

# GENEX NEXTGEN

PAVING THE PATH TOWARDS  
A SMART TOMORROW



ANNUAL  
REPORT  
2022-23

GENEX  
INFOSYS  
LIMITED

genex  
realise excellence

# DELIVERING EXCELLENCE IN EVERY INTERACTION

Eleven years of creating unmatched experiences for our clients and being extraordinary every day.

We are about creating a new paradigm of excellence through our culture of innovation and service.

We are about lateral thinking and enjoying solving customer challenges.

With agility, versatility and digitality at the heart of our organisation, we personify the spirit to transform challenging stepping stones into enduring milestones.

Building in-house skills and talents, transforming our workforce, and delivering sustainable value to our stakeholders.

## WELCOME TO GENEX INFOSYS LIMITED

## FAST FACTS



ESTABLISHMENT IN  
**2012**



**1 FORTUNE  
500 CLIENT**



**4,000+ FORMIDABLE  
TALENT WORKING  
FROM 3 DELIVERY CENTERS**



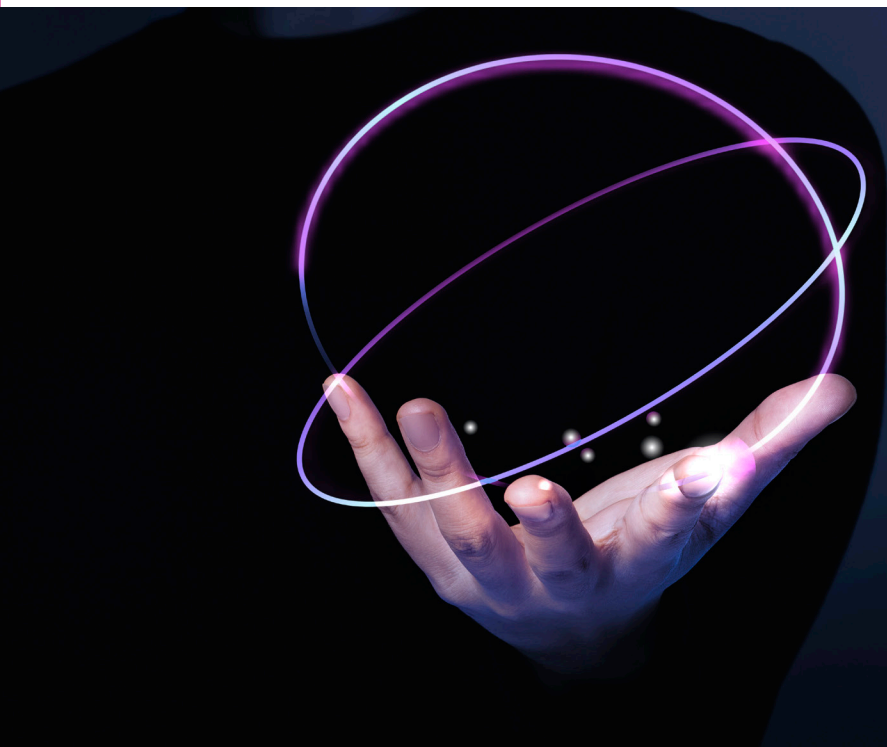
**BDT 1,442 MN+  
REVENUE**



**BDT 9,971 MN+  
MARKET  
CAPITALISATION**







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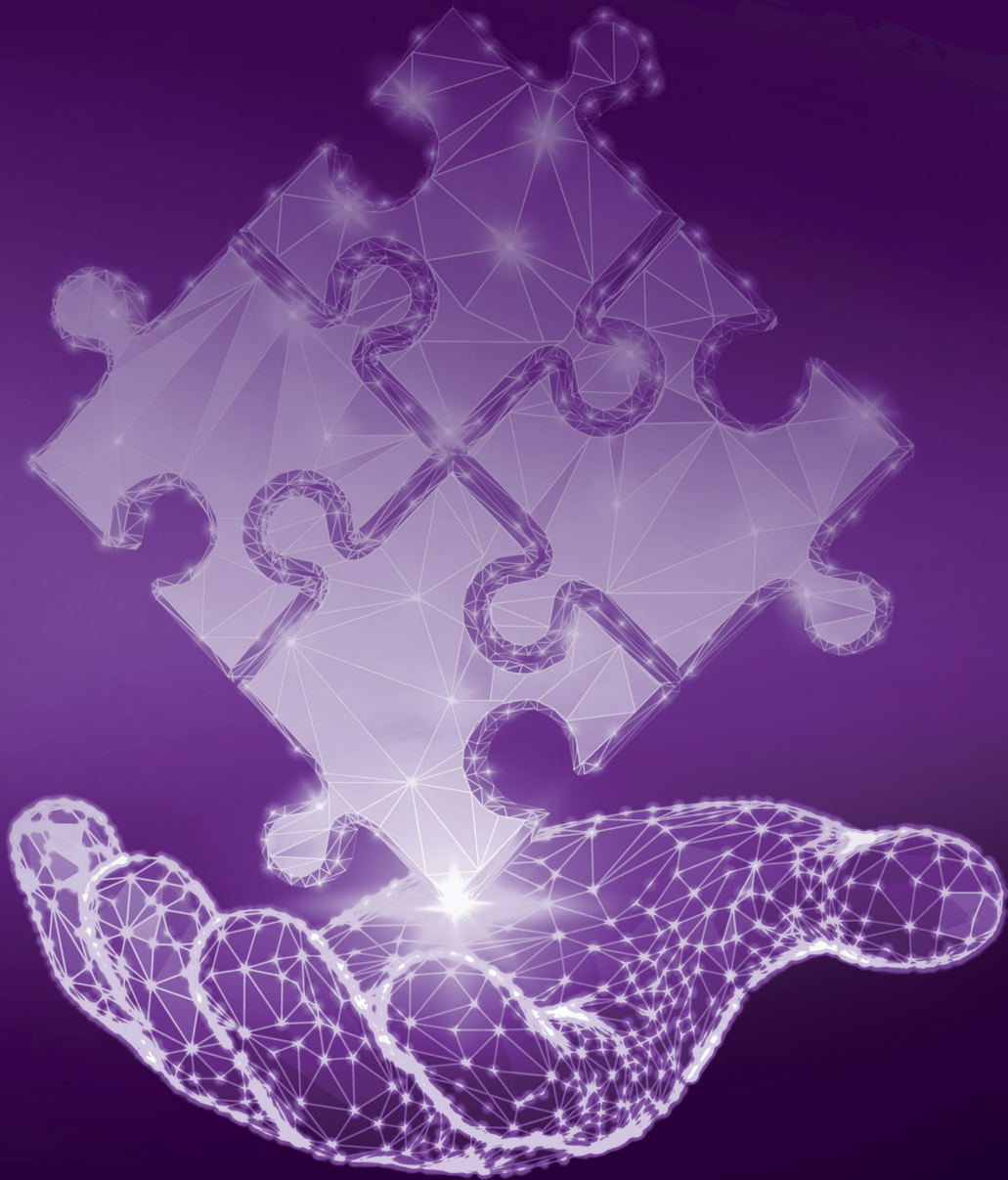
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# INTRODUCTION





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



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Scan to get  
our report



# PAVING THE PATH TOWARDS A SMART TOMORROW

*We carry the knowledge of  
200 mn+ customer  
interactions per year!*

At Genex Infosys Limited (“Genex” or “the Company”), our purpose is to deliver next-generation experiences to our customers through digital transformation solutions that help enhance their competence and energise their growth prospects.

We have been pioneering positive change in our industry for over 11 years now and have a demonstrated track record of sustainably growing our profits and returns to shareholders, while building the company for the long-term.

Though the Covid pandemic and current geopolitical upheavals have come to represent major disruptions, we have continued to focus on our purpose, thus making rapid strides in re-pivoting our business to adapt to the evolving environment.

While we have established many institutional strengths over our journey in the technology industry, three came to the fore, including our agility, digitality and versatility that has enabled us to serve top global and domestic customers and paving the path towards a smart tomorrow.

Going forward, we believe our strengths will serve us well in the future, as our strong focus on enterprise digitalisation together with growing confidence in our capabilities will converge to create demand resurgence that will power our company into its next orbit of growth and value creation.

## FY2022-23 IN A NUTSHELL

**Total Revenue**  
**1,442 (BDT mn)**  
↑ 18.27 % YoY

**Operating Profit**  
**396 (BDT mn)**  
↑ 15.65% YoY

**Net Profit**  
**384 (BDT mn)**

**Earnings per Share**  
**3.32 (BDT)**

**Book Value per Share**  
**19.24 (BDT)**

DSE Trading Code: GENEXIL





# 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, 2023.

Dear Sir(s),

We are pleased to enclose a copy of the annual report containing the directors' report and auditors' report along with audited financial statements including the statement of financial position as at June 30, 2023, statement of profit or loss, and other comprehensive income, changes in equity and cash flows for the year ended June 30, 2023 along with notes thereon and all related consolidated and subsidiary financial statements for your record and necessary measures.

With best regards,



-----  
Md. Mostaq Ahmed  
Company Secretary



# NOTICE OF THE 11TH ANNUAL GENERAL MEETING

Notice is hereby given to all shareholders of Genex Infosys Limited that the 11<sup>th</sup> Annual General Meeting of the Company will be held on Sunday, December 24, 2023, at 3:30 P.M. virtually by using the digital platform through the link '<https://genex11thagm2023.digitalagmbd.net>' (in pursuance with Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated 08 July 2020) to transact the following business 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, 2023, together with the report of directors and auditors thereon.

## Agenda 2

To approve the proposed dividend for the year ended June 30, 2023, as recommended by the board of directors.

## Agenda 3

To approve the issuance of BDT. 150 crores coupon bearing bond, with conversion feature, and backed by bank guarantee.

## Agenda 4

To adopt the change of registered name of the company to "Genex Infosys PLC" from "Genex Infosys Ltd"

## Agenda 5

To elect directors in terms of the relevant provision of the articles of association.

## Agenda 6

To appoint statutory auditors for the year 2023-2024 and fix their remuneration.

## Agenda 7

To appoint compliance auditor as per corporate governance code for the year 2023-2024 and fix their remuneration.

## Agenda 8

To approve the appointment and remuneration of the managing director of the company.

## Agenda 9

To approve the reappointment of the independent director.

## Agenda 10

Any other business with the permission of the chairman.

By order of the Board



**Md. Mostaq Ahmed**  
Company Secretary

**Dated: Dhaka**  
December 02, 2023.



## Notes



The Record Date of the Company is November 20, 2023, 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.

Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, a soft copy of the Annual Report 2023 will be emailed to the respective Shareholder's email ID available in their BO A/C. The Annual Report 2023 will also be available in the Company's website at [www.genexinfosys.com](http://www.genexinfosys.com).

A Shareholder entitled to attend/participate and vote at the Annual General Meeting may appoint a proxy on his/her behalf. A 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.

The Shareholders can log into the link '<https://genex11thagm2023.digitalagmbd.net>' 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.

The concerned Merchant Banks and all Depository Participants (DPs) are requested to provide copies of the list of margin clients along with the bank details for entitlement of dividends on or before 24 December 2023 as per the following:

- a) Hard copy: Deliver at the Share Department of the Company by registered mail or courier.
- b) Soft copy: Email to [investor.relations@genexinfosys.com](mailto:investor.relations@genexinfosys.com).

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.





# REPORTING OVERVIEW

*We are pleased to present our Annual Report for the financial year 2022-23*

## Reporting period

This report covers the period from 1 July 2022 to 30 June 2023. Notable or material events after this date and up until the approval of this report on 1 November 2023 are included.

## Integrated thinking and reporting

At Genex, we have always believed that sustained value creation neither happens in isolation nor is an outcome of sporadic initiatives. It is in fact a sustained process and our approach to embedding integrated thinking in our organisation is continuous and takes into account the relationship between the capitals we use and affect in our strategic choices. We strive to report transparently, reflecting the value created, preserved and distributed over time to our varied stakeholders.

## Report objective and scope

Our Annual Report for the financial year 2022-23 presents a holistic view of the company for the year ended 30 June 2023. It includes information on our performance, governance and prospects to enable stakeholders to make an informed assessment of our ability to create and sustain value over the various cycles of our business.

While the information disclosed in this report is for our primary audience comprising providers of financial capital, including our shareholders, investors and our banking consortium, it also has information relevant to a much wider stakeholder base.

## Our aim through this report

Our Annual Report is our primary communication to our shareholders. We have focused on balanced and concise reporting to present the performance summary of our business for FY2022-23 and our expected future strategies to help our readers make informed assessment of our ability to serve our purpose and enable value creation.

### Major topics covered in this report

- Who we are and our impact on society
- How we address our key material matters
- Communication to shareholders by our leadership
- Our institutional strengths and opportunities
- Assessment of value created
- Detailed financial information in our audited financial statements

## Preparation of this report

This report has been prepared with the participation of our senior management, and they have applied selective principles of integrated reporting to ensure customised alignment to the SASB (Sustainability Accounting Standards Board) reporting framework.





# ABOUT GENEX

## Transforming into a new-age company

Genex has been effectively addressing customer challenges as an IT services and solutions provider for over 11 years. This has been accomplished through the utilisation of specialised expertise and a strong focus on meeting the unique needs of our clients.

At the time of the company's establishment in 2012, the IT industry in Bangladesh was in its nascent stage. However, the founders possessed a clear and lucid vision. Genex was conceptualised as an information technology services organisation with the objective of delivering robust technology-focused experiences to its clientele across key operational areas within their enterprise. This approach empowers customers to concentrate on their fundamental business activities and enhance their overall value proposition.

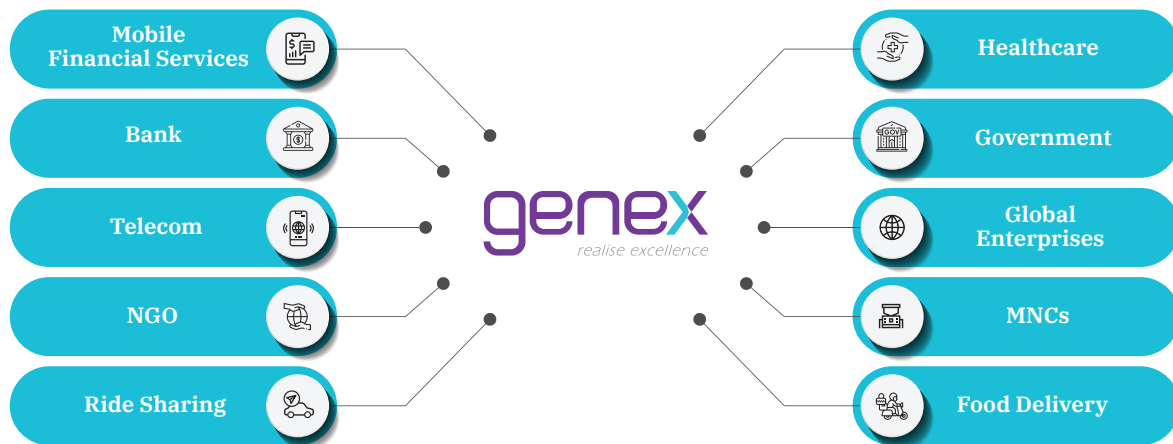
In delivering value to our clients, we have ourselves grown over the years. Today, our business operations are spread across the Asia-Pacific (APAC) region through our three operation centers and imprint in international countries. These centers are home to six distinct strategic business units (SBUs) that cater to various aspects of our operations. Additionally, we have forged over 130 global technology partnerships to enhance our capabilities. Our workforce consists of over 4,000 people who specialise in areas such as customer experience management, back office management, revenue generation and protection, digital transformation, and resource and payroll outsourcing.

The founding team of Genex demonstrated the qualities of courage, determination, tenacity and perseverance in incubating the business while also possessing a profound and varied understanding of the business landscape. This heritage empowers us with the confidence and capabilities to address the evolving challenges faced by businesses in various industries.

As we advance in our journey, we remain committed to customer service and digital transformation to reach our goal of unlocking the full value of our enterprise.

### A brand behind brands

We are part of people's lifestyle and serve them across varied touch points.





## Key certifications



International Standard for Information Security Management



International Standard for Quality Management System

## Our alliance partners



# OUR WAY OF DOING BUSINESS

*We achieve results keeping our values and ethics at the centre of our work.*



Genex was incorporated as a Private Limited Company on 22nd May 2012 vide registration no. C-101900/12 in Bangladesh under the Companies Act, 1994. Further, it was converted into a Public Limited Company on 15th September 2016 with the Registrar of Joint Stock Companies and Firms (RJSC) in Bangladesh under the Companies Act, 1994. The company has also obtained consent from the Bangladesh Securities and Exchange Commission (BSEC) on 22nd October 2018 regarding the issuance of 20,000,000 ordinary shares through Initial Public Offering (IPO).



## Vision

To be the most trusted partner in facilitating the transformation of businesses and institutions by leveraging upon permanent mixture between Human Capital & Technology enabled processes, Tools, Infrastructure.



## Mission

Our mission is to create an everlasting positive impact in the socio-economic sphere by embracing futuristic sustainable approach facilitated by people, process & technology. Ensuring total commitment towards our stakeholders upholding our guiding principles of Integrity, Transparency, Teamwork & Excellence.



## Our Values

We achieve results through transforming our clients' businesses and delivering excellence in customer experience. We empower businesses with value-based innovative solutions and services that facilitates them to focus on their core business.



## Integrity

We act ethically, honestly and with accountability in all aspects of our business relationships. We maintain honesty in every relationship, be it with our customers, employees, partners or suppliers. We believe that our reputation is our most valuable asset.





## Excellence

Meeting and exceeding clients' expectations is our passion. We strive for excellence in all that we do. Adding value and delivering exceptional customer service to our clients by innovative and effective solutions is the core focus of Genex. We are committed in our constant pursuit of excellence.



## Teamwork

We encourage individual and team growth while respecting our differences. We share ideas and skills across functions, regions and cultures, and encourage joint efforts toward common goals. We provide a positive atmosphere to learn and grow professionally.



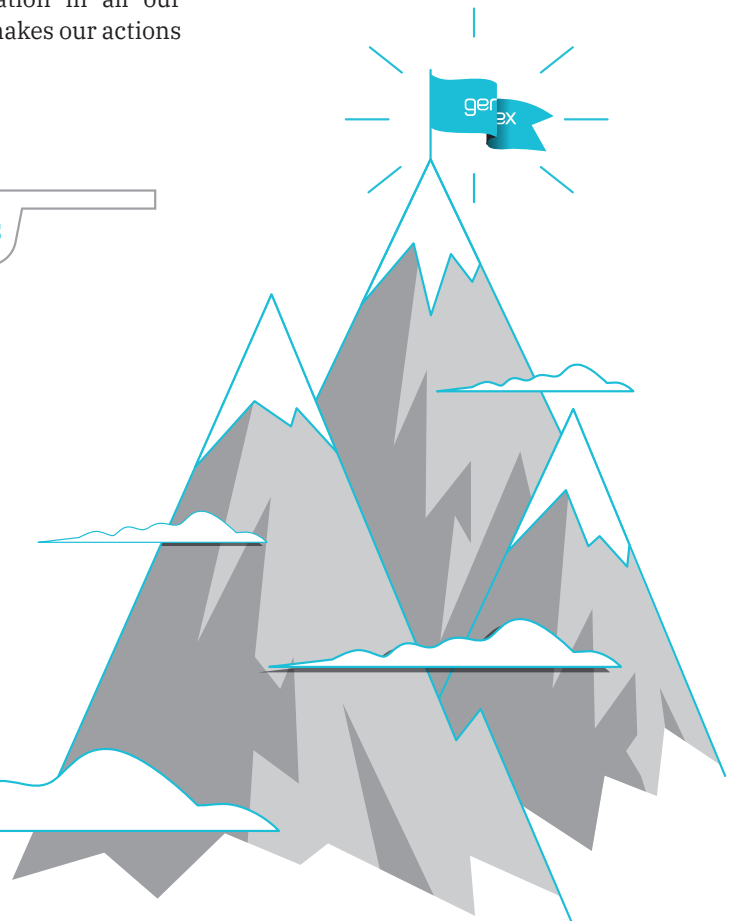
## Transparency

We provide clear, candid and open communication in all our interactions. Our transparency creates reliability, makes our actions understood, and encourages collaboration.



## Our Guiding Principles

- Total commitment to achieve the best possible Customer Experience within the operating parameters provided.
- Complete understanding that 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.



## Smart Innovator in Business Process Management (BPM) and IT Services and Trusted by Global Brands



### Business Process Management (BPM) Services

#### Contact Center Services

- > Inbound & Outbound Customer Care Services
- > Social Media & Chat Support
- > Customer lifecycle Management
- > Service Provisioning & Adjustment
- > Analytics & Insights, VOC
- > Complaint Management

#### Revenue Generation & Protection

- > Customer Lifecycle Management
- > Tele Marketing & campaigns
- > Payment follow-up and reminder
- > Direct Sales & D2D Services
- > Collection & Recovery

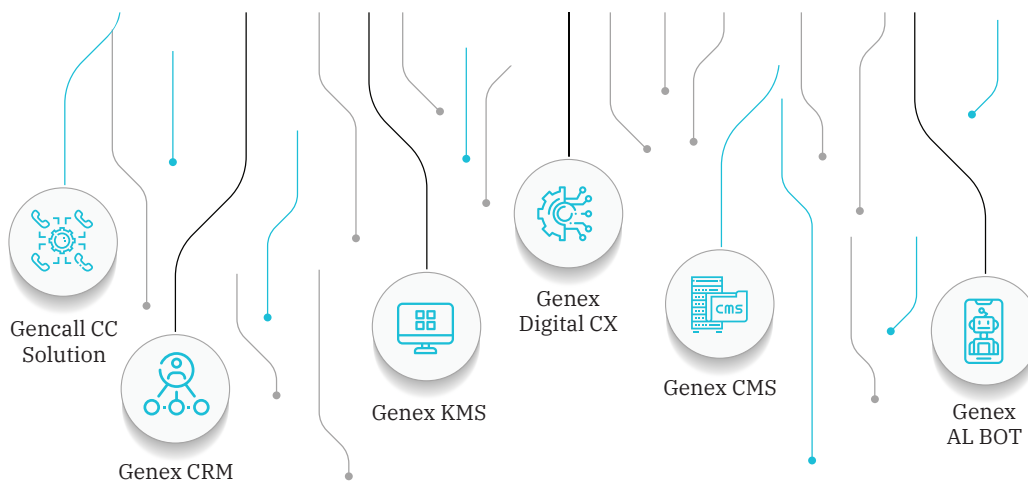
#### Back Office & Shared Services

- > Content Moderation
- > Pay roll & HR Services
- > Accounting Services
- > Ticket Management
- > Lead Management
- > Doc. Verification & KYC
- > Service Provisioning
- > Central IT Help Desk

#### Business Consultancy & Process Management

- > Reengineer Processes
- > Develop & Deploy cutting edge technologies
- > Technical & Software skillset resource management to engage in development projects

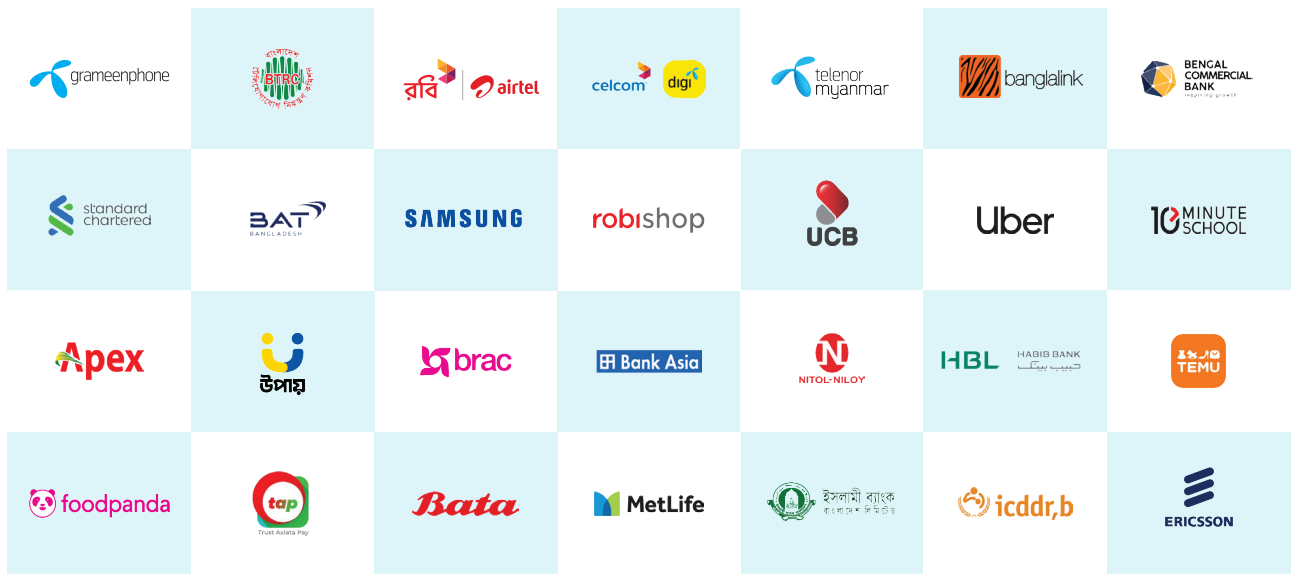
### Genex Software Solutions



# OUR CLIENTS

Our clientele comprises eminent organisations from diverse industries.

## Key customers



**80%**

Revenue derived from domestic customers.

**20%**

Revenue derived from international customers.





AWARDS &  
ACCOLADES



# AWARDS & ACCOLADES

*We are proud to be recognised for our commitment to our customers and the economy.*

The company believes that external endorsements are always a galvanizing factor in the journey of accomplishing excellence. Continuing with its trailblazing path, Genex was conferred with a number of awards in 2022-23.



\*\*\*  
Highest Employment Award 2023 from Bangladesh Association of contact center & outsourcing (BACCO)



\*\*\*  
Principle Recognition Award by UI Path, 2023



\*\*\*  
BASIS Luna Shamsuddoha Award 2022 for Highest Women Employment in BPO Industry



\*\*\*  
Collaborative Star (Supplier Award 2022) by Nokia



\*\*\*  
Best Employer Brand by HRD Congress 2021



\*\*\*  
BASIS Outsourcing Award for Export Excellence, 2020



# OUR BOARD

*We have a strong Board with persons of eminence*

Our Board composition provides a fertile ground for discussion, debate, input and thoughtful outcomes. The Board is committed to ensuring that the company meets its governance, social and regulatory obligations. As of 30 June 2023, the Company had 9 members on its Board, thus ensuring alignment with BSEC regulations.

## Key skills and expertise of our Board members

-  Leadership
-  Large organisation experience
-  Strategy development
-  Governance and compliance
-  Finance and audit
-  Human resources
-  ESG and sustainability
-  Marketing and customer relationships
-  Technology and digital transformation
-  Legal and commercial
-  Regulatory liaison

9



**Members on our Board**

2

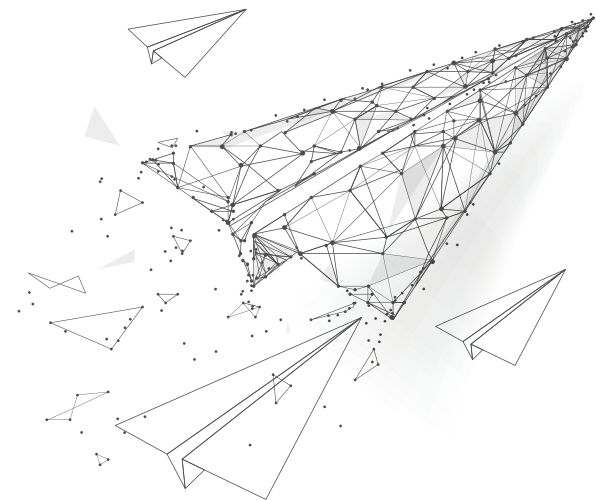


**Woman Directors**

3



**Independent Directors**





**CHOWDHURY FAZLE IMAM**  
Director



Mr. Chowdhury Fazle Imam, BSc, MRIC, FCS (London), is the Chairman of IPE Group, a diversified conglomerate headquartered in the UK and having multiple operations in Bangladesh. He held senior management positions for the last 40 years in different multinationals in Bangladesh and abroad, including Novartis, Camp, Dresser and Mckee, John Laing Construction, Martindale Pharmaceuticals, etc.

**NILOFAR IMAM**  
Director



Mrs. Nilofar Imam, a renowned business personality, is an inspiring example of achievement. With an indomitable spirit and an unwavering commitment, she has carved her path to success, leaving an indelible mark across various industries and sectors.

In addition to her position as Director at Genex Infosys, she also holds Director-level shareholdings in other leading companies, such as AWR Developments (BD) Ltd, Sunpetro Energy Ltd, Bay Petrochemical Ltd, and Adverto Footwear Ltd.

Mrs. Imam is actively engaged in various social and philanthropic initiatives, dedicated to making a positive impact on society.



**HASSAN SHAHID SARWAR, FCA**  
Director



Mr. Hassan Shahid Sarwar is an esteemed Fellow of Chartered Accountants (FCA) and is recognized as a respected person in the realm of finance and commerce in Bangladesh.

With a distinguished career spanning 27+ years, Mr. Sarwar has accumulated an extensive breadth of experience in finance, including roles in financial operations, audit, treasury and beyond. Currently serving as the Group Finance Director for the IPE Group, Mr. Sarwar brings extensive global financial management experience and expertise to the position.

Prior to his current role, Mr. Sarwar served as the former Chief Financial Officer at Haque Group of Industries where, during his tenure, he spearheaded several innovative cost-saving initiatives that significantly contributed to the company's impressive YoY profitability growth. He also held pivotal financial leadership positions at esteemed organizations, including Rahimafrooz Renewable Energy Ltd and Keya Group, driving robust efficiency and profit growth.

Mr. Sarwar's journey is a testament of his unwavering commitment to excellence, strategic insight, and deep expertise in finance and business. His enduring influence and prowess continue to inspire and shape the corporate landscape, making him a highly regarded person in fostering fiscal prosperity, optimizing resource allocation, and promoting sustainable financial growth.



**MD. NAZMUL HASSAN**  
Independent Director



Mr. Md. Nazmul Hassan is a financial analyst with over 23 years of working experience in both national and multinational organizations, including Asian Development Bank, Bangladesh Power Development Board and many others.

He obtained his Masters in Management degree from Dhaka University and MBA also from Dhaka University. Further, he earned his professional degree from The Institute of Cost and Management Accountants of Bangladesh (ICMAB).

Mr. Hassan's key areas of expertise is in investment with risk and opportunities, planning and controlling of investment, and optimised utilisation of resources.

**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 Bank for 10 years.

After completing her tenure with these banks, she embarked on a successful career in culinary, fashion and interior design fields, specialising in each of these sectors. She is a widely travelled person and has robust liaison and relationship-building experience in the private sector that allows her to fulfill her leadership role on the Board of the company.









## SHAH JALAL UDDIN

Acting MD & CEO

Mr. Shah Jalal Uddin is a highly accomplished transformation and growth specialist and a visionary leader in the corporate landscape of Bangladesh.

Since August 2023, as the CEO & Managing Director (Acting) of Genex Infosys, he has been strategically guiding the company to new horizons, leveraging his extensive experience to expand the business, cultivate partnerships, and lead a strong leadership team, thus ensuring the successful execution of the company's vision.

