



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



Auditor's Report
and
Audited 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, 2019



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, 2019 and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity, 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 the separate financial position of the Company as at June 30, 2019, 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 other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Key audit matter	How the matter was addressed in the audit
Revenue As at June 30, 2019, the company had total revenue amounting Tk. 88,60,15,516 reported in the financial statements. The reported amount of revenue is key audit matter due to: More than 40% of total revenue come from an individual customer. Losing such kind of a customer could have an adverse effect on revenue, profit and cash flow in any year.	Our audit procedures included the following: 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. Assessing the completeness and accuracy of the data used for recognition of revenue. Considering the adequacy of the financial statement disclosures contained in relation with revenue during the year. Examining the long-term contracts with major customers, long-term contracts making it more difficult for them to switch vendors suddenly.
See note no 20.00 to the financial statements	



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 these consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRS), 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.



We also include the following:

- 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 financial statements. We are responsible for the direction, supervision and performance of the group 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 auditor's 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, we also report the following:

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

Dated: Dhaka
October 17, 2019

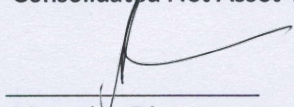

(M M Rahman & Co.)
Chartered Accountant

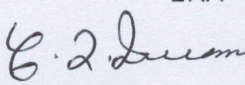


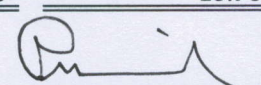
Genex Infosys Limited

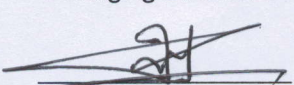
Consolidated statement of financial position
 As at June 30, 2019

	Notes	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Assets			
Property, plant and equipment	6.A	979,005,985	1,020,806,250
Intangible assets	7.A	300,336,225	227,757,012
Capital work in progress	8.A	256,231,446	199,511,205
Investment	9.A	200,000	200,000
Total non-current assets		1,535,773,656	1,448,274,467
Inventories	10.A	43,363,921	39,884,611
Accounts receivable	11.A	362,457,559	377,929,219
Advances, deposits and prepayments	12.A	147,699,324	42,758,283
Cash and cash equivalents	13.A	81,665,742	47,339,907
Total current assets		635,186,547	507,912,020
Total assets		2,170,960,203	1,956,186,487
Equity			
Share Capital	14.00	816,000,000	616,000,000
Retained Earnings	15.A	546,511,123	368,623,962
Total equity attributable to equity holders		1,362,511,123	984,623,962
Non-Controlling interest	15.B	3,857	3,824
Total equity		1,362,514,980	984,627,786
Liabilities			
Long term loan	16.A	355,067,397	392,140,021
Total non-current liabilities		355,067,397	392,140,021
Accounts and other payable	17.A	2,787,625	2,122,401
Short term loan	18.A	394,437,228	493,540,836
Current portion of long term loan	16.02.A	12,528,763	16,666,667
Provision & accruals	19.A	43,624,210	67,088,776
Total current liabilities		453,377,826	579,418,680
Total liabilities		808,445,223	971,558,701
Total equity and liabilities		2,170,960,203	1,956,186,487
Consolidated Net Asset Value (NAV)	27.A	16.70	15.98



 Managing Director


 Chairman


 Director


 Company Secretary


 Chief Financial Officer


 M M Rahman & Co.
 Chartered Accountants

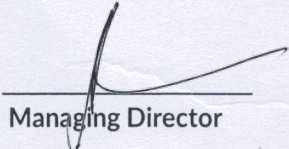
Dated: October 17, 2019

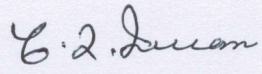


Genex Infosys Limited

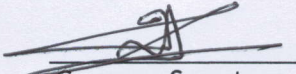
Statement of financial position
As at June 30, 2019

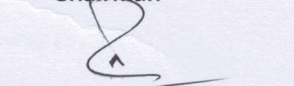
	Notes	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Assets			
Property, plant and equipment	6.00	966,822,821	1,009,967,697
Intangible assets	7.00	295,498,914	222,066,057
Capital work in progress	8.00	256,231,446	199,511,205
Investment	9.00	37,325,900	37,325,900
Total non-current assets		1,555,879,081	1,468,870,859
Inventories	10.00	43,363,921	39,884,611
Accounts receivable	11.00	324,646,247	351,409,902
Advances, deposits and prepayments	12.00	144,316,544	39,759,549
Cash and cash equivalents	13.00	80,202,130	46,802,280
Total current assets		592,528,842	477,856,342
Total assets		2,148,407,923	1,946,727,201
Equity			
Share capital	14.00	816,000,000	616,000,000
Retained earnings	15.00	526,150,814	360,652,557
Total equity		1,342,150,814	976,652,557
Liabilities			
Long term loan	16.00	355,067,397	392,140,021
Total non-current liabilities		355,067,397	392,140,021
Accounts and other payable	17.00	2,730,071	2,073,377
Short term loan	18.00	394,437,228	493,540,836
Current portion of long term loan	16.02	12,528,763	16,666,667
Provision & accruals	19.00	41,493,650	65,653,743
Total current liabilities		451,189,712	577,934,623
Total liabilities		806,257,109	970,074,644
Total equity and liabilities		2,148,407,923	1,946,727,201
Net Asset Value (NAV) per share	27.00	16.45	15.85

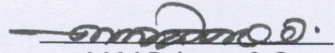

Managing Director


Chairman


Director


Company Secretary


Chief Financial Officer


M M Rahman & Co.
Chartered Accountants

Dated: October 17, 2019

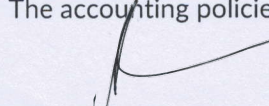


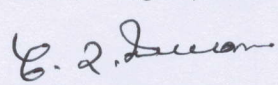
Genex Infosys Limited

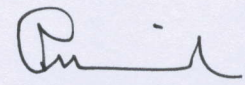
Consolidated statement of profit or loss and other comprehensive income
For the year ended June 30, 2019

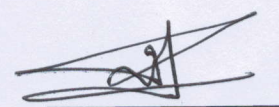
	Notes	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Net revenue	20.A	943,335,014	823,004,617
Less: Cost of sales	21.A	557,743,652	545,887,715
Gross profit/ (loss)		385,591,362	277,116,902
Less: Administrative expenses	22.A	60,564,347	60,330,893
Less: Selling & distribution expenses	23.A	361,525	1,816,536
Profit/ (loss) before finance cost		324,665,490	214,969,473
Less: Financial expenses	24.A	121,588,701	84,499,719
Profit/(loss) from operation		203,076,789	130,469,754
Add: Other income	25.A	2,385,972	-
Profit/(loss) before workers' profit participation fund (WPPF)		205,462,761	130,469,754
Less : Workers' profit participation fund	24.1.01	9,783,941	6,212,845
Profit/(loss) before income tax		195,678,820	124,256,909
Less: Income tax provision	19.03	50,851	-
Net profit/ (loss) after tax		195,627,969	124,256,909
Net profit attributable to:			
Equity holders of the company		195,627,936	124,253,751
Non-controlling interest		33	3,158
Consolidated profit/ (loss)		195,627,969	124,256,909
Basic Consolidated Earnings per Share	26.A	2.71	2.02


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

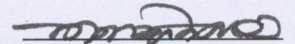

Managing Director


Chairman


Director


Company Secretary


Chief Financial Officer


M M Rahman & Co.
Chartered Accountants

Dated: October 17, 2019

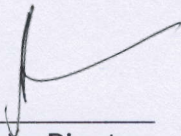


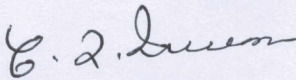
Genex Infosys Limited

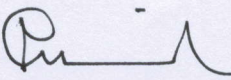
Statement of profit or loss and other comprehensive income
For the year ended June 30, 2019

