



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



*Auditor's Report and Audited  
Consolidated and Sepaprate 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, 2020



## INDEPENDENT AUDITOR'S REPORT

### To the shareholders of Genex Infosys Limited

#### *Opinion*

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

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

#### *Basis for opinion*

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

#### *Emphasis of Matters*

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

1. The Company did not revalue the assets in compliance with Para-34 of IAS-16 'Property, Plant and Equipment'.

2. Provident Fund: According to Section-264 of Bangladesh Labour Act 2006 (Amended in 2013 and 2018)-"Any establishment in the private sector may constitute provident fund for the benefits of workers".

The company didn't constitute the Provident Fund for the benefits of workers', in compliance with the said provision of Labour Act 2006 (Amended in 2013 and 2018).

3. As per Labor act 2006 (amendment in 2013 and 2018) section 234, "Every Company to which this chapter applies shall pay, within 9 (nine) months of the closing of every year, five percent (5%) of the net profit of the previous year at the proportion of 80:10:10 to the Participatory Fund, Welfare Fund and Workers Welfare Foundation Fund established under section 14 of the Bangladesh Workers Welfare Foundation Act, 2006" respectively. The company paid the said amount after expiry of 9 (nine) months and before the date of authorization for issue.





### Key Audit Matters

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

Risk	Our response to the audit
<b>Non-current Asset</b>	
<p>The non-current assets comprise of property, plant and equipment, the intangible assets and the capital work in progress, the written down value of which amounted to Tk. 1,17,01,40,987, Tk. 32,04,24,444 and Tk. 14,95,47,933, respectively. The total of above mentioned assets amounted to Tk. 1,64,01,13,364, which is equivalent to 69% of the Company's total assets. As the major operations of the Company depend on the tangible and intangible infrastructure. There may remain the risk that the assets did not reflect the actual value of the same. Moreover, there may also remain the possibility of undetected impairment indicator.</p> <p>Thus, the measurement and valuation of the non-current assets involve significant audit risk, we considered this as a key audit matter.</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>• Testing relevant controls within the purchase and measurement process of the non-current assets;</li><li>• Recalculating the depreciation and amortization of the non-current assets;</li><li>• Evaluating the basis for the rate of charging amortization and depreciation and determination of useful life;</li><li>• Identifying if there is any impairment indicator; and</li><li>• Assessing the justification of the valuation.</li></ul>
See note no 06.00,7.00 & 8.00 to the financial statements	

Risk	Our response to the audit
<b>Inventories</b>	
<p>Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. The measurement and valuation of the inventories are judgmental and complex. There may remain the risk that the NRV could not be determined appropriately. There may also remain any undetected indicator for obsolescence of inventory. Moreover, the nature of the inventories is sophisticated and have significant impact on the operations of the Company. Due to high level of judgment involved and use of some manual process in</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"><li>• Reviewing the recording and valuation process of the inventories;</li><li>• Review the Company's process of inventory count and perform test count;</li></ul>



<p>estimating the valuation and net realizable value of inventories, we considered this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Assessing the appropriateness of the valuation of inventory and performing the recalculation; and</li> <li>• Understanding and testing relevant controls within the purchase, measurement and storing process of the inventories.</li> </ul>
<p>See note no 11.00 to the financial statements</p>	
<p><b>Revenue</b></p>	
<p>As at June 30, 2020, the company had total revenue amounting Tk. 99,03,89,610 reported in the financial statements.</p> <p>The reported amount of revenue is key audit matter due to:</p> <p>About 60% of the total net revenue comes from only 3 customers, average 20% from an individual customer. Losing such kind of any customer could have an adverse effect on revenue, profit and cash flow in any year.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Reviewing the director's assessment of selecting the major customer, ensuring the veracity of the data presented and assessing management's consideration of this process.</li> <li>• Assessing the completeness and accuracy of the data used for recognition of revenue.</li> <li>• Considering the adequacy of the financial statement disclosures contained in relation with revenue during the year.</li> <li>• Examining the long-term contracts with major customers, long-term contracts makes it more difficult for customers to switch vendors suddenly.</li> </ul>
<p>See note no 23.00 to the financial statements</p>	

**Other Information**

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

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

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

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





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

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

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

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

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

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

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

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





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain solely responsible for our audit opinion.

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

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

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

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

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





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

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Islam Avenue, Bangla Motor Dhaka -1000  
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Email : info@mmrahman.org, Web : www.mmrahman.org

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

Dated: Dhaka  
October 28, 2020



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





## Genex Infosys Limited

Consolidated statement of financial position  
As at June 30, 2020

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

Chairman

Company Secretary

Managing Director

Chief Financial Officer

Director

M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020





## Genex Infosys Limited

Statement of financial position  
As at June 30, 2020

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

*Y. Z. Islam*

Chairman

Company Secretary

Managing Director

Chief Financial Officer

Director

M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020

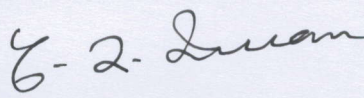



## Genex Infosys Limited

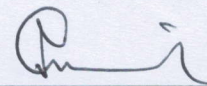
Consolidated statement of profit or loss  
 For the year ended June 30, 2020


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

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


  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Managing Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Company Secretary

  
 \_\_\_\_\_  
 Chief Financial Officer

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

Dated: October 28, 2020



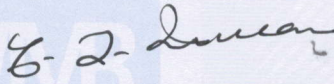



## Genex Infosys Limited

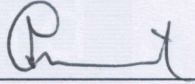
Consolidated Statement of profit or loss and other comprehensive income  
For the year ended June 30, 2020


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


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

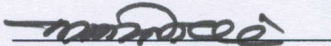
  
Chairman

  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer

  
M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020





## Genex Infosys Limited

Statement of profit or loss

For the year ended June 30, 2020

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

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

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020



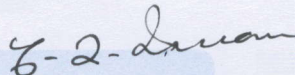


## Genex Infosys Limited

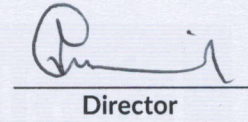
Statement of profit or loss and other comprehensive income  
For the year ended June 30, 2020

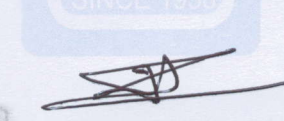
Notes	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Net profit /(loss) after tax	309,410,425	183,239,032
Add: Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):	-	-
<b>Other comprehensive loss for the year, net of tax</b>	<b>309,410,425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

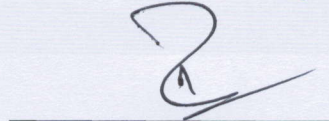
The accounting policies and explanatory notes are integral part of the Financial Statements.


