

**AUDITORS' REPORT  
AND  
THE FINANCIAL STATEMENTS  
OF  
eGeneration Limited**

*For the year ended 30<sup>th</sup> June, 2021*

**FAMES & R**  
**CHARTERED ACCOUNTANTS**



**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” which comprise the Statement of Financial Position as at June 30, 2021 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements give a true and fair view, in all material respects, of the Financial Position of the company as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

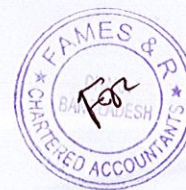
**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). 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 independent of the company in accordance with the 'International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, 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 informing our opinion thereon, and we do not provide separate opinion on these matters.

Risk	Revenue Recognition
<b>Our response to the risk</b>	
<p>We identified revenue recognition as 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 Taka 475,831,793/-</p> <p>Recognition of revenue is complex due to several types of customer contracts utilized, including sale of software and service sales.</p> <p>There is also a risk that revenue may be overstated /understated due to the timing differences.</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 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 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>	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ 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 controls. 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 judgments made in the allocation of the consideration to each performance obligation.</li> <li>➤ We evaluated and challenged the significant judgments and estimates made by management in applying the company's accounting policy to a sample specific contracts and separable performance obligations of contracts and we obtained evidence to support including details of contractual agreements, delivery records, receipts and project plans.</li> </ul>
<p><b><i>Please see to the Statement of profit or loss &amp; other Comprehensive Income.</i></b></p>	
<p><b>Valuation of Inventory</b></p>	
<p>As at June 30, 2021 the reported amount of inventory is Taka 3,480,078 held in warehouse.</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the companies apply judgment in determining the appropriate values of inventory in accordance with International Accounting Standards.</p> <p>Considering the risk as stated above the valuation of Inventory is a key audit matter to the Financial Statements.</p>	<p>We verified the appropriateness of, management's assumptions applied in calculating the value of the inventory as per International Accounting Standards (IASs) by:</p> <ul style="list-style-type: none"> <li>➤ Evaluating the design and implementation of key inventory controls operating across the factory, warehouse.</li> <li>➤ Inventory counts and reconciling the results have been done by the management, due to COVID-19 situation, couldn't attend counting.</li> <li>➤ We have collected inventory count data sheet and relevant certification of inventories which indicates inventory items were maintained in good condition and maintaining all compliances.</li> <li>➤ Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.</li> <li>➤ Obtaining a detailed review with the subsequent sales to compare with the net realizable value.</li> </ul>
<p><b><i>Please see note no. 08 to the Financial Statements</i></b></p>	





<b>Valuation of Tangible Fixed Assets</b>	
<p>The carrying value of the tangible fixed assets is Tk. 249,285,776/- as at June 30, 2021. The valuation of tangible fixed assets was identified as a key audit matter due to significance of this balance to the Financial Statements.</p> <p>The expenditures are classified as an asset, if it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.</p> <p>The useful lives of tangible fixed assets items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of the useful life of the assets is a matter of judgments based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>➤ We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured during the year.</li> <li>➤ We evaluated whether the useful lives determined and applied by the management were in line with the nature of assets, the physical condition of the assets and its uses.</li> <li>➤ We checked whether the depreciation of tangible fixed assets items was commenced from the date of ready to use and found the depreciation had been started accordingly.</li> </ul>
<i>Please see note no. 04 to the Financial Statements</i>	
<b>Long Term Loan &amp; Short Term Loan</b>	
<p>As at June 30, 2021, the reported amount of total Term loan (Long &amp; Current portion) is Taka 74,546,133 and Short-term Borrowings is Taka 85,177,536 respectively.</p> <p>The company may face difficulties due to unfavorable movement in interest rate &amp; monetary policy that may result in short-term and cash flow crisis.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure the proper use of loan</li> <li>➤ We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the Financial Statements accurately.</li> <li>➤ We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</li> <li>➤ We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</li> </ul>
<i>Please see note no. 16, 17 &amp; 19 to the Financial Statements</i>	
<b>Recoverability Assessment of Accounts Receivable</b>	
<p>The total amount of Account Receivable is Taka 211,202,782 at June 2021. There are significant large numbers of individual customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in developing the software and sale of service during the year have increased the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the</p>	<p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>➤ Tested the accuracy of aging of receivables at year end on a sample basis;</li> <li>➤ Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>➤ Assessing the classification of account receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis;</li> </ul>





