



# SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

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## INDEPENDENT AUDITORS' REPORT

### Introduction

We have audited the accompanying financial statements of eGeneration Limited (the "Company"), which comprise the Statement of Financial Position as at 30<sup>th</sup> June 2016, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and all related to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conduct our audit in accordance with Bangladesh Standard on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's affairs as at 30<sup>th</sup> June 2016 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

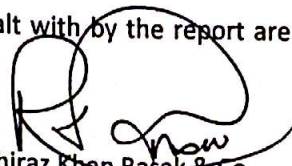
### We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of accounts; and
- d) all the expenditures incurred were for the purposes of the Company.

Dated: 29<sup>th</sup> August, 2016

Place: Dhaka



  
Shiraz Khan Basak & Co.  
Chartered Accountants



**eGeneration Limited**  
**Statement of Financial Position**  
As on 30 June, 2016

Particulars	Note	Amount in Taka	
		30-Jun-16	30-Jun-15
<b>Assets</b>		<b>252,263,541</b>	<b>199,174,799</b>
<b>Non-Current Assets:</b>			
Property, Plant & Equipment	4.00	62,616,808	35,937,685
Intangible Assets	5.00	79,583,022	36,819,069
Work-in-Progress	6.00	110,063,711	126,418,045
		<b>60,482,622</b>	<b>33,629,824</b>
<b>Current Assets:</b>			
Advance, Deposit & Prepayments	7.00	1,785,000	1,785,000
Inventories	8.00	9,472,540	5,255,599
Accounts Receivable	9.00	47,439,096	25,755,569
Cash & Cash Equivalents	10.00	1,785,986	833,656
		<b>312,746,163</b>	<b>232,804,622</b>
<b>Total Assets</b>			
<b>Shareholders' Equity &amp; Liabilities</b>		<b>224,351,542</b>	<b>170,066,792</b>
<b>Shareholders' Equity:</b>			
Share Capital	11.00	4,200,000	4,200,000
Retained Earnings	12.00	220,151,542	165,866,792
		<b>35,581,865</b>	<b>32,444,165</b>
<b>Non-Current Liabilities:</b>			
Share Money Deposit	13.00	32,444,165	32,444,165
Long Term Loan (Non-Current Portion)	14.00	3,137,700	-
		<b>52,812,756</b>	<b>30,293,665</b>
<b>Current Liabilities:</b>			
Liabilities for Expenses	15.00	3,378,591	2,997,886
Long Term Loan (Current Portion)	16.00	2,060,400	-
Accounts Payable	17.00	3,300,549	4,762,563
Related Party Transactions	18.00	44,073,216	22,533,216
		<b>312,746,163</b>	<b>232,804,622</b>
<b>Total Shareholders' Equity &amp; Liabilities</b>			
<b>Net Asset Value (NAV) Per Share</b>	25.2	<b>5,341.70</b>	<b>4,049.21</b>

The annexed notes 1 to 26 is an integral part of the Financial Statements.

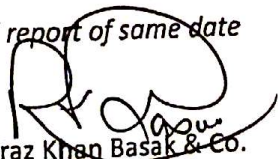
  
Managing Director

  
Director

  
Company Secretary

As per our annexed report of same date



  
Shiraz Khan Basak & Co.  
Chartered Accountants

Dated: 29 August, 2016  
Place: Dhaka

An associate firm of D.N. Gupta Associates

**eGeneration Limited**  
**Statement of Profit or Loss & Other Comprehensive Income**  
For the year ended 30 June, 2016

Particulars	Note	Amount in Taka	
		30-Jun-16	30-Jun-15
Revenue	19.00	146,153,877	104,002,695
Cost of Service & Sales	20.00	(72,115,610)	(49,243,671)
Gross Profit		74,038,267	54,759,024
Operating Expenses		(19,753,517)	(14,829,019)
General & Administrative Expenses	21.00	(16,650,538)	(12,865,430)
Selling & Distribution Expenses	22.00	(2,636,874)	(1,959,964)
Financial Expenses	23.00	(466,105)	(3,625)
Profit from Operation		54,284,750	39,930,005
Non-Operating Income	24.00	-	-
Profit before Income Tax		54,284,750	39,930,005
Provision for Income Tax		-	-
Total Comprehensive Income for the year		54,284,750	39,930,005
Earnings per share (EPS) - Weighted	25.1	148.14	113.01

The annexed notes 1 to 26 is an integral part of the Financial Statements.