  
Chairman

  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer

  
M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020





## Genex Infosys Limited

Consolidated statement of changes in equity  
For the year ended June 30, 2020

July 1, 2019 to June 30, 2020

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

July 1, 2018 to June 30, 2019

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

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

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020



## Genex Infosys Limited

Statement of changes in equity  
 For the year ended June 30, 2020

July 1, 2019 to June 30, 2020

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

July 1, 2018 to June 30, 2019

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

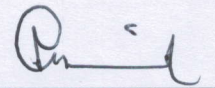
The accounting policies and explanatory notes are integral part of the Financial Statements.



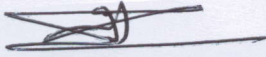
Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer



M M Rahman & Co.  
 Chartered Accountants

Dated: October 28, 2020

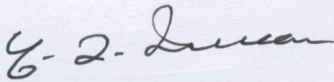


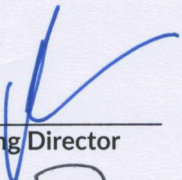


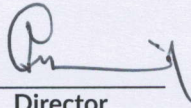
## Genex Infosys Limited


Consolidated statement of cash flows  
For the year ended June 30, 2020


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

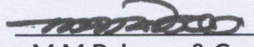
  
Chairman

  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer

  
M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020





## Genex Infosys Limited

Statement of cash flows

For the year ended June 30, 2020

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

Chairman

Managing Director

Director

Company Secretary

Chief Financial Officer

M M Rahman & Co.  
Chartered Accountants

Dated: October 28, 2020





Genex Infosys Limited

Consolidated property, plant and equipment  
As at June 30, 2020

Schedule-A.1

Particulars	Cost			Rate (%)	Depreciation			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Land & Land Development	-	183,605,265	183,605,265		-	-	-	183,605,265
Machinery and equipment	1,211,529,113	149,785,177	1,361,314,290	15%	418,625,107	123,781,138	542,406,245	818,908,045
Furniture and fixtures	96,859,447	997,224	97,856,671	10%	28,901,648	6,857,184	35,758,832	62,097,839
Motor vehicles	50,897,477	-	50,897,477	20%	21,092,749	5,960,945	27,053,694	23,843,783
Office decoration and renovation	104,495,258	13,573,092	118,068,350	10%	16,155,808	8,876,231	25,032,039	93,036,312
As on June 30, 2020	1,463,781,296	347,960,758	1,811,742,054		484,775,311	145,475,498	630,250,809	1,181,491,245
As on June 30, 2019	1,354,311,181	109,470,115	1,463,781,296		333,504,931	151,270,380	484,775,311	979,005,985

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

Allocation of Depreciation is as follows:

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





**Genex Infosys Limited**

Property, plant and equipment  
 As at June 30, 2020

Schedule-A

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

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

Allocation of Depreciation is as follows:

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





## Genex Infosys Limited

Consolidated intangible assets

As at June 30, 2020

Schedule-B.1

Particulars	Cost			Amortization			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020	Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Software	444,663,980	69,929,381	514,593,361	144,327,754	45,729,448	190,057,202	324,536,158
As on June 30, 2020	444,663,980	69,929,381	514,593,361	144,327,754	45,729,448	190,057,202	324,536,158
As on June 30, 2019	333,508,176	111,155,804	444,663,980	105,751,165	38,576,590	144,327,755	300,336,225

Cost as at July 01, 2019:	444,663,980
Accumulated Depreciation as at July 01, 2019:	144,327,755
Written Down Value as at July 01, 2019:	<u>300,336,225</u>

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

### Allocation of Amortization is as follows:

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





**Genex Infosys Limited**

Intangible assets  
As at June 30, 2020

Schedule-B

Particulars	Cost			Amortization			W.D.V.
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020	Balance as on 01.07.2019	Charged during the year	Balance as on 30.06.2020	Balance as on 30.06.2020
Software	438,400,740	69,929,381	508,330,121	142,901,826	45,003,851	187,905,677	320,424,444
As on June 30, 2020	438,400,740	69,929,381	508,330,121	142,901,826	45,003,851	187,905,677	320,424,444
As on June 30, 2019	327,244,936	111,155,804	438,400,740	105,178,879	37,722,947	142,901,826	295,498,914

Cost as at July 01, 2019:	438,400,740
Accumulated Depreciation as at July 01, 2019:	142,901,826
Written Down Value as at July 01, 2019:	<u>295,498,914</u>

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

Allocation of Amortization is as follows:

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





## **GENEX INFOSYS LIMITED.**

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

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended June 30, 2020

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

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

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

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

#### **1.01 Subsidiaries of the company**

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

##### **Subsidiary Company :**

##### **1) Green and Red Technologies Limited**

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

#### **2.00 Nature of Corporate Business :**

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

#### **3.00 Corporate Financial Statements and Reporting:**

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





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

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

#### 4.00 Basis of preparation

#### 4.01 Statement of Compliance

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

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

#### 4.02 Other regulatory compliances

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

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

#### 4.03 Basis of measurement

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





#### 4.04 Functional and presentational currency

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

#### 4.05 Accrual Basis of Accounting

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

#### 4.06 Reporting Period

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

#### 4.07 Components of the financial statements

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

#### 4.08 Date of Authorization

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

#### 5.00 Significant accounting policies

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

#### 5.01 Property, Plant and Equipment

##### i) Recognition and measurement

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

##### ii) Subsequent cost

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

##### iii) Depreciation

All items of property, plant and equipment have been depreciated on reducing balance method. Depreciation is charged on opening balance of fixed assets for full year. Depreciation on current year addition begins when an asset is available for use, i.e. it is in the location and for it to be capable of operating in the manner Intended by





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

the management. Depreciation of an assets ceases at the date that the assets is derecognised as per Para 55 of IAS 16 Property, Plant and Equipment. The cost of the day to day repairing and maintenance expenses is recognised in the profit or loss and other comprehensive income.

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

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

**iv) Impairment of assets**

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

**5.02**

**Intangible assets**

**i) Recognition and measurement**

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

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

**(ii) Subsequent expenditure**

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

**(iii) Amortization**

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

Expenditure to acquire software is capitalized. The company had charged amortization on software at 15.00% under Reducing Balance Method up to the year June 30, 2019. In the year June 30, 2020, the company has charged its Amortization on software under Straight Line Method instead of Reducing Balance Method.

Under Straight line method, the amount of the effect in future periods is impracticable as future addition amount cannot be determined reliably.

Amortization of Intangible Assets is charged on day basis.





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

**(v) Impairment of assets**

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

**5.03 Inventories**

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

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

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

**5.05 Advances, Deposits and Prepayments**

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

Deposits and prepayments are measured at payment value.

**5.06 Cash and Cash Equivalents**

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

**5.07 Provision**

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

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

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

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





5.09

**Borrowing cost**

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

5.10

**Corporate tax**

Income Tax provision has not been made for income from business and profession for the year from 1 July 2019 to 30 June, 2020 as the company provides the ITES services which are fully exempted from Tax up to June 30, 2024 as per 6<sup>th</sup> Schedule, Part A, Para 33 of The Income Tax Ordinance 1984.

As a result of fully exemption from tax, no provision has been made for deferred tax for this year.

5.11

**Statement of Cash flows**

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

5.12

**Earnings Per Share (EPS)**

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

**Basic Earning**

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

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

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

5.13

**Comparative information :**

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

5.14

**Events after the Reporting Period**

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

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

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





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

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

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

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

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

**5.16 Going Concern Basis**

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

**5.17 Impairment of Assets**

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

**5.18 Related Party Disclosures**

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

**5.19 Re-arrangement**

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

**5.20 Financial Instruments**

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

**Financial Assets**

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





### Initial Recognition

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

### Financial Liabilities

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

## 5.21 Changes in significant accounting policies

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

### IFRS 16 Leases

#### Nature and effect of changes

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

#### A. Definition of a lease

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

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

#### B. As a lessee

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

This standard introduces a single, on-balance sheet lease accounting model for leases where a lessee recognizes a right-of-use asset representing its 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.

On transition to IFRS 16, the Company recognized right-of-use assets and lease liabilities. Recognizing no difference in retained earnings. The impact on transition is summarized below.

**In Taka**

Right of Use asset - property, plant and equipment

**1 July 2019**

10,45,07,789

Lease liabilities

10,45,07,789

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

**5.22**

**General**

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







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

8.01





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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**8.01 Capital work in progress addition during the year**

Addition during the year	42,665,799	147,165,548
<b>Total</b>	<b>42,665,799</b>	<b>147,165,548</b>

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

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

Genex Infosys Limited	149,547,933	256,231,446
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>149,547,933</b>	<b>256,231,446</b>

**9.00 Right of Use Asset**

**At Cost :**

Opening balance	-	-
Recognition of right-of-use asset on initial application of IFRS 16	104,507,789	-
Addition during the year	-	-
Disposal during the year	-	-
<b>Closing balance</b>	<b>104,507,789</b>	<b>-</b>

**Accumulated depreciation:**

Opening balance	-	-
Recognition of right-of-use asset on initial application of IFRS 16	-	-
Charged during the year	50,108,033	-
Adjustment for disposal	-	-
<b>Closing balance</b>	<b>50,108,033</b>	<b>-</b>
<b>Written down value:</b>	<b>54,399,756</b>	<b>-</b>

\* See accounting policy in notes no. 5.21

**Allocation of Depreciation is as follows:**

**Depreciation Allocated to:**

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

**9.A Consolidated Right of Use Asset**

Genex Infosys Limited	54,399,756	-
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>54,399,756</b>	<b>-</b>

**10.00 Investment**

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

**10.01 Investment in subsidiary**

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





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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- 1) Green & Red Technologies Limited is the first Bangladeshi made online advertising platform, carries on the business of software development and online advertising used by all leading advertisers, ad agencies, ad selling and e-commerce portals in Bangladesh.
- 2) Green & Red Technologies Limited is a subsidiary company of Genex Infosys Limited.
- 3) Paid up capital of Green & Red Technologies Limited is Tk. 37,326,000 Divided into 3,73,260 shares @ Tk. 100 each.
- 4) Genex Infosys Limited holds 3,73,259 Shares @ Tk. 100 each of Green & Red Technologies Limited.