Mr. Shah Jalal possesses an extensive career spanning several decades in the telecom and MFS (mobile financial services) industry, alongside other sectors. His notable achievements encompass guiding teams to drive digital transformation within enterprises, executing effective business turnaround, and adeptly managing successful acquisitions.

Prior to Genex, Mr. Shah Jalal served as the Vice President at Trust Axiata Digital Limited, refining his expertise in business modeling, sustainability and distribution strategy. He also served as Digital Financial Services Consultant at Axiata Digital, contributing to the development of market entry strategies and cost-effective customer acquisition in the financial services sector.

Prior to venturing into financial services, Mr. Shah Jalal held the leadership position of Head of Product Management at Grameenphone. During his tenure in this role, he led product management initiatives, successfully achieving business objectives, ensuring profitability for DFS products and services, and strengthening brand positioning.

Furthermore, his career at Robi Axiata Limited included several key roles, such as Head of Business Operations for Digital Services and Head of Channel Sales & Distribution, where he improved operational efficiency and managed stakeholder relationships, while implementing effective risk management strategies.

Throughout his illustrious career with various renowned organizations across different sectors, Mr. Shah Jalal has consistently demonstrated his remarkable expertise as a successful leader and a visionary in business and technology. His dedication to sustainability, adaptability and strategic growth defines his reputation as a transformative business leader, propelling Bangladesh towards a smart economy through digital transformation.



# Our Management Team

*Our Management Team is entrusted with the responsibility of maintaining the financial and operational integrity of the company, being focused on facets such as business development, operational excellence, customer service, people management, government/industry liaison, finance, cost management, risk modelling and mitigation, etc.*



**5**



**Members of our Management Team**

**11**



**Years of collective team experience**





**SHAH JALAL UDDIN**  
Acting MD & CEO



**ABU TAIYAB**  
Chief Operating Officer - Genex Solutions



**VAIBHAV KAPOOR**  
Chief Services Officer - Genex BPM



**MD. JEWEL RASHED SARKER**  
Chief Financial Officer



**MD. MOSTAQ AHMED**  
Company Secretary







**PRIMER**





The graphic features a large, central, irregular polygon filled with a gradient of purple and magenta. This polygon is composed of many smaller triangles and is surrounded by a network of thin white lines connecting various points. Scattered around this central element are several smaller, semi-transparent geometric shapes, including triangles and quadrilaterals, some in shades of purple and others in white outlines. The entire composition is set against a solid teal background.

**HIGHLIGHTS  
OF THE YEAR**



As an implementation partner of NBR, we launched the EFD management system, accelerating the nation's journey towards a smarter economy.



Highest Employment Award 2023 from BACCO, acknowledging our commitment to diversity and the multitudes within the Genex family.





At BPO Summit 2023, we showcased our services to industry leaders, making impactful connections and contributions to the future of outsourcing.



Genex Infosys and Microsoft Bangladesh collaborated on an event showcasing how Microsoft Dynamics 365 powers global businesses with next-gen intelligent applications.







Project signing with Omera LPG & Omera Cylinders, enabling the brands to leverage the technology and optimize business operations, as an extensive provider of Oracle Solutions & Services in Bangladesh.



To ensure security and business resilience, we partnered with The Electricity Generation Company of Bangladesh (EGCB), for delivering Microsoft's cutting-edge solutions.



# CORPORATE DIRECTORY

<b>Name of the Company</b>	<b>Genex Infosys Limited</b>
<b>Legal Position</b>	GIL was incorporated in Bangladesh as a private limited company with the issuance of a certificate of incorporation bearing no. C-101900/12 dated 22-May-2012 by the Registrar of Joint Stock Companies & Firms, Dhaka, Bangladesh. The company converted into a public limited company on 15 September 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>Line of Business</b>	The business of the company includes ITeS services, Such as arraying 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, Robotic Process Outsourcing, System Integration, Cloud Service, 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>	Chattogram Software Technology Park (Level-7 & 8), Singapore Bangkok Market Badamtoli Circle, Agrabad, Chattogram Tel: +88-031-2867401-10 Fax: +88-031-2867412
<b>Board of Directors</b>	9 Directors
<b>Auditors</b>	M M Rahman & Co. Chartered Accountants Padma Life Tower, Level-10, 115 Kazi Nazrul Islam Avenue, Dhaka-1000
<b>Tax Consultants</b>	Advocate Salauddin Mahmud, Eastern Commercial Complex, 73 Kakrail, Room-7/08, 7thFloor, 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 PLC, Mercantile Bank PLC, Bank Asia Limited, National Credit & Commerce Bank Limited, NRB Global Bank Limited, AB Bank Limited, Prime Bank Limited, Union Bank Ltd.& NRB Commercial Bank Ltd. Dutch Bangla Bank PLC, Sonali Bank PLC, United Commercial Bank PLC, Meghna Bank Limited.
<b>Compliance Auditor</b>	M/S Yas Hossain & Company, Cost and Management Accountants.





## BOARD & COMMITTEES

### BOARD OF DIRECTORS

Mr. Mohammed Adnan Imam, FCCA	Chairman
Mr. Prince Mojumder	Vice-Chairman
Mr. Shah Jalal Uddin	Acting MD & CEO
Mr. Chowdhury Fazle Imam	Director
Mrs. Nilofar Imam	Director
Mr. Hassan Shahid Sarwar, FCA	Nominee Director
Mr. Md Nazmul Hassan	Independent Director
Mrs. Rokeya Islam	Independent Director
Mr. T I M Nurul Kabir	Independent Director

### COMPANY SECRETARY

Mr. Md. Mostaq Ahmed

### BOARD AUDIT COMMITTEE

Mr. Md. Nazmul Hassan	Chairman
Mrs. Rokeya Islam	Member
Mr. T I M Nurul Kabir	Member
Mr. Md. Mostaq Ahmed	Secretary

### BOARD NOMINATION AND REMUNERATION COMMITTEE

Mrs. Rokeya Islam	Chairman
Mr. Md. Nazmul Hassan	Member
Mr. T I M Nurul Kabir	Member
Mr. Md. Mostaq Ahmed	Secretary



# CORPORATE INFORMATION

## STATUTORY AUDITOR

M/S M M Rahman & Co. Chartered Accountants

## CORPORATE GOVERNANCE COMPLIANCE AUDITOR

M/S. Yas Hossain & Company, Cost & Management Accountants.

## MANAGEMENT TEAM

Mr. Shah Jalal Uddin	Acting MD & CEO
Mr. Vaibhav Kapoor	Chief Services Officer - Genex BPM
Mr. Abu Taiyab	Chief Operating Officer - Genex Solutions
Mr. Md. Jewel Rashed Sarker	Chief Financial Officer
Mr. Md. Mostaq Ahmed	Company Secretary

## HEAD OF INTERNAL AUDIT & COMPLIANCE

Mr. Md. Masud Khan Nayem

## BANKERS

United Commercial Bank PLC	AB Bank Limited
Eastern Bank PLC	Modhumoti Bank Limited
Mercantile Bank PLC	Union Bank Limited
NRB Commercial Bank PLC	Standard Chartered Bank Limited
Community Bank Limited	Sonali Bank PLC
Dutch Bangla Bank PLC	Meghna Bank Limited



# SIGNIFICANT MILESTONES

2022

The National Board of Revenue signed an agreement with Genex Infosys Limited in November 2022 to enhance the efficiency of value-added tax (VAT) collection and ensure compliance.

Genex wins "BASIS Luna Shamsuddoha Award" for women employment.

2023

Genex Infosys Ltd receives prestigious recognition from UiPath for excellence in technology solutions.

The National Board of Revenue signed an agreement with Genex Infosys Limited in November 2022 to enhance the efficiency of value-added tax (VAT) collection and ensure compliance.

Genex Infosys Ltd. has received the prestigious 'Principal Recognition Award' from our esteemed technology partner, UiPath, at the recently concluded EGUARDIAN Annual Partner Conference - 'Click 2023' in Sri Lanka.

Genex Infosys receives Highest Employment Award-2023.

Genex Infosys Limited was awarded the Collaborative Star (Supplier Award 2022) by Nokia.

INTRODUCTION

PRIMER

LEADERSHIP INSIGHTS

BUSINESS IN CONTEXT

VALUE CREATION

RESPONDING STRATEGICALLY

STATUTORY STATEMENTS





# HISTORICAL FINANCIAL PERFORMANCE

## COMPARATIVE ANALYSIS OF KEY FINANCIAL PERFORMANCE, FINANCIAL POSITION AND CASH FLOWS:

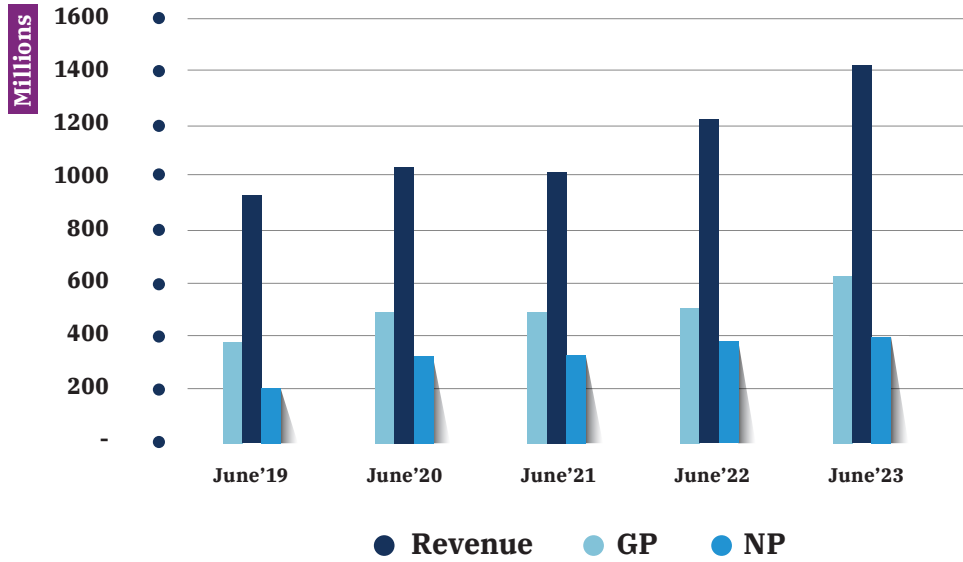
Financial performance, financial position as well as cash flows with immediate preceding five years are as follows:

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
<b>Financial Performance</b>					
Revenue	1,442,580,332	1,219,728,667	1,022,600,112	1,035,595,131	943,335,014
Gross Profit	635,279,520	509,853,820	493,749,440	495,285,664	385,591,362
Net Profit Before Tax	386,780,108	389,487,754	332,481,683	321,515,137	195,678,820
Net Profit After Tax	384,654,090	381,677,090	332,416,296	320,577,515	195,627,969
<b>Financial Position</b>					
Paid up Capital	1,158,173,280	1,135,464,000	1,032,240,000	938,400,000	816,000,000
Shareholders Equity	2,228,806,826	1,877,135,902	1,880,868,790	1,642,292,495	1,362,514,980
Total Assets	4,349,977,806	3,151,143,396	2,775,895,587	2,398,660,036	2,170,960,203
Total Liabilities	2,121,170,980	1,274,007,494	895,026,797	756,367,541	808,445,223
Current Assets	1,563,488,041	737,064,065	838,454,953	688,484,944	635,186,547
Current Liabilities	1,567,243,891	886,715,688	579,923,239	411,994,445	453,377,826
Non Current Assets	2,786,489,765	2,414,079,330	1,937,440,634	1,710,175,092	1,535,773,656
Non Current Liabilities	553,927,090	387,291,806	315,103,558	344,373,096	355,067,397
<b>Cash Flows</b>					
Net cash generated from operating activities	566,658,674	576,688,681	497,073,985	399,542,374	372,726,906
Net cash used in investing activities	(1,421,687,509)	(724,692,076)	(559,809,648)	(208,206,626)	(380,346,160)
Net cash provided for financing activities	747,963,902	149,656,949	95,049,293	(157,614,156)	41,945,090
<b>Financial Ratios</b>					
Current Ratio	1	0.83	1.45	1.67	1.4
Quick Ratio	0.93	0.63	1.13	1.37	0.98
Debt to Equity Ratio	0.7	0.64	0.45	0.43	0.56
Net Profit Ratio	26.66%	31.29%	32.51%	30.96%	20.74%
Return on Equity Ratio	17.26%	20.31%	18.87%	21.34%	23.09%
<b>Ordinary Shares Information</b>					
Ordinary Shares outstanding	115,817,328	113,546,400	103,224,000	93,840,000	81,600,000
Face Value per share	10	10	10	10	10
Net Asset Value per Share	19.24	16.53	18.22	17.5	16.7
Net Operating Cash Flow per Share	4.89	5.08	4.82	4.26	4.57
Earnings Per Share	3.32	3.36	3.22	3.42	2.08
<b>DIVIDEND:</b>					
Cash	6% Proposed	11%	10%	10%	5%
Stock	4% Proposed	2%	10%	10%	15%

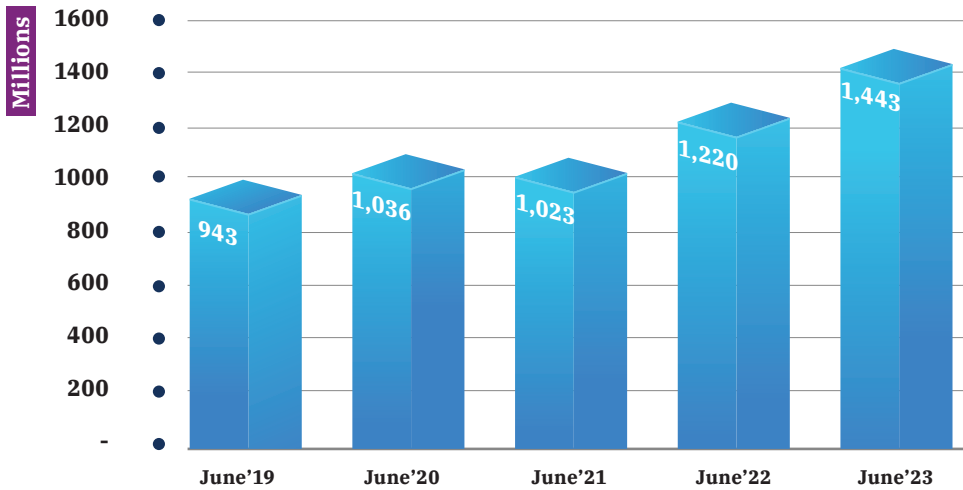




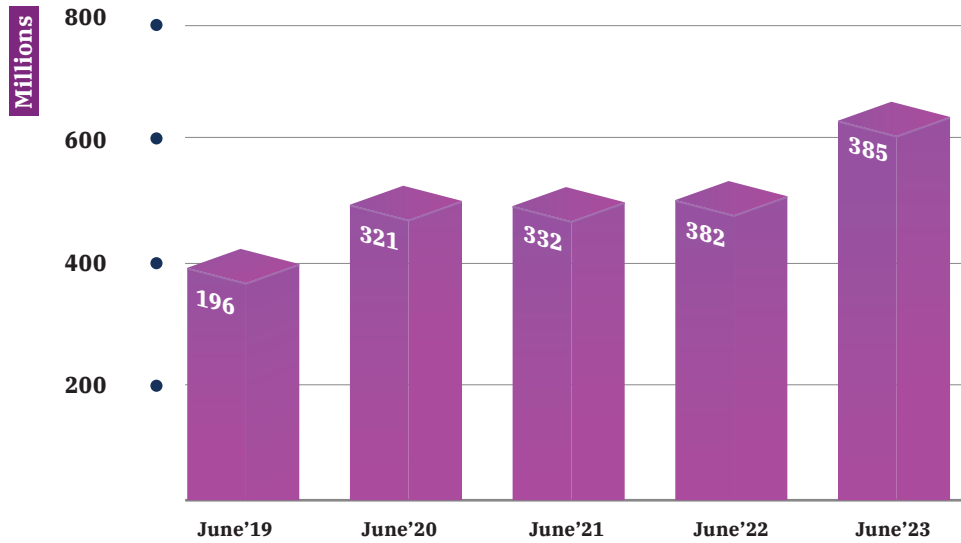
## FIVE YEARS AT A GLANCE



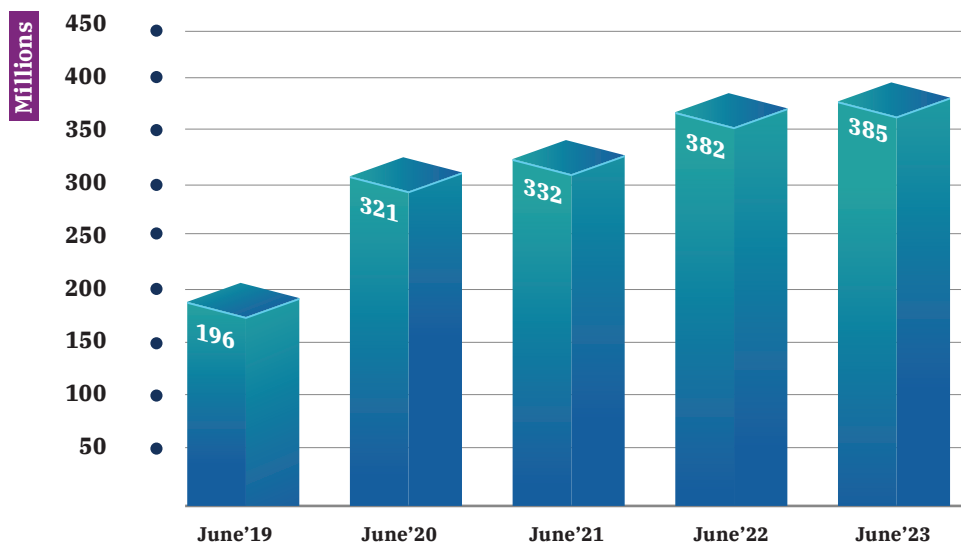
## REVENUE



## GROSS PROFIT



## NET PROFIT AFTER TAX





# LEADERSHIP INSIGHTS







The preceding two years provide evidence of the tenacity of the human spirit in surmounting the challenges posed by significant upheaval, which posed a risk of undoing the development accomplished by humanity through the course of time. Indeed, fortitude and innovation have been the outcome of such extraordinary circumstances, paving the way for many new and exciting ideas of an enduring nature.

Innovation and adaptability are some of the unique characteristics of the human race and it is these same qualities that have spawned Genex too. From a fledgling company into an organisation of 4,000+ people working at the cutting-edge of technology to serve a large domestic and international clientele is truly a hallmark of an organisation that has believed in the potential of people and technology to unlock change and transformation. Thus, our commitment to skill enhancement is integral to the growth of the Bangladeshi workforce.

Today, anchored on our rich legacy, we are confident of our future paved with potential and promise. We are truly well-positioned to facilitate the success of our clients in an global landscape that is evolving at a rapid pace.

This belief stems from our company's strategic focus on establishing a strong presence in the APAC region through our 3 operation centers that serve 200mn+ Bangladeshi and international clients by providing a suite of BPM services in the realm of contact center services, revenue generation & protection, back-office & shared services, and onshore services. These are powered by our BPM software solutions, including GenCall CC Solution, Genex CRM, Genex KMS, Genex AI Bot, to name a few.

Today, our continuing focus on enhancing our technological capabilities through employee upskilling and fostering a strong culture of innovation have positioned us favourably to deliver for our customers. Through our innovative solutions and focused customer-centric approach, we are contributing to shared prosperity and sustainable development.

Our ability to deliver innovative industry-specific solutions and our focus on creating human-centered experiences for our customers is what distinguishes us and sets us apart. We continue to invest in these areas to build our lead by fortifying our customer relevance and strengthening our market position.

In essence, Genex humbly plays a part in Bangladesh's socio-economic development, contributing towards the vision of a “Smart Bangladesh” by 2041. We have worked hard to narrow the digital gap, generate employment, enable technology transfer, and extend our citizenship initiatives to benefit the wider community. Thus, by empowering the youth, addressing gender disparities and contributing to social causes, we are in all modesty striving to help shape a brighter and more prosperous future for our nation.

I would like to conclude by thanking all of you once again for your faith and conviction in our company.

The best is yet to come.

Thank you,



**Mohammed Adnan Imam, FCCA**  
Chairman





It is natural that in today's inter-dependent world, a conflict transcends the immediate participants in armed confrontation, leading to far-reaching consequences, such as heightened inflationary pressures and disruptions in the global supply chain. Furthermore, rising interest rates have also added to the cost pressures of companies, leading to a general slowdown in spends.

Despite these challenges, I am happy to state that the company has performed creditably in the financial year under review, 2022-23, with growth of 18.27% in revenue to BDT 1442.58 mn and a stable net profit to BDT 384.65 mn. This is on the back of consistent industry-leading performance that we have been able to accomplish on a constant basis.

The story of Genex Infosys is about guts, courage and perseverance, and is closely aligned with our core beliefs. We are not only Bangladesh's first and only listed company in the BPM and ITeS sector, but also amongst the largest IT services company in the private sector in Bangladesh. Standing on this pedestal, we are creating a robust framework to institutionalise success for the long-term.

Our strategic focus on connecting the world through transformation as well as increasing focus on building future-ready capabilities positions us as a growth leader of the domestic IT industry.

Our talented team of specialists committed to innovation deserve mention for making a critical contribution to the company's performance during a period of uncertainty. Your Company has won several accolades from customers and technology partners alike, which is a testament of the skills and knowledge of our people.

In addition to winning prestigious engagements and delivering fairly large projects to domestic and global clients, we have also launched new products and offerings that enhance our relevance for them. I am proud that we serve nearly 200 million subscribers of all the top telecom companies of Bangladesh. This makes us closely integrated to the telecom sector of the country. Similarly, we also serve Fintech companies and other sunrise sectors that enable us to view fast-paced developments from up close.

The company is conscious of its social obligations and remains committed to giving back to the society. We have supported many citizenship programs designed to enhance empowerment, facilitate education, and protect the environment. Our unwavering focus on sustainability and ESG initiatives will continue as we scale greater heights, advance on our trajectory of profitable growth and deliver long-run value to all stakeholders.

Thank you for being a part of our growth journey.

Sincerely,



**Prince Mojumder**  
Vice Chairman



# MESSAGE FROM ACTING MD & CEO

**SHAH JALAL UDDIN**  
Acting MD & CEO



We continue to hold the position of being Bangladesh's largest contact center service provider and manage an impressive volume of 200 million+ customer interactions annually. Our network of 130+ tech partnerships continue to grow, empowering us to provide innovative solutions to our clients to accelerate their business transformation agenda.

## Assalamualaikum.

Respected Shareholders, Colleagues, Ladies and Gentlemen,

On behalf of the Board of Directors and myself, I sincerely appreciate your presence at the Annual General Meeting for the fiscal year 2023, and we extend our heartfelt gratitude for your constant trust in Genex Infosys Limited. This is my first letter to you as Acting MD & CEO, having joined the company earlier this year.

FY2023 was a year of remarkable achievement for Genex. During the fiscal year, we witnessed significant growth, consistently improving our operating margins with a notable increase in free cash flow. Moreover, attrition rates moderated steadily throughout the year, reflecting our commitment to fostering a stable and motivated workforce.

With the changing economic environment, we positioned our Company to work with clients for their cost-efficient back-office services, automation and digitization. We continue to hold the position of being Bangladesh's largest contact center service provider and manage an impressive volume of 200 million+ customer interactions annually. Our network of 130+ tech partnerships continue to grow, empowering us to provide innovative solutions to our clients to accelerate their business transformation agenda.



Most notably, we have secured one of the very first PPP (public-private partnership) project with the National Board of Revenue to collect Value Added Tax (VAT) from retail. This initiative is set to propel our revenue by around 200% over the next decade.

We recruited a headcount of 2,692 during the year and ended the year with 4,000+ employees. At the end of the year, 35% of our employees were women. In recognition of our commitment to fostering an inclusive workplace, we were the proud recipients of the "Highest Employment Award-2023" at the BPO Summit Bangladesh 2023.

Last year, we paid 13% dividend to our shareholders. Looking ahead, our vision is one of ambitious growth. during the year in review, we achieved remarkable results, with BDT 1442 million revenue and net profit is 384,654,090. These achievements have set the stage for our ambitious goal of tripling our business over the next five years through innovative strategies, fostering a VAT revolution, pioneering digital banking transformation, and investing in UPAY Digital Bank Plc.

In addition to our business pursuits, we remain committed to the communities we live and operate in. We are committed to a diverse range of social causes, fostering positive impacts in the realms of healthcare, education, sustainability and women empowerment, benefiting both our employees and the society at large.

Genex Academy, our training institute, continues to help build digital skills by providing free learning programs funded by government and non-government institutions to thousands of youths of our country. Currently, with our expert trainers, we are accelerating government projects, including SEIP BACCO and HER POWER, empowering youth and women with future-ready skills.

Over the past few quarters, we have seen the global economy dealing with factors such as inflation, interest rate increases and changes in demand environments for companies in various industries. However, our strength in digital, cloud and automation, along with proven cost efficiency capabilities, have held us in good stead. These will continue to be critical in the evolving economic environment.

In closing, as I look ahead, given the trust of our clients, the dedication of our Genex family members, the strength of our capabilities, and the guidance of our Board, I remain confident of our ability to serve our clients and further enhance their digital transformation journey, aligning with the visionary objectives of the government's Smart Bangladesh Vision 2041.

Last but not the least, I want to express our heartfelt gratitude to BACCO, BASIS, NBR, BTRC and other governmental and non-governmental organisations for their invaluable and continuous support and guidance.

Together, we strive for a digitally empowered and prosperous future for all.

Best wishes,



**Shah Jalal Uddin**  
Acting MD & CEO





# genex



It always seems  
impossible until it's done.

~ Nelson Mandela



**BUSINESS IN CONTEXT**



# OUR OPERATING CONTEXT

## Bangladesh economy expected to remain resilient

Bangladesh's economy is expected to continue its long-term positive growth trajectory with opening up of mobility and economic activity, despite the near-term challenges.

The country is facing inflationary pressure due to turbulence in oil prices, a major foreign exchange expenditure item for Bangladesh, and other commodity prices such as food. Further, a prevalent currency crisis, slowdown in export markets especially for Bangladeshi RMG products, subdued consumption due to income pressure on households, avoidance of discretionary purchases and upcoming general elections may pose a near-term risk for the economy.

However, given the structural strengths of the country comprising a large domestic market of 170 mn+ people, attractive demographics with a large youth population, low-cost advantages in manufacturing, and relatively liberal regulations make the country an attractive growth market of the future. Further, the "China+1" trend of large companies seeking ex-China suppliers also make Bangladesh a potential destination for the future.

Bangladesh's GDP grew by 6.03% in FY2022-23, as per the Bangladesh Bureau of Statistics (BBS). According to provisional estimates of BBS, GDP at current market prices stood at BDT 44,39,273 crore in FY2022-23, up by 11.77% over the prior fiscal year.

GDP growth stood at 7.1% in FY2021-22 and is expected to recover to 6.5% in the ongoing financial year, as per the Asian Development Bank (ADB) that has projected this growth on the back of strong domestic demand and favourable trends in fuel and food prices.

### Bangladesh's IT industry



## 1.28%

IT industry's contribution to the GDP



## 30,000+

Employment generated by the IT industry



## US\$ 30 bn

Projected size of the IT industry in 2031

Source

<https://www.thedailystar.net/business/economy/news/gdp-growth-slows-603-fy23-3317566>

<https://www.tbsnews.net/economy/adb-maintains-bangladeshs-gdp-growth-forecast-65-667830>



Bangladesh is fast becoming a global player in the Information Technology (IT) industry, having already garnered a major share of the IT market in South Asia. According to the latest Global Location Service Index, the country's IT outsourcing ranking stands at 21, while it is also the second largest base of IT freelancers in the world.

Bangladesh's ICT sector contributes 1.28% to the country's GDP while creating 300,000+ jobs and is expected to expand to a size of over US\$ 30 billion by 2031.

As per the Export Promotion Bureau, Bangladesh earned US\$592 million from exports of IT and ITeS-related services, including software, consultancy and equipment maintenance (in FY2021-22). Yet, Bangladesh Association of Software and Information Services (BASIS) data exhibits even higher earnings, with US\$1.4 billion in export earnings in FY2021-22 and near 100% domestic value-addition, holding a US\$1.5 billion equivalent market share in local market earnings.

BASIS has indicated that the domestic IT/ITeS has the potential to emerge as the third engine of the country's economy after RMG and remittance. Further, US-based global tech giants and some IT-led countries are now looking for an alternative to India for IT-related services in the Asian region. This has given Bangladesh an opportunity to scale up its IT industry. This aligns with the country's transformation from a digital nation into a smart country by 2041, as envisioned by the government.

Bangladeshi software and IT-enabled services firms have been serving clients in 50+ countries in four continents. The domestic market is set for robust growth due to rapid expansion of ICT-based citizen services and enhanced awareness of ICT-led productivity and efficiency growth in the private sector.

According to an ICT industry white paper, nearly half (47%) of the country's IT market is shared by various software development firms, 34% by multi-functional and ITES companies, and the balance 19% by BPO and e-commerce firms. Locally, 50,00+ IT experts are operating in the industry, primarily catering to the demand for customised software development and maintenance.

Sector insiders said that 57% software companies are currently involved in IT projects in the garment sector. The rest are involved in hospitals, customer relationship management (CRM), telecommunications, banks and financial services, and the government's e-governance and other projects. Additionally, HR and payroll software is in high demand in the garments sector.

According to BASIS, as many as 25 local software companies are now indigenously developing integrated business applications and ERP software, both of which used to be imported into Bangladesh. Further, many companies are exporting hardware and software products to Pakistan, Thailand, Saudi Arabia and Dubai. The country's main export destinations and clients are the USA, Europe, the UK and Japan.

Source <https://www.dhakatribune.com/bangladesh/308608/bangladesh-becoming-it-hub-of-south-asia>







Our key impacts

**CLOSING BANGLADESH'S DIGITAL GAP**

Unequal development is a challenge confronting many developing economies, including Bangladesh. Genex, as the largest BPO and IT solutions provider in Bangladesh, has played a pivotal role in bridging the digital – and hence digital equality – gap. We believe in facilitating inclusive development and actively seek projects that allow us to make a positive impact.

**EMPLOYMENT CREATION**

Our commitment to Bangladesh's growth extends to addressing the pressing issue of unemployment. Through sustained expansion, from a humble beginning with only 2 employees, we're providing employment to 4,000+ young individuals, contributing significantly to the reduction of unemployment and improving livelihood nationwide.

**WOMEN EMPOWERMENT**

Our dedication to fostering employment opportunities extends to managing the gender gap in women's employment. In recognition of our efforts here, in 2022, we were honored with the 'BASIS Luna Shamsuddoha Award' under the category of 'Highest Women Employment in BPO Industry.'

**TECHNOLOGY TRANSFER AND SKILLS DEVELOPMENT**

With a mission to empower youth with future-ready digital skills, Genex Academy, our homegrown training institute provides the youth from different levels and marginal regions of Bangladesh with future-ready digital skills. We empower local IT professionals with cutting-edge advanced upskilling, enabling them to compete effectively on the global stage.

**CITIZENSHIP ACTION**

We are committed to supporting a wide range of social causes, including healthcare, education, sustainability and women empowerment. Understanding our broader role in contributing to the community, we have expanded our CSR efforts. Through investments in development projects, education, healthcare and various other initiatives, we aim to create a lasting and positive impact on the society we serve.