	Notes	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Net revenue	20.00	886,015,516	774,666,460
Less: Cost of sales	21.00	522,084,146	514,576,098
Gross profit/ (loss)		363,931,370	260,090,362
Less: Administrative expenses	22.00	51,912,739	51,083,918
Less: Selling & distribution expenses	23.00	361,525	1,816,536
Profit/ (loss) before finance cost		311,657,106	207,189,908
Less: Financial expenses	24.00	121,588,701	84,499,719
Profit/(loss) from operation		190,068,405	122,690,189
Add: Other income	25.00	2,385,972	-
Profit/(loss) before workers' profit participation fund (WPPF)		192,454,377	122,690,189
Less: Workers' profit participation fund		9,164,494	5,842,390
Profit/(loss) before income tax		183,289,883	116,847,799
Less: Income tax provision	19.03	50,851	-
Net profit /(loss) after tax		183,239,032	116,847,799
Earnings per share	26.00	2.54	1.90

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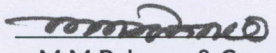

Managing Director


Chairman


Director


Company Secretary


Chief Financial Officer


M M Rahman & Co.
Chartered Accountants

Dated: October 17, 2019



Genex Infosys Limited

Consolidated statement of changes in equity
For the year ended June 30, 2019

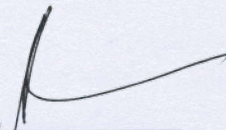
July 1, 2018 to June 30, 2019

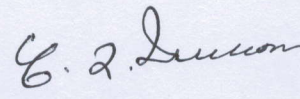
Particulars	Ordinary Share Capital	Retained Earnings	Non-Controlling Interest	Total Amount (Tk.)
Balance as on 01.07.2018	616,000,000	368,623,962	3,824	984,627,786
Net profit/ (loss) after tax	-	195,627,936	33	195,627,969
New Issued Capital	200,000,000	-	-	200,000,000
Less: IPO Expenses	-	(17,740,775)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

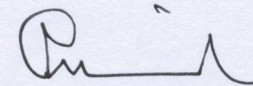
July 1, 2017 to June 30, 2018

Particulars	Ordinary Share Capital	Retained Earnings	Non-Controlling Interest	Total Amount (Tk.)
Balance as on 01.07.2017	616,000,000	244,370,211	666	860,370,877
Net profit/ (loss) after tax	-	124,253,751	3,158	124,256,909
Balance as on 30.06.2018	616,000,000	368,623,962	3,824	984,627,786


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



Managing Director


Chairman


Director


Company Secretary


Chief Financial Officer


M M Rahman & Co.
Chartered Accountants

Dated: October 17, 2019



Genex Infosys Limited

Statement of changes in equity
For the year ended June 30, 2019

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

July 1, 2017 to June 30, 2018

Particulars	Ordinary Share Capital	Retained Earnings	Total Amount (Tk.)
Balance as on 01.07.2017	616,000,000	243,804,758	859,804,758
Net profit /(loss) after tax	-	116,847,799	116,847,799
Balance as on 30.06.2018	616,000,000	360,652,557	976,652,557

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

Managing Director

Chairman

Director

Company Secretary

Chief Financial Officer

M M Rahman & Co.
Chartered Accountants

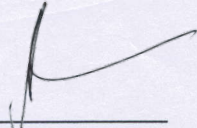
Dated: October 17, 2019

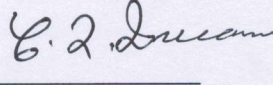


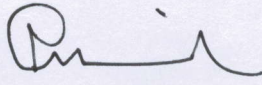
Genex Infosys Limited


Consolidated statement of cash flows
For the year ended June 30, 2019

	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Cash flows from operating activities		
Received from customers	960,822,801	763,806,008
Paid to suppliers	(130,744,939)	(135,556,512)
Paid to employees	(283,731,825)	(284,391,959)
Paid to others	(34,597,636)	(20,800,097)
Paid for income tax	(77,385)	(130,744)
Paid for finance expenses	(138,944,111)	(74,185,294)
Net cash generated from operating activities	372,726,906	248,741,402
Cash flows from investing activities		
Paid for acquisition of property, plant and equipment	(19,024,808)	(54,939,786)
Paid for acquisition of intangible assets	(111,155,804)	(53,262,840)
Paid for advance against land	(103,000,000)	-
Paid for capital work in progress	(147,165,548)	(169,863,594)
Net cash used in investing activities	(380,346,160)	(278,066,220)
Cash flows from financing activities		
Paid for / Received from short-term loan	(99,103,608)	27,027,369
Paid for IPO expenses	(17,740,775)	-
Paid for / Received from long-term loan	(41,210,528)	24,641,860
Received from applicants for new share capital	200,000,000	-
Net cash provided for financing activities	41,945,090	51,669,229
Net cash flows for the year	34,325,835	22,344,411
Cash and cash equivalents at the beginning of the year	47,339,907	24,995,496
Cash and cash equivalents at the end of the year	81,665,742	47,339,907
Consolidated Net Operating Cash Flows per Share	4.57	4.04



Managing Director


Chairman


Director


Company Secretary


Chief Financial Officer


M M Rahman & Co.
Chartered Accountants


Dated: October 17, 2019

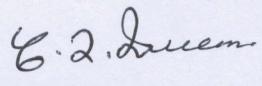


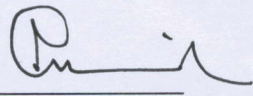
Genex Infosys Limited

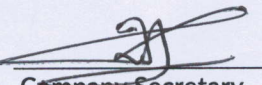
Statement of cash flows
 For the year ended June 30, 2019


	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Cash flows from operating activities		
Received from customers and others	915,165,143	718,481,196
Paid to suppliers	(106,432,309)	(115,011,303)
Paid to employees	(269,953,915)	(269,449,577)
Paid to others	(30,991,444)	(17,141,792)
Paid for income tax	(70,443)	-
Paid for finance expenses	(138,944,111)	(74,185,294)
Net cash generated from operating activities	368,772,921	242,693,230
Cash flows from investing activities		
Paid for acquisition of property, plant and equipment	(15,996,808)	(52,430,786)
Paid for acquisition of intangible assets	(111,155,804)	(48,250,000)
Share money deposit	-	(13)
Paid for advance against Land	(103,000,000)	-
Paid for capital work in progress	(147,165,548)	(169,863,594)
Net cash used in investing activities	(377,318,160)	(270,544,393)
Cash flows from financing activities		
Paid for / Received from short-term loan	(99,103,608)	27,027,369
Paid for IPO expenses	(17,740,775)	-
Paid for / Received from long-term loan	(41,210,528)	24,641,860
Received from applicants for new share capital	200,000,000	-
Net cash provided for financing activities	41,945,089	51,669,229
Net cash flows for the year	33,399,850	23,818,066
Cash and cash equivalents at the beginning of the year	46,802,280	22,984,214
Cash and cash equivalents at the end of the year	80,202,130	46,802,280
Net Operating Cash Flows per Share	28.00 4.52	3.94

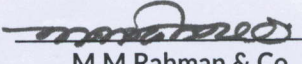

 Managing Director


 Chairman


 Director


 Company Secretary


 Chief Financial Officer


 M M Rahman & Co.
 Chartered Accountants

Dated: October 17, 2019



Genex Infosys Limited

Consolidated property, plant and equipment
As at June 30, 2019

Schedule-A.1

Particulars	Cost			Rate	Depreciation			W.D.V.
	Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019		Balance as on 01.07.2018	Charged during the year	Balance as on 30.06.2019	Balance as on 30.06.2019
Machinery and equipment	1,121,083,807	90,445,306	1,211,529,113	15%	290,030,902	128,594,205	418,625,107	792,904,006
Furniture and fixtures	92,471,047	4,388,400	96,859,447	10%	21,465,179	7,436,469	28,901,648	67,957,799
Motor vehicles	42,656,377	8,241,100	50,897,477	20%	15,302,098	5,790,651	21,092,749	29,804,728
Office decoration and renovation	98,099,950	6,395,308	104,495,258	10%	6,706,753	9,449,055	16,155,808	88,339,451
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
As on June 30, 2018	1,243,051,015	111,260,166	1,354,311,181		174,555,386	158,949,546	333,504,931	1,020,806,250





Genex Infosys Limited

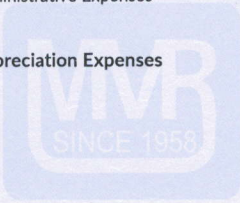
Property, plant and equipment
As at June 30, 2019