  
Managing Director

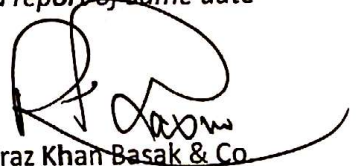
  
Director

  
Company Secretary

Dated: 29 August, 2016  
Place: Dhaka



As per our annexed report of same date

  
Shiraz Khan Basak & Co  
Chartered Accountants



eGeneration Limited  
Statement of Cash Flows  
For the year ended 30 June, 2016

Particulars	Amount in Taka	
	30.06.2016	30.06.2015
<b>A. Cash Flows from Operating Activities:</b>		
Cash Received from Customers	124,470,349	93,134,314
Cash Paid to Suppliers	(67,130,718)	(45,695,124)
Cash Paid for Operating Expenses	(18,139,765)	(13,552,361)
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>39,199,866</b>	<b>33,886,830</b>
<b>B. Cash Flows from Investing Activities:</b>		
Acquisition of Property, Plant and Equipment	(34,348,545)	(15,819,408)
Acquisition of Intangible Assets	(46,525,320)	(38,151,323)
(Increase) / Decrease in Work-in-Progress	16,354,334	2,253,896
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(64,519,531)</b>	<b>(51,716,835)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Increase / (Decrease) in Related Party Transactions	21,540,000	9,629,503
Increase / (Decrease) in Share Money Deposit	-	6,047,115
Increase / (Decrease) in Proceeds from Long Term Loan	5,198,100	-
Cash Paid for Financial Expenses	(466,105)	(3,625)
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>26,271,995</b>	<b>15,672,994</b>
<b>D. Net Changes in Cash and Cash Equivalents for the year (A+B+C)</b>	<b>952,330</b>	<b>(2,157,012)</b>
<b>E. Cash and Cash Equivalents at the beginning of the year</b>	<b>833,656</b>	<b>2,990,668</b>
<b>F. Cash and Cash Equivalents at the end of the year (D+E)</b>	<b>1,785,986</b>	<b>833,656</b>
<b>Net Operating Cash Flows Per Share (NOCFPS) - Note 25.3 Weighted</b>	<b>106.97</b>	<b>95.91</b>

The annexed notes 1 to 26 is an integral part of the Financial Statements.

  
Managing Director


  
Director

  
Company Secretary

As per our annexed report of same date

Dated: 29 August, 2016  
Place: Dhaka



  
Shiraz Khan Basak & Co.  
Chartered Accountants



**eGeneration Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June, 2016

Particulars	Share Capital	Retained Earnings	Total Equity
Opening Balance as on 01 July 2015	4,200,000	165,866,792	170,066,792
Net Profit (after tax) transferred from statement of Profit or Loss & Other Comprehensive Income	-	54,284,750	54,284,750
<b>Balance at the end of the year 30 June 2016</b>	<b>4,200,000</b>	<b>220,151,542</b>	<b>224,351,542</b>

**eGeneration Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June, 2015

Particulars	Share Capital	Retained Earnings	Total Equity
Opening Balance as on 01 July 2014	4,200,000	125,936,787	130,136,787
Net Profit (after tax) transferred from statement of Profit or Loss & Other Comprehensive Income	-	39,930,005	39,930,005
<b>Balance at the end of the year 30 June 2015</b>	<b>4,200,000</b>	<b>165,866,792</b>	<b>170,066,792</b>


  
Managing Director

  
Director

  
Company Secretary

Dated: 29 August, 2016  
Place: Dhaka



  
Shiraz Khan Basak & Co.  
Chartered Accountants



**eGeneration Limited**

A summary of significant accounting policies and other explanatory notes  
For the year ended 30<sup>th</sup> June 2016

1. **Reporting entity**
- 1.3 **Structure of the Organization**

eGeneration Limited was incorporated on November 22<sup>nd</sup>, 2003 vide certificate of Incorporation no-C-51172(1467)/2003 as a private limited company. The registered address of eGeneration Limited is Saimon Center, House-4/A, Road-12, Gulshan-01, Dhaka.
- 1.4 **Nature of business**

eGeneration is one of the leading management consulting, technology services and outsourcing companies in Bangladesh. The eGeneration approach to IT consulting leverages an exceptional network of consultants, interlinking the specialized knowledge of each practice to provide the best solutions possible for both private and public sector clients. The result is a response tailored to each project, fully reflecting the intent of the client's policies and priorities, significantly improving services delivery and performance. In this way, we link our clients to a global network of skills and resources critical for success in the global economy. Our consultants share our commitment to excellence, innovation and bold thinking.
2. **Basis of preparation**
- 2.5 **Statement of Compliance**

These financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), Companies Act, 1994 and other applicable laws and regulations, applicable to the Company so far adopted by the Institute of the Chartered Accountants of Bangladesh. The disclosures of the information are made in accordance with the requirements of the Companies Act, 1994 and the Financial Statements have been prepared in accordance with BAS-1, using the accrual basis of accounting. In the preparation of these financial statements, management used available information to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.
- 2.6 **Basis of Measurement**

The Financial statements have been prepared on the historical cost basis.
- 2.7 **Functional and presentational currency and level of precision**

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the group/Company. The amounts in these financial statements have been rounded off to the nearest Taka.
- 2.8 **Use of estimates and judgments**

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the report, a number of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long-term contracts, provision for doubtful accounts, depreciation and amortization, employees' benefit plans, taxes reserves and contingencies.
- 2.9 **Reporting Period**

These Financial Statements of the Company cover the period from 01 July, 2015 to 30 June, 2016.
- 2.10 **Presentation of Financial Statements**

According to the International Accounting Standards (IAS) – 1 adopted by the ICAB as BAS-1: "Presentation of Financial Statements", the complete set of Financial Statement includes the following components:

  - a. Statement of Financial Position as on 30<sup>th</sup> June 2016.
  - b. Statement of Profit and loss & Other Comprehensive Income for the year ended on 30<sup>th</sup> June 2016.
  - c. Statement of Changes in Equity for the year ended on 30<sup>th</sup> June 2016.
  - d. Statement of Cash Flows for the year ended on 30<sup>th</sup> June 2016.
  - e. Notes, comprising a summary of significant accounting policies and other explanatory information for the year ended on 30<sup>th</sup> June 2016.
- 2.11 **Responsibility for preparation and presentation of Financial Statements**

The management of the Company is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "the conceptual framework for financial reporting".
- 2.12 **Going Concern**

The company has adequate resources to continue its operation of foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment, there are no material uncertainties related to event or condition which may cast significant doubt upon the company's ability to continue as a going concern.
3. **Significant Accounting Policies**

The accounting policies set out below have been applied to the accounts consistently to all periods presented in these financial statements.
- 3.1 **Property, plant and equipment**

**Recognition of Property, Plant & Equipment**

These are capitalized at cost or fair value and subsequently stated net of accumulated depreciation in compliance with the BAS 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost inclusive of inward freight, duties and non-refundable taxes for bringing the asset to its operating condition for its intended use.





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Expenditure on repairs and maintenance of Property, Plant and Equipment is treated as an expense when incurred. Subsequent expenditure on property, Plant and Equipment is only recognized when the expenditure improves the condition of the asset beyond its originally assessed standard of performance.

**Depreciation**

Depreciation on fixed asset is computed using the reducing balance method so as to write off the assets over their expected useful life. After considering the useful life of assets as per BAS-16 Property, Plant & Equipment the annual depreciation rates applied under which is considered reasonable by the management. Depreciation rates varying from 10% to 30%. Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in operations for the period.

The depreciation rates applicable to the principal categories of Fixed Assets are:-

Category of Fixed Assets	Rates %
Furniture & Fixtures	10%
Computer & Computer Accessories	30%
Server	25%
Office Equipment	10%
Interior Development	10%
Networking Equipments	20%
Power Equipment	10%
Automobile	20%

**3.2 Intangible assets**

The Cost of Intangible Assets is capitalized provided they meet the recognition criteria specified by BAS-38. Capitalization costs include license fees & cost of implementation/system development & integration services which are capitalized during the period in which the relevant assets are ready for use. The cost of an intangible asset comprises of cost & expenditure which are capitalized. On the basis of the future economic benefits embodied in the specific asset to which it relates. The cost of maintenance, upgrading and enhancements are charged off as revenue expenditure unless they bring similar significant additional long-term benefits.

**Amortization**

Amortization of the intangible asset is recognized on the basis of the expected pattern of consumption of the projected future economic benefits embodied in the asset and is applied during the year. Amortization of intangible assets is charged under reducing balance method.

