



**Transforming Bangladesh
Into An Innovative High-tech Nation**

Annual Report 2019-20



VISION

Become an Asian technology leader by serving 100 Fortune-500 companies with Microsoft, SAP, Health-tech, and Industry 4.0 technologies.

MISSION

To transform Bangladesh into an innovative high-tech nation.

CORPORATE OBJECTIVES

- Focus to become the most trusted 'Customer-centric' company.
- Transformation through innovation, restructuring and continuous development; focusing with green business.
- Build a strong 'Brand Image' transcending local market (beyond border)
- Sustainable CSR programs and commitment to People and community development.
- Operational Excellence utilizing modern technology.

LETTER OF TRANSMITTAL

15 December 2020

Valued Shareholders
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms (RJSC)
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Other Stakeholders

Annual Report for the year ended on June 30, 2020

Dear Sir,

Please accept the best compliments from eGeneration Limited.

For your kind information and record, please find the enclosed annual report of eGeneration Limited together with the Audited Financial Statements that includes Statement of Financial Position, Statement of Profit and Loss, Statement of Other Comprehensive income, Statement of Change in Equity, and Statement of Cash Flows for the year ended on June 30, 2020.

General review of this report, unless explained otherwise, is based on the financials of the 'eGeneration Limited'.

Thank you.

Yours Sincerely,

Sd/-
Sabbir Sakir
Company Secretary

NOTICE OF THE 17TH ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the Shareholders of the eGeneration Limited ("Company") will be held using Digital Platform on Wednesday, 30 December 2020 at 11:00 a.m. to transact the following business:

Ordinary Businesses:

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 30 June 2020 together with the Report of Directors' and Auditor's thereon.
2. To elect Directors in place of those who shall retire by rotation in terms of the relevant provision of Articles of Association.
3. To appoint Statutory Auditors for the year ended 30 June 2021
4. To appoint Corporate Governance Auditors for the year ended 30 June 2021

By the order of the Board

Sd/-

Dated: 15 December 2020
Place: Dhaka

Sabbir Sakir
Company Secretary

Note:

- i. Record Date: 27 November 2020. Members whose name would appear in the Member/Depository Register of the Company on the record date (i.e. 27 November 2020) shall be entitled to attend the AGM.
- ii. The AGM will be held in digital platform in pursuance with BSEC Order SEC/SRMIC/94-231/25 dated 08 July 2020.
- iii. The web link for joining in the virtual meeting is MainUrl: <https://us02web.zoom.us/j/81957485920?pwd=YU80WGpLcElQMUg5THplVXVvWTErZz09> members can start log into the link from 11:00 a.m. of 30 December 2020.
- iv. The Company Secretary and IT support will be situated at Company's Corporate Office, House 4/A, Road 22, Gulshan 1, Dhaka-1212 during meeting for overall coordination.
- v. Meeting invitation and detail log in process will emailed to respective member's email ID available in their BO A/C.
- vi. The Annual Report 2019-20 is available on the website of the company www.egeneration.co
- vii. The Company has not declared any dividend as per the consent letter of IPO, Ref: BSEC/CI/IPO-291/2018/292, Dated: December10, 2020, Clause No:15

EVENT HIGHLIGHTS

16th AGM of eGeneration Limited



CORPORATE DIRECTORY

Name of company	eGeneration Limited
Logo of the company	
Addresses of registered office, other offices	Saimon Center (5 th floor), House 4/A, Road 22, Gulshan 1, Dhaka-1212, Bangladesh
Telephone & fax number	+88 02 2222 93076 +88 02 2222 89177, Fax: Nil
Email address	info@egeneration.co
Private/public limited company	Incorporated as a Private Limited Company and subsequently, it was converted to Public Limited Company as of 05 July 2017.
Date of incorporation	22 November 2003
Date of commencement of commercial operation	01 December 2003
Conversion date of private to public limited company	05 July 2017
Incorporation number	C-51172(1467)/2003
Board of directors	<ol style="list-style-type: none"> 1. Syeda Kamrun Nahar Ahmed, Chairman 2. Shameem Ahsan, Managing Director 3. SM Ashraful Islam, nominated by eGeneration Sourcing Limited 4. Ariful Hasan, Independent Director 5. A B M Hamidul Mishbah, Independent Director
Products and Solutions	<ol style="list-style-type: none"> 1. Solutions Developed in Microsoft Platform 2. Data Analytics 3. Data Center Solutions 4. Cyber Security Solutions 5. HR Management Systems 6. CRM Software 7. AI & Natural language Processing 8. Digital Platform Development 9. Database Solutions 10. ERP Software 11. Hospital Management Information System 12. Clinics and Diagnostics Management System 13. Block Chain 14. IOT Solutions, 15. Fertilizer Recommendation System etc.
Authorized capital	Tk. 1,000,000,000/-
Issued, subscribed & paid-up capital	Tk. 600,000,000/-
Banker to the company	BRAC Bank Limited, Dutch Bangla Bank Limited, Premier Bank Limited, Standard Bank Limited, Meghna Bank Limited, Social Islami Bank Limited, Shimanto Bank Limited

Auditor	Shiraz Khan Basak & Co. Chartered Accountants R.K. Tower (Level-10), 86, Bir Uttam C.R. Datta Road, 312, Sonargaon, Dhaka-1205
Corporate governance compliance auditor	Ashraf Uddin & Co. Chartered Accountants 12-13, Rahman Chamber, Motijheel C/A, Dhaka-1000
Credit rating agency	Emerging Credit Rating Limited

Board of Directors

Sl. No.	Name	Designation
1	Mrs. Syeda Kamrun Nahar Ahmed	Chairman
2	Mr. Shameem Ahsan	Managing Director
3	Mr. SM Ashraful Islam	Nominated Director
4	Mr. A B M Hamidul Mishbah	Independent Director
5	Mr. Ariful Hasan	Independent Director

Audit Committee

Sl. No.	Name	Designation
1	Mr. Ariful Hasan Independent Director	Chairman
2	Mr. ABM Hamidul Misbah Independent Director	Member
3	Mr. SM Ashraful Islam Director	Member
4	Mr. Sabbir Sakir Company Secretary	Secretary

Nomination & Remuneration Committee

Sl. No.	Name	Designation
1	Mr. ABM Hamidul Misbah Independent Director	Chairman
2	Mrs. Syeda Kamrun Nahar Ahmed Chairperson	Member
3	Mr. SM Ashraful Islam Director	Member
4	Mr. Sabbir Sakir Company Secretary	Secretary

Chief Financial Officer: Mr. Md. Mazharul Islam

Company Secretary: Mr. Sabbir Sakir

COMPANY AT A GLANCE

VISION

Become an Asian technology leader by serving 100 Fortune-500 companies with Microsoft, SAP, Health-tech, and Industry 4.0 technologies.

MISSION

To transform Bangladesh into an innovative high-tech nation.

COMPANY PROFILE

eGeneration is one of the leading system integration and software solution companies in Bangladesh with a mission to transform Bangladesh into an innovative high-tech nation. In addition to our strong technology and operations teams, we have partnered with global companies such as Microsoft, SAP, Dell, Oracle, UiPath to provide end-to-end digital transformation solutions for businesses and government that includes modern workplace solutions, enterprise resource planning, digital healthcare solutions, cloud services, cybersecurity, big data analytics, artificial intelligence, blockchain, internet of things, robotic process automation, natural language processing and IT consultancy services.

eGeneration is the only Bangladeshi “Licensing Solutions Partner (LSP) - Gold Partner” of Microsoft and the only SAP Gold Partner and SAP Implementation Partner in the country. We are the first software technology company in Bangladesh to go for IPO.

With successful project implementation experiences in more than 10 countries, eGeneration mobilizes the right people, skills, and technologies through partnership with leading domain experts, pool of industry specialists and academia collaboration.

Some of our most notable customers are ICT Division of the Government of Bangladesh; Sonali Bank – the largest state-owned bank; Robi – the second largest telco company; bKash – no. 1 MFS company; S. Alam Group – one of the largest conglomerates; leading private commercial banks including Dutch-Bangla Bank, Pubali Bank, Bank Asia, Premier Bank, Dhaka Bank, Mercantile Bank, National Bank, Trust Bank; BRAC University – one of the leading private universities; Bangladesh Army; Border Guard Bangladesh among others.

WHAT WE DO?

- eGeneration provides end-to-end technology solutions to focus industries including Banks and NBFIs, Manufacturing Industry, Public sector, Healthcare sector, and Education sector
- System integration of top technology solutions by partnering with global giants e.g. Microsoft, SAP, Dell, Oracle, UiPath etc.

- Health-tech solutions including Hospital Management Information System (HMIS), ICU Over the Cloud, Tele-radiology, Telemedicine and AI-enabled Chatbot
- Digital transformation by digital platform development using disruptive technologies such as Blockchain, Natural Language Processing, Artificial Intelligence, Machine Learning, Robotic Process Automation, and Internet of Things
- Facilitate businesses with actionable insights using Data Analytics to interpret market shifts, buying patterns, and the subsequent changes they may need to implement

PRODUCTS AND SERVICES

MICROSOFT SOLUTIONS

- **Office 365:** Office 365 provides feature-rich communication and collaboration tools of Microsoft applications which gives the ability to work flexibly. It has been designed with innovative Office apps and cloud-based services that ensures high availability and complete security.
- **SharePoint:** SharePoint helps organizations share and manage content, knowledge, and applications. It allows users to work on data together across multiple systems within a single browser-based experience.
- **Azure:** Microsoft Azure is a platform that allows businesses to oversee applications and services in the cloud through a global network of Microsoft data centers. Microsoft Azure's integrated cloud services addresses all security and compliance needs whilst being effortlessly personalized to meet an organization's unique demands.
- **Active Directory Domain Services:** Active Directory (AD) is an element of Microsoft solution that enables the managing of computers and other devices on a single network – it is a database system which links every separate machine on a network. Active Directory enables administrators to manage all computers on a network, while facilitating in the effortless exchange of data among machines.
- **Microsoft Teams:** Microsoft Teams helps the facilitation of a modernized way of working. Teams incorporates fully-fledged features from chat, meeting or exchanging of files to working with business apps under one exclusive platform. Teams also supports live streaming events, making calls, or interacting with each other from any device.
- **Microsoft Advanced Threat Analytics:** Is an on-premises platform that secures an organization from various kinds of technologically advanced targeted cyber-attacks or any other attacks tossed at organizations by cybercriminals. It possesses the power to immediately recognize threats by utilizing behavioral analytics which incorporates adaptive learning to develop with the transformations of an organization.

SOLUTIONS DEVELOPED ON MICROSOFT PLATFORM

- **Approval Management System using Microsoft Power Platform:** An approval management system allows for all involved parties to effectively track the progress of their approval requests. eGeneration has developed a full-fledged approval management system leveraging Microsoft's business automation tools known as Microsoft Power Platform and Flow.
- **Document Management System using Microsoft SharePoint and Active Directory:** A document management system is a system used to receive, track, manage and store

documents and reduce paper. The solution developed by eGeneration on top of Microsoft SharePoint and Active Directory integrates document management, collaboration, and an advanced search functionality into one easy to use solution.

- **Real-time Management Dashboard using Power BI:** A management dashboard is a tool used to present all important management KPIs in a single place, share insights with C-level executives in an efficient way, and empower them to make fast and data-driven decisions based on the latest information. eGeneration has developed dashboard models for key business functions leveraging Microsoft Power BI platform.
- **Integrate Microsoft Solution with Other non-Microsoft Solutions:** Microsoft modern workplace platform and other non-Microsoft productivity software platform offer various APIs and eGeneration has developed a middleware solution leveraging these APIs to integrate Microsoft solutions with other non-Microsoft solutions to increase productivity and enable more integrated remote working.
- **Integrate RPA with Microsoft Solutions:** Robotic Process Automation or RPA can bring in 40%-60% savings in processing time and cost in back-office operations as well as reduce manual work of verifying information from multiple systems and keep them updated. With eGeneration's developed solution, RPA bots can fetch data from multiple systems including Microsoft's productivity platform to provide intelligent reports for faster decision making.

DATA ANALYTICS

- **Banking Analytics:** Analytics in banking domains such as deposit, loan and advance, foreign trade, management KPI, profit, recovery, customer analytics, treasury, agent banking, bill payment, debit card, credit card, ATM etc.
- **Airline Analytics:** Analytics components includes sales analytics, operations analytics, fleet maintenance and management, financial analytics, competition analytics, loyalty analytics.
- **Media and Broadcasting Analytics:** Analytics components includes program analytics, sales analytics, content analytics, financial analytics, competition analytics, loyalty analytics.
- **Analytics in Manufacturing:** Analytics in manufacturing domains such as production reporting, MTD and YTD actual vs. target analytics for product, customer, and employee.
- **Price Recommendation Engine for e-Commerce:** An analytics engine has been developed to create tailored data solutions for eCommerce companies that will aggregate competitor prices of a certain product and recommend the most optimum price analyzing that data.

DATA CENTER SOLUTIONS

- **Cloud as a Service (CaaS):** Azure stack and Open stack-based cloud as a service.
- **Infrastructure as a Service (IaaS):**
 - Colocation: Low, Medium, High Rack-Power Density
 - Vault: Caged Containment, Empty Containment
- **Platform as a Service (PaaS):** Public and private cloud using VM, VPS, SaaS, NGFW, UTM, Security, DRS, IoT, and Big Data.

ERP SOFTWARE

- **SAP Business One:** SAP Business One is a robust, adaptable, and cost-effective software in managing an organization. SAP Business One is an ERP system which incorporates major organizational functions to introduce efficient and smooth-running processes while helping organizations to discover useful insights.
- **SAP Education:** With the assistance of our professionals, we provide SAP Education in Dhaka, Bangladesh. We have delivered our SAP Education services to corporations, medium sized enterprises and individuals belonging to varying industries. Our SAP Education includes the complete enterprise business process from sales, procurement, human capital management, financial and management accounting, quality management and a lot more.
- **SAP on Azure:** The combination of SAP cloud solution infused with the competency and agility of Microsoft Azure. It promotes business transformation by utilizing revolutionary technologies which includes artificial intelligence, internet of things and machine learning. Azure Data Lake and Power BI enables organizations to have access to insights which are needed to form wise organizational decisions.
- **SAP S/4 HANA:** SAP S/4 HANA is an extremely configurable set of software options which is implemented to promote the simplification of trade, ensure readability, and create value. SAP S/4 HANA can successfully create value for various industries, social networks, and Internet of Things (IoT). Moreover, SAP S/4 HANA has the power to enhance the overall essential business functions from procurement and manufacturing to sales and marketing.

CYBER SECURITY SOLUTIONS

- **Licensing Partnership:** With Kaspersky Lab, Barracuda Networks, Sovereign Secure, LogRhythm, and Acunetix.

- **VAPT:** A process in which the Information and Communication Technologies (ICT) infrastructure consists of computers, networks, servers, operating systems, and application software are scanned in order to identify the presence of known and unknown vulnerabilities.
- **IT Audit:** The examination and evaluation of an organization's information technology infrastructure, policies, and operations. Information technology audits determine whether IT controls protect corporate assets, ensure data integrity, and are aligned with the business's overall goals.

HR MANAGEMENT SYSTEM

Our in-house developed HRMS software consists of the following components:

- Leave Management
- Employee Management
- Performance and Benefit Management
- Recruitment and Hiring
- Service Request

DIGITAL PLATFORM DEVELOPMENT

Digital platform helps businesses to enhance user experience in order to attract new customers. The evolution of advanced technologies such as IoT, artificial intelligence, cloud, and analytics are playing a crucial role in driving the growth of digital platform market. Our tools and resources in pipeline:

- Property Management System with trading
- e-KYC using facial recognition technology
- Real-estate Investment Management Platform with anti-money laundering solutions
- Digital wallet management and transaction workflow
- Loyalty Management System

BLOCKCHAIN SOLUTIONS

- We harnessed blockchain technology to develop smart contract-based crowd funding of real estate with non-fungible tokenization. It will aid in faster recording, tracking, and transferring real-estate titles through transparency and accountability and create a platform resulting in hassle-free investing that is safe and secure.
- We have also started working with digitizing garment workers' wages using blockchain technology which will assist workers in collecting their paychecks quicker, safer and will make it more transparent to the buyers.

NETWORKING SOLUTIONS

eGeneration has developed industry specific blueprints for enterprise networks by incorporating best practices of designing and implementing secure networks utilizing Cisco products. These blueprints focus on the expected threats and their methods of mitigation in a network architecture and provides a layered approach to security where the failure of one security system is not likely to lead to the compromise of network resources. The blueprints consist of overview of the architecture and details of the specific modules that make up the actual network design.