Schedule-A

Particulars	Cost			Rate	Depreciation			W.D.V.
	Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019		Balance as on 01.07.2018	Charged during the year	Balance as on 30.06.2019	Balance as on 30.06.2019
Machinery and equipment	1,108,983,942	90,445,306	1,199,429,248	15%	284,785,428	127,566,046	412,351,474	787,077,774
Furniture and fixtures	88,051,773	1,360,400	89,412,173	10%	20,817,959	6,823,660	27,641,619	61,770,554
Motor vehicles	42,081,000	8,241,100	50,322,100	20%	14,938,828	5,748,230	20,687,058	29,635,042
Office decoration and renovation	98,099,950	6,395,308	104,495,258	10%	6,706,753	9,449,055	16,155,808	88,339,451
As on June 30, 2019	1,337,216,665	106,442,115	1,443,658,780		327,248,968	149,586,991	476,835,959	966,822,821
As on June 30, 2018	1,228,465,499	108,751,166	1,337,216,665		169,713,572	157,535,396	327,248,968	1,009,967,697

Allocation of Depreciation

Depreciation Allocated to:		30.06.2019	30.06.2018
Depreciation Expenses		149,586,991	157,535,396
Overhead Expenses	93%	139,115,901	146,507,919
Administrative Expenses	7%	10,471,089	11,027,478
Depreciation Expenses		149,586,991	157,535,396





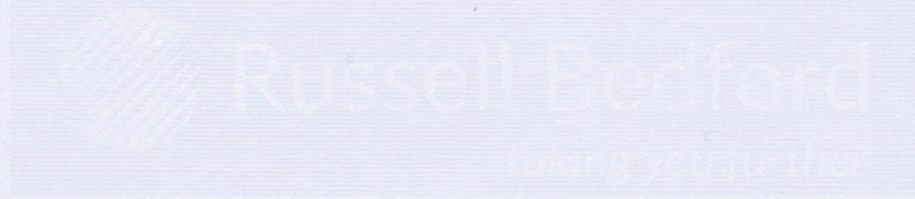
Genex Infosys Limited

Consolidated intangible assets

As at June 30, 2019

Schedule-B.1

Particulars	Cost			Rate	Amortization			W.D.V.
	Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019		Balance as on 01.07.2018	Charged during the year	Balance as on 30.06.2019	Balance as on 30.06.2019
Software	333,508,176	111,155,804	444,663,980	15%	105,751,164	38,576,590	144,327,754	300,336,225
As on June 30, 2019	333,508,176	111,155,804	444,663,980		105,751,164	38,576,590	144,327,754	300,336,225
As on June 30, 2018	280,245,336	53,262,840	333,508,176		72,346,753	33,404,411	105,751,164	227,757,012





Genex Infosys Limited

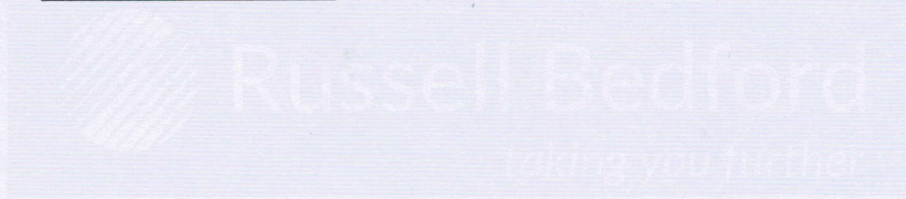
Intangible assets
As at June 30, 2019

Schedule-B

Particulars	Cost			Rate	Amortization			W.D.V.
	Balance as on 01.07.2018	Addition during the year	Balance as on 30.06.2019		Balance as on 01.07.2018	Charged during the year	Balance as on 30.06.2019	Balance as on 30.06.2019
Software	327,244,936	111,155,804	438,400,740	15%	105,178,879	37,722,947	142,901,826	295,498,914
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
As on June 30, 2018	278,994,936	48,250,000	327,244,936		72,299,991	32,878,888	105,178,879	222,066,057

Allocation of Amortization

Amortization Allocated to:		30.06.2019	30.06.2018
Amortization		37,722,947	32,878,888
Cost of Sales	100%	37,722,947	32,878,888
Amortization		37,722,947	32,878,888





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, 2019

1.00 Corporate History of the Reporting Entity:

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

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

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

1.01 Subsidiaries of the company

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

Subsidiary Company :

1) Green and Red Technologies Limited

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

2.00 Nature of Corporate Business :

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



3.00 Corporate Financial Statements and Reporting:

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

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

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

4.00 Basis of preparation

4.01 Statement of Compliance

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

IAS 01	Presentation of Financial Statements
IAS 02	Inventories
IAS 07	Statements of Cash flows
IAS 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.
IAS 39	Financial Instruments: Recognition and measurement
IFRS 10	Consolidated Financial Statements
IFRS 15	Revenue from Contracts with Customers

4.02 Other regulatory compliances

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

- The Income Tax Ordinance ,1984
- The Income Tax Rules ,1984
- The Value added Tax Act ,1991
- The Value added Tax Rules, 1991
- The Securities and Exchange Ordinance, 1969
- The Securities and Exchange Rules, 1987
- Bangladesh Labor Act, 2006 (Amendment in 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 2018 to 30 June 2019.

4.07 Components of the financial statements

- i) Statement of Financial Position as at 30 June, 2019.
- ii) Statement of Profit or Loss and other Comprehensive Income for the year ended 30 June, 2019.
- iii) Statement of Changes in Equity for the year ended 30 June, 2019.
- iv) Statement of Cash flows for the year ended 30 June, 2019.
- 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 17, 2019

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

5.01.01 Recognition and measurement

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

5.01.02 Subsequent cost

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



5.01.03 Depreciation

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

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

	<u>June 30, 2019</u>
Machinery and Equipment	15%
Furniture and fixtures	10%
Motor Vehicles	20%
Office Decoration and Renovation	10%

5.01.04 Intangible assets

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

5.01.05 Amortization

Intangible assets are amortized on reducing balance method to the statement of profit or loss and other comprehensive income from the date when the asset is available for use over its estimated economic life.

Rates of amortization on software is as under :

<u>Items</u>	<u>June 30, 2019</u>
Software	15%

5.02 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.

5.03 Trade and other receivables (Accounts Receivable)

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



5.04 Advances, Deposits and Prepayments

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

Deposits and prepayments are measured at payment value.

5.05 Cash and Cash Equivalents

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

5.06 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

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

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

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

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

5.09 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 the year 1 July 2018 to 30 June 2019 as the company provides the ITES services which are fully exempted from Tax up to June 30, 2024 as per 6th Schedule, Part A, Para 33 of The Income Tax Ordinance 1984.

Whereas tax provision created in this financial statement on other income as per income tax ordinance 1984.



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) has been calculated in accordance with International Accounting Standard IAS 33 Earnings per Share.

Basic Earning

This represents earnings for the period 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 line with the provisions of IAS 33 Earnings per share. Therefore, the total number of shares outstanding at the period multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as proportion of total number of days in the period.

5.13 Comparative information :

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

5.14 Events after the Reporting Period

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

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

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

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

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



5.15 Workers' Profit Participation Fund (WPPF)

The company has made a provision for Worker's Profit Participation Fund (WPPF) for the year ended 30 June, 2019. 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 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 year 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.

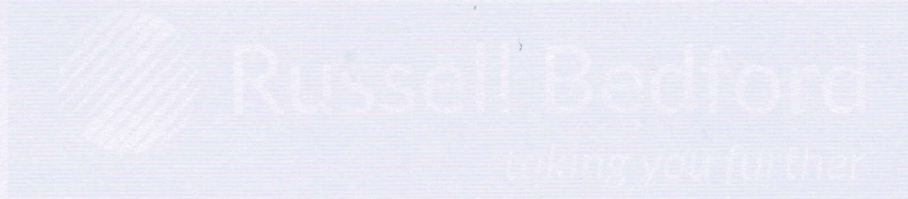


Initial Recognition

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.