The amortization rates applicable to the principal categories of Intangible Assets are:-

Category of Fixed Assets	Rates %
CRM Software	5%
HR Management Software	5%
School Management Software	5%
Vehicle Tracking Software	5%
Agriculture Software	5%

**3.3 Inventories**

Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. As per BAS 2: "Inventories", Net Realizable Value is determined by deducting estimated cost of completion and cost of sales from the estimated sales of related items.

**3.4 Provisions**

A provision is recognized in the statement of 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. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of the statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

**3.5 Contingencies**

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with BAS 37, there is no contingent liability or asset as on 30 June, 2015.

**3.6 Revenue**

The revenue during the year represents revenue arising from the sale of ERP Software, CRM Software, Accounting Software, HR management Software, Networking & IT Solutions, Cyber Security Solution, School management system, Vehicle tracking software, Agricultural Software etc. which are recognized when deliveries are made against the sales order, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods, in compliance with all the conditions for revenue recognition as provided in BAS 18: "Revenue Recognition".

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- 3.7 Taxation**  
Sixth Schedule, Part A, Para 33 of the Income Tax Ordinance, 1984 states that, "any income derived from the business of software development or Nationwide Telecommunication Transmission Network (NTTN) or Information Technology Enabled Services (ITES) for the period from the first day of July, 2008 to the thirtieth day of June, 2024" will be excluded from total income. eGeneration Limited is a leading management consulting, technology services and outsourcing, ICT solutions provider company in Bangladesh. The major portion of its revenues comes from the distribution of ICT solutions nationwide. For that reason, the income of the Company is exempted from income tax and current tax provision is not created, as prescribed in the above-mentioned clause of the ITO, 1984.
- 3.8 Foreign Currency Transactions**  
Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of the transaction in accordance with BAS 21.
- 3.9 Finance Income and Expenses**  
Finance income comprises interest income which is recognized on accrual basis. There is no finance income of the company for the year then ended. Finance expenses comprise interest expense on loan, overdraft and bank charges. All borrowing costs are recognized in the statement of comprehensive income.
- 3.10 Financial assets**  
Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, other long-term receivables and deposits.
- (a) Cash and Cash Equivalents**  
According to BAS 7: "Cash Flow Statement", cash comprises of cash in hand and demand deposit and cash equivalents which are of short term, highly liquid investments that are readily convertible to know amount of cash which are subject to an insignificant risk of changes in value, BAS 1: "Presentations of Financial Statements" also provides that cash equivalents are those which have no restriction in use considering the provision of BAS 7 and BAS 1. Cash in hand and bank balances have been considered as Cash and Cash Equivalents.
- (b) Accounts Receivable**  
Accounts receivable are created based on original invoice amount and accrued income which are still not billed to the customer.
- 3.11 Financial liability**  
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 its contractual obligations are discharged or canceled or expired. Financial liabilities include trade and other payables and non-current & current liabilities.
- (a) Trade Payables**  
Liabilities are recognized for the amount to be paid in the future for goods and services received, whether or not billed by the supplier.
- (b) Loans and Borrowings**  
Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of the statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of the statement of financial position, unpaid interest and other charges are classified as current liabilities.
- 3.12 Impairment of Assets**  
As all assets of the company shown in the financial statement that is within the scope of BAS 36 are in physical existence and valued no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to BAS-36: "Impairment of Assets" have not been considered necessary.
- 3.20 Statement of Cash Flows**  
Statement of Cash Flows is prepared principally in accordance with BAS 7: "Cash Flow Statement" shows how the company's cash and cash equivalents changed during the period through inflows and outflows and it has been presented under direct method.
- 3.21 Earnings Per Share**  
The Company represents earnings per share (EPS) data for its ordinary shares. With compliance to BAS 33: "Earnings Per Share", EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.
- 3.22 Related Party Transactions**  
The objective of BAS 24: "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss and other comprehensive income may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions. A party is related to an entity if: [BAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity. The Company transacts with related parties and recognizes as per BAS 24: "Related Party Disclosures", disclosure in Note-26.7.



A handwritten signature in black ink, appearing to be "R. Gupta".

An associate firm of D.N. Gupta Associates



**3.23 Events after the Reporting Period**

Subsequent events are events after the balance sheet date as defined in BAS 10. Any material event after balance sheet, adjusting or non-adjusting, are adjusted and disclosed.

**3.24 Segment Reporting**

No segmental reporting is applicable for the company as required by BFRS-8: "Operating Segments" as the company operates in a single industry segment and within a geographical segment.

