer, transmission, dividend warrant issue, dividend warrant re-validation, address updates etc. Shareholders get opportunity to speak on various issues relating to the operation of the Company at the Annual General Meeting which is held once a year, in which the Chairman/Managing Director of the Company with the help of Chief Financial Officer (CFO) and Company Secretary respond to all queries raised by the shareholders instantaneously. Generally, shareholders raise issues relating to utilization of Company's resources, yearly, half yearly and quarterly accounts and results, business turnover and profitability, declaration of entitlements, disbursement of benefits, share transfer and transmission, changes of shareholders address, non-receipt of Annual report, date and time of AGM, minutes of meetings of all AGM/EGM, implementation of decision of the AGM & EGM and so on. It is the responsibility of the Company Secretary to oversee that necessary actions are taken expeditiously so that these issues are resolved to the satisfaction of shareholders.

**REDRESS OF CLIENTS**

GIL being a service industry, clients' satisfaction is of paramount importance in maintaining existing clientele base and tapping new business, thereby to achieve satisfactory business growth in the long run. Being fully aware of this, GIL always attends to its client's complaints, whether related to its services. GIL encourages its clients to come forward with any complaint they may have, and the top management is completely accessible to all of them. Complaints can be lodged with the Help Desk over telephone or by e-mail. During regular meetings with its clients of various types, the management actively solicits the client's views on the company's services, shortcomings, if any, and their suggestions.

## BOARD OF COMMITTEES

### REPORT OF THE AUDIT COMMITTEE

**ROLE OF AUDIT COMMITTEE**

The Company has established an Audit Committee as required under the codes of corporate governance of BSEC. The Audit Committee of GIL, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. The Audit Committee on behalf of the Board ensures that standards of corporate reporting, control and compliance are achieved through effective implementation of the procedures and policies with the aim to enhance the effectiveness of the operations and reduce the risks of business. The Audit Committee periodically reviews the state of affairs of business and makes recommendation on the reporting, control and compliance aspects as well as provides independent monitoring and guidance to the management. A brief of the Audit Committee, its roles, responsibilities and functions are presented as under:

**THE COMPOSITION OF THE AUDIT COMMITTEE**

The Board of Directors has appointed the Audit Committee comprising of the following members of the Board having adequate knowledge about finance and accounts.

Name of Members	Position in the Committee
Mr. Md. Tanveer Ali, Independent Director	Chairman
Mr. Mezbah Uddin, Nominee Director	Member
Mrs. Rokeya Islam, Independent Director	Member
Mr. Md. Jewel Rashed Sarker, Company Secretary	Secretary

**MEETINGS OF THE AUDIT COMMITTEE**

The Committee conducted 4 meetings during the year as detailed below.

SL. No	Name	Number of Meeting during 2019-20	Number of Attendance During 2019-20
1	Mr. Md. Tanveer Ali, Independent Director	04	04
2	Mr. Mezbah Uddin, Nominee Director	04	04
3	Mrs. Rokeya Islam, Independent Director	04	04
4	Mr. Md. Jewel Rashed Sarker, Company Secretary	04	04

**ACTIVITIES OF THE AUDIT COMMITTEE**

The audit committee discussed the following issues during the year:

- Reviewed the Quarterly and Annual Financial Statements of the year
- Regular review of the Internal and External Inspection Report with a view to implementing the suggestion of Internal and External Auditors in respect of Internal Control structure and techniques.
- Review of related party transactions and codes of conduct of the Company,
- Minimize expenditure in all operational activities where possible.
- Reviewing the Accounting procedure with a view to ascertaining that the International Financial Reporting Standard (IFRS) has been applied in maintaining books and records.

**REPORTING**

Pursuant to condition # 5(6).a of the Corporate Governance Code-2018 issued by BSEC, the Committee reports that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also are no infringement of laws rules and regulations.

**ACKNOWLEDGEMENT**

The Audit Committee expressed their sincere thanks to the members of the Board and Management of the Company for their support in carrying out its duties and responsibilities effectively.

On behalf of the Audit Committee



Mr. Tanveer Ali  
Chairman  
Audit Committee

**REPORT OF THE NOMINATION & REMUNERATION COMMITTEE (NRC)**

Pursuant to code 6.5(c) of the codes of corporate governance, the Policy and Report of the Nomination & Remuneration Committee of the Company is presented hereunder at a glance:

**FEATURES OF NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee (NRC) was set up with explicit terms of reference. The Nomination and Remuneration (NRC) Committee shall, at least once a year, consider its own performance and terms of reference to ensure that it is operating at maximum effectiveness and shall recommend any changes necessary to the Board for approval.

**COMPOSITION OF THE NRC**

The Board of Directors has appointed the Nomination & Remuneration Committee comprising the following members of the Board having adequate Knowledge.

Name of Members	Position in the committee
Mrs. Rokeya Islam, Independent Director	Chairman
Mr. Mezbah Uddin, Nominee Director	Member
Mr. Md. Tanveer Ali, Independent Director	Member
Mr. Md. Jewel Rashed Sarker, Company Secretary	Secretary

**MEETINGS OF THE NR COMMITTEE**

The Committee conducted 2 meetings during the year as detailed below.

SL. No	Name	Number of Meeting during 2019-20	Number of Attendance During 2019-20
1	Mrs. Rokeya Islam, Independent Director	02	02
2	Mr. Mezbah Uddin, Nominee Director	02	02
3	Mr. Md. Tanveer Ali, Independent Director	02	02
4	Mr. Md. Jewel Rashed Sarker, Company Secretary	02	02

#### DUTIES OF THE NRC ARE

- Review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- Identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- Assess the objectivity/independence of independent non-executive directors; and
- Make recommendations to the Board on appointment or re-appointment of directors and succession planning for directors.

The Nomination & Remuneration Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for remuneration of Directors and Senior Management, and reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The meeting is held once in a year.

#### THE DUTIES OF THE NRC INCLUDES

- (i) Formulating the criteria for evaluation of performance of independent directors and the Board;
- (ii) Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- (iii) Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- (iv) Developing, recommending and reviewing annually the company's human resources and training policies.

#### ACTIVITIES OF THE NRC DURING THE YEAR

- Reviewed the Terms of Reference of the Committee
- Reviewed the mix and composition of the Committee
- Reviewed the frequency of meetings of the Committee in a year.

#### DISCLOSURE

This disclosure is made pursuant to condition # 6.5(c) of the Corporate Governance Code-2018 issued by BSEC.

#### Acknowledgement

The NR Committee expressed their sincere thanks to the members of the Board and Management of the company for their support in carrying out its duties and responsibilities effectively.

On behalf of,



Mrs. Rokeya Islam  
Chairman  
NR Committee



## EXECUTIVE COMMITTEE

The Board is duly assisted by the functional heads of the Company, namely the Executive Committee. The Managing Director leads the Executive Committee which comprises of the following heads of organizational functions:

Name of the Members	Designation
Mr. Mohammed Adnan Imam	Managing Director
Mr. Prince Mojumder	Head of Operation & Co-Founder
Mr. Tanzidul Alam	GM (Co-ordination)
Mr. Md. Jewel Rashed Sarker	Company Secretary
Mr. Md. Abdur Rahim Miah	Chief Finance Officer
Mr. Minarul Islam	Head of HRD
Mr. Md. Salah Uddin	Head of Internal Audit
Mr. Badrul Hassan Patwary	Head of Legal & External Affairs

The Executive Committee is developed with the responsibility of executing the policies and decisions of the Board, control the operations as well as developing, organizing and implementing business and corporate strategies. Usually, the Executive Committee meets monthly to implement the Company's strategy and ensure effective day-to-day operations in line with the Company plan.





## STATEMENT OF CORPORATE GOVERNANCE

The Board of Directors of GIL as the supreme authority in the Company acknowledges that the Company, being a listed business entity, it has a role to play in upholding the interests of all its stakeholders. Strong governance works as the backbone of an upright organization. Corporate Governance is about intense supervision, commitment to values, ethical business conducts and compliance to regulatory laws. It provides for a structure that works for the benefit of its stakeholders by ensuring that the enterprise adheres to accept ethical standards and best practices as well as to applicable laws, procedures and implicit rules. Being a technology-oriented business entity, GIL emphasizes on transparency, accountability and compliance, which are the essence of corporate governance. Good Governance principles encourage the Company to create value through innovations, development and exploration on the one hand and on the other to provide accountability and control systems commensurate with the risks involved. The other important part of the Corporate Governance is regular disclosure of information regarding the financial position of the Company, its performance, ownership and governance in a timely and accurate manner. The disclosures help in improving public understanding of the structure, activities and policies of the organization.

The structure of corporate governance in Bangladesh is guided by the BSEC codes of corporate governance as gazette vide no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The GIL Board has given prime attention to the codes and which are in the process of implementation in the Company.

### CORPORATE GOVERNANCE OF GENEX INFOSYS LTD.

As part of its governance pursuits, the Board of GIL is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders while promoting integrity, transparency and accountability. The Board and the Management Team also put their best efforts to comply with all the laws of the land and all internal regulations, policies and procedures to make the Company a viable and thoroughly transparent entity. In such exercises, it also recognizes the regulatory authority's emphasis that the shareholders are the ultimate beneficiaries of the Company's all economic activities.

The Board is of the view that throughout the reporting year the Company has complied with all the applicable CG conditions and continues to monitor and review the Company's governance pursuits and makes necessary changes to conform to newer codes. In addition to the primary role of monitoring corporate performance, the functions of the Board include approving business plans, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that the shareholders are kept informed about our plans, strategies and performances. To enable the Directors to discharge their responsibilities effectively, the management provides detailed reports on performance to the Board on quarterly basis. The Board also functions through its various committees, such as the Audit Committee, NRC etc.

### ETHICS & COMPLIANCE

GIL's Corporate Governance philosophy encompasses not only regulatory and legal requirements, but also other best practices aimed at a high level of business ethics, effective supervision and enhancement of value for all shareholders.

We are performing perfectly fairly and efficiently to generate long-term value and wealth for all its stakeholders. The Governance principles of the Company ensure that the Board remains independent, informed and involved in the Company. At the same time there are continuous efforts to further improve the governance standards to augment the company strategies and to mitigate the "beyond business" risks. To that end, the Board periodically reviews the effectiveness of its initiatives and at the same time compliance of all applicable laws and regulations and gives appropriate directions wherever necessary.

### **THE BOARD MIX AND FORMATION**

The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business judgments on behalf of the Company. The Company's business is conducted by its employees under directions of the Managing Director & CEO and the overall supervision of the Board. The Board members have collective experience in diverse fields of business.

In order to comply with the BSEC's notification dated June 03, 2018 on Corporate Governance, the Board of GIL has appointed two eminent personality as Independent Director of the Company. Thus, the Board of GIL comprises of 06 (Six) members of which 4 (Four) are Non-Executive Directors and 2 (Two) are Independent Directors. The goal has been to form a competent Board, which is cohesive and has the expertise for quick and informed decision making. We believe that the GIL Board has the optimum level of knowledge, composure, skills and understanding about the Company's business and stands as the perfect platform to perform and deliver.

### **ROLE OF THE BOARD**

The Board of Directors is in full control of the company's affairs and is also accountable to the shareholders. The Board is committed to achieve greater financial performances and long-term prosperity, while meeting stakeholder's expectations of sound Corporate Governance practices. In discharging its responsibilities, the Board is guided by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act 1994, laws of the land, relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations, Company's Codes of Conduct, Business Principles, Rules of Delegated Authorities and other generally accepted corporate best practices.

### **BOARD MEETINGS**

The Company holds at least four Board meetings in a year, one in each quarter, when duly called in writing, inter alia to review the financial results and other matters of the Company. The gap between the two Board Meetings does not exceed three months. The Board, accordingly, met five times during 2019-20. Dates for Board Meetings are decided in advance and notice of each Board Meeting is served in writing well ahead of the meeting. The notice contains the detailed statement of business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require immediate attention. Apart from the four stipulated Board Meetings, additional Board Meetings are also convened to address any specific requirements of the Company. Urgent matters are often also approved by the Board by passing resolutions through circulation. The Board performs following functions in addition to overseeing the overall business and management:

- Formulating long-term strategies and setting the goals and direction for the Company.
- Review, monitor and approve major financial and business undertakings and corporate actions.
- Providing leadership necessary to ensure that the business objectives set out by the Board are met within the framework of internal controls.
- Assess critical risks facing by the Company and review options for their mitigations.
- Ensures that the processes are in place for maintaining the integrity of:

- The Board of Directors
- The Management
- The financial statements
- Compliance with laws
- Relationship with customers and shareholders.
- Overall public exposure

**The Board is also tasked to decide on the following business transactions and activities:**

- Acquisition, disposal or closure of a business unit.
- Establishment of new businesses.
- Capital investment and disposal of tangible assets.
- Proposal for borrowings or credit facilities.
- Appointment of top management and any expatriate official.

**BOARD MEETINGS AND ATTENDANCE BY THE DIRECTORS**

Attendance by the Directors in the Directors meeting in 2019-2020 are summarized below:

Name of Directors	Position	Meeting Held	Attended
Chowdhury Fazle Imam	Chairman	16	16
Mohammed Adnan Imam	Managing Director	16	16
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	16	16
Mezbah Uddin	Director	16	15
Ziaul Islam Chowdhury	Independent Director	16	12
Tanveer Ali	Independent Director	16	15
Mrs. Rokeya Islam	Independent Director	16	4

**AUDIT COMMITTEE**

There is an Audit Committee established by the Board. The primary role of the Audit Committee is to oversee the financial reporting process and disclosure of financial information, to review the financial statements before submission to the Board, to review adequacy of internal control systems and to review findings of internal investigations and recommending appointment/removal of statutory auditors and fixing their remuneration. A separate report on activities of the Audit Committee is attached at page no. 37 of this report pursuant to condition # 5.7 of the Corporate Governance Code-2018.

**NOMINATION & REMUNERATION COMMITTEE (NRC)**

The Board has also established a Nomination and Remuneration Committee as required by regulatory guidelines. The primary role of the NRC is to oversee the structure, size and composition (including the skills, knowledge and

experience) of the Board Members and to make recommendations to the Board on Company's policy and structure for remuneration of Directors and Senior Management, and reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The policy of NRC is attached at page no. 39 of this report pursuant to condition # 6.5(c) of the Corporate Governance Code-2018.

### **ROLE OF THE CHAIRMAN**

The directors and their meetings are headed by a Chairman. The Chairman of the Company is elected by the Board of Directors and the Board considers the Chairman being neutral and independent. He plays authoritative role in the selection of members of the Board and senior management. He convenes the meetings and works closely with the Managing Director & CEO and Company Secretary to set the agenda of the Board Meetings. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently. A brief of the roles and responsibilities of the Chairman is as follows:

- ❑ The Chairman's responsibility is defined by the Board as directed by BSEC notification on Corporate Governance.
- ❑ The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.
- ❑ The Chairman presides over meetings of the Board and Company (AGM) and ensures that good governance prevails in the conducts of the Board and Company.
- ❑ The Chairman maintains relations with the relevant stakeholders in consultation with the Board as well as the Managing Director, representing the Company as a good/responsible corporate citizen.

The Chairman may assume any other responsibility if the Board assigns within the purview of the relevant Rules, Regulations, Acts and Articles.

### **CHAIRMAN AND MANAGING DIRECTOR/CEO OF THE COMPANY ARE DIFFERENT PERSONS**

As required under the regulatory guidelines, Chairman of the Board and Managing Director of the Company are different individuals with different roles and responsibilities as defined by the Board and thereby preventing unregulated powers of decision making by a single hand. The Chairman is a Non-Executive Director while the Managing Director is an Executive Director. The roles of the Chairman and Managing Director are clearly established, set out in writing and adopted by the Board to ensure transparency and better governance.

### **ROLE OF THE MANAGING DIRECTOR & CEO**

The Managing Director & CEO is the key person and is responsible for running the business of the Company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and execution of the Company's operating plan necessary to achieve business objectives of the Company. He has the overall control on the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company. A brief of the roles and responsibilities of the Managing Director is as follows:

- ❑ The Managing Director is responsible for driving business operations, leading the development and execution of the Company's long-term strategies with a view to creating shareholders value.
- ❑ He is responsible for all day-to-day management decisions and for implementing the Company's long- and short-term plans.
- ❑ Managing Director acts as the direct liaison between the Board and Management of the Company and communicates to the Board on behalf of the Management.
- ❑ The MD also communicates to the shareholders, employees, Government authorities, other stakeholders and the public on behalf of the Company.

### **ROLE OF THE COMPANY SECRETARY**

There is a qualified Company Secretary to assist the Board. The Board has appointed the Company Secretary in order to maintain the necessary link and liaison with the internal organs as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the Board.

The Corporate Governance Codes issued by BSEC also require a listed company to appoint a full-fledged Company Secretary. Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman, other members of the Board and the MD to ensure effective functioning of the Board. The Company Secretary organises and attends all Board and Committee meetings and ensures that deliberations on all issues are properly minuted, decisions recorded and are duly communicated across the respective authority lines for necessary information and actions. A brief of the roles and responsibilities of the Company Secretary is as follows:

- Maintaining linkage between the Board, Management, Shareholders and other stakeholders on matters of corporate interests,
- Performing duties as per guidelines mainly for corporate secretarial matters.
- Compliance of the Acts, rules, regulations, notifications, guidelines, codes, orders/directives, etc. as issued by BSEC or Stock Exchanges applicable to the Company so as to protect the interests of the investors and other stakeholders at large.
- Disclosure of the corporate price sensitive information (PSI) and other capital market related issues,
- Ensuring that appropriate Board procedures are followed as per given guidelines/secretarial standards and best practices and advises the Board on matters as such.
- Maintaining all statutory and other statistical registers as required under laws of the land.
- To act generally as the Public Relations Officer of the Company.

#### **ROLE OF THE HEAD OF INTERNAL AUDIT & COMPLIANCE (HIAC)**

The Company's internal control system is designed to provide reasonable assurance regarding the achievement of the Company's objectives in respect of effectiveness and efficiency of operations, reliability (completeness and timeliness) of financial reporting and management information, compliance with applicable laws, regulations and the Company's policies. The Head of Internal Audit and Compliance is responsible for the internal control system and reporting to the Board Audit Committee regarding deviations from accounting and internal control system. He is also leading the internal control team of the Company.

The Company's internal control system is commensurate with its size and business nature. The system minimizes operational risks through effective control, systematic review and on-going audit. The internal auditors embark on a comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal.

The Company has institutionalized its legal and technical appraisal functions to ensure optimum control of the Company's multi-level authorization structures which has ensured that higher exposure levels were duly authorized by appropriate personnel and committees with required experience and authority. Training programs and guidelines have helped implement linkage between the goals and operations.

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

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

#### **RISK MANAGEMENT**

The Company always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well-structured and proactive risk management system is in place within the Company

to address the risks and worries stemming from the competing markets, operational issues, legal knots, interest and exchange rate volatilities and potential changes in policies at the national or global level relating to market, liquidity and operations. The Company's risk recognition system works on a real time basis based on a comprehensive framework as such.

#### **RELATED PARTY TRANSACTIONS**

Transactions with related parties are made on arm's length basis and are in the ordinary course of business. Detailed transactions with related parties are described at notes 37.00 of the Financial Statements in the page no. 126 of this Annual Report.

#### **FINANCIAL REPORTING**

Financial reporting system is the backbone of a successful information structure. GIL has strong financial reporting procedures in place. Financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable financial legislations. These financial statements, once prepared, are reviewed initially by CFO and CEO and then by the Audit Committee on a regular basis. At every quarter, external auditors review the quarterly financial statements prepared in accordance with the local financial reporting policies and Company procedures. After all internal scrutiny, the financial reports are placed before the Board for final review and approval.

#### **STATUTORY AUDIT & CERTIFICATION**

Annual audit of the Company is governed by the Companies Act 1994 and Securities and Exchange Rules 1987. As per these regulations, auditors are appointed by Shareholders at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the same AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors. Statutory auditors are rotated every three years in compliance with the Codes of Bangladesh Securities and Exchange Commission (BSEC). Audit Committee meets with the statutory auditors to ensure that auditors are acting independently and reviews the financial statements before submission to the Board for approval.

Further, to ensure adequate regulatory discharge, a Compliance Certificate is obtained from licensed practicing professional M/s. Mazumder Sikder and Associates, who certify that the Company has duly complied with all the regulatory requirements as stipulated by the Bangladesh Securities and Exchange Commission (BSEC). The Compliance Certificate is available at page no. 58 in this Report.

#### **DECLARATION OF CEO AND THE CFO REGARDING FINANCIAL STATEMENTS**

A separate statement pertaining to due diligence of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as required under codes of corporate governance is presented at page no. 57 of this report.

#### **OBSERVANCE OF IAS, IFRS & APPLICABLE LAWS**

The Directors confirm that the financial statements have been prepared in accordance with the International Accounting Standards and applicable rules and regulations. A statement on implementations of the different accounting standards is set out at notes to the financial statements.

#### **EMPLOYEE HEALTH & SAFETY**

GIL maintains internal health and safety policies and procedures and country's regulations to ensure a safe working environment. We are working with our employees to ensure that health and safety standards are maintained and improved. GIL provides adequate life and hospitalization insurance coverage to all its permanent employees.

#### **ANNUAL GENERAL MEETING (AGM)**

The General Meeting of Shareholders is the supreme governing forum in GIL. The Company recognizes the rights of Shareholders and the Shareholders' interests are primarily ensured through the Annual General Meeting (AGM). GIL holds Annual General Meeting of shareholders once a year and the Company ensures effective interaction with the shareholders at the Annual General Meeting. The Directors pay special attention in answering the various



queries raised by the shareholders at the AGM. The Company's General Meetings provide a transparent and open platform for the shareholders to communicate with the Board. The Board Members and Statutory and Compliance Auditors attend the AGM to respond to the Shareholders' queries on the result or any other aspects of the Company, if any.

#### ASSETS AND RECORDS MANAGEMENT

The records, documents and assets are of prime importance to the Company. The Board of GIL recognizes its role as the Trustees of the investors' funds. And, as such, it assigns special care to protect and safeguard the records, documents and all assets of the Company. From acquisition to disposal of assets due transparency and accountability is ensured keeping in mind the interests of the investors. Implementation of adequate safety and security measures followed by periodic check and physical verification of the assets are duly ensured. Accuracy and genuineness of the inventory of assets are thoroughly checked with actual situation. The assets are properly insured with renowned insurance companies against fire and industrial risks. Records of the Company are systematically preserved to ensure adequate and timely retrieval as and when necessary.

Overall, GIL pledges its commitment to maintain good governance and to continue to work in upholding the best interests of the shareholders and all other stakeholders.



## DIRECTORS' REPORT TO THE SHAREHOLDERS

Honorable Shareholders,

It is a great honor and privilege on the part of the Board of Directors and myself to welcome you all to this 8th Annual General Meeting of Genex Infosys Limited and to place before you the audited Annual Financial Statements of the Company for the year ended June 30, 2020 for your kind consideration and adoption. In the following paragraphs we review the year under report for your information and appraisal.

### MONETARY MANAGEMENT AND BANGLADESH ECONOMY

Bangladesh's economy grew by 9.63% during the year 2019-20 beating the record 8.13% in previous the year setting a consistent growth pattern accommodating the fastest expansion of the economy since recent past. It was also the eighth year that GDP growth in Bangladesh. Most analysts expect this thrust to continue for some more years, unless a major calamity befalls.

Despite the pressure of the un-charted Rohingya influx of over a million refugees from Myanmar, the economy kept its upward motion due to substantial increase in export growth in RMG sector some increase in wage earners remittance. The unfortunate loss by theft from Bangladesh Bank, over a billion us dollar has also impacted the economy during this year.