# EMPOWERING EXCELLENCE

## An Inspiring Tale of Establishing Gender Parity



As a nation, we have entered the era of Digital Bangladesh and are now marching towards our Smart Bangladesh Vision 2041. In this transformative journey, to envision a smart and progressive future for our nation, it is paramount that women are not just included but leading in the ICT sector. There is a wrong conception that women's participation in the ICT sector is still unsatisfactory. In reality, the numbers are on the rise, overcoming setbacks, and highlighting the potential for women to make their mark with their skills and hard work.

Within the broader landscape of challenges and opportunities, the story of Ronika Mahnoor, a shining member of our Genex family, stands out as a compelling example. She started her career as a customer service agent in the BPO sector. Initially, many people around her warned about the challenges of late hours, the perceived difficulty of balancing personal life, and doubts about societal acceptance of her chosen profession. This provoked her to change her profession. But despite these concerns, Ronika, made the courageous decision to face these norms and joined Genex Infosys Limited as a call center agent.

Upon joining Genex, Ronika found herself in an environment that not only accepted but celebrated her aspirations. The initial doubts and societal pressures were gradually replaced by a newfound sense of empowerment and security. As her journey unfolded, Ronika not only found professional success but also a confirmation that she had made the right choice. Today, beyond her career, Ronika skillfully balanced her roles as a mother and wife.

Now, as a QA manager at Genex, Ronika ensures operational excellence and serves as a role model for her colleagues. Reflecting on her journey, Ronika shared, "There are many women thriving in the tech world. With the right training and platform, any woman can contribute significantly to the ICT field, especially in the BPO industry. I'm grateful to Genex Infosys for supporting my aspirations and enabling me to balance my personal and professional life."

Genex, driven by its commitment to empower individuals like Ronika Mahnoor, transcends being a mere corporate entity to become a catalyst for creating profound social impact. With a track record that earned us the distinction of being the highest women employment provider in 2022, we go beyond conventional business practices, acknowledging the potential of every individual, irrespective of gender.

By cultivating an inclusive and supportive environment, Genex Infosys Limited actively challenges societal norms, contributing to a positive societal shift. Ronika's remarkable journey, transitioning from a call center agent to a QA manager, stands as a testament to the transformative power of Genex in changing lives and fostering gender inclusivity.







**VALUE CREATION**





# CAPITALS DASHBOARD



## Intellectual Capital

### WHAT IS OUR INTELLECTUAL CAPITAL

With a wealth of knowledge and a culture that fosters innovation and collaboration, we possess the ability to form valuable partnerships with clients. We constantly focus on utilising our resources in enhancing the efficiency of their business and operations. The entirety of this ecosystem symbolises our Intellectual Capital. Further more, this capital forms the cornerstone for developing strategic partnerships with diverse companies that enable us to bring complementary strengths to the table. It also acts as a force multiplier for our business.

### MATERIAL ISSUES ADDRESSED

- > Upskilling and workforce transformation
- > Resource modernisation
- > Upgrading our skills and capabilities

### SDGs COVERED



[Read more on pg 65](#)



## Manufactured Capital

### WHAT IS OUR MANUFACTURED CAPITAL

Our tangible assets comprising our physical infrastructure constitutes our Manufactured Capital. We focus on modernising and upgrading our technology, IT support systems and hardware, which are the integral elements of this capital that facilitate us to seamlessly conduct operations and serve client objectives.

### MATERIAL ISSUES ADDRESSED

- > Operational integrity
- > Technology contemporariness
- > Versatile functionality

### SDGs COVERED



[Read more on pg 67](#)





## Human Capital

### WHAT IS OUR HUMAN CAPITAL

Our organisation's focus on prioritising people is demonstrated through our commitment to provide opportunities in upskilling, learning and development, and career progression. This enables us to drive a competitive advantage for clients, opportunities for growth and business development for value chain partners, and consistent returns for shareholders. It is our employees' passion and dedication that enables us to deliver on our purpose and this embodies our Human Capital.

#### MATERIAL ISSUES ADDRESSED

- > Workforce transformation
- > KPI mapping and performance management
- > Retention and ability to attract quality talent

#### SDGs COVERED



[Read more on pg 72](#)



## Financial Capital

### WHAT IS OUR FINANCIAL CAPITAL

In a dynamic operating environment, our primary objective is anchored on maximising returns generated on the capital invested in our business. Our financial capital stems from our business operations, financing activities and strategic planning, which are subsequently invested in meeting varied growth opportunities.

#### MATERIAL ISSUES ADDRESSED

- > Financial performance
- > Sustainable returns
- > Governance and compliance

#### SDGs COVERED



[Read more on pg 77](#)





## Social & Relationship Capital

### WHAT IS OUR SOCIAL & RELATIONSHIP CAPITAL

The long-term viability and prosperity of our enterprise hinges upon the establishment and cultivation of enduring partnerships that have been fostered over the course of several decades. The sustenance of relationships with our clients, alliance partners and communities hold significant importance for our organisation. These relationships play an integral role in shaping our decision-making process. The establishment of meaningful connections with our esteemed stakeholders serves as the foundation of our Social & Relationship Capital.

#### MATERIAL ISSUES ADDRESSED

- > Multi-stakeholder approach
- > Conducive long-term relationships

#### SDGs COVERED



[Read more on pg 79](#)



# INTELLECTUAL CAPITAL



**Intellectual capital is the value of our company's collective experience and knowledge, people skills, training programs, process know how and proprietary information that provides our organisation with a competitive edge. We deploy these resources in tandem with innovation to gain new customer accounts, create new products and solutions, and improve our business and impact on society.**

## Overview

At Genex Infosys, the cultivation of innovation is a deliberate cognitive process and a fundamental component of our Intellectual Capital. The phenomenon is deeply embedded in our DNA. Our organisation is committed to improving our culture of strategic innovation by implementing systemic changes and processes and fostering the upskilling of our employees. This facilitates us to align with the ever-changing business landscape.

Our organisation is committed to consistently enhancing the efficiency of our processes and operations, as well as developing novel platforms, products and solutions to meet the changing demands of our clientele. Our approach to innovation is anchored on the principles of experimentation, iterative learning and growth. This approach is reinforced by our investment in resources to establish a well-connected ecosystem that fosters the development of sustainable processes and technologies. We work on a variety of real-world challenges for our customers and develop innovative solutions to enhance our relevance to them and their customers.

## Our IT philosophy

At Genex, our philosophy or approach towards IT is influenced by several factors and varies depending on our specific business goals and industry trends. However, there are a few common principles that showcase how IT at our company is a key differentiator against competition.

## Innovation

Embracing innovation is a fundamental aspect of our IT philosophy. We strive to remain at the forefront of technological advancements, which facilitates our company to develop and maintain a competitive edge. Whether it is adopting the latest software solutions, leveraging emerging technologies like artificial intelligence (AI) or continuously improving our IT systems and infrastructure, innovation is what helps us distinguish ourselves in a competitive market.

## Customer-centricity

Our customers are at the center of everything we do. Our strategy is to deliver exceptional customer experiences through technology. We give our best efforts to understand our customers' needs and use our IT capabilities to meet those needs more effectively than our competitors. This helps us build customer loyalty and gain a competitive advantage and involves such facets as personalised digital experiences, quick response times, or even efficient self-service options. Our relentless focus to support our customers help drive their efficiency and competency. Our goal is to exceed our customers' expectations and take our internal delivery expectations to newer heights.







# MANUFACTURED CAPITAL



## KEY STATS

98,168

Sq. ft floor area  
in prime locations

3500+

Workstations dedicated  
for customer support

## OVERVIEW

Genex implements a comprehensive and flexible strategy for overseeing data security throughout its operations, aligning with the company's business goals and meeting customer demands and objectives.

Our information security process is responsible for safeguarding privacy, ensuring information security, and maintaining business continuity across all our business processes. Privacy and information security are identified as significant risks for the company and are subject to ongoing review by the team and leaders entrusted with this responsibility.

Analysis of the business environment in response to the shift towards novel work practices (such as “work-from-home” or “work-from-anywhere”) has yielded valuable observations regarding risks and challenges. The risk intensity of a given business risk typically fluctuates depending on factors such as the prevailing market environment, alterations in the business landscape, and new regulations.

Thus, the implementation of information security, cybersecurity and data privacy into our business management systems is of utmost importance. Insufficient measures to prevent, identify and address breaches or risks pose a significant threat to the security of our company's and our customers' data, thereby potentially forcing us to incur substantial costs and reputational damage.

In this realm, the approach we take in addressing each risk is carefully adjusted in accordance with our enterprise risk management framework.



The foundation of our customers' confidence in our capabilities lies in the assurance that our services are secure, resilient and effectively protected against both internal and external threats. Our endeavors are focused on establishing a secure outsourcing destination that prioritizes the needs and satisfaction of customers, while continuously enhancing its security capabilities.



## GENEX KEY INFRASTRUCTURE AT A GLANCE



- › 98,168+ sq feet floor area in multiple prime locations.
- › **Independent** operation centers in Dhaka & Chittagong.
- › Infrastructure designed for **24X7** operation.
- › More than **3500** workstations dedicated to customer support.
- › Spacious and open floor environment for offering a comfortable workplace.
- › **Tier 3** power supply available for 24X7 operation.
- › **High-speed** redundant Connectivity Options.
- › Logically and physically segregated infra with **biometric access control**.
- › **Best-in-class** data center with Disaster-Recovery-Options.
- › **High security** ensured with CCTV and alarm system.

### ENRICHING OUR MANUFACTURED CAPITAL

We catalyse collective action to help build for the future. A significant aspect of this is investment in enhancing and deepening our Intellectual Capital.

We have invested a significant amount over the last three years to strengthen our technological infrastructure, including our data centers, private cloud, servers, storage, backup solutions, network connectivity and firewalls, especially cyber security to thwart potential cyber attacks and ensure operational safety and continuity.

### WE HAVE IMPLEMENTED THE FOLLOWING MAJOR ENHANCEMENTS TO OUR TECHNOLOGICAL BACKBONE

- › Majority of our services are hosted in a Tier-3 data center (33 HPE servers) in Dhaka and a disaster recovery center in Jessore (22 HPE servers) that is considered a safe and non-earthquake prone zone
- › Private cloud using the latest technology (VMware VCF, Horizon) to serve our customers
- › Load balancer that acts as a reverse proxy and distributes network or application traffic across a number of servers. Load balancers are used to enhance capacity (or concurrent users) and application reliability
- › Data backup solutions for disaster recovery
- › Future preparedness through investment in cyber security to especially protect our customer data. We have taken a 'Defense-in-Depth' strategy that leverages multiple security measures to protect our organisation's assets and data

### VULNERABILITY SCANNERS

These tools assess the security of our systems and networks by identifying known vulnerabilities and weaknesses that could be exploited by malicious entities.

### THREAT INTELLIGENCE PLATFORMS

Threat intelligence tools provide information about known threats, vulnerabilities and threat actors, helping SOC teams understand current and emerging threats.



### PACKET CAPTURE AND ANALYSIS TOOLS

Packet capture tools capture and analyse network traffic in detail, allowing SOC teams to investigate incidents and understand network behaviour.

### LOG MANAGEMENT SYSTEMS

Log management tools collect and store logs from various devices and systems, making it easier to search, analyze and correlate security events.

### USER AND ENTITY BEHAVIOR ANALYTICS (UEBA)

UEBA tools facilitate the monitoring of behavior of users and entities to detect abnormal or suspicious activities, which may indicate insider threats.

### SECURITY ORCHESTRATION, AUTOMATION AND RESPONSE (SOAR)

SOAR solutions help to automate incident response processes, helping SOC teams to respond more effectively and efficiently to any security incidents.

### FORENSIC AND INVESTIGATION TOOLS

These tools assist in collecting, analysing and preserving evidence during any security incident investigations.

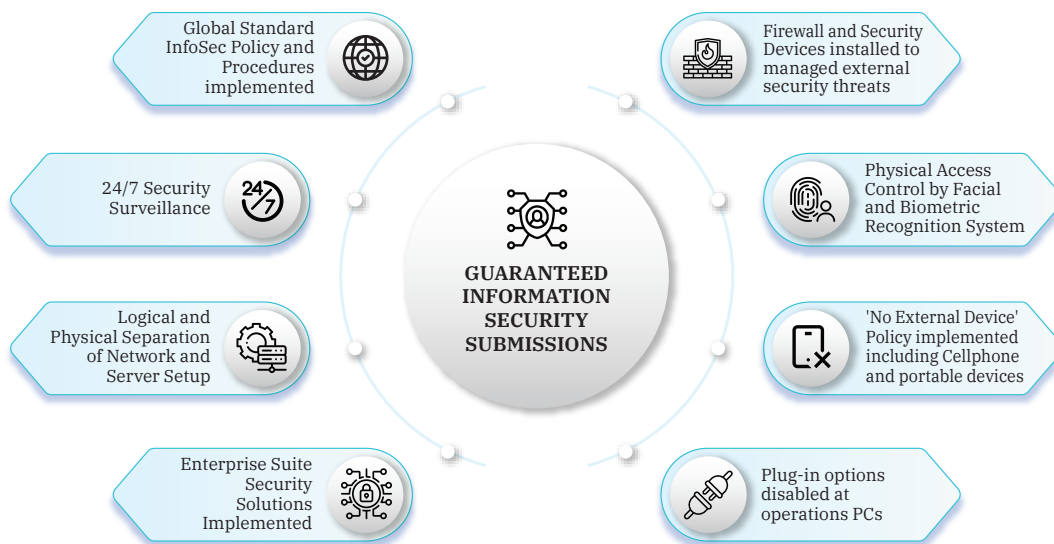
### DATA LOSS PREVENTION (DLP) SOLUTIONS

DLP tools help prevent unauthorised exposure of sensitive data by monitoring and controlling data transfers.



## ANTIVIRUS AND ANTI-MALWARE SOFTWARE

These software are foundational tools for detecting and mitigating known malware and viruses.



## PENETRATION TESTING TOOLS

While primarily used for testing security, some penetration testing tools are used by SOC teams to proactively identify vulnerabilities in their systems.

## STRATEGIC ROADMAP

Our plans for the current year are focused on delivering innovative solutions to our customers that leverage the power of 5G, enhance cyber security, and protect customer privacy and data security. Some of the key initiatives we are working on are mentioned hereunder:

▶ Developing a new 5G-enabled edge computing platform that will enable real-time data processing and analytics for our customers. This platform will also support IoT devices and applications that require low latency and high bandwidth. We are collaborating with leading 5G network operators and device manufacturers to ensure interoperability and security of our platform.

▶ Expanding our portfolio of cyber security products and services that facilitate our customers to defend against the evolving threats in the 5G era. We are also investing in advanced technologies, such as AI/ML and blockchain to enhance our capabilities in threat detection, response and prevention. We are also providing cyber security training and consulting to help our customers build more resilient and secure digital infrastructure.

▶ Strengthening our commitment to customer privacy and data security by adopting the highest standards of data protection and compliance. We are implementing privacy-by-design principles in our products and services, ensuring that our customers have full access, control and transparency over their data. We are also supporting the development of new regulations and standards that address the challenges and opportunities of 5G and data privacy.



Our mid-term strategy comprising our 3-year plan is articulated below:

## NETWORK INFRASTRUCTURE

Our network infrastructure is the backbone of our operations. Over the next three years, we plan to make significant improvements, including:

- ▶ Network switch upgrades: Investment in advanced network switches to improve network performance, reliability and support for new technologies and increasing data traffic.
- ▶ Bandwidth enhancement: Boosting our network's bandwidth to support the growing data and traffic requirements, ensuring rapid and uninterrupted operations.

## SYSTEM AND SERVER UPGRADES

Our system and server infrastructure are due for significant upgradation. The plan includes:

- ▶ Server upgrades: Regular server upgrades to maintain optimal performance, reduce the risk of hardware-related issues and accommodate growing demands.
- ▶ Cloud integration: Transitioning select applications and data to the cloud to increase scalability, flexibility and reduce reliance on on-premises hardware.
- ▶ Disaster recovery: Implementation of a comprehensive disaster recovery plan and backup system to ensure data availability and business continuity.

## NETWORK SECURITY AND FIREWALL

Enhancing network security is critical. Our plan involves:

- ▶ Firewall modernization: Upgrading our existing firewall systems and deploying next-gen firewalls with advanced threat detection capabilities.
- ▶ Security policies: Development and enforcement of comprehensive security policies to safeguard our network, data and systems from any potential cyber threats.
- ▶ Employee training: Continuous training for employees to enhance their awareness of security threats and best practices.

## DATA CENTER IMPROVEMENT

Our data center infrastructure is pivotal to our operations. Our future efforts here include:

- ▶ New data center: The construction of a new, state-of-the-art data center to accommodate our growing data and computational needs.
- ▶ Existing data center upgrades: Modernising our existing data center facilities, including enhancing cooling systems and adopting energy-efficient practices.

## CYBERSECURITY AND SOC MONITORING SYSTEM

We have a strong focus on cyber security upgradation and enhancements as it is the most important tool and avenue to safeguard customer data and enhance their confidence in our operations.





# HUMAN CAPITAL



## OVERVIEW

The global pandemic has necessitated organisations to reassess their operational methods and also approaches to team interaction. In this regard, at Genex, we have initiated implementing many people-friendly initiatives in our operations with a view to secure our eminent position as employer of choice in the IT sector as well as to enhance our employee value propositions.

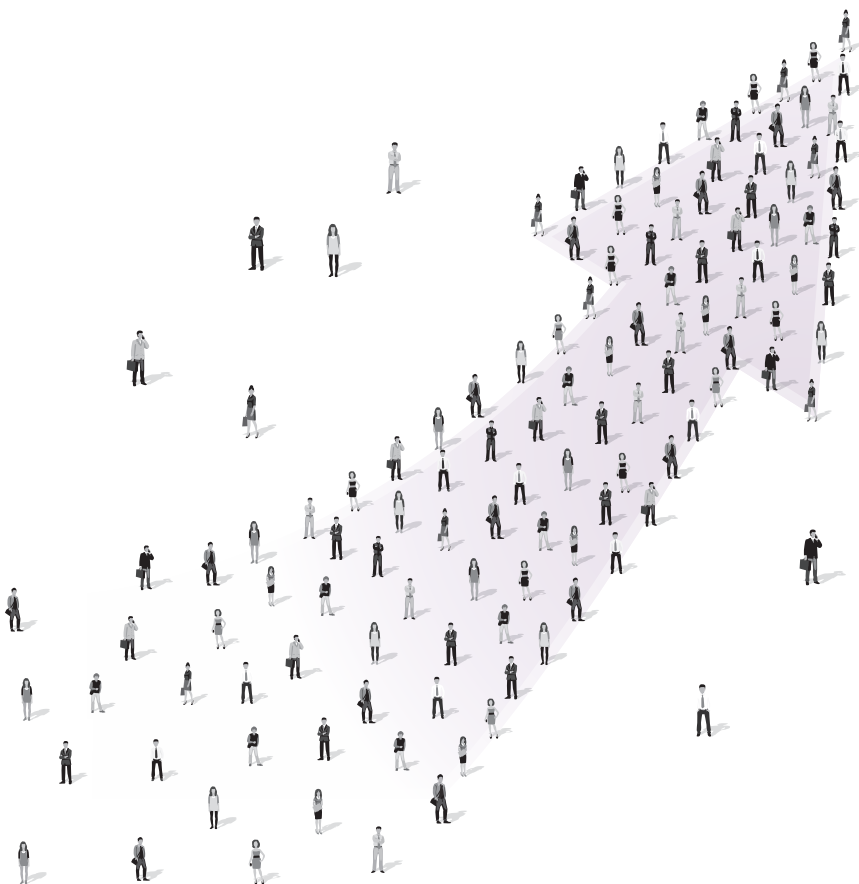
The main areas of our concentration are centered on offering flexibility to our employees, while maintaining our commitment to delivering on our commitments to our clients, taking an outcome-oriented approach.

Within this particular ecosystem that we have carefully crafted over the years, we will prioritise ideas, innovation and interactive communication for the purposes of planning and executing tasks, all while fostering enhanced levels of trust between managers and their teams, thus contributing to a workforce that is cohesive and collaborative.

We are thus embracing a renewed emphasis on providing our employees with flexibility, empowerment, inspiration and a culture of enablement.



**Our people are our most valuable asset and they are the enablers of our success in value creation. Workforce prioritisation and transformation is thus a central endeavour at Genex. Given fast-paced enterprise digitalisation, there exists an urgent imperative for us to promptly and comprehensively transform our workforce. Consequently, we have expedited our efforts in upskilling in order to align with the rapid advancements in technology and cultivate a talent pool that is well-prepared for the future. We thus strive to maintain a cohesive company culture across our distributed workforce.**



We develop our human resource strategy keeping in view the specific needs and goals of our customers. We always focus on process efficiency, innovation and customer satisfaction.

The key framework of our HR strategy is given hereunder:

## TALENT ACQUISITION

### Industry expertise

We recruit professionals with a deep understanding of BPM and related industries and seek candidates with experience in process optimization and automation.

### Skills diversity

We hire a diverse workforce with skills in process modelling, data analytics, change management and technology proficiency.

### Innovative thinkers

We attract creative problem solvers who can develop cutting-edge solutions for clients.

Continuous recruitment: We maintain a talent pipeline and stay connected with educational institutions and industry networks for ensuring a steady stream of qualified candidates.

## EMPLOYEE DEVELOPMENT

### Training and certification

We invest in ongoing training programs to keep employees updated on the latest BPM technologies and methodologies.

### Leadership development

We identify high-potential individuals and nurture them into leadership roles to ensure a strong talent pool.

### Mentorship programs

We establish mentorship programs to facilitate knowledge transfer and skills development.

### Cross-functional training

We encourage employees to gain expertise in multiple areas, thus promoting versatility.

## PERFORMANCE MANAGEMENT

### Key Performance Indicators (KPIs)

We define clear, data-driven KPIs for every role, emphasizing process efficiency, quality and client satisfaction.

### Feedback mechanism

We implement regular feedback mechanisms to provide employees with opportunities for improvement.

### Recognition and rewards

We recognize and reward exceptional performance, fostering a culture of productivity and excellence.





## PROACTIVE TALENT ACQUISITION

We develop a comprehensive talent acquisition strategy that includes proactive networking, university partnerships and participation in career fairs.

## WORKPLACE SAFETY AND WELLNESS

We ensure a safe and healthy work environment, emphasising ergonomics and safety protocols.

## TECHNOLOGY INTEGRATION

We invest in HR technology solutions such as HRIS to streamline processes. We also leverage analytics for data-driven HR decision-making.

## TRANSPARENT COMMUNICATION AND OPEN WORK CULTURE

We maintain open, honest and transparent communication with employees regarding company goals, performance and changes.

## LEGAL AND ETHICAL CONSIDERATIONS

We ensure to stay updated on HR-related legal and ethical considerations. Besides, we also ensure compliance with privacy laws and data protection regulations.

By implementing these initiatives we strive to nurture a positive work environment, attract top talent and build our reputation as a preferred employer.

## ROADMAP, 2023-24

### WE INTEND TO TAKE UP A NUMBER OF INITIATIVES DURING THE CURRENT YEAR

#### DEFINING CLEAR HR GOALS WITH BUSINESS STRATEGY

We will collaborate with the senior management to define clear, measurable HR goals that support the overall organisation's objectives, hence ensuring HR strategies are in alignment with business goals and strategy.

#### DEVELOP A COMPREHENSIVE HR STRATEGY

We will create a well-defined HR strategy that addresses recruitment, talent management, employee engagement, performance evaluation, and workforce development. Furthermore, with a view to develop efficient and effective hiring processes to attract top talent we will engage in the following:

- Accelerate hiring
- Enable candidate database tracking
- Implement technology for resume screening and candidate evaluation
- Ensure IJP automation through QR code
- Maintain monthly reports
- Refine the quality of our recruitment process
- Ensure proper assessment of skill sets (written test/computer test, etc.)







# FINANCIAL CAPITAL



## MESSAGE FROM OUR CHIEF FINANCIAL OFFICER

Respected Shareholders,

Genex Infosys Limited reported a creditable double-digit growth of 18.27% in our net revenue in FY2022-23 to BDT 1,442.58 mn, vs. BDT 1,219.73 mn in the prior year. This can be attributed to the fairly strong demand environment in the different industries we serve and our ability to stay close and relevant to our customers.

We also witnessed the digitalisation wave sweeping over, compelling the need amongst our customer companies to transform their core way of functioning. The past two years of the pandemic has ensured that this journey of digital transformation is inevitable and we have set ourselves a clear goal of being the leading digital service provider for our customers, helping them accomplish business transformation and better ways to do business and enhance value for their end customers.

We further achieved significant growth in our gross profit that expanded by 24.60% to BDT 635.28 mn in FY2022-23, up from BDT 509.85 mn in the previous year. We added a net sum of BDT 125.43 mn in our gross profit, which represents almost 8.70% of our net revenue of FY2022-23.

Our finance cost rose by around 54.38% from BDT 107.44 mn in FY2021-22 to BDT 165.87 mn in FY2022-23 due to the general increase in interest rates and additional borrowings to fund business growth. Internally, we have tried to maintain our operational efficiency despite the year witnessing significant inflationary pressures.

Resource utilisation still has some headroom to grow due to the significantly large fresher hiring during the year, which will likely stabilise during the current year with the full deployment of the additional resources.

During the year, we had to face a significant moderation in our other income that declined to BDT 6.47 mn in FY2022-23, down from BDT 66.18 mn in the prior fiscal year. Together with our normal expenses such as contribution to workers' profit participation fund and tax expenses, we reported a net profit of BDT 384.65 mn in FY2022-23, up marginally from BDT 381.68 mn in FY2021-22. Still, our net interest margin stands at 26.66% as a percentage of net revenue that is laudable indicating strong conversion of net revenue into net profit.

Today, we are strategically positioning ourselves to seize the emerging opportunities in the "Smart Bangladesh 2041" vision, which aims to usher in a knowledge-based economy with specific attributes - Specific, Measurable, Attainable, Relevant and Time-based. This visionary plan comprises 14 key points and four core priorities, underpinned by technological advancements in Artificial Intelligence, Robotics, Microchip Design and Cybersecurity across all sectors.

Genex Infosys has one subsidiary company named Loginex Limited. The financial statements of the subsidiary entity have been included in the consolidated financial statements of the company. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), The Companies Act, 1994, Securities & Exchange Rules, 2020, and other applicable laws and regulations.

Today, the way we see things, the business pipeline continues to be robust, especially across new-age areas such as 5G, Cloud, Customer Experience and Engineering Design Services. With our strengthened service offering, backed by our cutting-edge technologies, we remain well-positioned to harness opportunities in a strong demand environment in FY2023-24.

**We are strategically positioning ourselves to seize the emerging opportunities in the "Smart Bangladesh 2041" vision, which aims to usher in a knowledge-based economy.**

- Md. Jewel Rashed Sarker





# SOCIAL & RELATIONSHIP CAPITAL



## OVERVIEW

In a rapidly evolving environment, maintaining a regular dialogue with our stakeholders is important for future business growth. We recognise that the quality of our engagements with our stakeholders is key to creating value over the long-term. Therefore, we conduct regular assessments to ensure we meet the expectations of our stakeholders.

Our major stakeholder groups include:

- ▶ Shareholders and investors
- ▶ Customers
- ▶ Employees
- ▶ Communities and society
- ▶ Alliance partners and vendors
- ▶ Government and regulators

This grouping helps our company effectively manage interactions with our stakeholders with respect to priority and relevance. Mechanisms are in place to connect and engage with our stakeholder groups on an ongoing basis. We have always believed that understanding stakeholder needs and expectations and maintaining transparent communication is important in developing our multi-stakeholder approach to growth and value creation.

We recognise the growing importance of social responsibility and believe that a technology-driven economy must prioritise social responsibility alongside profits. So we actively engage in corporate citizenship initiatives that benefit the community and the environment. We empower youth by providing them with future-ready skills and actively promote gender equality by empowering women, especially in marginalised areas, in line with the vision of an inclusive and prosperous Smart Bangladesh.

We understand that the levels of engagement vary between stakeholders, and are contingent on our objectives, outcomes, time frames and resources, as well as the levels of influence or interest of stakeholders. Through the following matrix, we have provided how we engage with our stakeholder groups.

## ENGAGEMENT LEVELS




**We believe it is our obligation to protect the interests of our stakeholders, and we are implementing our strategies to support our clients in achieving sustainable growth while assuring them of a great experience in dealing with us. We are also committed to meeting the material expectations of our other stakeholders. The significance of our engagement and interaction with them is of importance in facilitating shared value creation.**






## SHAREHOLDERS AND OTHER CAPITAL PROVIDERS

Why we engage	Engagement levels	Expectations	How we are responding	Method of engagement
<p>Investors/shareholders, providers of capital, and even potential investors are a key source of capital (finance), and a crucial element for the long-term sustainability of our business.</p> <p>The feedback we receive from our engagement with them informs our management and reporting practices.</p>		<ul style="list-style-type: none"> <li>› Sustainable dividend</li> <li>› Effective growth strategy and sustenance of competitive position</li> <li>› Strong balance sheet</li> <li>› Ethics, compliance and governance</li> <li>› Transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>› Continuous fortification of our governance framework</li> <li>› Delivering on our strategy towards sustainable dividend</li> <li>› Meeting our interest obligations</li> </ul>	<ul style="list-style-type: none"> <li>› Annual report and reporting suite</li> <li>› Annual and interim results</li> <li>› AGM and voting</li> <li>› Regulatory releases</li> </ul>

## CUSTOMERS

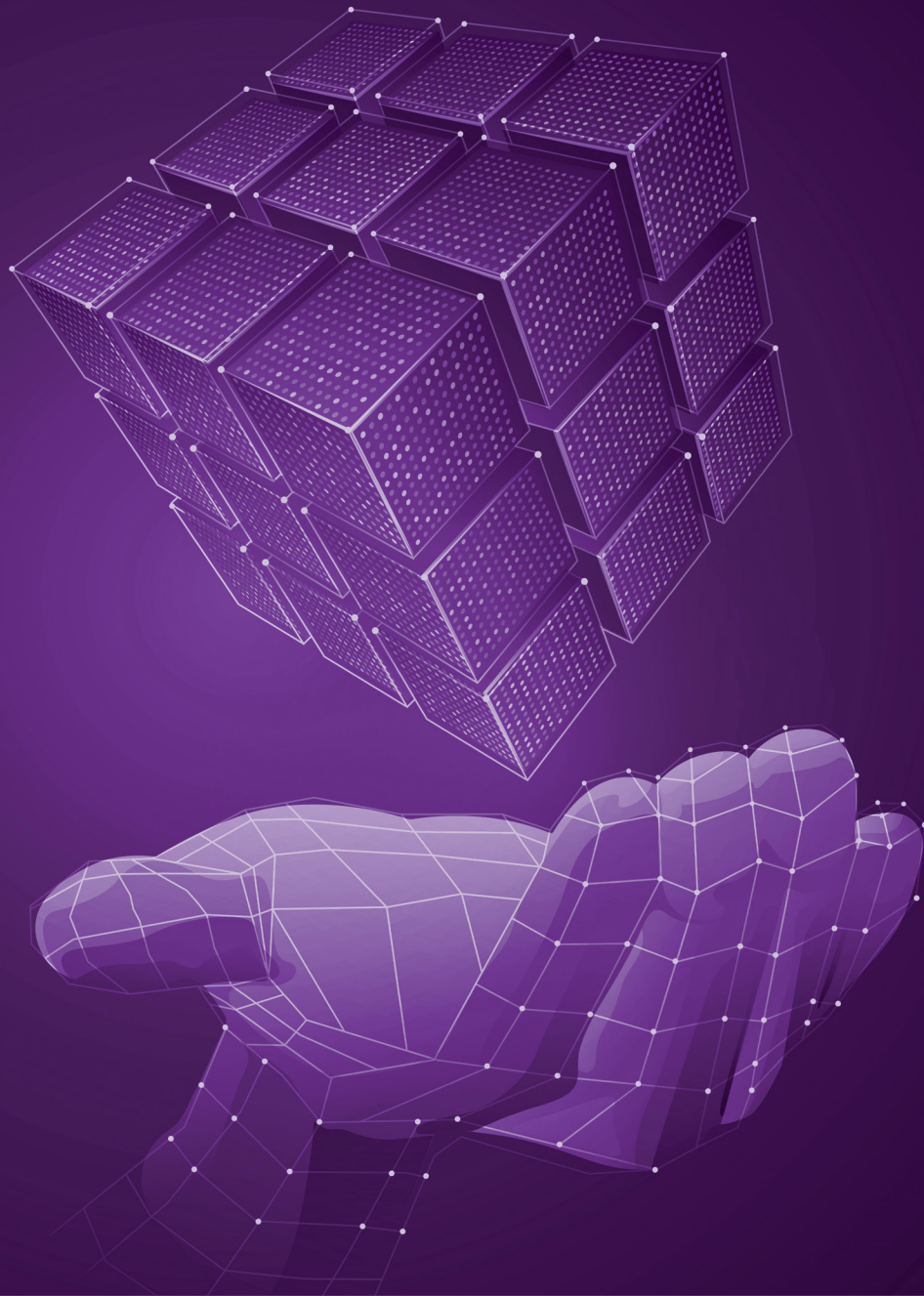
Why we engage	Engagement levels	Expectations	How we are responding	Method of engagement
<p>By regularly engaging with our clients, we remain informed on the relevance of our products and solutions.</p> <p>Through this way, we are able to adapt our products and services to meet the needs of our clients.</p>		<ul style="list-style-type: none"> <li>› Innovative and competitive products and solutions</li> <li>› Customer experience and convenience in doing business with us</li> <li>› Exceptional service levels</li> <li>› Safeguarding customer data and ensuring privacy</li> </ul>	<ul style="list-style-type: none"> <li>› Managing client journeys to provide best possible outcomes</li> <li>› Continued product innovation and development</li> <li>› Ongoing investment in digital tech stack</li> <li>› Assurance of data privacy and safety</li> </ul>	<ul style="list-style-type: none"> <li>› Dedicated managers/teams managing specific customer accounts</li> <li>› Ongoing dialogue with senior leaders of the company</li> <li>› Grievance redress mechanisms</li> </ul>







## RESPONDING STRATEGICALLY





# ENTERPRISE RISK MANAGEMENT

The objective of enterprise risk management is to holistically address the risks to the organisation and maintaining business growth through robust governance and strategies.