**3.25 Employee Benefits and Short Term Employee Benefits**

Salaries, bonuses and allowances are accrued in the financial year in which the associated services are rendered by the employees of the Company.

**3.26 General**

- a. All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.
- b. The comparative information has been disclosed in respect of the period from 01 July, 2015 to 30 June, 2016 for all numerical information in the financial statements and also the narrative and descriptive information as finding relevant for the understanding of the current period's financial statements.
- c. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged or reclassified whenever considered necessary to conform to current period presentation.



**eGeneration Limited**

**Summary of Significant Accounting Policies & Other Explanatory Notes**

For the year ended 30 June, 2016

Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
<b>4.00 Property, Plant &amp; Equipments</b>		
<b>Asset at Cost</b>		
Opening Balance as on 01 July	67,019,600	51,200,192
Addition During the year	34,348,545	15,819,408
Closing Balance as on 30 June	<b>101,368,145</b>	<b>67,019,600</b>
<b>Less: Accumulated Depreciation</b>		
Opening Balance as on 01 July	31,081,915	26,224,321
Addition During the year	7,669,422	4,857,594
Closing Balance as on 30 June	<b>38,751,337</b>	<b>31,081,915</b>
<b>Written Down Value (WDV)</b>	<b>62,616,808</b>	<b>35,937,685</b>

Details of Property, Plant & Equipments are shown in Annexure-A

**5.00 Intangible Assets**

**Asset at Cost**

Opening Balance as on 01 July

38,151,323	-
46,525,320	38,151,323
<b>84,676,643</b>	<b>38,151,323</b>

Addition During the year

Closing Balance as on 30 June

**Less: Accumulated Amortization**

Opening Balance as on 01 July

1,332,254	-
3,761,367	1,332,254
<b>5,093,621</b>	<b>1,332,254</b>
<b>79,583,022</b>	<b>36,819,069</b>

Amortize during the year

Closing Balance as on 30 June

**Written Down Value (WDV)**

Details of Intangible Assets are shown in Annexure-B

**6.00 Work-in-Progress**

Opening Balance

Add: Cost of Investment (Note: 6.01)

126,418,045	128,671,941
9,953,793	13,769,159
<b>136,371,838</b>	<b>142,441,100</b>

Add: Software Development (Note-6.02)

20,217,193	22,128,268
<b>156,589,031</b>	<b>164,569,368</b>

Less: Adjustment during the year

(46,525,320)	(38,151,323)
<b>110,063,711</b>	<b>126,418,045</b>

**6.01 Cost of Investment**

Opening Balance

Add: LEDP Project

19,575,063	5,805,904
9,953,793	13,769,159
<b>29,528,856</b>	<b>19,575,063</b>

**6.02 Software Development**

School Management System

Exam System

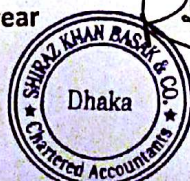
Social Media Site

Library Management System

Agricultural Software

**Total Development during the year**

-	4,550,000
5,885,800	3,950,500
6,980,214	4,601,850
7,351,179	3,565,000
-	5,460,918
<b>20,217,193</b>	<b>22,128,268</b>



An associate firm of D.N. Gupta Associates



Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
<b>7.00 Advance, Deposit &amp; Prepayments</b>		
Advance against Office Rent	255,000	255,000
Security Deposit	1,530,000	1,530,000
	<b>1,785,000</b>	<b>1,785,000</b>
<b>8.00 Inventories</b>		
Accounting Software	3,743,135	2,513,900
Cyber Security Solutions	2,954,508	1,611,119
Document Management Software (DMS)	2,774,897	1,130,580
	<b>9,472,540</b>	<b>5,255,599</b>
<b>9.00 Account Receivables</b>		
Opening Balance	25,755,569	13,727,226
Sales made during the year	146,153,877	104,002,695
	<b>171,909,446</b>	<b>117,729,921</b>
Collected / Realised during the year	124,470,349	91,974,352
	<b>47,439,096</b>	<b>25,755,569</b>
<b>Disclosure as per schedule-XI, Part-I of The Companies Act, 1994</b>		
Debts exceeding 6 Months	-	-
Debts below 6 Months	47,439,096	25,755,569
Other debts less provision	-	-
Debts considered Good & secured	47,439,096	25,755,569
Debts considered Good without security	-	-
Debts considered doubtful or Bad	-	-
Debts due by directors or other Officers	-	-
Debts due from companies under same management	-	-
Maximum debt due by Directors or Officers at any time of the year	-	-
<p>Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. These are carried at invoice amount. All receivable have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for.</p>		
<b>10.00 Cash &amp; Cash Equivalents</b>		
Cash in Hand	338,261	304,064
Cash at Bank (Note-10.01)	1,447,725	529,592
	<b>1,785,986</b>	<b>833,656</b>
<b>10.01 Cash at Bank</b>		
Premier Bank Limited, A/C No. 010711100012746	1,447,725	529,592
	<b>1,447,725</b>	<b>529,592</b>
<b>11.00 Share Capital</b>		
<b>Authorised Share Capital</b>		
300,000 Ordinary Shares @ Tk. 100 each	<b>30,000,000</b>	<b>30,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>		
42,000 Ordinary Shares @ Tk. 100 each	<b>4,200,000</b>	<b>4,200,000</b>