With the passage of time and continued and persistent drive and implementation from the Government and private sector- Digitization is now a reality which is rapidly transforming the socio-economic realm of the country. According to most media report in Asia, Bangladesh has outpaced India's economic growth, increasing its per capita gross income by a large margin as against a timid growth in India and a relatively low growth in Pakistan. At this rate, Bangladesh's per capita income growth-rate would exceed that of all SARC countries by the year 2020.

The ever-growing Rural Urban gap has shown some signs of narrowing with the introduction of Postal Digitization, different Banks/ Fintech companies have introduced Agent Banking, e-money transfers, thus greatly reducing the need for people to visit Bank Branches. GIL has been a natural partner of most of these activities and has a substantial footprint in the progress of digitization in Bangladesh.

### INFLATIONARY PRESSURE

Bangladesh Bank shows that despite the significant GDP growth- inflation have been kept in check through prudent implementation of Monetary policy. The rural-urban gap in food inflation also reduced marginally, but non-food inflation increased as un-seasonal flood situation caused some supply disruptions.

### INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE SERVICE INDUSTRY SUB-SECTOR

Business Process Outsourcing (BPO) is a business practice that helps one organization hire another company to perform a specific work. Organizations can outsource a range of back-office functions, which are also referred to as internal business functions, such as IT services, Human resources, Accounting and payment processing. BPO helps to reduce cost, save money and effort to run any business operation efficiently.

Contact center is also part of BPO, concentrating on telephonic calls. This is used for reception and transmission of huge number of telephonic requests paced by commercial users. Contact center provides various services to the clients. Banks, Mobile Companies, Hospitals are providing services relating to client queries, making appointment, getting bank service through call center. Now a days, contactcenter is also used for telemarketing.

Bangladesh offers one of the most liberal tax policy regimes for IT/ITeS service providers – currently, all income from IT/ITeS is tax exempted. For tax exemption purpose, ITeS means Digital Content Development and Management, GIS, IT Support and Software Maintenance Services, web site services, Digital data analytics, call center service, Digital graphics design, Search Engine Optimization, Web Listing, etc.

### CONTRIBUTION TO THE NATIONAL ECONOMY

GIL recognizes that the company has certain responsibilities to the society for their development and the development of the nation. For this, the Company has been making significant contribution to the Government each year by payment of Tax, VAT, Supplementary Duty etc.

### SEGMENT WISE PERFORMANCE

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

### FINANCIAL RESULTS:

Comparatives on the financial performance of the Company for the year ended June 30, 2020 are summarized hereunder:

Year	2019-20 (Tk.)	2018-19 (Tk.)	Increased/ (decreased)	Growth (%)
Revenue	1,035,595,131	943,335,014	92,260,117	9.78%
Cost of Service & Sales	540,309,467	557,743,652	(17,434,185)	-3.13%
Gross Profit	495,285,664	385,591,362	109,694,302	28.45%
Operating Expenses	62,055,288	60,925,872	1,129,416	1.85%
Operating Profit	329,093,623	203,076,789	126,016,834	62.05%
Profit Before Tax	321,515,137	195,678,820	125,836,317	64.31%
Profit After Tax	320,577,515	195,627,969	124,949,546	63.87%

The Gross Revenue, Net Profit (BT) and Net Profit (AT) increased by 9.78%, 64.31% and 63.87% during the FY 2019-20 over the previous year. The Cost of Sales decreased at 3.13% over the previous year due to decrease of Financial Cost compare to previous year. The increase of Gross profit Margin 28.45% during the FY 2019-20 over the previous year. However, the Company earned an extra ordinary income of Tk. 8,497,271 (Eighty-four lac ninety-seven thousand two hundred seventy-one only) (depicted in Note 28 of standalone accounts) during the year 2019-2020 resulting of Net Profit Margin increased by 63.87% against the previous year. The EPS for the year under review is Tk. 3.30, a 68.86% increase over the previous year. EPS calculation took place on the basis accounts during the year 2019-2020. EPS calculation took place on the basis of present outstanding 93,840,000 shares of Tk. 10 each. And the consolidated EPS increased by 63.87% which is Tk. 3.42 per share in the year 2019-2020 as against Tk. 2.08 per share of 2018-2019.

Year	2019-20(Tk.)	2018-19 (Tk.)	Increased/ (decreased)	Growth (%)
Data entry	26,799,306	30,210,426	(3,411,120)	-11%
Business process outsourcing	56,983,933	34,427,333	22,556,600	66%
IT support & software maintenance	50,854,486	36,433,203	14,421,283	40%
Digital content development & management	46,881,427	31,412,116	15,469,311	49%
Call center service	641,755,594	566,206,527	75,549,067	13%
Software development	140,362,540	160,758,328	(20,395,788)	-13%
Website development	26,752,323	26,567,583	184,740	1%
<b>Sales</b>	<b>990,389,610</b>	<b>886,015,516</b>	<b>104,374,094</b>	<b>12%</b>

In this consequence, Business process out sourcing, IT support & software maintenance, Digital content development & management, Call center service & Website development Revenue has expressively increased 66%, 40%, 49%, 13%, 1% against previous year. Cost of sales has decreased 3.13% and operating expenses has increased 1.85% during the year based on last year.

Net Profit before Tax for the year has increased by Tk. 125,836,317/- from the last year and reflection growth is 64.31% due to increase of sales & decreased of cost of sales. The growth in Net Profit after Tax is 63.87%.

### EXTRA ORDINARY GAIN OR LOSS

Genex Infosys Limited is the leading outsourcing providers of customer experience management and trusted by world's leading brands. The earning of the company is increasing every year. The Company earned an extra ordinary income of Tk. 8,497,271 (Eighty-four lac ninety-seven thousand two hundred seventy-one only) (depicted in Note 28 of standalone accounts) during the year.

### APPROPRIATION PROPOSED

1	Net Profit After Tax for the year 2019-20		Tk. 320,577,515
2	Appropriation Proposed:		
i)	Cash Dividend @10% (Tk. 10 per share)	Tk. 93,840,000	Tk. 187,680,000
ii)	Issuance of 10% Bonus share (Stock Dividend) Face Value of Bonus Share	Tk. 93,840,000	

### HUMAN CAPITAL

GIL believes that human capital is vital for the company's success. It is the prime asset of the Company. It is the composition of competencies, knowledge and personality in the ability to perform jobs so as to produce economic value to the Company. Human capital can be increased through education, training and experience. GIL has the following policy to increase its human capital:

1. Establish and administer transparent policies that enable Company to develop and implement opportunities of recruitment, promotion, remuneration, benefits, reward and recognition system, transfer and training and performance management system without any regard to age, sex, race, political belief and religion.
2. Create trust and support within the company which encourage the employees to work well together as a team and at the same time to encourage them to be innovative and creative in order to achieve Company's goals.
3. Develop an effective internal communication and involvement mechanism which encourage employees to identify them with the Company and its activities.
4. Ensure that the employment opportunities conform to the established and acceptable practices of the country.

### HR POSITION

Particulars	2019-20	2018-19
Beginning of the year	2184	1977
New recruitment	684	291
Released	100	84
Closing of the year	2768	2184

There are proper manpower planning and forecasting system in place along with enough people with the right skills and talents to meet Company's current and future growths and needs.

## RISK MANAGEMENT

### FINANCIAL RISK MANAGEMENT

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks from its use of financial instruments.

- (a) Credit Risk;
- (b) Liquidity Risk; and
- (c) Market Risk.

#### (a) Credit Risk

Credit Risk represents the financial loss to the company if a customer or counterparty to a financial instrument fail to meet its contractual obligations. It mainly comprises of trade receivables, advances to suppliers, trade deposits and bank balances. The company's maximum exposure to credit risk at the reporting date is trade receivables which is also secured by agreement with the clients & member banks also.

**(b) Liquidity Risk**

Liquidity risk is the risk that the company may not be able to meet its financial obligations as they fall due. The company maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidity risk.

**(c) Market Risk**

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

**TECHNOLOGICAL RISK MANAGEMENT**

Technology is a dynamic term that frequently changes its shape, trend and nature. Every capital-intensive industry has to rapidly synchronize itself with technological changes and invest in sophisticated machineries. A right technology is a crucial determinant of competitiveness that ensures better products and services to the customers while minimizing costs. Adjustment to new technologies thus involves relatively large-scale investments as well as a longer pay-back period.

The company is operating in an industry where technology is the key success factor. Some of the technological risks associated with the company vis-à-vis the management perception is as follows.

**(a) Infrastructure Related Risk**

Management always puts high focus and undertakes required CAPEX to keep the infrastructure updated to ensure smooth operation.

**(b) Efficient Technical Expertise**

The Company is the pioneer in Bangladesh in IT industry and has built up a strong team who has been involved since the evolution of the industry. So apparently, they have the most expert team in the industry to cater to any technological dynamics.

**(c) Up gradation of the Industry / Solutions**

In line with the global financial market, Bangladesh is also adopting the upgraded solutions fast. GIL is capable to adjust and cope up with the change in industry dynamics.

**(d) Product / Solution Obsolesce**

GIL management believes in continuous up-gradation and continuous improvement of their offerings. Historically, GIL is the pioneer and fast mover in terms of launching new products or ideas in the market. So it is implied that the management is well aware of their competitive edge and continuously putting efforts to assure its market leadership position.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced or is likely to be faced by the company.

**CORPORATE AND FINANCIAL REPORTING FRAMEWORK**

The Members of the Board, in accordance with the Bangladesh Securities & Exchange Commission Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018; hereby confirm compliance with the financial reporting framework for the following:

- The Financial Statements prepared by the Management of GIL, present its true situation, the result of its operations, Cash Flows and Changes in Equity fairly and accurately.
- Proper Books of Accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgment.

- International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS) International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt on the ability of the company to continue as a going concern.

#### INTERNAL CONTROL SYSTEM

The company's internal control system is commensurate with its size and business nature. The system minimizes operational risks through effective control, systematic review and on-going audit. The internal auditors embark on a comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal.

#### BOARD MEETINGS AND ATTENDANCE BY THE DIRECTORS

During the year ended June 30, 2020, a total of 16 (Sixteen) Meetings of the Board were held.

Attendance by the Directors in the Board Meetings are summarized below:

Name of Directors	Position	Meeting Held	Attended
Chowdhury Fazle Imam	Chairman	16	16
Mohammed Adnan Imam	Managing Director	16	16
Prince Mojumder	Director & Co-Founder	16	16
Mezbah Uddin	Nominee Director	16	15
Ziaul Islam Chowdhury	Independent Director	16	12
Tanveer Ali	Independent Director	16	15
Mrs. Rokeya Islam	Independent Director	16	4

#### Remuneration of Directors

The Board members receive only fees for attending Board/Committee meetings and they are not allowed other remuneration or incentive except Prince Mojumder.

#### DIRECTORS INVOLVED IN OTHER COMPANIES

SL.	Name & Designation	Directorship/Ownership with Other Companies	
		Companies	Position
1	Mohammed Adnan Imam Managing Director & Director	AWR Developments (BD) Ltd.	MD
		AWR Real Estate Ltd.	MD
		NRB Commercial Bank Ltd.	Director
2	Chowdhury Fazle Imam Chairman & Director	AWR Developments (BD) Ltd.	Chairman
		AWR Real Estate Ltd.	Chairman
3	Prince Mojumder Director & Co-Founder	N/A	N/A
4	Mezbah Uddin Nominee Director of Oracle Services Ltd.	N/A	N/A

#### PROPOSED DIVIDEND

The Board of Directors has recommended an amount of Tk 93,840,000 as Cash Dividend, being 10% of the paid-up capital of the Company of Tk. 938,400,000 to be paid cash to the shareholders for the year 2019-20 and 10% stock Dividend. This dividend is to be approved by the shareholders at the 8th AGM of the Company.

#### REASON FOR STOCK DIVIDEND

The board of directors of Genex Infosys Limited recommended 10% of stock dividend for the year 2020 to build up strong reserve and used as capital for further business expansion as well as working capital.

**INTERIM DIVIDEND**

The Board herewith states that no stock dividend was considered during the year as interim dividend, which fulfills condition no.1(5)(xxi) of the codes of corporate governance code of BSEC.

**PATTERNS OF SHAREHOLDING**

The shareholding patterns of the Company as at 30th June, 2020 are shown in the following table:

Sl. No	Name	Status	Number of Share held as of 30.06.2020	% of Shareholding
<b>A</b>	<b>Parent/Subsidiary/Associated Companies/Others Related Party</b>			
	-	-	-	-
<b>B</b>	<b>Directors &amp; their Spouses and Minor Children:</b>			
1	Mr. Mohammed Adnan Imam	Managing Director	7,694,305	8.199%
2	Mr. Chowdhury Fazle Imam	Chairman & Director	13,441,669	14.324%
3	Mrs. Nilofar Imam	Spouse of Chairman	3,041,813	3.241%
4	Mr. Prince Mojumder	Director	3,837,165	4.089%
5	Mrs. Gupa Shaha	Spouse of Director Mr. Prince Mojumder	1,702,000	1.814%
6	Oracle Services Ltd. Nominated by Mr. Mezbah Uddin	Director	6,163,080	6.568%
7	Mr. Md. Tanveer Ali	Independent Director	Nil	Nil
8	Mrs. Rokeya Islam	Independent Director	Nil	Nil
<b>C</b>	<b>CEO, CFO, CS, HOIA and their Spouses and Minor Children</b>			
1	Mr. Abdul Rahim Mia	Chief Financial Officer	115,000	0.123%
2	Mr. Md. Jewel Rashed Sarker	Company Secretary	Nil	Nil
3	Mr. Salahuddin	Head of Internal Audit	Nil	Nil
<b>D</b>	<b>Top 5 (Five) Executives and their Spouses and Minor Children</b>			
1	Mr. Salahuddin Nasir	Head of Corporate Affairs and Administration	Nil	Nil
2	Mr. Mohammad Nasir Uddin Sarker	Technology Operations Lead	Nil	Nil
3	Mr. Minarul Islam	Head of People & Culture	Nil	Nil
4	Mr. Md. Mostofa Jaman	Head of L&D and PR	Nil	Nil
5	Mr. Ashraful Haq	Service Delivery Lead	Nil	Nil
<b>E</b>	<b>Shareholders Holding 10% or more voting interest in the company</b>			
1	Mr. Chowdhury Fazle Imam	Chairman	13,441,669	14.324%

**SUMMARY OF SHAREHOLDERS AND RANGE OF SHAREHOLDING**

The shareholding distribution schedule of Genex Infosys Limited as on June 30, 2020 is presented as below. On the Basis of Shareholders Type:

Group Name	No. of Shareholders	No. of Shares	Ownership (%)
Sponsors/Promoters & Directors	7	32,838,219	34.99%
General Public	1,494	33,884,297	36.11%
Institute	208	27,103,651	28.88%
Foreign Company	6	13,833	0.01%
<b>Total</b>	<b>1,715</b>	<b>93,840,000</b>	<b>100.00%</b>

**ON THE BASIS OF SHAREHOLDING**

Holding Range	Number of Shareholders	No. of Shares	Ownership (%)
1-100	393	11,170	0.01%
101-500	227	70,609	0.08%
501-1000	406	265,090	0.28%
1001-10000	434	1,802,282	1.92%
10001-20000	89	1,270,151	1.35%
20001-50000	63	2,019,556	2.15%
50001-100000	32	2,270,355	2.42%
100001-1000000	55	15,067,697	16.06%
1000001-5000000	10	25,719,656	27.41%
5000001-10000000	5	32,401,765	34.53%
10000001 and Above	1	12,941,669	13.79%
<b>Total</b>	<b>1,715</b>	<b>93,840,000</b>	<b>100.00%</b>

**MINORITY INTERESTS**

In compliance with code 1(5)(xvi) of the codes of corporate governance, the Board hereby confirms that the interests of the minority shareholders have been duly protected by means of open and fully transparent operations of the Company.

**OPINION BY THE AUDITOR'S OF EMPHASIS OF MATTERS IN FINANCIAL STATEMENTS**

1. The Company did not revalue the assets in compliance with Para-34 of IAS-16 'Property, Plant and Equipment'.
2. Provident Fund: According to Section-264 of Bangladesh Labour Act 2006-Any establishment in the private sector may constitute provident fund for the benefits of workers'.The company didn't constitute the Provident Fund for the benefits of workers',in compliance with the said provision of Labour Act 2006 (Amended in 2013 and 2018).
3. As per Labor act 2006,"Every Company to which this chapter applies shall pay, within 9 (nine) months of the closing of every year, five percent (5%) of the net profit of the previous year at the proportion of 80:10:10 to the Participatory Fund,Welfare Fund and Workers Welfare Foundation Fund established under section 14 of the Bangladesh Workers Welfare Foundation Act, 2006"respectively.The company paid the said amount after expiry of 9 (nine) months and before the date of authorization for issue.

**UTILIZATION OF IPO PROCEED**


As per BSEC consent letter no SEC/CI/IPO-264/2017/729 dated October 22, 2018 with issued & approved prospectus for IPO, the company has received a total fund of Taka 20 crores from the public for expansion of business, term loan adjustment and to meet IPO expenses.The company has used the total IPO fund as per prospectus and submitted the relevant report to the Commission and the Stock exchanges.The IPO fund has fully been utilized in the previous year.

**SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS**

There were no significant variations between Quarterly Financial Statements and Annual Financial performance of the Company during the year under report.The company was able to maintain a remarkable performance both in operational and financial perspective throughout the period.

**DIRECTORS' APPOINTMENT & RE-APPOINTMENT**

With regard to the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association, the Companies Act. 1994 and other related legislations.As per Article 129 and 130 of the Articles of Association of the Company, the following Directors retire from office by rotation at the 8th Annual General Meeting and being eligible, they have offered themselves for re-election:

  
Mr. Chowdhury Fazle Imam  
Chairman

Sd/-  
Mr. Mezbah Uddin  
Director



Brief profiles of the Directors being proposed for reappointment are given at page no. 55 of the Annual Report, which fulfill condition no.1(5)(xxiv) of the codes of corporate governance of BSEC.

#### **APPPOINTMENT OF STATUTORY AUDITORS**

"M/s. M M Rahman & Co., Chartered Accountants, Padma Life Tower, Level-10, 115 Kazi Nazrul Islam Avenue, Dhaka 1000, who were appointed as Auditors of the Company in the 7th Annual General Meeting of the Company has carried out the audit for the year ended 30 June 2020.

M/s. M M Rahman & Co., Chartered Accountants, Padma Life Tower, Level-10, 115 Kazi Nazrul Islam Avenue, Dhaka 1000, the auditors of the company retire at this meeting. Board considered the proposal made by the Audit Committee recommends for the appointment of Rahman Mostafa Alam & Co. Chartered accountants, Paramount Heights (7th Floor D2 & C1) 65/2/1 Box Culvert Road, Purana Paltan, Dhaka-1000, as statutory auditor for the year 2020-21"

#### **APPOINTMENT OF COMPLIANCE AUDITOR AS PER CORPORATE GOVERNANCE CODE**

"M/s. Mazumdar Sikder and Associates, Cost & Management Accountants, 105/A, 3rd Floor, Kakrail, Dhaka 1000, who were appointed as professional for Report on Compliance of corporate Governance Codes of the Company in the 7th Annual General Meeting of the Company has carried out for the year ended 30 June 2020.

M/s. Mazumdar Sikder and Associates, Cost & Management Accountants, 105/A, 3rd Floor, Kakrail, Dhaka 1000, who were appointed as professional for Report on Compliance of corporate Governance Codes of the Company retires at this meeting. Board considered the proposal made by the Audit Committee recommends for the appointment of M/s. A.K.M. Delwer Hussain & Associates, Cost & Management Accountants, as professional for Report on Compliance of corporate Governance Codes of the Company for the year 2020-21"

#### **CORPORATE GOVERNANCE AT GIL**

GIL recognizes that corporate governance is a continuous process which is to be established, nurtured and excelled by means of concerted efforts of all. That is why the Company engages all its team in the process because good governance entails managing the business professionally, effectively and responsibly and in a way, which is transparent, ethical, law abiding and ensures accountability. And in that pursuit, the Company has ventured to comply with all the relevant provisions of the codes of corporate governance as outlined in the BSEC gazette notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The Company aspires to uphold its long-acclaimed standards of good governance by standing ever alert in its management exercises.

#### **ACKNOWLEDGEMENT**

The Board of Directors of GIL firmly believes that the Company has the necessary strengths, resources and commitments to enable the Company to grow and augment its contribution to the nation. The performance of the Company during the period under review demonstrates the resolves and determination of the Board, Management and our employees to further empower the financial society. On this august occasion, the Board expresses on record its appreciation to the partners of GIL, its Shareowners, Customers, Financiers, Bangladesh Bank, the Bankers and Insurers of the Company, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange Ltd.(DSE), and Chittagong Stock Exchange Ltd. (CSE), Registrar of Joint Stock Companies and Firms (RJSC), Central Depository Bangladesh Ltd. (CDBL) and other Regulatory Authorities for their support and patronage to bring the Company to this height and the Board shall continue to partner with them to build a speedy and conducive auto-system to accelerate Bangladesh's transformation into a digital nation.

For & On behalf of the Board of Directors



Mr. Chowdhury Fazle Imam  
Chairman

## Genex Infosys Limited Declaration by Managing Director and CFO



Date: October 28, 2020

The Board of Directors  
Genex Infosys Limited  
Plot-42&69, Nitol Niloy Tower  
(Level-8), Nikunja-2, Airport Road, Khilkhet,  
Dhaka-1229, Bangladesh

### Subject: Declaration on Financial Statements for the year ended on June 30, 2020

Dear Sirs,


Pursuant to the condition No. 1(5) (xxvi) imposed vide the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that.

- 1) The Financial Statement of Genex Infosys Limited for the year ended on June 30, 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

#### In this regard, we also certify that: -

- a. We have reviewed the financial statements for the year ended on June 30, 2020 and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements collectively present true and fair view of the Company's affairs and follow existing accounting standards and applicable laws.
- b. There are, to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

  
Mohammed Adnan Imam  
Managing Director  
Genex Infosys Ltd.

  
Abdur Rahim Mia  
Chief Financial Officer (CFO)  
Genex Infosys Ltd.

#### Genex Infosys Limited

Operations Centre:

1. Nitol Niloy Tower (6th- 12 Floor), Khilkhet, Nikunja-2, Dhaka- 1229  
2. BGMEA Bhaban (Level 11 & 12), 669/E Jhautala Road, South Khulshi, Chattogram

Registered & Corporate Office:

Nitol Niloy Tower (Level-08), Plot- 42& 69, Nikunja- 02, Khilkhet, Dhaka- 1229, Bangladesh  
P: +88 09612 111000, E: info@genexinfosys.com

[www.genexinfosys.com](http://www.genexinfosys.com)



## **MAZUMDAR SIKDER AND ASSOCIATES**

Cost & Management Accountants

### **Report to the Shareholders of Genex Infosys Limited on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Genex Infosys Limited** for the year ended on June 30, 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

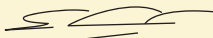
We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except condition no. 1(4)(c), 5(2)(b) and 6(2)(b);
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws ; and
- (d) The governance of the company is satisfactory.

Place -Dhaka.