#### 10.A Consolidated Investment

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

#### 11.00 Inventories

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

##### This is made as follows:

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

#### 11.A Consolidated Inventories

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

#### 12.00 Accounts receivable

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

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

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





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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Aging schedule of accounts receivable :

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

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

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

**12.A Consolidated accounts receivable**

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

**13.00 Advances, deposits and prepayments**

Opening balance	144,316,544	39,759,549
Addition during the year	177,929,385	195,257,461
	322,245,929	235,017,010
Adjustment during the year	271,550,205	90,700,466
<b>Closing balance</b>	<b>50,695,724</b>	<b>144,316,544</b>

This is made up as follows

**Advances:**

Office employee		11,951,198	6,485,215
Office rent		6,109,785	6,109,785
Advances to supplier	13.01	13,862,226	7,177,796
Advance income tax		992,872	70,443
Advance against land and land development		-	103,000,000
		<b>32,916,081</b>	<b>122,843,239</b>

**Deposits:**

Security deposit- Mascot Plaza		-	2,490,000
VAT current account		4,849,306	4,849,306
Security deposit- Nitol Niloy Tower	13.02	11,070,585	11,070,585
Security deposit (Teletalk Bangladesh)		207,381	207,381
Security deposit (Islami Bank Bangladesh Bank)		200,000	200,000
Security deposit (Nothorn Electric Supply Co.)		140,000	140,000
Security deposit for Guest House office		205,000	205,000
Security deposit (CDBL)		500,000	500,000
		<b>17,172,272</b>	<b>19,662,272</b>





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
607,371	1,811,033
<b>607,371</b>	<b>1,811,033</b>
<b>50,695,724</b>	<b>144,316,544</b>

**Prepayment:**

Prepaid insurance

Closing balance

**13.01 Advances to Supplier**

Advance to Art Auto Corporation	165,800	161,396
Advance to LNB Automobiles	525,000	500,000
Advance to M/S R/P Enterprise	285,600	230,753
Advance to M/S Islam Enterprise	1,354,500	148,515
Advance to Trendz Autos	562,570	479,330
Advance to Avec Design and Solution Ltd	38,600	32,835
Advance to Wristband House	765,024	901,034
Advance to Taleb Enterprise	286,542	178,607
Advance to Neo Craft	63,025	50,708
Advance to S.R. Powder Paint	58,000	11,605
Advance to Multiband Workshop Ltd	97,500	50,000
Advance to Ryans It Ltd.	68,400	44,200
Advance to Sumon Enterprise	4,750,000	328,667
Advance to IT Fair.Com	125,000	103,000
Advance to Law Gallery	256,300	200,000
Advance to Momena Autos	1,086,500	900,000
Advance to Electra Mobiles Ltd.	750,460	616,704
Advance to Excel Telecom Pvt. Ltd.	1,550,000	1,219,626
Advance to Fair Distribution Ltd.	-	122,000
Advance to Fair Electronics Ltd.	586,455	475,576
Advance to Compustar (Pvt.) Ltd.	486,950	423,240
<b>Total</b>	<b>13,862,226</b>	<b>7,177,796</b>

**13.02 Security deposits-Nitol Niloy Tower**

Opening balance

Addition during the year

Closing balance

11,070,585	11,070,585
-	-
<b>11,070,585</b>	<b>11,070,585</b>

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

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

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

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





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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14.00 Cash and cash equivalents

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

14.01 Cash at bank

Bank Name	Account No.	Branch Name	30 June,2020	30 June,2019
AB Bank Limited	4005-794911-430	Principal	128,131	6,564,664
AB Bank Limited	4005-794911-001	Principal	575	575
AB Bank Limited	4005-794911-021	Principal	-	-
AB Bank Limited	4005-794911-026	Principal	-	-
AB Bank Limited	4005-794911-040	Principal	82,313	171,641
Bank Asia Limited	7533000041	Uttara	877	877
Eastern Bank Limited	1041060198037	Gulshan	28,273,465	39,045,942
Meghna Bank Limited	110311100000056	Motijheel	685,764	2,166,020
Meghna Bank Limited	110111100000193	Principal	68,265,677	21,573,880
Meghna Bank Limited	110113500000098	Principal	463,765	-
Mercantile Bank Limited	118611100880621	IARB	-	-
Mercantile Bank Limited	110613117820391	Banani	78,798	28,184
NRB Commercial Bank Limited	121364000000003	Banani	-	-
NRB Commercial Bank Limited	012133300000020	Banani	8,017,582	4,087,436
National Credit & Commerce Bank Limited	005-0210005180	Banani	17,201	18,668
National Credit & Commerce Bank Limited	002-0210027655	Motijheel	-	-
Dutch Bangla Bank Limited	1031100037185	Banani	2,227,194	2,502,752
NRB Global Bank Limited	111100001157	Gulshan	-	0.95
Prime Bank Limited	2118113002823	Gulshan	-	0.57
Union Bank Limited	0291010000914	Banani	638,684	3,986,039
Sonali Bank Ltd.	0102402002538	BB Avenue	4,630	-
<b>Total</b>			<b>108,884,656</b>	<b>80,146,680</b>

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

14.A Consolidated cash and cash equivalents

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





15.00 Share Capital

This is made up as follows:

Authorized Capital

100,000,000 Ordinary Shares of Tk 10 each

1,000,000,000 1,000,000,000

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

Opening Balance

816,000,000 816,000,000

Stock Dividend (2018-19)

122,400,000 -

938,400,000 816,000,000

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

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

Particulars	30-Jun-20			30-Jun-19
	No. of Shareholders	No. of Shares	Ownership (%)	Ownership (%)
Sponsors/Promoters & Directors	7	32,838,219	34.99%	34.46%
General Public	1,494	33,884,297	36.11%	36.75%
Institute	208	27,103,651	28.88%	28.77%
Foreign Company	6	13,833	0.01%	0.02%
<b>Total</b>	<b>1,715</b>	<b>93,840,000</b>	<b>100.00%</b>	<b>100.00%</b>

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

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

16.00 Retained earnings

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

16.A Consolidated retained earnings

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





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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**16.B Non controlling interest**

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

**17.00 Long term loan**

This is made up as follows:

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

**17.01 Long term loan outstanding**

Bank Name	Account No.	Type of Loan	Amount	Amount
Mercantile Bank Ltd.	LD1511665645	Term Loan	4,512,934	12,577,385
Less: Interest payable			237,545	456,556
<b>Outstanding balance</b>			<b>4,275,389</b>	<b>12,120,829</b>
AB Bank Ltd.	4005-794911-462	Term Loan	330,029,124	354,079,895
Less: Interest payable			2,752,128	4,447,911
<b>Outstanding balance</b>			<b>327,276,996</b>	<b>349,631,984</b>
BD Finance & Inv. Ltd.		Car loan	-	24,840
Less: Interest payable			-	-
<b>Outstanding balance</b>			<b>-</b>	<b>24,840</b>
Meghna Bank Ltd.	110163300000010	Term Loan	1,583,675	1,773,117
Less: Interest payable			36,104	56,883
<b>Outstanding balance</b>			<b>1,547,571</b>	<b>1,716,234</b>
Meghna Bank Ltd.	110163300000011	Term Loan	3,767,255	4,203,984
Less: Interest payable			86,081	101,711
<b>Outstanding balance</b>			<b>3,681,175</b>	<b>4,102,273</b>
<b>Total long term loan outstanding</b>			<b>336,781,131</b>	<b>367,596,160</b>

**17.02 Current portion of long term loan**

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

**17.A Consolidated long term loan**

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

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

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





June 30, 2020  
 Amount (Tk.)

June 30, 2019  
 Amount (Tk.)

Terms & Conditions

Name of Institution	Type of Facility	Particulars
Mercantile Bank Ltd	Term Loan	Nature of Credit: Term Loan
		Credit Limit: Tk. 500.00 Lac Only.
		Purpose: To meet up the establishment cost for setting up a new contract Centre.
		Validity/Expiry: 05 (Five) years from the date of disbursement (including six months grace year).
		Interest Rate: 10.50 % P.A with quarterly rest subject to change that may be met by the bank from time to time
AB Bank Ltd	Term Loan	Nature of Credit: Term Loan
		Credit Limit: Tk. 38.75 crore (Taka Thirty Eight Crore & Seventy Five lac) only.
		Purpose: To meet up expenses associated with acquisition of Green & Red Technologies Ltd. & Hello World Communications and expansion of Genex Infosys Ltd. against total cost of Tk. 3928.03 Lac.
		Validity/Expiry: 07 (Seven) years.
		Interest Rate: 13.50 % P.A. or as decided by our Head office from time to time .
Meghna Bank Ltd	Term Loan	Nature of Credit: Term Loan
		Credit Limit: Tk. 18.00 Lac (Taka Eighteen lac) only.
		Purpose: To purchase a Toyota Axio-Hybrid; Model-2015, Brown colored on A/C of Genex Infosys Ltd. for company use.
		Validity/Expiry: 05 (Five) years.
		Interest Rate: 14.00 % p.a. with quarterly rest subject to change that may be made by the bank from time to time.
Meghna Bank Ltd	Term Loan	Security: Joint Registration & Insurance of the vehicle will be in the name of Meghna Bank Ltd, Principal Branch on A/C of "Genex Infosys Ltd". Personal Gurantee of all Directors of the company.
		Nature of Credit: Term Loan
		Credit Limit: Tk. 42.00 Lac (Taka Forty Two lac) only.
		Purpose: To purchase a Mitsubishi Outlander Grey
		Validity/Expiry: 05 (Five) years.
Meghna Bank Ltd	Term Loan	Interest Rate: 14.00 % p.a. with quarterly rest subject to change that may be made by the bank from time to time.
		Security: Joint Registration & Insurance of the vehicle will be in the name of Meghna Bank Ltd, Principal Branch on A/C of "Genex Infosys Ltd". Personal Gurantee of all Directors of the company.





18.00 Lease Liability

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Opening balance	-	-
Recognition of Lease Liability on initial application of IFRS 16	104,507,789	-
Addition during the year	-	-
<b>Closing balance</b>	<b>104,507,789</b>	-
<b>Payment of lease liability</b>		
Opening balance	-	-
Installment paid during the year	(54,566,982)	-
Interest on lease liability	6,652,092	-
Current Portion of Lease Liability	43,525,545	-
<b>Closing Balance</b>	<b>13,067,354</b>	-

\* See accounting policy in notes no. 5.21

18.A Consolidated Lease Liability

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

19.00 Accounts and other payable

Opening balance	2,730,071	2,073,377
Addition during the year	75,601,542	109,652,173
	<b>78,331,613</b>	<b>111,725,550</b>
Adjustment during the year	75,162,067	108,995,479
<b>Closing balance</b>	<b>3,169,546</b>	<b>2,730,071</b>

Name of the suppliers :

Aamra Networks Ltd.	155,596	48,812
Fortune Biz Solution	50,980	20,438
Cleanco Service Ltd.	85,802	85,802
China Electric Ltd.	40,422	40,422
Clean & care	80,000	51,400
Gurdenia Nursery	58,500	35,250
Elite Security Services Ltd.	244,720	318,110
Integrated Business Solutions Pvt Limited	286,054	372,983
Multibrand Workshop	97,618	48,190
Nissho Koeiko Tissue Papers Ltd.	272,741	156,512
Rapid Technologies	395,908	380,057
S.R Power Paint	95,775	95,775
Smart Technologies BD. Ltd.	741,430	4,800
Drubo Rent A Car	360,000	470,000
Naisha Enterprise	-	461,520
Nisat Enterprise	204,000	140,000
<b>Total</b>	<b>3,169,546</b>	<b>2,730,071</b>





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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**19.A Consolidated accounts and other payable**

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

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

**20.00 Dividend payable**

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

**20.A Consolidated Dividend payable**

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

**21.00 Short term loan**

This is made up as follows:

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

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

<b>Short Term Bank Loan (IBP)</b>				
Meghna Bank Ltd	1129 733000000156	IBP Loan	-	24,625,333
Meghna Bank Ltd	1130 733000000157	IBP Loan	-	8,947,156
Meghna Bank Ltd	1131 733000000159	IBP Loan	-	25,379,167
Meghna Bank Ltd	1131 733000000160	IBP Loan	-	401,867
Meghna Bank Ltd	1132 733000000161	IBP Loan	-	24,312,933
Meghna Bank Ltd	1133 733000000162	IBP Loan	-	8,024,889
Meghna Bank Ltd	1101 73000000133	IBP Loan	817,635	-
Meghna Bank Ltd	1101 73000000134	IBP Loan	3,340,650	-
AB Bank Ltd.	4005-794911-568	IBP Loan	-	8,456,112

AB Bank Ltd.	4005-794911-569	IBP Loan	-	913,014
AB Bank Ltd.	4005-794911-570	IBP Loan	-	3,843,750
AB Bank Ltd.	4005-794911-571	IBP Loan	-	697,000
<b>Total</b>			<b>4,158,285</b>	<b>105,601,220</b>
Less: Interest payable			180,220	1,741,220
<b>Outstanding balance</b>			<b>3,978,065</b>	<b>103,860,000</b>





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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LTR Loan				
Meghna Bank Ltd	1101 73600001092	LTR Loan	2,306,799	-
Meghna Bank Ltd	1101 73600001093	LTR Loan	2,781,154	-
Meghna Bank Ltd	1101 73600001117	LTR Loan	857,690	-
<b>Total</b>			<b>5,945,644</b>	<b>-</b>
Less: Interest payable			312,052	-
<b>Outstanding balance</b>			<b>5,633,592</b>	<b>-</b>

General Loan				
Meghna Bank Ltd	110163100000033	General Loan	-	281,044
Meghna Bank Ltd	110163100000058	General Loan	1,285,464	2,141,207
Meghna Bank Ltd	110163100000059	General Loan	414,131	792,258
Meghna Bank Ltd	110163100000105	General Loan	17,110,596	22,458,152
Meghna Bank Ltd	110163100000114	General Loan	7,434,748	12,804,447
Meghna Bank Ltd	1101 63100000118	General Loan	9,927,806	18,746,537
<b>Total Loan</b>			<b>36,172,744</b>	<b>57,223,645</b>
Less: Interest payable			841,361	1,399,726
<b>Outstanding balance</b>			<b>35,331,383</b>	<b>55,823,919</b>

<b>Total Short Term Loan</b>	<b>308,020,634</b>	<b>394,437,228</b>
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**Terms & Conditions**

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





		June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Meghna Bank Ltd	Revolving L/C (Foreign/Local)	Nature of Credit: Revolving L/C (Foreign/Local)	
		Credit Limit: Tk. 4.00 crore (Taka Four Crore) only.	
		Purpose: To import/procure ICT related equipment, accessories and solutions from local and foreign vendors.	
		Validity/Expiry: 01 (one) year. However, each L/C will have specific validity as per L/C terms.	
		Margin 10% Cash & Commission .40% per quarter.	
Security: Registered Mortgage of 01 (one) Apartment measuring 4133.80 sft (including car parking, common space, open space) of a 14 storied building namely "Concord Asha" along with proportionate 1.303 decimal of undivided and un-demarcated land out of 26 katha 7 chattak (currently mortgaged with Prime Bank Ltd).			
Mercantile Bank Ltd	SOD (General)	Nature of Credit: SOD (General)	
		Credit Limit: Tk. 400.00 Lac Only.	
		Purpose: To meet working capital requirement of the company.	
		Validity: 01 (One) year.	
		Interest Rate: 9% P.A. with quarterly rest subject to change that may be met by the bank from time to time.	
Security: RM & RIGPA on 05 Nos. of floor measuring 15,897 sft on 12 storied commercial building, named "AWR NIB Tower" along with 4.54 decimal (2.75 katha) proportionate share of land out of 9.08 decimals (5.50 katha) including car parking space located at Plot#99, Road#11, Bloc: C, Banani ,Dhaka.			
Name of Institution	Type of Facility	Particulars	
Meghna Bank Ltd	Revolving LTR/Time Loan	Nature of Credit: Revolving LTR/Time Loan Inner of Rev. L/C)	
		Credit Limit: Tk. 3.00 crore (Taka Three Crore) only.	
		Purpose: LTR: To retire sight L/C documents to be opened under Rev. L/C, Time Loan: To retire import documents against local L/C	
		Validity/Expiry: 01 (one) year. However, each LTR/Time Loan will have specific validity up to 120 days from the date of creation. However, in case of DP L/C, DP year & LTR/Time Loan tenor shall not exceed 120 days.	
		Interest Rate: 14.00 % P.A. with quarterly rest.	
Security: Registered Mortgage of 01 (one) Apartment measuring 4133.80 sft (including car parking, common space, open space) of a 14 storied building namely "Concord Asha" along with proportionate 1.303 decimal of undivided and un-demarcated land out of 26 katha 7 chattak (currently mortgaged with Prime Bank Ltd).			
AB Bank Ltd	SOD (General)	Nature of Credit: Overdraft (General)	
		Credit Limit: Tk. 15.00 crore (Taka Fifteen Crore) only.	
		Purpose: To take over existing OD liability up to tk.10 crore with AB Bank Ltd and meet additional working capital requirement.	





		June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
AB Bank Ltd	SOD (General)	Validity/Expiry: 01 (one) year.	
		Interest Rate: 15.00 % P.A. or as advised by our Head office from time to time. Interest will be charged & paid on the end of each calendar quarter.	
		Security: Registered Mortgage of (Third Party) formalities 407.34 Decimals vacant land at mouza: Kataboi, Dhamrai, Dhaka. In respect of Property of Sale Deed No. 3095 dated 8.03.2012.	
AB Bank Ltd	Revolving Time Loan (IBP)	Nature of Credit: Revolving Time Loan (Bill receivables)	
		Credit Limit: Tk. 5.00 crore (Taka Five Crore) only.	
		Purpose: To meet up operational expenses.	
		Validity/Expiry: 90 (Ninety) days from the date of each disbursement.	
		Interest Rate: 15.00 % P.A. with quarterly rest or as revised by the bank from time to time.	
		Security: Registered Mortgage of (Third Party) formalities 407.34 Decimals vacant land at mouza: Kataboi, Dhamrai, Dhaka. In respect of Property of Sale Deed No. 3095 dated 8.03.2012.	