CRM SOFTWARE

Customer Relationship Management (CRM) software is used by businesses to manage interaction with current and future customers. Today's CRMs have evolved into a confluence of multiple functions, but the primary objective of a CRM is to serve the customers better, increase retention, and manage the sales pipeline. We focus on making something that touches all core fronts of basic CRM solutions. It is a niche software module to cater to different significant industries. We also customize and deliver company specific solutions when needed.

FERTILIZER RECOMMENDATION SYSTEM

The Fertilizer Recommendation System recommends fertilizers to farmers based on different parameters such as location of the land, weather data, category of crops, land area, nutrient of the soil etc. After analyzing these parameters, it can recommend following to the farmers:

- Distinguish between the various aspects when conducting a soil analysis
- Interpret the status of the soil in terms of optimal pH
- Make appropriate fertilization recommendation of the soil in the most economical way
- Put these soil properties as reported in the analytical report in terms of plant production and soil quality and fertilization
- Calculate the NPK (Nitrogen, Potassium and Phosphorus) requirements to optimize plant production

IoT SOLUTIONS

For the implementation of eGeneration's IoT solutions, we developed optimal hardware and software application platforms - two integral components of IoT - to ensure maximized business performance for an organization. Our IoT solution features connectivity, sensing, integration, analyzing, active engagement and artificial intelligence.

Soil Moisture Check with the Help of IoT: Using our IoT hardware and software platform, we have developed a solution to remotely monitor and carry out maintenance of farmland using IoT devices. Monitoring system includes temperature, humidity, soil moisture, soil temperature and soil PH monitoring and it includes disease prediction, recognition using plant leaves analysis and suggestion for the farmers.

AI & NATURAL LANGUAGE PROCESSING

Natural Language Processing, or NLP for short, is broadly defined as the automatic manipulation of natural language, like speech and text, by software.

Our NLP solutions include:

- Spell and Grammar Checker
- Sentiment Analysis
- Speaker Recognition
- Screen Reader
- Chatbot
- Text to Speech
- Corpus – Sentiment Tagged, Parallel (Machine Translation), Voice Corpora (Speech Recognition)

DATABASE SOLUTIONS

eGeneration is the gold partner of Oracle. We offer Oracle solutions packaged with our managed services. We also offer Oracle-based following solutions:

- **Bid Management System:** The purpose of this solution is to offer the purchase department a tool to create a clear analysis of incoming price offers. This solution allows to create lists of articles, so called “Purchase Bids” and could be used to gather prices from several suppliers, compare those and create price quotes out of them.
- **Loan Management System (LMS):** The LMS manages the complete lending cycle from loan origination, through final repayment. It gives the lender powerful tools to simplify the origination process so that borrowers get the right loan every time, streamlines loan servicing for improved customer service, and gives them a complete and accurate view of their portfolio so that they make well-informed lending decisions.

SOCIAL MEDIA MONITORING

This solution has been developed to keep track of online and social media in real time, listen to conversations as they occur, identify how client’s brand is being talked about and who is influencing those conversations. It simultaneously collects mainstream online media coverage on the brand from over 100 websites. With the application of machine learning, this solution identifies key trends and topics of conversation, highlights key metrics from digital channels and generate alerts for clients based on their requirement.

MESSAGE FROM THE CHAIRMAN & THE MANAGING DIRECTOR

Dear Stakeholders,

eGeneration has passed a challenging yet successful year with the continuous support from our investors, customers, partners, team members, and all other stakeholders. Despite the economic slowdown due to the COVID-19 pandemic, eGeneration has reported a revenue of BDT 396.3 million, registering an 8.9% annual growth while securing a net profit of more than BDT 92 million in 2019-20. Overcoming the heightened challenges and achieving the growth were made possible by our solid teamwork, successful implementation of right strategies, diversified portfolio of integrated IT solutions, effective cost management, and business process optimization.

The COVID-19 pandemic shook the whole world and Bangladesh was no difference. The country observed the longest general holidays and took social distancing measures to keep contamination in check. We saw a brief slowdown in capital investment by enterprises across many industries, but at the same time, an accelerated adoption of technology in their operations and workflows. As a result, eGeneration saw massive opportunities for growth as the trusted digital transformation partner for many organizations in both public and private sectors. We are already seeing a growing number of organizations investing in technologies - from business intelligence and demand forecast to marketing, customer support, supply chain and back office transformation - areas where eGeneration has a strong footprint.

eGeneration was one of the first companies that started working from home before the nationwide lockdown was effective which allowed our team members to stay safe and productive during the pandemic. We also promoted this practice to many public and private organizations to help fight the impact of coronavirus and strengthen the economy. As a Gold Partner and the only Bangladeshi Licensing Solutions Partner of Microsoft, eGeneration offered enablement of modern workplace solutions and remote working tools to organizations working in the frontlines fighting coronavirus including government offices, healthcare providers, financial and educational institutions. Many government functions have seen radical changes in how they operate with the help of tools and technologies provided by us.

eGeneration has also been conducting research and development in health technologies for the past few years. The Industry 4.0 capabilities and expertise gained from those works enabled eGeneration to invest in the development of a Hospital Management Information System and a Clinics & Diagnostics Management System with the integration of artificial intelligence, machine learning and health analytics. Recently, the company helped automate five government hospitals with 500 beds through those in-house developed health-tech solutions.

eGeneration has served more international clients than any previous year and is focusing heavily to penetrate the global market with FinTech, Health-Tech and Gov-Tech solutions in 2020-21. With global companies such as Microsoft, SAP, Dell, UiPath, NTT Data as partners, and our strength and skillsets in modern workplace solutions, enterprise resource planning, health technology, cloud services, cybersecurity, big data analytics, artificial intelligence, blockchain, internet of things, robotic process automation, natural language processing and IT consultancy services, eGeneration is playing a key role in IT import substitution and we aspire to make a significant contribution to the achievement of government's vision of US\$5 billion ICT export by 2025.

As a leading Bangladeshi system integrator and only Gold Partner of SAP, eGeneration secured majority of the SAP licensing deals in 2019. We also onboarded our first ever SAP implementation project from one of the largest conglomerates of Bangladesh competing with renowned global players. We are very happy to inform you that we have successfully completed the project.

In recognition of our outstanding contribution to the successful implementation of workplace security, team collaboration, analytics and cloud solutions through high business growth, deep technical expertise and exceptional customer service in enterprises from public and private sector in 2019-20, eGeneration has been awarded by Microsoft in three categories namely Modern Workplace Security Partner of the Year, Modern Workplace Teamwork Partner of the Year, and SAP on Azure Partner of the Year at Microsoft Inspire South-East Asia New Markets 2020 partner awards.

To uphold our commitment to the society and the country, eGeneration initiated 'Shohojodha', a plasma network with the ICT Division of Government of Bangladesh, Directorate General of Health Services (DGHS), and a2i Innovation Lab to save the lives of critical COVID-19 patients by facilitating the collection and distribution of convalescent plasma from patients who had recovered from the disease. To make this initiative a success, eGeneration partnered with leading public and private hospitals and other local organizations to reach as many affected people as possible.

We extend our gratitude to our investors and shareholders for their continued support and co-operation. We are grateful to our customers and partners for their trust in our capabilities and services. Our sincere thanks to our Board of Directors for their guidance and active engagement.

Finally, we extend our heartfelt appreciation to our team members who have been our core strength in achieving our success. Despite taking safety precautions, they took a lot of risk and battled in the front-line against the impact of coronavirus by managing critical IT infrastructure for many organizations in both public and private sectors to help them stay operational during the pandemic and keep economy moving. Their commitment and dedication towards the nation made us immensely proud.

We look forward to welcoming you to our 17th Annual General Meeting (AGM) and join our journey towards transforming Bangladesh into an innovative high-tech nation.



Syeda Kamrun Nahar Ahmed
Chairman



Shameem Ahsan
Managing Director

PROFILE OF THE BOARD OF DIRECTORS

Syeda Kamrun Nahar Ahmed, Chairman

Syeda Kamrun Nahar Ahmed, Chairman of eGeneration Limited was born in 1982. Her Father is Syed Kutub Uddin Ahmed. Syeda Kamrun Nahar Ahmed has completed her undergraduate degree from Bangladesh University of Engineering and Technology (BUET) and finished her MBA from North South University, both with exceptional results. Syeda Kamrun Ahmed is an award-winning highly accomplished entrepreneur in the ICT industry, engineer, business analyst, and academician. She has over 10 years of experience in the ICT industry and as an academician; and through a wide range of work and educational experiences; she has developed a comprehensive set of skills.

Syeda Kamrun Nahar Ahmed has received a number of awards over the years including JCI TOYP Award 2016, Best e-commerce website from BBJF (Bangladesh Business Journalists Forum), BEST IT USE Award for her work with Benchmark e-Generation Ltd. For her stellar academic results in MBA, she was awarded the Chancellor's Gold Medal during the 13th NSU Convocation. She has also won numerous accolades in the world of debating, including the Best Debater Award at the S.O.S. International Championship.

Shameem Ahsan, Managing Director

Shameem Ahsan, Managing Director of eGeneration Limited was born in 1977. He is the elder son of Md. Shahid Ullah and Mrs. Rokeya Akter Shahid. Shameem Ahsan is one of the foremost figures in the Bangladeshi ICT industry. Shameem Ahsan is an ICT entrepreneur, widely recognized for his work to improve the reputation of the Bangladeshi ICT industry in the global space. He has played a pivotal role in the implementation of numerous major policy changes related to the ICT sector in recent years. He was the former President of Bangladesh Association of Software and Information Services (BASIS), at present the largest national trade body for IT and ITES of Bangladesh. He is serving as Chairman of Venture Capital & Private Equity Association of Bangladesh (VCPEAB). He is founder and President of TIE Dhaka.

Shameem Ahsan has been lauded many times for his significant contributions to the growth and development of the ICT industry. He received CIP (Commercially Important Person) status from ICT Sector. This is the second CIP award for him during this year. He was given CIP status for outstanding performance during the year 2015. Besides. He has received the "Best Young Entrepreneur of Bangladesh" award from the Prime Minister of Bangladesh at Dhaka Chamber of Commerce Business Award; he was voted "Top Outstanding Young Person in Bangladesh" by JCI and awarded for his contribution to the e-commerce sector by Computer Jagat. He was a member of the Prime Minister's Digital Bangladesh Task Force, which is the highest policy-making body to monitor and implement the vision of building Digital Bangladesh and elevating Bangladesh to the status of a middle-income country.

SM Ashraful Islam, Nominated By eGeneration Sourcing Limited

SM. Ashraful Islam, Nominated by eGeneration Sourcing Limited. He was born in 1958 in a respectable Muslim family. He completed his Post-Graduation Degree in Economics from the University of Chittagong; He was a grade-1 post officer of Civil Service up to 18 January 2017, beside this he was an Executive Director of Bangladesh Computer Council under the ICT Division of the Ministry of Posts, Telecommunication, and IT. During the time of his service, he has worked as an Additional Secretary to the Government of the Peoples Republic of Bangladesh.

Ariful Hasan, Independent Director

Ariful Hasan, Independent Director of eGeneration Limited was born in 1976. He is the son of Mr. Amin Ahmed and Mrs. Hasina Amin. He is the Crew Chief, Space Innovation Camp; founder of Bangladesh Innovation Forum; Convener, National Aeronautics and Space Administration (NASA), CEO, e-Soft & Doctorsbd.com; Former Country Director, Space Apps Next Gen; former convener of BASIS Students' Forum and Former Director of Bangladesh Association of Software and Information Services (BASIS).

ABM Hamidul Mishbah, Independent Director

A.B.M Hamidul Mishbah, Independent Director of eGeneration Limited was born in 1978. He is the son of Mohammad Kaikobad and Mrs. Fouzia Akhter. He is the National Consultant, World Intellectual Property Organization (WIPO); Advocate, Supreme Court of Bangladesh; Advocate, District & Sessions Judge Court, Dhaka; Called to the Bar of Wales & England as Barrister- at-Law. He has completed Bar Vocational Course, from University of Northumbria, Newcastle, UK; LLB (Hons), University of Wolverhampton, UK; BA Hon's in English Literature, Aligarh University, Aligarh, India. He is the founder and Managing Partner of Old Bailey Chambers and worked as Consultant –Intellectual Property, A2I, Prime Minister's Office, Partner the legal circle, Senior Associate, Amir and Amir Law Associates, Specialist, Regulatory Compliance, Grameenphone Ltd. Associate, Dexter Henry & Co. Solicitors. His voluntary work includes being the Founder, Bangladesh Intellectual Property Forum (BIPF); Editor, Intellect.intellect.com.bd; Project Director, IP Plus Law Clinic-Legal Aid Center; Legal Adviser, Bangladesh Lyricists, Composers & Performers Society (BLCPS). His affiliations & experience comprise of being a Member, Anti-Piracy Task Force, Ministry of Cultural Affairs, Bangladesh; Member, Committee for Amendment of Copyright Act, 2000; Legal Advisor, Anti-Piracy Team (Bangladesh), Microsoft Corporation USA. His achievements include being awarded the Ten Outstanding Young Persons (TOYP) of Bangladesh, by the Junior Chambers International for the Voluntary Leadership in Developing the IPR Sector in Bangladesh.

SUMMARY OF KEY OPERATING & FINANCIAL DATA

The key operating and financial data for the financial year ended 30 June 2020 along with immediately preceding five years are presented below:

Financial Summary for the Past Five Years

Particulars	Amount in Taka				
	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
Non-Current Assets:	1,186,158,076	1,044,901,604	889,602,953	449,505,688	252,263,541
Current Assets:	306,684,856	267,589,164	262,671,572	105,668,226	60,482,622
Total Assets	1,492,842,932	1,312,490,768	1,152,274,525	555,173,916	312,746,163
Shareholders' Equity:	1,326,698,847	1,233,534,845	1,124,492,651	333,426,766	224,351,542
Non-Current Liabilities:	44,555,230	34,998,341	1,973,994	163,690,070	35,581,865
Current Liabilities:	121,588,855	43,957,581	25,807,880	58,057,081	52,812,756
Revenue	396,321,127	363,945,996	308,899,578	240,996,658	146,153,877
Gross Profit	156,870,538	156,842,931	144,094,357	111,933,887	74,038,267
Operating Expenses	(61,782,350)	(44,492,327)	(33,967,800)	(25,157,662)	(19,753,517)
Profit from Operation	95,088,187	112,350,605	110,126,557	86,776,224	54,284,750
Profit before WPPF & Income Tax	99,238,495	115,739,852	110,126,557	86,776,224	54,284,750
Profit before Income Tax	94,512,852	110,228,430	104,882,435	86,776,224	54,284,750
Profit after Income Tax	93,164,002	109,042,194	104,882,435	86,776,224	54,284,750
Earnings Per Share (EPS) Basic	1.55	1.82	2.51	6.12	4.93

Financial Ratios for the Past Five Years

Name of the Ratio	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17	30-Jun-16
A. Liquidity Ratios					
1 Current Ratio (Times)	2.52	6.09	10.18	1.82	1.15
2 Quick Ratio (Times)	1.24	4.46	9.97	1.70	0.93
B. Operating Ratios					
1 Accounts Receivable Turnover Ratio (Times)	4.68	5.74	4.54	3.93	3.99
2 Inventory Turnover Ratio (Times)	68.15	63.72	40.46	17.71	9.79
3 Assets Turnover Ratio (Times)	0.28	0.30	0.36	0.56	0.54
C. Profitability Ratios					
1 Gross Margin Ratio (%)	39.6%	43.1%	46.6%	46.4%	50.7%
2 Operating Income Ratio (%)	24.0%	30.9%	35.7%	36.0%	37.1%

3	Net Income Ratio (%)	23.5%	30.0%	34.0%	36.0%	37.1%
4	Return on Assets Ratio (%)	6.6%	8.8%	12.3%	20.0%	19.9%
5	Return on Equity Ratio (%)	7.0%	8.8%	9.3%	26.0%	24.2%
6	Earnings Per Share (EPS)- Basic	1.55	1.82	2.51	6.12	4.93
8	EBITDA Margin	45.9%	50.9%	51.5%	53.8%	45.3%
D. Coverage Ratio						
1	Debt to total Asset Ratio	11.13%	6.02%	2.41%	39.94%	28.26%
2	Debt to Equity Ratio (Times)	12.52%	6.40%	2.47%	66.51%	39.40%
3	Times Interest Earned Ratio (Times)	7.29	34.67	50.18	33.73	116.46
4	Debt Service Coverage Ratio	-3.32	-4.32	14.61	-7.79	-13.97
E. Cash Flow						
1	Net operating Cash Flow Per Share Basic	1.35	1.93	4.57	8.42	3.56
2	Net operating Cash Flow Per Share/EPS Basic	0.87	1.06	1.82	1.37	0.72

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

The Board of Directors of eGeneration Limited with immense pleasure take this opportunity of presenting the Directors' Report along with the Audited Financial Statements for the year ended 30 June 2020 together with the Auditors' Report thereon for your consideration and approval.