Date- December 09, 2020

**For Mazumdar Sikder and Associates**  
Cost & Management Accountants

  
**Md. Salauddin Sikder FCMA**  
Senior Partner

105/A (3rd Floor), Kakrail, Dhaka - 1000, Phone: 02-8300376, Fax: 02-8300375

**Genex Infosys Limited**  
**Status of Compliance with the Corporate Governance Code (CGC)**  
**For the year ended 30th June, 2020**

Annexure-C

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006 158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969  
 (Report under condition No. 9)

Condition No.	Title	Compliance Status (Put in the appropriate column)		Remarks (if any)
		Complied	Not-complied	
<b>1</b>	<b>Board of Directors</b>			
<b>1.1</b>	<b>Size of the Board of Directors</b>			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	√		
<b>1.2</b>	<b>Independent Directors</b>			
1.2(a)	At least on fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
<b>1.2 (b)</b>	<b>For the purpose of this clause 'independent director' means a director-</b>			
1.2 (b) (i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1.2 (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1.2 (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		

1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special auditor professional certifying compliance of this Code;	√		
1.2 (b) (viii)	who is not independent director in more than 5 (five) listed companies;	√		
1.2 (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1.2 (c)	Independent director shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM);	√		
1.2 (d)	The post of independent director cannot remain vacant for more than 90 (ninety) days;	√		
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only;	√		
<b>1.3</b>	<b>Qualification of Independent Director</b>			
1.3 (a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
<b>1.3 (b)</b>	<b>Independent Director shall have following qualifications</b>			
1.3 (b) (i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	√		
1.3 (b) (ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	-		

1.3 (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	-		
1.3 (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		
1.3 (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-		
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1.3 (d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission;			No such issue arose
<b>1.4</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1.4 (b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		
1.4 (e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such issue arose
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>			

	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
1.5 (i)	An industry outlook and possible future developments in the industry;	√		
1.5 (ii)	The Segment-wise or product-wise performance;	√		The Company operates in a single segment
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin where applicable	√		
1.5 (v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	√		
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		IPO Proceeds already been utilized earlier and reported accordingly
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.;			No such incidence arose
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;	√		No such matter to explain
1.5 (x)	A statement of remuneration paid to the directors including independent directors	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained;	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1.5 (xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		

1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	√		
1.5 (xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1.5 (xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	√		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		Matter relating to significant deviation disclosed in note 31.00 of the financial statements
1.5 (xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			BOD declared 10% stock dividend and 10% cash dividends for the year ended 30 June,2020 which is subject to approval of shareholders in upcoming AGM
1.5 (xxi)	Board statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1.5 (xxiii) (a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	√		
1.5 (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name wise details);	√		
1.5 (xxiii) (c)	Executives; and	√		
1.5 (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	√		
1.5 (xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:			
1.5 (xxiv) (a)	A brief resume of the director;	√		



1.5 (xxiv) (b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√		
1.5 (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1.5 (xxv) (a)	Accounting policies and estimation for preparation of financial statements;	√		
1.5 (xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance and financial position as well as cash flows in absolute figure for such changes;	√		
1.5 (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1.5 (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1.5 (xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5 (xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
1.5 (xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this code.	√		

<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behaviour; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	√		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	√		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	√		
2 (e)	The Audit Committee of the holding company shall also review the financial Statements, in particular the investments made by the subsidiary company.	√		
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):</b>			
3.1	<b>Appointment</b>			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		

3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
<b>3.2</b>	<b>Requirement to attend the Board Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the companies shall attend the meetings of the Board provided that the CS, CFO and /or the HIAC shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	√		
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3.3 (a)	The MD or CEO and CFO shall certified to the Board that they have reviewed financial statements for the year to the best of their knowledge and belief;	√		
3.3 (a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
3.3 (a) (ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3.3 (b)	The MD or CEO and CFO shall also certified that there are, to the best of knowledge and belief no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
<b>4</b>	<b>Board of Directors' Committee</b>			
	For ensuring good governance in the company, the Board shall have at least following subcommittees:			

4 (i)	Audit Committee;	√		
4 (ii)	Nomination and Remuneration Committee;	√		
<b>5</b>	<b>Audit Committee</b>			
<b>5.1</b>	<b>Responsibility to the Board of Directors</b>			
5.1(a)	The company shall have an Audit Committee as a sub-committee of the Board of Directors;	√		
5.1(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5.1(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
<b>5.2</b>	<b>Constitution of the Audit Committee</b>			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5.2 (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5.2 (d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such incidence
5.2 (e)	The company secretary shall act as the secretary of the Committee;	√		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5.3 (a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		

5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such incidence arose
5.3 (c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
<b>5.4</b>	<b>Meeting of the Audit Committee</b>			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
<b>5.5</b>	<b>Role of Audit Committee shall include the following:</b>			
5.5 (a)	Oversee the financial reporting process;	√		
5.5 (b)	Monitor choice of accounting policies and principles;	√		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5.5 (d)	Oversee hiring and performance of external auditors;	√		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5.5 (f)	Review along with the management, the annual financial statements before submission to the board for approval;	√		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	√		
5.5 (h)	Review the adequacy of internal audit function;	√		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5.5 (j)	Review statement of significant related party transactions submitted by the management;	√		

5.5 (k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	√		
5.5 (i)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		No such incidence arose
<b>5.6</b>	<b>Reporting of the Audit Committee</b>			
5.6 (a)	Reporting to the Board of Directors			
5.6 (a) (i)	The Audit Committee shall report on its activities to the Board.	√		
5.6 (a) (ii)	The Audit committee shall immediately report to the Board on the following findings, if any;			
5.6 (a) (ii) (a)	Report on conflicts of interests;			No such incidence arose
5.6 (a) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such incidence arose
5.6 (a) (ii) (c)	Suspected infringement of laws, regulatory compliance including securities related laws, rules and regulations; and			No such incidence arose
5.6 (a) (ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			No such incidence arose
<b>5.6 (b)</b>	<b>Reporting to the Authorities</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			Reportable incidence arose
<b>5.7</b>	<b>Reporting to the Shareholders and General Investors</b>			

	Report on activities carried out by Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii) above during the year shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		No report has been made under code 5(b)(a)(ii)
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
<b>6.1</b>	<b>Responsibility to the Board of Directors</b>			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	√		
6.2 (b)	All members of the Committee shall be non executive directors;		√	
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such incidence arose
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such incidence arose
6.2 (g)	The company secretary shall act as the secretary of the Committee;	√		

6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6.2 (i)	No member of the NRC shall receive either directly or indirectly any remuneration for any advisory role or otherwise, other than Director's fees or honorarium from the company;	√		
<b>6.3</b>	<b>Chairperson of the NRC</b>			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			No such incidence arose
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		
<b>6.4</b>	<b>Meeting of the NRC</b>			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	√		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such meeting conveyed by the chairman upon request by any member of the NRC
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
<b>6.5</b>	<b>Role of the NRC</b>			
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6.5 (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board relating to the remuneration of the directors, top level executive, considering the following:	√		



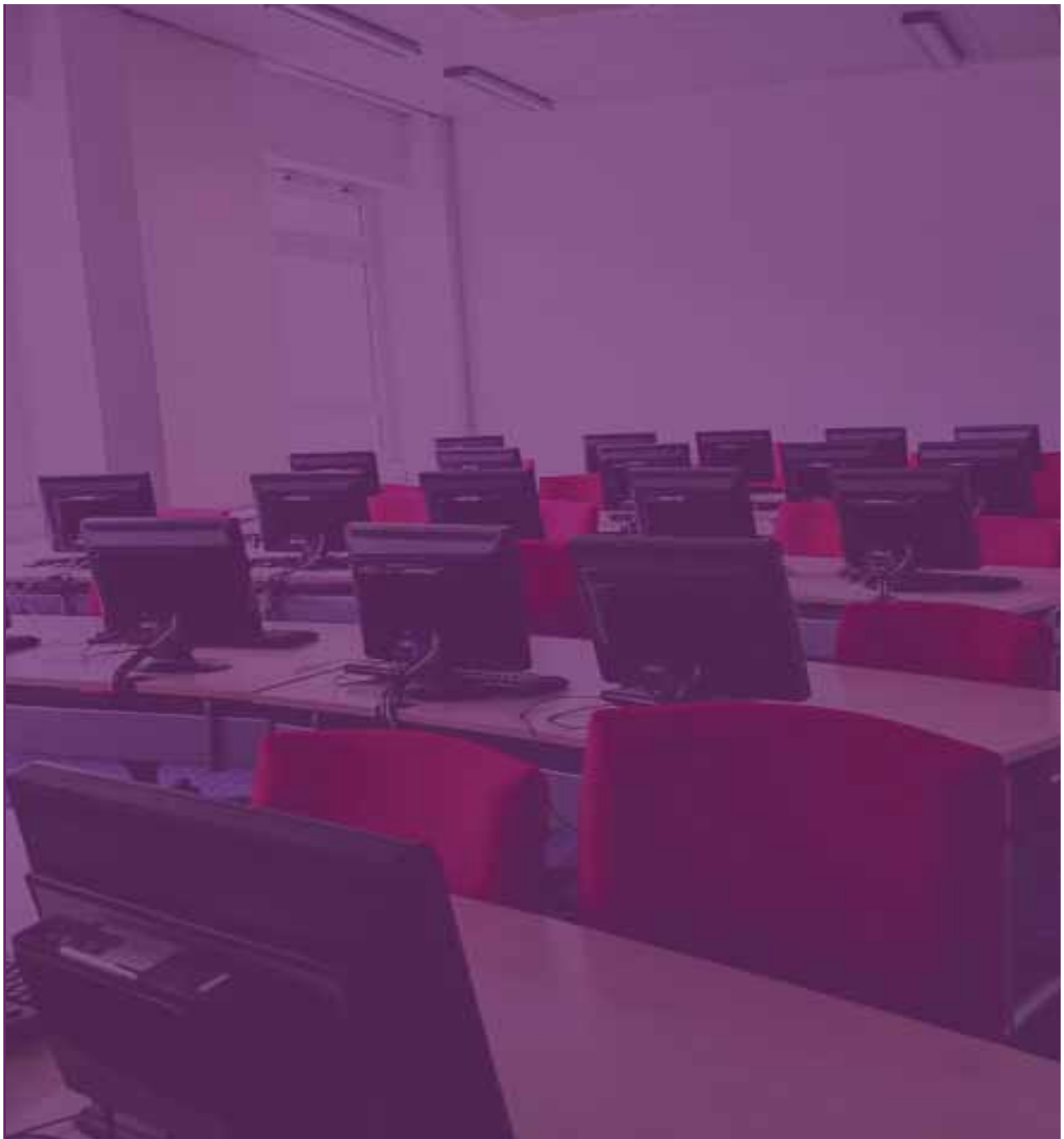
6.5 (b) (i) (a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6.5 (b) (i) (b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6.5 (b) (i) (c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6.5 (b) (ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6.5 (b) (iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6.5 (b) (iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6.5 (b) (v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6.5 (b) (vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6.5©	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report	√		
<b>7</b>	<b>External/Statutory Auditors.</b>			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7.1 (i)	Appraisal or valuation services or fairness opinions;	√		
7.1 (ii)	Financial information systems design and implementation	√		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7.1 (iv)	Broker-dealer services;	√		
7.1 (v)	Actuarial services;	√		
7.1 (vi)	Internal audit services or special audit services;	√		
7.1 (vii)	any service that the Audit Committee determines;	√		

7.1 (viii)	Audit or certification services on compliance of corporate governance as required under clause (i) of condition No.9 (1);	√		
7.1 (ix)	Any other service that creates conflict of interest;	√		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	√		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8.1	The company shall have an official website linked with the website of the stock exchange;	√		
8.2	The company shall keep the website functional from the date of listing;	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance</b>			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual General meeting	√		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

## VALUE ADDED STATEMENT

### For the year ended June 30, 2020

Market value added (MVA) is the differences between the total Market value (based on the quoted price in the main bourse) and total book value of the Company's shares. The higher the MVA, the better the Company's position. A high MVA indicates the Company has created substantial wealth for the shareholders. A Negative MVA means that the value of management action and Investments are less than the value of the capital contributed to the Company by the capital market (or that wealth and value have been destroyed).



# SNAPSHOTS





# SNAPSHOTS







## FINANCIAL STATEMENTS



BALANCE SHEET



INCOME STATEMENTS



CASH FLOWS



EQUITY



**INDEPENDENT AUDITOR'S REPORT**  
**To the shareholders of Genex Infosys Limited**

**Opinion**

We have audited the consolidated financial statements of Genex Infosys Limited and its Subsidiary (The "Group") as well as the separate financial statements of Genex Infosys Limited (The "Company"), which comprise the consolidated and separate statement of financial position as at June 30, 2020, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and separate financial position of the Company as at June 30, 2020, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for opinion**

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

**Emphasis of Matters**

Without qualifying our opinion, we draw attention to the following matters:

1. The Company did not revalue the assets in compliance with Para-34 of IAS-16 'Property, Plant and Equipment'.
2. Provident Fund: According to Section-264 of Bangladesh Labour Act 2006 (Amended in 2013 and 2018)-"Any establishment in the private sector may constitute provident fund for the benefits of workers".  
The company didn't constitute the Provident Fund for the benefits of workers', in compliance with the said provision of Labour Act 2006 (Amended in 2013 and 2018).
3. As per Labor act 2006 (amendment in 2013 and 2018) section 234, "Every Company to which this chapter applies shall pay, within 9 (nine) months of the closing of every year, five percent (5%) of the net profit of the previous year at the proportion of 80:10:10 to the Participatory Fund, Welfare Fund and Workers Welfare Foundation Fund established under section 14 of the Bangladesh Workers Welfare Foundation Act, 2006" respectively. The company paid the said amount after expiry of 9 (nine) months and before the date of authorization for issue.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the audit
<b>Non-current Asset</b>	
The non-current assets comprise of property, plant and equipment, the intangible assets and the capital work in progress, the written down value of which amounted to Tk. 1,17,01,40,987, Tk. 32,04,24,444 and Tk. 14,95,47,933, respectively. The total of above mentioned assets amounted to Tk. 1,64,01,13,364, which is equivalent to 69% of the Company's total assets. As the major operations of the Company depend on the tangible and intangible infrastructure. There may remain the risk that the assets did not reflect the actual value of the same. Moreover, there may also remain the possibility of undetected impairment indicator. Thus, the measurement and valuation of the non-current assets involve significant audit risk, we considered this as a key audit matter.	Our audit procedures to address the risks of material misstatement relating to non-current assets, which was considered to be a significant risk, included: <ul style="list-style-type: none"> <li>• Testing relevant controls within the purchase and measurement process of the non-current assets;</li> <li>• Recalculating the depreciation and amortization of the non-current assets;</li> <li>• Evaluating the basis for the rate of charging amortization and depreciation and determination of useful life;</li> <li>• Identifying if there is any impairment indicator; and</li> <li>• Assessing the justification of the valuation.</li> </ul>
See note no 06.00,7.00 & 8.00 to the financial statements	

Risk	Our response to the audit
<b>Inventories</b>	
<p>Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. The measurement and valuation of the inventories are judgmental and complex. There may remain the risk that the NRV could not be determined appropriately. There may also remain any undetected indicator for obsolescence of inventory. Moreover, the nature of the inventories is sophisticated and have significant impact on the operations of the Company. Due to high level of judgment involved and use of some manual process in estimating the valuation and net realizable value of inventories, we considered this to be a key audit matter.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Reviewing the recording and valuation process of the inventories;</li> <li>• Review the Company's process of inventory count and perform test count;</li> <li>• Assessing the appropriateness of the valuation of inventory and performing the recalculation; and</li> <li>• Understanding and testing relevant controls within the purchase, measurement and storing process of the inventories.</li> </ul>
See note no 11.00 to the financial statements	
<b>Revenue</b>	
<p>As at June 30, 2020, the company had total revenue amounting Tk. 99,03,89,610 reported in the financial statements.</p> <p>The reported amount of revenue is key audit matter due to:</p> <p>About 60% of the total net revenue comes from only 3 customers, average 20% from an individual customer. Losing such kind of any customer could have an adverse effect on revenue, profit and cash flow in any year.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Reviewing the director's assessment of selecting the major customer, ensuring the veracity of the data presented and assessing management's consideration of this process.</li> <li>• Assessing the completeness and accuracy of the data used for recognition of revenue.</li> <li>• Considering the adequacy of the financial statement disclosures contained in relation with revenue during the year.</li> <li>• Examining the long-term contracts with major customers, long-term contracts makes it more difficult for customers to switch vendors suddenly.</li> </ul>
See note no 23.00 to the financial statements	

### Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the consolidated and separate financial statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulation and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

#### **Auditor's responsibility for the audit of the consolidated and separate financial statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

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

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

**Report on other legal and regulatory requirements**

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the group and the company so far as it appeared from our examination of these books;
- c) The consolidated and separate statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts; and
- d) The expenditure incurred was for the purposes of the Group's and the Company's business.

Dated: Dhaka  
October 28, 2020

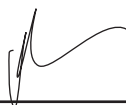
  
**(M M Rahman & Co.)**  
Chartered Accountants  
Mohammed Forkan Uddin FCA  
Managing Partner

**Genex Infosys Limited**  
Consolidated statement of financial position  
As at June 30, 2020

	Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Assets</b>			
Property, plant and equipment	6.A	1,181,491,245	979,005,985
Intangible assets	7.A	324,536,158	300,336,225
Capital work in progress	8.A	149,547,933	256,231,446
Right of Use Asset	9.A	54,399,756	-
Investment	10.A	200,000	200,000
<b>Total non-current assets</b>		<b>1,710,175,092</b>	<b>1,535,773,656</b>
Inventories	11.A	69,619,890	43,363,921
Accounts receivable	12.A	449,170,824	362,457,559
Advances, deposits and prepayments	13.A	54,306,896	147,699,324
Cash and cash equivalents	14.A	115,387,334	81,665,742
<b>Total current assets</b>		<b>688,484,944</b>	<b>635,186,547</b>
<b>Total assets</b>		<b>2,398,660,036</b>	<b>2,170,960,203</b>
<b>Equity</b>			
Share Capital	15.00	938,400,000	816,000,000
Retained Earnings	16.A	703,888,608	546,511,123
<b>Total equity attributable to equity holders</b>		<b>1,642,288,608</b>	<b>1,362,511,123</b>
Non-Controlling interest	16.B	3,887	3,857
<b>Total equity</b>		<b>1,642,292,495</b>	<b>1,362,514,980</b>
<b>Liabilities</b>			
Long term loan	17.A	331,305,742	355,067,397
Lease Liability	18.A	13,067,354	-
<b>Total non-current liabilities</b>		<b>344,373,096</b>	<b>355,067,397</b>
Accounts and other payable	19.A	3,343,721	2,787,625
Dividend payable	20.A	417,467	-
Short term loan	21.A	308,020,634	394,437,228
Current portion of long term loan	17.02.A	5,475,389	12,528,763
Current portion of lease liability	18.A	43,525,545	-
Provision & accruals	22.A	51,211,689	43,624,210
<b>Total current liabilities</b>		<b>411,994,445</b>	<b>453,377,826</b>
<b>Total liabilities</b>		<b>756,367,541</b>	<b>808,445,223</b>
<b>Total equity and liabilities</b>		<b>2,398,660,036</b>	<b>2,170,960,203</b>
<b>Consolidated Net Asset Value (NAV)</b>	32.A	<b>17.50</b>	<b>16.70</b>



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer



**M M Rahman & Co.**  
Chartered Accountants

Dated: October 28, 2020

**Genex Infosys Limited**  
Statement of financial position  
As at June 30, 2020

	Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Assets</b>			
Property, plant and equipment	6.00	1,170,140,987	966,822,821
Intangible assets	7.00	320,424,444	295,498,914
Capital work in progress	8.00	149,547,933	256,231,446
Right of Use Asset	9.00	54,399,756	-
Investment	10.00	37,325,900	37,325,900
<b>Total non-current assets</b>		<b>1,731,839,020</b>	<b>1,555,879,081</b>
Inventories	11.00	69,619,890	43,363,921
Accounts receivable	12.00	403,211,866	324,646,247
Advances, deposits and prepayments	13.00	50,695,724	144,316,544
Cash and cash equivalents	14.00	108,934,531	80,202,130
<b>Total current assets</b>		<b>632,462,011</b>	<b>592,528,842</b>
<b>Total assets</b>		<b>2,364,301,031</b>	<b>2,148,407,923</b>
<b>Equity</b>			
Share capital	15.00	938,400,000	816,000,000
Retained earnings	16.00	672,361,239	526,150,814
<b>Total equity</b>		<b>1,610,761,239</b>	<b>1,342,150,814</b>
<b>Liabilities</b>			
Long term loan	17.00	331,305,742	355,067,397
Lease Liability	18.00	13,067,354	-
<b>Total non-current liabilities</b>		<b>344,373,096</b>	<b>355,067,397</b>
Accounts and other payable	19.00	3,169,546	2,730,071
Dividend payable	20.00	417,467	-
Short term loan	21.00	308,020,634	394,437,228
Current portion of long term loan	17.02	5,475,389	12,528,763
Current portion of lease liability	18.00	43,525,545	-
Provision & accruals	22.00	48,558,115	41,493,650
<b>Total current liabilities</b>		<b>409,166,696</b>	<b>451,189,712</b>
<b>Total liabilities</b>		<b>753,539,792</b>	<b>806,257,109</b>
<b>Total equity and liabilities</b>		<b>2,364,301,031</b>	<b>2,148,407,923</b>
<b>Net Asset Value (NAV) per share</b>	32.00	<b>17.16</b>	<b>16.45</b>



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer


M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020


**Genex Infosys Limited**  
Consolidated statement of profit or loss  
For the year ended June 30, 2020

	Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Net revenue	23.A	1,035,595,131	943,335,014
Less: Cost of sales	24.A	540,309,467	557,743,652
<b>Gross profit/ (loss)</b>		<b>495,285,664</b>	<b>385,591,362</b>
Less: Administrative expenses	25.A	62,055,288	60,564,347
Less: Selling & distribution expenses	26.A	360,861	361,525
<b>Profit/ (loss) before finance cost</b>		<b>432,869,515</b>	<b>324,665,490</b>
Less: Financial expenses	27.A	103,775,892	121,588,701
<b>Profit/(loss) from operation</b>		<b>329,093,623</b>	<b>203,076,789</b>
Add: Other income	28.A	8,497,271	2,385,972
<b>Profit/(loss) before workers' profit participation fund (WPPF)</b>		<b>337,590,894</b>	<b>205,462,761</b>
Less : Workers' profit participation fund	29.A	16,075,756	9,783,941
<b>Profit/(loss) before income tax</b>		<b>321,515,137</b>	<b>195,678,820</b>
Less: Income tax expense	30.A	937,622	50,851
<b>Net profit/ (loss) after tax</b>		<b>320,577,515</b>	<b>195,627,969</b>
<b>Net profit attributable to:</b>			
Equity holders of the company		320,577,485	195,627,936
Non-controlling interest		30	33
<b>Consolidated profit/ (loss)</b>		<b>320,577,515</b>	<b>195,627,969</b>
<b>Consolidated Earnings Per Share</b>	31.A	<b>3.42</b>	<b>2.08</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.



**Chairman**



**Managing Director**



**Director**



**Company Secretary**



**Chief Financial Officer**



**M M Rahman & Co.**  
Chartered Accountants

Dated: October 28, 2020

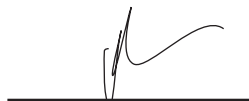
**Genex Infosys Limited**  
 Consolidated Statement of profit or loss and other comprehensive income  
 For the year ended June 30, 2020

	<b>Notes</b>	<b>June 30, 2020 Amount (Tk.)</b>	<b>June 30, 2019 Amount (Tk.)</b>
Net profit /(loss) after tax		320,577,515	195,627,969
Add: Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):		-	-
<b>Other comprehensive loss for the year, net of tax</b>		<b>320,577,515</b>	<b>195,627,969</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>320,577,515</b>	<b>195,627,969</b>
<b>Earnings per share (EPS)</b>		<b>3.42</b>	<b>2.08</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.