## Overview

At Genex, our enterprise risk management (ERM) framework draws a strong risk governance structure to shape our organizational risk management strategy and achieve key business objectives, providing insights on key risks for the enterprise. This enables informed decision-making at Board and leadership levels. The governance forums at various layers ensure risks are identified, reviewed and managed across the organisation.

## Enterprise risks and mitigation

Our risk universe is managed through the risk lifecycle. The risk identification, mitigation and control process includes quantification, where possible, under normal and stressed conditions, including recovery and resolution. The heat map below provides an overview of the assessment of our top risks in 2022-23.

## Risk heat map



## ENTERPRISE RISK MITIGATION FRAMEWORK

Key risk	Evolution during the crisis	Themes impacted	Strategic path forward
<p><b>STRATEGIC RISK</b></p> <p>Income/segment diversification and financial performance.</p>	<ul style="list-style-type: none"> <li>› Considerable improvement achieved in 2022-23, both on the financial and non-financial fronts</li> <li>› Acquired new business and focused on execution through increasing head count, upskilling and retention of key talents</li> <li>› Growing focus on digital services in line with the government's call to action through the Smart Bangladesh 2041 vision</li> </ul>	<ul style="list-style-type: none"> <li>› Enhancing customer experience as our prime focus area</li> <li>› Securing and stabilizing our technology and processes</li> <li>› Evolving our identity from a vendor to a long-term partner for our customers</li> <li>› Deepening capabilities in our chosen domains</li> </ul>	<ul style="list-style-type: none"> <li>› Focus on launching various tech-based solutions to improve overall customer satisfaction and loyalty, thus preserving relationships</li> <li>› Exploring newer opportunities in customer acquisition, especially on the back of enterprise digitalisation</li> </ul>
<p><b>CYBERSECURITY</b></p> <p>Unauthorised access leading to misuse of customer data</p>	<ul style="list-style-type: none"> <li>› Threats of cyber-crime has increased with rapid shift to the adoption of digital</li> <li>› Heightened requirement for regular communication on cyber-crime</li> <li>› Potential threats to customer account/s or in retrieving customer information that we need to manage on a prioritised basis</li> </ul>	<ul style="list-style-type: none"> <li>› Enhancing and securing our technology platform and cybersecurity with the latest safeguards and defense tools and systems</li> <li>› Making investment in technologies to ensure contemporariness and prevent obsolescence</li> </ul>	<ul style="list-style-type: none"> <li>› Conduct frequent awareness campaigns on best practices in operational security</li> <li>› Round-the-clock surveillance through modern tools and technologies</li> <li>› Improve IT governance and stewardship</li> </ul>





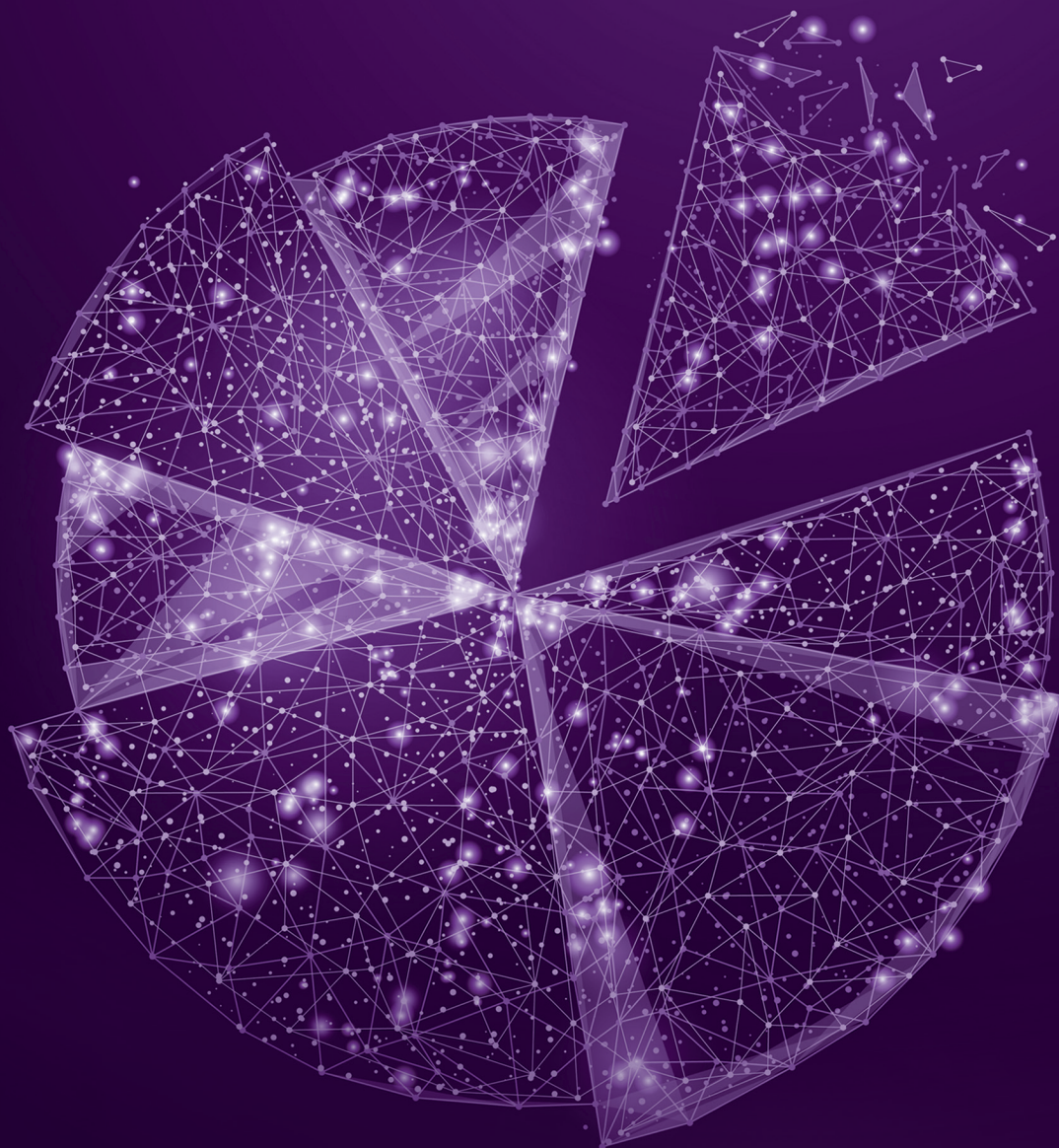
Key risk	Evolution during the crisis	Themes impacted	Strategic path forward
<p><b>HUMAN CAPITAL RISK</b></p> <p>Key people dependency, retention of our key talents and capability-building are key facets of our human capital</p>	<ul style="list-style-type: none"> <li>› Focus on learning and development and upskilling as a key aspect of our emphasis on workforce transformation</li> <li>› Equipping our people with cutting-edge skills on the back of rapid evolution of technology and customer expectations</li> </ul>	<ul style="list-style-type: none"> <li>› Embedding newer ways of working across the organization</li> <li>› Building relevant capabilities and skill-sets to drive future growth</li> <li>› Creating pathways for our people to achieve their professional goals and aspirations</li> <li>› Fostering better work-life integration</li> <li>› Over one-third of our workforce comprises women as we emphasise on equal gender participation in the workforce</li> </ul>	<ul style="list-style-type: none"> <li>› Increasing capability of our teams to augment our leadership pipeline</li> <li>› Striving to attain an equal opportunity, diversified and meritocratic workplace environment, while eliminating prejudicial practices</li> <li>› Attracting, retaining and developing the best talent</li> <li>› Improving our employee wellbeing and engagement initiatives</li> </ul>
<p><b>CREDIT RISK</b></p> <p>Risk of any default/s or our inability to pay our obligations in full and within due periods</p>	<ul style="list-style-type: none"> <li>› Strategic planning and stress-testing to evaluate impacts on our business and cash flows</li> <li>› Long-term contractual agreements that assure regular cash flow that supports liquidity</li> </ul>	<ul style="list-style-type: none"> <li>› Strong focus on SLAs to ensure we meet client objectives and hence minimise any chances of credit risks</li> <li>› Sound relationships with banking consortium with sufficient credit/working capital limits</li> </ul>	<ul style="list-style-type: none"> <li>› Use data extensively for credit decisions</li> <li>› Engage in a prudent and more proactive credit risk management culture</li> <li>› Accelerate recovery to minimise any bad debts</li> </ul>



Key risk	Evolution during the crisis	Themes impacted	Strategic path forward
<p><b>MACROECONOMIC RISK</b></p> <p>The operating landscape is critical for us to achieve our objectives and deliver continued value</p>	<ul style="list-style-type: none"> <li>› Challenging macroeconomic environment with key factors comprising inflation and increased credit costs</li> <li>› Upcoming general elections in Bangladesh may enforce a short-term impact</li> </ul>	<ul style="list-style-type: none"> <li>› Focus on business resilience and diversification</li> <li>› Focus on innovation to drive customer value and hence retention</li> <li>› Strong linkage with key industries of the economy, such as telecommunications, banks, etc.</li> </ul>	<ul style="list-style-type: none"> <li>› Continue to embrace innovation and newer ways of doing things</li> <li>› Lay increased thrust on widening our offerings, especially in the enterprise digitalisation space, to obtain a larger share of customer spends</li> </ul>
<p><b>OPERATIONAL RISK</b></p> <p>Our people, processes and systems, their right triangulation, and their ability to work synchronously are crucial for our operational sustainability</p>	<ul style="list-style-type: none"> <li>› Focus on systems and processes before scaling up the business to ensure a more secure foundation</li> <li>› Building resource capacity and capability on an ongoing basis</li> <li>› Continue to invest in our assets and resources with a view to ensure operational security</li> </ul>	<ul style="list-style-type: none"> <li>› We are actively managing our operations in the spirit of supervision as well as empowerment to minimise any potential operational risks</li> <li>› We have well-established fraud prevention for early detection and timely resolution of probable fraud cases, thus securing our operational continuity</li> </ul>	<ul style="list-style-type: none"> <li>› We will continue to embed newer ways of working across the organization, while reinforcing our systems and network security</li> <li>› We are making continuous investment in our capabilities to improve our customer service expertise</li> </ul>
<p><b>REPUTATIONAL RISK</b></p> <p>In a hyperconnected society, it is essential we protect our reputation</p>	<ul style="list-style-type: none"> <li>› Focusing on protecting our reputation as a key intangible asset</li> <li>› Speedily resolving any customer grievance</li> </ul>	<ul style="list-style-type: none"> <li>› Managing our brand values and trust at every point of customer engagement</li> </ul>	<ul style="list-style-type: none"> <li>› Maintaining and enhancing our reputation through adopting a long-term approach in our decision-making</li> <li>› Creating awareness that protecting our reputation is a consequence of appropriately managing our other risks</li> </ul>







## STATUTORY STATEMENTS







Our Core Values	Our Guiding Principles	Genex Competitive Edge
<p>INTEGRITY</p> 	<p><b>Commitment</b></p> <p>Total commitment to achieving the best possible customer experience within the operating parameters provided.</p>	<p>Genex is Bangladesh’s first publicly listed Company in the IT/ITeS sector and a pioneering Business Process Management (BPM) solutions provider, leading the charge in managing end-to-end customer experience for large and eminent domestic and global brands. Our organisation is the leading provider of BPM solutions, proudly managing an impressive volume of 100 million+ customer interactions annually.</p>
<p>TRANSPARENCY</p> 	<p><b>Understanding</b></p> <p>Complete understanding that the employee experience is the key to our ability to fulfill our mission.</p>	<p>We have multiple delivery centers in Southeast Asia with a global footprint, thus enabling delivery in multiple languages.</p>
<p>TEAMWORK</p> 	<p><b>Results</b></p> <p>The end results are the measure of our success.</p>	<p>We offer a wide bouquet of cutting-edge solutions through our multi-business delivery model with units like Genex BPM, Genex Solutions and Genex Digital that give us a unique edge to provide a variety of IT services, solutions and applications development under a single umbrella, thus enhancing customer convenience.</p>
<p>EXCELLENCE</p> 	<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>	<p>With a proven multi-year track record, we are a trusted partner of global brands, providing best-in-class customer experience and digital transformation solutions in a time-bound and cost effective manner, thus ensuring high customer value.</p>

INTRODUCTION

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## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND PERFORMANCE

Through a focused strategy anchored on new business acquisition and customer delivery and experience, Genex has been able to record a stable performance over the years with a sustainable uptrend witnessed in its key financial metrics. Our accounting policy and estimation practices for preparing the financial statements have remained consistent over time.

At Genex, we have accomplished a secure performance over an extended timeframe thanks to our institutional strengths, backed by our ability to tap into new growth opportunities in a favourable operating environment. Financial performance of the Company for the year ended June 30, 2023, in comparison to year ended June 30, 2022, is summarised hereunder:





(BDT in million)

PARTICULARS	2022-23 (TK.)	2021-22 (TK.)	INCREASED/ (DECREASED)	GROWTH (%)
Revenue	1442.58	1219.73	222.85	18.27
Cost of services & sales	807.30	709.87	97.43	13.72
Gross profit	635.28	509.85	125.43	24.60
Administrative expenses	71.62	58.98	12.65	21.44
Selling & distribution expenses	1.35	0.66	0.70	106.40
Other income	6.47	66.18	-59.71	-90.22
Operating profit	396.43	342.78	53.66	15.65
Profit before tax	386.78	389.49	-2.71	-0.70
Profit after tax	384.65	381.68	2.98	0.78
Equity	2228.81	1877.14	351.67	18.73
Total assets	4349.98	3151.14	1198.83	38.04
Operating cash flows	566.66	576.69	-10.03	-1.74

## FINANCIAL HIGHLIGHTS AND ANALYSIS

The Gross Revenue, increased by 18.27%, Net Profit (BT) decreased and Net Profit (AT) increased by .70% and .78% during the FY 2022-23 over the previous year. The Cost of Sales Increased by 13.72% over the previous year due to an increase in employee salary cost compared to the previous year. The increase of gross profit margin of 24.60% during the FY 2022-23 over the previous year. However, the company earned an extraordinary income of Tk. 6.47 million (depicted in Note 29 of standalone accounts) during the year 2022-23 resulting in a net profit margin increase of .78% against the previous year. The EPS for the year under review is Tk. 3.32, a .77% increase over the previous year. EPS calculation took place on the basis of accounts during the year 2022-23. EPS calculation took place on the basis of the present outstanding 115,817,328 shares of Tk. 10 each.

## GLOBAL AND BANGLADESH'S MACROECONOMIC SCENARIO

Global growth is projected to decelerate from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation however is estimated to decline from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024.

While the Russia-Ukraine war is a cause of concern, China's recovery could slow, in part as a result of its unresolved real estate challenges that is another negative. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient. In most economies therefore, the priority remains on achieving sustained disinflation while ensuring financial stability.

Bangladesh is one of the world's fastest growing emerging market and developing economies with GDP growth of 6.03 percent in FY 2022-23, which is amongst the fastest growth rates in the world. Despite the challenges of an uncertain global economic environment, the country has been able to withstand the pressures so far, reporting sound growth in its key macroeconomic indicators, such as remittance flow that was up by 2.36% to US\$ 17.71 bn (July 2022-April 2023 period),



export earnings that were up by 5.38 percent to US\$ 45.67 bn (July 2022-April 2023 period), and private sector credit growth that expanded by 12.03% (March 2023). Elevated inflation of 8.64 per cent (12-month trailing average) however exerted pressure on per capita income that declined to US\$ 2,763 in FY 2022-23.

Notwithstanding the challenges, Bangladesh with a developing country profile and a large population of 166 mn+ with significant under-penetration of products and services will continue to remain on a high GDP growth trajectory over the foreseeable future.

Source:

1 IMF World Economic Outlook Update, July 2023

2 <https://www.thedailystar.net/business/economy/news/gdp-growth-slows-603-fy23-3317566>

## RISK CONTROL AND MITIGATION

At Genex, we adopt an enterprise-wide approach to risk control and management. This defines the processes and practices across the organisation for the management to proactively identify and manage risks and opportunities that impact strategic and operational objectives. We view risk management as a core competency by embedding a risk culture supported by our policies and processes that help guide decision-making, thus ensuring the completeness and robustness of mitigating actions. Notably, the Company’s Board and its committees oversee an integrated risk management process through regular engagement with the management across our activities spectrum to ensure effective risk control and mitigation.

## FUTURE PLANS

At Genex, we are acutely aware of our role in the Government’s “Smart Bangladesh” vision. With an economy that is on the path of rapid digitalisation, coupled with new tools and technologies has intensified the need for digitally-powered business transformation for companies to not just gain a competitive advantage but also ensure customer satisfaction and retention. Furthermore, tech-centric business transformation can also yield cost advantages and this recognition has further fuelled enterprise digitalisation.

In view of this, at Genex, we have undertaken numerous initiatives to introduce new technologies for business process transformation, optimisation and outsourcing services to effectively cater to the evolving market demand. Some of our major strategic objectives include:

- Launch of new technology, such as AI, Machine Learning, IoT, etc., to further expand our share of business with existing clients.
- Leverage customer relationships, especially with international clients to further enlarge existing business with them and utilise them as success stories to attract new international and domestic clients.
- Focus on the strategic growth of our services delivery capability to leapfrog towards becoming a technology Company or TechCo, providing customers with a wide suite of solutions, thus becoming their preferred partner in progress.



**Shah Jalal Uddin**

Acting Managing Director & CEO  
Genex Infosys Ltd



## HUMAN RESOURCE MANAGEMENT

At Genex, we consider our people to be our most valuable asset. They drive our growth agenda forward and we facilitate them in their professional journey, providing them with stimulating project opportunities, cutting-edge learning and development exposure, and best-in-class compensation.

During the year in the report, we continued to work to enable a high-performance and rewarding culture. Engagements with employees on productivity, collaboration and ethics led to the transformation of many of our human capital metrics. We implemented multiple interventions beyond the traditional performance management approach to ensure that each person in our organisation is driven by purpose and is aligned to the Company's growth strategy.

Throughout the year, we encouraged employees to strive for cooperation and collaboration and to be driven by the larger purpose of contributing to the organisation's success over the long term. Our 2022-23 performance reflects that we have successfully achieved this goal.

### Recruitment

We believe in the importance of attracting and nurturing a cadre of youthful and dynamic talents who possess the potential to assume senior/leadership roles in the days to come. Our top priority thus is to invigorate our workforce by integrating fresh talent alongside retaining our seasoned professionals. In light of our strategic objectives, the ongoing endeavour to attract and onboard both entry-level and experienced professionals remains a consistent aspect of our operations. In the realm of new recruits, we prioritise individuals with prestigious qualifications such as BSc and MSc in Engineering, CA, CMA, CS, BBA and MBA.

### Training

In order to optimise training programmes for our new recruits, we have implemented modifications to our in-house training schedule. These enhancements involve expansion in the number of sessions and the inclusion of reputed guest speakers/trainers. Our training programmes have been meticulously crafted with the purpose of upskilling our personnel, enabling them to acquire the essential knowledge, skills and experience necessary to effectively excel in their work, including in their specific domains. This in turn empowers them to think out-of-the-box and work on novel and pathbreaking solutions for our clients.

### Performance Appraisal

We meticulously assess the performance of our workforce based on their contribution and potential, and duly reward them with well-deserved benefits and incentives. We have also implemented beneficiary schemes to prioritise the well-being of our employees. These include comprehensive medical benefit package, a generous festival bonus, cash incentives for Eid, convenient transport facility, car allowance, as well as training opportunities both in Bangladesh and internationally.

### Fostering a Conducive Workplace

We understand that fostering an inspiring and supportive work environment is paramount in unlocking the full potential of our people. Creating a congenial and welcoming environment fosters a sense of job fulfillment and enables our people to thrive amidst a culture of support, collaboration and encouragement. We have hence meticulously crafted our Human Resource Policy, ensuring we meet the expectations and requirements of our valuable workforce.



## INVESTOR REDRESS

At Genex, we are unwavering in our responsibility to uphold the rights of our shareholders and are committed to meeting their expectations from us.

Our Share Department in this regard acts as the nodal body in shareholder liaison and are their one-point contact with regard to all corporate affairs. Share Department officials are always ready to provide assistance to shareholders whenever they need any share-related services, such as share transfers, transmission, dividend warrant issue, dividend warrant re-validation, address updates, etc.

We extensively engage with our shareholders, and a key platform of this is the Annual General Meeting (AGM). Here, shareholders get the opportunity to share their views on various issues relating to the operations of the company. The Chairman/Managing Director of the company with the support of the Chief Financial Officer (CFO) and Company Secretary (CS) effectively respond to shareholder queries.

Generally, shareholders raise issues relating to the utilisation of the Company's resources; yearly, half-yearly, and quarterly accounts and results; business turnover and profitability; declaration of entitlements; disbursement of benefits; share transfers and transmission; changes in address; non-receipt of Annual Report; date and time of AGM; minutes of meetings of AGMs/EGMs; implementation of decisions taken at the AGM/EGM and so on. It is the responsibility of the Company Secretary to oversee that necessary action is taken expeditiously so that all shareholder concerns and queries are resolved to their satisfaction.

## CUSTOMER REDRESS

At Genex, we understand that the service industry thrives on customer fulfillment. It is imperative that we prioritise the needs and expectations of our customers to retain our clientele and attract new business opportunities. By doing so, we ensure a steady growth trajectory for our organisation. Our top management remains accessible and committed to addressing and resolving any customer matters promptly. Complaints may be registered with our help desk either through the means of a telephonic conversation or via e-mail. During our routine engagements with our clients across diverse sectors, our management seeks their perspectives regarding our services, any potential areas for improvement, and their recommendations.

## COMMITTEES OF THE BOARD

### 1. Report of the Audit Committee

#### *Role of the Audit Committee*

The Company has established an Audit Committee as required under the Code of Corporate Governance of the Bangladesh Securities and Exchange Commission (BSEC). The Company's Audit Committee, 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 risk. The committee periodically assesses the state of affairs of the business as well as makes recommendation/s 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 below:







- 5 Recommended for appointment of external auditor and fixation of their remuneration.
- 6 Recommended for appointment of compliance auditor.
- 7 Reviewed the Management Discussion and Analysis.
- 8 Reviewed the internal audit report and compliance plan.
- 9 Reviewed the adequacy of internal control and systems.
- 10 Reviewed the financial reporting process.
- 11 Reviewed the choice of accounting policies and principles.
- 12 Reviewed related party transactions.
- 13 Reviewed the management letter issued by the statutory auditor.
- 14 Reviewed the effectiveness and independence of the statutory auditor.
- 15 Evaluated the performance of the statutory auditor.
- 16 Reviewed the determination of audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit, and evaluated the performance of the external auditor.
- 16 Reviewed the accounting procedure with a view to ascertaining that the International Financial Reporting Standards (IFRS) have 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, fraud, irregularity or material defect in the internal control system of the Company. There was also no infringement of laws, rules and regulations.

### Acknowledgment

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

On behalf of the Audit Committee,



**Md. Nazmul Hassan**

Chairman

Audit Committee





The NRC is primarily responsible for making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management and reviewing and approving the compensations payable to the Managing Director & CEO and senior management. Four meetings were held during the year.

### *Role of the NRC*

- Formulating the criteria for evaluation of the performance of Independent Directors and the Board.
- Ensuring Board's diversity, taking into consideration age, gender, experience, ethnicity, educational background, and nationality.
- Identifying the Company's needs for employees at different levels and determining their selection, transfer or replacement and promotion criteria.
- 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 BSE.

### *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 the NRC,



### **Rokeya Islam**

Chairman  
NR Committee





# Statement of Corporate Governance

At Genex, the Board of Directors is the apex decision-making body and the guardians of stakeholder trust. They firmly believe that the Company, being a listed business entity, has a role to play in the financial/equity markets by ensuring investor trust and upholding their interests and expectations.

Our strong governance practices serve as the bedrock of a robust organisation. At our Company, corporate governance is about ensuring regulatory alignment, while facilitating a cultural orientation to our core values and principles and conducting business with ethics and integrity. Our organisation is committed to establishing a robust framework that optimises outcomes for all stakeholders. We prioritise adherence to ethical standards, best practices and all relevant industry regulations and implicit rules to ensure that our enterprise is ethical and trustworthy.

As a technology-driven business entity, we place importance on our key principles of governance, including transparency, accountability and compliance. These fundamental pillars serve as the foundation of our operations, guiding us towards excellence in all aspects of our business.

The implementation of good governance principles serve as a catalyst for our Company to drive value creation through innovation, inorganic growth and bold exploration. Simultaneously, it encourages us to establish robust accountability mechanisms and control systems that align with the inherent risks we undertake. In fact, the paramount aspect of governance lies in the transparent and timely disclosure of information pertaining to the Company's financial standing, operational achievements, key developments, ownership structure, and governance practices. Such disclosures are a facilitator for enhancing public understanding of our Company and operations, thereby enhancing trust and conviction in our organisation.

The structure of corporate governance in Bangladesh is guided by the BSEC Code of Corporate Governance vide gazette no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The Genex Board has given prime attention to the tenets of governance as enshrined in the above-mentioned gazette, some of which are in the process of being implemented in the Company.







In order to comply with BSEC’s notification dated June 03, 2018 on Corporate Governance, the Board of Genex has appointed two eminent individuals as Independent Directors of the Company. Thus, the Board comprises of seven members of which three are Non-Executive Directors and the other three are Independent Directors.

**ROLE OF THE GENEX BOARD**

The Company’s business is under the complete control and supervision of the Board of Directors of the Company who are also accountable to the shareholders. The Board is dedicated to attaining enhanced financial performance and long-term growth while simultaneously fulfilling stakeholder expectations regarding governance.

The Board is guided by various regulations and laws in fulfilling its responsibilities. These include the regulations outlined in the Memorandum and Articles of Association of the Company, the Companies Act, 1994, BSEC Code of Corporate Governance, Listing Regulations, the Company’s Code of Conduct, Business Principles and Rules of Delegated Authorities, and other widely accepted corporate best practices.

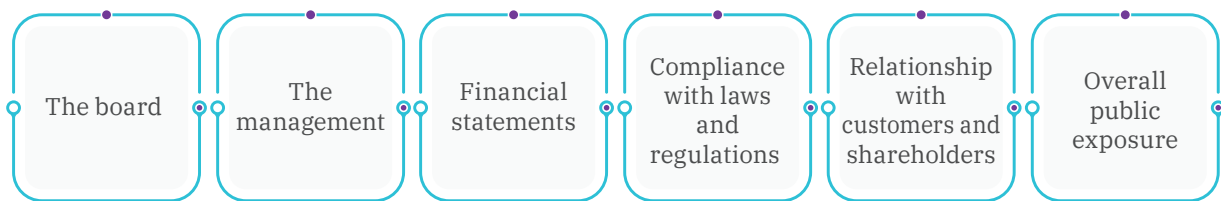
**BOARD MEETINGS**

The Company convenes a minimum of four Board meetings annually, with one meeting scheduled for each quarter. These meetings are formally notified in writing and serve various purposes, including review of the Company’s financial and operational performance and other relevant concerns. The duration between consecutive Board meetings does not exceed a period of three months.

In fiscal year 2022-23, the Board convened on 12 occasions. The scheduling of Board meetings occurs in advance, with written notification provided beforehand to each Director, giving them sufficient time to prepare. The notification also includes a comprehensive statement outlining the specific business matters to be discussed and addressed during each meeting. The Board convenes for both regularly planned meetings and even ad-hoc sessions to address pressing and urgent issues that demand prompt response.

In addition to the four scheduled Board meetings held every year, supplementary Board meetings are also convened to address any particular needs of the Company. The Board frequently grants approval for urgent topics by means of passing resolutions through circulation. In addition to its oversight of the overall business and administration, the Board fulfills the following functions :

- Formulating long-term strategies and setting the goals and direction for the Company.
- Reviewing, monitoring and approving 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.
- Ensuring that all processes are in place for maintaining the integrity of:





Review the adequacy of internal control systems

Review findings of internal investigations

Recommend appointment/removal of statutory auditors and fix their remuneration

A separate report on the activities of the Audit Committee is provided on page no. 96 of this Annual Report, pursuant to condition # 5.7 of the Corporate Governance Code-2018.

### NOMINATION & REMUNERATION COMMITTEE (NRC)

The Board has also established a Nomination & Remuneration Committee as required by regulatory guidelines. The primary role of the NRC is to oversee the structure, size and composition (including skills, knowledge and experience) of the Board members and to make recommendation/s to the Board on the Company's policy and structure for remuneration of Directors and senior management and reviewing and approving the compensation payable to the Managing Director & CEO and senior management. The policy of NRC is attached on page no. 98 of this Annual Report, pursuant to condition #6(5)(c) of the Corporate Governance Code-2018.

### ROLE OF THE CHAIRMAN

All meetings of the directors are spearheaded by the chairman. The election of the chairman of the company is conducted by the board who place significant importance on selecting an individual who embodies qualities of neutrality, independence, knowledge and sound judgement. He assumes an authoritative position in the process of selecting individuals for the board and top management positions.