June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
-------------------------------	-------------------------------

6.00 Property, plant and equipment: Tk. 966,822,821

At Cost :

Opening balance	1,337,216,665	1,228,465,499
Addition during the year	106,442,115	108,751,166
Closing balance	1,443,658,780	1,337,216,665

Accumulated depreciation:

Opening balance	327,248,968	169,713,572
Charged during the year	149,586,991	157,535,396
Closing balance	476,835,959	327,248,968

Written down value:

966,822,821	1,009,967,697
--------------------	----------------------

Detailed schedule on Property, Plant and Equipment has been provided in Schedule- A

6.A Consolidated property, plant and equipment: Tk. 979,005,985

Genex Infosys Limited	966,822,821	1,009,967,697
Green and Red Technologies Limited	12,183,164	10,838,553
Total	979,005,985	1,020,806,250

Detailed schedule on Property, Plant and Equipment has been provided in Schedule- A.1

7.00 Intangible assets: Tk. 295,498,914

At Cost :

Opening balance	327,244,936	278,994,936
Addition during the year	111,155,804	48,250,000
Closing Balance	438,400,740	327,244,936

Amortization:

Opening balance	105,178,879	72,299,991
Charged during the year	37,722,947	32,878,888
Closing Balance	142,901,826	105,178,879

Written down value:

295,498,914	222,066,057
--------------------	--------------------

The intangible assets include software acquired for the purpose of business operations. Detailed of intangible assets has been provided in Schedule- B

7.A Consolidated intangible assets: Tk. 300,336,225

Genex Infosys Limited	295,498,914	222,066,057
Green and Red Technologies Limited	4,837,311	5,690,955
Total	300,336,225	227,757,012

The intangible assets include software acquired for the purpose of business operations. Detailed of intangible assets has been provided in Schedule- B.1

8.00 Capital work in progress: Tk. 256,231,446

Capital work in progress	256,231,446	199,511,205
Total	256,231,446	199,511,205

Details:

Opening balance	199,511,205	85,967,991
Addition during the year	147,165,548	169,863,594
	346,676,753	255,831,585
Transferred to property, plant and equipment	90,445,306	56,320,380
Closing Balance	256,231,446	199,511,205

8.01



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
-------------------------------	-------------------------------

8.01 Capital work in progress addition during the year: Tk. 147,165,548

Addition during the year	147,165,548	169,863,594
Total	147,165,548	169,863,594

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 process: Tk. 256,231,446

Genex Infosys Limited	256,231,446	199,511,205
Green and Red Technologies Limited	-	-
Total	256,231,446	199,511,205

9.00 Investment :Tk. 37,325,900

Investment in subsidiary	9.01	37,325,900	37,325,900
		37,325,900	37,325,900

9.01 Investment in Subsidiary :

Date	Particular	No. of Share	% of Share	Face Value Per Share	Total Amount
30.06.2019	Green & Red Technologies Ltd.	373,259	99.99	100	37,325,900

1) Green & Red Technologies Limited is the first Bangladeshi made online advertising platform, carries on the business of software development and online advertising used by all leading advertisers, ad agencies, ad selling and e-commerce portals in Bangladesh.

2) Green & Red Technologies Limited is a subsidiary company of Genex Infosys Limited.

3) Paid up capital of Green & Red Technologies Limited is Tk. 37,326,000 Divided into 3,73,260 shares @ Tk. 100 each.

4) Genex Infosys Limited holds 3,73,259 Shares @ Tk. 100 each of Green & Red Technologies Limited.

9.A Consolidated investment :Tk. 200,000

Genex Infosys Limited	37,325,900	37,325,900
Green and Red Technologies Limited	200,000	200,000
Total	37,525,900	37,525,900
Less: Inter company adjustment (share)	37,325,900	37,325,900
	200,000	200,000

10.00 Inventories: Tk. 43,363,921

Particulars		
Inventories	43,363,921	39,884,611
Total	43,363,921	39,884,611

This is made as follows:

Computer & accessories	7,270,380	6,045,286
Antivirus CD	6,961,873	5,280,794
Software for customer service	7,840,903	8,492,703
IT materials	6,891,227	6,662,333
Website develop work in progress	6,485,702	5,380,999
Contact service accessories	7,913,836	8,022,497
Total	43,363,921	39,884,611



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
-------------------------------	-------------------------------

10.A Consolidated inventories: Tk. 43,363,921

Genex Infosys Limited	43,363,921	39,884,611
Green and Red Technologies Limited	-	-
Total	43,363,921	39,884,611

11.00 Accounts receivable :Tk. 324,646,247

Opening balance	351,409,902	295,224,638
Addition during the year	923,754,257	806,137,450
	1,275,164,159	1,101,362,088
Collection during the year	950,517,912	749,952,186
Closing balance	324,646,247	351,409,902

This is made up as follows :

Grameenphone Ltd.	25,274,887	21,598,618
Banglalink Ltd.	42,908,794	21,767,078
Robi Axiata Limited	133,769,070	162,855,721
Samsung Ltd.	2,314,430	2,012,830
Digi Telecommunications Sdn Bhd	6,418,440	5,716,704
Service Solutions Pvt. Ltd	29,979,695	51,757,943
British American Tobacco Bangladesh Ltd.	4,380,042	2,545,363
Chaldal.Com limited	869,574	458,692
UBER	29,616,795	7,635,657
IPE Technologies Ltd.	46,914,057	75,061,295
PM office	1,617,000	-
Islami Bank Bangladesh Limited	408,533	-
CPP Global	174,930	-
Total	324,646,247	351,409,902

Aging schedule of accounts receivable :

Accounts receivable	Less Than 6 Months	Above 6 Months	30.06.2019	30.06.2018
		318,153,323	6,492,925	324,646,247

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

Particular	Amount in Taka	
	30.06.2019	30.06.2018
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;	324,646,247	351,409,902
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.	-	-
Total	324,646,247	351,409,902

11.A Consolidated accounts receivable :Tk. 362,457,559

Genex Infosys Limited	324,646,247	351,409,902
Green and Red Technologies Limited	37,811,311	26,519,316
Total	362,457,559	377,929,219



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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12.00 Advances, deposits and prepayments: Tk. 144,316,544

Opening balance	39,759,549	32,835,307
Addition during the year	195,257,461	171,379,886
	235,017,010	204,215,193
Adjustment during the year	90,700,466	164,455,644
Closing balance	144,316,544	39,759,549

This is made up as follows

Advances:

Office employee		6,485,215	5,756,201
Office rent		6,109,785	6,109,785
Advances to supplier	12.01	7,177,796	4,503,672
Advance income tax		70,443	-
Rent- Mascot Plaza		-	4,980,000
Advance against land and land development		103,000,000	-
Sub Total:		122,843,239	21,349,658

Deposits:

Security deposit- Mascot Plaza		2,490,000	2,490,000
VAT current account		4,849,306	4,849,306
Security deposit- Nitol Niloy Tower	12.02	11,070,585	11,070,585
Security deposit (Teletalk Bangladesh)		207,381	-
Security deposit (Islami Bank Bangladesh Bank)		200,000	-
Security deposit (Nothern Electric Supply Co.)		140,000	-
Security deposit for Guest House office		205,000	-
Security deposit (CDBL)		500,000	-
Sub Total:		19,662,272	18,409,891

Prepayment:

Prepaid insurance		1,811,033	-
Sub Total:		1,811,033	-
Closing balance		144,316,544	39,759,549

12.01 Advances to Supplier: Tk. 7,177,796

Advance to Art Auto Corporation	161,396	247,000
Advance to LNB Automobiles	500,000	820,000
Advance to M/S R/P Enterprise	230,753	369,000
Advance to M/S Islam Enterprise	148,515	435,000
Advance to Trendz Autos	479,330	662,000
Advance to Avec Design and Solution Ltd	32,835	20,000
Advance to Wristband House	901,034	852,684
Advance to BBS Cables Ltd.	-	422,678
Advance to Taleb Enterprise	178,607	150,000
Advance to Energypac Engineering Ltd.	-	495,910
Advance to Neo Craft	50,708	26,400
Advance to S.R. Powder Paint	11,605	3,000
Advance to Multriband Workshop Ltd	50,000	-
Advance to Ryans It Ltd.	44,200	-
Advance to Sumon Enterprise	328,667	-
Advance to IT Fair.Com	103,000	-
Advance to Law Gallery	200,000	-
Advance to Momena Autos	900,000	-
Advance to Electra Mobiles Ltd.	616,704	-



	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Advance to Excel Telecom Pvt. Ltd.	1,219,626	-
Advance to Fair Distribution Ltd.	122,000	-
Advance to Fair Electronics Ltd.	475,576	-
Advance to Compustar (Pvt.) Ltd.	423,240	-
Total	7,177,796	4,503,672