**Chairman**



**Managing Director**



**Director**



**Company Secretary**



**Chief Financial Officer**



**M M Rahman & Co.**  
Chartered Accountants

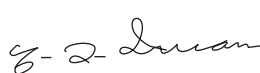
Dated: October 28, 2020



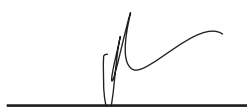
**Genex Infosys Limited**  
Statement of profit or loss  
For the year ended June 30, 2020

	Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Net revenue	23.00	990,389,610	886,015,516
Less: Cost of sales	24.00	513,385,316	522,084,146
<b>Gross profit/ (loss)</b>		<b>477,004,294</b>	<b>363,931,370</b>
Less: Administrative expenses	25.00	55,499,363	51,912,739
Less: Selling & distribution expenses	26.00	360,861	361,525
<b>Profit/ (loss) before finance cost</b>		<b>421,144,070</b>	<b>311,657,106</b>
Less: Financial expenses	27.00	103,775,892	121,588,701
<b>Profit/(loss) from operation</b>		<b>317,368,178</b>	<b>190,068,405</b>
Add: Other income	28.00	8,497,271	2,385,972
<b>Profit/(loss) before workers' profit participation fund (WPPF)</b>		<b>325,865,449</b>	<b>192,454,377</b>
Less: Workers' profit participation fund	29.00	15,517,402	9,164,494
<b>Profit/(loss) before income tax</b>		<b>310,348,047</b>	<b>183,289,883</b>
Less: Income tax expense	30.00	937,622	50,851
<b>Net profit /(loss) after tax</b>		<b>309,410,425</b>	<b>183,239,032</b>
<b>Earnings per share (EPS)</b>	31.00	<b>3.30</b>	<b>1.95</b>

The accounting policies and explanatory notes are integral part of the Financial Statements



**Chairman**



**Managing Director**



**Director**



**Company Secretary**



**Chief Financial Officer**



**M M Rahman & Co.**  
Chartered Accountants

Dated: October 28, 2020

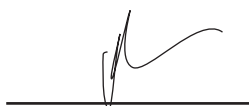
**Genex Infosys Limited**  
Statement of profit or loss and other comprehensive income  
For the year ended June 30, 2020

Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Net profit /(loss) after tax	309,410,425	183,239,032
Add: Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):	-	-
<b>Other comprehensive loss for the year, net of tax</b>	<b>309,410,425</b>	<b>183,239,032</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>309,410,425</b>	<b>183,239,032</b>
<b>Earnings per share (EPS)</b>	<b>3.30</b>	<b>1.95</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.



**Chairman**



**Managing Director**



**Director**



**Company Secretary**



**Chief Financial Officer**



**M M Rahman & Co.**  
Chartered Accountants

Dated: October 28, 2020

**Genex Infosys Limited**  
Consolidated statement of changes in equity  
For the year ended June 30, 2020

**July 1, 2019 to June 30, 2020**

Particulars	Ordinary Share Capital	Retained Earnings	Non-Controlling Interest	Total Amount (Tk.)
<b>Balance as on 01.07.2019</b>	816,000,000	546,511,123	3,857	1,362,514,980
Stock 15%	122,400,000	(122,400,000)	-	-
Cash Dividend 5%	-	(40,800,000)	-	(40,800,000)
Net profit/ (loss) after tax	-	320,577,485	30	320,577,515
<b>Balance as on 30.06.2020</b>	<b>938,400,000</b>	<b>703,888,608</b>	<b>3,887</b>	<b>1,642,292,495</b>

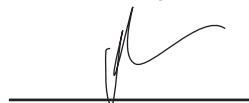
**July 1, 2018 to June 30, 2019**

Particulars	Ordinary Share Capital	Retained Earnings	Non-Controlling Interest	Total Amount (Tk.)
<b>Balance as on 01.07.2018</b>	616,000,000	368,623,962	3,824	984,627,786
Net profit/ (loss) after tax	-	195,627,936	33	195,627,969
New Issued Capital	200,000,000	-	-	200,000,000
Less: IPO Expenses	-	(17,740,775)	-	(17,740,775)
<b>Balance as on 30.06.2019</b>	<b>816,000,000</b>	<b>546,511,123</b>	<b>3,857</b>	<b>1,362,514,980</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.



**Chairman**



**Managing Director**



**Director**



**Company Secretary**



**Chief Financial Officer**



**M M Rahman & Co.**  
Chartered Accountants

Dated: October 28, 2020

**Genex Infosys Limited**  
Statement of changes in equity  
For the year ended June 30, 2020

**July 1, 2019 to June 30, 2020**

Particulars	Ordinary Share Capital	Retained Earnings	Total Amount (Tk.)
<b>Balance as on 01.07.2019</b>	816,000,000	526,150,814	1,342,150,814
Stock Dividend @ 15%	122,400,000	(122,400,000)	-
Cash Dividend @ 5%	-	(40,800,000)	(40,800,000)
Net profit /(loss) after tax	-	309,410,425	309,410,425
<b>Balance as on 30.06.2020</b>	<b>938,400,000</b>	<b>672,361,239</b>	<b>1,610,761,239</b>

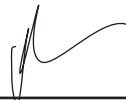
**July 1, 2018 to June 30, 2019**

Particulars	Ordinary Share Capital	Retained Earnings	Total Amount (Tk.)
<b>Balance as on 01.07.2018</b>	616,000,000	360,652,557	976,652,557
New Issued Capital	200,000,000	-	200,000,000
Net profit /(loss) after tax	-	183,239,032	183,239,032
Less: IPO Expenses	-	(17,740,775)	(17,740,775)
<b>Balance as on 30.06.2019</b>	<b>816,000,000</b>	<b>526,150,814</b>	<b>1,342,150,814</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.




**Chairman**



**Managing Director**



**Director**



**Company Secretary**



**Chief Financial Officer**



**M M Rahman & Co.**  
Chartered Accountants

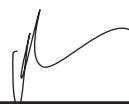
Dated: October 28, 2020

**Genex Infosys Limited**  
Consolidated statement of cash flows  
For the year ended June 30, 2020

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Cash flows from operating activities</b>		
Received from customers	957,379,138	960,822,801
Paid to suppliers	(138,539,474)	(130,744,939)
Paid to employees	(286,014,720)	(283,731,825)
Paid to others	(22,206,789)	(34,597,636)
Paid for income tax	(922,429)	(77,385)
Paid for finance expenses	(110,153,352)	(138,944,111)
<b>Net cash generated from operating activities</b>	<b>399,542,374</b>	<b>372,726,906</b>
<b>Cash flows from investing activities</b>		
Paid for acquisition of property, plant and equipment	(95,611,446)	(19,024,808)
Paid for acquisition of intangible assets	(69,929,381)	(111,155,804)
Paid for advance against land	-	(103,000,000)
Paid for capital work in progress	(42,665,799)	(147,165,548)
<b>Net cash used in investing activities</b>	<b>(208,206,626)</b>	<b>(380,346,160)</b>
<b>Cash flows from financing activities</b>		
Paid for / Received from short-term loan	(86,416,594)	(99,103,608)
Paid for IPO expenses	-	(17,740,775)
Dividend Paid	(40,382,533)	-
Paid for / Received from long-term loan	(30,815,029)	(41,210,528)
Received from applicants for new share capital	-	200,000,000
<b>Net cash provided for financing activities</b>	<b>(157,614,156)</b>	<b>41,945,090</b>
<b>Net cash flows for the year</b>	<b>33,721,592</b>	<b>34,325,835</b>
Cash and cash equivalents at the beginning of the year	81,665,742	47,339,907
Cash and cash equivalents at the end of the year	<b>115,387,334</b>	<b>81,665,742</b>
<b>Consolidated Net Operating Cash Flows per Share</b> 33.A	<b>4.26</b>	<b>4.57</b>



Chairman



Managing Director



Director



Company Secretary




Chief Financial Officer


M M Rahman & Co.  
Chartered Accountants

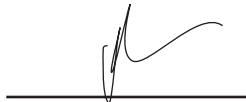
Dated: October 28, 2020

**Genex Infosys Limited**  
Statement of cash flows  
For the year ended June 30, 2020

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Cash flows from operating activities</b>		
Received from customers and others	920,321,263	915,165,143
Paid to suppliers	(120,454,438)	(106,432,309)
Paid to employees	(275,710,575)	(269,953,915)
Paid to others	(19,249,698)	(30,991,444)
Paid for Income Tax	(922,429)	(70,443)
Paid for finance expenses	(110,153,352)	(138,944,111)
<b>Net cash generated from operating activities</b>	<b>393,830,771</b>	<b>368,772,921</b>
<b>Cash flows from investing activities</b>		
Paid for acquisition of property, plant and equipment	(94,889,034)	(15,996,808)
Paid for acquisition of intangible assets	(69,929,381)	(111,155,804)
Paid for advance against Land	-	(103,000,000)
Paid for capital work in progress	(42,665,799)	(147,165,548)
<b>Net cash used in investing activities</b>	<b>(207,484,214)</b>	<b>(377,318,160)</b>
<b>Cash flows from financing activities</b>		
Paid for / Received from short-term loan	(86,416,594)	(99,103,608)
Paid for IPO Expenses	-	(17,740,775)
Dividend Paid	(40,382,533)	-
Paid for / Received from long-term loan	(30,815,029)	(41,210,528)
Received from applicants for new share capital	-	200,000,000
<b>Net cash provided for financing activities</b>	<b>(157,614,156)</b>	<b>41,945,089</b>
<b>Net cash flows for the year</b>	<b>28,732,401</b>	<b>33,399,850</b>
Cash and cash equivalents at the beginning of the year	80,202,130	46,802,280
Cash and cash equivalents at the end of the year	<b>108,934,531</b>	<b>80,202,130</b>
<b>Net Operating Cash Flows per Share</b>	<b>33.00</b>	<b>4.20</b>
		<b>4.52</b>



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer


M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020

**Genex Infosys Limited**  
Consolidated property, plant and equipment  
As at June 30, 2020

## Schedule-A.1

Particulars	Cost			Rate (%)	Depreciation			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Land & Land Development	-	183,605,265	183,605,265		-	-	-	183,605,265
Machinery and equipment	1,211,529,113	149,785,177	1,361,314,290	15%	418,625,107	123,781,138	542,406,245	818,908,045
Furniture and fixtures	96,859,447	997,224	97,856,671	10%	28,901,648	6,857,184	35,758,832	62,097,839
Motor vehicles	50,897,477	-	50,897,477	20%	21,092,749	5,960,945	27,053,694	23,843,783
Office decoration and renovation	104,495,258	13,573,092	118,068,350	10%	16,155,808	8,876,231	25,032,039	93,036,312
<b>As on June 30, 2020</b>	<b>1,463,781,296</b>	<b>347,960,758</b>	<b>1,811,742,054</b>		<b>484,775,311</b>	<b>145,475,498</b>	<b>630,250,809</b>	<b>1,181,491,245</b>

<b>As on June 30, 2019</b>	<b>1,354,311,181</b>	<b>109,470,115</b>	<b>1,463,781,296</b>		<b>333,504,931</b>	<b>151,270,380</b>	<b>484,775,311</b>	<b>979,005,985</b>
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**Note:** The Land and Land Development amount of Tk. 183,605,265 is located at Mouza : Dumuni shitho, Thana: Khilkhet, Union:Dumuni, District: Dhaka, under JL No. 296 S.A.-111,R.S.-22, Dhaka city Jorip No. 6, Khatian: C.S.-824, S.A.-874, R.S.-479, M.S.-11701299, City Jorip Mutation No. 10678/11-12, Dag C.S. and S.A.-100,R.S.-323, M.S.-2216,2217,2219, Land Area:24.04, 03.10,05.86 totaling 33.00 decimals , but mutuation of the land is in under process.

Allocation of Depreciation is as follows:

<b>Depreciation Allocated to:</b>		<b>30.06.2020</b>	<b>30.06.2019</b>
Deprecia ses		145,475,498	151,270,380
Overhead Expenses	93%	134,928,524	140,303,277
Administrative Expenses	7%	10,546,974	10,967,103
<b>Depreciation Expenses</b>		<b>145,475,498</b>	<b>151,270,380</b>

**Genex Infosys Limited**  
Property, plant and equipment  
As at June 30, 2020

## Schedule-A

Particulars	Cost			Rate (%)	Depreciation			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Land & Land Development	-	183,605,265	183,605,265	0%	-	-	-	183,605,265
Machinery and equipment	1,199,429,248	149,349,312	1,348,778,560	15%	412,351,474	122,888,216	535,239,690	813,538,870
Furniture and fixtures	89,412,173	710,677	90,122,850	10%	27,641,619	6,228,725	33,870,344	56,252,506
Motor vehicles	50,322,100	-	50,322,100	20%	20,687,058	5,927,008	26,614,066	23,708,034
Office decoration and renovation	104,495,259	13,573,092	118,068,351	10%	16,155,808	8,876,231	25,032,039	93,036,312
<b>As on June 30, 2020</b>	<b>1,443,658,780</b>	<b>347,238,346</b>	<b>1,790,897,126</b>		<b>476,835,959</b>	<b>143,920,180</b>	<b>620,756,139</b>	<b>1,170,140,987</b>
<b>As on June 30, 2019</b>	<b>1,337,216,665</b>	<b>106,442,115</b>	<b>1,443,658,780</b>		<b>327,248,968</b>	<b>149,586,991</b>	<b>476,835,959</b>	<b>966,822,821</b>

Note: The Land and Land Development amount of Tk. 183,605,265 is located at Mouza : Dumuni shitho, Thana: Khilkhet, Union:Dumuni, District: Dhaka, under JL No. 296 S.A.-111,R.S.-22, Dhaka city Jorip No. 6, Khatian: C.S.-824, S.A.-874, R.S.-479, M.S.-11701299, City Jorip Mutation No. 10678/11-12, Dag C.S. and S.A.-100,R.S.-323, M.S.-2216,2217,2219, Land Area:24.04, 03.10,05.86 totaling 33.00 decimals , but mutuation of the land is in under process.

**Allocation of Depreciation is as follows:**

<b>Depreciation Allocated to:</b>	<b>30.06.2020</b>	<b>30.06.2019</b>
Depreciation Expenses	143,920,180	149,586,991
Overhead Expenses 93%	133,845,767	139,115,901
Administrative Expenses 7%	10,074,413	10,471,089
<b>Depreciation Expenses</b>	<b>143,920,180</b>	<b>149,586,991</b>



**Genex Infosys Limited**  
Consolidated intangible assets  
As at June 30, 2020

## Schedule-B.1

Particulars	Cost			Amortization			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020	Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Software	444,663,980	69,929,381	514,593,361	144,327,754	45,729,448	190,057,202	324,536,158
<b>As on June 30, 2020</b>	<b>444,663,980</b>	<b>69,929,381</b>	<b>514,593,361</b>	<b>144,327,754</b>	<b>45,729,448</b>	<b>190,057,202</b>	<b>324,536,158</b>

<b>As on June 30, 2019</b>	<b>333,508,176</b>	<b>111,155,804</b>	<b>444,663,980</b>	<b>105,751,165</b>	<b>38,576,590</b>	<b>144,327,755</b>	<b>300,336,225</b>
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Cost as at July 01, 2019: 444,663,980

Accumulated Depreciation as at July 01, 2019: 144,327,755

Written Down Value as at July 01, 2019: 300,336,225

Note: Opening Written down value of Tk. 30,03,36,225 and addition during the year of Tk. 6,99,29,381 has been considered as depreciable amount as the company changes its amortization under Straight Line Method instead of Reducing Balance Method.

**Allocation of Amortization is as follows:**

<b>Amortization Allocated to:</b>		<b>30.06.2020</b>	<b>30.06.2019</b>
Amortization		45,729,448	38,576,590
Cost of Sales	100%	45,729,448	38,576,590
<b>Amortization</b>		<u><u>45,729,448</u></u>	<u><u>38,576,590</u></u>

**Genex Infosys Limited**  
Intangible assets  
As at June 30, 2020

## Schedule-B

Particulars	Cost			Amortization			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020	Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Software	438,400,740	69,929,381	508,330,121	142,901,826	45,003,851	187,905,677	320,424,444
<b>As on June 30, 2020</b>	<b>438,400,740</b>	<b>69,929,381</b>	<b>508,330,121</b>	<b>142,901,826</b>	<b>45,003,851</b>	<b>187,905,677</b>	<b>320,424,444</b>

<b>As on June 30, 2019</b>	<b>327,244,936</b>	<b>111,155,804</b>	<b>438,400,740</b>	<b>105,178,879</b>	<b>37,722,947</b>	<b>142,901,826</b>	<b>295,498,914</b>
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Cost as at July 01, 2019: 438,400,740

Accumulated Depreciation as at July 01, 2019: 142,901,826

Written Down Value as at July 01, 2019: 295,498,914

Note: Opening Written down value of Tk. 29,54,98,914 and addition during the year of Tk. 6,99,29,381 has been considered as depreciable amount as the company changes its amortization under Straight Line Method instead of Reducing Balance Method.

**Allocation of Amortization is as follows:**

<b>Amortization Allocated to:</b>		<b>30.06.2020</b>	<b>30.06.2019</b>
Amortization		45,003,851	37,722,947
Cost of Sales	100%	45,003,851	37,722,947
<b>Amortization</b>		<u><u>45,003,851</u></u>	<u><u>37,722,947</u></u>

**GENEX INFOSYS LIMITED.**  
Plot # 42, & 69, Nitol Niloy Tower (Level- 8),  
Nikunja- 02, Khilkhet, Dhaka-1229, Bangladesh.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended June 30, 2020**

**1.00 Corporate History of the Reporting Entity:**

GENEX INFOSYS LIMITED was incorporated in Bangladesh on 22 May, 2012 under the Companies Act, 1994 vide registration no. C – 101900/12 as a private Company limited by shares. Subsequently the company has converted into a public company limited by shares on 15th September 2016. The Company commenced its commercial operation on 01 July 2012.

In the year 2018, the company achieved a major milestone of public offering of 20,000,000 (two core) Ordinary Shares of Tk. 10 each which are listed at Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited with effective from 7th January 2019 and traded with from 6th February 2019 at both the stock exchanges under the trade name GENEXIL and trading code-22650.

The registered office is located at Plot # 42 & 69, Nitol Niloy Tower (Level-8), Nikunja- 02, Khilkhet, Dhaka-1229, Bangladesh.

**1.01 Subsidiaries of the company**

GENEX INFOSYS LIMITED has one subsidiary company named Green and Red Technologies Limited. The Financial Statements of the subsidiary company has been included in the consolidated Financial statements of the company in accordance with IFRS 10 Consolidated Financial statements

**Subsidiary Company :**

**1) Green and Red Technologies Limited**

Green and Red Technologies Limited was incorporated on 22 July 2009 under the companies Act-1994 Vide registration no. C-78727/09 as a private company limited by shares. The paid up capital of Green and Red Technologies Limited is Tk. 3,73,26,000 divided into 3,73,260 ordinary shares of Tk. 100 each. Genex Infosys Limited owned 99.9997% shares totaling 3,73,259 ordinary shares. The main activities of the company are ITES Services, Network Solution, Web based solution and Consultancy, E-commerce/Business, Graphics Design, IT Consulting, IT Training Centre and Software development in Bangladesh.

**2.00 Nature of Corporate Business :**

The principal activities of the Company are ITES services , Such as to carry on activities relating to Data Entry, Data Processing, Business Process Outsourcing, IT Support and Software Maintenance, Digital Content Development and Management, Call Centre Service, Website Development, Marketing of software products and providing maintenance and support services both to domestic and international clients.

**3.00 Corporate Financial Statements and Reporting:**

This comprises Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Notes, comprising significant accounting policies and other explanatory information and comparative information in respect of the preceding year.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994, the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Securities and Exchange Rule, 1987 and other regulatory compliances.

The Board of Directors is responsible for preparing and presenting the financial statements including adequate disclosures, which approved and authorized for issue of the financial statements.

**4.00 Basis of preparation**

**4.01 Statement of Compliance**

The financial statements of the company have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act, 1994, and other applicable laws and regulations as required. The following International Accounting Standards and International Financial Reporting Standards were applied for the preparation of Financial Statements for the year.

IAS 01	Presentation of Financial Statements
IAS 02	Inventories
IAS 07	Statements of Cash flows
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors.
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employee Benefits
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 27	Separate Financial Statements
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets.
IAS 38	Intangible Assets
IFRS 3	Business Combinations
IFRS 9	Financial Instruments: Recognition and measurement
IFRS 10	Consolidated Financial Statements
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

**4.02 Other regulatory compliances**

The Company complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- The Income Tax Ordinance ,1984
- The Income Tax Rules ,1984
- The Value added Tax Act ,2012
- The Value added Tax Rules, 2016
- The Securities and Exchange Ordinance, 1969
- The Securities and Exchange Rules, 1987
- Bangladesh Labour Act, 2006 (Amendment in 2013 & 2018)

**4.03 Basis of measurement**

The financial statements have been prepared on going concern basis under historical cost conventions as per IAS 1 Presentation of Financial Statements.

**4.04 Functional and presentational currency**

These financial statements are presented in Bangladeshi Taka currency, which is the company's functional currency. The figures of financial statements have been rounded off to the nearest integer.

**4.05 Accrual Basis of Accounting**

These financial statements have been prepared under the accrual basis of accounting except for cash flow information as per IAS 1 Presentation of Financial Statements.

**4.06 Reporting Period**

The reporting period of the company covers one year from 01 July 2019 to 30 June 2020.

**4.07 Components of the financial statements**

- i) Statement of Financial Position as at 30 June, 2020.
- ii) Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June, 2020.
- iii) Statement of Changes in Equity for the year ended 30 June, 2020.
- iv) Statement of Cash flows for the year ended 30 June, 2020.
- v) Notes, comprising significant accounting policies and other explanatory information
- vi) Comparative information in respect of the preceding year.

**4.08 Date of Authorization**

The board of directors has authorized the financial statements for issue on October 28, 2020

**5.00 Significant accounting policies**

The accounting policies set out below have been applied consistently (otherwise as stated) to all year presented in these financial statements.

**5.01 Property, Plant and Equipment****i) Recognition and measurement**

All property, plant and equipment are initially accounted for at costs and depreciated over their expected useful life in accordance with IAS 16. The cost of acquisition of asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

**ii) Subsequent cost**

The subsequent cost/expenditure or any replacing part an item of property, plant and equipment is capitalized if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or loss and other Comprehensive Income as incurred.

**iii) Depreciation**

All items of property, plant and equipment have been depreciated on reducing balance method. Depreciation is charged on opening balance of fixed assets for full year. Depreciation on current year addition begins when an asset is available for use, i.e. it is in the location and for it to be capable of operating in the manner Intended by the management. Depreciation of an assets ceases at the date that the assets is derecognised as per Para 55 of IAS 16 Property, Plant and Equipment. The cost of the day to day repairing and maintenance expenses is recognised in the profit or loss and other comprehensive income.

Rates of depreciation on various classes of fixed assets are as under :

	<u>June 30, 2020</u>
Land & Land Development	0%
Machinery and Equipment	15%
Furniture and fixtures	10%
Motor Vehicles	20%
Office Decoration and Renovation	10%

**iv) Impairment of assets**

At the end of each reporting period, the company is required to assess whether there is any indication that an asset may be impaired. By reviewing company's assets in property, plant & equipment, it was confirmed that there are no internal indicators of impairment of such assets during the year. Hence, no provision has been made for impairment of assets.