The Directors' Report has been prepared in compliance with the Companies Act 1994, Notification of BSEC and other applicable rules and regulations. We believe that the report will provide the insights of the Company's performance during the year. The key financial results and other developments for the year ended 30 June 2020 in eGeneration Limited Limited's business are discussed in this report.

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

Growing Industry

The IT/ITES industry of Bangladesh is thriving now. The general industry outlook is as follows:

- Demand for software in the local market: US\$ 1.18 Billion
- No. of IT/ITES Professionals: 3,00,000 (appr.)
- Market value of IT/ITES: US \$400+ Million (Ministry of Finance)
- Professionals: 3,00,000 (appr.)
- Market value of IT/ITES: US \$400+ Million (Ministry of Finance)

The sector shows high potential for growth in coming future with advent of updated technologies.

The industry is very competitive with 400+ local software companies being member of BASIS. However, eGeneration being the only LSP of Microsoft and Premier partner of SAP (ERP Solutions Provider) gives our company a superior competitive advantage.

Government Benefits

Here is a list of taxation policies that will give companies in IT sector a competitive edge in the overall market:

- Income tax exemption on Software & ITES till 2024
- VAT exemption rule & Submission procedure for Software/ITES Exporters
- VAT exemption on Software
- VAT Exemption for Software at Import and Production Level

Available Human Resources

- There is a future prospect of high skilled workers available to drive the IT/ITES industry forward:

- Leveraging ICT for Growth, Employment & Governance (LICT) Project Total 75,000+ Youth to be trained over next three years
 - 10,000 Top-up Training
 - 20,000 Foundation Skills Training Program
 - 20,000 Online Outsourcing Training
- Under the Skills for Employment Investment Program (SEIP), total 1.25 million Youth to be trained by 2021
- Under the Support to Development of Kaliakair Hitech Park project, 4,981 youths have received ICT training.
- To increase self-dependency, Learning and Earning project is working on creating 55,000 freelancers.
- Under the Bari Boshe Borolok (Getting Rich at Home) project, 14,750 youths have been trained as freelancers of whom 70 percent are women.
- Bangladesh Hi-Tech Park Authority (BHTPA) has imparted trainings to around 6,500 youths in different areas of Information and Communication Technology (ICT). Around 6,500 youths so far to enable them to get employment capitalizing on their skills in the field of ICT. Of them, around 4,700 trainees have already got jobs under Employment Incentive Program.

Low cost of labor

Compared to other countries, which operate in IT related businesses, the country has low cost of labor. This gives the Bangladeshi IT/ITES industry an overall edge in the market.

THE SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Product wise performance for the last two years is given below:

Name of the Product	30-Jun-20	30-Jun-19	Increase / (Decrease)
ERP Software	106,747,702	83,025,913	23,721,789
CRM Software	3,350,000	5,224,300	(1,874,300)
Solutions Developed in Microsoft Platform	226,364,111	218,808,264	7,555,847
Database Solutions	8,789,571	6,919,333	1,870,238
Cyber Security Solutions	1,494,343	10,671,460	(9,177,117)
Data Analytics	6,410,000	7,062,508	(652,508)
HR Management System	1,828,470	3,034,390	(1,205,920)
Fertilizer Recommendation System	2,500,000	2,580,050	(80,050)
Social media Monitoring	1,850,000	2,563,169	(713,169)
Web Designing & Olympus	843,475	1,735,080	(891,605)
AI & Natural Language Processing	442,896	-	442,896
Networking Solutions	274,538	10,194,786	(9,920,248)

Data Center Solution	6,500,000	-	6,500,000
Digital Platform Development	28,926,021	12,126,744	16,799,277
Total	396,321,127	363,945,996	32,375,131

RISKS AND CONCERNS INCLUDING INTERNAL AND EXTERNAL RISK FACTORS, THREAT TO SUSTAINABILITY AND NEGATIVE IMPACT ON ENVIRONMENT

The Board of Directors recognizes the importance of sound risk management practices and internal controls to safeguard shareholders' investments and the Company's assets. The Board affirms its overall responsibility for the Company's system of risk management and internal control, which includes the establishment of an appropriate control environment and framework, along with reviewing its adequacy and integrity.

Board of Directors always carefully considers the sectors related risk such as credit risk, liquidity risk, industry risks, economic and political risks, market and technology-related risk, potential or existing government regulations, potential or existing changes in global and national policies, competitive condition of the business etc. We identify and manage risks to reduce the uncertainty associated with executing our business strategies and maximizing opportunities that may arise. Detailed risk factors and management perceptions about the risks are given under the heading of risk management of the company of this annual report.

COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

- Cost of Services and Sales:** The reporting period's cost of sales was Tk. 239.45 million. The last year's cost of sales was Tk. 207.10 million. The cost of sales is increased due to the increase in sales and production costs.
- Gross Profit:** During the year, gross profit earned was Tk. 156.87 million against last year's gross profit of Tk. 156.82 million. The gross profit margin is decreased due to the increase in the cost of sales.
- Net Profit:** Net profit (after tax) earned during the year was Tk. 93.16 million compared to last year's Net Profit (after tax) of Tk. 109.04 million. Increase in the operational and financing cost is the main reason for the reduction in net profit after tax.

Key Operating and Financial Data of Preceding 5 (Five) Year

Key operating and financial data of preceding 5 (Five) years is shown under the heading of Summary of Key Operating & Financial Data of this annual report.

An Explanation on the Reasons for Not Declaring Dividend (Cash or Stock)

The Company has not declared any dividend as per the consent letter of IPO, Ref: BSEC/CI/IPO-291/2018/292, Dated: December10, 2020, Clause No:15

Board's Declaration Regarding Interim Dividend

Board of Directors confirm that no bonus shares or cash dividend has been declared as interim dividend during the period under review.

Shareholding Pattern

The Company is currently going through the processes of Initial Public Offering.

Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments is given below:

Sl. No.	Name/Category of Shareholders	No. of Ordinary Shares Hold		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Sponsors & Directors	28,045,723	28,045,723	46.74%	37.73%
2	Institutional	20,114,876	24,614,876	33.52%	32.82%
3	Mutual fund	1,200,000	2,700,000	2.00%	3.60%
4	Individual	10,129,401	17,629,401	16.88%	23.51%
5	Non-Residential Bangladeshis (NRBs)	510,000	2,010,000	0.85%	2.68%
Total		60,000,000	75,000,000	100.00%	100.00%

Management Discussion and Analysis

A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements is presented in the Annexure-1 of the annual report.

Declaration or Certification by the CEO and the CFO to the Board

Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) has been disclosed in the Annexure-A

The Report as Well as Certificate Regarding Compliance

The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 has been disclosed in the Annexure-B and Annexure-C.

Extra-Ordinary Gain or Loss

During the year, there was no realized extra-ordinary gain or loss made by the Company.

Related Party Transactions

Related parties with whom transactions have taken place and their relationship as identified and certified by Management. In the ordinary course of business, the company has no other related party transaction as disclosed in Note 30.08 of the audited financial statements.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES

Sources of Fund

Issue Size (Number of Shares to be issued)	Issue Price	Amount in Taka
15,000,000 Shares	10	150,000,000
Less: IPO Expenses		(17,611,000)
Net IPO Proceeds		132,389,000

USE OF NET PROCEEDS FROM THE IPO

The net proceeds from Initial Public Offering (IPO) will be used for Purchase of Commercial Space for Office, IT Infrastructure for Platform Development, Loan Repayment, and IPO Expenditure. The details of which is stated below:

Sl. No.	Particulars	Amount in BDT	Implementation Schedule
1	Purchase of Commercial Space for Office	80,000,000	Within 24 months after receiving IPO Fund
2	Loan Repayment	34,000,000	
3	Digital Healthcare Platform Development	18,389,000	
4	IPO Expenditure	17,611,000	
Total		150,000,000	

Financial results after the Company goes for Initial Public Offering (IPO)

BSEC has already approved the Initial Public Offer of the company. The company is performing well with a steady growth. Financial Results of the company are detailed in the audited financial statements attached in this annual report. Some results are affected by the COVID-19 situation.

Variance between Quarterly Financial performance and Annual Financial Statements

Though there was an impact of COVID-19 on the business during the Quarter of April-June 2020, variance between quarterly performance and annual financial statements was not material considering the overall economy of the country.

Remuneration to Directors Including Independent Directors

Details of remuneration paid to Directors during the financial year are given in the Note No:30.07 in the Financial Statements of this annual report.

CORPORATE & FINANCIAL REPORTING

The Board is responsible to present a fair, balanced and understandable assessment of the Company's position and prospect as a part of the good governance and to that end the Directors in accordance with the Bangladesh Securities and Exchange Commission's

Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018; confirm compliance with the financial reporting framework for the following:

- The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate Accounting Policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed. The list of BAS/BFRS complied is listed on note no. 3 of the Financial Statement.
- The systems of internal control are sound and have been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There are no significant deviations in operating result of the business of the company compared to last year

Minority Shareholders' Interest Protection

During the year under review, the minority shareholders' interest has duly been protected with effective means of redress. No abusive actions either directly or indirectly with regards to the interest of controlling shareholders was observed.

Key Operating and Financial Data of Preceding 5 (Five) Years

Key operating and financial data of preceding 5 (Five) years is shown under the heading of Summary of Key Operating & Financial Data of this annual report.

Deviation from the Last Year's Operating Results

There was no significant deviation from last year's operation. Due to Covid-19 impact around the world, overall profitability of the company declined slightly comparing the overall economy of the country.

Appropriation of Profit & Dividend

The Board of Directors has recommended no dividend for the year ended June 30, 2020, to those shareholders whose names would appear in the Share Register of Members of the Company.

Interim Dividend

The Board of Directors has declared no dividend for the interim period.

Board of Directors Meeting

During the year 8 (Eight) Board Meetings were held. The Chief Financial Officer, Head of Internal Audit & Compliance and Company Secretary were present in the Board meetings. The attendance by each Director is mentioned below:

Name of Director	Position	Meeting Held	Attendance
Shameem Ahsan	MD	8	8
SM Ashraful Islam (Nominated by eGeneration Sourcing Limited)	Nominated Director	8	8
Syeda Kamrun Nahar Ahmed	Chairman	8	8
Ariful Hasan	Independent Director	8	8
ABM Hamidul Mishbah	Independent Director	8	8

Appointment/re-appointment of directors of the Company

As per the Articles of Association of the Company and the Companies Act 1994, one-third of the Directors of the Company are required to retire by rotation at each Annual General Meeting (AGM). The retiring Directors are eligible to stand for re-election. In this connection the following Director will retire in the 17th Annual General Meeting and being eligible, offered for re-election:

1. Syeda Kamrun Nahar Ahmed

Brief profiles of Syeda Kamrun Nahar Ahmed are given in the *Profile of the Board of Directors* section of the Annual Report.

Corporate Governance Compliance Report

According to the Bangladesh Securities and Exchange Commission requirements, the "Corporate Governance Report" is annexed in Annexure B.

Appointment of Statutory Auditors

FAMES & R, Chartered Accountants has expressed their interest to be the statutory auditor of the company for the year 2020-2021 and the Board has recommended the auditor to be approved in the 17th AGM of the company.

Appointment of Compliance Auditors

The board in its meeting held on 29 October 2020 recommended to reappoint Asraf Uddin & Co-Chartered Accountants as the compliance auditor of the company to audit the "corporate governance code" for the year 2020-21.

Syeda Kamrun Nahar Ahmed

Chairperson

Annexure-1

Management discussion and analysis on financial position and performance

Comparatives on the financial performance of the company for the year ended 30 June 2020 are summarized as under:				
Particulars	2019-20	2018-19	Increase/ (Decrease)	Growth (%)
Revenue	396,321,127	363,945,996	32,375,130	8.90%
Cost of Service & Sales	239,450,589	207,103,065	32,347,524	15.62%
Gross Profit	156,870,538	156,842,931	27,606	0.02%
Operating Expense	61,782,350	44,492,327	17,290,024	38.86%
Operating Profit	95,088,187	112,350,605	(17,262,417)	-15.36%
Non-Operating Income	4,150,308	3,389,247	761,061	22.46%
Profit Before Tax	94,512,852	110,228,430	(15,715,578)	-14.26%
Profit After Tax	93,164,002	109,042,194	(15,878,191)	-14.56%

The Gross Revenue increased by 8.90%, Net Profit (BT) and Net Profit (AT) decreased, 14.26% and 14.56% during the FY 2019-20 over the previous year. The Cost of Goods Sold increased at 15.62% over the previous year due to increase of salary and office rent because of new office addition during the financial year. The increase of Gross Profit Margin 0.02% during the FY 2019-20 over the previous year due to increase in cost of service & sales. However, the Company earned non-operating income Tk 4,150,308 during the year 2019-2020 increased in 22.46% against the previous year. The EPS for the year is Tk 1.55, a 14.56% decrease over the previous year due to outbreak of COVID 19 in Bangladesh, EPS calculation took place on the basis of present outstanding 60,000,000 shares of Tk 10 each.

REPORT OF AUDIT COMMITTEE

eGeneration Limited has an Audit Committee of the Board of Directors, in compliance with the Notification of Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. All Members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee. The terms of reference of the Audit Committee has been determined by the Board in accordance with the BSEC Notification.

COMPOSITION

The Board Audit Committee of eGeneration Limited is comprised of three Members of the Board of Directors including two Independent Directors. The composition of the present Board Audit Committee is as follows:

Sl. No.	Name	Designation
1	Mr. Ariful Hasan (Independent Director)	Chairperson
2	Mr. ABM Hamidul Misbah (Independent Director)	Member
3	Mr. SM Ashraful Islam	Member

Further the Company Secretary attends the Committee's meetings as the Secretary of the Committee. The Managing Director and Head of Finance/CFO attend the meetings by invitation. The Head of Internal Audit & Compliance, and the External Auditors attend the meetings as and when invited.

ROLE AND RESPONSIBILITIES

The Audit Committee's role flows directly from the Board's oversight function, and the purpose, authority, composition, duties, and responsibilities of the Audit Committee are delineated in its terms of reference. Some of the major responsibilities of the Audit Committee are as follows:

- Reviewing the form and content, and monitoring the integrity of the Company's annual, half-yearly and quarterly financial statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval.
- Reviewing the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the codes of conduct.
- Recommending to the Board the appointment, reappointment, audit fee and any question of resignation or dismissal of the external auditors.

- Exercising its oversight of the work of internal audit. Reviewing the effectiveness of internal audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examining audit findings and material weaknesses and monitoring implementation of audit action plans.
- Reviewing the corrective measures taken by the Management as regards the incidents relating to fraud-forgery, deficiencies in internal control or other similar issues detected by Internal and External Auditors and Inspectors of the Regulatory Authorities and inform the Board on a regular basis.
- Reviewing and evaluating the factors related to the independence of the External Auditors and assist them in preserving their independence.

AUTHORITY

The Audit Committee is authorized by the Board to review any activity within the business as per its terms of reference. It is authorized to seek any information it requires from and require the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company's Legal Advisors, Tax Consultant, Statutory Auditor and Compliance Auditor if required.

MEETINGS AND ATTENDANCE

During the year under review, the Committee held four meetings. The attendance of the Members at these meetings is as under:

Name of the Members	Position	No. of Meetings held	Meetings Attended	Remarks
Mr. Ariful Hasan (Independent Director)	Chairperson	4	4	Continuing
Mr. ABM Hamidul Misbah (Independent Director)	Member	4	4	Continuing
Mr. SM Ashraful Islam	Member	4	4	Continuing
Mr. Sabbir Sakir	Secretary	4	4	Continuing

ACTIVITIES CARRIED OUT DURING FINANCIAL YEAR 2019-20

In accordance with the 'Audit Committee Charter', the Audit Committee worked and evaluated items that were raised for consideration as well as discussed issues related to key events of every financial reporting cycle:

Financial Reporting

- Reviewed the quarterly, half yearly and interim financial results of the Company and the relevant announcements to the Bangladesh Securities and Exchange Commission and the Stock Exchanges by the Board of Directors.
- Reviewed all the draft financial statements of the Company prior to submission to the Board of Directors for approval. The review was to ensure that the financial reporting and disclosures were in compliance with the Securities laws, provisions of the Companies Act 1994, applicable Accounting Standards/IFRSs, any conflict of interest and other relevant legal and regulatory requirements.