**21.A Consolidated short term loan**

Genex Infosys Limited  
 Green and Red Technologies Limited  
**Total**

308,020,634	394,437,228
-	-
<b>308,020,634</b>	<b>394,437,228</b>

**22.00 Provision & Accruals**

Opening balance  
 Addition during the year  
 Adjustment during the year

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

**This is made up as follows:**

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

**22.01 Interest payable**

Interest payable against Long Term Loan  
 Interest payable against Short Term Loan  
**Total Interest payable**

3,111,857	5,063,062
7,405,903	11,832,158
<b>10,517,760</b>	<b>16,895,220</b>





	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>22.02 Provision for workers' profit participation and welfare funds</b>		
Opening balance	10,897,275	17,327,810
Addition during the year	15,517,402	9,164,494
	<u>26,414,677</u>	<u>26,492,304</u>
Adjustment during the year	-	15,595,029
Closing balance	<u>26,414,677</u>	<u>10,897,275</u>
<b>22.03 Provision for income tax on other income</b>		
Opening Balance	50,851	-
Add: Provision during the year	937,622	50,851
<b>Total Income Tax Provision</b>	<u>988,473</u>	<u>50,851</u>
<b>22.A Consolidated provision &amp; accruals</b>		
Genex Infosys Limited	48,558,115	41,493,650
Green and Red Technologies Limited	2,653,574	2,130,560
<b>Total</b>	<u>51,211,689</u>	<u>43,624,210</u>







### 23.00 Revenue

	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
Total sales	1,036,400,004	923,754,257
Less: VAT on sales	46,010,394	37,738,741
<b>Net Sales</b>	<b>990,389,610</b>	<b>886,015,516</b>

This is made up as follows:

Data entry	26,799,306	30,210,426
Business process outsourcing	56,983,933	34,427,333
IT support & software maintenance	50,854,486	36,433,203
Digital content development & management	46,881,427	31,412,116
Call centre service	641,755,594	566,206,527
Software development	140,362,540	160,758,328
Website development	26,752,323	26,567,583
<b>Total</b>	<b>990,389,610</b>	<b>886,015,516</b>

### 23.A Consolidated revenue

Genex Infosys Limited	990,389,610	886,015,516
Green and Red Technologies Limited	45,205,521	57,319,498
<b>Total</b>	<b>1,035,595,131</b>	<b>943,335,014</b>

### 24.00 Cost of Sales

Salaries & allowance		244,438,786	244,235,478
Cleaning & clothing cost		1,083,766	1,072,545
Recruitment expenses		106,226	201,684
Office rent		9,360,450	66,532,552
Depreciation on Right of use asset	(Note 9.00)	46,600,471	-
Electricity bill		16,966,414	17,847,204
Entertainment expenses		829,332	812,458
Depreciation	Schedule-A	133,845,767	139,115,901
Amortization on intangible assets	Schedule-B	45,003,851	37,722,947
Transportation exp- maintenance		1,431,097	1,554,618
IT expenses		1,827,329	1,814,587
Medical expense		103,775	74,251
Printing		292,052	312,658
Stationery		263,362	245,897
Repair & maintenance		2,148,748	2,514,468
Overseas travelling		1,608,883	2,265,316
Training costs		293,094	212,546
Telephone & communication		2,175,433	2,015,148
Traveling & conveyance		3,324,220	3,487,123
Internet & Connectivity		1,643,163	-
Misc. expenses		39,097	46,765
<b>Total</b>		<b>513,385,316</b>	<b>522,084,146</b>





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

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

#### 24.A Consolidated cost of sales

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

#### 25.00 Administrative expenses

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





	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>25.A Consolidated Administrative Expenses</b>		
Genex Infosys Limited	55,499,363	51,912,739
Green and Red Technologies Limited	6,555,925	8,651,608
<b>Total</b>	<b>62,055,288</b>	<b>60,564,347</b>
<b>26.00 Selling &amp; distribution expenses</b>		
This is made up as follows:		
Promotional expense	178,352	198,624
Advertisement expenses	124,605	78,264
Gift expense	57,904	84,637
<b>Total</b>	<b>360,861</b>	<b>361,525</b>
<b>26.A Consolidated selling &amp; distribution expenses</b>		
Genex Infosys Limited	360,861	361,525
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>360,861</b>	<b>361,525</b>
<b>27.00 Financial expenses</b>		
This is made up as follows:		
Bank Interest	27.01 97,123,800	121,588,701
Interest on lease liability	(Note 18.00) 6,652,092	-
<b>Total</b>	<b>103,775,892</b>	<b>121,588,701</b>
<b>27.01 Bank interest</b>		
Interest against Long Term Loan	47,973,612	59,243,267
Interest against Short Term Loan	49,150,188	62,345,434
<b>Total Interest</b>	<b>97,123,800</b>	<b>121,588,701</b>
<b>27.A Consolidated financial expenses</b>		
Genex Infosys Limited	103,775,892	121,588,701
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>103,775,892</b>	<b>121,588,701</b>
<b>28.00 Other income</b>		
This is made up as follows:		
Income from cash incentive	9,123,000	2,182,570
Income from bank interest	101,287	68,726
Fluctuation gain/(loss)	(727,016)	134,676
<b>Total</b>	<b>8,497,271</b>	<b>2,385,972</b>