**5.02 Intangible assets****i) Recognition and measurement**

Intangible asset is recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the company; and the cost of the asset can be measured reliably.

Intangible assets are initially measured at cost. The cost of the intangible assets comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use. After initial recognition intangible assets should be carried at cost less accumulated amortization and impairment losses, if any,

**(ii) Subsequent expenditure**

Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other expenditures are recognized in the Statement of profit or loss and other comprehensive income when incurred.

**(iii) Amortization**

The depreciable amount of an intangible assets with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization shall begin when assets available for use, i.e. when it is in the location & condition necessary for it to be capable of operating in the manner intended by management. Amortization shall cease at the earlier of the date that the assets is classified as held for sale.

Expenditure to acquire software is capitalized. The company had charged amortization on software at 15.00% under Reducing Balance Method up to the year June 30, 2019. In the year June 30, 2020, the company has charged its Amortization on software under Straight Line Method instead of Reducing Balance Method. Under Straight line method, the amount of the effect in future periods is impracticable as future addition amount cannot be determined reliably. Amortization of Intangible Assets is charged on day basis.

**(iv) Derecognition**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in profit or loss.

**(v) Impairment of assets**

At the end of each reporting period, the company is required to assess whether there is any indication that an asset may be impaired. By reviewing company's intangible assets, it was confirmed that there are no internal indicators of impairment of such assets during the year. Hence, no provision has been made for impairment of assets.

**5.03 Inventories**

The cost of inventories comprises all costs of purchases; cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Inventories are measured at the lower of cost and net realizable value.

**5.04 Trade and other receivables (Accounts Receivable)**

Trade and other receivables are initially recognized at invoice value and the amount represents net realizable value. Management considered that the entire trade receivables as good and collectable.

**5.05 Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction, adjustment or charges to other account heads such as property, plant and equipment, inventory or expenses. Deposits and prepayments are measured at payment value.

**5.06 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash-in-hand, demand deposits and short term bank deposits that are readily convertible to a known amount of cash, and that are not subject to significant risk of change in value.

**5.07 Provision**

A provision is recognized in the Financial Position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**5.08 Recognition of revenue as per IFRS 15**

In compliance with the requirement of IFRS 15 revenue has been recognized as per following conditions:

1. Identify the contact with the customer
2. Identify the performance obligations in the contact
3. Determine the transaction price
4. Allocate the transaction price
5. Recognize revenue when (or as) a performance obligation is satisfied.

**5.09 Borrowing cost**

Finance expenses comprise interest expense on bank loan. All borrowing costs are recognized in the statement of profit or loss and other Comprehensive Income.

**5.10 Corporate tax**

Income Tax provision has not been made for income from business and profession for the year from 1 July 2019 to 30 June, 2020 as the company provides the ITES services which are fully exempted from Tax up to June 30, 2024 as per 6th Schedule, Part A, Para 33 of The Income Tax Ordinance 1984. As a result of fully exemption from tax, no provision has been made for deferred tax for this year.

**5.11 Statement of Cash flows**

Cash Flows statement is prepared in accordance with IAS 7 Statement of Cash Flows and cash flows from operating activities have been presented under direct method considering the provision of paragraph 19 of IAS 7, which state that "Entities are encouraged to report cash flow from operating activities using direct method.

**5.12 Earnings Per Share (EPS)**

Earnings per share (EPS) have been calculated in accordance with International Accounting Standard IAS 33 Earnings per Share.

**Basic Earning**

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax period has been considered as fully attributable to the ordinary shareholders.

**Weighted Average Number of ordinary Shares outstanding during the period.**

The basis of computation of number of shares is in line with the provisions of IAS 33 Earnings Per Share. This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

**5.13 Comparative information :**

Comparative information has been disclosed in respect of the preceding year for all amounts reported in the current year financial statements. The company includes comparative information for narrative and descriptive information if it is relevant to understanding the current year financial statements.

**5.14 Events after the Reporting Period**

In accordance with IAS 10 Events after the Reporting Period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting events: - those that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting events: - those that are indicative of conditions that arose after the reporting period.

Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements, if applicable.

There is no significant event other than regular business activities that qualify for reporting between the date of closing of the financial reporting period and the date when the financial statements are authorized for issue.

**5.15 Workers' Profit Participation Fund (WPPF)**

The company has made a provision for Worker's Profit Participation Fund (WPPF) for the year ended 30 June, 2020. The company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation in accordance with Bangladesh Labour Act, 2006 (Amendment in 2013 & 2018).

**5.16 Going Concern Basis**

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

**5.17 Impairment of Assets**

All fixed assets have been reviewed and it is confirmed that no such fixed assets have been impaired during the year and for this reason no provision has been made for the purpose of impairment.

**5.18 Related Party Disclosures**

The company carried out a number of transactions with related parties. The information as required by IAS 24 Related Party Disclosures has been disclosed in a separate note to the accounts.

**5.19 Re-arrangement**

Previous year figures have been re-arranged whenever considered necessary to ensure comparability with the current presentation as per IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

**5.20 Financial Instruments**

A financial instrument in any contract that gives rise to a financial asset of one entity and financial liability or Equity instrument of another entity.

**Financial Assets**

Financial assets of the company include cash and cash equivalents, equity instrument of equity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date which the company becomes a part to the contractual obligation of the transaction. The company derecognizes a financial asset when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

**Initial Recognition**

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument and subsequently recognizes at their amortized cost.

**Financial Liabilities**

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions cost. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

**5.21 Changes in significant accounting policies**

The Company has applied IFRS 16 Leases from 1 July 2019.

**IFRS 16 Leases****Nature and effect of changes**

The Company applied IFRS 16 using the modified retrospective approach. Accordingly, the comparative information presented for 2020 is not restated - i.e. it is presented, as previously reported, under IAS 17 and related Interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in IFRS 16 have not generally been applied to comparative information.

**A. Definition of a lease**

Previously the Company determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining whether an arrangement contains a lease. The Company now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in have to change as per accounts.

On transition to IFRS 16, the Company applied IFRS 16 to contracts that were previously identified as leases following the practical expedient approach for existing contracts. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 July 2019.

**B. As a lessee**

As a lessee, the Company leases office. The Company previously classified rental of office as operating leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IFRS 16, the Company recognizes right-of-use assets (presented as part of property, plant and equipment) and lease liabilities for these leases - i.e. these leases are on-balance sheet where lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's Incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

This standard introduces a single, on-balance sheet lease accounting model for leases where a lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. On transition to IFRS 16, the Company recognized right-of-use assets and lease liabilities. Recognizing no difference in retained earnings. The impact on transition is summarized below.



**In Taka**

Right of Use asset - property, plant and equipment  
Lease liabilities

**1 July 2019**

10,45,07,789  
10,45,07,789

When measuring lease liabilities for leases that were classified under leases, the Company discounted lease payments using its incremental borrowing rate of 9.00 % at 1 July 2019.

**5.22 General**

- i) Previous year figures have been rearranged whether consider necessary for the purpose of current year presentation.
- ii) Figures in these Notes and annual financial statement have been rounded off to the nearest Taka.

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>6.00 Property, plant and equipment</b>		
At Cost :		
Opening balance	1,443,658,780	1,337,216,665
Addition during the year	347,238,346	106,442,115
<b>Closing balance</b>	<b>1,790,897,126</b>	<b>1,443,658,780</b>
<b>Accumulated depreciation:</b>		
Opening balance	476,835,959	327,248,968
Charged during the year	143,920,180	149,586,991
<b>Closing balance</b>	<b>620,756,139</b>	<b>476,835,959</b>
<b>Written down value:</b>	<b>1,170,140,987</b>	<b>966,822,821</b>
Detailed schedule of Property, Plant and Equipment is in <b>Schedule- A</b>		
<b>6.A Consolidated property, plant and equipment</b>		
Genex Infosys Limited	1,170,140,987	966,822,821
Green and Red Technologies Limited	11,350,258	12,183,164
<b>Total</b>	<b>1,181,491,245</b>	<b>979,005,985</b>
Detailed schedule of Property, Plant and Equipment is in <b>Schedule- A.1</b>		
<b>7.00 Intangible assets</b>		
At Cost :		
Opening balance	438,400,740	327,244,936
Addition during the year	69,929,381	111,155,804
<b>Closing Balance</b>	<b>508,330,121</b>	<b>438,400,740</b>
<b>Amortization:</b>		
Opening balance	142,901,826	105,178,879
Charged during the year	45,003,851	37,722,947
<b>Closing Balance</b>	<b>187,905,677</b>	<b>142,901,826</b>
<b>Written down value:</b>	<b>320,424,444</b>	<b>295,498,914</b>
The intangible assets include software acquired for the purpose of business operations. Detailed of intangible assets is in <b>Schedule- B</b>		
<b>7.A Consolidated intangible assets</b>		
Genex Infosys Limited	320,424,444	295,498,914
Green and Red Technologies Limited	4,111,714	4,837,311
<b>Total</b>	<b>324,536,158</b>	<b>300,336,225</b>
The intangible assets include software acquired for the purpose of business operations. Detailed of intangible assets is in <b>Schedule- B.1</b>		
<b>8.00 Capital work in progress</b>		
Capital work in progress	149,547,933	256,231,446
<b>Total</b>	<b>149,547,933</b>	<b>256,231,446</b>
<b>Details:</b>		
Opening balance	256,231,446	199,511,205
Addition during the year	42,665,799	147,165,548
	298,897,245	346,676,753
Transferred to property, plant and equipment	149,349,312	90,445,306
<b>Closing Balance</b>	<b>149,547,933</b>	<b>256,231,446</b>
<b>8.01</b>		

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>8.01 Capital work in progress addition during the year</b>		
Addition during the year	42,665,799	147,165,548
<b>Total</b>	<b>42,665,799</b>	<b>147,165,548</b>

The above represents the amount paid against purchase of machineries and equipment which were not installed as on reporting date. this amount shall be transferred to property, plant and equipment when available for use as per management's intention.

<b>8.A Consolidated capital work in progress</b>		
Genex Infosys Limited	149,547,933	256,231,446
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>149,547,933</b>	<b>256,231,446</b>

<b>9.00 Right of Use Asset</b>		
<b>At Cost :</b>		
Opening balance	-	-
Recognition of right-of-use asset on initial application of IFRS 16	104,507,789	-
Addition during the year	-	-
Disposal during the year	-	-
<b>Closing balance</b>	<b>104,507,789</b>	<b>-</b>

**Accumulated depreciation:**

Opening balance	-	-
Recognition of right-of-use asset on initial application of IFRS 16	-	-
Charged during the year	50,108,033	-
Adjustment for disposal	-	-
<b>Closing balance</b>	<b>50,108,033</b>	<b>-</b>

<b>Written down value:</b>	<b>54,399,756</b>	<b>-</b>
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\* See accounting policy in notes no. 5.21

**Allocation of Depreciation is as follows:**

<b>Depreciation Allocated to:</b>		<b>30.06.2020</b>
Overhead Expenses	93%	46,600,471
Administrative Expenses	7%	3,507,562
<b>Depreciation Expenses</b>		<b>50,108,033</b>

<b>9.A Consolidated Right of Use Asset</b>		
Genex Infosys Limited	54,399,756	-
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>54,399,756</b>	<b>-</b>

<b>10.00 Investment</b>		
Investment in subsidiary	10.01	37,325,900
		37,325,900
		<b>37,325,900</b>

June 30, 2020  
Amount (Tk.)June 30, 2019  
Amount (Tk.)**10.01 Investment in subsidiary**

Date	Particular	No. of Share	% of Share	Face Value Per Share	Total Amount
30.06.2020	Green & Red Technologies Ltd.	373,259	99.99	100.00	37,325,900

- 1) Green & Red Technologies Limited is the first Bangladeshi made online advertising platform, carries on the business of software development and online advertising used by all leading advertisers, ad agencies, ad selling and e-commerce portals in Bangladesh.
- 2) Green & Red Technologies Limited is a subsidiary company of Genex Infosys Limited.
- 3) Paid up capital of Green & Red Technologies Limited is Tk. 37,326,000 Divided into 3,73,260 shares @ Tk. 100 each.
- 4) Genex Infosys Limited holds 3,73,259 Shares @ Tk. 100 each of Green & Red Technologies Limited.

**10.A Consolidated Investment**

Genex Infosys Limited	37,325,900	37,325,900
Green and Red Technologies Limited	200,000	200,000
	<b>37,525,900</b>	<b>37,525,900</b>
Less: Inter company adjustment (Share)	37,325,900	37,325,900
<b>Total</b>	<b>200,000</b>	<b>200,000</b>

**11.00 Inventories**

Inventories	69,619,890	43,363,921
<b>Total</b>	<b>69,619,890</b>	<b>43,363,921</b>

**This is made as follows:**

Computer & accessories	14,236,487	7,270,380
Antivirus CD	9,863,054	6,961,873
Software for customer service	12,403,685	7,840,903
IT materials	11,430,689	6,891,227
Website develop work in progress	9,750,368	6,485,702
Contact service accessories	11,935,607	7,913,836
<b>Total</b>	<b>69,619,890</b>	<b>43,363,921</b>

**11.A Consolidated Inventories**

Genex Infosys Limited	69,619,890	43,363,921
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>69,619,890</b>	<b>43,363,921</b>

**12.00 Accounts receivable**

Opening balance	324,646,247	351,409,902
Addition during the year	1,036,400,004	923,754,257
	<b>1,361,046,251</b>	<b>1,275,164,159</b>
Collection during the year	957,834,385	950,517,912
<b>Closing balance</b>	<b>403,211,866</b>	<b>324,646,247</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>This is made up as follows :</b>		
Grameenphone Ltd.	26,366,983	25,274,887
Banglalink Ltd.	58,476,184	42,908,794
Robi Axiata Limited	99,924,627	133,769,070
Samsung Ltd.	7,893,551	2,314,430
Digi Telecommunications Sdn Bhd	17,280,273	6,418,440
Service Solutions Pvt. Ltd	59,884,746	29,979,695
British American Tobacco Bangladesh Ltd.	1,954,391	4,380,042
Chaldal.Com limited	-	869,574
Uber Technologies Inc.	48,432,800	29,616,795
IPE Technologies Ltd.	69,315,740	46,914,057
PM office	1,563,333	1,617,000
Islami Bank Bangladesh Limited	542,940	408,533
CPP Global	239,873	174,930
Food Panda Bangladesh	11,336,425	-
<b>Total</b>	<b>403,211,866</b>	<b>324,646,247</b>

**Aging schedule of accounts receivable :**

Accounts receivable	Less Than 6 Months	Above 6 Months	30 June,2020	30 June,2019
		403,211,866	-	403,211,866

**Information about Accounts receivable as per requirement under Schedule XI, Part I, Para 4 of the Companies Act, 1994.**

Particular	Amount (Taka)	Amount (Taka)
	30 June,2020	30 June,2019
Receivables considered good and in respect of which the company is fully secured:	-	-
Receivables considered good for which the company holds no security other than the debtor's personal security;	403,211,866	324,646,247
Receivables considered doubtful or bad;	-	-
Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
Receivables due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the Company.	-	-
<b>Total</b>	<b>403,211,866</b>	<b>324,646,247</b>

**12.A Consolidated accounts receivable**

Genex Infosys Limited	403,211,866	324,646,247
Green and Red Technologies Limited	45,958,957	37,811,311
<b>Total</b>	<b>449,170,824</b>	<b>362,457,559</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>13.00 Advances, deposits and prepayments</b>		
Opening balance	144,316,544	39,759,549
Addition during the year	177,929,385	195,257,461
	<b>322,245,929</b>	<b>235,017,010</b>
Adjustment during the year	271,550,205	90,700,466
<b>Closing balance</b>	<b>50,695,724</b>	<b>144,316,544</b>
<b>This is made up as follows</b>		
<b>Advances:</b>		
Office employee	11,951,198	6,485,215
Office rent	6,109,785	6,109,785
Advances to supplier	13,862,226	7,177,796
Advance income tax	992,872	70,443
Advance against land and land development	-	103,000,000
	<b>32,916,081</b>	<b>122,843,239</b>
<b>Deposits:</b>		
Security deposit- Mascot Plaza	-	2,490,000
VAT current account	4,849,306	4,849,306
Security deposit- Nitol Niloy Tower	11,070,585	11,070,585
Security deposit (Teletalk Bangladesh)	207,381	207,381
Security deposit (Islami Bank Bangladesh Bank)	200,000	200,000
Security deposit (Nothern Electric Supply Co.)	140,000	140,000
Security deposit for Guest House office	205,000	205,000
Security deposit (CDBL)	500,000	500,000
	<b>17,172,272</b>	<b>19,662,272</b>
<b>Prepayment:</b>		
Prepaid insurance	607,371	1,811,033
	<b>607,371</b>	<b>1,811,033</b>
<b>Closing balance</b>	<b>50,695,724</b>	<b>144,316,544</b>
<b>13.01 Advances to Supplier</b>		
Advance to Art Auto Corporation	165,800	161,396
Advance to LNB Automobiles	525,000	500,000
Advance to M/S R/P Enterprise	285,600	230,753
Advance to M/S Islam Enterprise	1,354,500	148,515
Advance to Trendz Autos	562,570	479,330
Advance to Avec Design and Solution Ltd	38,600	32,835
Advance to Wristband House	765,024	901,034
Advance to Taleb Enterprise	286,542	178,607
Advance to Neo Craft	63,025	50,708
Advance to S.R. Powder Paint	58,000	11,605
Advance to Multiband Workshop Ltd	97,500	50,000
Advance to Ryans It Ltd.	68,400	44,200
Advance to Sumon Enterprise	4,750,000	328,667
Advance to IT Fair.Com	125,000	103,000
Advance to Law Gallery	256,300	200,000
Advance to Momena Autos	1,086,500	900,000
Advance to Electra Mobiles Ltd.	750,460	616,704
Advance to Excel Telecom Pvt. Ltd.	1,550,000	1,219,626
Advance to Fair Distribution Ltd.	-	122,000
Advance to Fair Electronics Ltd.	586,455	475,576
Advance to Compustar (Pvt.) Ltd.	486,950	423,240
<b>Total</b>	<b>13,862,226</b>	<b>7,177,796</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>13.02 Security deposits-Nitol Niloy Tower</b>		
Opening balance	11,070,585	11,070,585
Addition during the year	-	-
<b>Closing balance</b>	<b>11,070,585</b>	<b>11,070,585</b>

**Information about Loan and advances as per requirement under Schedule XI, Part I, Para 6 of the Companies Act, 1994.**

Particular	Amount in Taka	
	30 June,2020	30 June,2019
Advances,deposits and prepayments considered good and in respect of which the company is fully secured;	38,744,526	137,831,329
Advances,deposits and prepayments considered good for which the company holds no security other than the debtor's personal security;	-	-
Advances,deposits and prepayments considered doubtful or bad;	-	-
Advances,deposits and prepayments due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
Advances,deposits and prepayments due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the Company.	11,951,198	6,485,215
<b>Total</b>	<b>50,695,724</b>	<b>144,316,544</b>

**13.A Consolidated advances, deposits and prepayments**

Genex Infosys Limited	50,695,724	144,316,544
Green and Red Technologies Limited	3,611,172	3,382,780
<b>Total</b>	<b>54,306,896</b>	<b>147,699,324</b>

**14.00 Cash and cash equivalents**

Cash in hand	49,875	55,450
Cash at bank	14.01 108,884,656	80,146,680
<b>Total</b>	<b>108,934,531</b>	<b>80,202,130</b>

**14.01 Cash at bank**

Bank Name	Account No.	Branch Name	30 June,2020	30 June,2019
AB Bank Limited	4005-794911-430	Principal	128,131	6,564,664
AB Bank Limited	4005-794911-001	Principal	575	575
AB Bank Limited	4005-794911-021	Principal	-	-
AB Bank Limited	4005-794911-026	Principal	-	-
AB Bank Limited	4005-794911-040	Principal	82,313	171,641
Bank Asia Limited	7533000041	Uttara	877	877
Eastern Bank Limited	1041060198037	Gulshan	28,273,465	39,045,942
Meghna Bank Limited	110311100000056	Motijheel	685,764	2,166,020
Meghna Bank Limited	110111100000193	Principal	68,265,677	21,573,880
Meghna Bank Limited	110113500000098	Principal	463,765	-

			June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Mercantile Bank Limited	118611100880621	IARB	-	-
Mercantile Bank Limited	110613117820391	Banani	78,798	28,184
NRB Commercial Bank Limited	12136400000003	Banani	-	-
NRB Commercial Bank Limited	012133300000020	Banani	8,017,582	4,087,436
National Credit & Commerce Bank Limited	005-0210005180	Banani	17,201	18,668
National Credit & Commerce Bank Limited	002-0210027655	Motijheel	-	-
Dutch Bangla Bank Limited	1031100037185	Banani	2,227,194	2,502,752
NRB Global Bank Limited	111100001157	Gulshan	-	0.95
Prime Bank Limited	2118113002823	Gulshan	-	0.57
Union Bank Limited	0291010000914	Banani	638,684	3,986,039
Sonali Bank Ltd.	0102402002538	BB Avenue	4,630	-
<b>Total</b>			<b>108,884,656</b>	<b>80,146,680</b>

(i) Cash balance was physically verified and Bank balances are reconciled and found in order.

#### 14.A Consolidated cash and cash equivalents

Genex Infosys Limited	108,934,531	80,202,130
Green and Red Technologies Limited	6,452,803	1,463,612
<b>Total</b>	<b>115,387,334</b>	<b>81,665,742</b>

#### 15.00 Share Capital

This is made up as follows:

##### Authorized Capital

100,000,000 Ordinary Shares of Tk 10 each	<b>1,000,000,000</b>	<b>1,000,000,000</b>
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##### Issued, subscribed, Called-up and paid-up Capital

Opening Balance	816,000,000	816,000,000
Stock Dividend (2018-19)	122,400,000	-
	<b>938,400,000</b>	<b>816,000,000</b>

The Board of Directors of the Company had been recommended 15% (BDT 1.00 per share) Stock (Bonus) & 5% Cash Dividend for the year ended 30th June, 2019 at the Board meeting held on 17th October, 2019. Subsequently, the Dividend has been approved by the Shareholders at the 7th Annual General Meeting of the Company held on 24th December 2019 and disbursed to the Shareholders accordingly.

The position of Shareholders as on 30 June 2020 is as follows:

Particulars	Particulars			30-Jun-19
	No. of Shareholders	No. of Shares	Ownership (%)	Ownership (%)
Sponsors/Promoters & Directors	7	32,838,219	34.99%	34.46%
General Public	1,494	33,884,297	36.11%	36.75%
Institute	208	27,103,651	28.88%	28.77%
Foreign Company	6	13,833	0.01%	0.02%
<b>Total</b>	<b>1,715</b>	<b>93,840,000</b>	<b>100.00%</b>	<b>100.00%</b>



June 30, 2020  
Amount (Tk.)June 30, 2019  
Amount (Tk.)

Distribution schedule of each class of equity security setting out the number of holders and percentage as on 30th June 2020.