<p>company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Accordingly, we identified the recoverability of receivables as a key audit matter because of the significance of receivables to company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts.</p>	<ul style="list-style-type: none"> <li>➤ Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers and</li> <li>➤ Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to account receivable balances at June 30, 2021.</li> </ul>
<b><i>Please see note no. 09 to the Financial Statements</i></b>	
<b><i>Evaluation of Intangible Assets</i></b>	
<p>The intangible asset reported in the financial statements is Taka 268,645,291 which we identified as a key audit matter due to the significance of this balance to the financial statements along with its nature.</p> <p>The tangible assets include the purchased software license, implementation and integration and system development costs related to the software.</p> <p>Periodic impairment testing of these intangible requires determination of recoverable amounts and value in use. Both these values involve significant management's estimates and judgments that can give rise to material misstatements or management bias.</p>	<ul style="list-style-type: none"> <li>➤ We assessed the processes and controls put in place by the company over the review of intangible assets and its impairment analysis.</li> <li>➤ 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.</li> <li>➤ We evaluated the appropriateness of future cash flows that is to be generated from the use of intangible assets.</li> <li>➤ Overall, we considered 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.</li> <li>➤ Finally assessed the appropriateness and presentation of disclosers against relevant accounting standards.</li> </ul>
<b><i>Please see note no. 05 to the Financial Statements</i></b>	
<b><i>Valuation of Investment</i></b>	
<p>As at June 30, 2021 the reported amount of investment is Taka 257,065,833 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>The valuation of the investment portfolio involves judgment 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>	<ul style="list-style-type: none"> <li>➤ 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</li> <li>➤ We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the recognition of these investments</li> <li>➤ We evaluate the appropriateness of future cash flows that is to be generated from the investment made.</li> <li>➤ Overall, we consider the measurement input and assumption used by management to be in line with our expectations and to lie also within a range that we consider reasonable.</li> </ul>





	<ul style="list-style-type: none"> <li>➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>
<b><i>Please see note no. 06 to the Financial Statements</i></b>	
<b><i>Valuation of Work in progress</i></b>	
<p>The work-in-progress as at June 30, 2021 was of Taka 384,957,599 which we considered key audit matter 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 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>	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ 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.</li> <li>➤ 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.</li> <li>➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>

**Other Information**

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the Financial Statements and our auditor's report thereon. The directors are responsible for the other information.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. 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 the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis 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 event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the Financial Statements we are responsible for the direction, supervision and performance of the company audit. We are 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





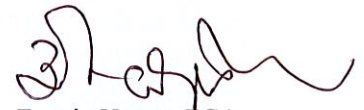
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

***Report on other Legal and Regulatory Requirements***

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.

Date : 28 October, 2021  
Place : Dhaka



Fouzia Haque, ICA  
Partner

**FAMES & R**  
Chartered Accountants  
DVC # 2110281032AS580873





**eGeneration Limited**  
**Statement of Financial Position**  
As on 30 June, 2021

Particulars	Note	Amount in Taka	
		30-Jun-21	30-Jun-20
<b>Assets</b>			
<b>Non-Current Assets</b>		<b>1,159,954,500</b>	<b>1,186,158,076</b>
Property, Plant & Equipment	4	249,285,776	277,595,710
Intangible Assets	5	268,645,291	314,876,884
Investment	6	257,065,833	253,185,325
Work in Progress	7	384,957,599	340,500,157
<b>Current Assets</b>		<b>633,733,778</b>	<b>306,684,856</b>
Inventories	8	3,480,078	3,570,078
Accounts Receivable	9	211,202,782	103,433,829
Advance, Deposit & Prepayments	10	216,649,128	130,581,779
Tender Security & Margin	11	49,550,841	22,093,925
Cash & Cash Equivalents	12	152,850,948	47,005,245
<b>Total Assets</b>		<b>1,793,688,278</b>	<b>1,492,842,932</b>
<b>Shareholders' Equity &amp; Liabilities</b>			
<b>Shareholders' Equity</b>		<b>1,564,572,841</b>	<b>1,326,698,847</b>
Share Capital	13	750,000,000	600,000,000
Share Premium	14	186,182,451	186,182,451
Retained Earnings	15	628,390,390	540,516,396
<b>Non-Current Liabilities</b>		<b>47,239,548</b>	<b>44,555,230</b>
Term Loan (Non-Current Portion)	16	47,239,548	44,555,230
<b>Current Liabilities</b>		<b>181,875,888</b>	<b>121,588,855</b>
Bank Overdraft	17	85,177,536	57,687,917
Liabilities for Expenses	18	28,297,006	19,350,287
Term Loan (Current Portion)	19	27,306,585	26,811,245
Accounts Payable	20	35,373,194	13,013,763
Refund Payable	21	396,137	-
Liability for Workers' Profit Participation Fund	22	5,325,430	4,725,643
<b>Total Shareholders' Equity &amp; Liabilities</b>		<b>1,793,688,278</b>	<b>1,492,842,932</b>
<b>Net Asset Value (NAV) Per Share</b>	31.03	<b>23.95</b>	<b>22.10</b>