Internal Audit

- Reviewed the audit plans including the audit methodology in assessing and rating risks of auditable areas to ensure adequate scope and comprehensive coverage on the audit activities of the Company.
- Reviewed the effectiveness of the audit process, resource requirements and assessed the performance of the Internal Audit Department. The competence and performance of the Head of Internal Audit was also reviewed.
- Reviewed the internal audit reports which encompassed the audit issues, audit recommendations and Management's responses to these recommendations. Improvement actions in the area of internal controls, systems and efficiency enhancements suggested by the Internal Auditors were discussed together with Management.
- Reviewed the implementation of these recommendations through follow-up audit reports to ensure all key areas were addressed.
- Suggested additional improvement opportunities in the areas of internal control, systems, and efficiency improvement.

External Audit

- The Committee met with External Auditors at the conclusion of their audits in the absence of Management and also reviewed their findings of observations and the Management's response thereto.
- Reviewed with the External Auditors about the scope of their audit, audit strategies and audit plans.
- Reviewed the external audit reports and areas of concern highlighted to the Management and the Management's responses to the findings of the External Auditors.
- Reviewed the performance, appointment process and audit fees based on scope of work and magnitude of the external auditors.

REPORTING OF THE COMMITTEE

On discharging its responsibilities, the Audit Committee has ensured the following:

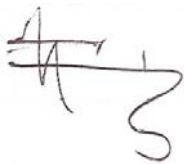
- Financial statements have been prepared and presented in compliance with all laws, regulations & standards as applicable.
- Adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is adequately managed.

Observations, findings, and suggestions of the Committee were communicated to the Board of Directors and the Board of Directors had taken appropriate measures on the reports.

RECOMMENDATIONS

- The Committee highlighted the importance of improving, efficiency and productivity at all levels to ensure continued profitability of the Company.
- The Committee highlighted the need to invest in continuous training and human resource development for the Company.
- The Audit Committee considered and made recommendation to the Board on the appointment and remuneration of External Auditors FAMES & R, Chartered Accountants with fees of Tk. 2.50 lac only for the next annual audit, subject to the approval of the Members at the 17th Annual General Meeting of the Company.

On behalf of the Audit Committee



Ariful Hasan

Chairman of the Board Audit Committee

REPORT OF NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of eGeneration Limited has duly constituted the Nomination and Remuneration Committee (NRC) as per Bangladesh Securities and Exchange Commission's Notification on Corporate Governance Code-2018. The NRC is a sub-committee of the Board of Directors of eGeneration Limited. The NRC assists the Board in formulating the nomination criteria/policy for determining the qualification, positive attributes, experiences and independence of directors and senior-level executives as well as a policy for a formal process of considering the remuneration of directors and senior-level executives.

TERMS OF REFERENCE

The Nomination and Remuneration Committee (NRC) has performed its duties as assigned by the Board of Directors, and as defined in the Charter of the NRC formulated in accordance with the Notification of the Bangladesh Securities and Exchange Commission's Corporate Governance Code-2018.

COMPOSITION

The Nomination and Remuneration Committee (NRC) of eGeneration Limited is comprised of three Directors of the Board including an Independent Director. The Chairperson of the Committee is an Independent Director of the Company. The composition of the present NRC is as follows:

Sl. No.	Name	Designation
1	Mr. ABM Hamidul Misbah (Independent Director)	Chairperson
2	Mrs. Syeda Kamrun Nahar Ahmed, Chairperson	Member
3	Mr. SM Ashraful Islam	Member

Further the Company Secretary attends the Committee's meeting as the Secretary of the Committee. The Managing Director and Head of Human Resources and Administration attend the meetings by invitation. The Head of Finance/CFO attends the meetings, as and when invited.

QUALIFICATION

The members of Nomination and Remuneration Committee (NRC) of eGeneration Limited possess adequate knowledge on business management and corporate governance matters. The detailed qualifications of the existing members of the Committee are set out on the Brief Profile of the Directors of this Annual Report.

ROLES AND RESPONSIBILITIES

The roles and responsibilities of the Nomination and Remuneration Committee (NRC) flow directly from the Board's oversight functions. The purpose, authority, duties and

responsibilities of NRC are delineated in its terms of reference. The prime responsibilities of the NRC, among others are as follows:

- The Committee shall be independent, responsible, and accountable to the Board and the shareholders.
- Formulating the criteria / policy for fixing up fair remuneration for directors and senior management which need to be vetted and accepted by the Board of Directors.
- Obtaining the Board's approval for recruiting suitable candidates to fill the vacancies or to add more competent people from time to time in the Company's Board and also in the senior management position to remain compliant and to strengthen the senior management team.
- Establish the criteria for Board membership and to formulate the standard and transparent process for selection of Directors.
- To ensure that there is diversity in the Board structure taking into consideration age, gender, experience, ethnicity, religion, educational background, and nationality.
- Developing the succession plans of Board members and senior-level executives.
- Review major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures.
- Reporting to the Board of Directors on the Committee's activities and findings.

MEETINGS AND ATTENDANCE

During the financial year 2019-20, the Committee met once. The Managing Director, the Chief Financial Officer and the Head of HR attended the meeting by invitation of the Committee. The attendance of the Members is as under:

Name of the Members	Position	No. of Meetings held	Meetings Attended	Remarks
Mr. ABM Hamidul Misbah (Independent Director)	Chairperson	1	1	Continuing
Mr. Ariful Hasan (Independent Director)	Member	1	1	Continuing
Mr. SM Ashraful Islam	Member	1	1	Continuing

ACTIVITIES CARRIED OUT DURING FINANCIAL YEAR 2019-20

In accordance with the 'Terms of Reference' of Nomination and Remuneration Committee, the Committee carried out the following activities during the financial year 2019-20:

- Reviewed the code of conduct for the Board members and recommended to the Board for approval.

- Reviewed the 'Terms of Reference' of the Nomination and Remuneration Committee and recommended to the Board for approval.
- Identified and reviewed the vacancy of Regulatory Mandatory Position of the Company and recommended to the Board for appointment.
- Reviewed the performance appraisal process of the Company.
- Reviewed the policy related with compensation and benefit of the Company.

AUTHORITY

The Nomination and Remuneration Committee has carried out its duties with due care, due diligence, transparency, and independence, and as an act of good faith for the betterment of the Company and stakeholders. The Committee has authorized to seek any information it requires from and require the attendance at any of its meetings of, any Director or Member of Management, and all employees are expected to cooperate with any request made by the Committee. The Committee is committed to perform its duties based on equality and fairness according to the principles of good corporate governance.

On behalf of the Nomination and Remuneration Committee



Mr. ABM Hamidul Misbah

Chairperson of the Nomination and Remuneration Committee

REPORT ON CORPORATE GOVERNANCE

Our corporate governance practices reflect our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we always gain and retain the trust of our stakeholders. Corporate governance is about maximizing shareholders value legally, ethically, and sustainably. At eGeneration the Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain best practices in corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

CORPORATE GOVERNANCE PRACTICES

Corporate Governance is the framework by which the Company ensures transparency in all its dealings and whereby various stakeholders' interests are balanced. eGeneration is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders while promoting integrity, transparency, and accountability. The Board of Directors of eGeneration Limited and the Management of the Company are committed for achieving high standards of corporate governance through increasing integrity, transparency, accountability, better risk assessment and mitigation and compliance with Bangladesh Securities and Exchange Commission's Notification dated 03 June 2018 on "Corporate Governance Code.

Statement of Compliance with Bangladesh Securities and Exchange Commission's notification on Corporate Governance

The guidelines and practices of the company is in compliance with the applicable laws and regulations of the country. Furthermore, we comply with the Bangladesh Securities and Exchange Commission's Notification on Corporate Governance Code, dated 03 June 2018. For the period ended 30 June 2020, we have complied with the relevant conditions set out in this report.

THE BOARD OF DIRECTORS

The Board of Directors is the supreme authority in the Company's affairs and shall oversees the management and governance of the Company and monitors the performance of the Management, reviews the financial reporting systems and approves the financial statements. The Board is always eager to achieve superior performance and long-term & sustainable growth to meet the stakeholders' expectations with sound corporate governance. All Directors have distinguished themselves in their field of expertise and have advised the Board in the area of their respective specialty, where relevant to the Company's business activities and strategic development. Key points reserved for the Board are as under:

- Setting strategic objectives and providing input into and final approval of overall strategic direction.

- Monitoring financial performance including approving business plans, the annual operating and capital expenditure, budgets, funding strategy and financial statements.
- Establishing, monitoring, and evaluating the effectiveness of internal controls, risk management and compliance issues.
- Establishing and maintaining a code of conduct of all Board Members.

COMPOSITION OF THE BOARD

The Board composition is based on the Company's Articles of Association and guidelines of regulatory authorities. The regulators set upper and lower limits with the number of Directors not permitted to be less than five and more than twenty as per BSEC's Corporate Governance Code. The Board of Apex Footwear Limited comprises of five members including Chairperson, Managing Director, one Directors and two Independent Directors. At present the composition of the Board is as follows:

Sl. No.	Name	Position
1	Mrs. Syeda Kamrun Nahar Ahmed	Chairperson
2	Mr. Shameem Ahsan	Managing Director
3	Mr. SM Ashraful Islam	Director
4	Mr. Ariful Hasan	Independent Director
5	Mr. ABM Hamidul Misbah	Independent Director

In compliance with Condition No. 1(4)(a) of the Corporate Governance Code separate individuals fill the positions of Chairperson and the Managing Director of the Company.

DIRECTORS' APPOINTMENT, RETIREMENT AND RE-APPOINTMENT

As per Companies Act 1994, the office of Directors is subject to retirement i.e. at least one-third of the Directors shall retire by rotation in every Annual General Meeting. On the other hand, the Managing Director is appointed/re-appointed for a maximum period of five years. Contrariwise, the office tenure of an Independent Director is three years and may be extended by another three years. Provided that after a time gap of three years from his or her completion of consecutive six years, a former Independent Director may be considered for reappointment for another tenure, i.e. three years.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Corporate Governance Code, that he/she meets the criteria of independence laid down in the Corporate Governance Code.

BOARD'S SUB-COMMITTEES

The Board's sub-committees are formed, and their members are appointed by the Board of Directors. The objective of these committees is to assist the Board in supervising the actual

operations of the Company, by reviewing any issues that are submitted by the Senior Management and making recommendations to the Board for their final review. The Board reserves the right to form/re-form the committees from time to time as necessary. The Board also laid down specific terms of reference of the committees. In accordance with the BSEC's Notification on Corporate Governance Code-2018 following two committees are formed as Board's Sub-Committees:

- Audit Committee
- Nomination and Remuneration Committee

Audit Committee

eGeneration Limited has an Audit Committee as a sub-committee of the Board. The Board Audit Committee advocates with the BSEC's Corporate Governance Code. The membership of the Audit Committee consists of three members, most of whom are independent. Mr. Ariful Hasan, Independent Director is the Chairperson of the Committee. The primary duties, activities and decisions taken by Audit committee during the year are shown in the relevant committee's reports set out in this report.

Nomination and Remuneration Committee

Pursuant to BSEC's Corporate Governance Code-2018, the Board formed the Nomination and Remuneration Committee (NRC) as a sub-committee of the Board. The Committee assists the Board for formulating the criteria and policy for determining qualifications and independence of the Board members and senior level management. The NRC currently consists of three members, where Mr. ABM Hamidul Misbah is the Chairperson of the Committee. The roles and responsibilities, activities and matters reviewed by the Committee during the year are shown in the relevant committee's reports set out in this report.

Members of the Board's Sub-Committee

At present the members of the sub-committee of the Board of eGeneration Limited were as under:

Name of the member	Audit Committee	Nomination and Remuneration Committee
Mrs. Syeda Kamrun Nahar Ahmed	---	Member
Mr. Shameem Ahsan	---	---
Mr. SM Ashraful Islam	Member	Member
Mr. A B M Hamidul Mishbah	Member	Chairperson
Mr. Ariful Hasan	Chairperson	-----

MEETINGS AND ATTENDANCE

Percentage for attendance of Directors was more than 80% of the Board and Board Committee Meetings held during the financial year, with the majority having full attendance. This reflects

Board members' commitment and dedication in fulfilling their duties and responsibilities. Directors who were unable to attend a meeting placed their application for leave which was duly recorded and approved.

CODE OF CONDUCT

The Board has laid down a 'Code of Conduct' for the Board members of the Company based on the recommendation of Nomination and Remuneration Committee. The Board members have certified that they have received, read, understood and affirmed compliance with the codes as framed to ensure and practice sound corporate governance of the Company.

INTERNAL CONTROL

The Board is responsible for the Company's system of internal controls and its effectiveness. The internal control system has been designed to mitigate the Company's risk exposure; to facilitate the effectiveness and efficiency of operations; to safeguard the assets against loss and misappropriation; to maintain proper accounting records for producing reliable financial information and ensuring compliance with applicable laws and regulations.

The Board Audit Committee is established to, inter alia, reviewing internal control issues identified by the internal audit department, external auditors, regulatory authorities and management, and evaluate the adequacy and effectiveness of the Company's risk management and internal control systems.

SEPARATE ROLE OF THE CHAIRPERSON AND MANAGING DIRECTOR

The Chairperson and the Managing Director of eGeneration Limited are different persons selected from the Board of Directors. There is a clear division of responsibilities between the Chairperson and the Managing Director. The respective responsibilities borne by the Chairperson and the Managing Director are:

Chairperson's core responsibilities:

- Determines broad strategic direction.
- Provides leadership of the Board.
- Encouraging a culture of openness to foster a high-performing team of Directors that operates effectively.
- Facilitating the relationship between the Board and the Managing Director.
- Maintains effective communication between the Board, management of the Company and shareholders generally.

Managing Director's core responsibilities:

- Provides leadership for the management.
- Oversees the realization by the Company of the objectives determined by the Board.
- Provides information to the Board as is necessary to enable the Board to monitor the performance of management.

- Leads the management of the Company's relationship with its stakeholders.
- Puts in place programs for management development and succession.
- Establishes and maintains proper internal control and risk mitigation.
- Discharges such duties and authorities as may be delegated in writing to him by the Board.

ROLE OF THE CHIEF FINANCIAL OFFICER, COMPANY SECRETARY AND HEAD OF INTERNAL AUDIT & COMPLIANCE

The Chief Financial Officer, the Company Secretary and the Head of Internal Audit & Compliance of the Company are the three separate persons as per BSEC's Corporate Governance Code. The Chief Financial Officer, the Company Secretary and the Head of Internal Audit & Compliance are also attending the Board Meeting as per Corporate Governance Code of BSEC. The Head of Internal Audit is responsible for reporting to the Board Audit Committee of eGeneration Ltd. regarding any deviation from internal control systems of the Company.

ANNUAL GENERAL MEETING (AGM)

A key part of our approach to governance involves shareholder's views being heard and understood. Through AGM, the Company provides updated information to the shareholders on the Company's performance and offer an opportunity for shareholders to ask questions and vote. The Chairperson, Directors including Independent Directors, Managing Director, as well as key members of management team are present and available to answer questions. The Chairperson of Audit Committee, Nomination and Remuneration Committee and the Auditors both external and compliance attend the AGM and are also available to answer questions.

DIVIDEND POLICY

The Board of Directors has established a dividend policy, which forms the basis for the proposals on dividend payments that it makes to the shareholders taking into consideration the business performance of the Company and its strategic initiatives. The Board believes that it is in the best interest of eGeneration to draw up a long term and predictable dividend policy. The objective of the policy is to allow the shareholders to make informed investment decisions.

MD AND CFO CERTIFICATION

Certification as required under the Corporate Governance Code has been provided by Mr. Shameem Ahsan, Managing Director and Mr. Mazharul Islam, Chief Financial Officer of the Company which has duly been placed before the board on 29 October 2020, and can be found in this Annual Report.

APPOINTMENT OF COMPLIANCE AUDITOR

According to BSEC Notification dated 03 June 2018 on Corporate Governance Code, the professional who will provide the certificate on compliance of 'Corporate Governance Code' for the year 2020-21 shall be appointed by the shareholders at 17th Annual General Meeting. The Board in its meeting held on 29 October 2020 recommended the shareholders to re-appoint M/s. Ashraf Uddin & Co., Chartered Accountants as the compliance auditors of the Company for the year 2020-21.

Auditors' Certificate on Corporate Governance

The Auditors' certificate on compliance of Corporate Governance Code can be found in this Annual Report.

APPOINTMENT OF STATUTORY AUDITORS

The Statutory Auditor is appointed by the shareholders in the AGM. Based on the recommendation of the Board Audit Committee, the Board of Directors of eGeneration Limited in its meeting held on 29 October 2020 recommends to the Shareholders for appointment of FAMES & R, Chartered Accountants as statutory auditors for the year 2020-21.

INDEPENDENCE OF STATUTORY AUDITORS

The Company's statutory auditors are prohibited from non-audit services as prescribed by the BSEC's Notification dated 03 June 2018. Tax and other professional services of the Company are conducted by separate professional individual/firms to ensure the Auditors' independence.