The chairman assumes the responsibility of organising the meetings and collaborates closely with the Managing Director & CEO and Company Secretary to establish the agenda for the board meetings. He/she also assumes a leadership role within the board, overseeing its operations and ensuring its optimal functioning in fulfilling its roles and responsibilities. A concise overview of the duties and obligations associated with the position of chairman is outlined below:

The Chairman's responsibility is defined by the Board, as directed by BSEC notification on Corporate Governance

The Chairman ensures that the Board functions in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws and regulations

The Chairman presides over meetings of the Board and the Company (AGM) and ensures that good governance prevails in the conduct of the Board and the Company

The Chairman may assume any other responsibility if the Board assigns it within the purview of relevant rules, regulations, acts and articles.



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

In accordance with regulatory requirements, it is mandated that the Chairman of the Board and the Managing Director of the Company are different individuals who hold separate positions and carry out distinct duties as outlined by the Board. This arrangement serves to prevent the concentration of unchecked decision-making authority in a single individual. The individual serving as the Chairman holds the position of a Non-Executive Director, whilst the one serving as the Managing Director holds the position of an Executive Director. The delineation of responsibilities between the Chairman and Managing Director is explicitly defined, documented and endorsed by the Board as a means to enhance transparency and promote effective governance.

## ROLE OF THE MANAGING DIRECTOR & CEO

The Acting Managing Director & CEO is the key person and is responsible for running the operations of the Company. He is also responsible for formulating as well as implementing the board's strategy and policy. The Managing Director is responsible for establishing and executing the company's operating plan necessary to achieve the business objectives of the company. He has 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 on the role 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 sustainable shareholder value

The Managing Director is responsible for all day-to-day management decisions and for implementing the company's long- and short-term plans

The Managing Director acts as a direct liaison between the board and management and communicates to the board on behalf of the management

The Managing Director also liaises with shareholders, employees, government authorities, other stakeholders and the public on behalf of the company

## ROLE OF THE COMPANY SECRETARY

A qualified Company Secretary assists the board. The board has appointed the Company Secretary to maintain the necessary link and liaison with the internal departments as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the board.

According to the Corporate Governance Code of the BSEC, it is mandatory for a listed business to designate a qualified and competent individual as Company Secretary. In their role as a governance official, the Company Secretary assumes responsibility for promoting corporate compliance and offering assistance to the Chairman as well as other members of the board and the Managing Director in order to facilitate the efficient operations of the board and the company.





The role of the Company Secretary involves coordination and participation in all meetings of the Board and its committees. His/her responsibility includes ensuring that discussions on various matters are accurately documented, decisions are recorded, and appropriate communication is dispatched to relevant authorities for necessary information and action. The functions and responsibilities of the Company Secretary are summarised below:

Maintaining the crucial link between the board, management, shareholders and other stakeholders on matters of corporate interests

Performing duties as per guidelines, mainly regarding corporate secretarial and compliance matters

Compliance with 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 investors and other stakeholders

Disclosure of price sensitive information (PSI) and other capital market-related issues

Ensuring that appropriate board procedures are followed as per given guidelines/secretarial standards

Offering advice to the board on best practices, compliances, etc

Maintaining all statutory and other statistical registers as required under national laws and guidelines

Acting generally as the public relations officer of the company

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

The internal control system of the company is specifically designed to offer reasonable assurance in relation to the corporate objectives concerning the effectiveness and efficiency of its operations, the reliability of its financial reporting and management information (in terms of completeness and timeliness), and its compliance with relevant laws, regulations and internal policies. The individual holding the position of Head of Internal Audit and Compliance (HIAC) bears the responsibility of overseeing the internal control system and providing reports to the board Audit Committee regarding any deviations from the accounting and internal control systems. In addition, he/she assumes the role of overseeing the internal control team within the organisation.

The internal control system of the company is proportionate to its scale and type and complexity of operations. The system mitigates operational risks effectively by implementing robust control measures, conducting systematic reviews and organising ongoing audits. The internal auditor initiates a thorough examination of all functional areas and operations of the business, and thereafter presents the findings to the Audit Committee of the board for proper evaluation.





## STATUTORY AUDIT & CERTIFICATION

Annual audit of the company is governed by the Companies Act, 1994 and Securitas and Exchange Rules, 2020. 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. An appropriate structure is in place as per corporate governance best practices to ensure the independence of statutory auditors.

Statutory auditors are rotated every three years in compliance with the Code of Corporate Governance of BSEC. Notably, the Audit Committee meets with the statutory auditors to ensure that they are acting independently and also reviews the financial statements before submission to the Board for their final consent before release to the stock exchanges.

To ensure full regulatory discharge, a compliance certificate is obtained from a licensed practicing professional, M/s YAS Hossain & Co., Cost & Management Accountants, 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 on page no. 125 of this annual 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 BSEC's Code of Corporate Governance is presented on page no. 124 of this annual 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 implementation of different accounting standards is set out in the notes to the financial statements.

## EMPLOYEE HEALTH & SAFETY

Genex adheres to internal health and safety rules and procedures, as well as national legislations in order to maintain a secure and safe working environment. The company also collaborates with its staff to ensure the enhancement of health and safety standards that benefit everyone in the organisation. As a key precautionary health measure, the company offers comprehensive life and hospitalisation insurance benefit to its workforce (permanent employees).

## ANNUAL GENERAL MEETING (AGM)

The general meeting of shareholders is the supreme governing forum at Genex. The company recognises the rights of shareholders, and shareholder interests are primarily ensured through the Annual General Meeting (AGM).

The Company holds an AGM once a year as per stipulation and ensures effective interaction with shareholders at this important forum. Directors pay special attention to answering various queries raised by shareholders at the AGM. The company's general meetings provide a transparent and open platform for shareholders to communicate with the board. The board members and statutory and compliance auditors attend the AGM to respond to shareholder queries on the performance, growth strategy, results or any other aspects of the company.





# Directors' Report

Dear Esteemed Shareholders,

On behalf of the Board of Directors and the management of Genex Infosys Limited, I am honoured and privileged to extend warm greetings to all shareholders and attendees at the company's 11th Annual General Meeting. We are delighted to present the Directors' Report, Auditor's Report and the audited financial statements of the company for the fiscal year ending June 30, 2023, for your valued review, acceptance and endorsement. The aforementioned statements were officially sanctioned by the Board of Directors on 28th of October, 2023.

The Directors' Report has been prepared in compliance with section 184 of the Companies Act, 1994, BSEC's notification of 2018, Listing Regulations of Dhaka and Chittagong stock exchanges, and other applicable rules and regulations. Relevant disclosures and explanations relating to certain issues have been given by the directors, which they consider important to ensure transparency and good governance.

## BANGLADESH ECONOMY

Bangladesh's economy has exhibited a consistent growth trajectory over the years, reporting 6 per cent+ GDP expansion over the past few years (except for the COVID pandemic period). An attractive demographic profile, large 166 mn+ population pool, strong internal consumption demand, pro-business government policies, foreign investor fund inflows, and a fast digitalising economy have all contributed to the country emerging as an attractive constituent of the EMDE (emerging market and developing economy) universe. Further, the Smart Bangladesh vision as articulated by the Government has also enabled a strong direction in the growth journey of the country, opening up a new opportunity vista especially for companies in the IT/ITeS sector while also giving a digital impetus to other companies and institutions.

Bangladesh's exceptional resilience and deft handling of the pandemic and post-pandemic economic situation by the Government has ensured that it maintains a strong and secure growth profile, in line with its leap towards a "developing country" status. Further, Bangladesh's strong position is in stark contrast to the prevailing economic situation in some of the neighbouring countries such as Pakistan and Sri Lanka that are weighed down by inflation and high indebtedness.

The significant under-penetration in key products and services is in itself a major opportunity factor in Bangladesh. This gap is being slowly addressed by digital finance and emergence of Fintech companies that is ensuring institutional credit availability to underserved areas and also last-mile delivery. Further, institutional CSR funds is also contributing to building the fundamentals of society, such as electricity and even digital access that is further helping bridge the urban-rural divide, thus meeting the unmet needs of a vast swathe of the population.

## INFLATION

Similar to the rest of the world, inflation stands at elevated levels in Bangladesh too. Yet, Bangladesh Bank's efforts in taming inflation is credible, enabling prices of key commodities to remain within relative reach of the common man. Further, emphasis on self-sufficiency in food and food grains has enabled the country to minimise reliance on imports, thus ensuring controlled food price inflation.



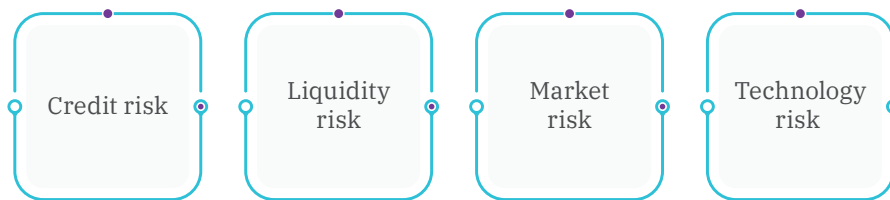




## ENTERPRISE RISK MANAGEMENT

We take an enterprise-wide approach to risk management. This defines the processes and practices across Genex for ensuring proactive identification and control of risks and opportunities that impact our strategic, operational and financial objectives. In the financial year 2022-23, we managed our business risks by stringently implementing our business plan and ensuring operational resilience actions to adjust to risks in our path towards sustainable growth and value creation.

The management of Genex, under the supervision and guidance of the board, owns the responsibility for the establishment and oversight of the enterprise risk management framework. The company has exposure to the following principal risk categories and adopts commensurate measures toward mitigation.



### *Credit Risk*

Credit risk refers to the potential financial detriment incurred in the event that a customer or counterparty involved in a financial transaction fails to fulfill their contractual obligation. The primary components of this category consist of accounts receivable from customer trade transactions, deposits related to trade activities and funds held in bank accounts. At the reporting date, the company's primary source of credit risk was from trade receivables, which are however safeguarded through agreements with clients and member institutions. Thus, credit risk has relatively low intensity at the company.

### *Liquidity Risk*

Liquidity risk refers to the company encountering difficulty in fulfilling its financial obligations within the specified timeframe. In this regard, the organisation ensures availability of adequate resources and credit lines from multiple banks to effectively manage its liquidity risk. Thus, liquidity risk also carries a low weightage within the operations of the company.

### *Market Risk*

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

### *Technology Risk*

Technology risk comprises the potential obsolescence of technology in a fast-paced environment, thus rendering a company uncompetitive. Consistent investment in technology is thus a fundamental aspect of business continuity, sustenance and growth, and this is precisely what we have done over the years, which is investing in cutting-edge technology for ensuring that we deliver contemporary, effective and personalised solutions to our clients. This has enabled our fundamental ability to retain our customers and expand the share of business with them.





## FINANCIAL HIGHLIGHTS AND ANALYSIS

The Gross Revenue, increased by 18.27%, Net Profit (BT) decreased and Net Profit (AT) increased by .70% and .78% during the FY 2022-23 over the previous year. The Cost of Sales Increased by 13.72% over the previous year due to an increase in employee salary cost compared to the previous year. The increase of gross profit margin of 24.60% during the FY 2022-23 over the previous year. However, the company earned an extraordinary income of Tk. 6.47 million (depicted in Note 29 of standalone accounts) during the year 2022-23 resulting in a net profit margin increase of .78% against the previous year. The EPS for the year under review is Tk. 3.32, a .78% increase over the previous year. EPS calculation took place on the basis of accounts during the year 2022-23. EPS calculation took place on the basis of the present outstanding 115,817,328 shares of Tk. 10 each.

## REVENUE

(BDT in million)

PARTICULARS	2022-23 (TK.)	2021-22 (TK.)	INCREASED/ (DECREASED)	GROWTH (%)
Data entry	35.91	28.49	7.42	26.1%
Business process outsourcing	156.89	58.84	98.04	166.6%
Robotics process outsourcing	17.83	5.65	12.18	215.8%
IT support & software maintenance	52.58	40.12	12.46	31.1%
Digital content development & management	58.01	27.50	30.52	111.0%
Call centre service	700.17	633.06	67.11	10.6%
System Integration	13.73	13.56	0.16	1.2%
Software development	153.75	166.62	(12.87)	-7.7%
Website development	40.90	46.76	(5.85)	-12.5%
Cloud Service	25.49	12.13	13.36	110.1%
<b>Total sales</b>	<b>1,255.27</b>	<b>1,032.73</b>	<b>222.53</b>	--

Consequently, data entry, BPO, Robotics Process Outsourcing, IT support & software maintenance Digital content development & management, Call centre service, System integration, Cloud service revenue have increased against the previous year. Cost of sales has also increased by 13.72% and operating expenses have increased by 20.65% during the year as compared to the prior year.





## INTERNAL CONTROL SYSTEM

The Company's internal control system is commensurate with its size and nature of business. The system minimises any operational risk through effective control, systematic review and ongoing audit. Internal auditors embark on a comprehensive audit of all functional areas and operations and their findings are referred to the board Audit Committee for due appraisal and implementation of corrective action, if any.

## MINORITY INTERESTS

In compliance with code 1(5)(xvi) of the Code of Corporate Governance of BSEC, the Board hereby confirms that the interests of minority shareholders have been duly protected by means of open and fully transparent operations of the company and through timely disclosure of material information.

## GOING CONCERN

The Board of Directors have reviewed the company's overall business plans and strategies and is satisfied that the company has adequate resources to continue its operations in the foreseeable future. Accordingly, the financial statements of the company have been prepared based on the going concern concept.

## FIVE YEARS' DATA

Key operating and financial data of the preceding five years has been summarized on page no. 41 of this annual report.

## PROPOSED DIVIDEND

The board of directors has recommended cash dividend, being 6% of the paid-up capital of the company of Tk. 69,490,397 to be paid in cash to the shareholders for the year 2022-23 and a 4% stock dividend. That will be placed before the shareholders in 11th AGM for approval.

## REASON FOR STOCK DIVIDEND

The board of directors of Genex has recommended a 4% stock dividend for the year 2023 to build up a strong reserve and use it as capital for further business expansion.

## INTERIM DIVIDEND

The board herewith states that no stock dividend was considered as interim dividend during the year 2022-23, which fulfills condition no.1(5)(xxi) of the Code of Corporate Governance of BSEC. Key operating and financial data of the preceding five years has been summarized on page no. 41 of this annual report.



## BOARD MEETINGS AND ATTENDANCE BY THE DIRECTORS

During the year ended June 30, 2023, a total of 13 (thirteen) meetings of the board were held. Attendance by the directors in the board meetings is summarised below.

NAME OF DIRECTORS	POSITION	MEETINGS HELD	ATTENDED
Mr. Chowdhury Fazle Imam	Chairman	13	13
Mr. Mohammed Adnan Imam, FCCA	Managing Director	13	13
Mr. Prince Mojumder	CEO	13	13
Mrs. Nilofar Imam	Director	13	7
Mr. Mezbah Uddin	Nominee Director	13	13
Mr. Md. Nazmul Hassan	Independent Director	13	13
Mrs. Rokeya Islam	Independent Director	13	13
Mr. T I M Nurul Kabir	Independent Director	13	8

## SHAREHOLDING PATTERN

The shareholding pattern of the company as at June 30, 2023, are shown in the following table:

Sl. no	Name	Status	Number of Shares held as of 30.06.2023	% 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. Chowdhury Fazle Imam	Chairman	9,184,704	7.93%
2	Mr. Mohammed Adnan Imam, FCCA	Managing Director	9,496,310	8.20%
3	Mr. Prince Mojumder	Chief Executive Officer	4,123,828	3.56%
4	Mrs. Nilofar Imam	Director	3,102,649	2.68%
5	Mrs. Gupa Saha	Spouse of Co-Founder	1,674,248	1.45%
6	Oracle Services Ltd, Nominated by Mr. Mezbah Uddin	Director	7,606,471	6.57%
7	Mrs. Rokeya Islam	Independent Director	Nil	Nil
8	Mr. Md. Nazmul Hassan	Independent Director	Nil	Nil
9	Mr. T I M Nurul Kabir	Independent Director	Nil	Nil





### CEO, CFO, CS, HOIA and their Spouses and Minor Children

1	Mr. Md. Jewel Rashed Sarker	Chief Financial Officer	Nil	Nil
2	Mr. Md. Mostaq Ahmed	Company Secretary	Nil	Nil
3	Mr. Md. Masud Khan Nayem	Head of Internal Audit & Compliance	Nil	Nil
<b>C</b>	<b>Top 5 (Five) Executives and their Spouses and Minor Children:</b>			
1	Mr. Salah Uddin Nasir	Head of Corporate Affairs and Administration	Nil	Nil
2	Mr. Rupam Barua	Head of Sales (ESS) Business development	Nil	Nil
3	Mrs. Nusrat Chowdhury	Vice President Head of People & Culture	Nil	Nil
4	Mr. Md. Mostofa Jaman	Head of Partnership and PR	Nil	Nil
5	Mr. Ashraful Haq	Vice President, Business Support & Operations	Nil	Nil
<b>D</b>	<b>Shareholders Holding 10% or more voting interest in the company</b>			
	There is no shareholder holding 10% or more			

### SUMMARY OF SHAREHOLDERS AND RANGE OF SHAREHOLDING

The shareholding distribution schedule of Genex as on June 30, 2023 is presented below on the basis of shareholder type:

Holding Range	Number of Shareholders	No. of Shares	Ownership (%)
1-100	5,489	233,492	0.20%
101-500	6,095	1,647,540	1.42%
501-1000	2,904	2,265,012	1.96%
1001-10000	5,626	18,335,118	15.83%
10001-20000	595	8,434,600	7.28%
20001-50000	377	11,653,376	10.06%
50001-100000	121	8,677,192	7.49%
100001-1000000	89	25,300,876	21.85%
1000001-5000000	6	16,333,661	14.10%
5000001-10000000	3	22,936,461	19.80%
<b>Total</b>	<b>21,305</b>	<b>115,817,328</b>	<b>100.00%</b>



Group Name	No. of Shareholders	No. of Shares	Ownership (%)
Sponsors/Promoters & Directors	13	35,188,210	30.38%
General Public	20,685	54,517,82	47.07%
Institute	605	26,110,916	22.54%
Foreign Company	2	378	0.00%
<b>Total</b>	<b>21,305</b>	<b>115,817,328</b>	<b>100.00%</b>

## DIRECTORS INVOLVED IN OTHER COMPANIES

NAME & DESIGNATION	DIRECTORSHIP/OWNERSHIP WITH OTHER COMPANIES	
	COMPANIES	POSITION
Mr. Mohammed Adnan Imam, FCCA, Managing Director	Green & Red Technologies Ltd NRB Commercial Bank Ltd	Director Director
Mr. Prince Mojumder, CEO	N/A	N/A
Mr. Chowdhury Fazle Imam, Chairman	AWR Developments (BD) Ltd AWR Real Estate Ltd	Chairman Chairman
Mrs. Nilofar Imam, Director	AWR Developments (BD) Ltd, Adverto Footwear, Sun Petro Energy Ltd, Bay Petro Chemical Ltd.	Director
Mr. Mezbah Uddin Nominee Director of Oracle Services Ltd	N/A	N/A
Mr. Md. Nazmul Hassan, Independent Director	N/A	N/A
Mrs. Rokeya Islam, Independent Director	N/A	N/A
Mr. T I M Nurul Kabir		

## MANAGEMENT DISCUSSION AND ANALYSIS

A management discussion and analysis signed by the Managing Director regarding the company's operations and position along with a brief discussion of changes in the financial statements is presented in this annual report.



## DIRECTORS' APPOINTMENT AND RE-APPOINTMENT

With regards to the appointment, retirement and re-appointment of directors, the company is governed by its Articles of Association and the Companies Act, 1994 and other related legislations. As per Articles 129 and 130 of the Articles of Association of the company, Mr. Mohammed Adnan Imam and Mr. Prince Mojumder retire from their position of director by rotation at the 11<sup>th</sup> Annual General Meeting and, being eligible, offer themselves for re-election.

Brief profiles of the directors being proposed for re-appointment are given in the Annual Report, which fulfills condition no.1(5)(xxiv) of the Code of Corporate Governance of BSEC.

## APPOINTMENT OF MANAGING DIRECTOR

The board of Directors has appointed Mr. Shah Jala Uddin as Acting Managing Director and CEO in its meeting for a tenure of three years effective from 9 August 2023. The Board also recommended Tk 2,50,000 as remuneration plus other admissible benefits as per company policy in this regard. The board of Directors recommends the appointment based on the recommendation of the Nomination and Remuneration Committee. The aforesaid terms and benefits shall be placed before the shareholders for their approval at the 11<sup>th</sup> Annual General Meeting of the company to be held in 24<sup>th</sup> December 2023.

## CHANGES IN THE BOARD OF DIRECTORS

To improve the company's standing in the market, the Board of Directors was reorganized. The modifications took effect on August 09, 2023. The following are the modifications to the Board of Directors:

SL. NO.	NAME	POSITION
1	Mr. Mohammed Adnan Imam, FCCA	Chairman
2	Mr. Prince Mojumder	Vice Chairman
3	Mr. Shah Jalal Uddin	Acting MD & CEO
4	Mr. Chowdhury Fazle Imam	Director

## RE-APPOINTMENT OF INDEPENDENT DIRECTOR.

The reappointment of Md. Nazmul Hassan FCMA, has been recommended by the NR committee, and it will be placed before the shareholders in the 11<sup>th</sup> Annual General Meeting for the approval of shareholders.

## ISSUANCE OF CONVERTIBLE BONDS

The proposal for issuance of BDT 150 crores coupon-bearing bond, with conversion feature and backed by bank guarantee to be issued by Genex is subject to approval from the shareholder in the 11<sup>th</sup> AGM and Bangladesh Securities and Exchange Commission.

## NAME CHANGE OF THE COMPANY

In accordance with the Companies Act, 1994 (as amendment 2020) and the amendment of the relevant clauses of the Memorandum and Articles of Association, the board of directors in its meeting held on October 28, 2023 have agreed on the adoption of the word "PLC" instead of "LTD" at the end of the company's registered name.





## DECLARATION OF THE MANAGING DIRECTOR AND CFO

Declaration by the Managing Director and CFO as required under condition no. 1(5) (xxvi) of the Corporate Governance Code of BSEC has been given in Annexure A on page no. 124 of this annual report.

## CORPORATE GOVERNANCE

Genex acknowledges that corporate governance is an ongoing process that must be formed, fostered and forged by the collective endeavours of all stakeholders. This is the reason why the company involves all of its team members in the process, since good governance necessitates the professional, efficient and responsible management of the business in a manner that is transparent, ethical, compliant with the law, and promotes accountability. In order to achieve this objective, the organisation has made efforts to adhere to all the applicable regulations of the Corporate Governance Code, as specified in the BSEC gazette notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The company strives to maintain its well-established principles of good governance by remaining vigilant in its management initiatives and practices.

A report on Corporate Governance practices of the Company is annexed on page no. 126 of this annual report. The certificate required under the said code along with compliance status of corporate governance code of BSEC have been given in Annexure B and C respectively on page no. 125 & 126 of this annual report.

## ACKNOWLEDGEMENT

The board of directors of Genex holds a strong conviction that the company possesses the fundamental strengths, resources and commitments required to facilitate long-term growth and enhance its contribution to the nation, while creating sustainable value for shareholders and other stakeholders. The performance of the company over the financial 2022-23 exemplifies the resolute commitment and determination of the board, management and all employees to serve customers to the best of their ability and power a digital society.

On this occasion, the Board would like to express its gratitude to the employees of the company, and all shareholders, customers, financiers, bankers and insurers of the company. The board would also like to express its gratitude to Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Registrar of Joint Stock Companies and Firms (RJSC), Central Depository Bangladesh Ltd. (CDBL) and all other regulatory authorities for their support and cooperation in elevating the company to its current position.

The board remains committed to collaborating with all related entities to establish an efficient and favourable digital ecosystem that will fast-track Bangladesh's transition towards a digital nation.

For and on behalf of the Board of Directors,



**MOHAMMED ADNAN IMAM, FCCA**

Chairman







**Annexure- B**



218, Dr. Kudrat E Khoda Road,  
Suite-9, Shahera Tropical center,  
7th Floor, Elephant Road,  
Dhaka-1205, Bangladesh  
Tel : +8801711956632  
Email : mah956632@gmail.com

**Report to the Shareholders of  
Genex Infosys Limited  
On  
Compliance on the Corporate Governance Code  
For the year ended on June 30, 2023**

We have examined the compliance status to the Corporate Governance Code by **Genex Infosys Limited** for the year ended as on **June 30, 2023**. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, June 03, 2018 of the Bangladesh Securities and Exchange Commission.

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

This is a scrutiny and verification and an independent audit on compliance of the 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;
- (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.

Name of Firm: **YAS Hossain & Co.**  
Cost and Management Accountants

Signature of the Auditor:

Name of the Auditor: **Younus Ali FCMA,**  
Partner

Enrolment No.: F-1167  
Date : December 04, 2023  
Dhaka

RESPECT IS OUR PRINCIPLE AND COMMITMENT IS THE PRIME MOVER OF OUR FIRM



**Genex Infosys Limited**

Status of Compliance with the Corporate Governance Code (CGC)  
For the year ended 30th June, 2023

Status of compliance with the conditions imposed by the Commission’s Notification No.SEC/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	Complied	Not Complied	Remarks (IF ANY)
<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 one fifth (1/5) of the total number of directors in the company’s board shall be independent directors.	✓		
1(2)(b)	<i>For the purpose of this clause ‘independent director’ means a director-</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)(i)	Who is no 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,			
1(2)(b)(ii)	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 audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFi);	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	✓		
<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;	✓		
1(3)(b)	<b>Independent Director shall have following qualifications</b>			



1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;	√		
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;	-		Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		Not Applicable
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;			No such issue arose
1(4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director 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
1(5)	<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;	√		There is a single business in which the compant operates and a single geographic segment it services, there is no segment reporting at the company.
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;	√		Not Applicable
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;			Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial statements;	√		No such issue arose
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 accounts 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 therefrom 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 is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		No such incidence arose
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;			The Board of Directors has recommended 6% Cash dividend and 4% Stock Dividend for the year ended on June 30, 2023.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		No stock dividend was considered as interim dividend during the year June 30, 2023.
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 or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	√		
1(5)(xxiv)(b)	nature of his or 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)	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 or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
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.	√		
1(6)	<b>Meetings of the Board of Directors:</b> The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson 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 behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		An approved Code of Conduct for the Chairperson, other Board members and Chief Executive Officer as per Corporate Governance Code of BSEC & TOR of NRC is available in the following link on Genex's official website: <a href="https://genexinfosys.com/-invesotr-relation/codeofconduct/">https://genexinfosys.com/-invesotr-relation/codeofconduct/</a>
2	<b>Governance of Board of Directors of Subsidiary Company</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		
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.	√		







5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such incidence arose
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-		No such issue arose during this period
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
<b>5(5)</b>	<b>Role of Audit Committee</b> : The Audit Committee shall:-			
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 all related party transactions submitted by the management;	√		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
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 issue arose during this period
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	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 compliances including securities related laws, rules and regulations;			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, whichever is earlier.			No such reportable incidence arose
<b>5(7)</b>	<b>Reporting to the Shareholders and General Investors:</b> Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		No report has been made under code 5 (6) (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).	√		
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		No such issue arose during this period
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 or consultancy 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 issue arose during this period



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 meetings 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)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual Report.	√		
<b>7</b>	<b>External or 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 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	√		







এম এম রহমান এড কোং  
**M M Rahman & Co.**  
Chartered Accountants



**Russell Bedford**  
*taking you further*  
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*a global network of independent professional services firms*

INTRODUCTION

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*Auditor's Report and Audited  
Consolidated and Separate  
Financial Statements*

*Of*

**GENEX INFOSYS LIMITED**

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

For the year ended June 30, 2023



## 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, 2023, 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 and other explanatory informations.

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, 2023, 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), the Companies Act 1994, the Securities and Exchange rules, 2020 and other applicable laws and regulations.

### 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.

### 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
<p><b>Non-current Asset</b></p> <p>The non-current assets comprise of property, plant and equipment, the intangible assets, the capital work in progress the written down value of which amounted to Tk. 1,427,070,840 ; Tk. 421,815,968 and Tk. 120,528,440 respectively. The total of above mentioned assets amounted to Tk.</p>	<p>Our audit procedures to address the risks of material misstatement relating to non-current assets, which was considered to be a significant risk, included:</p> <ul style="list-style-type: none"> <li>Observing the procedures of assets acquisition, depreciation and disposal;</li> </ul>

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1,969,415,247 which is equivalent to 45.79% 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.

- › Reviewing the basis of recognition, measurement and valuation of assets;
- › Checking ownership of the major assets;
- › Evaluating the basis for the rate of charging amortization and depreciation and determination of useful life;
- › Checking the Capital-Work-in-Progress (CWIP) and its transfer to property, plant and equipment;
- › Identifying if there is any impairment indicator; and
- › Assessing the justification of the valuation.

See note no. 6, 7 & 8 to the financial statements

**Risk**

**Existence and Valuation of Inventory**

As at June 30, 2023 the company reported total inventory balances Tk. 104,774,310 held in Genex registered office.

Inventories are valued at the lower of cost or net realizable value (NRV). 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.

See note no. 11.00 to the financial statements

**Our response to the audit**

We assessed the appropriateness of management's assumptions applied in calculating the value of the inventory by:

- › Reviewing the recording and valuation process of the inventories;
- › Review the Company's process of inventory count and perform test count;
- › Assessing the appropriateness of the valuation of inventory and performing the recalculation; and
- › Understanding and testing relevant controls within the purchase, measurement and storing process of the inventories.

**Revenue Recognition**

The Company reports revenue of Tk. 1,255,265,078 from Call Centre Service, Software Development, Business Process Outsourcing, Cloud Service, IT Support and Software Maintenance and other related ITES services.

We have tested the design and operating effectiveness of key controls focusing on the following:

- › Assessing the mechanism and procedures of recognition and measurement as well as other relevant systems supporting the accounting of revenue, including the control system;



The application of revenue recognition accounting standards is complex and involves a number of key judgments and estimates, including those applied on revenue arrangements with multiple elements and those contracts where there is the existence of principal and agent relationship.

Due to the estimates and judgment involved in applying the revenue recognition accounting standards and the degree of complexity of IT systems and processes used, we have considered this matter as a key audit matter.

- › Assessing controls for IT-systems and procedures supporting revenue recognition and reporting;
- › Checking the timing of the revenue recognition;
- › Considering the adequacy of the financial statement disclosures contained in relation with revenue during the year;
- › Examining the long-term contract with major customers, long-term contracts make it more difficult for customers to switch vendors suddenly.

See note no. 24.00 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 other than the consolidated and separate financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of the auditor's report.

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, 2020 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, 2020 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.