12.02 Security deposits-Nitol Niloy Tower:Tk. 11,070,585

Opening balance	11,070,585	4,889,394
Addition during the year	-	6,181,191
Closing balance	11,070,585	11,070,585

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

Particular	Amount in Taka	
	30.06.2019	30.06.2018
Advances,deposits and prepayments considered good and in respect of which the company is fully secured:	137,831,329	34,003,348
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.	6,485,215	5,756,201
Total	144,316,544	39,759,549

12.A Consolidated advances, deposits and prepayments:Tk. 147,699,324

Genex Infosys Limited	144,316,544	39,759,549
Green and Red Technologies Limited	3,382,780	2,998,734
Total	147,699,324	42,758,283

13.00 Cash and cash equivalents:Tk. 80,202,130

Cash in hand		55,450	50,728
Cash at bank	13.01	80,146,680	46,751,552
Total		80,202,130	46,802,280

13.01 Cash at bank:Tk. 80,146,680

Bank Name	Account No.	Branch Name	30.06.2019	30.06.2018
AB Bank Limited	4005-794911-430	Principal	6,564,664	40,139,770
AB Bank Limited	4005-794911-001	Principal	575	-
AB Bank Limited	4005-794911-021	Principal	-	-
AB Bank Limited	4005-794911-026	Principal	-	-
AB Bank Limited	4005-794911-040	Principal	171,641	-
Bank Asia Limited	7533000041	Uttara	877	877
Eastern Bank Limited	1041060198037	Gulshan	39,045,942	1,913,257
Meghna Bank Limited	110311100000056	Motijheel	2,166,020	29,135
Meghna Bank Limited	110111100000193	Gulshan	21,573,880	3,667,319
Mercantile Bank Limited	118611100880621	IARB	-	-



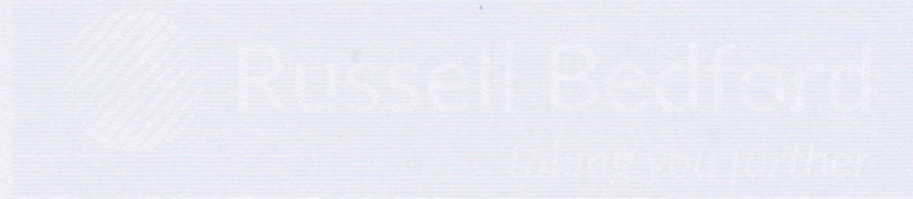
June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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			June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Mercantile Bank Limited	110613117820391	Banani	28,184	41,853
NRB Commercial Bank Limited	12136400000003	Banani	-	-
NRB Commercial Bank Limited	012133300000020	Banani	4,087,436	438,823
National Credit & Commerce Bank Limited	005-0210005180	Banani	18,668	20,048
National Credit & Commerce Bank Limited	002-0210027655	Motijheel	-	-
Dutch Bangla Bank Limited	1031100037185	Banani	2,502,752	-
NRB Global Bank Limited	111100001157	Gulshan	0.95	0.95
Prime Bank Limited	2118113002823	Gulshan	0.57	0.57
Union Bank Limited	0291010000914	Banani	3,986,039	500,468
Total			80,146,680	46,751,552

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

13.A Consolidated cash and cash equivalents: Tk. 81,665,742

Genex Infosys Limited	80,202,130	46,802,280
Green and Red Technologies Limited	1,463,612	537,627
Total	81,665,742	47,339,907





14.00 Share Capital: Tk. 816,000,000

Authorized Capital

100,000,000 Ordinary Shares of Tk 10 each

June 30, 2019
Amount (Tk.)

June 30, 2018
Amount (Tk.)

1,000,000,000

1,000,000,000

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

81,600,000 Ordinary Shares of Tk 10 each

816,000,000

616,000,000

Shareholding Position

Name of Share Holders	Number of Shares	Percentage(%)	Amount (Tk.)	Amount (Tk.)
Mohammed Adnan Imam	6,690,700	8.199%	66,907,000	66,907,000
IPE Capital Ltd.	5,000,000	6.127%	50,000,000	50,000,000
Cogent Bangladesh Ltd.	6,066,756	7.435%	60,667,560	60,667,560
Prince Mojumder	3,336,666	4.089%	33,366,660	33,366,660
Gupa Shaha	1,480,000	1.814%	14,800,000	14,800,000
Chowdhury Fazle Imam	11,253,626	13.791%	112,536,260	112,536,260
Nilofar Imam	3,041,813	3.728%	30,418,130	30,418,130
Nadia Imam	3,041,813	3.728%	30,418,130	30,418,130
Zahara Rasul	3,041,813	3.728%	30,418,130	30,418,130
Oracle Services Ltd.	5,359,200	6.568%	53,592,000	53,592,000
Amer Rasul	3,041,813	3.728%	30,418,130	30,418,130
Shyan Zubair	850,000	1.042%	8,500,000	8,500,000
Syeda Farhana Huq	162,500	0.199%	1,625,000	1,625,000
Nasheet Islam	276,500	0.339%	2,765,000	2,765,000
Nasrin Ali	1,048,000	1.284%	10,480,000	10,480,000
Ali Arsalan	1,000	0.001%	10,000	10,000
Md. Rezaur Rahman Jitu	21,500	0.026%	215,000	215,000
A. B. M. Faruque	2,200	0.003%	22,000	22,000
Syed Rakib Al Hasan	700	0.001%	7,000	7,000
Jamael Tanveer	2,200	0.003%	22,000	22,000
Mahbub Morshed	700	0.001%	7,000	7,000
Muhammad Nazimuddaula	25,200	0.031%	252,000	252,000
E. M. Yeaseenur Rahman Tahin	2,500	0.003%	25,000	25,000
Debashis Howlader	2,800	0.003%	28,000	28,000
Muzahedul Islam	1,000	0.001%	10,000	10,000
Md. Lutfi Haider Chowdhury	9,400	0.012%	94,000	94,000
Nazia Jamal	600	0.001%	6,000	6,000
Asif Kaiser Anto	500	0.001%	5,000	5,000
Monjur Morshed Rohan	1,000	0.001%	10,000	10,000
Abu Ayub Md. Shahrear	10,100	0.012%	101,000	101,000
MST Sarmin Akhter	5,500	0.007%	55,000	55,000
Shabbir Ibn Daud	600	0.001%	6,000	6,000
Shah Md. Mizanur Rahaman	800	0.001%	8,000	8,000
S.k. Md. Pervez Malik	200,000	0.245%	2,000,000	2,000,000
Md. Abdur Rahim Miah	100,000	0.123%	1,000,000	1,000,000
Mohammed Tanzidul Alam	500,500	0.613%	5,005,000	5,005,000
Khiril Joardar	5,000	0.006%	50,000	50,000
Md. Tazul Islam	500,000	0.613%	5,000,000	5,000,000
Md. Foysal Ahamed	300,000	0.368%	3,000,000	3,000,000
Mohammad Towhidul Islam	400,000	0.490%	4,000,000	4,000,000
Shakil Mahmud	500,000	0.613%	5,000,000	5,000,000



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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Name of Share Holders	Number of Shares	Percentage(%)	Amount (Tk.)	Amount (Tk.)
Dilruba Kadir	200,000	0.245%	2,000,000	2,000,000
Asian Tiger Capital Partners Investments Limited	2,000,000	2.451%	20,000,000	20,000,000
Salma Rahman	1,890,000	2.316%	18,900,000	18,900,000
Mezbah Uddin	270,000	0.331%	2,700,000	2,700,000
Robiul Hashem Polash	60,000	0.074%	600,000	600,000
Kazi Rashed Shahnewaz (Usha)	100,000	0.123%	1,000,000	1,000,000
Ahmed Rashid	150,000	0.184%	1,500,000	1,500,000
Saeed Ahmed	12,000	0.015%	120,000	120,000
Kazi Sakhawat	10,000	0.012%	100,000	100,000
Abdul Mannan	10,000	0.012%	100,000	100,000
Sydul Islam	8,000	0.010%	80,000	80,000
Sajjad Bin Anam	5,000	0.006%	50,000	50,000
Md. Abdul Kaiwm Sikder	300,000	0.368%	3,000,000	3,000,000
Md. Saroar Hossain	300,000	0.368%	3,000,000	3,000,000
General Shareholder	20,000,000	24.510%	200,000,000	-
Total	81,600,000	100%	816,000,000	616,000,000