*R.R.*

An associate firm of D.N. Gupta Associates

Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
<b>12.00 Retained Earnings</b>		
Opening Balance as on 01 July	165,866,792	125,936,787
Add: Addition During the Year	54,284,750	39,930,005
Closing Balance as on 30 June	220,151,542	165,866,792
<b>13.00 Share Money Deposits</b>		
Opening Balance	32,444,165	26,397,050
Add: Addition During the year	-	6,047,115
	32,444,165	32,444,165
Less: Adjustment During the year	-	-
	32,444,165	32,444,165
<b>14.00 Long Term Loan (Non-Current Portion)</b>		
Opening Balance	-	-
Add: Addition during the year	6,400,000	-
	6,400,000	-
Less: Adjustment during the year	1,201,900	-
	5,198,100	-
Less: Current portion of the long term loan	2,060,400	-
	3,137,700	-
<p><b>Name of the Lender:</b> IDLC Finance Limited, Gulshan, Dhaka  <b>Security:</b> Personal Guarantee of Directors  <b>Interest Rate:</b> 13% p.a.  <b>Limit:</b> 64 Lacs  <b>Sanction Letter Date:</b> 08-Nov-2015  <b>Tenure:</b> 04 Years</p>		
<b>15.00 Liabilities for Expenses</b>		
Salary & Allowance	2,345,359	1,878,920
Director's Remuneration	270,000	260,000
Office Rent	247,248	247,248
Telephone Bill	10,544	11,493
Office Maintenance	200,456	247,456
Internet Bill	6,450	6,750
Utility Bill	17,972	15,604
Other Expenses	230,562	290,415
Audit & Legal Fees	50,000	40,000
	3,378,591	2,997,886
<b>16.00 Long Term Loan (Current Portion)</b>	2,060,400	-
	2,060,400	-
<b>17.00 Accounts Payable</b>	3,300,549	4,762,563
	3,300,549	4,762,563
<b>18.00 Related Party Transactions</b>		
Opening Balance	22,533,216	11,903,713
Add: Addition during the year	23,050,670	11,029,503
	45,583,886	22,933,216
Less: Payment during the year	1,510,670	400,000
	44,073,216	22,533,216





Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15
<b>19.00 Revenue</b>		
ERP Software	38,412,862	22,470,833
CRM Software	19,294,901	16,279,459
Accounting Software	18,176,941	14,178,014
HR Management System	13,117,961	9,573,189
School Management System	3,853,900	-
Vehicle Tracking System	2,540,520	-
Agricultural Software	4,284,950	-
Document Management Software (DMS)	10,694,368	9,536,326
Web Designing & Olympus	5,936,996	5,283,926
Cyber Security Solutions	8,634,047	7,856,983
Networking Solutions	8,331,098	6,165,012
IT Consulting	7,816,353	8,409,410
IT Training	5,058,980	4,249,543
	<b>146,153,877</b>	<b>104,002,695</b>
<b>20.00 Cost of Service &amp; Sales</b>		
Cost of Service (20.01)	40,382,426	27,138,009
Cost of Sales (20.02)	31,733,184	22,105,662
	<b>72,115,610</b>	<b>49,243,671</b>
<b>20.01 Cost of Service</b>		
Salary & Allowances	24,926,821	17,437,243
Festival Bonus	1,869,512	1,379,176
Amortization Expenses - Annexure B	3,761,367	1,332,254
Depreciation Expenses - Annexure A	6,902,480	4,371,835
Mobile & Telephone Bill	28,556	24,516
Repair & Maintenance	1,108,464	930,995
Internet Bill	1,785,226	1,661,990
	<b>40,382,426</b>	<b>27,138,009</b>
<b>20.02 Cost of Sales</b>		
ERP Software	5,889,243	4,586,058
CRM Software	6,216,790	5,315,780
Accounting Software	3,374,851	2,826,702
HR Management System	3,729,276	2,938,746
School Management System	1,156,150	-
Vehicle Tracking System	926,108	-
Agricultural Software	1,219,370	-
Document Management Software (DMS)	2,245,817	1,580,449
Web Designing & Olympus	1,228,030	792,590
Cyber Security Solutions	1,649,103	1,414,255
Networking Solutions	1,566,246	924,752
IT Consulting	1,460,876	961,412
IT Training	1,071,324	764,918
	<b>31,733,184</b>	<b>22,105,662</b>