	June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
<b>28.A Consolidated other income</b>		
Genex Infosys Limited	8,497,271	2,385,972
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>8,497,271</b>	<b>2,385,972</b>
<b>29.00 Workers' profit participation fund Expense</b>		
Genex Infosys Limited	15,517,402	9,164,494
<b>Total</b>	<b>15,517,402</b>	<b>9,164,494</b>
<b>29.A Consolidated workers' profit participation fund</b>		
Genex Infosys Limited	15,517,402	9,164,494
Green and Red Technologies Limited	558,354	619,447
<b>Total</b>	<b>16,075,756</b>	<b>9,783,941</b>
<b>30.00 Income Tax Expense</b>		
This is made up as follows:		
Income Tax Expense	937,622	50,851
<b>Income Tax Expense</b>	<b>937,622</b>	<b>50,851</b>
<b>30.A Consolidated Income Tax Expense</b>		
This is made up as follows:		
Genex Infosys Limited	937,622	50,851
Green and Red Technologies Limited	-	-
<b>Total</b>	<b>937,622</b>	<b>50,851</b>





June 30, 2020 Amount (Tk.)	June 30, 2019 Amount (Tk.)
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**31.00 Earnings per share**

The computation of EPS is given below:

Earning attributable to the ordinary shareholders		309,410,425	183,239,032
Weighted average number of ordinary shares outstanding during the year	31.01	93,840,000	93,840,000
<b>Earnings per share</b>		<b>3.30</b>	<b>1.95</b>

The following are the reasons for significant deviation of EPS:

01. Utilization of idle capacity.
02. Reduction of cost and increase in other income.
03. Addition of fixed assets.
04. Increase in revenue.

**31.01 Calculation of weighted average number of outstanding ordinary shares**

Particulars	No. of Shares	Weight	Weighted average number of shares	Weighted average number of shares
Opening balance	81,600,000	365/365	81,600,000	61,600,000
New Issued Share	-	365/365	-	20,000,000
Bonus Share @ 15%	12,240,000	365/365	12,240,000	12,240,000
<b>Total number of shares outstanding for the year</b>	<b>93,840,000</b>		<b>93,840,000</b>	<b>93,840,000</b>

**31.A Consolidated earnings per share**

The computation of consolidated EPS is given below:

Earning attributable to the ordinary shareholders		320,577,485	195,627,936
Weighted average number of ordinary shares outstanding during the year	31.01	93,840,000	93,840,000
<b>Consolidated earnings per share</b>		<b>3.42</b>	<b>2.08</b>

**32.00 Net Asset Value (NAV) per share**

Total Assets		2,364,301,031	2,148,407,923
Less : Non Current Liabilities		344,373,096	355,067,397
Current Liabilities		409,166,696	451,189,712
<b>Net Asset Value</b>		<b>1,610,761,239</b>	<b>1,342,150,814</b>
Number of Ordinary Shares outstanding during the year		93,840,000	81,600,000
<b>Net Asset Value (NAV) per Share</b>		<b>17.16</b>	<b>16.45</b>





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





**Others**

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

(a) Short-term employee benefits

**Directors Remuneration:**

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

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

**35.00 Audit Fees**

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

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

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





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

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

Particulars	June 30, 2020
Number of Employees	2768

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

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

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

Particulars	June 30, 2020
Turnover	990,389,610

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

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

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

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

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

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

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

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

	June 30,2020 Amount (Tk.)	June 30,2019 Amount (Tk.)
Net Profit	309,410,425	183,239,032
Adjustment for:		
Depreciation	143,920,180	149,586,991
Amortization	45,003,851	37,722,947
Finance Expense	103,775,892	122,656,163
	<u>292,699,923</u>	<u>309,966,101</u>





**Increase/(Decrease) in current Assets:**

Increase in inventories	(26,255,969)	(3,479,310)
Increase in accounts receivable	(78,565,619)	26,763,655
Increase in advances,deposits, prepayments.	(9,379,180)	(1,556,995)
Increase in right to use asset	(54,399,756)	-
	<u>(168,600,524)</u>	<u>21,727,350</u>

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

Increase in accounts payable and other payable	439,475	656,694
Increase in provision and accruals	13,441,925	(24,160,093)
Increase in lease liability	56,592,899	-
	<u>70,474,299</u>	<u>(23,503,399)</u>
Paid for finance expenses	(110,153,352)	(122,656,163)
Net cash generated from operating activities (indirect method)	<u>393,830,771</u>	<u>368,772,921</u>
Net cash generated from operating activities (Direct method)	<u>393,830,771</u>	<u>368,772,921</u>

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

Net Consolidated Profit	320,577,515	195,627,969
Adjustment for:		
Depreciation	145,475,498	151,270,380
Amortization	45,729,448	38,576,590
Finance expense	103,775,892	122,656,163
	<u>294,980,838</u>	<u>312,503,134</u>
<b>Increase/(Decrease) in current Assets:</b>		
Increase in inventories	(26,255,969)	(3,479,310)
Increase in accounts receivable	(86,713,265)	15,471,659
Increase in advances,deposits, prepayments.	(9,607,572)	(1,941,041)
Increase in right to use asset	(54,399,756)	-
	<u>(176,976,562)</u>	<u>10,051,308</u>
<b>Increase/ (Decrease) in Liabilities:</b>		
Increase in accounts payable and other payable	556,098	665,223
Increase in provision and accruals	13,964,938	(23,464,566)
Increase in lease liability	56,592,899	-
	<u>71,113,935</u>	<u>(22,799,343)</u>
Paid for finance expenses	(110,153,352)	(122,656,163)
Net cash generated from consolidated operating activities (indirect method)	<u>399,542,374</u>	<u>372,726,906</u>
Net cash generated from consolidated operating activities (Direct method)	<u>399,542,374</u>	<u>372,726,906</u>





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

Transaction with Key management personnel of the entity:

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

40.00 Event After Balance Sheet Date

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