15.00 Retained earnings: Tk. 526,150,814

Opening balance	360,652,557	243,804,758
Add. Net profit /(loss) during the year	183,239,032	116,847,799
Total	543,891,589	360,652,557
Less: IPO expenses	17,740,775	-
Closing balance	526,150,814	360,652,557

15.A Consolidated retained earnings: Tk. 546,511,123

Retained earnings	546,511,123	368,623,962
Total	546,511,123	368,623,962

15.B Non controlling interest: Tk. 3,857

Green and Red Technologies Limited	3,857	3,824
Total	3,857	3,824

16.00 Long term loan : Tk. 355,067,397

This is made up as follows:

Long term loan	16.01	367,596,160	408,806,687
Less- Current portion of long term loan	16.02	12,528,763	16,666,667
Long term loan		355,067,397	392,140,021

16.A Consolidated long term loan : Tk. 355,067,397

Genex Infosys Limited	355,067,397	392,140,021
Green and Red Technologies Limited	-	-
Total	355,067,397	392,140,021



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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16.01 Long term loan: Tk. 367,596,160

Bank Name	Account No.	Type of Loan	Amount	Amount
Mercantile Bank Ltd.	LD1511665645	Term Loan	12,577,385	26,057,743
Less: Interest payable			456,556	772,044
Outstanding balance			12,120,829	25,285,699
AB Bank Ltd.	4005-794911-462	Term Loan	354,079,895	395,583,574
Less: Interest payable			4,447,911	18,538,071
Outstanding balance			349,631,984	377,045,503
BD Finance & Inv. Ltd.		Car loan	24,840	6,475,485
Less: Interest payable			-	-
Outstanding balance			24,840	6,475,485
Meghna Bank Ltd.	110163300000010	Term Loan	1,773,117	-
Less: Interest payable			56,883	-
Outstanding balance			1,716,234	-
Meghna Bank Ltd.	110163300000011	Term Loan	4,203,984	-
Less: Interest payable			101,711	-
Outstanding balance			4,102,273	-
Total long term loan			367,596,160	408,806,687

16.02 Current portion of long term loan: Tk. 12,528,763

Bank Name	A/C No.	Type of Loan	Amount	Amount
Mercantile Bank Ltd	LD1511665645	Term Loan	11,303,923	10,000,000
BD Finance & Inv. Ltd.		Car loan	24,840	6,666,667
Meghna Bank Ltd.	110163300000010	Term Loan	360,000	-
Meghna Bank Ltd.	110163300000011	Term Loan	840,000	-
Total			12,528,763	16,666,667

16.02.A Consolidated current portion of long term loan: Tk. 12,528,763

Genex Infosys Limited	12,528,763	16,666,667
Green and Red Technologies Limited	-	-
Total	12,528,763	16,666,667

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
		Security: RM & RIGPA on 05 Nos. of floor measuring 11,505 sft on 12 storied commercial building, named "AWR NIB Tower" along with 4.54 decimal (2.75 katha) proportionate share of land out of 9.08 decimals (5.50 katha) including car parking space located at plot#99, Road#11, Bloc: C, Banani, Dhaka.



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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Name of Institution	Type of Facility	Particulars
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 .
		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.
Name of Institution	Type of Facility	Particulars
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.
		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.
Name of Institution	Type of Facility	Particulars
Meghna Bank Ltd	Term Loan	Nature of Credit: Term Loan
		Credit Limit: Tk. 42.00 Lac (Taka Forty Two lac) only.
		Purpose: To purchase a Mitsubishi Outlander Grey colored on A/C of Genex Infosys Ltd. for company use.
		Validity/Expiry: 05 (Five) years.
		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.

17.00 Accounts and other payable: Tk. 2,730,071

Opening balance	2,073,377	1,956,969
Addition during the year	109,652,173	118,567,283
	111,725,550	120,524,252
Adjustment during the year	108,995,479	118,450,875
Closing balance	2,730,071	2,073,377

Name of the suppliers :

Aamra Networks Ltd.	48,812	27,915
Advanced Technology	-	17,900
ARS Solutions Ltd.	-	5,864
Computer Source Limited	-	98,924
Fortune Biz Solution	20,438	10,889



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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Cleanco Service Ltd.	85,802	76,817
China Electric Ltd.	40,422	32,422
Clean & care	51,400	40,000
Crystal Moments	-	28,297
Cloudwell	-	95,841
DCS Organization	-	51,542
Gurdenia Nursery	35,250	28,647
Elite Security Services Ltd.	318,110	35,677
Integrated Business Solutions Pvt Limited	372,983	87,024
Multibrand Workshop	48,190	145,617
Nissho Koeiko Tissue Papers Ltd.	156,512	91,538
Rapid Technologies	380,057	34,364
S.R Power Paint	95,775	67,765
Smart Technologies BD. Ltd.	4,800	115,700
Wall Décor	-	196,543
Drubo Rent A Car	470,000	370,000
Naisha Enterprise	461,520	361,591
Nisat Enterprise	140,000	52,500
Total	2,730,071	2,073,377

17.A Consolidated accounts and other payable: Tk. 2,787,625

Genex Infosys Limited	2,730,071	2,073,377
Green and Red Technologies Limited	57,554	49,025
Total	2,787,625	2,122,401

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

18.00 Short term loan: Tk. 394,437,228

This is made up as follows:

Short Term Bank Loan (SOD)	234,753,309	264,680,294
Short Term Bank Loan (IBP Purchase)	103,860,000	140,076,000
LTR Loan	-	11,046,621
General Loan	55,823,919	77,737,921
Total	394,437,228	493,540,836

Name of Bank	Account No.	Type of Loan	Amount	Amount
Short Term Bank Loan (SOD)				
Meghna Bank Limited	110171600000016	SOD	54,939,230	77,550,122
Mercantile Bank	118672011694562	SOD	41,527,120	41,333,249
AB Bank Ltd	4005-794911-000	SOD	146,978,171	155,207,729
Total			243,444,521	274,091,101
Less: Interest payable			8,691,212	9,410,807
Outstanding balance			234,753,309	264,680,294

Short Term Bank Loan (IBP Purchase)				
Meghna Bank Ltd	110173300000087	IBP Loan	-	22,141,417
Meghna Bank Ltd	110173300000088	IBP Loan	-	5,660,722
Meghna Bank Ltd	110173300000090	IBP Loan	-	25,946,250
Meghna Bank Ltd	110173300000091	IBP Loan	-	4,871,200
Meghna Bank Ltd	110173300000092	IBP Loan	-	25,529,000
Meghna Bank Ltd	110173300000093	IBP Loan	-	26,303,000
Meghna Bank Ltd	110173300000094	IBP Loan	-	11,613,533



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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			June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
Meghna Bank Ltd	1128 733000000156	IBP Loan	24,625,333	-
Meghna Bank Ltd	1128 733000000157	IBP Loan	8,947,156	-
Meghna Bank Ltd	1128 733000000159	IBP Loan	25,379,167	-
Meghna Bank Ltd	1128 733000000160	IBP Loan	401,867	-
Meghna Bank Ltd	1128 733000000161	IBP Loan	24,312,933	-
Meghna Bank Ltd	1128 733000000162	IBP Loan	8,024,889	-
AB Bank Ltd	4005-794911-536	IBP Loan	-	824,303
AB Bank Ltd	4005-794911-537	IBP Loan	-	1,649,333
AB Bank Ltd	4005-794911-538	IBP Loan	-	4,212,750
AB Bank Ltd	4005-794911-539	IBP Loan	-	2,840,833
AB Bank Ltd	4005-794911-540	IBP Loan	-	811,667
AB Bank Ltd	4005-794911-541	IBP Loan	-	405,833
AB Bank Ltd	4005-794911-542	IBP Loan	-	4,010,000
AB Bank Ltd	4005-794911-543	IBP Loan	-	5,409,000
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	-
Total			105,601,220	142,228,842
Less: Interest payable			1,741,220	2,152,842
Outstanding balance			103,860,000	140,076,000