Holding Range	30 June, 2020			30 June, 2019
	Number of Shareholders	No. of Shares	Ownership (%)	No. of Shares
1-100	393	11,170	0.01%	0.01%
101-500	227	70,609	0.08%	0.51%
501-1000	406	265,090	0.28%	0.16%
1001-10000	434	1,802,282	1.92%	5.37%
10001-20000	89	1,270,151	1.35%	2.27%
20001-50000	63	2,019,556	2.15%	3.01%
50001-100000	32	2,270,355	2.42%	2.97%
100001-1000000	55	15,067,697	16.06%	14.15%
1000001-5000000	10	25,719,656	27.41%	26.87%
5000001-10000000	5	32,401,765	34.53%	30.88%
10000001 and Above	1	12,941,669	13.79%	13.79%
<b>Total</b>	<b>1,715</b>	<b>93,840,000</b>	<b>100.00%</b>	<b>100.00%</b>

**16.00 Retained earnings**

Opening balance	526,150,814	360,652,557
Add. Net profit /( loss) during the year	309,410,425	183,239,032
<b>Total</b>	<b>835,561,239</b>	<b>543,891,589</b>
Less: IPO expenses	-	17,740,775
Less: Stock Dividend @ 15%	122,400,000	-
Less: Cash Dividend Paid @ 5%	40,800,000	-
<b>Closing balance</b>	<b>672,361,239</b>	<b>526,150,814</b>

**16.A Consolidated retained earnings**

Retained earnings	703,888,608	546,511,123
<b>Total</b>	<b>703,888,608</b>	<b>546,511,123</b>

**16.B Non controlling interest**

Green and Red Technologies Limited	3,887	3,857
<b>Total</b>	<b>3,887</b>	<b>3,857</b>

**17.00 Long term loan**

This is made up as follows:

<b>Long term loan outstanding</b>	17.01	336,781,131	367,596,160
Less- Current portion of long term loan	17.02	5,475,389	12,528,763
<b>Long term loan</b>		<b>331,305,742</b>	<b>355,067,397</b>

**17.01 Long term loan outstanding**

Bank Name	Account No.	Type of Loan	Amount	Amount
Mercantile Bank Ltd.	LD1511665645	Term Loan	4,512,934	12,577,385
Less: Interest payable			237,545	456,556
<b>Outstanding balance</b>			<b>4,275,389</b>	<b>12,120,829</b>

			June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
AB Bank Ltd.	4005-794911-462	Term Loan	330,029,124	354,079,895
Less: Interest payable			2,752,128	4,447,911
<b>Outstanding balance</b>			<b>327,276,996</b>	<b>349,631,984</b>
BD Finance & Inv. Ltd.		Car loan	-	24,840
Less: Interest payable			-	-
<b>Outstanding balance</b>			<b>-</b>	<b>24,840</b>
Meghna Bank Ltd.	110163300000010	Term Loan	1,583,675	1,773,117
Less: Interest payable			36,104	56,883
<b>Outstanding balance</b>			<b>1,547,571</b>	<b>1,716,234</b>
Meghna Bank Ltd.	110163300000011	Term Loan	3,767,255	4,203,984
Less: Interest payable			86,081	101,711
<b>Outstanding balance</b>			<b>3,681,175</b>	<b>4,102,273</b>
<b>Total long term loan outstanding</b>			<b>336,781,131</b>	<b>367,596,160</b>

**17.02 Current portion of long term loan**

Bank Name	A/C No.	Type of Loan	Amount	Amount
Mercantile Bank Ltd	LD1511665645	Term Loan	4,275,389	11,303,923
BD Finance & Inv. Ltd.		Car loan	-	24,840
Meghna Bank Ltd.	110163300000010	Term Loan	360,000	360,000
Meghna Bank Ltd.	110163300000011	Term Loan	840,000	840,000
<b>Total</b>			<b>5,475,389</b>	<b>12,528,763</b>

**17.A Consolidated long term loan**

Genex Infosys Limited	331,305,742	355,067,397
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>331,305,742</b>	<b>355,067,397</b>

**17.02. A Consolidated current portion of long term loan**

Genex Infosys Limited	5,475,389	12,528,763
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>5,475,389</b>	<b>12,528,763</b>

June 30, 2020  
Amount (Tk.)June 30, 2019  
Amount (Tk.)

## Terms &amp; Conditions

Name of Institution	Type of Facility	Particulars
Mercantile Bank Ltd	Term Loan	<b>Nature of Credit:</b> Term Loan
		<b>Credit Limit:</b> Tk. 500.00 Lac Only.
		<b>Purpose:</b> To meet up the establishment cost for setting up a new contract Centre.
		<b>Validity/Expiry:</b> 05 (Five) years from the date of disbursement (including six months grace year).
		<b>Interest Rate:</b> 10.50 % P.A with quarterly rest subject to change that may be met by the bank from time to time
AB Bank Ltd	Term Loan	<b>Security:</b> RM & RIGPA on 05 Nos. of floor measuring 11,505 sft on 12 storied commercial building, named "AWR NIB Tower" along with 4.54 decimal (2.75 katha) proportionate share of land out of 9.08 decimals (5.50 katha) including car parking space located at plot#99, Road#11, Bloc: C, Banani ,Dhaka.
		<b>Nature of Credit:</b> Term Loan
		<b>Credit Limit:</b> Tk. 38.75 crore (Taka Thirty Eight Crore & Seventy Five lac) only.
		<b>Purpose:</b> To meet up expenses associated with acquisition of Green & Red Technologies Ltd. & Hello World Communications and expansion of Genex Infosys Ltd. against total cost of Tk. 3928.03 Lac.
		<b>Validity/Expiry:</b> 07 (Seven) years.
Meghna Bank Ltd	Term Loan	<b>Interest Rate:</b> 13.50 % P.A. or as decided by our Head office from time to time .
		<b>Security:</b> Registered Mortgage of (Third Party) formalities 407.34 Decimals vacant land at mouza: Kataboi, Dhamrai, Dhaka. In respect of Property of Sale Deed No. 3095 dated 8.03.2012.
		<b>Nature of Credit:</b> Term Loan
		<b>Credit Limit:</b> Tk. 18.00 Lac (Taka Eighteen lac) only.
		<b>Purpose:</b> To purchase a Toyota Axio-Hybrid; Model-2015, Brown colored on A/C of Genex Infosys Ltd. for company use.
Meghna Bank Ltd	Term Loan	<b>Validity/Expiry:</b> 05 (Five) years.
		<b>Interest Rate:</b> 14.00 % p.a. with quarterly rest subject to change that may be made by the bank from time to time.
		<b>Security:</b> Joint Registration & Insurance of the vehicle will be in the name of Meghna Bank Ltd, Principal Branch on A/C of "Genex Infosys Ltd". Personal Gurantee of all Directors of the company.

		June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Meghna Bank Ltd</b>	<b>Type of Facility</b>	<b>Particulars</b>	
		Nature of Credit: Term Loan	
		Credit Limit: Tk. 42.00 Lac (Taka Forty Two lac) only.	
		Purpose: To purchase a Mitsubishi Outlander Grey colored on A/C of Genex Infosys Ltd. for company use.	
		Validity/Expiry: 05 (Five) years.	
	<b>Term Loan</b>	Interest Rate: 14.00 % p.a. with quarterly rest subject to change that may be made by the bank from time to time.	
	Security: Joint Registration & Insurance of the vehicle will be in the name of Meghna Bank Ltd, Principal Branch on A/C of "Genex Infosys Ltd". Personal Guarantee of all Directors of the company.		

**18.00 Lease Liability**

Opening balance	-	
Recognition of Lease Liability on initial application of IFRS 16	104,507,789	
Addition during the year	-	
<b>Closing balance</b>	<b>104,507,789</b>	
<b>Payment of lease liability</b>		
Opening balance	-	-
Installment paid during the year	(54,566,982)	-
Interest on lease liability	6,652,092	
Current Portion of Lease Liability	43,525,545	-
<b>Closing Balance</b>	<b>13,067,354</b>	-

\* See accounting policy in notes no. 5.21

**18.A Consolidated Lease Liability**

Genex Infosys Limited	56,592,899	-
Green and Red Technologies Limited	-	-
	<b>56,592,899</b>	-
Current portion of lease liability	43,525,545	-
<b>Total</b>	<b>13,067,354</b>	-

**19.00 Accounts and other payable**

Opening balance	2,730,071	2,073,377
Addition during the year	75,601,542	109,652,173
	<b>78,331,613</b>	<b>111,725,550</b>
Adjustment during the year	75,162,067	108,995,479
<b>Closing balance</b>	<b>3,169,546</b>	<b>2,730,071</b>
<b>Name of the suppliers :</b>		
Aamra Networks Ltd.	155,596	48,812
Fortune Biz Solution	50,980	20,438
Cleanco Service Ltd.	85,802	85,802
China Electric Ltd.	40,422	40,422
Clean & care	80,000	51,400

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Gurdenia Nursery	58,500	35,250
Elite Security Services Ltd.	244,720	318,110
Integrated Business Solutions Pvt Limited	286,054	372,983
Multibrand Workshop	97,618	48,190
Nissho Koeiko Tissue Papers Ltd.	272,741	156,512
Rapid Technologies	395,908	380,057
S.R Power Paint	95,775	95,775
Smart Technologies BD. Ltd.	741,430	4,800
Drubo Rent A Car	360,000	470,000
Naisha Enterprise	-	461,520
Nisat Enterprise	204,000	140,000
<b>Total</b>	<b>3,169,546</b>	<b>2,730,071</b>

**19.A Consolidated accounts and other payable**

Genex Infosys Limited	3,169,546	2,730,071
Green and Red Technologies Limited	174,176	57,554
<b>Total</b>	<b>3,343,721</b>	<b>2,787,625</b>

All the payables disclosed here have arisen from local suppliers of the Company.

**20.00 Dividend payable**

Opening balance	-	-
Addition during the year	40,800,000	-
	<b>40,800,000</b>	-
Cash Dividend paid during the year	40,382,533	-
<b>Closing balance</b>	<b>417,467</b>	-

**20.A Consolidated Dividend payable**

Genex Infosys Limited	417,467	-
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>417,467</b>	-

**21.00 Short term loan**

This is made up as follows:

Short Term Bank Loan (SOD)	263,077,594	234,753,309
Short Term Bank Loan (IBP)	3,978,065	103,860,000
LTR Loan	5,633,592	-
General Loan	35,331,383	55,823,919
<b>Total</b>	<b>308,020,634</b>	<b>394,437,228</b>

Name of Bank	Account No.	Type of Loan	Amount	Amount
<b>Short Term Bank Loan (SOD)</b>				
Meghna Bank Limited	110171600000016	SOD	75,573,702	54,939,230
Mercantile Bank	118672011694562	SOD	40,309,313	41,527,120
AB Bank Ltd	4005-794911-000	SOD	153,266,848	146,978,171
<b>Total</b>			<b>269,149,863</b>	<b>243,444,521</b>
Less: Interest payable			6,072,269	8,691,212
<b>Outstanding balance</b>			<b>263,077,594</b>	<b>234,753,309</b>

			June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Name of Bank	Account No.	Type of Loan	Amount	Amount
<b>Short Term Bank Loan (IBP)</b>				
Meghna Bank Ltd	1129 733000000156	IBP Loan	-	24,625,333
Meghna Bank Ltd	1130 733000000157	IBP Loan	-	8,947,156
Meghna Bank Ltd	1131 733000000159	IBP Loan	-	25,379,167
Meghna Bank Ltd	1131 733000000160	IBP Loan	-	401,867
Meghna Bank Ltd	1132 733000000161	IBP Loan	-	24,312,933
Meghna Bank Ltd	1133 733000000162	IBP Loan	-	8,024,889
Meghna Bank Ltd	1101 730000000133	IBP Loan	817,635	-
Meghna Bank Ltd	1101 730000000134	IBP Loan	3,340,650	-
AB Bank Ltd.	4005-794911-568	IBP Loan	-	8,456,112
AB Bank Ltd.	4005-794911-569	IBP Loan	-	913,014
AB Bank Ltd.	4005-794911-570	IBP Loan	-	3,843,750
AB Bank Ltd.	4005-794911-571	IBP Loan	-	697,000
<b>Total</b>			<b>4,158,285</b>	<b>105,601,220</b>
Less: Interest payable			180,220	1,741,220
<b>Outstanding balance</b>			<b>3,978,065</b>	<b>103,860,000</b>
<b>LTR Loan</b>				
Meghna Bank Ltd	1101 73600001092	LTR Loan	2,306,799	-
Meghna Bank Ltd	1101 73600001093	LTR Loan	2,781,154	-
Meghna Bank Ltd	1101 73600001117	LTR Loan	857,690	-
<b>Total</b>			<b>5,945,644</b>	-
Less: Interest payable			312,052	-
<b>Outstanding balance</b>			<b>5,633,592</b>	-
<b>General Loan</b>				
Meghna Bank Ltd	110163100000033	General Loan	-	281,044
Meghna Bank Ltd	110163100000058	General Loan	1,285,464	2,141,207
Meghna Bank Ltd	110163100000059	General Loan	414,131	792,258
Meghna Bank Ltd	110163100000105	General Loan	17,110,596	22,458,152
Meghna Bank Ltd	110163100000114	General Loan	7,434,748	12,804,447
Meghna Bank Ltd	1101 63100000118	General Loan	9,927,806	18,746,537
<b>Total Loan</b>			<b>36,172,744</b>	<b>57,223,645</b>
Less: Interest payable			841,361	1,399,726
<b>Outstanding balance</b>			<b>35,331,383</b>	<b>55,823,919</b>
<b>Total Short Term Loan</b>			<b>308,020,634</b>	<b>394,437,228</b>

<b>June 30, 2020 Amount (Tk.)</b>
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<b>June 30, 2019 Amount (Tk.)</b>
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## Terms &amp; Conditions

Name of Institution	Type of Facility	Particulars
Meghna Bank Ltd	SOD (General)	<b>Nature of Credit:</b> Overdraft (General)
		Credit Limit: Tk. 7.50 crore (Taka Seven Crore & Fifty lac) only.
		<b>Purpose:</b> To meet working capital requirement.
		<b>Validity/Expiry:</b> 01 (one) year.
		<b>Interest Rate:</b> 14.00 % P.A. with quarterly rest or as revised by the bank from time to time.
		<b>Security:</b> Registered Mortgage of 01 (one) Apartment measuring 4133.80 sft (including car parking, common space, open space) of a 14 storied building namely "Concord Asha" along with proportionate 1.303 decimal of undivided and un-demarcated land out of 26 katha 7 chattak (currently mortgaged with Prime Bank Ltd).
Meghna Bank Ltd	Revolving Time Loan (IBP)	<b>Nature of Credit:</b> Revolving Time Loan (Bill receivables)
		<b>Credit Limit:</b> Tk. 15.00 crore (Taka Ten Crore) only.
		<b>Purpose:</b> To meet up operational expenses.
		<b>Validity/Expiry:</b> 01 (one) year. However, each Time Loan will have specific validity matching with the maturity of accepted bill.
		<b>Interest Rate:</b> 14.00 % P.A. with quarterly rest or as revised by the bank from time to time.
		<b>Security:</b> Registered Mortgage along with RIGPA of 44 decimals land located at Chorlakkha, Potia, Chittagong owned by AWR Real Estate (supported by board resolution).
Meghna Bank Ltd	Revolving L/C (Foreign/Local)	<b>Nature of Credit:</b> Revolving L/C (Foreign/Local)
		<b>Credit Limit:</b> Tk. 4.00 crore (Taka Four Crore) only.
		<b>Purpose:</b> To import/procure ICT related equipment, accessories and solutions from local and foreign vendors.
		<b>Validity/Expiry:</b> 01 (one) year. However, each L/C will have specific validity as per L/C terms.
		<b>Margin</b> 10% Cash & Commission .40% per quarter.
		<b>Security:</b> Registered Mortgage of 01 (one) Apartment measuring 4133.80 sft (including car parking, common space, open space) of a 14 storied building namely "Concord Asha" along with proportionate 1.303 decimal of undivided and un-demarcated land out of 26 katha 7 chattak (currently mortgaged with Prime Bank Ltd).

June 30, 2020  
Amount (Tk.)June 30, 2019  
Amount (Tk.)

Name of Institution	Type of Facility	Particulars
Mercantile Bank Ltd	SOD (General)	<b>Nature of Credit:</b> SOD (General)
		<b>Credit Limit:</b> Tk. 400.00 Lac Only.
		<b>Purpose:</b> To meet working capital requirement of the company.
		<b>Validity:</b> 01 (One) year.
		<b>Interest Rate:</b> 9% P.A. with quarterly rest subject to change that may be met by the bank from time to time.
		<b>Security:</b> RM & RIGPA on 05 Nos. of floor measuring 15,897 sft on 12 storied commercial building, named "AWR NIB Tower" along with 4.54 decimal (2.75 katha) proportionate share of land out of 9.08 decimals (5.50 katha) including car parking space located at Plot#99, Road#11, Bloc: C, Banani ,Dhaka.
Meghna Bank Ltd	Revolving LTR/Time Loan	<b>Nature of Credit:</b> Revolving LTR/Time Loan Inner of Rev. L/C)
		<b>Credit Limit:</b> Tk. 3.00 crore (Taka Three Crore) only.
		<b>Purpose:</b> LTR: To retire sight L/C documents to be opened under Rev. L/C, Time Loan: To retire import documents against local L/C
		<b>Validity/Expiry:</b> 01 (one) year. However, each LTR/Time Loan will have specific validity up to 120 days from the date of creation. However, in case of DP L/C, DP year & LTR/Time Loan tenor shall not exceed 120 days.
		<b>Interest Rate:</b> 14.00 % P.A. with quarterly rest.
		<b>Security:</b> Registered Mortgage of 01 (one) Apartment measuring 4133.80 sft (including car parking, common space, open space) of a 14 storied building namely "Concord Asha" along with proportionate 1.303 decimal of undivided and un-demarcated land out of 26 katha 7 chattak (currently mortgaged with Prime Bank Ltd).
AB Bank Ltd	SOD (General)	<b>Nature of Credit:</b> Overdraft (General)
		<b>Credit Limit:</b> Tk. 15.00 crore (Taka Fifteen Crore) only.
		<b>Purpose:</b> To take over existing OD liability up to tk.10 crore with AB Bank Ltd and meet additional working capital requirement.
		<b>Validity/Expiry:</b> 01 (one) year.
		<b>Interest Rate:</b> 15.00 % P.A. or as advised by our Head office from time to time. Interest will be charged & paid on the end of each calendar quarter.
		<b>Security:</b> Registered Mortgage of (Third Party) formalities 407.34 Decimals vacant land at mouza: Kataboi, Dhamrai, Dhaka. In respect of Property of Sale Deed No. 3095 dated 8.03.2012.



		June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Name of Institution	Type of Facility	Particulars	
<b>AB Bank Ltd</b>	<b>Revolving Time Loan (IBP)</b>	<b>Nature of Credit:</b> Revolving Time Loan (Bill receivables)	
		<b>Credit Limit:</b> Tk. 5.00 crore (Taka Five Crore) only.	
		<b>Purpose:</b> To meet up operational expenses.	
		<b>Validity/Expiry:</b> 90 (Ninety) days from the date of each disbursement.	
		<b>Interest Rate:</b> 15.00 % P.A. with quarterly rest or as revised by the bank from time to time.	
		<b>Security:</b> Registered Mortgage of (Third Party) formalities 407.34 Decimals vacant land at mouza: Kataboi, Dhamrai, Dhaka. In respect of Property of Sale Deed No. 3095 dated 8.03.2012.	

**21.A Consolidated short term loan**

Genex Infosys Limited	308,020,634	394,437,228
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>308,020,634</b>	<b>394,437,228</b>

**22.00 Provision & Accruals**

Opening balance	41,493,650	65,653,743
Addition during the year	146,853,578	166,820,486
	188,347,228	232,474,229
Adjustment during the year	139,789,113	190,980,579
	<b>48,558,115</b>	<b>41,493,650</b>

**This is made up as follows:**

Audit fee		350,000	350,000
VAT payable on audit fee		52,500	52,500
VAT payable		7,044,587	9,855,331
Provision for electricity bill		1,375,000	1,307,682
Provision for office rent		1,574,580	1,596,910
Provision for overseas travelling		24,658	235,014
Staff salaries payable		215,880	252,867
Interest payable	22.01	10,517,760	16,895,220
Provision for workers' profit participation and welfare funds	22.02	26,414,677	10,897,275
Income tax provision	22.03	988,473	50,851
<b>Total</b>		<b>48,558,115</b>	<b>41,493,650</b>

**22.01 Interest payable**

Interest payable against Long Term Loan	3,111,857	5,063,062
Interest payable against Short Term Loan	7,405,903	11,832,158
<b>Total Interest payable</b>	<b>10,517,760</b>	<b>16,895,220</b>

**22.02 Provision for workers' profit participation and welfare funds**

Opening balance	10,897,275	17,327,810
Addition during the year	15,517,402	9,164,494
	<b>26,414,677</b>	<b>26,492,304</b>
Adjustment during the year	-	15,595,029
<b>Closing balance</b>	<b>26,414,677</b>	<b>10,897,275</b>

	<b>June 30, 2020 Amount (Tk.)</b>	<b>June 30, 2019 Amount (Tk.)</b>
<b>22.03 Provision for income tax on other income</b>		
Opening Balance	50,851	-
Add: Provision during the year	937,622	50,851
<b>Total Income Tax Provision</b>	<b>988,473</b>	<b>50,851</b>
<b>22.A Consolidated provision &amp; accruals</b>		
Genex Infosys Limited	48,558,115	41,493,650
Green and Red Technologies Limited	2,653,574	2,130,560
<b>Total</b>	<b>51,211,689</b>	<b>43,624,210</b>
<b>23.00 Revenue</b>		
Total sales	1,036,400,004	923,754,257
Less: VAT on sales	46,010,394	37,738,741
<b>Net Sales</b>	<b>990,389,610</b>	<b>886,015,516</b>
This Is made up as follows:		
Data entry	26,799,306	30,210,426
Business process outsourcing	56,983,933	34,427,333
IT support & software maintenance	50,854,486	36,433,203
Digital content development & management	46,881,427	31,412,116
Call centre service	641,755,594	566,206,527
Software development	140,362,540	160,758,328
Website development	26,752,323	26,567,583
<b>Total</b>	<b>990,389,610</b>	<b>886,015,516</b>
<b>23.A Consolidated revenue</b>		
Genex Infosys Limited	990,389,610	886,015,516
Green and Red Technologies Limited	45,205,521	57,319,498
<b>Total</b>	<b>1,035,595,131</b>	<b>943,335,014</b>
<b>24.00 Cost of Sales</b>		
Salaries & allowance	244,438,786	244,235,478
Cleaning & clothing cost	1,083,766	1,072,545
Recruitment expenses	106,226	201,684
Office rent	9,360,450	66,532,552
Depreciation on Right of use asset (Note 9.00)	46,600,471	-
Electricity bill	16,966,414	17,847,204
Entertainment expenses	829,332	812,458
Depreciation Schedule-A	133,845,767	139,115,901
Amortization on intangible assets Schedule-B	45,003,851	37,722,947
Transportation exp- maintenance	1,431,097	1,554,618
IT expenses	1,827,329	1,814,587
Medical expense	103,775	74,251
Printing	292,052	312,658
Stationery	263,362	245,897
Repair & maintenance	2,148,748	2,514,468
Overseas travelling	1,608,883	2,265,316
Training costs	293,094	212,546
Telephone & communication	2,175,433	2,015,148
Traveling & conveyance	3,324,220	3,487,123
Internet & Connectivity	1,643,163	-
Misc. expenses	39,097	46,765
<b>Total</b>	<b>513,385,316</b>	<b>522,084,146</b>

<b>June 30, 2020 Amount (Tk.)</b>
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<b>June 30, 2019 Amount (Tk.)</b>
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\*\* The company has lease agreement for the purpose of office rent . All rental expenses beared by the company. The lease agreements which are for short term i.e. for 12(twelve) months are included in rent expense. The agreement may be extended/renewed on request from the tenant and when the landowner shall agree to do so.