Name of Firm: M M Rahman & Co.  
Chartered Accountants

Signature of the Auditor   
Name of the Auditor Mohammed Forkan Uddin FCA  
Managing Partner

Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023



## Genex Infosys Limited and its Subsidiaries

Consolidated statement of financial position  
As at June 30, 2023

Particulars	Notes	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment net	6.A	1,433,854,951	1,315,367,497
Intangible assets net	7.A	422,237,675	258,604,474
Capital work in progress	8.A	120,528,440	113,920,000
Right of Use Asset net	9.A	92,236,303	116,854,380
Investment	10.A	717,632,396	609,332,980
<b>Total non-current assets</b>		<b>2,786,489,765</b>	<b>2,414,079,330</b>
<b>Current Assets</b>			
Inventories	11.A	104,774,310	88,758,648
Trade & other receivables	12.A	484,522,966	416,784,764
Advances, deposits and prepayments	13.A	938,458,703	88,723,658
Cash and cash equivalents	14.A	35,732,062	142,796,995
<b>Total current assets</b>		<b>1,563,488,041</b>	<b>737,064,065</b>
<b>TOTAL ASSETS</b>		<b>4,349,977,806</b>	<b>3,151,143,396</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	15.00	1,158,173,280	1,135,464,000
Retained Earnings	16.A	1,266,917,108	990,891,699
<b>Total equity attributable to equity holders</b>		<b>2,425,090,388</b>	<b>2,126,355,699</b>
Reserve for Fair value of changes in marketable securities	16.01.A	(197,643,063)	(249,998,072)
Non-Controlling interest	16.B	1,359,500	778,275
<b>Total equity</b>		<b>2,228,806,826</b>	<b>1,877,135,902</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Long term loan	17.A	507,457,154	312,722,782
Lease Liability	18.A	46,469,936	74,569,024
<b>Total non-current liabilities</b>		<b>553,927,090</b>	<b>387,291,806</b>
<b>Current Liabilities</b>			
Trade and other payables	19.A	57,446,125	13,412,835
Unclaimed Dividend	20.A	1,331,596	1,709,970
Short term loan	21.A	1,405,502,803	765,356,722
Current portion of long term loan	17.02.A	5,000,000	6,200,000
Current portion of lease Liability	18.A	53,306,637	46,292,724
Liabilities for expenses	22.A	41,542,186	44,944,300
Provision for Income Tax	23.A	3,114,544	8,799,138
<b>Total current liabilities</b>		<b>1,567,243,891</b>	<b>886,715,688</b>
<b>Total liabilities</b>		<b>2,121,170,980</b>	<b>1,274,007,494</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>4,349,977,806</b>	<b>3,151,143,396</b>
<b>Consolidated Net Asset Value (NAV) Per Share</b>	33.A	<b>19.24</b>	<b>16.53</b>

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

Chairman

Managing Director (Acting)

Director

Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023



## Genex Infosys Limited

Statement of financial position  
As at June 30, 2023

Particulars	Notes	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment net	6.00	1,427,070,840	1,308,111,941
Intangible assets net	7.00	421,815,968	258,077,340
Capital work in progress	8.00	120,528,440	113,920,000
Right of Use Asset net	9.00	89,347,981	115,702,312
Investment	10.00	718,382,396	610,082,980
<b>Total non-current assets</b>		<b>2,777,145,624</b>	<b>2,405,894,573</b>
<b>Current Assets</b>			
Inventories	11.00	104,774,310	88,758,648
Trade & other receivables	12.00	447,234,658	415,863,814
Advances, deposits and prepayments	13.00	937,102,922	87,371,276
Cash and cash equivalents	14.00	35,022,683	142,665,959
<b>Total current assets</b>		<b>1,524,134,574</b>	<b>734,659,697</b>
<b>TOTAL ASSETS</b>		<b>4,301,280,198</b>	<b>3,140,554,270</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15.00	1,158,173,280	1,135,464,000
Retained earnings	16.00	1,263,588,608	989,306,874
Reserve for Fair value of changes in marketable securities	16.01	(197,643,063)	(249,998,072)
<b>Total equity</b>		<b>2,224,118,825</b>	<b>1,874,772,802</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Long term loan	17.00	507,457,154	312,722,782
Lease Liability	18.00	45,193,395	74,569,024
<b>Total non-current liabilities</b>		<b>552,650,549</b>	<b>387,291,806</b>
<b>Current Liabilities</b>			
Trade and other payables	19.00	18,400,711	8,377,687
Unclaimed Dividend	20.00	1,331,596	1,709,970
Short term loan	21.00	1,405,502,803	765,356,722
Current portion of long term loan	17.02	5,000,000	6,200,000
Current portion of lease Liability	18.00	51,645,404	45,132,232
Liabilities for expenses	22.00	40,036,661	43,698,086
Provision for Income Tax	23.00	2,593,650	8,014,966
<b>Total current liabilities</b>		<b>1,524,510,824</b>	<b>878,489,662</b>
<b>Total liabilities</b>		<b>2,077,161,373</b>	<b>1,265,781,468</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>4,301,280,198</b>	<b>3,140,554,270</b>
<b>Net Asset Value (NAV) Per Share</b>	33.00	<b>19.20</b>	<b>16.51</b>

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

Chairman

Managing Director (Acting)

Director

Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023





### Genex Infosys Limited and its Subsidiaries

Consolidated statement of profit or loss  
For the year ended June 30, 2023

Particulars	Notes	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
Net revenue	24.A	1,442,580,332	1,219,728,667
Less: Cost of sales	25.A	807,300,812	709,874,847
<b>Gross profit/ (loss)</b>		<b>635,279,520</b>	<b>509,853,820</b>
Less: Administrative expenses	26.A	71,620,768	58,975,505
Less: Selling & distribution expenses	27.A	1,353,431	655,741
<b>Profit/ (loss) before finance cost</b>		<b>562,305,321</b>	<b>450,222,574</b>
Less: Financial expenses	28.A	165,870,703	107,444,101
<b>Profit/(loss) from operation</b>		<b>396,434,618</b>	<b>342,778,473</b>
Add: Other income	29.A	6,472,058	66,183,670
<b>Profit/(loss) before workers' profit participation fund (WPPF)</b>		<b>402,906,675</b>	<b>408,962,143</b>
Less: Workers' profit participation fund	30.A	19,186,032	19,474,388
<b>Profit/(loss) before provision</b>		<b>383,720,643</b>	<b>389,487,754</b>
Add: Provision for Diminution/Increase in value of Investment(Sellable)	29.01	3,059,465	-
<b>Profit/(loss) before provision</b>		<b>386,780,108</b>	<b>389,487,754</b>
Less: Income tax expense	31.A	2,126,017	7,810,665
<b>Net profit/ (loss) after tax</b>		<b>384,654,090</b>	<b>381,677,090</b>
<b>Net profit attributable to:</b>			
Profit attributable to Equity holders of the company		384,072,865	381,148,815
Non-controlling interest (Loginex Ltd.)		581,225	528,275
<b>Consolidated profit/ (loss)</b>		<b>384,654,090</b>	<b>381,677,090</b>
<b>Consolidated Earnings Per Share (EPS) - Basic</b>	32.A	<b>3.32</b>	<b>3.29</b>

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

Chairman

Managing Director (Acting)

Director

Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

Chief Financial Officer

Signature of the Auditor:

Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner

Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023





### Genex Infosys Limited and its Subsidiaries

Consolidated Statement of other comprehensive income  
For the year ended June 30, 2023

	Notes	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
Net profit /(loss) after tax		384,654,090	381,677,090
Add: Other comprehensive income that will not be reclassified to profit or loss in subsequent year (net of tax):		-	-
Add/(Less): Fair value of changes in marketable securities	29.01	52,355,009	(249,998,072)
<b>Other comprehensive loss for the year, net of tax</b>		<b>437,009,100</b>	<b>131,679,017</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>437,009,100</b>	<b>131,679,017</b>

  
Chairman


  
Managing Director (Acting)

  
Director

  
Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

  
Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023



## Genex Infosys Limited

Statement of profit or loss  
For the year ended June 30, 2023

	Notes	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
Net revenue	24.00	1,255,265,078	1,032,731,672
Less: Cost of sales	25.00	630,546,235	531,743,682
<b>Gross profit/ (loss)</b>		<b>624,718,843</b>	<b>500,987,990</b>
Less: Administrative expenses	26.00	64,181,796	53,194,601
Less: Selling & distribution expenses	27.00	1,353,431	655,741
<b>Profit/ (loss) before finance cost</b>		<b>559,183,616</b>	<b>447,137,648</b>
Less: Financial expenses	28.00	165,737,083	107,401,311
<b>Profit/(loss) from operation</b>		<b>393,446,533</b>	<b>339,736,337</b>
Add: Other income	29.00	6,472,058	66,183,670
<b>Profit/(loss) before workers' profit participation fund (WPPF)</b>		<b>399,918,591</b>	<b>405,920,007</b>
Less: Workers' profit participation fund	30.00	19,043,742	19,329,524
<b>Profit/(loss) before provision</b>		<b>380,874,848</b>	<b>386,590,482</b>
Add: Provision for Diminution/Increase in value of Investment(Sellable)	29.01	3,059,465	-
<b>Profit/(loss) before provision</b>		<b>383,934,313</b>	<b>386,590,482</b>
Less: Income tax expense	31.00	1,605,123	7,026,493
<b>Net profit/(loss) after tax</b>		<b>382,329,190</b>	<b>379,563,990</b>
<b>Earnings per Share (EPS) - Basic</b>	32.00	<b>3.30</b>	<b>3.28</b>

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



Chairman



Managing Director (Acting)



Director




Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants



Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023

Enrolment No. 886





## Genex Infosys Limited

Statement of other comprehensive income  
 For the year ended June 30, 2023

Particulars	Notes	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
Net profit /(loss) after tax		382,329,190	379,563,990
Add: Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):		-	-
Provision for (Diminution) / Increase in value of Investment (Fixed)	29.01	52,355,009	(249,998,072)
<b>Other comprehensive loss for the year, net of tax</b>		<b>434,684,199</b>	<b>129,565,917</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>434,684,199</b>	<b>129,565,917</b>

  
 Chairman


  
 Managing Director (Acting)

  
 Director

  
 Company Secretary

Name of Firm: M M Rahman & Co.  
 Chartered Accountants

  
 Chief Financial Officer

Signature of the Auditor   
 Name of the Auditor: Mohammed Forkan Uddin FCA  
 Managing Partner  
 Enrolment No. 886

DVC : 2311090886AS284133  
 Dhaka, Date : 28-10-2023



## Genex Infosys Limited and its Subsidiaries

Consolidated statement of changes in equity  
For the year ended June 30, 2023

(Amount in BDT)

Particulars	Ordinary Share Capital	Retained Earnings	Reserve for Fair value of changes in marketable securities	Non-Controlling Interest (Green and Red Technologies Ltd.)	Non-Controlling Interest (Loginex Ltd.)	Total Equity
Balance as on 01 July 2022	1,135,464,000	990,891,699	(249,998,072)	-	778,275	1,877,135,902
Stock Dividend @2%	22,709,280	(22,709,280)	-	-	-	-
Cash Dividend @11%	-	(85,338,176)	-	-	-	(85,338,176)
Net profit/ (loss) after tax	-	384,072,865	-	-	581,225	384,654,090
Reserve for Fair value of changes in marketable securities	-	-	52,355,009	-	-	52,355,009
<b>Balance as at 30 June 2023</b>	<b>1,158,173,280</b>	<b>1,266,917,108</b>	<b>(197,643,063)</b>	<b>-</b>	<b>1,359,500</b>	<b>2,228,806,826</b>

Particulars	Ordinary Share Capital	Retained Earnings	Reserve for Fair value of changes in marketable securities	Non-Controlling Interest (Green and Red Technologies Ltd.)	Non-Controlling Interest (Loginex Ltd.)	Total Equity
Balance as on 01 July 2021	1,032,240,000	848,628,603	-	187	-	1,880,868,790
Stock 10%	103,224,000	(103,224,000)	-	-	-	-
Cash Dividend 10%	-	(103,224,000)	-	-	-	(103,224,000)
Adjustment during the year ( Retained earnings of Green & Red Technologies Ltd.)	-	(32,437,718)	-	(187)	-	(32,437,905)
Net profit/ (loss) after tax	-	381,148,815	-	-	778,275	381,927,090
Reserve for Fair value of changes in marketable securities	-	-	(249,998,072)	-	-	(249,998,072)
<b>Balance as at 30 June 2022</b>	<b>1,135,464,000</b>	<b>990,891,699</b>	<b>(249,998,072)</b>	<b>-</b>	<b>778,275</b>	<b>1,877,135,902</b>

This is the Statement of Changes in Equity referred to in our separate report of even date

Chairman

Managing Director (Acting)

Director

Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023

Enrolment No. 886



## Genex Infosys Limited

Statement of changes in equity  
For the year ended June 30, 2023

(Amount in BDT)

Particulars	Ordinary Share Capital	Retained Earnings	Reserve for Fair value of changes in marketable securities	Total Equity
Balance as on 01 July 2022	1,135,464,000	989,306,874	(249,998,072)	1,874,772,802
Stock Dividend @ 2%	22,709,280	(22,709,280)	-	-
Cash Dividend @ 11%	-	(85,338,176)	-	(85,338,176)
Net profit /(loss) after tax	-	382,329,190	-	382,329,190
Reserve for Fair value of changes in marketable securities	-	-	52,355,009	52,355,009
<b>Balance as at 30 June 2023</b>	<b>1,158,173,280</b>	<b>1,263,588,608</b>	<b>(197,643,063)</b>	<b>2,224,118,825</b>

Particulars	Ordinary Share Capital	Retained Earnings	Reserve for Fair value of changes in marketable securities	Total Equity
Balance as on 01 July 2021	1,032,240,000	816,190,885	-	1,848,430,885
Stock Dividend @ 10%	103,224,000	(103,224,000)	-	-
Cash Dividend @ 10%	-	(103,224,000)	-	(103,224,000)
Net profit /(loss) after tax	-	379,563,990	-	379,563,990
Reserve for Fair value of changes in marketable securities	-	-	(249,998,072)	(249,998,072)
<b>Balance as at 30 June 2022</b>	<b>1,135,464,000</b>	<b>989,306,874</b>	<b>(249,998,072)</b>	<b>1,874,772,802</b>

This is the Statement of Changes in Equity referred to in our separate report of even date

  
Chairman


  
Managing Director (Acting)

  
Director

  
Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

  
Chief Financial Officer

Signature of the Auditor   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023





## Genex Infosys Limited and its Subsidiaries

Consolidated statement of cash flows  
For the year ended June 30, 2023

	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>Cash flows from operating activities</b>		
Received from customers and others	1,381,314,188	1,247,870,074
Paid to suppliers	(194,406,248)	(212,760,469)
Paid to employees	(391,544,885)	(301,464,722)
Paid to Administrative Expense	(58,738,480)	(40,535,871)
Paid for Income Tax	(7,810,611)	(6,618,367)
Paid for finance expenses	(162,155,290)	(109,801,963)
<b>Net cash generated from operating activities</b>	<b>566,658,674</b>	<b>576,688,681</b>
<b>Cash flows from investing activities</b>		
Paid for acquisition of property, plant and equipment	(11,286,533)	(28,744,608)
Paid for acquisition of intangible assets	(237,354,782)	-
Paid for capital work in progress	(1,120,161,253)	(113,920,000)
Paid for share investment	(52,134,942)	(666,277,469)
Paid for investment in subsidiary	(750,000)	(750,000)
Paid for/ Received from fixed deposit rates	-	85,000,000
<b>Net cash used in investing activities</b>	<b>(1,421,687,509)</b>	<b>(724,692,076)</b>
<b>Cash flows from financing activities</b>		
Paid for / Received from short-term loan	640,146,080	254,105,857
Dividend Paid	(85,716,550)	(103,068,132)
Paid for / Received from long-term loan	193,534,372	(2,380,776)
Proceeds from issu of share capital		1,000,000
<b>Net cash provided for financing activities</b>	<b>747,963,902</b>	<b>149,656,949</b>
<b>Net increase in cash and cash equivalents</b>	<b>(107,064,933)</b>	<b>1,653,554</b>
Cash and cash equivalents at the beginning of the period	142,796,995	141,143,441
<b>Cash and cash equivalents at the end of the period</b>	<b>35,732,062</b>	<b>142,796,995</b>
<b>Consolidated Net Operating Cash Flows per Share (NOCFPS)</b>	<b>34.A 4.89</b>	<b>5.08</b>

  
Chairman


  
Managing Director (Acting)

  
Director

  
Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

  
Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023





## Genex Infosys Limited

Statement of cash flows

For the year ended June 30, 2023

	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>Cash flows from operating activities</b>		
Received from customers and others	1,230,366,291	1,061,794,029
Paid to suppliers	(87,565,283)	(44,771,549)
Paid to employees	(351,161,635)	(291,892,170)
Paid for Administrative Expense	(56,793,279)	(39,057,036)
Paid for Income Tax	(7,026,439)	(6,618,367)
Paid for finance expenses	(162,021,670)	(109,759,173)
<b>Net cash generated from operating activities</b>	<b>565,797,986</b>	<b>569,695,734</b>
<b>Cash flows from investing activities</b>		
Paid for acquisition of property, plant and equipment	(11,004,187)	(20,882,696)
Paid for Intangible Assets	(237,354,782)	-
Paid for capital work in progress	(1,120,161,253)	(113,920,000)
Paid for share investment	(52,134,942)	(666,277,469)
Paid for investment in subsidiary/ associates	(750,000)	(750,000)
Encashment of fixed deposit rates	-	85,000,000
<b>Net cash used in investing activities</b>	<b>(1,421,405,163)</b>	<b>(716,830,165)</b>
<b>Cash flows from financing activities</b>		
Paid for / Received from short-term loan	640,146,080	254,105,857
Dividend Paid	(85,716,550)	(103,068,132)
Paid for / Received from long-term loan	193,534,372	(2,380,776)
<b>Net cash provided for financing activities</b>	<b>747,963,902</b>	<b>148,656,949</b>
<b>Net increase in cash and cash equivalents</b>	<b>(107,643,276)</b>	<b>1,522,518</b>
Cash and cash equivalents at the beginning of the year	142,665,959	141,143,441
<b>Cash and cash equivalents at the end of the year</b>	<b>35,022,683</b>	<b>142,665,959</b>
<b>Net Operating Cash Flows per Share (NOCFPS)</b>	<b>34.00</b>	<b>5.02</b>

This is the Statement of Cash Flows referred to in our separate report of even date.

  
Chairman


  
Managing Director (Acting)

  
Director

  
Company Secretary

Name of Firm: M M Rahman & Co.  
Chartered Accountants

  
Chief Financial Officer

Signature of the Auditor:   
Name of the Auditor: Mohammed Forkan Uddin FCA  
Managing Partner  
Enrolment No. 886

DVC : 2311090886AS284133  
Dhaka, Date : 28-10-2023





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



### Genex Infosys Limited and its Subsidiaries

Consolidated schedule of property, plant and equipment  
 As at June 30, 2023

Annexure - A.1

Name of Assets	Cost			Rate (%)	Depreciation			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Adjustment during the year		Balance as on 30.06.2023	Charged during the year	Adjustment during the year	
Land & Land Development	268,195,579	-	-	268,195,579	-	-	-	268,195,579
Machinery and equipment	1,640,731,006	271,092,742	-	1,911,823,748	142,718,404	-	928,871,631	982,952,117
Furniture and fixtures	131,853,424	3,040,266	-	134,893,690	8,549,043	-	56,509,128	78,384,562
Motor vehicles	50,322,100	-	-	50,322,100	3,034,628	-	38,183,586	12,138,514
Office Equipments	-	645,600	-	645,600	1,738	-	1,738	643,862
Office decoration and renovation	137,052,937	7,522,008	-	144,574,945	9,509,348	-	53,034,628	91,540,316
<b>As on June 30, 2023</b>	<b>2,228,155,045</b>	<b>282,300,616</b>	<b>-</b>	<b>2,510,455,661</b>	<b>163,813,161</b>	<b>-</b>	<b>1,076,600,711</b>	<b>1,433,854,951</b>
<b>As on June 30, 2022</b>	<b>2,061,858,219</b>	<b>187,141,755</b>	<b>20,844,928</b>	<b>2,228,155,045</b>	<b>146,415,007</b>	<b>10,911,730</b>	<b>912,787,549</b>	<b>1,315,367,497</b>



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



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### Genex Infosys Limited

Schedule of Property, plant and equipment  
 As on June 30, 2023

Annexure - A

Name of Assets	Cost		Rate (%)	Depreciation		Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year		Balance as on 30.06.2023	Charged during the year	
Land & Land Development	268,195,579	-	0%	-	-	268,195,579
Machinery and equipment	1,640,448,318	271,014,083	15%	142,682,937	928,829,488	982,632,913
Furniture and fixtures	131,438,924	2,836,579	10%	8,487,497	56,444,856	77,830,647
Motor vehicles	50,322,100	-	20%	3,034,628	38,183,586	12,138,514
Office Equipments	-	645,600	10%	1,738	1,738	643,861
Office decoration and renovation	130,458,066	7,522,008	10%	8,852,571	52,350,749	85,629,325
<b>As on June 30, 2023</b>	<b>2,220,862,987</b>	<b>282,018,270</b>		<b>163,059,371</b>	<b>1,075,810,417</b>	<b>1,427,070,840</b>
<b>As on June 30, 2022</b>	<b>2,041,013,292</b>	<b>179,849,695</b>		<b>146,378,504</b>	<b>912,751,046</b>	<b>1,308,111,941</b>

Allocation of Depreciation:		30.06.2023	30.06.2022
<b>Depreciation Allocated to:</b>			
Cost of Sales	93%	151,645,215	136,132,009
Administrative Expenses	7%	11,414,156	10,246,495
<b>Total</b>		<b>163,059,371</b>	<b>146,378,504</b>





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



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### Genex Infosys Limited and its Subsidiaries

Consolidated schedule of intangible assets  
 As at June 30, 2023

Annexure - B.1

Name of Assets	Cost				Amortization				Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Adjustment during the year	Balance as on 30.06.2023	Rate (%)	Balance as on 01.07.2022	Charged during the year	Adjustment during the year	
Software	568,446,706	237,354,782	-	805,801,488	15%	309,842,232	73,721,581	-	383,563,813
As on June 30, 2023	568,446,706	237,354,782	-	805,801,488		309,842,232	73,721,581	-	383,563,813
As on June 30, 2022	574,140,094	569,852	6,263,240	568,446,706		248,930,382	63,788,972	2,877,122	309,842,232
As on June 30, 2022									258,604,474





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



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### Genex Infosys Limited

Schedule of Intangible assets  
 As on June 30, 2023

Annexure - B

Name of Assets	Cost			Rate (%)	Amortization			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Balance as on 30.06.2023		Balance as on 01.07.2022	Charged during the year	Balance as on 30.06.2023	
Software	567,876,854	237,354,782	805,231,636	15%	309,799,514	73,616,154	383,415,668	421,815,968
As on June 30, 2023	567,876,854	237,354,782	805,231,636		309,799,514	73,616,154	383,415,668	421,815,968
As on June 30, 2022	567,876,854	-	567,876,854		246,053,260	63,746,254	309,799,514	258,077,340

Allocation of Amortization		
Amortization Allocated to:	30.06.2023	30.06.2022
Cost of Sales	100%	73,616,154
Total	73,616,154	63,746,254







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



### Genex Infosys Limited and its Subsidiaries

Consolidated Schedule of Right of Use Assets  
 As on June 30, 2023

Annexure - C.1

Name of Assets	Cost			Depreciation/Amortization			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Balance as on 30.06.2023	Balance as on 01.07.2022	Charged during the year	Balance as on 30.06.2023	
Genex Infosys Limited	251,681,328	26,489,215	278,170,544	135,979,016	52,843,547	188,822,563	89,347,981
Loginex Limited	1,728,101	3,465,987	5,194,088	576,034	1,729,732	2,305,766	2,888,322
<b>As on June 30, 2023</b>	<b>253,409,430</b>	<b>29,955,202</b>	<b>283,364,632</b>	<b>136,555,050</b>	<b>54,573,279</b>	<b>191,128,328</b>	<b>92,236,303</b>
<b>As on June 30, 2022</b>	<b>108,050,872</b>	<b>145,358,558</b>	<b>253,409,430</b>	<b>95,942,457</b>	<b>40,612,593</b>	<b>136,555,050</b>	<b>116,854,380</b>



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



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### Genex Infosys Limited

Schedule of Right of Use Assets  
 As on June 30, 2023

Annexure - C

Name of Assets	Cost			Depreciation/Amortization			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Balance as on 30.06.2023	Balance as on 01.07.2022	Charged during the year	Balance as on 30.06.2023	
Nitol Niloy Tower & BHTPC	251,681,328	26,489,215	278,170,544	135,979,016	52,843,547	188,822,563	89,347,981
As on June 30, 2023	251,681,328	26,489,215	278,170,544	135,979,016	52,843,547	188,822,563	89,347,981
As on June 30, 2022	108,050,872	143,630,457	251,681,328	95,942,457	40,036,559	135,979,016	115,702,312
<b>Allocation of Amortization</b>							
<b>Amortization Allocated to:</b>		<b>30.06.2023</b>	<b>30.06.2022</b>				
Overhead Expenses	93%	49,144,499	37,234,000				
Administrative Expenses	7%	3,699,048	2,802,559				
<b>Total</b>		<b>52,843,547</b>	<b>40,036,559</b>				



## GENEX INFOSYS LIMITED.

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

### NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended June 30, 2023

#### 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.

#### Registered office

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

#### Nature of 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.

#### Description of subsidiaries

GENEX INFOSYS LIMITED has one subsidiary company named Loginex 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) Loginex Limited

Loginex Limited was incorporated on 30 June 2021 under the companies Act-1994 Vide Registration no. C-172167/2021 as a private company limited by shares. The paid-up capital of Loginex Limited is Tk. 1,000,000 divided into 100,000 ordinary shares of Tk.10 each. Genex Infosys Limited owned 75.00% shares.



## 2.00 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/period.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994 and International Financial Reporting Standards (IFRSs) adopted by the Financial Reporting Council, Bangladesh (FRC), 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.

## 3.00 Basis of preparation of Financial Statement

### 3.01 Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), The Companies Act, 1994, Securities & Exchange Rules 1987 and other applicable laws and regulations as required. The title and format of these financial statements follow the requirements of IFRS which are to some extent different from those prescribed by the Companies Act, 1994. However, such differences are not material and management views IFRS titles and format give a better presentation to the shareholders. The following International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) 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 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 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

### 3.02 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:



- i. Bangladesh Securities and Exchange Ordinance, 1969;
- ii. Bangladesh Securities and Exchange Rules, 2020;;
- iii. The Income Tax Act, 2023;
- iv. The Value Added Tax and Supplementary Duty Act, 2012;
- v. The Value Added Tax and Supplementary Duty Rules, 2016;
- vi. Dhaka and Chittagong Stock Exchange (Listing) Regulation, 2015;
- vii. Bangladesh Labor Act, 2006 (Amendment in 2013 & 2018);
- viii. Other relevant local laws as applicable;

### 3.03 Basis of measurement

These financial statements have been prepared on a going concern basis under the historical cost convention except (Investment in shares) in accordance with International Financial Reporting Standards (IFRSs).

### 3.04 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as of 30 June 2022. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the company.

All intra-group balances, income, expenses, and unrealized gain and losses resulting from intra-group transactions and dividends have been eliminated in full.

### 3.05 Components of financial statements

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows;
- Notes to the Financial Statements; and
- Comparative information in respect of the preceding Year.

### 3.06 Functional and presentational currency

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

### 3.07 Use of estimates and judgment

In the preparation of the financial statements management required to make judgments, estimates, and assumptions as per IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors" that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.







- (e) Income Tax
- (f) Inventories
- (g) Property, plant and equipment
- (h) Intangibles
- (i) Financial instruments
- (j) Impairment
- (k) Provisions
- (l) Workers' profit participation fund
- (m) Employee benefit
- (n) Reporting period
- (o) Earnings per share
- (p) Statement of cash flows
- (q) Leases
- (r) Contingencies
- (s) Events after the reporting period

#### 4.00 Property, Plant and Equipment

##### 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.

##### 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.

##### 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 Period. Depreciation on current Period 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.

Category of fixed assets	Rate of depreciation
Land & Land Development	0%
Machinery and Equipment	15%
Furniture and fixtures	10%
Motor Vehicles	20%
Office Equipment	10%
Office Decoration and Renovation	10%





### (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 period. Hence, no provision has been made for impairment of assets.

#### 4.02 Capital work in progress

Capital work in progress is reported on the basis of all the costs incurred during acquisition of an asset required to bring it to working condition. CWIP is transferred to a fixed asset when the asset is ready to use and depreciation charges commence immediately.

#### 4.03 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.

#### 4.04 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.





## 5.01 Employee Benefit

### 5.01.1 Workers' Profit Participation Fund (WPPF)

The company has made a provision for Worker's Profit Participation Fund (WPPF) for the year ended 30 June, 2023. The company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation in accordance with Bangladesh Labor Act, 2006 (Amendment in 2013 & 2018).

### 5.01.2 Gratuity

As per the requirement of Labour Law 2006 section 19, 20 & 21, Gratuity Fund for employee is in acting concern of the board. It will be effective from the next year if the board decides. Hence, no financial impact occurred during the year.

## 5.02 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.

## 5.03 Corporate tax

Income Tax provision has not been made for income from business and profession for the year from 1 July 2022 to 30 June 2023 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 21 of The Income Tax Act 2023.  
 As a result of fully exemption from tax, no provision has been made for deferred tax for this Year.

## 5.04 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 year.

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.







## 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 tight 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.

### 5.11 General

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



#### 6.00 Property, plant and equipment net

##### At Cost :

	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Opening balance	2,220,862,987	2,041,013,292
Addition during the year	282,018,270	179,849,695
<b>Closing balance</b>	<b>2,502,881,257</b>	<b>2,220,862,987</b>

##### Accumulated depreciation:

Opening balance	912,751,046	766,372,542
Charged during the year	163,059,371	146,378,504
<b>Closing balance</b>	<b>1,075,810,417</b>	<b>912,751,046</b>

##### Written down value:

<b>1,427,070,840</b>	<b>1,308,111,941</b>
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Detailed schedule of Property, Plant and Equipment is in **Annexure - A**

#### 6.A Consolidated property, plant and equipment net

Genex Infosys Limited	1,427,070,840	1,308,111,941
Loginex Ltd.	6,784,112	7,255,556
<b>Total</b>	<b>1,433,854,951</b>	<b>1,315,367,497</b>

Detailed schedule of Property, Plant and Equipment is in **Annexure - A.1**

#### 7.00 Intangible assets net

##### At Cost :

Opening balance	567,876,854	567,876,854
Addition during the year	237,354,782	-
<b>Closing Balance</b>	<b>805,231,636</b>	<b>567,876,854</b>

##### Amortization:

Opening balance	309,799,514	246,053,260
Charged during the year	73,616,154	63,746,254
<b>Closing Balance</b>	<b>383,415,668</b>	<b>309,799,514</b>

##### Written down value:

<b>421,815,968</b>	<b>258,077,340</b>
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The intangible assets include software acquired for the purpose of business operations. Detailed of intangible assets is in **Annexure - B**

#### 7.A Consolidated intangible assets net

Genex Infosys Limited	421,815,968	258,077,340
Loginex Ltd.	421,707	527,134
<b>Total</b>	<b>422,237,675</b>	<b>258,604,474</b>

The intangible assets include software acquired for the purpose of business operations. Detailed of intangible assets is in **Annexure - B.1**

#### 8.00 Capital work in progress

Opening balance	113,920,000	158,966,999
Addition during the year	277,622,523	113,920,000
<b>8.01</b>	<b>391,542,523</b>	<b>272,886,999</b>



	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Transferred to property, plant and equipment	271,014,083	158,966,999
<b>Closing Balance</b>	<b>120,528,440</b>	<b>113,920,000</b>
<b>8.01 Capital work in progress addition during the year</b>		
Addition during the year	277,622,523	113,920,000
<b>Total</b>	<b>277,622,523</b>	<b>113,920,000</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.