LTR Loan				
Meghna Bank Ltd	1101 736000000715	LTR Loan	-	2,813,901
Meghna Bank Ltd	1101 736000000722	LTR Loan	-	8,675,736
Meghna Bank Ltd	1101 736000000854	LTR Loan	-	-
Meghna Bank Ltd	1101 736000000866	LTR Loan	-	-
Meghna Bank Ltd	1102 736000000874	LTR Loan	-	-
Meghna Bank Ltd	1103 736000000888	LTR Loan	-	-
Total			-	11,489,637
Less: Interest payable			-	443,016
Outstanding balance			-	11,046,621

General Loan				
Meghna Bank Ltd	110163100000033	General Loan	281,044	763,361
Meghna Bank Ltd	110163100000058	General Loan	2,141,207	3,061,385
Meghna Bank Ltd	110163100000059	General Loan	792,258	1,167,772
Meghna Bank Ltd	110163100000105	General Loan	22,458,152	29,050,053
Meghna Bank Ltd	110163100000114	General Loan	12,804,447	18,502,129
Meghna Bank Ltd	110163100000118	General Loan	18,746,537	28,127,070
Total Loan			57,223,645	80,671,771
Less: Interest payable			1,399,726	2,933,851
Outstanding balance			55,823,919	77,737,921

Total Short Term Loan			394,437,228	493,540,836
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June 30, 2019
 Amount (Tk.)

June 30, 2018
 Amount (Tk.)

Terms & Conditions

Name of Institution	Type of Facility	Particulars
Meghna Bank Ltd	SOD (General)	Nature of Credit: Overdraft (General)
		Credit Limit: Tk. 7.50 crore (Taka Seven Crore & Fifty lac) only.
		Purpose: To meet working capital requirement.
		Validity/Expiry: 01 (one) year.
		Interest Rate: 11.00 % P.A. with quarterly rest or as revised by the bank from time to time.
Meghna Bank Ltd	Revolving Time Loan (IBP)	Nature of Credit: Revolving Time Loan (Bill receivables)
		Credit Limit: Tk. 10.00 crore (Taka Ten Crore) only.
		Purpose: To meet up operational expenses.
		Validity/Expiry: 01 (one) year. However, each Time Loan will have specific validity matching with the maturity of accepted bill.
		Interest Rate: 11.00 % P.A. with quarterly rest or as revised by the bank from time to time.
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.
		Interest Rate: 11.00 % P.A.
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: 13% P.A. with quarterly rest subject to change that may be met by the bank from time to time.
Mercantile Bank Ltd	SOD (General)	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.



June 30, 2019
 Amount (Tk.)

June 30, 2018
 Amount (Tk.)

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: 11.00 % 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.
		Validity/Expiry: 01 (one) year.
		Interest Rate: 13.00 % 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: 13.00 % 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.

18.A Consolidated short term loan: Tk. 394,437,228

Genex Infosys Limited
 Green and Red Technologies Limited
 Total

394,437,228	493,540,836
-	-
<u>394,437,228</u>	<u>493,540,836</u>

19.00 Provision & Accruals: Tk. 41,493,650

Opening balance
 Addition during the year
 Adjustment during the year

65,653,743	48,086,536
166,820,486	193,667,294
232,474,229	241,753,830
190,980,579	176,100,087
<u>41,493,650</u>	<u>65,653,743</u>



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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This is made up as follows:

Audit fee		350,000	350,000
VAT payable on audit fee		52,500	52,500
VAT payable		9,855,331	9,537,371
Provision for electricity bill		1,307,682	1,648,267
Provision for office rent		1,596,910	2,026,910
Provision for overseas travelling		235,014	241,562
Staff salaries payable		252,867	218,695
Interest payable	19.01	16,895,220	34,250,630
Provision for workers' profit participation and welfare funds	20.02	10,897,275	17,327,810
Income tax provision	19.03	50,851	-
Total		41,493,650	65,653,743

19.01 Interest payable: Tk. 16,895,220

Interest payable against Long Term Loan	5,063,062	19,310,114
interest payable against Short Term Loan	11,832,158	14,940,516
Total Interest payable	16,895,220	34,250,630

19.02 Provision for workers' profit participation and welfare funds :Tk.10,897,275

Opening balance	17,327,810	11,485,420
Addition during the year	9,164,494	5,842,390
	26,492,304	17,327,810
Adjustment during the year	15,595,029	-
Closing balance	10,897,275	17,327,810

19.03 Provision for income tax on other income :Tk. 50,851

Opening Income Tax Provision	-	-
Add: Provision during the year	50,851	-
Total Income Tax Provision	50,851	-

19.A Consolidated provision & accruals: Tk. 43,624,210

Genex Infosys Limited	41,493,650	65,653,743
Green and Red Technologies Limited	2,130,560	1,435,033
Total	43,624,210	67,088,776



	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
20.00 Revenue:Tk. 886,015,516		
Total sales	923,754,257	806,137,450
Less: VAT on sales	37,738,741	31,470,990
Net Sales	886,015,516	774,666,460
This Is made up as follows:		
Data entry	30,210,426	22,849,649
Business process outsourcing	34,427,333	32,688,853
IT support & software maintenance	36,433,203	34,720,804
Digital content development & management	31,412,116	29,365,225
Call centre service	566,206,527	458,663,120
Software development	160,758,328	173,683,474
Website development	26,567,583	22,695,335
Total	886,015,516	774,666,460
20.A Consolidated revenue:Tk. 943,335,014		
Genex Infosys Limited	886,015,516	774,666,460
Green and Red Technologies Limited	57,319,498	48,338,157
Total	943,335,014	823,004,617
21.00 Cost of Sales:Tk. 522,084,146		
This is made up as follows:		
Salaries & allowance	244,235,478	241,343,245
Cleaning & clothing cost	1,072,545	1,314,529
Recruitment expenses	201,684	432,453
Office rent	66,532,552	52,193,522
Electricity bill	17,847,204	18,437,477
Entertainment expenses	812,458	2,043,638
Depreciation	Schedule-A 139,115,901	146,507,919
Amortization on intangible assets	Schedule-B 37,722,947	32,878,888
transportation exp- maintenance	1,554,618	1,812,940
IT expenses	1,814,587	1,643,658
Medical expense	74,251	112,263
Printing	312,658	292,980
Stationery	245,897	242,634
Repair & maintenance	2,514,468	2,915,269
Overseas travelling	2,265,316	4,030,737
Training costs	212,546	1,820,041
Telephone & communication	2,015,148	1,992,152
Traveling & conveyance	3,487,123	4,516,942
Misc. expenses	46,765	44,812
Total	522,084,146	514,576,098
21.A Consolidated cost of sales:Tk. 557,743,652		
Genex Infosys Limited	522,084,146	514,576,098
Green and Red Technologies Limited	35,659,506	31,311,617
Total	557,743,652	545,887,715



June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
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22.00 Administrative expenses: Tk. 51,912,739

This is made up as follows :

Salaries & allowance		16,221,344	15,638,678
Audit fee	30.00	350,000	350,000
VAT on audit fee		52,500	52,500
Depreciation	Schedule-A	10,471,089	11,027,478
Director's remuneration	29 (a)	8,660,000	8,525,000
Board meeting fees	29 (a)	68,000	37,000
Bank charge		1,067,462	409,575
Recruitment expenses		90,213	86,492
Office rent		2,057,708	1,614,233
Electricity bill		551,975	792,334
Entertainment expenses		972,456	884,615
Insurance expenses		1,074,385	811,038
Membership renewal fee		30,000	30,000
IT expenses		769,789	449,660
Legal fees		795,789	1,080,256
Professional fees		1,000,000	1,054,250
Overseas travelling		1,706,523	1,469,662
Printing		416,587	353,937
Stationery		365,478	304,749
Repair & maintenance		1,005,879	812,368
Training cost		577,428	1,378,978
Telephone & communication		748,752	638,737
Traveling & conveyance		2,767,877	3,196,250
Misc. expenses		91,504	86,128
Total		51,912,739	51,083,918

22.A Consolidated Administrative Expenses: Tk. 60,564,347

Genex Infosys Limited	51,912,739	51,083,918
Green and Red Technologies Limited	8,651,608	9,246,975
Total	60,564,347	60,330,893