COMPLIANCE WITH RULES, REGULATIONS AND LAWS

The technology industry is subject to very high and dynamic compliance standards and eGeneration is continuously striving to achieve best in class standards to become a vendor of choice. eGeneration operates in compliance with multiple local laws and regulations from different agencies like BIDA, BSEC, RJSC, NBR, Tax & VAT authorities etc. Our internal processes and policies are all designed in line with these requirements.

SECRETARIAL STANDARDS

The Company Complies with all applicable mandatory secretarial standards issued by Institute of Chartered Secretaries of Bangladesh.

HUMAN CAPITAL

eGeneration firmly believes that investing in developing and upgrading the human capital is a pre-requisite for sustained growth of the Company. Therefore, the focus of our Human Resource Development activities must continue to be on improving the diversity, quality and productivity of all our team members. These must include clear career progression, regular performance appraisals, and feedback and continuous training and counseling. Special attention will continue to be given to improving working conditions. eGeneration strives to attract, retain and promote the best talent in class throughout its organization.

CYBERSECURITY

We have implemented advanced security controls and threat analytics by leveraging industry-leading technologies to help identify and mitigate internal and external threats to the organization. We ensure our Cybersecurity staff are up to speed by providing them with avenues for continues learning and making internal training forums available as well as courses through external academic institutions, to keep them enriched and in turn, help protect the organization from cyber-threats on a day-to-day basis.

Annexure-A

eGeneration Limited

[Declaration under condition no. 1(5) (xxvi) of the Corporate Governance Code of BSEC]

The Board of Directors

eGeneration Limited

Registered Office: Saimon Center (5th floor)

House 4/A, Road- 22, Gulshan-1

Dhaka-1212

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

Dear Sirs,

Pursuant to the condition No.1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

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

In this regard, we also certify that: -

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

Sincerely yours,



Shameem Ahsan
Managing Director



Md. Mazharul Islam
Chief Financial Officer

Annexure-B

Report to the Shareholders of eGeneration Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **eGeneration Limited** for the year ended on 30 June 2020. This Code relates to the **notification no. SEC/cmrrcd/2006-158/207/admin/80, dated 03 June 2018** of the Bangladesh Securities and Exchange Commission. Such compliance with the Corporate Governance Code is the responsibility of the **eGeneration Limited**. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) as far as those standards are not inconsistent with any condition of this Corporate Governance Code.

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

- a) eGeneration Limited has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- b) eGeneration Limited has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- c) Proper books and records have been kept by **eGeneration Limited** as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- d) The Governance of the company is highly satisfactory.

Sd/-

Dated: 02 December 2020
Place: Dhaka

Ashraf Uddin & Co.
Chartered Accountants

Annexure-C

Status of Compliance Report on Corporate Governance of eGeneration Limited

Status of compliance with the conditions imposed by the Commission's Notification No BSEC/CMRRCD/2006-158/207/Admin/80 dated 03June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.	Board of Directors			
1. (1)	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1. (2)	Independent Directors: All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following	✓		
1. (2) (a)	At least one-fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent directors;	✓		Including 2 independent director total numbers of directors on the board is 05 (Five)
1. (2) (b)	For the purpose of this clause "independent director" means a director	✓		
1. (2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1. (2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		
1. (2) (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (2) (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	✓		
1 (2) (b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1 (2) (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	who is not independent director in more than 5 (five)listed companies;	✓		
1 (2) (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFIs); and	✓		
1 (2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude	✓		
1 (2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		Independent Directors has been appointed by the Board of Directors on 10th Apr 2018 and been approved in the AGM-18.
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days; and	✓		
1 (2) (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the, (Companies Act, 1994).	✓		
(3)	Qualification of Independent Director-	✓		
1 (3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (3) (b)	Independent Director Shall have following qualifications:			
1 (3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1 (3) (b) (ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company;			N/A
1 (3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor's degree in economics or commerce or business or Law; or			N/A
1 (3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1 (3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1 (3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer. -			
1 (4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1 (4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1 (4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
(5)	The Directors' Report to Shareholders: The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):	✓		
1 (5) (i)	An industry outlook and possible future developments in the industry;	✓		
1 (5) (ii)	The segment-wise or product-wise performance;	✓		
1 (5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1 (5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1 (5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		
1 (5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	✓		
1 (5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	✓		
1 (5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1 (5) (x)	A statement of remuneration paid to the directors including ID	✓		
1 (5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1 (5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	estimates are based on reasonable and prudent judgment;			
1 (5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1 (5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1 (5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1 (5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1 (5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		
1 (5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1 (5) (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1 (5) (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii) (c)	Executives; and	✓		
1 (5) (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5) (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5) (xxiv) (a)	a brief resume of the director;	✓		

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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officers.	✓		
1 (7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1 (7) (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2	Governance of Board of Directors of Subsidiary Company-			N/A
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			N/A
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)	✓		
3 (1)	Appointment			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3 (2)	Requirement to attend Board of Directors' Meetings			
3 (2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board, which involves consideration of an agenda item relating to their personal matters.	✓		
3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	✓		
3 (3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3 (3) (a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3 (3) (a) (ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3 (3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	Board of Directors, Committee. - For ensuring good governance in the company, the Board shall have at least following sub-committees:	✓		
4 (i)	Audit Committee; and	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee. -			
5 (1)	Responsibility to the Board of Directors.			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	ensuring a good monitoring system within the business;			
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5 (2)	Constitution of the Audit Committee	✓		
5.2(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5.2(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5.2 (e)	The company secretary shall act as the secretary of the Committee;	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5 (3)	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.			
5 (4)	Meeting of the Audit Committee	✓		
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is necessary.	✓		
5 (5)	Role of Audit Committee:	✓		
5.5 (a)	Oversee the financial reporting process;	✓		
5.5 (b)	monitor choice of accounting policies and principles;	✓		
5.5 (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.5 (d)	oversee hiring and performance of external auditors;	✓		
5.5 (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.5 (f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5.5 (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5.5 (h)	review the adequacy of internal audit function;	✓		
5.5 (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5.5 (j)	review statement of all related party transactions submitted by the management;	✓		
5.5 (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5.5 (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.5 (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure,	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			
5 (6)	Reporting of the Audit Committee.			
5 (6) (a)	Reporting to the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board.			
5.6 (a)(ii)	The Audit Committee Shall immediately report on its activities to the board.	✓		
5.6 (a)(ii)(a)	report on conflicts of interests;	✓		
5.6 (a)(ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		
5.6 (a)(ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	✓		
5.6 (a)(ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			
5.6 (b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5.7	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6	Nomination and Remuneration Committee (NRC).-	✓		
6 (1)	Responsibility to the Board of Directors	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6 (2)	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6 (3)	Chairperson of the NRC	✓		
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	absence of the regular Chairperson shall be duly recorded in the minutes;			
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
6 (4)	Meeting of the NRC	✓		
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6 (5)	Role of the NRC			
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6.5 (b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6.5 (b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6.5 (b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6.5 (b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.5 (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6.5 (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6.5 (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6.5 (b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓		
6.5 (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory Auditors. -	✓		
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely: -	✓		
7.1. (i)	appraisal or valuation services or fairness opinions;	✓		
7.1(ii)	financial information systems design and implementation;	✓		
7.1(iii)	book-keeping or other services related to the accounting records or financial statements;	✓		
7.1(iv)	broker-dealer services;	✓		
7.1(v)	actuarial services;	✓		
7.1(vi)	internal audit services or special audit services;	✓		
7.1(vii)	any service that the Audit Committee determines;	✓		
7.1(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7.1(ix)	Any other service that creates conflict of interest.	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law, and daughter-in-law shall be considered as family members.	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company. -			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
8.1	The company shall have an official website linked with the website of the stock exchange.	✓		
8.2	The company shall keep the website functional from the date of listing.	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance. -	✓		
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report.	✓		
9.2	The shareholders in the annual general meeting shall appoint the professional who will provide the certificate on compliance of this Corporate Governance Code.	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

**Independent Auditors' Report
&
Audited Financial Statements
For the year ended 30 June 2020**

Independent Auditor's Report To the Shareholders of eGeneration Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of eGeneration **Limited** (the "Company"), which comprise the Financial Position as at 30th June, 2020, and Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information. In our opinion, the accompanying Financial Statements give true and fair view, in all material respects, of the Financial Position of the Company as at 30th June, 2020, and of its Financial Performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are 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 judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Revenue Recognition	
<p>Revenue recognition was determined to be a key audit matter and a significant risk of material misstatement because of the risk related to the timing and accuracy of the recognized amounts of revenue. The total revenue generated for the year ended was of amount Tk. 396,321,127.</p> <p>Recognition of the revenue is complex due to several types of customer contracts utilized, including sale of software and service sales.</p> <p>We focused on this area as recognition of revenue involves significant judgment and estimates made by Management including, whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for recognition of revenue for identified performance obligations. This comprises allocation of consideration to the individual performance obligations of multi-element</p>	<p>Our audit procedures comprised the testing of internal controls in connection with the revenue recognition including the application controls in the most important IT applications impacting the financial reporting. We performed analytical procedures that focused on analyzing the development of turnover. In addition, we performed audit procedures such as compared revenue transactions near year-end to the supporting documentation, analyzed general ledger journal entries in order to identify abnormal entries as well as compared trade receivables to the payments received.</p> <p>We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognized, including controls over the degree of completion of developing the software and service contracts at year-end.</p>

Risk	Our response to the risk
<p>contracts as noted above, assessing whether performance obligations under supply-and-installation contracts are satisfied at a point in time or over time.</p> <p>Further, it comprises the point in time when transfer of control has occurred regarding sale of software and assessing the degree of completion of project and service contracts, which are accounted for over time.</p>	<p>We read a sample of both project and service contracts to assess whether the method for recognition of revenue was relevant and consistent with IFRS 15, and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of control. Where a contract contained multiple elements, we considered Management's judgments as to whether they comprised performance obligations that should be accounted for separately, and, in such cases, challenged the judgements made in the allocation of the consideration to each performance obligation</p> <p>We evaluated and challenged the significant judgements and estimates made by Management in applying the company's accounting policy to a sample of specific contracts and separable performance obligations of contracts, and we obtained evidence to support them, including details of contractual agreements, delivery records, receipts and project plans.</p> <p>For the contracts selected, we inspected original signed contracts and reconciled the revenue recognized to the underlying accounting records. We obtained a sample of Management's calculations of the degree of completion of service contracts at year-end. We matched a sample of source data used in Management's calculation to supporting evidence, and evaluated the judgments applied.</p>
See note no. 21.00 to the statement of profit or loss & other comprehensive income.	
Valuation of Property, Plant and Equipment	
<p>The carrying value of the PPE amounted to Tk. 277,595,710 as at 30 June, 2020. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment as there are assets that are specialized in nature and assessing the physical existence required proper knowledge. The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates</p>	<p>Our audit included the following procedures:</p> <p>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</p> <p>The physical existence of the assets was verified as there were specialized for the sector.</p> <p>We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals.</p>

Risk	Our response to the risk
<p>are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<p>We inspected a sample of invoices and other source documents to determine whether the classification between capital and operating expenditure was appropriate.</p> <p>We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</p> <p>We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.</p>
<p>See note no. 4.00 to the financial statements</p>	
<p>Evaluation of Intangible assets</p>	
<p>The intangible assets reported in the financial statements of amount Tk. 314,876,884 was identified as a key audit matter due to the significance of this balance to the financial statements along with its nature.</p> <p>The intangible assets include the purchased software license, implementation, and integration and system development costs related to the software.</p> <p>Periodic impairment testing of these intangibles requires determination of recoverable amounts and value in use. Both these values involve significant management's estimate and judgments that can give rise to material misstatements or management bias.</p>	<p>We assessed the processes and controls put in place by the company over the review of intangible assets and its impairment analysis.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the recognition of intangible assets, impairment testing, including controls over market data inputs into valuation models, model governance and valuation adjustments.</p> <p>We evaluated the appropriateness of future cash flows that is to be generated from the use of the intangible assets.</p> <p>Overall, we consider the measurement inputs and assumptions used by management to be in line with our expectations and to lie also within a range that we consider reasonable.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>
<p>See note no.5.00 to the financial statements</p>	
<p>Valuation of investment</p>	
<p>The investment made was of Tk. 253,185,325 as at 30 June, 2020 on development of several upcoming technologies.</p> <p>Future economic benefits are to come to the company in future. To determine the benefits that are to flow to the company from these investments require significant management's estimate and judgments that can give rise to material misstatements.</p>	<p>We assessed the processes and controls put in place by the company over the investment made and whether economic benefits is to flow to the company.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the recognition of these investments.</p>

<p>The valuation of the investment portfolio involves judgement and continues to be an area of inherent risk. The risk is not uniform for all investment types and is greatest for this type of industry, where the investments are hard to value because uncertainties are involved in relation to the future economic benefits to be received.</p>	<p>We evaluated the appropriateness of future cash flows that is to be generated from the investment made.</p> <p>Overall, we consider the measurement inputs and assumptions used by management to be in line with our expectations and to lie also within a range that we consider reasonable.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>
<p>See note no. 6.00 to the financial statements</p>	
<p>Valuation of Work-In-Progress</p>	
<p>The work-in-progress as at 30 June, 2020 was of Tk. 340,500,157 that is considered to be significant to the financial statements due to its nature.</p> <p>Our audit procedures were designed to focus on the development stages of the software that involves significant judgment and estimates made by Management including, whether contracts contain multiple performance obligations and these are transferred to assets based on the those obligations and contracts. It comprises the point in time when transfer of control due to its usable condition has occurred regarding the software and assessing the degree of completion of project and service contracts, which are accounted for over time.</p>	<p>We tested the design and operating effectiveness of the company's controls over the recognition of the work in progress to relevant category of assets that are critical to financial reporting.</p> <p>We assessed the processes and controls put in place by the company over the work in progress to be transferred as assets and whether economic benefits is to flow to the company at the time of its recognition.</p> <p>Overall, we consider the measurement inputs and assumptions used by management to be in line with our expectations and to lie also within a range that we consider reasonable.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>
<p>See note no. 7.00 to the financial statements</p>	

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

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

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

- Identify and assess the risks of material misstatement of 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or

regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

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



Place: Dhaka
Date: 29 October, 2020

Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration Limited
Statement of Financial Position
As on 30 June, 2020

Particulars	Note	Amount in Taka	
		30-Jun-20	30-Jun-19
Assets			
Non-Current Assets		1,186,158,076	1,044,901,604
Property, Plant & Equipment	4	277,595,710	306,994,490
Intangible Assets	5	314,876,884	243,083,277
Investment	6	253,185,325	244,655,325
Work in Progress	7	340,500,157	250,168,512
Current Assets		306,684,856	267,589,164
Inventories	8	3,570,078	3,456,360
Accounts Receivable	9	103,433,829	66,031,514
Advance, Deposit & Prepayments	10	152,675,704	67,986,245
Cash & Cash Equivalents	11	47,005,245	130,115,045
Total Assets		1,492,842,932	1,312,490,768
Shareholders' Equity & Liabilities			
Shareholders' Equity		1,326,698,847	1,233,534,845
Share Capital	12	600,000,000	600,000,000
Share Premium	13	186,182,451	186,182,451
Retained Earnings	14	540,516,396	447,352,394
Non-Current Liabilities		44,555,230	34,998,341
Term Loan (Non-Current Portion)	15	44,555,230	34,998,341
Current Liabilities		121,588,855	43,957,581
Bank Overdraft	16	57,687,917	9,916,852
Liabilities for Expenses	17	19,350,287	6,911,469
Term Loan (Current Portion)	18	26,811,245	16,455,110
Accounts Payable	19	13,013,763	5,162,728
Liability for Workers' Profit Participation Fund	20	4,725,643	5,511,422
Total Shareholders' Equity & Liabilities		1,492,842,932	1,312,490,768
Net Asset Value (NAV) Per Share	29.02	22.10	20.56

The annexed notes 1 to 30 is an integral part of the Financial Statements.