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Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15

**21.00 General & Administrative Expenses**

Salary & Allowance	4,356,058	3,116,058
Festival Bonus	522,727	296,025
Directors' Remuneration	3,240,000	3,120,000
Board Meeting Attendance Fees	80,000	60,000
Hired Technical Supports Expenses	1,658,627	1,389,384
Depreciation Expenses - Annexure A	766,942	485,759
Registration & Renewal	59,265	41,640
Utility Bill	215,658	187,246
Office Rent	2,966,976	1,903,488
Repair & Maintenance	80,950	57,850
Travelling & Conveyance	359,565	227,576
Mobile & Telephone Bill	145,850	135,450
Internet Bill	77,400	81,000
Employee Entertainment	392,525	336,522
Audit Fee	50,000	40,000
Medical Allowance	190,965	163,507
Miscellaneous Expenses	458,325	350,301
Office Common expenses	89,568	83,636
Postage & Stamps	55,857	30,687
Printing & Stationery	208,654	198,612
Domain Hosting Expenses	156,852	147,207
Newspaper & Periodicals	9,560	7,358
Software Consultancy	85,756	57,228
Legal Expenses	95,869	73,578
VAT & Commission	93,586	80,119
Donation & gift	233,002	195,198
	<b>16,650,538</b>	<b>12,865,430</b>

**22.00 Selling & Distribution Expenses**

Salary & Allowance	1,530,030	1,054,405
Festival Bonus	183,604	133,558
Travelling & Conveyance	280,085	205,423
Training & Seminar Expenses	300,652	217,358
Advertisement Expenses	110,658	123,254
Marketing Expenses	160,256	164,339
Business Promotion Expenses	71,589	61,627
	<b>2,636,874</b>	<b>1,959,964</b>

**23.00 Financial Expenses**

Interest on Long Term Loan	461,620	-
Bank Charges	4,485	3,625
	<b>466,105</b>	<b>3,625</b>

**24.00 Non-Operating Income**

	-	-
	-	-



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Particulars	Amount in Taka	
	30-Jun-16	30-Jun-15

**25.00 INFORMATION BASED ON PER SHARE**

**25.1 Earnings Per Share (EPS) (Weighted)**

Earning attributable to the ordinary shareholders  
Weighted Average Number of ordinary shares outstanding  
Earnings Per Share (Weighted)

54,284,750	39,930,005
366,442	353,328
<b>148.14</b>	<b>113.01</b>

**25.2 NET ASSETS VALUE PER SHARE (NAV)**

Total Assets  
Less: Total Liabilities  
Net Assets Value (NAV) / Shareholders Equity  
Number of ordinary shares outstanding during the year  
Net Asset Value (NAV) Per Share

312,746,163	232,804,622
(88,394,621)	(62,737,830)
<b>224,351,542</b>	<b>170,066,792</b>
42,000	42,000
<b>5,341.70</b>	<b>4,049.21</b>

**25.3 NET OPERATING CASH FLOWS PER SHARE (NOCFPS) (Weighted)**

Net Operating Cash Flows (from Statement of Cash Flows)  
Weighted Average Number of ordinary shares outstanding  
Net Operating Cash Flows per share (Weighted)

39,199,866	33,886,830
366,442	353,328
<b>106.97</b>	<b>95.91</b>

**26.00 OTHER COMMITMENTS, CONTINGENCIES AND RELEVANT INFORMATION**

**26.1 Contingencies**

There is no contingent event that may require recognition of contingent liabilities for the year ended 30 June, 2016.