23.00 Selling & distribution expenses: Tk. 361,525

This is made up as follows:

Promotional expense	198,624	1,394,423
Advertisement expenses	78,264	181,062
Gift expense	84,637	241,051
Total	361,525	1,816,536

23.A Consolidated selling & distribution expenses: Tk. 361,525

Genex Infosys Limited	361,525	1,816,536
Green and Red Technologies Limited	-	-
Total	361,525	1,816,536



	June 30, 2019 Amount (Tk.)	June 30, 2018 Amount (Tk.)
24.00 Financial expenses: Tk. 121,588,701		
This is made up as follows:		
Bank Interest	24.01 121,588,701	84,499,719
Total	121,588,701	84,499,719
24.01 Bank interest :Tk. 121,588,701		
Interest against Long Term Loan	59,243,267	40,863,348
Interest against Short Term Loan	62,345,434	43,636,371
Total Interest	121,588,701	84,499,719
24.A Consolidated financial expenses: Tk. 121,588,701		
Genex Infosys Limited	121,588,701	84,499,719
Green and Red Technologies Limited	-	-
Total	121,588,701	84,499,719
24.1.01 Consolidated workers' profit participation fund: Tk. 9,783,941		
Genex Infosys Limited	9,164,494	5,842,390
Green and Red Technologies Limited	619,447	370,455
Total	9,783,941	6,212,845
25.00 Other income :Tk. 2,385,972		
This is made up as follows:		
Income from cash incentive	2,182,570	-
Income from bank interest	68,726	-
Fluctuation gain/(loss)	134,676	-
Total	2,385,972	-
25.A Consolidated other income: Tk. 2,385,972		
Genex Infosys Limited	2,385,972	-
Green and Red Technologies Limited	-	-
Total	2,385,972	-



Others

29.00 Disclosure as per requirement of paragraph 17 of IAS 24 Related Party

(a) Short-term employee benefits

Directors Remuneration:

Name	Designation	June 30, 2019	June 30, 2018
Chowdhury Fazle Imam	Chairman	1,482,500	1,300,000
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	5,220,000	5,450,000
Mezbah Uddin	Representative Director of Oracle Services Ltd.	1,957,500	1,775,000
Total Directors Remuneration		8,660,000	8,525,000

Board Meeting Fees:

All Directors	Board Meeting Fees	68,000	37,000
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Details of the fees are given below:

Name	Board Meeting Fees	Amount	Amount
Chowdhury Fazle Imam	Chairman	12,000	7,000
Mohammed Adnan Imam	Managing Director	12,000	7,000
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	12,000	7,000
Mezbah Uddin	Director	10,000	5,000
Ziaul Islam Chowdhury	Independent Director	12,000	6,000
Tanveer Ali	Independent Director	10,000	5,000
Total		68,000	37,000

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

30.00 Audit Fees: Tk. 350,000

Name	Purpose	June 30, 2019	June 30, 2018
M M Rahman & Co.	Audit Fees	350,000	350,000
		350,000	350,000
Add: VAT on Audit Fees		52,500	52,500
Total		402,500	402,500

31.00 During the year from 01.07.2018 to 30.06.2019 Twelve 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	12	12
Mohammed Adnan Imam	Managing Director	12	12
Prince Mojumder	Director, Deputy Managing Director & Head of Operation	12	12
Mezbah Uddin	Director	12	10
Ziaul Islam Chowdhury	Independent Director	12	12
Tanveer Ali	Independent Director	12	10

32.01 Employee position for Genex Infosys Limited (as at 30 June, 2019)

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

Particulars	June 30, 2019
Number of Employees	2184

There are 2184 employees' working for the company. All of these employees are getting Tk. 3,000 or more per month.

32.02 Turnover for the year (as at 30 June, 2019):

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

Particulars	June 30, 2019
Turnover	886,015,516

32.03 Raw materials consumed (as at 30 June, 2019):

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.

32.04 Finished goods (as at 30 June, 2019):

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.

33.00 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 Disclosure.

Name of the related party	Relationship	Nature of transaction	June 30, 2019
IPE Technologies Ltd.	Sister Concern	Customer Service	46,914,057
Director Remuneration	Director	Remuneration	8,660,000.
Board Meeting fees	Director	Board Meeting	68,000

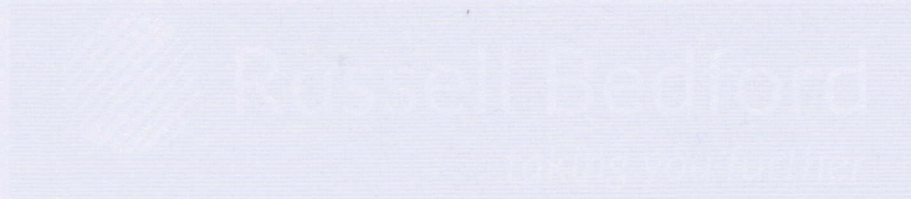
34.00 Reconciliation of net profit with cash flows from operating activities making adjustment of non cash items, for non-operating items and for the net changes in operating accruals.

	June 30,2019 Amount (Tk.)	June 30,2018 Amount (Tk.)
Net Profit	183,239,032	116,847,799
Adjustment for:		
Depreciation	149,586,991	157,535,396
Amortization	37,722,947	32,878,888
Finance Expense	122,656,163	84,499,719
	309,966,101	274,914,003
Increase/(Decrease) in current Assets:		
Increase in inventories	(3,479,310)	(19,142,963)
Increase in accounts receivable	26,763,655	(6,924,242)
Increase in advances,deposits, prepayments.	(1,556,995)	(56,185,264)
	21,727,350	(82,252,469)
Increase/ (Decrease) in current Liabilities:		
Decrease in accounts payable and other payable	656,694	116,408
Decrease in provision and accruals	(24,160,093)	7,252,783
	(23,503,399)	7,369,191
Paid for finance expenses	(122,656,163)	(74,185,294)
Net cash generated from operating activities (indirect method)	368,772,921	242,693,230
Net cash generated from operating activities (Direct method)	368,772,921	242,693,230



34.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	195,627,969	124,256,909
Adjustment for:		
Depreciation	151,270,380	158,949,546
Amortization	38,576,590	33,404,411
Finance expense	122,656,163	84,499,719
	<u>312,503,134</u>	<u>276,853,676</u>
Increase/(Decrease) in current Assets:		
Increase in inventories	(3,479,310)	(19,142,963)
Increase in accounts receivable	15,471,659	(9,937,586)
Increase in advances, deposits, prepayments.	(1,941,041)	(55,682,310)
	<u>10,051,308</u>	<u>(84,762,860)</u>
Increase/ (Decrease) in current Liabilities:		
Decrease in accounts payable and other payable	665,223	150,657
Decrease in provision and accruals	(23,464,566)	6,428,315
	<u>(22,799,343)</u>	<u>6,578,972</u>
Paid for finance expenses	(122,656,163)	(74,185,294)
	<u>372,726,906</u>	<u>248,741,402</u>
Net cash generated from consolidated operating activities (indirect method)	<u>372,726,906</u>	<u>248,741,402</u>
Net cash generated from consolidated operating activities (Direct method)	<u>372,726,906</u>	<u>248,741,402</u>





36.00 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.	8,660,000	8,525,000
b.	Expenses reimbursed to managing Agent	Nil	Nil
c.	Commission or remuneration payable separately to a managing agent or his associate	Nil	Nil
d.	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	Nil	Nil
e.	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.	Nil	Nil
f.	Any other perquisite or benefits in cash or in kind stating approximate money value where applicable.	Nil	Nil
g.	Other allowances and commission including guarantee commission etc.	Nil	Nil
h.	Pensions etc.		
	(i) Pensions	Nil	Nil
	(ii) Gratuities	Nil	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil	Nil
	(iv) Compensation for loss of office	Nil	Nil
	(v) Consideration in connection with retirement from office	Nil	Nil

37.00 Event After Balance Sheet Date

The Board of Directors of Genex Infosys Limited, in its 108th Board Meeting held on 17th October 2019 has recommended for 15% stock and 5% cash of paid up capital for the year ended June 30, 2019. This dividend is subject to final approval by the shareholders at the forth coming Annual General Meeting of the company.