Chairman



Managing Director



Company Secretary



Chief Financial Officer



Shiraz Khan Basak & Co.
Chartered Accountants

Place: Dhaka
Dated: 29 October 2020

eGeneration Limited
Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June, 2020

Particulars	Note	Amount in Taka	
		30-Jun-20	30-Jun-19
Revenue	21	396,321,127	363,945,996
Cost of Service & Sales	22	(239,450,589)	(207,103,065)
Gross Profit		156,870,538	156,842,931
Operating Expenses		(61,782,350)	(44,492,327)
General & Administrative Expenses	23	(43,935,155)	(37,623,637)
Selling & Distribution Expenses	24	(4,406,378)	(3,689,061)
Financial Expenses	25	(13,440,817)	(3,179,629)
Profit from Operation		95,088,187	112,350,605
Non-Operating Income	26	4,150,308	3,389,247
Profit before WPPF & Income Tax		99,238,495	115,739,852
Workers' Profit Participation Fund	27	4,725,643	5,511,421.50
Profit before Income Tax		94,512,852	110,228,430
Provision for Income Tax	28	1,348,850	1,186,236
Profit after Income Tax		93,164,002	109,042,194
Other Comprehensive Income		-	-
Total Comprehensive Income For the period		93,164,002	109,042,194
Earnings Per Share (EPS)	29.01	1.55	1.82

The annexed notes 1 to 30 is an integral part of the Financial Statements.



Chairman



Managing Director




Company Secretary



Chief Financial Officer

Place: Dhaka
Dated: 29 October 2020



Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration Limited
Statement of Changes in Equity
For the year ended 30 June, 2020

Particulars	Amount in Taka			
	Share Capital	Share Premium	Retained Earnings	Total Equity
Opening Balance as on 01 July, 2019	600,000,000	186,182,451	447,352,394	1,233,534,845
Addition during the year	-	-	-	-
Net Profit (after tax) transferred from statement of Profit or Loss & Other Comprehensive Income	-	-	93,164,002	93,164,002
Balance at the end of the year 30 June, 2020	600,000,000	186,182,451	540,516,396	1,326,698,847

eGeneration Limited
Statement of Changes in Equity
For the year ended 30 June, 2019

Particulars	Amount in Taka			
	Share Capital	Share Premium	Retained Earnings	Total Equity
Opening Balance as on 01 July, 2018	600,000,000	186,182,451	338,310,200	1,124,492,651
Addition during the year	-	-	-	-
Net Profit (after tax) transferred from statement of Profit or Loss & Other Comprehensive Income	-	-	109,042,194	109,042,194
Balance at the end of the year 30 June, 2019	600,000,000	186,182,451	447,352,394	1,233,534,845

The annexed notes 1 to 30 is an integral part of the Financial Statements.



Chairman



Managing Director



Company Secretary



Chief Financial Officer



Shiraz Khan Basak & Co.
Chartered Accountants

Place: Dhaka
Dated: 29 October 2020

eGeneration Limited
Statement of Cash Flows
For the year ended 30 June, 2020

Particulars	Note	Amount in Taka	
		30-Jun-20	30-Jun-19
A. Cash Flows from Operating Activities:			
Cash Received from Customers & Others		358,918,812	358,769,087
Cash Paid to Suppliers & Others		(155,109,663)	(134,986,567)
Cash Paid for Operating Expenses		(121,870,544)	(107,445,771)
Paid for Income Tax		(941,236)	(245,000)
Net Cash Inflow / (Outflow) from Operating Activities		80,997,368	116,091,749
B. Cash Flows from Investing Activities:			
Acquisition of Property, Plant and Equipment		(3,534,553)	(18,049,924)
Investment made during the year		(8,530,000)	(47,564,182)
Addition in Work-in-Progress		(209,088,861)	(162,446,511)
Interest Income Received (Net of tax)		2,802,976	3,389,247
Net Cash Inflow / (Outflow) from Investing Activities		(218,350,439)	(224,671,370)
C. Cash Flows from Financing Activities:			
Increase/(Decrease) in Long Term Loan		17,613,035	45,748,658
Increase/(Decrease) in Bank Overdraft		47,771,065	(381,798)
Cash Paid for Financial Expenses		(11,140,829)	(3,179,629)
Net Cash Inflow / (Outflow) from Financing Activities		54,243,271	42,187,231
D. Net Changes in Cash and Cash Equivalents for the period (A+B+C)		(83,109,800)	(66,392,390)
E. Cash and Cash Equivalents at the beginning of the period		130,115,045	196,507,435
F. Cash and Cash Equivalents at the end of the year (D+E)		47,005,245	130,115,045
NET OPERATING CASH FLOWS PER SHARE	29.03	1.35	1.93

The annexed notes 1 to 30 is an integral part of the Financial Statements.



Chairman



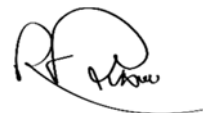
Managing Director



Company Secretary



Chief Financial Officer



Shiraz Khan Basak & Co.
Chartered Accountants

Place: Dhaka

Dated: 29 October 2020

eGeneration Limited

A summary of significant accounting policies and other explanatory notes
For the year ended 30 June, 2020

1. Reporting entity

1.1 Structure of the Organization

eGeneration Limited was incorporated on November 22nd, 2003 vide certificate of Incorporation no-C-51172(1467)/2003 as a private limited company and converted into a Public Limited Company on July 5th, 2017. The registered address of eGeneration Limited is Saimon Center, House-4/A, Road-22, Gulshan-01, Dhaka.

1.2 Nature of business

eGeneration is one of the leading system integration and software solution companies in Bangladesh with a mission to transform Bangladesh into an innovative high-tech nation. In addition to our strong technology and operations team, we have partnered with global companies such as Microsoft, SAP, Dell, UiPath to provide end-to-end digital transformation solutions for businesses and government that includes modern workplace solutions, enterprise resource planning, digital healthcare solutions, cloud services, cybersecurity, big data analytics, artificial intelligence, blockchain, internet of things, robotic process automation, natural language processing and IT consultancy services.

1.3 Capital Structure

eGeneration Ltd. has the following capital structure as on 30.06.2020 :-

Particulars	Taka
Authorised Share Capital 100,000,000 Ordinary Shares @ Tk. 10 each	1,000,000,000
Issued, Subscribed & Paid up Capital 60,000,000 Ordinary Shares @ Tk. 10 each	600,000,000

2. Basis of preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the 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 IAS-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. As required, eGeneration Limited complies with the following major legal provisions and other applicable laws and regulations:

The Companies Act 1994;
The Income Tax Ordinance, 1984;
The Income Tax Rules, 1984;
The Value Added Tax and Supplementary Duty Act, 2012;
The Value Added Tax and Supplementary Duty Rules, 2016;
International Accounting Standards (IAS);
International Financial Reporting Standards (IFRS);
Bangladesh Securities & Exchange Ordinance 1969;
Bangladesh Securities & Exchange Rules 1987,
Bangladesh Labor Act, 2006 (Amended upto date);
Bangladesh Labor Rules, 2015 (Amended upto date);
Bangladesh Securities and Exchange (Public Issue) Rules, 2015 (Amended upto date);

While preparing the financial statements, eGeneration Ltd. applied most of IAS and IFRS as adopted by ICAB. Details are given below:

Name of International Accounting Standards (IAS)	IAS No.	Status
Presentation of Financial Statements	1	Complied
Inventories	2	Complied
Statement of Cash Flows	7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
Events after the Reporting period	10	Complied
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Leases	17	N/A
Revenue Recognition	18	Complied
Employee Benefits	19	N/A
Accounting for Govt. Grants and Disclosure of Govt. Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Complied
Borrowing Costs	23	Complied
Related Party Disclosures	24	Complied
Accounting & Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	N/A
Investments in Associates	28	Complied
Financial Instruments: Presentation	32	Complied
Earnings per Share	33	Complied
Interim Financial Reporting	34	Complied
Impairment of Assets	36	N/A
Provisions, Contingent Liabilities and Contingent Assets	37	Complied
Intangible Assets	38	Complied
Investment Property	40	Complied
Agriculture	41	N/A

Name of International Financial Reporting Standards (IFRS)	IFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non- Current Assets Held for Sale and Discontinued Operations	5	Complied
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Complied
Operating Segments	8	N/A
Financial Instruments	9	Complied
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied
Revenue from Contracts with Customer	15	N/A
Leases	16	N/A

2.2 Basis of Measurement

The Financial statements have been prepared on the historical cost basis.

2.3 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 Company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.4 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.

2.5 Reporting period

These Financial Statements of the Company cover the period from 01 July, 2019 to 30 June, 2020

2.6 Presentation of Financial Statements

According to the International Accounting Standards (IAS) – 1 : “Presentation of Financial Statements”, the complete set of Financial Statement includes the following components:

- Statement of Financial Position as on 30 June, 2020
- Statement of Profit and Loss & Other Comprehensive Income for the period ended on 30 June, 2020
- Statement of Changes in Equity for the period ended on 30 June, 2020
- Statement of Cash Flows for the period ended on 30 June, 2020
- Notes, comprising a summary of significant accounting policies and other explanatory information for the period ended on 30 June, 2020

2.7 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” as adopted by the ICAB.

2.8 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.

Name of International Accounting Standards (IAS)	IAS No.	Status
Presentation of Financial Statements	1	Complied
Inventories	2	Complied
Statement of Cash Flows	7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
Events after the Reporting Period	10	Complied
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Accounting for Govt. Grants and Disclosure of Govt. Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Complied
Borrowing Costs	23	Complied
Related Party Disclosures	24	Complied
Accounting & Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Complied
Investments in Associates	28	N/A
Financial Instruments: Presentation	32	Complied
Earnings per Share	33	Complied
Interim Financial Reporting	34	Complied
Impairment of Assets	36	Complied
Provisions, Contingent Liabilities and Contingent Assets	37	Complied
Intangible Assets	38	Complied
Investment Property	40	N/A

Name of International Financial Reporting Standards (IFRS)	IFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non- Current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Complied
Operating Segments	8	N/A
Financial Instruments	9	Complied
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	Complied
Disclosure of Interests in Other Entities	12	Complied
Fair Value Measurement	13	Complied
Revenue from Contracts with Customer	15	Complied
Leases	16	N/A

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 IAS 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. 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 IAS-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 & Fixture	10%
Computer & Computer Accessories	30%
Server	25%
Office Equipment	10%
Interior Development	10%
Networking Equipment	20%
Power Equipment	10%
Vehicle	20%
Data Center	10%

Work In Progress represents the cost incurred for acquisition and/or development of assets that were not ready for use at end of the period ended 30 June, 2020 and these are stated at cost.

3.2 Intangible assets

The Cost of Intangible Assets is capitalized provided they meet the recognition criteria specified by IAS-38: "Intangible Assets". 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 period. Amortization of intangible assets is charged under reducing balance method.

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

Category of Intangible Assets	Rates %
Data Analytics	10%
Solution on Microsoft Platform	15%
Networking Solutions	10%
Cyber Security Solution	20%
HR Management System	20%
CRM Software	10%
Fertilizer Recommendation System	20%
Social Media Monitoring	20%
Database Solutions	18%
Digital Platform Development	10%

Work In Progress represents the cost incurred for acquisition and/or development of assets that were not ready for use at end of the period ended 30 June, 2020 and these are stated at cost.

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 IAS 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 IAS 37: "Provision, Contingent Liabilities and Contingent Assets", there is no contingent liability or asset as on 30 June, 2020

3.6 Revenue

The revenue during the period represents revenue arising from the sale of ERP Software, CRM Software, Solutions Developed in Microsoft Platform, Database Solutions, Cyber Security Solution, Data Analytics, HR Management System, Fertilizer Recommendation System, Social media Monitoring, Web Designing & Olympus, AI & Natural Language Processing, Networking Solutions, Data center solution, Digital Platform Development which are recognized for each item/service, when i) the contract(s) with a customer is identified, ii) the performance obligations in the contract is identified,iii) the transaction price is determined,iv) the transaction price is allocated to the performance obligations in the contract & v) the revenue is recognised when (or as) the entity satisfies a performance obligation, in compliance with all the conditions for revenue recognition as provided in IFRS 15 : "Revenue from contracts with Customers" (Previous IAS 18: Revenue Recognition).

3.7 Taxation

Current Tax

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.

Deferred Tax

Deferred tax is made as per the balance sheet assets/liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax (basis used in the computation of taxable profit). Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which the deductible temporary differences. As per Sixth Schedule, Part A, Para 33 of the Income Tax Ordinance, 1984 Income from 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 Tax. For that reason, Deferred Tax is not applicable.

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 IAS 21: "The Effects of Changes in Foreign Exchange Rates" .

3.9 Finance Income and Expenses

Finance income comprises interest income which is recognized on accrual basis and shown as non operating income in note no. 28 . Related Provision for Tax is also created. 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 IAS 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, IAS 1: “Presentations of Financial Statements” also provides that cash equivalents are those which have no restriction in use considering the provision of IAS 7: “Cash Flow Statement” and IAS 1: “Presentations of Financial Statements”. 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 as per IFRS 15 and IFRS 9.

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.

(c) Share Premium

The Share Premium represents the excess amount received by the Company from its Shareholders over the nominal/ par value of its Share. The Amount of Share Premium may be utilised as per provision of Section 57 of The Companies Act, 1994.

3.12 Impairment of Assets

As all assets of the company shown in the financial statement that is within the scope of IAS 36 "Impairment of Assets " are in physical existence and valued no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to IAS-36: “Impairment of Assets” have been considered wherever necessary.

3.13 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7: “Statement of Cash Flows” 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.

3.14 Earnings Per Share

The Company represents earnings per share (EPS) data for its ordinary shares. With compliance to IAS 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 or fully allotted shares outstanding during the period. EPS of the previous periods' have been restated to enhance the comparability with the current shareholding position as per "The Conceptual Framework of for Financial Reporting" as adopted by the ICAB.

3.15 Related Party Transactions

The objective of IAS 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: [IAS 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's transaction with related parties are recognized as per IAS 24: "Related Party Disclosures.

3.16 Events after the Reporting period

Subsequent events are events after the balance sheet date as defined in IAS 10: "Events after the Reporting period". Any material event after balance sheet, adjusting or non-adjusting, are adjusted and disclosed.

3.17 Segment Reporting

No segmental reporting is applicable for the company as required by IFRS-8: "Operating Segments" .

3.18 Employee Benefits and Short Term Employee Benefits

Short Term Employee Benefits

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

Workers Profit Participation Fund

This represents 5% of net profit before tax, contributed by the company as per provisions of the Bangladesh Labor Law, 2006 (Amended 2013).

3. 19 Comparative Information

Comparative information has been disclosed as required by IAS & IFRS.

Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the Financial Statement.

3.20 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, 2019 to 30 June , 2020 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 presentation.

	Amount in Taka	
	30-Jun-20	30-Jun-19
4.00 Property, Plant & Equipment		
4.01 Asset at Cost		
Opening Balance	388,372,871	271,354,223
Addition during the period	3,534,553	18,049,924
Transferred from Work In Progress (Note:7.00)	-	98,968,724
Closing Balance	391,907,424	388,372,871

4.02 Accumulated Depreciation		
Opening Balance	81,378,381	55,709,710
Depreciation charged during the period	32,933,332	25,668,671
Closing Balance	114,311,713	81,378,381
	277,595,710	306,994,490

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

5.00 Intangible Assets		
5.01 Asset at Cost		
Opening Balance	348,948,222	277,137,760
Addition During the period	-	-
Transferred from Work In Progress (Note:7.00)	113,257,216	71,810,462
Closing Balance	462,205,439	348,948,222

5.02 Accumulated Amortization		
Opening Balance	105,864,945	58,771,650
Amortization charged during the period	41,463,610	47,093,296
Closing Balance	147,328,555	105,864,945
Written Down Value (WDV)	314,876,884	243,083,277

Details of Intangible Assets are shown in Annexure-B

6.00 Investment		
Opening Balance	244,655,325	197,091,143
Addition during the period	8,530,000	47,564,182
	253,185,325	244,655,325
Less: Transferred to Profit & Loss A/C	-	-
	253,185,325	244,655,325

6.01 Investment in Training Content		
Opening Balance	23,940,139	23,940,139
Addition during the period	1,050,000	-
	24,990,139	23,940,139
Less: Transferred to Profit & Loss A/C (Note:23.01)	-	-
	24,990,139	23,940,139
6.02 Investment in Block Chain		
Opening Balance	42,215,662	21,251,980
Addition during the period	1,450,000	20,963,682
	43,665,662	42,215,662
6.03 Investment in IOT Solutions		
Opening Balance	35,333,340	18,082,840
Addition during the period	1,300,000	17,250,500
	36,633,340	35,333,340
6.04 Investment in Digital Platform Development		
Opening Balance	53,576,099	51,076,099
Addition during the period	1,430,000	2,500,000
	55,006,099	53,576,099
6.05 Investment in Data Center Solutions		
Opening Balance	18,800,000	16,700,000
Addition during the period	900,000	2,100,000
	19,700,000	18,800,000
6.06 Investment in Solutions Developed in Microsoft Platform		
Opening Balance	45,000,000	42,500,000
Addition during the period	1,600,000	2,500,000
	46,600,000	45,000,000
6.07 Investment in Fertilizer Recommendation Systems		
Opening Balance	25,790,084	23,540,084
Addition during the period	800,000	2,250,000
	26,590,084	25,790,084
7.00 Work-in-Progress		
Opening Balance	250,168,512	258,501,187
Add: Addition during the period (Note-7.01)	209,088,861	162,446,511
	459,257,374	420,947,698
Less: Adjustment during the period	(118,757,216)	(170,779,186)
Transferred to Property,Plant & Equipment (Note 7.02)	-	98,968,724
Transferred to Intangible Assets (Note 7.03)	113,257,216	71,810,462
Transferred to Profit & Loss A/C):- Data Center Solution (Note-22)	5,500,000	-
Closing Balance	340,500,157	250,168,512