#### 8.A Consolidated capital work in progress

Genex Infosys Limited	120,528,440	113,920,000
Loginex Ltd.	-	-
<b>Total</b>	<b>120,528,440</b>	<b>113,920,000</b>

#### 9.00 Right of Use Asset net

##### At Cost :

Opening balance	251,681,328	108,050,872
Recognition of right-of-use asset on initial application of IFRS 16 :		
Addition during the year	26,489,215	143,630,457
Disposal during the year	-	-
<b>Closing balance</b>	<b>278,170,544</b>	<b>251,681,328</b>

##### Accumulated depreciation:

Opening balance	135,979,016	95,942,457
Recognition of right-of-use asset on initial application of IFRS 16 :		
Charged during the year	52,843,547	40,036,559
Adjustment for disposal	-	-
<b>Closing balance</b>	<b>188,822,563</b>	<b>135,979,016</b>

##### Written down value:

	<b>89,347,981</b>	<b>115,702,312</b>
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\* See accounting policy in notes no. 5.10

A schedule of Right of Use Assets (RoUA)-Lease is given in **Annexure - C**.



9.A Consolidated Right of Use Asset net

	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Genex Infosys Limited	89,347,981	115,702,312
Loginex Ltd.	2,888,322	1,152,067
<b>Total</b>	<b>92,236,303</b>	<b>116,854,380</b>

A schedule of Right of Use Assets (RoUA)-Lease is given in **Annexure - C.1**

10.00 Investment

Investment in Subsidiary	10.01	750,000	750,000
Investment in Shares	10.02	679,556,496	572,007,080
Investment in Associate	10.03	38,075,900	37,325,900
<b>Total</b>		<b>718,382,396</b>	<b>610,082,980</b>

10.01 Investment in subsidiary

Date	Particular	No. of Share	% of Share	Face Value Per Share	Total Amount	Total Amount
30.06.2023	Loginex Limited	75,000	75%	10.00	750,000	750,000
<b>Total Investment in subsidiary</b>					<b>750,000</b>	<b>750,000</b>

**Loginex Limited**

- 1) Loginex Limited is the Logistic IT and Communication, Computer Software supplier. The Company is to carry on business of Express and courier service, Import, Export, Freight Forwarding, representative, cargo , Brokerage, Clearing & Forwarding agents, Courier Tracking Services, Pick & Drop/Pick and pack Assembling Services, Logistics Support Service.
- 2) Loginex Limited is a subsidiary company of Genex Infosys Limited.
- 3) Paid up capital of Loginex Limited is Tk. 10,00,000 Divided into 1,00,000 shares @ Tk. 10 each.
- 4) Genex Infosys Limited holds 75,000 Shares @ Tk. 10 each of Loginex Limited.

10.02 Investment in Shares

Investment in Share	874,140,094	822,005,152
Add: Unrealized Gain/ (Loss)	(194,583,598)	(249,998,072)
<b>Closing Balance</b>	<b>679,556,496</b>	<b>572,007,080</b>

10.03 Investment in Associate

Date	Particular	No. of Share	% of Share	Face Value Per Share	Total Amount	Total Amount
30.06.2023	Green & Red Technologies Ltd.	373,259	18.65%	100.00	37,325,900	37,325,900
30.06.2023	Genex Infrastructure Limited	75,000	25.00%	10.00	750,000	-
<b>Total Investment in Associates</b>					<b>38,075,900</b>	<b>37,325,900</b>



June 30, 2023  
Amount (Tk.)

June 30, 2022  
Amount (Tk.)

**Green & Red Technologies Ltd.**

1) Genex Infosys Limited holds 3,73,259 Shares @ Tk. 100 each of Green & Red Technologies Ltd. which is 18.65% of the total paid-up capital of the said company.

**Genex Infrastructure Limited**

2) Genex Infosys Limited holds 75,000 Shares @ Tk. 10 each of Genex Infrastructure Limited which is 25.00% of the total paid-up capital of the said company.

**10.A Consolidated Investment**

Genex Infosys Limited	718,382,396	610,082,980
	<b>718,382,396</b>	<b>610,082,980</b>
Less: Inter company adjustment (Share)- Loginex Limited	750,000	750,000
<b>Total</b>	<b>717,632,396</b>	<b>609,332,980</b>

**11.00 Inventories**

Inventories	104,774,310	88,758,648
<b>Total</b>	<b>104,774,310</b>	<b>88,758,648</b>

**This is made as follows:**

Computer & accessories	16,003,355	12,425,998
Antivirus CD	10,572,684	10,759,662
Software for customer service	47,620,071	38,219,622
IT materials	8,964,900	7,632,187
Website develop work in progress	13,587,850	10,197,062
Contact service accessories	8,025,450	9,524,118
<b>Total</b>	<b>104,774,310</b>	<b>88,758,648</b>

**11.A Consolidated Inventories**

Genex Infosys Limited	104,774,310	88,758,648
Loginex Ltd.	-	-
<b>Total</b>	<b>104,774,310</b>	<b>88,758,648</b>

**12.00 Trade and Other Receivables**

Opening balance	415,863,814	378,088,624
Addition during the year	1,311,243,618	1,076,782,365
	<b>1,727,107,432</b>	<b>1,454,870,989</b>
Collection during the year	1,279,872,774	1,039,007,175
<b>Closing balance</b>	<b>447,234,658</b>	<b>415,863,814</b>

**Aging schedule of accounts receivable :**

Accounts receivable	Less Than 6 Months	Above 6 Months	30.06.2023	30.06.2022
	447,234,658	-	447,234,658	415,863,814

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



Particular	June 30, 2023	June 30, 2022
	Amount (Tk.)	Amount (Tk.)
	30.06.2023	30.06.2022
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;	447,234,658	415,863,814
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>447,234,658</b>	<b>415,863,814</b>

#### 12.A Consolidated trade & other receivables

Genex Infosys Limited	447,234,658	415,863,814
Loginex Ltd.	37,288,308	920,950
<b>Total</b>	<b>484,522,966</b>	<b>416,784,764</b>

#### 13.00 Advances, deposits and prepayments

Opening balance	87,371,276	49,771,843
Addition during the year	1,402,848,540	50,848,540
	<b>1,490,219,816</b>	<b>100,620,383</b>
Adjustment during the year	553,116,894	13,249,107
<b>Closing balance</b>	<b>937,102,922</b>	<b>87,371,276</b>

#### Advances, Deposits and Prepayments

Advances	<b>13.01</b>	47,415,733	48,257,420
Pre-paid Insurance		158,533	486,800
Security Deposits		32,690,862	38,627,056
Bank Guarantee		14,299,065	-
Advance for Capital Machineries		842,538,730	-
<b>Closing Balance</b>		<b>937,102,922</b>	<b>87,371,276</b>

#### 13.01 Advances

Office employee		17,381,779	14,705,447
Advances to supplier	<b>13.01.01</b>	7,286,891	21,156,816
Advance Income Tax	<b>13.01.02</b>	5,272,457	7,545,851
VAT current account	<b>13.01.03</b>	17,474,605	4,849,306
<b>Closing Balance</b>		<b>47,415,733</b>	<b>48,257,420</b>

#### 13.01.01 Advance to Supplier

<b>Closing Balance</b>	<b>7,286,891</b>	<b>21,156,816</b>
------------------------	------------------	-------------------

#### 13.01.02 Advance Income Tax

Opening balance	7,545,851	992,872
Addition during the year	4,279,579	6,618,367





	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Adjustment during the year	11,825,430	7,611,239
Closing balance	6,552,973	65,388
	<b>5,272,457</b>	<b>7,545,851</b>
<b>13.01.03 VAT current account</b>		
Balance as per 9.1	18,000,921	-
VAT Payable	526,316	-
Closing Balance	<b>17,474,605</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	Amount in Taka
	30.06.2023	30.06.2022
Advances, deposits and prepayments considered good and in respect of which the company is fully secured;	919,721,143	72,665,829
The maximum amount due by directors or other officers of the Company.	17,381,779	14,705,447
<b>Total</b>	<b>937,102,922</b>	<b>87,371,276</b>
<b>13.A Consolidated advances, deposits and prepayments</b>		
Genex Infosys Limited	937,102,922	87,371,276
Loginex Ltd.	1,355,781	1,352,382
<b>Total</b>	<b>938,458,703</b>	<b>88,723,658</b>

#### 14.00 Cash and cash equivalents



		June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Cash in hand		320,647	85,447
Cash at bank	14.01	34,702,036	142,580,512
<b>Total</b>		<b>35,022,683</b>	<b>142,665,959</b>

14.01 Cash at bank

Bank Name	Account No.	Branch Name	30.06.2023	30.06.2022
AB Bank Limited	4005-794911-430	Principal	363,302	44,518
AB Bank Limited	4005-794911-040	Principal	78,125	67,487
Bank Asia Limited	7533000041	Uttara	-	-
City Bank Limited	1252686621001	Nikunja	47,117	-
Community Bank Limited	0010303818101	Corporate Branch	591,347	2,438,549
Dutch Bangla Bank Limited	1031100037185	Banani	130,281	131,926
Dutch Bangla Bank Limited	1031100035432	Banani	173,673	175,318
Eastern Bank Limited	1041060198037	Gulshan	11,662	729,612
Eastern Bank Limited	1041070415157	Gulshan	837,413	698,804
Eastern Bank Limited	1041060424169	Banani	571,007	298,147
Meghna Bank Limited	110311100000056	Motijheel	-	535,447
Meghna Bank Limited	110111100000193	Principal	21,511	73,333,819
Meghna Bank Limited	110113500000098	Principal	429,117	1,204,667
Mercantile Bank Limited	118611100880621	IARB	66,665	46,382
Mercantile Bank Limited	110613117820391	Banani	3	300,857
Modhumoti Bank Limited	112711100000123	Mirpur	110,848	2,523,530
NRB Commercial Bank Limited	012133300000020	Banani	47,920	391,690
NRB Commercial Bank Limited	0102333000000870	Gulshan	2,298	3,103
NRB Commercial Bank Limited	012126100000001	Banani	21,998	153,901
NRB Commercial Bank Limited	121364000000003	Gulshan	-	-
NRB Commercial Bank Limited	33300001549	Bashundhara	33,129	-
National Credit & Commerce Bank Limited	005-0210005180	Banani	17,544	13,981
NRB Global Bank Limited	111100001157	Gulshan	-	-
Prime Bank Limited	2118113002823	Gulshan	-	-
Union Bank Limited	0291010000914	Banani	150,223	28,952
United Commercial Bank Limited	0951101000012104	Nikunja	9,953,932	43,109
United Commercial Bank Limited	1511301000000187	Nikunja	18,659,167	57,488,193
United Commercial Bank Limited	0831181000000294	Nikunja	736,626	-
Trust Bank Limited	0056-0210003560	Banani	985,860	2,420
Sonali Bank Limited	0102402002538	BB Avenue	212,558	162,603
Standard Chartered Bank	01408947801	Gulshan	448,713	1,763,498
<b>Total</b>			<b>34,702,036</b>	<b>142,580,512</b>

14.A Consolidated cash and cash equivalents

Genex Infosys Limited		35,022,683	142,665,959
Loginex Ltd.		709,378	131,036
<b>Total</b>		<b>35,732,062</b>	<b>142,796,995</b>



#### 15.00 Share Capital

This is made up as follows:

##### Authorized Capital

200,000,000 Ordinary Shares of Tk 10 each

##### Issued, subscribed, Called-up and paid-up Capital

Opening Balance

Stock Dividend for the year 2021-22 @ 2%

Stock Dividend for the year 2020-21 @ 10%

June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
2,000,000,000	2,000,000,000
1,135,464,000	1,032,240,000
22,709,280	103,224,000
-	-
<b>1,158,173,280</b>	<b>1,135,464,000</b>

The position of Shareholders as on 30 June 2023 is as follows:

Particulars	30 June 2023			30 June, 2022
	No. of Shareholders	No. of Shares	Ownership (%)	Ownership (%)
Directors/Promoters/Sponsors	13	35,188,210	30.38%	31.68%
Institutions	605	26,110,916	22.54%	24.08%
Foreigners	2	378	0.00%	0.06%
General Public	20,685	54,517,824	47.07%	44.18%
<b>Total</b>	<b>21,305</b>	<b>115,817,328</b>	<b>100.00%</b>	<b>100.00%</b>

Distribution schedule of each class of equity security setting out the number of holders and percentage as on 30 June 2023.

Holding Range	30 June 2023			30 June, 2022
	Number of Shareholders	No. of Shares	Ownership (%)	No. of Shares
1-100 Shares	5,489	233,492	0.20%	0.08%
101-500 Shares	6,095	1,647,540	1.42%	0.71%
501-1000 Shares	2,904	2,265,012	1.96%	1.05%
1001-10000 Shares	5,626	18,335,118	15.83%	10.62%
10001-20000 Shares	595	8,434,600	7.28%	4.50%
20001-50000 Shares	377	11,653,376	10.06%	6.28%
50001-100000 Shares	121	8,677,192	7.49%	5.48%
100001-1000000 Shares	89	25,300,876	21.85%	24.07%
1000001-5000000 Shares	6	16,333,661	14.10%	16.50%
5000001-10000000 Shares	3	22,936,461	19.80%	19.80%
10000001 and Above Shares	-	-	0.00%	10.90%
<b>Total</b>	<b>21,305</b>	<b>115,817,328</b>	<b>100.00%</b>	<b>100.00%</b>

#### 16.00 Retained earnings

Opening balance

Add. Net profit /( loss) during the year

**Total**

Less: Stock Dividend

Less: Cash Dividend

**Closing balance**

989,306,874	816,190,885
382,329,190	379,563,990
<b>1,371,636,064</b>	<b>1,195,754,874</b>
22,709,280	103,224,000
85,338,176	103,224,000
<b>1,263,588,608</b>	<b>989,306,874</b>

#### 16.A Consolidated retained earnings

Retained earnings

**Total**

1,266,917,108	990,891,699
<b>1,266,917,108</b>	<b>990,891,699</b>

#### 16.01 Reserve for fair value of changes in marketable securities

Reserve for fair value of changes in marketable securities

**Total**

(197,643,063)	(249,998,072)
<b>(197,643,063)</b>	<b>(249,998,072)</b>



	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>16.01.A Consolidated Reserve for fair value of changes in marketable securities</b>		
Genex Infosys Limited	(197,643,063)	(249,998,072)
Loginex Ltd.	-	-
<b>Total</b>	<b>(197,643,063)</b>	<b>(249,998,072)</b>
<b>16.B Non controlling interest</b>		
Loginex Ltd.	1,359,500	528,275
Non-Controlling interest in the share capital of Loginex Ltd. (10,00,000 X 25%)	-	250,000
<b>Total</b>	<b>1,359,500</b>	<b>778,275</b>
<b>17.00 Long term loan net off current maturity</b>		
This is made up as follows:		
Long term loan outstanding	17.01 512,457,154	318,922,782
Less- Current portion of long term loan	17.02 5,000,000	6,200,000
<b>Long term loan</b>	<b>507,457,154</b>	<b>312,722,782</b>

**17.01 Long term loan outstanding**

Bank Name	Account No.	Type of Loan	Amount	Amount
AB Bank Ltd.	4005-794911-462	Term Loan	341,045,310	317,098,588
Less: Interest payable			2,533,987	2,449,476
<b>Outstanding balance</b>			<b>338,511,323</b>	<b>314,649,112</b>

United Commercial Bank Limited	151CTLN212090502	Term Loan	68,510,793	-
Less: Interest payable			68,935	-
<b>Outstanding balance</b>			<b>68,441,858</b>	-

United Commercial Bank Limited	151CTLN230870001	Term Loan	40,950,910	-
Less: Interest payable			910,910	-
<b>Outstanding balance</b>			<b>40,040,000</b>	-

United Commercial Bank Limited	151CTLN231080001	Term Loan	10,185,000	-
Less: Interest payable			185,000	-
<b>Outstanding balance</b>			<b>10,000,000</b>	-

United Commercial Bank Limited	151CTLN231350001	Term Loan	18,211,500	-
Less: Interest payable			211,500	-
<b>Outstanding balance</b>			<b>18,000,000</b>	-

United Commercial Bank Limited	151CPLN231060001	Term Loan	11,630,812	-
Less: Interest payable			216,865	-
<b>Outstanding balance</b>			<b>11,413,947</b>	-

United Commercial Bank Limited	151CTLN231590002	Term Loan	26,199,813	-
Less: Interest payable			149,788	-
<b>Outstanding balance</b>			<b>26,050,025</b>	-

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			June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Meghna Bank Ltd.	11016330000010	Term Loan	-	1,248,333
Less: Interest payable			-	31,235
<b>Outstanding balance</b>			<b>-</b>	<b>1,217,098</b>
Meghna Bank Ltd.	11016330000011	Term Loan	-	3,131,760
Less: Interest payable			-	75,187
<b>Outstanding balance</b>			<b>-</b>	<b>3,056,573</b>
<b>Total long term loan outstanding</b>			<b>512,457,154</b>	<b>318,922,782</b>

17.02 Current portion of long term loan

Bank Name	A/C No.	Type of Loan	Amount	Amount
AB Bank Ltd.	4005-794911-462	Term Loan	5,000,000	5,000,000
Meghna Bank Ltd.	11016330000010	Term Loan	-	360,000
Meghna Bank Ltd.	11016330000011	Term Loan	-	840,000
<b>Total</b>			<b>5,000,000</b>	<b>6,200,000</b>

17.A Consolidated long term loan net off current maturity

Genex Infosys Limited	507,457,154	312,722,782
Loginex Ltd.	-	-
<b>Total</b>	<b>507,457,154</b>	<b>312,722,782</b>

17.02.A Consolidated current portion of long term loan

Genex Infosys Limited	5,000,000	6,200,000
Loginex Ltd.	-	-
<b>Total</b>	<b>5,000,000</b>	<b>6,200,000</b>

18.00 Lease Liability

Opening balance	119,701,255	13,262,902
Recognition of Lease Liability on initial application of IFRS 16	-	-
Addition during the year	26,489,215	143,630,457
<b>Total</b>	<b>146,190,471</b>	<b>156,893,359</b>
<b>Payment of lease liability</b>		
Installment paid during the year	(60,354,938)	(43,380,982)
Interest on Lease Payments	11,003,266	6,188,879
<b>Closing balance</b>	<b>96,838,799</b>	<b>119,701,255</b>
Current Portion of Lease Liability	51,645,404	45,132,232
<b>Long Term Portion</b>	<b>45,193,395</b>	<b>74,569,024</b>

\* See accounting policy in notes no. 5.10

18.A Consolidated Lease Liability

<b>Long Term Portion</b>		
Genex Infosys Limited	45,193,395	74,569,024
Loginex Ltd.	1,276,541	-
<b>Total Long Term Portion</b>	<b>46,469,936</b>	<b>74,569,024</b>
<b>Current Portion</b>		



	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Genex Infosys Limited	51,645,404	45,132,232
Loginex Ltd.	1,661,233	1,160,492
<b>Total Current Portion</b>	<b>53,306,637</b>	<b>46,292,724</b>
<b>19.00 Trade and other payables</b>		
Opening balance	8,377,687	8,377,687
Addition during the year	568,254,718	468,257,429
	<b>576,632,405</b>	<b>476,635,116</b>
Adjustment during the year	558,231,694	468,257,429
<b>Closing balance</b>	<b>18,400,711</b>	<b>8,377,687</b>
<b>19.A Consolidated accounts and other payable</b>		
Genex Infosys Limited	18,400,711	8,377,687
Loginex Ltd.	39,045,414	5,035,148
<b>Total</b>	<b>57,446,125</b>	<b>13,412,835</b>
All the payables disclosed here have arisen from local suppliers of the Company.		
<b>20.00 Unclaimed dividend account</b>		
Opening balance	1,709,970	1,554,101
Addition during the year	85,338,176	103,224,000
	<b>87,048,146</b>	<b>104,778,101</b>
Adjustment during the year	85,716,550	103,068,132
<b>Closing balance</b>	<b>1,331,596</b>	<b>1,709,970</b>
<b>20.A Consolidated Unclaimed dividend account</b>		
Genex Infosys Limited	1,331,596	1,709,970
Loginex Ltd.	-	-
<b>Total</b>	<b>1,331,596</b>	<b>1,709,970</b>
<b>21.00 Short term loan</b>		
Short Term Bank Loan (SOD)	497,324,731	445,721,602
General Loan	908,178,072	319,635,120
<b>Total</b>	<b>1,405,502,803</b>	<b>765,356,722</b>

Name of Bank	Account No.	Type of Loan	Amount	Amount
<b>Short Term Bank Loan (SOD)</b>				
Meghna Bank Limited	110171600000016	SOD	-	150
Mercantile Bank Limited	118672011694562	SOD	41,009,626	41,155,077
AB Bank Limited	4005-794911-000	SOD	150,914,371	149,055,426
United Commercial Bank Limited	1511749000000030	SOD	50,970,578	-
United Commercial Bank Limited	1511749000000028	SOD	265,798,620	265,094,979
<b>Total</b>			<b>508,693,196</b>	<b>455,305,632</b>
Less: Interest payable			11,368,465	9,584,029
<b>Outstanding balance</b>			<b>497,324,731</b>	<b>445,721,602</b>

<b>General Loan</b>				
United Commercial Bank Ltd.	151CLWF211750001	Work Order Finance	139,886,847	153,105,744
United Commercial Bank Ltd.	151CLWF211450001	Work Order Finance	107,737,008	104,379,595
United Commercial Bank Ltd.	151CLWF210820001	Work Order Finance	68,609,390	62,149,782
United Commercial Bank Ltd.	151CTLG222060002	Time-Loan	272,001,431	-
United Commercial Bank Ltd.	151CTLG230870001	Time-Loan	153,565,941	-
United Commercial Bank Ltd.	151CTLG212860001	Time-Loan	166,587,347	-

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	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Total Loan	908,387,964	319,635,120
Less: Interest payable	209,892	-
<b>Outstanding balance</b>	<b>908,178,072</b>	<b>319,635,120</b>
<b>Total Short Term Loan</b>	<b>1,405,502,803</b>	<b>765,356,722</b>

#### 21.A Consolidated short term loan

Genex Infosys Limited	1,405,502,803	765,356,722
Loginex Ltd.	-	-
<b>Total</b>	<b>1,405,502,803</b>	<b>765,356,722</b>

#### 22.00 Liabilities for Expenses

Opening balance	43,698,086	40,428,674
Addition during the year	108,505,405	104,454,210
	<b>98,203,491</b>	<b>144,882,884</b>
Adjustment during the year	112,166,830	101,184,798
<b>Closing Balance</b>	<b>40,036,661</b>	<b>43,698,086</b>

##### This is made up as follows:

Audit fee	400,000	350,000
VAT payable on audit fee	60,000	52,500
VAT payable	-	6,845,845
Provision for electricity bill	1,785,000	4,150,000
Provision for office rent	518,775	440,696
Staff salaries payable	440,850	389,593
Interest payable	15,855,341	12,139,928
Provision for workers' profit participation and welfare funds	20,976,695	19,329,524
<b>Total</b>	<b>40,036,661</b>	<b>43,698,086</b>

#### 22.01 Interest payable

Interest payable against Long Term Loan	4,276,984	2,555,899
Interest payable against Short Term Loan	11,578,357	9,584,029
<b>Total Interest payable</b>	<b>15,855,341</b>	<b>12,139,928</b>

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

Opening balance	19,329,524	16,578,752
Addition during the year	19,043,742	19,329,524
	<b>38,373,266</b>	<b>35,908,276</b>
Adjustment during the year	17,396,572	16,578,752
<b>Closing balance</b>	<b>20,976,695</b>	<b>19,329,524</b>

#### 22.A Consolidated Liabilities for Expenses

Genex Infosys Limited	40,036,661	43,698,086
Loginex Ltd.	1,505,525	1,246,214
<b>Total</b>	<b>41,542,186</b>	<b>44,944,300</b>

#### 23.00 Provision for Income Tax

Opening Balance	8,014,966	1,053,861
Addition during the year	1,605,123	7,026,493
	<b>9,620,089</b>	<b>8,080,354</b>
Adjustment during the year	7,026,439	65,388
<b>Closing Balance</b>	<b>2,593,650</b>	<b>8,014,966</b>

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23.A Consolidated Provision for Income Tax

Genex Infosys Limited  
Loginex Ltd.  
Closing Balance

June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
2,593,650	8,014,966
520,894	784,172
<b>3,114,544</b>	<b>8,799,138</b>



	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
<b>24.00 Revenue</b>		
Total sales	1,311,243,618	1,076,782,365
Less: VAT on sales	55,978,540	44,050,693
<b>Net Sales</b>	<b>1,255,265,078</b>	<b>1,032,731,672</b>
This Is made up as follows:		
Data entry	35,909,826	28,487,670
Business process outsourcing	156,886,870	58,843,867
Robotics Process Outsourcing	17,828,000	5,645,333
IT support & software maintenance	52,581,418	40,121,158
Digital content development & management	58,012,354	27,495,366
Call centre service	700,173,929	633,061,764
System Integration	13,725,362	13,564,527
Software development	153,753,286	166,620,948
Website development	40,903,154	46,756,762
Cloud Service	25,490,878	12,134,277
<b>Total</b>	<b>1,255,265,078</b>	<b>1,032,731,672</b>
<b>24.A Consolidated Revenue</b>		
Genex Infosys Limited	1,255,265,078	1,032,731,672
Loginex Ltd.	187,315,254	186,996,995
<b>Total</b>	<b>1,442,580,332</b>	<b>1,219,728,667</b>
<b>25.00 Cost of Sales</b>		
This is made up as follows:		
Salaries & allowance	305,859,584	250,932,315
Cleaning & clothing cost	1,151,976	962,306
Recruitment expenses	-	99,854
Office rent	591,480	4,918,167
Depreciation on Right of use asset	49,144,499	37,234,000
Electricity bill	21,312,686	19,684,581
Entertainment expenses	1,720,415	988,628
Depreciation	151,645,215	136,132,009
Amortization on intangible assets	73,616,154	63,746,254
Transportation exp- maintenance	1,299,512	1,918,195
IT expenses	2,038,339	1,820,879
Medical expense	735,269	318,621
Printing	766,573	518,979
Stationery	1,187,895	660,519
Repair & maintenance	1,210,997	2,673,355
Overseas travelling	896,290	524,736
Office Maintenance	121,376	14,000
Training costs	125,510	2,243,428
Telephone & communication	2,888,330	3,763,251
Traveling & conveyance	2,065,657	1,825,857
Internet & Connectivity	6,170,524	235,512
Service Charge	3,339,553	52,222
Fuel Expense	2,658,402	476,014
<b>Total</b>	<b>630,546,235</b>	<b>531,743,682</b>

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June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
---------------------------	---------------------------

\*\* The company has lease agreement for the purpose of office rent . All rental expenses borne 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.

#### 25.A Consolidated cost of sales

Genex Infosys Limited	630,546,235	531,743,682
Loginex Ltd.	176,754,577	178,131,165
<b>Total</b>	<b>807,300,812</b>	<b>709,874,847</b>

#### 26.00 Administrative expenses

This is made up as follows :

Salaries & allowance		19,595,136	18,800,511
AGM Expense		468,250	365,000
Audit fee	36.00	460,000	402,500
Depreciation	Annexure - A	11,414,156	10,246,495
Director's remuneration	34 (a)	4,800,000	4,800,000
Board meeting fees	34 (a)	150,000	180,000
Bank charge		3,441,325	1,254,840
Office rent		44,520	370,185
Depreciation on Right of use asset	Annexure - C	3,699,048	2,802,559
Electricity bill		1,604,181	1,481,635
Entertainment expenses		1,389,190	949,858
Insurance expenses		2,177,902	1,764,053
Membership renewal fee		185,000	65,000
IT expenses		1,389,987	1,213,919
Internet & Connectivity		1,948,045	-
Legal fees		409,253	303,000
Professional fees		472,587	331,150
Overseas travelling		883,068	484,371
Printing		391,989	542,569
Stationery		1,048,974	636,929
Repair & maintenance		1,468,714	1,316,727
Training cost		255,740	352,110
Telephone & communication		1,094,420	961,469
Traveling & conveyance		1,971,631	2,508,834
Gas & Fuel Expenses		226,000	106,402
Postage & Courier		84,283	202,218
Misc. expenses		67,530	80,254
Water Bill		961,152	-
Security Service		2,079,714	672,012
<b>Total</b>		<b>64,181,796</b>	<b>53,194,601</b>

#### 26.A Consolidated Administrative Expenses

Genex Infosys Limited	64,181,796	53,194,601
Loginex Ltd.	7,438,972	5,780,904

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	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
<b>Total</b>	<b>71,620,768</b>	<b>58,975,505</b>
<b>27.00 Selling &amp; distribution expenses</b>		
This is made up as follows:		
Promotional expense	381,234	305,000
Advertisement expenses	618,915	240,858
Gift expense	353,282	109,883
<b>Total</b>	<b>1,353,431</b>	<b>655,741</b>
<b>27.A Consolidated selling &amp; distribution expenses</b>		
Genex Infosys Limited	1,353,431	655,741
Loginex Ltd.	-	-
<b>Total</b>	<b>1,353,431</b>	<b>655,741</b>
<b>28.00 Financial expenses</b>		
This is made up as follows:		
Bank Interest	28.01 154,733,817	101,212,433
Interest on Lease Payments	18.00 11,003,266	6,188,879
<b>Total</b>	<b>165,737,083</b>	<b>107,401,312</b>
<b>28.01 Bank interest</b>		
Interest against Long Term Loan	39,308,930	29,556,642
Interest against Short Term Loan	115,424,887	71,655,791
<b>Total Interest</b>	<b>154,733,817</b>	<b>101,212,433</b>
<b>28.A Consolidated financial expenses</b>		
Genex Infosys Limited	165,737,083	107,401,312
Loginex Ltd.	133,620	42,790
<b>Total</b>	<b>165,870,703</b>	<b>107,444,101</b>
<b>29.00 Other income</b>		
This is made up as follows:		
Income from bank interest for FDR	-	3,106,575
Realized Gain/(Loss)	(1,071,696)	62,918,662
Interest Income	1,009,745	158,432
Cash Incentive	3,411,100	-
Dividend Income	3,122,909	-
<b>Total</b>	<b>6,472,058</b>	<b>66,183,670</b>
<b>29.A Consolidated other income</b>		
Genex Infosys Limited	6,472,058	66,183,670
Loginex Ltd.	-	-
<b>Total</b>	<b>6,472,058</b>	<b>66,183,670</b>
<b>29.01 Unrealized Gain/(Loss)</b>		
Provision for (Diminution) / Increase in value of Investment (Sellable)	3,059,465	(249,998,072)
Provision for (Diminution) / Increase in value of Investment (Fixed)	52,355,009	-
<b>Total</b>	<b>55,414,474</b>	<b>(249,998,072)</b>





	June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
<b>29.01.A Consolidated Unrealized Gain/(Loss)</b>		
Genex Infosys Limited	55,414,474	(249,998,072)
Loginex Ltd.	-	-
<b>Total</b>	<b>55,414,474</b>	<b>(249,998,072)</b>
<b>30.00 Workers' profit participation fund expense</b>		
Genex Infosys Limited	19,043,742	19,329,524
<b>Total</b>	<b>19,043,742</b>	<b>19,329,524</b>
<b>30.A Consolidated workers' profit participation fund</b>		
Genex Infosys Limited	19,043,742	19,329,524
Loginex Ltd.	142,290	144,864
<b>Total</b>	<b>19,186,032</b>	<b>19,474,388</b>
<b>31.00 Income Tax Expense</b>		
This is made up as follows:		
Income Tax Expense	1,270,957	7,026,493
Shortfall Tax Expense (IY 2021-22)	334,166	-
<b>Total</b>	<b>1,605,123</b>	<b>7,026,493</b>
<b>31.A Consolidated Income Tax Expense</b>		
This is made up as follows:		
Genex Infosys Limited	1,605,123	7,026,493
Loginex Ltd.	520,894	784,172
<b>Total</b>	<b>2,126,017</b>	<b>7,810,665</b>