**26.2 Capital expenditure commitment**

There was no capital expenditure commitment or contract at for the year ended 30 June, 2016. There was no material capital expenditure authorized by the Board but not contracted for the year ended 30 June 2016.

**26.3 Credit Facility Not Availed**

There was no credit facility available to the company under any contract, but not availed as on 30 June, 2016 other than trade credit available in the ordinary course of business.

**26.4 Segment Reporting**

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

**26.5 Number of Employees**

Number of Employee - Para 3 of Schedule XI, Part II

Salary Range (monthly)	Total 2016	Total 2015
Below 15,000	10	6
Above 15,000	104	90
	<b>114</b>	<b>96</b>



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**26.6 Attendance Status of Board Meeting of Directors**

During the year ended June 30, 2016, six Board Meetings were held. The attendance status of all the meetings is as follows:

Name of Directors	Position	Meeting Held	Attendance 2016	Attendance Fees /	Amount 2016
Shameem Ahsan	Managing Director	6	6	5,000	30,000
Md. Marufuzzaman	Director	6	6	5,000	30,000
					<u>60,000</u>

**26.7 Related Party Disclosures (BAS-24)**

The Company carried out a number of transactions with related parties in the normal course of business on arm's length basis.

Name of the Related Party	Relationship	Opening	Nature of Transactions	Addition	Payment
Shameem Ahsan	Managing Director	135,000	Remuneration & Board Meeting Attendance Fees	1,650,000	1,650,000
Md. Marufuzzaman	Director	135,000		1,650,000	1,650,000
Bagdooom.com	Common Directorship	22,533,216	Procurement & Overhead	43,267,863	21,727,863
		<u>22,803,216</u>		<u>46,567,863</u>	<u>25,027,863</u>

As per Companies Act, 1994 part-II, Schedule-XI (4) The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-

Particulars	30.06.2016
Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	2,970,000
Expenses reimbursed to Managing Agent	-
Commission or Remuneration payable separately to a managing agent or his associate	-
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	-
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.	-
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-
Other allowances and commission including guarantee commission Pensions etc.	-
(i) Pensions	-
(ii) Gratuities	-
(iii) Payments from a provident funds, subscription and interest thereon	-
iv) Share Based payments	-

**As per BAS- 24:**

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	2,970,000
(b) Post-employee benefits	-
(c) Other long term benefits	-
(d) Termination benefits and	-
(e) Share-based payment	-
<b>Total:</b>	<u>2,970,000</u>

**26.8 Events after the Reporting Period**

No material events had occurred from end of reporting period to the date of issue of Financial Statements, which could materially affect the values stated in the Financial Statements.



*[Signature]*

An associate firm of D.N. Gupta Associates



**eGeneration Limited**  
**Schedule of Fixed Asset**  
**For the year ended 30 June 2016**

Particulars	Cost		Rate	Depreciation		Written Down Value as at 30.06.2016	
	Balance as at 01.07.2015	Addition during the year		Balance as at 30.06.2016	Charged for the year		Balance as at 30.06.2016
Furniture & Fixture	5,401,104	3,379,723	10%	550,329	2,699,304	6,081,523	
Computer & Computer Accessories	11,052,991	1,333,570	30%	764,817	9,925,134	2,461,427	
Server	7,560,518	1,400,000	25%	1,275,802	4,676,948	4,283,570	
Office Equipment	8,495,279	2,354,797	10%	557,249	4,755,686	6,094,390	
Interior Development	28,535,632	16,054,156	10%	3,115,646	11,395,468	33,194,320	
Networking Equipments	2,021,560	968,685	20%	206,681	1,786,540	1,203,705	
Power Equipments	2,552,516	1,357,614	10%	258,135	1,313,663	2,596,467	
Vehicle	1,400,000	7,500,000	20%	940,763	2,198,594	6,701,406	
<b>Balance as at 30.06.2016</b>	<b>67,019,600</b>	<b>34,348,545</b>		<b>7,669,422</b>	<b>38,751,337</b>	<b>62,616,808</b>	
<b>Balance as at 30.06.2015</b>	<b>51,200,192</b>	<b>15,819,408</b>		<b>4,857,594</b>	<b>31,081,915</b>	<b>35,937,685</b>	

**Allocation of depreciation**

Cost of Service (Note - 20.01)

General & Administrative Expenses (Note-21.00)

90%	6,902,480
10%	766,942
<b>100%</b>	<b>7,669,422</b>