7.01 Addition during the period:

CRM Software	-	10,854,000
AI & Natural Language Processing	-	9,216,000
Digital Platform Development	-	17,434,000
Database Solutions	-	13,675,000
Data Center Solutions	-	34,605,229
HR Management Systems	-	12,423,000
Data Analytics	19,508,239	16,147,000
Solutions Developed in Microsoft Platform	25,273,839	16,294,600
Networking Solutions	-	13,313,000
Cyber Security Solution	-	18,484,682
ERP Software	38,203,169	-
Hospital Management Information System	96,370,100	-
Clinics & Diagnostics Management System	29,733,514	-
Total Addition during the period	209,088,861	162,446,511

7.02 Transferred to Property, Plan & Equipment

Data Center	-	98,968,724
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7.03 Transferred to Intangible Assets

Database Solutions	11,182,500	27,176,072
Solutions Developed in Microsoft Platform	12,402,300	44,634,390
Networking Solutions	24,208,000	-
Cyber Security Solution	18,484,682	-
HR Management System	12,423,000	-
CRM Software	10,854,000	-
Digital Platform Development	23,702,734	-
	113,257,216	71,810,462

8.00 Inventories

Infrastructure Solutions	982,885	957,280
Cyber Security Solutions	1,682,091	1,621,850
Document Management Solutions	905,102	877,230
	3,570,078	3,456,360

9.00 Account Receivables

This is made up as follows

Opening Balance	66,031,514	60,854,605
Addition During the period	396,321,127	363,945,996
	462,352,641	424,800,601
Realized during the period	356,645,899	358,769,087
	105,706,742	66,031,514
Less: Bad Debt	(2,272,913)	-
	103,433,829	66,031,514

Aging of Accounts Receivables

Less than Six Months	103,433,829	66,031,514
More than Six Months	-	-
Total	103,433,829	66,031,514

The Classification Receivables as required by the Schedule XI, Part 1, Para 4 of the Companies

Particulars	30-Jun-20	30-Jun-19
Receivables considered good in respect of which is fully secured	103,433,829	66,031,514
Receivables considered good in respect of which the company holds no security other than the debtor's personal security		-
Receivables considered doubtful or Bad	2,272,913	-
Receivables due by any director 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 same management		-
The Maximum amount of receivables due by any Directors or others Officers at any time during period		-
	105,706,742	66,031,514

10.00 Advance, Deposit & Prepayments

Advance against Office Rent	456,300	255,000
Security Deposit	1,530,000	1,530,000
Advance against Salary	1,832,818	1,807,641
Advance Against Work/Project	79,324,531	23,704,357
Security Deposit(FDR) For Microsoft (Note: 10.01)	58,240,476	30,274,110
Security Deposit(FDR) against Loan (Note: 10.02)	10,980,137	10,170,137
Advance for Income Tax (Note 10.03)	311,442	245,000
	152,675,704	67,986,245

Disclosure as per Schedule XI, Part 1, Para 6 of the Companies Act, 1994 are given below:

Particulars	30-Jun-20	30-Jun-19
Advance, Deposit & Prepayments considered good in respect of which is fully secured	150,842,886	66,178,604
Advance, Deposit & Prepayments considered good in respect of which the company holds no security		-
Advance, Deposit & Prepayments considered doubtful or Bad		-

Advance, Deposit & Prepayments due by any director or other officers of the company or any of them either severally or jointly with any other person or Advance, Deposit & Prepayments due by firms or private companies respectively in which any director is a partner	1,832,818	1,807,641
Advance, Deposit & Prepayments due by companies under same management		-
The Maximum amount due by any Directors or others Officers at any time during period		-
	152,675,704	67,986,245

10.01 Security Deposit(FDR) For Microsoft

Deposited Amount	29,505,000	29,505,000
Addition during the period	24,937,500	-
Interest reinvested	1,992,976	-
Interest accrued	1,805,000	769,110
	58,240,476	30,274,110

10.02 Security Deposit(FDR) against Loan

Deposited Amount	10,000,000	10,000,000
Addition during the period	-	-
Interest reinvested	810,000	-
Interest accrued	170,137	170,137
	10,980,137	10,170,137

10.03 Advance for Income Tax

Opening Balance	245,000	-
Add: Adjustmet	(245,000)	245,000
	-	245,000
Add: Addition during the period	311,442	-
Clossig Balance	311,442	245,000

11.00 Cash & Cash Equivalents

Cash in Hand	124,937	197,473
Cash at Bank (Note :-11.01)	46,880,308	129,917,572
	47,005,245	130,115,045

11.01 Cash at Bank

Premier Bank Ltd. A/C No: 010711100012746	3,386	348,710
Brack Bank A/C No. 1501203555399001	27,659,987	163,569
Brack Bank A/C No. 1501203555399002	40,000	1,119,023
Dutch Bangla Bank A/C No. 1011100043472	17,808,647	66,698,665

Dutch Bangla Bank A/C No. 2461100001747	25,954	419,890
Standard Bank Ltd. A/C No. 07433000203	1,323,294	5,816,581
Meghna Bank Ltd. A/C No. 110111100000859	8,127	415,525
Social Islami Bank Ltd. A/C No. 0081330020198	7,415	8,795
Shimanto Bank Ltd. A/C No. 1001271003010	3,498	54,926,814
	46,880,308	129,917,572

12.00 Share Capital

Authorised Share Capital

100,000,000 Ordinary Shares @ Tk. 10 each	1,000,000,000	1,000,000,000
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Issued, Subscribed & Paid up Capital

60,000,000 Ordinary Shares @ Tk. 10 each	600,000,000	600,000,000
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Details are as follows:-

Particulars of Shareholder	30.06.2020	30.06.2019
Mr. Shameem Ahsan	170,336,830	150,615,660
Mrs. Rokeya Akter Shahid	-	25,063,190
S.M. Asraful Islam	1,470,800	1,320,800
Sydea Kamrun Nahar Ahmed	60,032,830	34,969,640
Faheem Ahsan Romi	-	19,721,170
Others	368,159,540	368,309,540
Total	600,000,000	600,000,000

13.00 Share Premium

Share Premium	186,182,451	186,182,451
	186,182,451	186,182,451

14.00 Retained Earnings

Opening Balance	447,352,394	338,310,200
Add: Addition During the year	93,164,002	109,042,194
	540,516,396	447,352,394

15.00 Term Loan (Non-Current Portion)

Opening Balance	51,453,452	5,704,794
Add: Addition during the year (Note 15.01 to 15.05)	39,803,707	51,806,286
	91,257,158	57,511,080
Less: Adjustment during the year (Note 15.01 to 15.05)	19,890,684	(6,057,628)
	71,366,475	51,453,452
Less: Current portion of the long term loan	(26,811,245)	(16,455,110)
	44,555,230	34,998,341

15.01 IDLC Finance

Opening Balance	823,742	2,633,431
Add: Addition during the year	26,835	250,711
	850,578	2,884,142
Less: Adjustment during the year	850,578	2,060,400
	-	823,742
Less: Current portion of the long term loan	-	(823,742)
	-	-

Brief Details of Finance

Name of the Lender: IDLC Finance Limited

Security: Personal Guarantee of Directors

Interest Rate: 13% p.a.

Limit: 64 Lacs

Sanction Letter Date: 08-Nov-2015

Tenure: 04 years

15.02 Brac Bank Limited

Opening Balance	1,774,252	3,071,362
Add: Addition during the year	163,947	373,290
	1,938,200	3,444,652
Less: Adjustment during the year	1,392,000	1,670,400
	546,200	1,774,252
Less: Current portion of the long term loan	(546,200)	(1,670,400)
	-	103,852

Brief Details of Finance

Name of the Lender: Brac Bank Ltd.

Security: Personal Guarantee of Directors

Interest Rate: 15% p.a.

Limit: 50 Lacs

Sanction Letter Date: 16-Aug-2016

Tenure: 04 years

15.03 IDLC Finance Limited

Opening Balance	-	-
Add: Addition during the year	22,233,506	-
	22,233,506	-
Less: Adjustment during the year	5,468,480	-
	16,765,026	-
Less: Current portion of the long term loan	(8,202,717)	-
	8,562,309	-

Brief Details of Finance

Name of the Lender: IDLC Finance Limited

Security: Personal Guarantee of Directors

Interest Rate: 12% p.a.

Limit: 2 Crore

Sanction Letter Date: July 31, 2019

Tenure: 03 years

15.04 IDLC Finance Limited

Opening Balance	-	-
Add: Addition during the year	10,949,547	-
	10,949,547	-
Less: Adjustment during the year	1,708,900	-
	9,240,647	-
Less: Current portion of the long term loan	(4,101,360)	-
	5,139,287	-

Brief Details of Finance**Name of the Lender:** IDLC Finance Limited**Security:** Personal Guarantee of Directors**Interest Rate:** 12% p.a.**Limit:** 1 Crore**Sanction Letter Date:** July 31, 2019**Tenure:** 03 years**15.05 IPDC Finance Limited**

Opening Balance	48,855,457	-
Add: Addition during the year	6,429,871	51,182,285
	55,285,328	51,182,285
Less: Adjustment during the year	10,470,726	2,326,828
	44,814,602	48,855,457
Less: Current portion of the long term loan	(13,960,968)	(13,960,968)
Long term Portion of the loan	30,853,634	34,894,489

Name of the Lender: IPDC Finance Limited**Security:** Personal Guarantee of Directors**Interest Rate:** 14.00% p.a.**Loan Amount:** 5 Crore**Sanction Letter Date:** 27-March-2019**Tenure:** 05 years**16.00 Bank Overdraft**

Dutch-Bangla Bank Limited A/C . 101.407.0016	-	9,916,852
Dutch-Bangla Bank Limited A/C . 246.407.0021	19,598,146	-
Brac Bank Ltd. A/C 1501203555399008	38,089,772	-
	57,687,917	9,916,852

Name of the Lender: Dutch-Bangla Bank Limited**Security:** Personal Guarantee of Directors**Interest Rate:** 11% p.a.**Limit:** 2 Crore Tk.**Sanction Letter Date:** 20-Nov-19**Sanction Letter Date (A/C: 101.407.1006):** 19-Nov-17**Tenure:** 01 Year

Name of the Lender: Brac Bank Ltd.
Security: Personal Guarantee of Directors
Interest Rate: 13.5% p.q. (Variable)
Limit: 6 Crore Tk.
Sanction Letter Date: 30-Oct-19
Tenure: 01 Year

17.00 Liabilities for Expenses

Salary & Allowance	13,199,095	3,992,087
Director's Remuneration	1,642,401	983,100
Office Rent	2,131,682	578,724
Mobile & Telephone Bill	2,580	3,215
Office Maintenance	18,000	12,000
Internet Bill	62,257	14,400
Utility Expense	96,519	65,934
Other Expenses	25,883	15,773
Audit & Legal Fees	230,000	60,000
VDS Payable	9,310	-
TDS Payable	583,710	-
Provision for Income Tax (Note. 17.01)	1,348,850	1,186,236
	19,350,287	6,911,469

17.01 Provision for Income Tax

Opening Balance	1,186,236	-
Add: Addition during the period (See Calculation of Income Tax)	1,348,850	1,186,236
	2,535,086	1,186,236
Less: Adjustment during the period	(1,186,236)	-
	1,348,850	1,186,236

Calculation of Income Tax

Non-Operating Income (Note: 26.00)	4,150,308	3,389,247
Tax @32.5% (shown in statement of Profit & Loss)	1,348,850	1,186,236

18.00 Long Term Loan (Current Portion)

26,811,245	16,455,110
26,811,245	16,455,110

19.00 Accounts Payable

Accounts Payable	13,013,763	5,162,728
	13,013,763	5,162,728

20.00 Liability for Workers' Profit Participation Fund

Opening Balance	5,511,422	5,244,122
Add: Addition during the period (27.00)	4,725,643	5,511,422
	10,237,064	10,755,543
Less: Payment during the period	(5,511,422)	(5,244,122)
	4,725,643	5,511,422

The above fund is managed by a separate Trustee Board as per the respective provisions of the labor law and other laws prevailing in the country.

21.00 Revenue

ERP Software	106,747,702	83,025,913
CRM Software	3,350,000	5,224,300
Solutions Developed in Microsoft Platform	226,364,111	218,808,264
Database Solutions	8,789,571	6,919,333
Cyber Security Solutions	1,494,343	10,671,460
Data Analytics	6,410,000	7,062,508
HR Management System	1,828,470	3,034,390
Fertilizer Recommendation System	2,500,000	2,580,050
Social media Monitoring	1,850,000	2,563,169
Web Designing & Olympus	843,475	1,735,080
AI & Natural Language Processing	442,896	-
Networking Solutions	274,538	10,194,786
Data Center Solution	6,500,000	-
Digital Platform Development	28,926,021	12,126,744
	396,321,127	363,945,996

22.00 Cost of Service & Sales

Cost of Service (22.01)	127,206,468	104,838,370
Cost of Sales (22.02)	112,244,121	102,264,695
	239,450,589	207,103,065

22.01 Cost of Service

Salary & Allowances	53,784,045	30,234,461
Festival Bonus	1,543,688	2,519,538
Amortization Expenses (Annexure-B)	41,463,610	47,093,296
Depreciation Expenses (Annexure-A)	29,639,999	23,101,804
Mobile & Telephone	172,084	465,750
Repair & Maintenance	24,870	155,871
Internet	578,173	1,267,650
	127,206,468	104,838,370

22.02 Cost of Sales

ERP Software	22,942,155	17,843,882
CRM Software	764,343	1,191,988
Solutions Developed in Microsoft Platform	73,455,519	71,003,634
Database Solutions	2,650,645	2,086,643
Cyber Security Solutions	308,643	2,204,091
HR Management System	379,413	629,646
Fertilizer Recommendation System	655,189	676,168
Social media Monitoring	517,740	717,327
Web Designing & Olympus	207,597	427,039
AI & Natural Language Processing	124,011	-
Networking Solutions	95,263	3,537,526
Data Center Solution	5,500,000	92 -
Digital Platform Development	4,643,605	1,946,752
	112,244,121	102,264,695

23.00 General & Administrative Expenses

Salary & Allowance	14,342,412	7,883,259
Festival Bonus	411,650	656,938
Directors' Remuneration	9,125,000	12,805,300
Board Meeting Attendance Fees	200,000	245,000
Depreciation Expenses (Annexure-A)	3,293,333	2,566,867
Registration & Membership fees	184,674	774,725
Utility Expense	938,084	964,623
Office Rent	8,446,619	7,205,840
Repair & Maintenance	282,900	400,858
Conveyance	977,126	374,106
Mobile & Telephone	11,500	16,652
Internet	192,724	459,297
Entertainment	843,930	573,201
Audit Fee	230,000	230,000
Miscellaneous Expenses	254,045	201,253
Office Common expenses	528,001	41,676
Postage & Stamps	6,920	52,132
Stationery expenses	340,837	356,351
Email	9,013	133,000
Publications & Magazine	24,558	7,282
Consultancy	665,000	1,323,019
Legal Expenses	64,365	84,800
Commission	248,550	209,458
Donation & gift	41,000	58,000
Bad debt	2,272,913	-
	43,935,155	37,623,637

24.00 Selling & Distribution Expenses

Salary & Allowance	3,585,603	1,961,762
Festival Bonus	102,913	287,351
Conveyance	325,709	125,830
Training & Seminar Expenses	135,305	468,750
Marketing Expenses	188,009	818,926
Business Promotion Expenses	68,840	26,442
	4,406,378	3,689,061

25.00 Financial Expenses

Interest on Loan	12,973,299	2,433,695
Bank Charges	467,518	745,934
	13,440,817	3,179,629

26.00 Non-Operating Income

Interest on FDR of LankaBangla Finance Ltd.	-	1,575,000
Interest on FDR of IDLC Finance Ltd.	-	875,000
Interest on Security Deposit (FDR)for Microsoft	3,250,308	769,110
Interest on Security Deposit for Loan From IPDC	900,000	170,137
	4,150,308	3,389,247

27.00 Calculation of Workers' Profit Participation Fund

Profit before WPPF & Income Tax	99,238,495	115,739,852
Provision for Workers' Profit Participation Fund @ 5% on the above amount after charging the contribution (5/105)	4,725,643	5,511,422

28.00 Provision for Income Tax

Current Tax (Note 28.01)	1,348,850	1,186,236
Deferred Tax (Note 28.02)	-	-
	1,348,850	1,186,236

28.01 Current Tax

Tax on Operating Income	-	-
Tax on Non-operating Income (Note 17.01)	1,348,850	1,186,236
	1,348,850	1,186,236

28.02 Deferred Tax

Deferred Tax		-
	-	-

As per Sixth Schedule, Part A, Para 33 of the Income Tax Ordinance, 1984 Income from 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 Tax. For that reason, Deferred Tax is not applicable.