As per paragraph 6 of IFRS 16 the company recognized the lease payment associated with those leases as an expenses on a Straight Line basis over the lease term.

#### 24.A Consolidated cost of sales

Genex Infosys Limited	513,385,316	522,084,146
Green and Red Technologies Limited	26,924,151	35,659,506
<b>Total</b>	<b>540,309,467</b>	<b>557,743,652</b>

#### 25.00 Administrative expenses

Salaries & allowance		16,471,044	16,221,344
Audit fee	35.00	350,000	350,000
VAT on audit fee		52,500	52,500
Depreciation	Schedule-A	10,074,413	10,471,089
Director's remuneration	34 (a)	9,100,000	8,660,000
Board meeting fees	34 (a)	94,000	68,000
Bank charge		863,993	1,067,462
Recruitment expenses		218,468	90,213
Office rent		704,550	2,057,708
Depreciation on Right of use asset	(Note 9.00)	3,507,562	-
Electricity bill		524,734	551,975
Entertainment expenses		860,210	972,456
Insurance expenses		2,101,454	1,074,385
AGM & public relation		543,434	-
Membership renewal fee		138,169	30,000
IT expenses		1,117,184	769,789
Legal fees		758,342	795,789
Professional fees		652,385	1,000,000
Overseas travelling		1,465,235	1,706,523
Printing		496,105	416,587
Stationery		493,681	365,478
Repair & maintenance		1,083,205	1,005,879
Training cost		596,556	577,428
Telephone & communication		646,166	748,752
Traveling & conveyance		2,106,227	2,767,877
Gas & Fuel Expenses		323,449	-
Postage & Courier		64,156	-
Misc. expenses		92,141	91,504
<b>Total</b>		<b>55,499,363</b>	<b>51,912,739</b>

#### 25.A Consolidated Administrative Expenses

Genex Infosys Limited	55,499,363	51,912,739
Green and Red Technologies Limited	6,555,925	8,651,608
<b>Total</b>	<b>62,055,288</b>	<b>60,564,347</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>26.00 Selling &amp; distribution expenses</b>		
This is made up as follows:		
Promotional expense	178,352	198,624
Advertisement expenses	124,605	78,264
Gift expense	57,904	84,637
<b>Total</b>	<b>360,861</b>	<b>361,525</b>
<b>26.A Consolidated selling &amp; distribution expenses</b>		
Genex Infosys Limited	360,861	361,525
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>360,861</b>	<b>361,525</b>
<b>27.00 Financial expenses</b>		
This is made up as follows:		
Bank Interest	27.01 97,123,800	121,588,701
Interest on lease liability	(Note 18.00) 6,652,092	-
<b>Total</b>	<b>103,775,892</b>	<b>121,588,701</b>
<b>27.01 Bank interest</b>		
Interest against Long Term Loan	47,973,612	59,243,267
Interest against Short Term Loan	49,150,188	62,345,434
<b>Total Interest</b>	<b>97,123,800</b>	<b>121,588,701</b>
<b>27.A Consolidated financial expenses</b>		
Genex Infosys Limited	103,775,892	121,588,701
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>103,775,892</b>	<b>121,588,701</b>
<b>28.00 Other income</b>		
This is made up as follows:		
Income from cash incentive	9,123,000	2,182,570
Income from bank interest	101,287	68,726
Fluctuation gain/(loss)	(727,016)	134,676
<b>Total</b>	<b>8,497,271</b>	<b>2,385,972</b>
<b>28.A Consolidated other income</b>		
Genex Infosys Limited	8,497,271	2,385,972
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>8,497,271</b>	<b>2,385,972</b>
<b>29.00 Workers' profit participation fund Expense</b>		
Genex Infosys Limited	15,517,402	9,164,494
<b>Total</b>	<b>15,517,402</b>	<b>9,164,494</b>
<b>29.A Consolidated workers' profit participation fund</b>		
Genex Infosys Limited	15,517,402	9,164,494
Green and Red Technologies Limited	558,354	619,447
<b>Total</b>	<b>16,075,756</b>	<b>9,783,941</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)		
<b>30.00 Income Tax Expense</b>				
This is made up as follows:				
Income Tax Expense	937,622	50,851		
<b>Income Tax Expense</b>	<b>937,622</b>	<b>50,851</b>		
<b>30.A Consolidated Income Tax Expense</b>				
This is made up as follows:				
Genex Infosys Limited	937,622	50,851		
Green and Red Technologies Limited	-	-		
<b>Total</b>	<b>937,622</b>	<b>50,851</b>		
<b>31.00 Earnings per share</b>				
The computation of EPS is given below:				
Earning attributable to the ordinary shareholders	309,410,425	183,239,032		
Weighted average number of ordinary shares outstanding during the year	31.01 93,840,000	93,840,000		
<b>Earnings per share</b>	<b>3.30</b>	<b>1.95</b>		
<b>The following are the reasons for significant deviation of EPS:</b>				
01. Utilization of idle capacity.				
02. Reduction of cost and increase in other income.				
03. Addition of fixed assets.				
04. Increase in revenue.				
<b>31.01 Calculation of weighted average number of outstanding ordinary shares</b>				
Particulars	No. of Shares	Weight	Weighted average number of shares	Weighted average number of shares
Opening balance	81,600,000	365/365	81,600,000	61,600,000
New Issued Share	-	365/365	-	20,000,000
Bonus Share @ 15%	12,240,000	365/365	12,240,000	12,240,000
<b>Total number of shares outstanding for the year</b>	<b>93,840,000</b>		<b>93,840,000</b>	<b>93,840,000</b>
<b>31.A Consolidated earnings per share</b>				
<b>The computation of consolidated EPS is given below:</b>				
Earning attributable to the ordinary shareholders			320,577,485	195,627,936
Weighted average number of ordinary shares outstanding during the year		31.01	93,840,000	93,840,000
<b>Consolidated earnings per share</b>			<b>3.42</b>	<b>2.08</b>
<b>32.00 Net Asset Value (NAV) per share</b>				
Total Assets			2,364,301,031	2,148,407,923
Less : Non Current Liabilities			344,373,096	355,067,397
Current Liabilities			409,166,696	451,189,712
<b>Net Asset Value</b>			<b>1,610,761,239</b>	<b>1,342,150,814</b>
Number of Ordinary Shares outstanding during the year			<b>93,840,000</b>	<b>81,600,000</b>
<b>Net Asset Value (NAV) per Share</b>			<b>17.16</b>	<b>16.45</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>32.A Consolidated Net Asset Value (NAV) per share</b>		
Total Assets	2,398,660,036	2,170,960,203
Less : Non Current Liabilities	344,373,096	355,067,397
Current Liabilities	411,994,445	453,377,826
<b>Consolidated Net Asset Value</b>	<b>1,642,292,495</b>	<b>1,362,514,980</b>
Number of Ordinary Shares outstanding during the year	93,840,000	81,600,000
<b>Consolidated Net Asset Value (NAV) per Share</b>	<b>17.50</b>	<b>16.70</b>
<b>33.00 Net operating cash flows per share</b>		
Cash flows from operating activities as per Statement of Cash Flows	393,830,771	368,772,921
Number of ordinary Shares outstanding during the year	93,840,000	81,600,000
<b>Net Operating Cash Flows Per Share</b>	<b>4.20</b>	<b>4.52</b>
<b>33.A Consolidated net operating cash flows per share</b>		
Cash flows from operating activities as per Consolidated Statement of Cash Flows	399,542,374	372,726,906
Number of ordinary Shares outstanding during the year	93,840,000	81,600,000
<b>Consolidated net operating cash flows per share</b>	<b>4.26</b>	<b>4.57</b>

**Others****34.00 Disclosure as per requirement of paragraph 17 of IAS 24 Related Party Disclosures****(a) Short-term employee benefits****Directors Remuneration:**

Name	Designation	June 30, 2020	June 30, 2019
Chowdhury Fazle Imam	Chairman	1,950,000	1,482,500
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	5,200,000	5,220,000
Mezbah Uddin	Representative Director of Oracle Services Ltd.	1,950,000	1,957,500
<b>Total Directors Remuneration</b>		<b>9,100,000</b>	<b>8,660,000</b>
<b>Board Meeting Fees:</b>			
<b>All Directors</b>	<b>Board Meeting Fees</b>	<b>94,000</b>	<b>68,000</b>
<b>Details of the fees are given below:</b>			
Name	Board Meeting Fees	Amount	Amount
Chowdhury Fazle Imam	Chairman	16,000	12,000
Mohammed Adnan Imam	Managing Director	16,000	12,000
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	16,000	12,000
Mezbah Uddin	Director	15,000	10,000
Ziaul Islam Chowdhury	Independent Director	12,000	12,000
Tanveer Ali	Independent Director	15,000	10,000
Mrs. Rokeya Islam	Independent Director	4,000	-
<b>Total</b>		<b>94,000</b>	<b>68,000</b>

(b) Post-employee benefit	Nil
(c) Other long term benefits	Nil
(d) Termination benefits	Nil
(e) Share based payment	Nil

**35.00 Audit Fees**

Name	Purpose	June 30, 2020	June 30, 2019
M M Rahman & Co.	Audit Fees	350,000	350,000
		350,000	350,000
Add: VAT on Audit Fees		52,500	52,500
<b>Total</b>		<b>402,500</b>	<b>402,500</b>

**36.00** During the year from 01.07.2019 to 30.06.2020 Sixteen Board Meetings were held. The attendance status of all of the meetings is as follows:

Name of Directors	Position	Meeting Held	Attended
Chowdhury Fazle Imam	Chairman	16	16
Mohammed Adnan Imam	Managing Director	16	16
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	16	16
Mezbah Uddin	Director	6	15
Ziaul Islam Chowdhury	Independent Director	16	12
Tanveer Ali	Independent Director	16	15
Mrs. Rokeya Islam	Independent Director	16	4

**36.01 Employee position for Genex Infosys Limited (as at 30 June, 2020)**

Disclosure as per requirement of Schedule XI, part II, Note 5 of Para 3, of the Companies Act, 1994

Particulars	June 30, 2020
<b>Number of Employees</b>	2768

There are 2768 employees' working for the company. All of these employees are getting Tk. 3,000 or more per month.

**36.02 Turnover for the year (as at 30 June, 2020):**

Disclosure as per requirement of Schedule XI, part II, Para 3(a), of the Companies Act, 1994

Particulars	June 30, 2020
<b>Turnover</b>	990,389,610

**36.03 Raw materials consumed (as at 30 June, 2020):**

As Genex Infosys Limited is a service provider company, the disclosure requirement of Schedule XI, part II, Para 3(d)(i), of the Companies Act, 1994 is not applicable for the company.

**36.04 Finished goods (as at 30 June, 2020):**

As Genex Infosys Limited is a service provider company, the disclosure requirement of Schedule XI, part II, Para 3(d)(ii), of the Companies Act, 1994 is not applicable for the company.

**37.00 Disclosure as per paragraph 18 of IAS 24**

During the year, the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. As per the requirement of schedule XI, Part II, Para 4 of the Companies Act 1994, the names of the related parties and nature of these transaction have been set out in accordance with the provisions of IAS 24 Related Party Disclosures.

Name of the related party	Relationship	Nature of transaction	June 30, 2020
Director Remuneration	Director	Remuneration	9,100,000
Board Meeting fees	Director	Board Meeting	94,000

**38.00 Reconciliation of net profit with cash flows from operating activities making adjustment of non cash items, for non-operating items and for the net changes in operating accruals.**

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Net Profit</b>	<b>309,410,425</b>	<b>183,239,032</b>
<b>Adjustment for:</b>		
Depreciation	143,920,180	149,586,991
Amortization	45,003,851	37,722,947
Finance Expense	103,775,892	122,656,163
	<b>292,699,923</b>	<b>309,966,101</b>
<b>Increase/(Decrease) in current Assets:</b>		
Increase in inventories	(26,255,969)	(3,479,310)
Increase in accounts receivable	(78,565,619)	26,763,655
Increase in advances, deposits, prepayments.	(9,379,180)	(1,556,995)
Increase in right to use asset	(54,399,756)	-
	<b>(168,600,524)</b>	<b>21,727,350</b>
<b>Increase/ (Decrease) in Liabilities:</b>		
Increase in accounts payable and other payable	439,475	656,694
Increase in provision and accruals	13,441,925	(24,160,093)
Increase in lease liability	56,592,899	-
	<b>70,474,299</b>	<b>(23,503,399)</b>
Paid for finance expenses	<b>(110,153,352)</b>	<b>(122,656,163)</b>
Net cash generated from operating activities (indirect method)	<b>393,830,771</b>	<b>368,772,921</b>
Net cash generated from operating activities (Direct method)	<b>393,830,771</b>	<b>368,772,921</b>

**38.A Consolidated reconciliation of net profit with cash flows from operating activities making adjustment of non cash items, for non-operating items and for the net changes in operating accruals.**

<b>Net Consolidated Profit</b>	<b>320,577,515</b>	<b>195,627,969</b>
<b>Adjustment for:</b>		
Depreciation	145,475,498	151,270,380
Amortization	45,729,448	38,576,590
Finance expense	103,775,892	122,656,163
	<b>294,980,838</b>	<b>312,503,134</b>
<b>Increase/(Decrease) in current Assets:</b>		
Increase in inventories	(26,255,969)	(3,479,310)
Increase in accounts receivable	(86,713,265)	15,471,659
Increase in advances, deposits, prepayments.	(9,607,572)	(1,941,041)
Increase in right to use asset	(54,399,756)	-
	<b>(176,976,562)</b>	<b>10,051,308</b>



	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Increase/ (Decrease) in Liabilities:</b>		
Increase in accounts payable and other payable	556,098	665,223
Increase in provision and accruals	13,964,938	(23,464,566)
Increase in lease liability	56,592,899	-
	<b>71,113,935</b>	<b>(22,799,343)</b>
Paid for finance expenses	<b>(110,153,352)</b>	<b>(122,656,163)</b>
Net cash generated from consolidated operating activities (indirect method)	<b>399,542,374</b>	<b>372,726,906</b>
Net cash generated from consolidated operating activities (Direct method)	<b>399,542,374</b>	<b>372,726,906</b>

### 39.00 Disclosures as per schedule XI, Part-II, Para 4 of the Companies Act, 1994

#### Transaction with Key management personnel of the entity:

a.	Managerial Remuneration paid or payable during the year to the directors, including Managing Director, a managing agent or manager.	9,100,000	8,660,000
b.	Expenses reimbursed to managing Agent	Nil	Nil
c.	Commission or remuneration payable separately to a managing agent or his associate	Nil	Nil
d.	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	Nil	Nil
e.	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.	Nil	Nil
f.	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil	Nil
g.	Other allowances and commission including guarantee commission etc.	Nil	Nil
h.	Pensions etc.		
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil	Nil
	(iv) Compensation for loss of office	Nil	Nil
	(v) Consideration in connection with retirement from office	Nil	Nil

### 40.00 Event After Balance Sheet Date

The Board of Directors of Genex Infosys Limited, in its 128th Board Meeting held on 28th October 2020 has recommended for 10% stock and 10% cash of paid up capital for the year ended June 30, 2020. This dividend is subject to final approval by the shareholders at the forth coming Annual General Meeting of the company.



# FINANCIAL STATEMENTS



**BALANCE SHEET**



**INCOME STATEMENTS**



**CASH FLOWS**



**EQUITY**

**INDEPENDENT AUDITOR'S REPORT**  
**To the shareholders of Green and Red Technologies Limited**

**Opinion**

We have audited the financial statements of Green and Red Technologies Limited ("the company"), which comprises the statement of financial position as at June 30, 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for opinion**

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

**Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

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

#### **Report on other legal and regulatory requirements**

In accordance with the Companies Act 1994, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purposes of the company's business.

**Dated: Dhaka  
October 25, 2020**



**M M Rahman & Co.**  
Chartered Accountants

**Green and Red Technologies Limited**

## STATEMENT OF FINANCIAL POSITION

As at June 30, 2020

	Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>Property and Assets</b>			
<b>Non-Current Assets</b>			
		<b>15,461,972</b>	<b>17,020,476</b>
Property, Plant and Equipment	6.00	11,350,258	12,183,164
Intangible Assets	7.00	4,111,714	4,837,312
<b>Investment</b>	8.00	<b>200,000</b>	<b>200,000</b>
<b>Current Assets</b>			
		<b>56,022,932</b>	<b>42,657,703</b>
Accounts Receivable	9.00	45,958,957	37,811,311
Advances , Deposits and Pre-Payments	10.00	3,611,172	3,382,780
Cash and Cash Equivalent	11.00	6,452,803	1,463,612
<b>Total Assets</b>		<b>71,684,904</b>	<b>59,878,179</b>
<b>Equity and Liabilities</b>			
<b>Shareholder's Equity</b>			
		<b>68,857,154</b>	<b>57,690,064</b>
Share Capital	12.00	37,326,000	37,326,000
Retained Earnings	13.00	31,531,154	20,364,064
<b>Current Liabilities</b>			
		<b>2,827,750</b>	<b>2,188,115</b>
Accounts Payable	14.00	174,176	57,554
Provision for Liabilities	15.00	2,653,574	2,130,561
<b>Total Equity and Liabilities</b>		<b>71,684,904</b>	<b>59,878,179</b>
<b>Net Assets Value (NAV) per share</b>	22.00	<b>184.48</b>	<b>154.56</b>

Those Financial Statements should be read in conjunction with the annexed Notes.

Sd/-  
Managing Director

Sd/  
Director

Sd/  
Chief Financial Officer

Signed subject to our separate report of even date.

Dated: October 25, 2020

  
M M Rahman & Co.  
Chartered Accountants

**Green and Red Technologies Limited**  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
For the year ended June 30, 2020

	Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Revenue	16.00	45,205,521	57,319,498
Less: Cost of Sales	17.00	26,924,151	35,659,506
<b>Gross Profit</b>		<b>18,281,369</b>	<b>21,659,992</b>
Less: Administrative Expenses	18.00	6,555,925	8,651,608
<b>Profit before Provision for Workers' Profit Participation Funds (WPPF)</b>		<b>11,725,444</b>	<b>13,008,384</b>
Workers' Profit Participation Fund (WPPF)		558,354	619,447
<b>Net Profit/(Loss) before Income Tax</b>		<b>11,167,089</b>	<b>12,388,937</b>
Less: Income Tax		-	-
<b>Net Profit/(Loss) after Tax</b>		<b>11,167,089</b>	<b>12,388,937</b>
Other comprehensive income			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		11,167,089	12,388,937
<b>Earnings per share (EPS)</b>		BDT	BDT
"Basic earnings per share(per value BDT 100 each in BDT)"	19.01	<b>29.92</b>	<b>33.19</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.

Sd/-  
\_\_\_\_\_  
Managing Director

Sd/  
\_\_\_\_\_  
Director

Sd/  
\_\_\_\_\_  
Chief Financial Officer

Signed subject to our separate report of even date.

Dated: October 25, 2020

  
\_\_\_\_\_  
**M M Rahman & Co.**  
Chartered Accountants

**Green and Red Technologies Limited**  
STATEMENT OF CHANGES IN EQUITY  
For the year ended June 30, 2020

Particulars	Ordinary Share Capital	Retained Earnings	Total Amount (Tk.)
Opening Balance as at July 01 , 2019	37,326,000	20,364,064	57,690,064
Net Profit/(Loss) after Tax	-	11,167,089	11,167,089
<b>Closing Balance as at June 30, 2020</b>	<b>37,326,000</b>	<b>31,531,154</b>	<b>68,857,154</b>

Particulars	Ordinary Share Capital	Retained Earnings	Total Amount (Tk.)
Opening Balance as at July 01 , 2018	37,326,000	7,975,127	45,301,127
Net Profit/(Loss) after Tax	-	12,388,937	12,388,937
<b>Closing Balance as at June 30, 2019</b>	<b>37,326,000</b>	<b>20,364,064</b>	<b>57,690,064</b>

The accounting policies and explanatory notes are integral part of the Financial Statements.

Sd/-  
**Managing Director**

Sd/  
**Director**

Sd/  
**Chief Financial Officer**

Signed subject to our separate report of even date.

Dated: October 25, 2020

  
**M M Rahman & Co.**  
Chartered Accountants

**Green and Red Technologies Limited**  
STATEMENT OF CASH FLOWS  
For the year ended June 30, 2020

Particulars	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>A. Cash Flows from Operating Activities:</b>		
Received from customers	37,057,875	46,027,502
Paid to suppliers	(18,085,036)	(24,315,252)
Paid to employees	(10,287,122)	(13,777,910)
Paid to other	(2,974,114)	(3,552,064)
Paid for Advance Income Tax (AIT)	-	(428,292)
<b>Net cash generated from operating activities</b>	<b>5,711,603</b>	<b>3,953,984</b>
<b>B. Cash Flows from Investing Activities:</b>		
Paid for Acquisition of Property, Plant and Equipment	(722,412)	(3,028,000)
<b>Net Cash Used in Investing Activities</b>	<b>(722,412)</b>	<b>(3,028,000)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Received from Share issue	-	-
Received from Share Money Deposit	-	-
<b>Net cash provided for financing activities</b>	<b>-</b>	<b>-</b>
<b>D. Net cash increase/ (decrease) (A+B+C)</b>	<b>4,989,191</b>	<b>925,984</b>
Cash and Bank Balances at the beginning of the year	1,463,612	537,627
<b>Cash and Bank Balance at Closing of the year</b>	<b>6,452,803</b>	<b>1,463,612</b>
<b>Net Operating Cash Flows per Share</b>	<b>15.30</b>	<b>10.59</b>

Sd/-  
\_\_\_\_\_  
Managing Director

Sd/  
\_\_\_\_\_  
Director

Sd/  
\_\_\_\_\_  
Chief Financial Officer

Signed subject to our separate report of even date.

Dated: October 25, 2020

  
\_\_\_\_\_  
**M M Rahman & Co.**  
Chartered Accountants



**Green and Red Technologies Limited**  
PROPERTY, PLANT AND EQUIPMENT  
As at June 30, 2020

## Schedule-A

Particulars	Cost			Rate (%)	Depreciation			Balance as on 30.06.2020
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	
Machineries	12,099,865	435,865	12,535,730	15%	6,273,633	892,922	7,166,555	5,369,176
Furniture & Fixtures	7,447,274	286,547	7,733,821	10%	1,260,028	628,459	1,888,487	5,845,334
Motor Vehicles	575,377	-	575,377	20%	405,692	33,937	439,629	135,748
<b>As at June 30, 2020</b>	<b>20,122,517</b>	<b>722,412</b>	<b>20,844,929</b>		<b>7,939,353</b>	<b>1,555,318</b>	<b>9,494,671</b>	<b>11,350,258</b>
<b>As at June 30, 2019</b>	<b>17,094,517</b>	<b>3,028,000</b>	<b>20,122,517</b>		<b>6,255,964</b>	<b>1,683,389</b>	<b>7,939,353</b>	<b>12,183,164</b>

Allocation of Depreciation is as follows:

Depreciation Allocated to:		30.06.2020	30.06.2019
Cost of Sales	70%	1,088,723	1,178,372
Administrative Expenses	30%	466,595	505,017
<b>Depreciation Expenses</b>		<b>1,555,318</b>	<b>1,683,389</b>

**Green and Red Technologies Limited**  
**INTANGIBLE ASSETS**  
As at June 30, 2020

## Schedule-A

Particulars	Cost			Rate (%)	Depreciation			Balance as on 30.06.2020
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	
Software	6,263,240	-	6,263,240	15%	1,425,929	725,597	2,151,526	4,111,714
<b>As at June 30, 2020</b>	<b>6,263,240</b>	<b>-</b>	<b>6,263,240</b>		<b>1,425,929</b>	<b>725,597</b>	<b>2,151,526</b>	<b>4,111,714</b>

<b>As at June 30, 2019</b>	<b>6,263,240</b>	<b>-</b>	<b>6,263,240</b>		<b>572,285</b>	<b>853,643</b>	<b>1,425,929</b>	<b>4,837,312</b>
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Cost as at July 01, 2019 6,263,240

Accumulated Depreciation as at July 01, 2019 1,425,929

**Written Down Value as at July 01, 2019** 4,837,312

Note: Opening Written down value of Tk. 48,37,311 and addition during the year of Tk. 0 has been considered as depreciable amount as the company changes its amortization under Straight Line Method instead of Reducing Balance Method.