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### 32.00 Earnings per share (EPS) - Basic

The computation of EPS is given below:

Earning attributable to the ordinary shareholders	
Weighted average number of ordinary shares outstanding during the year	32.01
<b>Earnings per share (EPS) - Basic</b>	

June 2023 Amount (Tk.)	June 2022 Amount (Tk.)
382,329,190	379,563,989
115,817,328	115,817,328
<b>3.30</b>	<b>3.28</b>

### 32.01 Calculation of weighted average number of outstanding ordinary shares

Particulars	No. of Shares	Fraction of year
Opening balance	113,546,400	365/365
Bonus Share @ 2% -2022	-	
Bonus Share @ 2% -2021		
<b>Weighted average number of outstanding ordinary shares</b>	<b>113,546,400</b>	

Weighted average number of shares	Weighted average number of shares
113,546,400	103,224,000
2,270,928	2,270,928
	10,322,400
<b>115,817,328</b>	<b>115,817,328</b>

### 32.A Consolidated Earnings Per Share (EPS) - Basic

The computation of consolidated EPS is given below:

Earning attributable to the ordinary shareholders	
Weighted average number of ordinary shares outstanding during the year	32.01
<b>Consolidated Earnings Per Share (EPS) - Basic</b>	

384,072,865	381,148,815
115,817,328	115,817,328
<b>3.32</b>	<b>3.29</b>

### 33.00 Net Asset Value (NAV) per share

Total Assets	
Less : Non Current Liabilities	
Current Liabilities	
<b>Net Asset Value</b>	
Number of Ordinary Shares outstanding during the year	
<b>Net Asset Value (NAV) per Share</b>	

4,301,280,198	3,140,554,270
552,650,549	387,291,806
1,524,510,824	878,489,662
<b>2,224,118,825</b>	<b>1,874,772,802</b>
115,817,328	113,546,400
<b>19.20</b>	<b>16.51</b>

### 33.A Consolidated Net Asset Value (NAV) per share

Total Assets	
Less : Non Current Liabilities	
Current Liabilities	
<b>Consolidated Net Asset Value</b>	
Number of Ordinary Shares outstanding during the year	
<b>Consolidated Net Asset Value (NAV) per Share</b>	

4,349,977,806	3,151,143,396
553,927,090	387,291,806
1,567,243,891	886,715,688
<b>2,228,806,826</b>	<b>1,877,135,902</b>
115,817,328	113,546,400
<b>19.24</b>	<b>16.53</b>

### 34.00 Net Operating Cash Flows per Share (NOCFPS)

Cash flows from operating activities as per Statement of Cash Flows	
Number of ordinary Shares outstanding during the year	
<b>Net Operating Cash Flows per Share (NOCFPS)</b>	

565,797,986	569,695,734
115,817,328	113,546,400
<b>4.89</b>	<b>5.02</b>

### 34.A Consolidated net operating cash flows per share (NOCFPS)

Cash flows from operating activities as per Consolidated Statement of Cash Flows	
Number of ordinary Shares outstanding during the year	
<b>Consolidated net operating cash flows per share (NOCFPS)</b>	

566,658,674	576,688,681
115,817,328	113,546,400
<b>4.89</b>	<b>5.08</b>



35.00 Disclosure as per requirement of paragraph 17 of IAS 24 Related Party Disclosures

	June 30, 2023	June 30, 2022
(a) Short-term employee benefits		
<b>Directors Remuneration:</b>		
Board Meeting Fees:	4,800,000	4,800,000
(b) Post-employee benefit	150,000	180,000
(c) Other long term benefits	Nil	Nil
(d) Termination benefits	Nil	Nil
(e) Share based payment	Nil	Nil

36.00 Audit Fees

Name	Purpose	June 30, 2023	June 30, 2022
M M Rahman & Co.	Audit Fees	400,000	350,000
		400,000	350,000
Add: VAT on Audit Fees		60,000	52,500
<b>Total</b>		<b>460,000</b>	<b>402,500</b>

37.00 During the year from 01.07.2022 to 30.06.2023 Eleven (11) Board Meetings were held. The attendance status of all of the meetings is as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Chowdhury Fazle Imam	Chairman	11	11
Mr. Mohammed Adnan Imam	Managing Director	11	11
Mr. Prince Mojumder	Director & Head of Operation	11	8
Mr. Mezbah Uddin	Director	11	7
Mr. Tanveer Ali	Independent Director	11	6
Mrs. Rokeya Islam	Independent Director	11	8
Mr. Nazmul Hassan	Independent Director	11	5

37.01 Employee position for Genex Infosys Limited (as at 30 June, 2023)

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

Particulars	June 30, 2023
Number of Employees	3821

There are 3821 employees' working for the company. All of these employees are getting Tk. 3,000 or more per month.

37.02 Turnover for the year (as at 30 June, 2023):

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

Particulars	June 30, 2023
Turnover	1,255,265,078

37.03 Raw materials consumed (as at 30 June, 2023):



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.

**37.04 Finished goods (as at 30 June, 2023):**

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.

**38.00 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, 2023
Director Remuneration	Director	Remuneration	4,800,000
Board Meeting fees	Director	Board Meeting	150,000

**39.00 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, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>Net Profit</b>		
<b>Adjustment for:</b>	<b>382,329,190</b>	<b>379,563,990</b>
Depreciation	163,059,371	146,378,504
Amortization	73,616,154	63,746,254
Finance Expense	165,737,083	107,401,312
Provision for Diminution/Increase in value of Investment (Sellable)	(3,059,465)	-
	<b>399,353,143</b>	<b>317,526,069</b>
<b>(Increase)/Decrease in current Assets:</b>		
(Increase)/Decrease in inventories	(16,015,662)	36,779,782
(Increase)/Decrease in accounts receivable	(31,370,844)	(37,121,313)
(Increase)/Decrease in advances, deposits, prepayments.	(7,192,916)	(37,599,433)
(Increase)/Decrease in right to use asset	26,354,332	(103,593,897)
	<b>(28,225,091)</b>	<b>(141,534,861)</b>
<b>Increase/ (Decrease) in Liabilities:</b>		
Increase/(Decrease) in accounts payable and other payable	10,023,024	4,872,978
Increase/(Decrease) in provision and accruals	(7,376,838)	5,627,274
Increase/(Decrease) in Tax provision	(5,421,316)	6,961,105
Increase/(Decrease) in lease liability	(22,862,457)	106,438,354
	<b>(25,637,586)</b>	<b>123,899,710</b>
Paid for finance expenses	<b>(162,021,670)</b>	<b>(109,759,173)</b>
Net cash generated from operating activities (indirect method)	<b>565,797,986</b>	<b>569,695,734</b>
Net cash generated from operating activities (Direct method)	<b>565,797,986</b>	<b>569,695,734</b>

**39.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.**





41.00 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 period to the directors, including Managing Director, a managing agent or manager.	4,800,000	4,800,000
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

42.00 Event After Balance Sheet Date

The Board of Directors of **Genex Infosys Limited**, in its **171st** Board Meeting held on 28th October 2023 has recommended **4% stock** and **6% cash** of paid-up capital for the year ended June 30, 2023. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting of the company.





এম এম রহমান এন্ড কোং  
**M M Rahman & Co.**  
Chartered Accountants



**Russell Bedford**  
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*Auditor's Report and Audited  
Financial Statements*

*Of*

**LOGINEX LTD.**

Plot # 42, & 69, Nitol Niloy Tower (Level- 8),  
Nikunja- 02, Khilkhet, Dhaka-1229

For the year ended June 30, 2023

**National Office:** Padma Life Tower, Level-10, 115 Kazi Nazrul Islam Avenue, Bangla Motor Dhaka-1000, Tel : (+88 02) 48311027, 48311029

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## INDEPENDENT AUDITOR'S REPORT

To the shareholders of Loginex Ltd.

### Opinion

We have audited the financial statements of Loginex Ltd. ("the company"), which comprises the statement of financial position as at June 30, 2023, 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, 2023, 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 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.

Name of Firm: **M M Rahman & Co.**  
Chartered Accountants

Signature of the Auditor:  .....

Name of the Auditor : Syed Mahmud Ahmed FCA  
Senior Partner

DVC : 2311080586AS711619  
Dhaka, Date : 28-10-2023

Enrolment No. : 586



**Loginex Limited**

Plot-42/69, Nitol Nilay Tower (Level-8), Nikunja-2,  
Khilkhet, Dhaka-1229, Bangladesh

**Statement of Financial Position**  
As at June 30, 2023

ASSETS	Notes/ Sch	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>Non-Current Assets:</b>		<b>10,094,141</b>	<b>8,934,758</b>
<b>Property, Plant &amp; Equipment</b> (at cost less accumulated depreciation)	6.00	6,784,112	7,255,556
Intangible Assets	7.00	421,707	527,134
Right of Use Asset Net	8.00	2,888,322	1,152,067
<b>Current Assets:</b>		<b>39,353,467</b>	<b>2,404,368</b>
Cash and cash equivalents	9.00	709,378	131,036
Accounts Receivable	10.00	37,288,308	920,950
Advances, Deposits and Prepayments	11.00	1,355,781	1,352,382
<b>Total Assets</b>		<b>49,447,608</b>	<b>11,339,126</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders Equity:</b>		<b>5,438,001</b>	<b>3,113,100</b>
Issued, subscribed & Paid Up Capital	12.00	1,000,000	1,000,000
Retained earnings	13.00	4,438,001	2,113,100
<b>Non-Current liabilities</b>		<b>1,276,541</b>	<b>-</b>
Lease Liability	15.00	1,276,541	-
<b>Current liabilities</b>		<b>42,733,066</b>	<b>8,226,026</b>
Provision for expenses	14.00	1,505,525	1,246,214
Current Portion of Lease Liability	15.00	1,661,233	1,160,492
Liabilities for income tax	16.00	520,894	784,172
Account Payable	17.00	39,045,414	5,035,148
<b>Total Liabilities &amp; Shareholders' Equity</b>		<b>49,447,608</b>	<b>11,339,126</b>
<b>Net Asset Value (NAV) per Share</b>	22.00	<b>54.38</b>	<b>31.13</b>

The notes are integral part of the financial statements.

Chairman

Managing Director

Chief Financial Officer

Name of Firm: **M M Rahman & Co.**  
Chartered Accountants

Signature of the Auditor:

Name of the Auditor: Syed Mahmud Ahmed FCA  
Senior Partner

Enrolment No. : 586

DVC : 2311080586AS711619  
Dhaka, Date : 28-10-2023





**Loginex Limited**

Plot-42/69, Nitol Nilay Tower (Level-8), Nikunja-2,  
Khilkhet, Dhaka-1229, Bangladesh

**Statement of Profit or Loss and other Comprehensive Income**  
For the year ended June 30, 2023

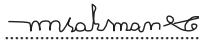
	Notes	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Net Revenue	18.00	187,315,254	186,996,995
Less: Cost of sales	19.00	176,754,577	178,131,165
<b>Gross profit</b>		<b>10,560,677</b>	<b>8,865,830</b>
Less: Office & administrative expenses	20.00	7,438,972	5,780,904
<b>Profit/(Loss) from Operation</b>		<b>3,121,705</b>	<b>3,084,925</b>
Less: Financial expenses	21.00	133,620	42,790
<b>Profit/(loss) before workers' profit participation fund (WPPF)</b>		<b>2,988,085</b>	<b>3,042,136</b>
Less: Workers' profit participation and welfare funds (WPPF)		142,290	144,864
<b>Profit/(loss) before tax</b>		<b>2,845,795</b>	<b>2,897,272</b>
Less: Income Tax Expense		520,894	784,172
<b>Net profit/(loss) after tax</b>		<b>2,324,901</b>	<b>2,113,100</b>
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		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>2,324,901</b>	<b>2,113,100</b>
<b>Earnings per share (EPS)</b>	<b>23.00</b>	<b>23.25</b>	<b>21.13</b>

  
Chairman

  
Managing Director

  
Chief Financial Officer

Name of Firm: **M M Rahman & Co.**  
Chartered Accountants

Signature of the Auditor : 

Name of the Auditor : Syed Mahmud Ahmed FCA  
Senior Partner

Enrolment No. : 586

DVC : 2311080586AS711619

Dhaka, Date : 28-10-2023





### Loginex Limited

Plot-42/69, Nitol Nilay Tower (Level-8), Nikunja-2,  
Khilkhet, Dhaka-1229, Bangladesh

### Statement of Changes In Equity For the year ended June 30, 2023

Particulars	Share Capital	Retained Earnings	Total
Opening Balance	1,000,000	2,113,100	3,113,100
Net profit / (Loss) during thyear	-	2,324,901	2,324,901
<b>Balance as on June 30, 2023</b>	<b>1,000,000</b>	<b>4,438,001</b>	<b>5,438,001</b>

### For the year ended June 30, 2022

Particulars	Share Capital	Retained Earnings	Total
Paid Up Capital	1,000,000	-	1,000,000
Net profit /Loss during the year	-	2,113,100	2,113,100
<b>Balance as on June 30, 2022</b>	<b>1,000,000</b>	<b>2,113,100</b>	<b>3,113,100</b>

  
Chairman

  
Managing Director

  
Chief Financial Officer

Name of Firm: **M M Rahman & Co.**  
Chartered Accountants

Signature of the Auditor : 

Name of the Auditor : Syed Mahmud Ahmed FCA  
Senior Partner

Enrolment No. : 586

DVC : 2311080586AS711619

Dhaka, Date : 28-10-2023



**Loginex Limited**

Plot-42/69, Nitol Nilay Tower (Level-8), Nikunja-2,  
 Khilkhet, Dhaka-1229, Bangladesh

**Statement of Cash Flows**

For the year ended June 30, 2023

Particulars	Notes	June 30, 2023	June 30, 2022
		Amount (Tk.)	Amount (Tk.)
<b>A CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash Received from customers		150,947,897	186,076,045
Cash Paid to suppliers		(106,840,965)	(167,988,920)
Cash Paid to employees		(40,383,250)	(9,572,552)
Cash Paid to others		(1,945,202)	(1,478,835)
Tax Paid		(784,172)	-
Financial Expenses		(133,620)	(42,790)
<b>Net cash flow from operating activities</b>		<b>860,688</b>	<b>6,992,947</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Acquisition of property, plant & equipment		(282,346)	(7,861,912)
<b>Net cash used in investing activities</b>		<b>(282,346)</b>	<b>(7,861,912)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issue of share capital		-	1,000,000
<b>Net cash from financing activities</b>		<b>-</b>	<b>1,000,000</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>578,342</b>	<b>131,036</b>
Cash & Cash Equivalents at the beginning of the year		131,036	-
<b>Cash &amp; Cash Equivalents at the end of the year</b>		<b>709,378</b>	<b>131,036</b>
<b>Net Operating Cash Flows per Share (NOCFPS)</b>	<b>24.00</b>	<b>8.61</b>	<b>69.93</b>

Chairman

Managing Director

Chief Financial Officer

Name of Firm: **M M Rahman & Co.**  
 Chartered Accountants

Signature of the Auditor :

Name of the Auditor : Syed Mahmud Ahmed FCA  
 Senior Partner

Enrolment No. : 586

DVC : 2311080586AS711619  
 Dhaka, Date : 28-10-2023





**Loginex Limited**

Plot-42/69, Nitol Nilay Tower (Level-8), Nikunja-2,  
Khilkhet, Dhaka-1229, Bangladesh

**Schedule of Property, Plant & Equipment  
As at June 30, 2023**

Particulars	COST			Rate (%)	DEPRECIATION			Schedule -A
	Opening Balance	Addition during the year	Closing Balance		Opening Balance	Charged during the year	Closing Balance	W.D.V
	1-Jul-22		30-Jun-23		1-Jul-22		30-Jun-23	30-Jun-23
Furniture & Fixture	414,500	203,687	618,187	10%	2,725	61,546	64,271	553,916
Office Decoration	6,594,872	-	6,594,872	10%	27,102	656,777	683,879	5,910,993
IT Equipment	282,688	78,659	361,347	10%	6,676	35,467	42,143	319,204
<b>Balance as on June 30, 2023</b>	<b>7,292,060</b>	<b>282,346</b>	<b>7,574,406</b>		<b>36,503</b>	<b>753,790</b>	<b>790,293</b>	<b>6,784,112</b>
<b>Balance as on June 30, 2022</b>	<b>-</b>	<b>7,292,060</b>	<b>7,292,060</b>		<b>-</b>	<b>36,503</b>	<b>36,503</b>	<b>7,255,556</b>

Allocation of Depreciation		
		30.06.2023
Depreciation Allocated to:		
Cost of Sales	70%	527,653
Administrative Expenses	30%	226,137
<b>Depreciation Expenses</b>		<b>753,790</b>



**Loginex Ltd.**

Plot-42/69, Nitol Nilay Tower, Nikunja-2,  
 Khilkhet, Dhaka

**Schedule of Intangible Asset  
 As at June 30, 2023**

Particulars	COST			Rate (%)	DEPRECIATION			Schedule -B
	Opening Balance	Addition during the year	Closing Balance		Opening Balance	Charged during the year	Closing Balance	W.D.V
	1-Jul-22	year	30-Jun-23		1-Jul-22	year	30-Jun-23	30-Jun-23
Software	569,852	-	569,852	20%	42,718	105,427	148,145	421,707
<b>Balance as on June 30, 2023</b>	<b>569,852</b>	<b>-</b>	<b>569,852</b>		<b>42,718</b>	<b>105,427</b>	<b>148,145</b>	<b>421,707</b>
<b>Balance as on June 30, 2022</b>	<b>-</b>	<b>569,852</b>	<b>569,852</b>		<b>-</b>	<b>42,718</b>	<b>42,718</b>	<b>527,134</b>

Cost as at July 01, 2022	569,852
Accumulated Depreciation as at July 01, 2022	42,718
<b>Written Down Value as at July 01, 2022</b>	<b>527,134</b>

Note: Opening Written down value of Tk. 527,134 and addition during the year has been considered as depreciable amount as the company changes its amortization under Straight Line Method instead of Reducing Balance Method.

Allocation of Depreciation		
		31.03.2023
<b>Depreciation Allocated to:</b>		
Cost of Sales	70%	73,799
Administrative Expenses	30%	31,628
<b>Depreciation Expenses</b>		<b>105,427</b>





Loginex Ltd.

Schedule of Right of Use Assets  
As on June 30, 2023

Name of Assets	Cost			Depreciation/Amortization			Schedule - C
	Balance as on 01.07.2022	Addition during the year	Balance as on 30.06.2023	Balance as on 01.07.2022	Charged during the year	Balance as on 30.06.2023	Written down value as on 30.06.2023
Nitol Niloy Tower	1,728,101	3,465,987	5,194,088	576,034	1,729,732	2,305,766	2,888,322
As on June 30, 2023	1,728,101	3,465,987	5,194,088	576,034	1,729,732	2,305,766	2,888,322
As on June 30, 2022	-	1,728,101	1,728,101	-	576,034	576,034	1,152,067



## LOGINEX LIMITED

Plot-42/69, Nitol Nilay Tower (Level-8), Nikunja-2,  
 Khilkhet, Dhaka-1229, Bangladesh

### Notes To The Financial Statement

As at and for the period ended June 30, 2023

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

**Loginex Limited** was incorporated in Bangladesh on 30 June, 2021 under the Companies Act, 1994 vide registration no. C-172167/2021 as a private Company limited by shares.

The registered office is located at Plot-42/69, Nitol Nilay Tower, Nikunja-2, Khilkhet, Dhaka.

#### 2.00 Nature of Corporate Business :

The principal activities of the Company is to carry on business of Logistics Support Service and Management, IT & Telecommunication and Computer software provider, Express and courier service, Brokerage, Pick & Drop/Pick and pack Assembling Services.

#### 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 period.

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), 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 period.

IAS 01	Presentation of Financial Statements
IAS 02	Inventories
IAS 07	Statements of Cash flows
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment
IAS 37	Provisions, Contingent Liabilities and Contingent Assets.
IFRS 15	Revenue from Contracts with Customers



#### 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 , 2023
- The Income Tax Rules , 2023
- The VAT & Supplementary Act, 2012
- The VAT & Supplementary Rules, 2016
- Bangladesh Labor Act, 2006 (Ammedment 2015)

#### 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 the period from July 01, 2022 to June 30, 2023.

#### 4.07 Components of the financial statements

- i) Statement of Financial Position as at June 30, 2023.
- ii) Statement of Profit or Loss and other Comprehensive Income for the period ended June 30, 2023.
- iii) Statement of Changes in Equity for the period ended June 30, 2023.
- iv) Statement of Cash flows for the period ended June 30, 2023.
- v) Notes, comprising significant accounting policies and other explanatory information.
- vi) Comparative information.

#### 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



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.

#### 5.01.02 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.

#### 5.01.03 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 period. Depreciation on current Year's 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 are recognised in the profit or loss and other comprehensive income

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

<b>Class of Assets</b>	<b>Rate of Depreciation</b>
Furniture and fixture	10%
Computer Equipments	10%
Office Decoration	10%

### 5.02 Intangible assets

#### 5.02.01 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

#### 5.02.02 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

#### 5.02.03 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.





### 5.03 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.

### 5.04 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.

### 5.05 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.

### 5.06 Recognition of revenue as per IFRS 15

Entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- Ø Identify the contract(s) with a customer
- Ø Identify the performance obligations in the contract
- Ø Determine the transaction price
- Ø Allocate the transaction price to the performance obligations in the contract
- Ø Recognize revenue when (or as) the entity satisfies a performance obligation.

Application of this guidance will depend on the facts and circumstances present in a contract with a customer and will require the exercise of judgment.

Entity does not satisfy its performance obligation over time; it satisfies it at a point in time. Revenue will therefore be recognized when control is passed at a certain point in time.

### 5.07 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.

### 5.08 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.







Cash at bank	9.01
<b>Total</b>	

June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
680,625	85,580
<b>709,378</b>	<b>131,036</b>

#### 9.01 Cash at bank

The above balance consists of as follows :

Name of the Bank	Branch	A/C Type	A/C No.	Amount (Tk.)	Amount (Tk.)
NRBC Bank Ltd.	Banani	CD	0121 33300000647	404,100	79,791
United Commercial Bank Ltd	Nikunja	CD	1511101000000253	276,526	5,789
<b>Total</b>				<b>680,625</b>	<b>85,580</b>

#### 10.00 Accounts Receivable

Opening balance	920,950	-
Addition during the year	204,172,858	199,595,286
	<b>205,093,808</b>	<b>199,595,286</b>
Collection during the year	167,805,500	198,674,336
<b>Closing balance</b>	<b>37,288,308</b>	<b>920,950</b>

#### 11.00 Advances, Deposits and Prepayments

Opening balance	1,352,382	-
Addition during the year	3,399	1,352,382
	<b>1,355,781</b>	<b>1,352,382</b>
Adjustment during the year	-	-
<b>Closing balance</b>	<b>1,355,781</b>	<b>1,352,382</b>

Addition is made up as follows:

Office Rent	900,000	900,000
Security Deposit	-	-
Advance Income Tax (AIT)	455,781	452,382
<b>Total</b>	<b>1,355,781</b>	<b>1,352,382</b>

#### 12.00 Issued, subscribed & paid up capital

<b>Authorized capital</b>	<b>10,000,000</b>	<b>10,000,000</b>
Divided into 1,000,000 ordinary shares of Tk. 10 each		
<b>Issued, subscribed &amp; paid up capital</b>	<b>1,000,000</b>	<b>1,000,000</b>
Divided into 1,00,000 ordinary shares of Tk. 10 each		

Share holding position as on June 30, 2023

Name of Share holder	No. of Share	% of Shares	Amount (Tk.)	Amount (Tk.)
Genex Infosys Ltd.	75,000	75%	750,000	750,000
Mohammed Tanzidul Alam	25,000	25%	250,000	250,000
<b>Total</b>	<b>100,000</b>	<b>100%</b>	<b>1,000,000</b>	<b>1,000,000</b>



**13.00 Retained earnings**

Opening Balance	2,113,100	-
Add: Net profit/ (loss) during the year	2,324,901	2,113,100
<b>Total</b>	<b>4,438,001</b>	<b>2,113,100</b>

**14.00 Provision for expenses**

Opening Balance	1,246,214	-
Add: Addition during the year	654,540	1,246,214
<b>Total</b>	<b>1,900,754</b>	<b>1,246,214</b>
Less: Adjustment made during the year	395,229	-
<b>Closing Balance</b>	<b>1,505,525</b>	<b>1,246,214</b>

**This is made up as follows:**

Audit fee	100,000	100,000
VAT payable on audit fee	15,000	15,000
Provision for electricity bill	162,560	150,000
Salary payable	1,085,675	836,350
Provision for workers' profit participation and welfare funds	142,290	144,864
<b>Total</b>	<b>1,505,525</b>	<b>1,246,214</b>

**15.00 Lease Liability**

Opening Balance	1,160,492	-
Recognition of Lease Liability on initial application of IFRS 16	-	1,728,101
Addition during the year	3,465,987	-
<b>Total</b>	<b>4,626,479</b>	<b>1,728,101</b>

**Payment of Lease Liability**

Installment paid during the year	(1,800,000)	(600,000)
Interest on Lease Payments	111,295	32,391
<b>Closing Balance</b>	<b>2,937,774</b>	<b>1,160,492</b>
Current Portion of Lease Liability	1,661,233	1,160,492
<b>Long Term Portion</b>	<b>1,276,541</b>	<b>(0)</b>

**16.00 Liabilities for income tax**

Opening Balance	784,172	-
Add: Addition during the year	520,894	784,172
<b>Total</b>	<b>1,305,066</b>	<b>784,172</b>
Less: Adjustment made during the year	784,172	-
<b>Closing Balance</b>	<b>520,894</b>	<b>784,172</b>

**17.00 Accounts Payable**

Opening Balance	5,035,148	-
Add: Addition during the year	170,751,632	173,445,999
<b>Total</b>	<b>175,786,780</b>	<b>173,445,999</b>
Less: Adjustment made during the year	136,741,366	168,410,851
<b>Closing Balance</b>	<b>39,045,414</b>	<b>5,035,148</b>



	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
<b>18.00 Revenue</b>		
Total Sales	204,172,858	199,595,286
Less: Value Added Tax (VAT)	16,857,603	12,598,291
<b>Net Sales</b>	<b>187,315,254</b>	<b>186,996,995</b>
This is made up as follows:		
<b>Logistic Services</b>	<b>125,262,924</b>	<b>184,044,970</b>
<b>Information Technology Enable Services</b>		
Business process outsourcing	8,905,648	421,718
IT support & software maintenance	9,947,025	559,460
Digital content development & management	6,098,726	456,250
Call centre service	16,773,548	88,409
System Integration	3,890,647	568,922
Software development	8,860,254	652,506
Website development	7,576,482	204,760
Total	<b>62,052,330</b>	<b>2,952,025</b>
<b>Net Sales</b>	<b>187,315,254</b>	<b>186,996,995</b>
<b>19.00 Cost of Sales</b>		
This is made up as follows:		
Carrying Expense	100,751,632	171,740,512
Salary & Allowances	35,260,867	5,030,402
Software development & maintenance	25,957,841	-
Digital content development & management	7,223,325	-
Website development	6,818,834	-
Office rent	-	1,200,000
Utility Expense	140,626	104,796
Depreciation	Sch-A 527,653	25,552
Amortization on intangible assets	Sch-B 73,799	29,903
<b>Total</b>	<b>176,754,577</b>	<b>178,131,165</b>
<b>20.00 Office &amp; administrative expenses</b>		
Salary & Allowances	4,036,708	3,705,800
Service Charge	173,500	144,000
Utility Expense	106,410	56,428
Internet & Connectivity	149,722	216,000
Depreciation	Sch-A 226,137	10,951
Amortization on Intangible Assets	Sch-B 31,628	12,815
Depreciation on Right of Use Assets	Sch-C 1,729,732	576,034
IT Expense	136,840	387,078
Audit Fee	153,333	115,000
Cleaning Expense	90,000	60,000
Printing & Stationery	50,030	31,700
Conveyance & Allowance	14,910	20,740
Entertainment Expense	35,860	16,305
Fuel Expense	50,662	43,730
Mobile & Telephone	82,246	45,000





	June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
Office Maintenance	96,304	116,623
Repair & Maintenance	65,180	22,450
Legal Fee	-	-
Miscellaneous Expense	10,520	-
Vehicle Rent	199,250	200,250
<b>Total</b>	<b>7,438,972</b>	<b>5,780,904</b>
<b>21.00 Financial expenses</b>		
Bank Charges	22,325	10,399
Interest on lease liability	111,295	32,391
<b>Total</b>	<b>133,620</b>	<b>42,790</b>
<b>22.00 Net Asset Value (NAV) per share</b>		
<b>Total Assets</b>	49,447,608	11,339,126
Less: Non Current Liabilities	1,276,541	-
Current Liabilities	42,733,066	8,226,026
<b>Net Asset Value</b>	<b>5,438,001</b>	<b>3,113,100</b>
Number of Ordinary Shares outstanding at Balance Sheet date	100,000	100,000
<b>Net Asset Value (NAV) per Share</b>	<b>54.38</b>	<b>31.13</b>
<b>23.00 Earnings per Share (EPS)</b>		
The computation of EPS is given below:		
Earning attributable to the ordinary shareholders	2,324,901	2,113,100
No. of ordinary shares during the period	100,000	100,000
<b>Earnings per Share (EPS)</b>	<b>23.25</b>	<b>21.13</b>
<b>24.00 Net operating cash flows per share</b>		
Cash flows from operating activities as per Statement of Cash Flows	860,688	6,992,947
Number of ordinary Shares outstanding during the period	100,000	100,000
<b>Net Operating Cash Flows Per Share</b>	<b>8.61</b>	<b>69.93</b>
<b>25.00 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>2,324,901</b>	<b>2,113,100</b>
<b>Adjustment for:</b>		
Depreciation	753,790	36,503
Amortization	105,427	42,718
Finance expense	133,620	42,790
	<b>992,837</b>	<b>122,011</b>
<b>Increase/(Decrease) in current Assets:</b>		
Increase/(Decrease) in Accounts Receivable	(36,367,358)	(920,950)
Increase/(Decrease) in Advances, Deposits, Prepayments.	(3,399)	(1,352,382)
Increase/(Decrease) in Right to Use Asset	(1,736,255)	(1,152,067)





**Increase/ (Decrease) in Liabilities:**

Increase/(Decrease) in Accounts Payable
Increase/(Decrease) in Provision for Expenses
Increase/(Decrease) in Liabilities for Income Tax
Increase/(Decrease) in Current Portion of Lease Liability
Paid for Finance Expenses
Net cash generated from operating activities (Indirect method)
Net cash generated from operating activities (Direct method)

June 30, 2023 Amount (Tk.)	June 30, 2022 Amount (Tk.)
(38,107,011)	(3,425,400)
34,010,266	5,035,148
259,311	1,246,214
(263,278)	784,172
1,777,282	1,160,492
<b>35,783,581</b>	<b>8,226,026</b>
(133,620)	(42,790)
<b>860,688</b>	<b>6,992,947</b>
<b>860,688</b>	<b>6,992,947</b>





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