29.00 INFORMATION BASED ON PER SHARE**29.01 Earnings Per Share (EPS)**

Earning attributable to the ordinary shareholders	93,164,002	109,042,194
Number of ordinary shares outstanding at the end of period	60,000,000	60,000,000
Earnings Per Share (EPS)	1.55	1.82

29.02 NET ASSETS VALUE PER SHARE (NAV)

Total Assets	1,492,842,932	1,312,490,768
Less: Total Liabilities	(166,144,085)	(78,955,922)
Net Assets' Value (NAV)	1,325,796,696	1,233,534,845
Number of ordinary shares outstanding at the end of period	60,000,000	60,000,000
Net Asset Value (NAV) Per Share	22.10	20.56

29.03 NET OPERATING CASH FLOWS PER SHARE (NOCFPS)

Net Operating Cash Flows (from Statement of Cash Flows)	80,997,368	116,091,749
Number of ordinary shares outstanding at the end of period	60,000,000	60,000,000
Net Operating Cash Flows per share (NOCFPS)	1.35	94.93

30.00 OTHER COMMITMENTS, CONTINGENCIES AND RELEVANT INFORMATION

30.01 Contingencies

There is no contingent event requiring recognition of contingent liabilities for the period ended 30 June, 2020.

30.02 Capital expenditure commitment

There was no capital expenditure commitment or contract at for the period ended 30 June, 2020. There was no material capital expenditure authorized by the Board but not contracted for the period ended 30 June, 2020.

30.03 Credit Facility Not Availed

There was no credit facility available to the company under any contract, but not availed as on 30 June, 2020 other than trade credit available in the ordinary course of business.

30.04 Segment Reporting

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

30.05 Number of Employees

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

Salary Range (Monthly)	30-Jun-20	30-Jun-19
Below 15,000	10	10
Above 15,000	97	145
	107	155

30.06 Attendance Status of Board Meeting of Directors

During the period ended June 30,2020, 08 Board Meetings was held. The attendance status of all the meetings are as follows:

Name of Directors	Position	Meeting Held	Attendance	Attendance Fees (Tk.)	Amount in Taka	
					30-06-20	30-06-2019
Mrs. Rokeya Akter Shahid (Resigned)	Chairman (Former)	8	0	5,000	-	35,000
Shameem Ahsan	MD	8	8	5,000	40,000	35,000
SM Ashrafal Islam (Nominated by eGeneration Sourcing Limited)	Nominated Director	8	8	5,000	40,000	35,000
Syeda Kamrun Nahar Ahmed	Chairman	8	8	5,000	40,000	35,000
Faheem Ahsan Romi (Resigned)	Director (Former)	8	0	5,000	-	35,000
Ariful Hasan	Independent	8	8	5,000	40,000	35,000
ABM Hamidul Mishbah	Director	8	8	5,000	40,000	35,000
Total					200,000	245,000

30.07 Directors' Remuneration

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

Name	Relationship	Opening Balance	Addition during the	Paid during the year	Amounts in Taka	
					30-06-20	30.06.2019
Mrs. Rokeya Akter Shahid (Resinged)	Chairman (Former)	-	-	-	-	-
Shameem Ahsan	MD	400,000	5,000,000	4,504,274	895,726	400,000
Faheem Ahsan Romi	Director (Former)	40,000	-	40,000	-	40,000
Syeda Kamrun Nahar Ahmed	Chairman	213,100	-	213,100	-	213,100
SM Ashrafur Islam ((Nominated by eGeneration Sourcing Limited)	Nominated Director	330,000	4,125,000	3,708,991	746,009	330,000
Ariful Hasan	Independent	-	-	-	-	-
ABM Hamidul Mishbah	Director	-	-	-	-	-
		983,100	9,125,000	8,466,365	1,641,735	983,100

30.08 Related Party Disclosures (IAS-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	Nature	Opening Balance	Addition during the year	Paid during the year	Amounts in Taka	
						30-06-20	30-Jun-19
Mrs. Rokeya Akter Shahid	Chairman (Former)	Board Meeting Fees	-	-	-	-	-
Shameem Ahsan	Managing Director	Remuneration & Board Meeting Attendance Fee	400,000	5,040,000	4,544,274	895,726	400,000
Faheem Ahsan Romi	Director (Former)		40,000	-	40,000	-	40,000
Syeda Kamrun Nahar Ahmed	Chairman		213,100	40,000	253,100	-	213,100
SM Asraful Islam (Nominated by eGeneration Sourcing Limited)	Nominated Director		330,000	4,165,000	3,748,991	746,009	330,000
Ariful Hasan	Independent Director		-	40,000	40,000	-	-
ABM Hamidul Mishbah	Director	Meeting Fees	-	40,000	40,000	-	-
Total			983,100	9,325,000	8,666,365	1,641,735	983,100

As per Company 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

Particulars	Amounts in Taka	
	30-06-20	30.06.2019
Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	8,666,365	13,060,300
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 IAS- 24 Para 17:

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

(a) Short-term employee benefits	9,325,000	13,060,300
(b) Post-employee benefits	-	-
(c) Other long term benefits	-	-
(d) Termination benefits and	-	-
(e) Share-based payment	-	-
Total:	9,325,000	13,060,300

As per IAS- 24 Para 18:

Disclosure requirements of IAS 24 Para 18 :

a) the amount of transaction	9,325,000	13,060,300
b) the amount of outstanding balance, including commitments	1,641,735	983,100
i) their terms & condition, including whether they are secured, and the nature of the	Remuneration	Remuneration
ii) details of any guarantee given or received	Nil	Nil
c) Provisions for doubtful debts related to the amount of outstanding balance	Nil	Nil
d) the expenses recognized during the period in respect of bad or doubtful debts due	Nil	Nil

30.09 Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities (Indirect Method) the requirement of Bangladesh Securities and Exchange Commission notification no. BSEC/CMRRCD/2006-158/308/Admin/81, Dated 08 August 2018.

Particulars	Note	Amount in Taka	
		30.06.2020	30.06.2019
Net Profit for the year (After Tax)	P/L	93,164,002	109,042,194
Financial Expenses Paid	25.00	13,440,817	3,179,629
Interest Income	26.00	(4,150,308)	(3,389,247)
Depreciation cost	4.00	32,933,332	25,668,671
Amortization cost	5.00	41,463,610	47,093,296
Transfer from WIP to Cost of sales (Non-cash expense)	7.00	5,500,000	-
(Increase)/Decrease in Inventory	8.00	(113,718)	(412,578)
(Increase)/Decrease in Accounts Receivable	9.00	(37,402,315)	(5,176,909)
(Increase)/Decrease in Advance, Deposit & prepayments	10.00	(83,587,127)	(65,475,495)
Increase/(Decrease) in liabilities for expenses	17.00	13,625,054	3,205,912
Increase/(Decrease) in Accounts Payable	19.00	7,851,035	2,333,977
Increase/(Decrease) in Provision for Workers' Profit Participation Fund	20.00	(785,779)	267,300
Income Tax Paid	17.01	(941,236)	(245,000)
Net Cash Inflow / (Outflow) from Operating Activities		80,997,368	116,091,749

30.10 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.

**eGeneration Limited
Schedule of Fixed Asset
For the year ended 30 June, 2020**

Annexure-A

Particulars	Cost			Rate	Depreciation			Written Down Value as at 30.06.2020	Written Down Value as at 30.06.2019
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged for the year	Balance as on 30.06.2020		
Furniture & Fixture	11,997,157	258,400	12,255,557	10%	4,433,059	773,585	5,206,644	7,048,913	7,564,098
Computer & Computer Accessories	16,775,055	1,511,144	18,286,199	30%	12,942,864	1,385,876	14,328,739	3,957,460	3,832,192
Server	11,569,563	-	11,569,563	25%	7,251,332	1,079,558	8,330,890	3,238,673	4,318,231
Office Equipment	10,970,076	468,250	11,438,326	10%	6,436,377	470,734	6,907,111	4,531,215	4,533,699
Interior Development	55,188,527	1,296,759	56,485,286	10%	20,634,866	3,489,057	24,123,923	32,361,363	34,553,661
Networking Equipment	3,133,044	-	3,133,044	20%	2,379,112	150,786	2,529,899	603,146	753,932
Power Equipment	3,910,130	-	3,910,130	10%	2,017,306	189,282	2,206,588	1,703,542	1,892,825
Vehicle	10,170,000	-	10,170,000	20%	5,771,314	879,737	6,651,051	3,518,949	4,398,686
Data Center	264,659,317	-	264,659,317	10%	19,512,151	24,514,717	44,026,868	220,632,449	245,147,166
Balance as at 30.06.2020	388,372,871	3,534,553	391,907,424	-	81,378,381	32,933,332	114,311,713	277,595,710	-
Balance as at 30.06.2019	271,354,223	117,018,648	388,372,871	-	55,709,710	25,668,671	81,378,381	306,994,490	306,994,490

Allocation of depreciation	Rate(%)	Amounts in Taka
Cost of Service (Note - 23.01)	90%	29,639,999
1195850 General & Administrative Expenses (Note-24.00)	10%	3,293,333
	100%	32,933,332

**eGeneration Limited
Schedule of Intangible Assets
For the year ended 30 June, 2020**

Annexure-B

Particulars	Cost			Rate	Amortization			Written Down Value as at 30.06.2020	Written Down Value as at 30.06.2019
	Balance as on 01.07.2019	Addition during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged for the year	Balance as on 30.06.2020		
Data Analytics	34,589,000	-	34,589,000	10%	14,635,411	1,995,359	16,630,770	17,958,230	19,953,589
Solution on Microsoft Platform	57,045,890	12,402,300	69,448,190	15%	7,778,208	7,701,059	15,479,267	53,968,923	49,267,682
Networking Solutions	9,441,500	24,208,000	33,649,500	10%	3,994,919	949,230	4,944,149	28,705,351	5,446,581
Cyber Security Solution	43,365,615	18,484,682	61,850,297	20%	13,503,212	6,590,325	20,093,537	41,756,760	29,862,403
HR Management System	14,530,202	12,423,000	26,953,202	20%	7,727,742	1,775,726	9,503,469	17,449,733	6,802,460
CRM Software	85,288,455	10,854,000	96,142,455	10%	25,659,220	6,144,319	31,803,539	64,338,916	59,629,236
Fertilizer Recommendation System	46,303,095	-	46,303,095	20%	18,467,776	5,567,064	24,034,840	22,268,255	27,835,319
Social Media Monitoring	31,208,393	-	31,208,393	20%	13,204,998	3,600,679	16,805,677	14,402,716	18,003,395
Database Solutions	27,176,072	11,182,500	38,358,572	18%	893,460	6,743,720	7,637,180	30,721,392	26,282,612
Digital Platform Development	-	23,702,734	23,702,734	10%	-	396,128	396,128	23,306,606	-
Balance as at 30.06.2020	348,948,222	113,257,216	462,205,439		105,864,945	41,463,610	147,328,555	314,876,884	
Balance as at 30.06.2019	277,137,760	71,810,462	348,948,222		58,771,650	47,093,296	105,864,945	243,083,277	243,083,277



Saimon Center, 5th Floor, House # 4/A, Road # 22, Gulshan-1, Dhaka-1212

Proxy Form

I/We.....of being a Member of eGeneration Limited, do hereby appoint Mr./Mrs.....of..... as my proxy to attend and vote for me/us on my/our behalf at the 17th Annual General Meeting of the Company to be held on Wednesday , 30 December, 2020 and at any adjournment thereof.

As witness my/our hand this.....day of.....2020.

.....
(Signature of Proxy)

Revenue
Stamp Tk. 20

.....
(Signature of Shareholder)

Folio No.....

No. of Shares held:

Notes:

1. This form of Proxy, duly completed, must be deposited at least 48 hours before the meeting at the company's Registered Office.
2. Proxy is invalid if not signed and stamped as explained above. Signature of the Member(s) must be in accordance with the Specimen Signature recorded with the Company.

.....



eGeneration Limited

Saimon Center, 5th Floor, House # 4/A, Road # 22, Gulshan-1, Dhaka-1212

Attendance Slip

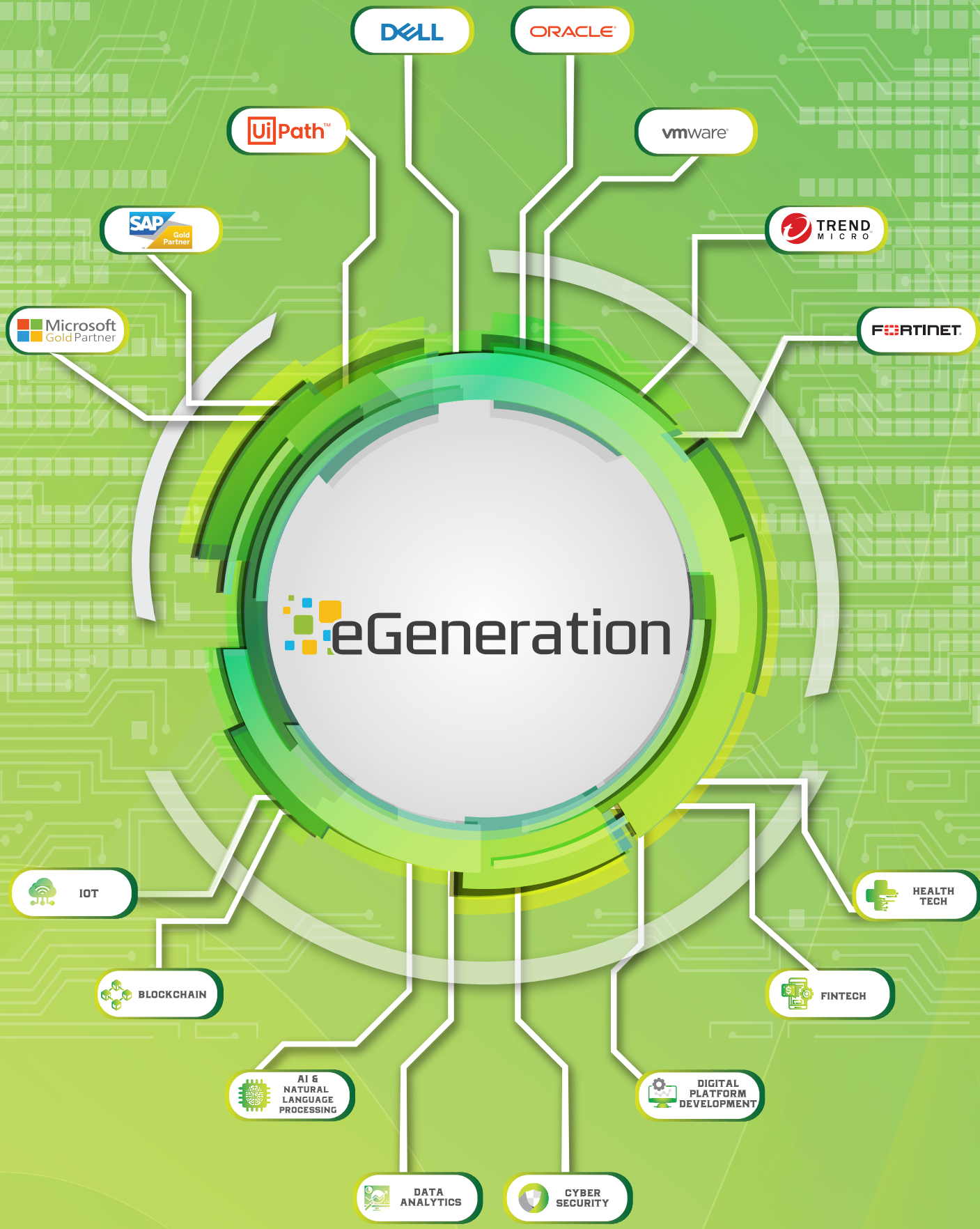
I/We do hereby record my/our attendance at the 17th Annual General Meeting (AGM) of the Company being held on Wednesday, 30 December, 2020 at 11.00 p.m. at online Platform.

Name of the Shareholder(s)/Proxy.....

Folio No. of Shareholder.....

No. of Shares held.....

.....
Signature of Shareholder(s)/Proxy



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