**Allocation of Amortization**

Amortization Allocated to:		30.06.2020	30.06.2019
Amortization		725,597	853,643
Cost of Sales	100%	725,597	853,643
<b>Amortization</b>		<u><u>725,597</u></u>	<u><u>853,643</u></u>

**GREEN AND RED TECHNOLOGIES LIMITED.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended June 30, 2020**

**1.00 Corporate History of the Reporting Entity:**

GREEN AND RED TECHNOLOGIES LIMITED was incorporated in Bangladesh on 22 July 2009 under the Companies Act, 1994. Vide registration no. C-78727/09 as a private limited company by shares. The company has commenced its commercial operation on 22 July 2009.

The registered office is located at Plot No.98, Sayed Grand Center, Road No.28, Sector-07, Uttara, Dhaka-1230.

**2.00 Nature of Corporate Business :**

The principal activities of the company are ITES Services, Ad Network Solution, Web based solution and Consultancy, E-commerce/Business, Data Processing, Graphics Design, IT Consulting, IT Training Centre and Software development.

**3.00 Corporate Financial Statements and Reporting:**

This comprises Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Explanatory notes to the financial statements for the year then ended.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994, the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), The Securities & Exchange Rule, 1987 and Other regulatory compliances.

The Board of Directors is responsible for preparing and presenting the financial statements including adequate disclosures, which approved and authorized for issue of the financial statements.

**4.00 Basis of preparation****4.01 Statement of Compliance**

The financial statements of the company have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), The Companies Act 1994 and other applicable laws and regulations as required. The following International Accounting Standards were applied for the preparation of Financial Statements for the year.

IAS 01	Presentation of Financial Statements
IAS 07	Statements of Cash flows
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors.
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 19	Employees Benefits
IAS 24	Related Party Disclosures
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets.
IAS 38	Intangible Assets
IFRS 9	Financial Instruments: Recognition and Measurement.
IFRS 15	Revenue from Contracts with Customers

The Company complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- The Income Tax Ordinance 1984
- The Income Tax Rules 1984
- The Value added Tax Act 2012
- The Value added Tax Rules 2016
- The Securities and Exchange Ordinance, 1969
- The Securities and Exchange Rules, 1987
- Labour Act, 2006 (Amendment in 2013 & 2018)

**4.02 Basis of measurement**

The financial statements have been prepared on going concern basis under historical cost conventions as per IAS 1 Presentation of Financial Statements.

**4.03 Functional and presentational currency**

These financial statements are presented in Bangladeshi Taka (TK.) currency, which is the company's functional currency. The figures of financial statements have been rounded off to the nearest integer.

**4.04 Accrual Basis of Accounting**

These financial statements have been prepared under the accrual basis of accounting except for cash flow information as per IAS 1 Presentation of Financial Statements.

**4.05 Reporting Period**

The reporting period of the company covers one year from 01 July 2019 to 30 June, 2020.

**4.06 Components of the financial statements**

- i) Statement of Financial Position as at 30 June, 2020.
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2020.
- iii) Statement of Changes in Equity for the year ended 30 June, 2020.
- iv) Statement of Cash flows for the year ended 30 June, 2020.
- v) Explanatory notes to the Financial Statements for the year ended 30 June, 2020.

**4.07 Date of Authorization**

The board of director has authorized the financial statements for issue on October 25, 2020.

**5.00 Significant accounting policies**

The accounting policies set out below have been applied consistently (otherwise as stated) to all period presented in these financial statements.

**5.01 Property, plant and equipment****5.01.01 Recognition and measurement**

Property, plant and equipment is initially accounted for at costs and depreciated over their expected useful life in accordance with IAS 16. The cost of acquisition of asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

**5.01.02 Subsequent cost**

The subsequent cost/expenditure or any replacing part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit or loss and other Comprehensive Income as incurred.

**5.01.03 Depreciation**

All items of property, plant and equipment have been depreciated on reducing balance method. Depreciation on current period's addition is charged when the asset is available for use and charged at the rates varying from 10% to 20% depending on the estimated useful life of assets.

Rates of depreciation on various classes of fixed assets are as under :

<b>Items</b>	<b>30 June, 2020</b>
Machineries	15%
Furniture & fixtures	10%
Motor Vehicles	20%

**5.01.04 Intangible Assets:**

Intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the company over the period of time and cost of the asset can be measured reliably as per the International Accounting Standard IAS 38: Intangible Assets.

**5.01.05 Amortization**

Intangible assets are amortized using Straight Line Method to the statement of profit or loss and other comprehensive income when the asset is available for use over its estimated economic life.

**5.02 Trade and other receivables (Accounts receivables)**

Trade and other receivables are initially recognized at invoice value and the amount represents net realizable value. Management has considered the entire trade receivables as good and collectable.

**5.03 Advances, deposits and prepayment**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction, adjustment or charges to other account heads such as property, plant and equipment or expenses.

Deposits are measured at payment value.

**5.04 Cash & Cash Equivalents**

The company measures Cash & Cash Equivalents that are held for the purpose of meeting short-term cash commitments rather than for investment or other purpose. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes value.

**5.05 Provision**

A provision is recognized in the Financial Position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**5.06 Revenue recognition**

In compliance with the requirement of IFRS 15 Revenue from Contracts with Customers, revenue recognized against sales, when services are dispatched to customers, which is when the significant risk and rewards of ownership have been transferred to the buyers; recovery of the consideration is probable, the associated costs can be estimated reliably.

**5.07 Corporate tax**

Income Tax provision has not been created as the company is ITES service as the company is fully exempted from Tax up to June 30, 2024 as per The Income Tax Ordinance 1984, 6th Schedule, Part A, Para 33.

**5.08 Statement of Cash flows**

Cash Flows statement is prepared in accordance with IAS 7 Statement of Cash Flows and cash flows from operating activities have been presented under direct method considering the provision of paragraph 19 of IAS 7, which state that "Enterprises are encouraged to report cash flow from operating activities using direct method.

**5.09 Earnings per share**

The company presents its basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by weighted average number of ordinary shares outstanding during the year ended as per IAS 33.

**5.10 Comparative information**

Comparative information have been disclosed in respect of the previous period for all numerical information in the Financial statements and also the narrative and descriptive information when it is relevant for understanding for the current period financial statements.

**5.11 Events after reporting period**

In accordance with IAS 10 Events after the Reporting Period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting events: - those that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting events: - those that are indicative of conditions that arose after the reporting period.

Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements, if applicable.

There is no significant event other than regular business activities that qualify for reporting between the date of closing of the financial reporting period and the date when the financial statements are authorized for issue.

#### **5.12 Employees' benefit**

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate. The company's employee benefits include the following:

##### **Short term employee benefits**

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### **5.13 Going Concern Basis**

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

#### **5.14 Workers' Profit Participation Fund (WPPF)**

The company has made a provision for Worker's Profit Participation Fund (WPPF) for the year ended 30 June, 2020. The company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation in accordance with "Bangladesh Labour Act, 2006(Amendment in 2013 & 2018) "

#### **5.15 Impairment of Assets**

All fixed assets have been reviewed and it is confirmed that no such fixed assets have been impaired during the year and for this reason no provision has been made for the purpose of impairment.

#### **5.16 Re-arrangement**

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

#### **5.17 Financial Instruments**

A financial instrument in any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

#### **5.18 Financial Assets**

Financial assets of the company include cash and cash equivalents, equity instrument of another equity, trade receivable and other receivables. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date which the company becomes a part to the contractual obligation of the transaction. The company derecognizes a financial asset when and only when contractual rights or probabilities of receiving the cash flows from the assets expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and reward of ownership of the financial assets are transferred.

##### **Initial Recognition**

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument and subsequently recognizes at their amortized cost.

##### **Financial Liabilities**

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions cost. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>6.00 Property, Plant and Equipment</b>		
This is made up as follows:		
<b>At Cost</b>		
<b>Opening Balance</b>	20,122,517	17,094,517
Addition during the year	722,412	3,028,000
	<b>20,844,929</b>	<b>20,122,517</b>
Adjustment	-	-
<b>Closing Balance</b>	<b>20,844,929</b>	<b>20,122,517</b>
<b>Accumulated Depreciation</b>		
<b>Opening Balance</b>	7,939,353	6,255,964
Charged during the year	1,555,318	1,683,389
	<b>9,494,671</b>	<b>7,939,353</b>
Adjustment	-	-
<b>Closing Balance</b>	<b>9,494,671</b>	<b>7,939,353</b>
<b>Written Down Value</b>	<b>11,350,258</b>	<b>12,183,164</b>

Details of Property, Plant and Equipment has been provided in Schedule-A.

#### 7.00 Intangible Assets

##### At Cost :

Opening balance	6,263,240	6,263,240
Addition during the year	-	-
<b>Closing Balance</b>	<b>6,263,240</b>	<b>6,263,240</b>

##### Amortization:

Opening balance	1,425,929	572,285
Charged during the year	725,597	853,643
<b>Closing Balance</b>	<b>2,151,526</b>	<b>1,425,928</b>
<b>Written down Value:</b>	<b>4,111,714</b>	<b>4,837,312</b>

The Intangible Assets include Software acquired for the purpose of business operations. Detailed of Intangible Assets has been provided in Schedule- B.

#### 8.00 Investment

This is made up as follows:

Investment	200,000	200,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>

##### Investment in Associate :

Particular	No. of Share	% of Share	Face Value Per Share	Total
Mayalogy Limited	2,000	20%	100	200,000

1) Mayalogy Limited is a Associate Company of Green and Red Technologies Limited.

2) Paid up Capital of the company is Tk. 1,000,000 Divided into 10,000 shares @ Tk. 100 each

3) Green and Red Technologies Limited hold 20.00% that is 2,000 Shares @ Tk. 100 each of Mayalogy Limited.

Mayalogy Limited incorporated as a private Limited company under the Companies Act, 1994. The main activities of this company are to establish, provide, improve, assist and promote high quality curated information to women and men on the internet. Also to implement different development activities for moving forward the expansion of mass education, socio-economics topics, women empowerment and cultural growth.

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>9.00 Accounts Receivable</b>		
Opening balance	37,811,311	26,519,316
Addition during the year	45,694,330	58,199,808
	<b>83,505,641</b>	<b>84,719,124</b>
Adjustment during the year	37,546,684	46,907,813
<b>Closing balance</b>	<b>45,958,957</b>	<b>37,811,311</b>

**Aging Schedule of Accounts Receivable :**

Accounts Receivable	Less than 6 Months	More than 6 Months	30.06.2020	30.06.2019
		43,661,009	2,297,948	45,958,957

**Information about Accounts receivable as per requirement under Schedule XI, Part I, Para 4 of the Companies Act, 1994.**

Particular	Amount in Taka	Amount in Taka
	30.06.2020	30.06.2019
Receivables considered good and in respect of which the company is fully secured:	-	-
Receivables considered good for which the company holds no security other than the debtor's personal security;	45,958,957	37,811,311
Receivables considered doubtful or bad;	-	-
Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
Receivables due by companies under the same management.		
The maximum amount due by directors or other officers of the Company.		
<b>Total</b>	<b>45,958,957</b>	<b>37,811,311</b>

**10.00 Advances, Deposits and Prepayments**

Opening balance	3,382,780	2,998,734
Addition during the year	804,659	1,948,796
	<b>4,187,439</b>	<b>4,947,530</b>
Adjustment during the year	576,267	1,564,750
<b>Closing balance</b>	<b>3,611,172</b>	<b>3,382,780</b>

This is made up as follows:

Mr. Muhammad Nazimuddaula	276,854	236,200
Mr. Monjur Rohan	42,895	82,478
Mrs. Syeda Farhana Huq	7,423	9,000
Advance to Maya	245,879	285,975
Goromcha Ltd.	580,452	281,458
Advance Income Tax	2,292,669	2,292,669
Office Rent	165,000	195,000
<b>Total</b>	<b>3,611,172</b>	<b>3,382,780</b>



June 30, 2020  
Amount (Tk.)June 30, 2019  
Amount (Tk.)**Information about Advances, Deposits and Prepayments as per requirement under Schedule XI, Part I, Para 6 of the Companies Act, 1994.**

Particular	Amount in Taka	Amount in Taka
	30.06.2020	30.06.2019
Advances, Deposits and Prepayments considered good and in respect of which the company is fully secured:	3,284,000	3,055,102
Advances, Deposits and Prepayments considered good for which the company holds no security other than the debtor's personal security;	-	-
Advances, Deposits and Prepayments considered doubtful or bad;	-	-
Advances, Deposits and Prepayments due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
Advances, Deposits and Prepayments due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the Company.	327,172	327,678
<b>Total</b>	<b>3,611,172</b>	<b>3,382,780</b>

**11.00 Cash and Cash Equivalents**

This is made up as follows:

Cash in Hand		24,150	32,045
Cash at Bank	11.01	6,428,653	1,431,567
<b>Total</b>		<b>6,452,803</b>	<b>1,463,612</b>

**11.01 Bank Balances:**

bKash		145,013	38,451
AB Bank Ltd., CD A/C. # 4005-798937-000		1,178,837	942,265
Eastern Bank Ltd., CD A/C No. # 1161060200548		2,913,241	337,744
NCC Bank Ltd., CD A/C No. # 050-0210003771		1,677,064	106,077
NRBC Bank Ltd., CD A/C No. # 012133300000025		153,863	906
BRAC Bank Ltd CD A/C No: # 1507202845574001		360,636	6,124
<b>Total</b>		<b>6,428,653</b>	<b>1,431,567</b>

**12.00 Share Capital**

Authorized Capital			
5,00,000 Ordinary Shares of Tk 100 each		<b>50,000,000</b>	<b>50,000,000</b>
<b>Issued, subscribed and paid-up capital</b>			
3,73,260 Ordinary Shares of Tk 100 each		<b>37,326,000</b>	<b>37,326,000</b>

			June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Name of Shareholders	No. of Share	% of Share	Amount (Tk.)	Amount (Tk.)
Mr. Mohammed Adnan Imam	1	0.0003%	100	100
Genex Infosys Limited	373,259	99.9997%	37,325,900	37,325,900
<b>Total</b>	<b>373,260</b>	<b>100%</b>	<b>37,326,000</b>	<b>37,326,000</b>

**13.00 Retained Earnings**

This is made up as follows:

Opening Balance	20,364,064	7,975,127
Net Profit/(Loss) after Tax	11,167,089	12,388,937
<b>Total</b>	<b>31,531,154</b>	<b>20,364,064</b>

**14.00 Accounts Payable**

Opening Balance	57,554	49,025
Addition during the year	191,265	82,987
	<b>248,819</b>	<b>132,012</b>
Adjustment during the year	74,643	74,458
<b>Total</b>	<b>174,176</b>	<b>57,554</b>

**15.00 Provision for Liabilities**

Audit Fee	15.01	80,500	80,500
Salary Expense		12,500	-
VAT Payable		168,547	213,655
Utility bills		18,742	21,475
Office Rent		122,923	122,923
Provision for workers' profit participation fund (WPPF)	15.02	2,250,362	1,692,008
<b>Total</b>		<b>2,653,574</b>	<b>2,130,561</b>

**15.01 Audit Fees**

This is made up as follows:

Opening Balance	80,500	80,500
Add: Addition during the year	80,500	80,500
	<b>161,000</b>	<b>161,000</b>
Less: Adjustment during the year	80,500	80,500
<b>Total</b>	<b>80,500</b>	<b>80,500</b>

**15.02 Provision for workers' profit participation fund (WPPF)**

This is made up as follows:

Opening Balance	1,692,008	1,072,561
Add: Addition during the year	558,354	619,447
	<b>2,250,362</b>	<b>1,692,008</b>
Less: Adjustment during the year	-	-
<b>Total</b>	<b>2,250,362</b>	<b>1,692,008</b>

**16.00 Revenue**

This is made up as follows:

Sales-Software	41,946,791	51,450,762
Sales-Adnet	3,747,539	6,749,046
<b>Total Sales</b>	<b>45,694,330</b>	<b>58,199,808</b>
Less: Value Added Tax (VAT)	488,809	880,310
<b>Net Sales</b>	<b>45,205,521</b>	<b>57,319,498</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>17.00 Cost of Sales</b>		
This is made up as follows:		
Publishers Payment	14,495,917	18,007,767
Salaries & Allowances	6,908,174	9,303,710
Agency Commission	2,738,792	5,061,785
Fuel & Oil Expenses	66,366	91,652
Travelling & Conveyance	50,802	65,980
Telephone and Mobile Bill	102,836	132,369
Office Rent	638,134	837,200
Internet Expenses	105,784	125,787
Computer Hardware	3,028	1,242
Depreciation	Schedule-A	1,178,372
Amortization on Intangible Assets	Schedule-B	853,643
<b>Total</b>	<b>26,924,151</b>	<b>35,659,506</b>
<b>18.00 Administrative Expenses</b>		
Salaries & Allowances	3,391,954	4,298,045
Server Renewal	1,737,592	2,687,261
Advertisement	17,111	22,879
Audit Fee	80,500	80,500
Bank Charges	16,913	15,932
Cleaning Expenses	9,120	10,987
Computer Hardware	3,760	4,574
Cookeries Expenses	605	1,596
Depreciation	Schedule-A	505,017
Entertainment	116,922	120,453
Event Expense	2,930	-
Fees & Subscription	2,972	2,856
Fuel & Oil Expenses	22,809	29,784
Garage Rent Expenses	2,325	2,789
Internet Expenses	33,028	40,452
Newspaper & yearicals	6,461	8,245
Office Rent	202,620	265,267
Online Service Charges	7,175	9,550
Office Supplies	73,148	90,235
Printing & Stationary	39,212	43,987
Repair & Maintenance	42,615	43,145
Security Charges	71,907	96,000
Telephone and Mobile Bill	47,650	60,345
Travelling & Conveyance	19,339	25,145
Utilities	18.01	186,564
<b>Total</b>	<b>6,555,925</b>	<b>8,651,608</b>
<b>18.01 Utilities</b>		
Electricity Bill	125,842	169,285
Gas Bill	10,400	11,400
Telephone Bill	4,420	5,879
<b>Total</b>	<b>140,662</b>	<b>186,564</b>

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)		
<b>19.00 Earnings per Share (EPS)</b>				
<b>19.01 Basic Earnings per Share (EPS)</b>				
The computation of EPS is given below:				
Earning attributable to the ordinary shareholders	11,167,089	12,388,937		
Weighted average number of ordinary shares outstanding during the year	19.01.01 373,260	373,260		
<b>Earnings per Share (EPS)</b>	<b>29.92</b>	<b>33.19</b>		
<b>19.01.01 Calculation of weighted average number of ordinary shares outstanding:</b>				
	No. of Shares	Weight	Weighted average number of shares	Weighted average number of shares
Opening balance	373,260		373,260	373,260
"Issued new shares "	-		-	-
<b>Total number of shares outstanding for the year</b>	<b>373,260</b>		<b>373,260</b>	<b>373,260</b>
<b>20.00 Net Operating Cash Flows per Share</b>				
Cash flows from operating activities as per Statement of Cash Flows	5,711,603	3,953,984		
Weighted average number of ordinary shares outstanding during the year	373,260	373,260		
<b>Net Operating Cash Flows per Share</b>	<b>15.30</b>	<b>10.59</b>		
<b>21.00 Reconciliation of net profit with cash flows from operating activities making adjustment of non cash items, for non-operating items and for the net changes in operating accruals.</b>				
<b>Net Profit</b>	<b>11,167,089</b>	<b>12,388,937</b>		
Adjustment for:				
Depreciation	1,555,318	1,683,389		
Amortization	725,597	853,643		
	<b>2,280,915</b>	<b>2,537,032</b>		
Increase/(Decrease) in current Assets:				
Decrease in Advances, Deposits, Prepayments.	(228,392)	(384,046)		
Increase in Accounts Receivable	(8,147,646)	(11,291,996)		
	<b>(8,376,038)</b>	<b>(11,676,043)</b>		
Increase (Decrease) in current Liabilities:				
Accounts Payable	116,622	8,529		
Provision for Liabilities	523,013	695,528		
	<b>639,636</b>	<b>704,057</b>		
Net cash generated from operating activities (Indirect method)	<b>5,711,603</b>	<b>3,953,984</b>		
Net cash generated from operating activities (Direct method)	<b>5,711,603</b>	<b>3,953,984</b>		
<b>22.00 Net Asset Value (NAV) per Share</b>				
Total Assets	71,684,904	59,878,179		
Less:				
Non Current Liabilities	-	-		
Current Liabilities	2,827,750	2,188,115		
<b>Net Asset value</b>	<b>68,857,154</b>	<b>57,690,065</b>		
Number of Ordinary Shares outstanding at Balance Sheet date	<b>373,260</b>	<b>373,260</b>		
Net Asset Value (NAV) per Share	<b>184.48</b>	<b>154.56</b>		

# GENEX INFOSYS LIMITED

Registered Office: Plot-42 & 69, Nitol Niloy Tower (Level-8)  
Nikunja-2, Khilkhet, Dhaka-1229

## PROXY FORM

I/We ..... of .....  
being a member of Genex Infosys Ltd. and entitled to vote, hereby appoint Mr./Mrs./Miss.....  
..... of .....  
..... as my/our proxy to attend and vote for me/us and on my/our behalf at the 8<sup>th</sup>  
Annual General Meeting (AGM) of the Company to be held on Wednesday, December 30, 2020, at 3.00  
p.m. using Digital Platform through the link 'http://digitalagmbd.net/genex8thagm2020' (Pursuant to BSEC  
order SEC/SRMIC/94-231/25 dated 08 July 2020)

Signature of Shareholder.....Signature of Proxy.....  
No. of Shares held on Record date (17 November, 2020):.....

Dated .....2020



BO ID: 

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- Note:**
- 1) This Form of Proxy, duly completed and signed must be deposited at least 48 hours before the meeting at the Company's registered office. The Proxy is invalid if not signed and stamped as explained above.
  - 2) Signature of the Shareholder must be in accordance with Specimen Signature recorded with the Company or with Depository Participant(s) (CDBL).

Signature Verified  
Authorized Signatory

# GENEX INFOSYS LIMITED

Registered Office: Plot-42 & 69, Nitol Niloy Tower (Level-8)  
Nikunja-2, Khilkhet, Dhaka-1229

## ATTENDANCE SLIP

I do hereby record my/our attendance at the 8th Annual General Meeting (AGM) of the Company to be held on Wednesday, December 30, 2020 3.00 p.m. at Digital Platform.

Name of the Shareholder																					
Number of Shares																					
BO ID No.	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																				
Name of the Proxy																					

Signature of Shareholder/Proxy

Signature Verified by

✉ investor.relations@genexinfosys.com  
☎ +88-09612 111 000  
🌐 www.genexinfosys.com

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