The annexed notes form an integral part of the Financial Statement

Managing Director

Independent Director

Company Secretary

Chief Financial Officer

As per our annexed report of same date

Fouzia Haque, FCA  
Partner

FAMES & R

Chartered Accountants

DVC # 2110281032AS580873

Date : 28 October, 2021

Place: Dhaka





**eGeneration Limited**  
**Statement of Profit or Loss & Other Comprehensive Income**  
For the year ended 30 June, 2021

Particulars	Note	Amount in Taka	
		30-Jun-21	30-Jun-20
Revenue	23	475,831,793	396,321,127
Cost of Service & Sales	24	(299,782,467)	(239,450,589)
<b>Gross Profit</b>		<b>176,049,326</b>	<b>156,870,538</b>
<b>Operating Expenses</b>		<b>(70,175,476)</b>	<b>(61,782,350)</b>
General & Administrative Expenses	25	(48,686,075)	(43,935,155)
Selling & Distribution Expenses	26	(6,481,925)	(4,406,378)
Financial Expenses	27	(15,007,476)	(13,440,817)
<b>Profit from Operation</b>		<b>105,873,850</b>	<b>95,088,187</b>
Non-Operating Income	28	5,960,170	4,150,308
<b>Profit before WPPF &amp; Income Tax</b>		<b>111,834,020</b>	<b>99,238,495</b>
<b>Workers' Profit Participation Fund</b>	29	<b>(5,325,430)</b>	<b>(4,725,643)</b>
<b>Profit before Income Tax</b>		<b>106,508,591</b>	<b>94,512,852</b>
Provision for Income Tax	30	(1,206,934)	(1,348,850)
<b>Profit after Income Tax</b>		<b>105,301,656</b>	<b>93,164,002</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income For the period</b>		<b>105,301,656</b>	<b>93,164,002</b>
<b>Basic Earnings Per Share (EPS)</b>	31.01	<b>1.61</b>	<b>1.55</b>
<b>Restated Earnings Per Share (EPS)</b>	31.02	<b>1.61</b>	<b>1.43</b>

*The annexed notes form an integral part of the Financial Statements.*



Managing Director



Independent Director

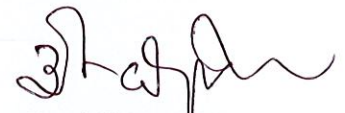


Company Secretary



Chief Financial Officer

*As per our annexed report of same date*



Fuzia Haque, FCA  
Partner

**FAMES & R**

Chartered Accountants

DVC # 2110281032AS580873

Date : 28 October, 2021

Place: Dhaka





**eGeneration Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June, 2021

Particulars	Amount in Taka			
	Share Capital	Share Premium	Retained Earnings	Total Equity
Opening Balance as on 01 July, 2020	600,000,000	186,182,451	540,516,396	1,326,698,847
Issue of new Share	150,000,000	-	-	150,000,000
Net Profit (after tax) during the year	-	-	105,301,656	105,301,656
Less: IPO expense	-	-	(17,427,663)	(17,427,663)
<b>Balance:</b>	<b>750,000,000</b>	<b>186,182,451</b>	<b>628,390,390</b>	<b>1,564,572,841</b>

**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
Net Profit (after tax) during the year	-	-	93,164,002	93,164,002
<b>Balance:</b>	<b>600,000,000</b>	<b>186,182,451</b>	<b>540,516,396</b>	<b>1,326,698,847</b>



Managing Director



Independent Director



Company Secretary



Chief Financial Officer

Date : 28 October, 2021

Place: Dhaka





eGeneration Limited  
Statement of Cash Flows  
For the year ended 30 June, 2021

Particulars	Amount in Taka	
	30-Jun-21	30-Jun-20
<b>A. Cash Flows from Operating Activities:</b>		
Cash Received from Customers & Others	365,757,500	358,918,812
Cash Paid to Suppliers & Others	(204,530,803)	(155,109,663)
Cash Paid for Operating Expenses	(158,555,587)	(121,870,544)
Paid for Income Tax	(1,037,408)	(941,236)
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>1,633,702</b>	<b>80,997,368</b>
<b>B. Cash Flows from Investing Activities:</b>		
Acquisition of Property, Plant and Equipment	(1,213,000)	(3,534,553)
Investment made during the year	(3,880,509)	(8,530,000)
Addition in Work-in-Progress	(44,457,442)	(209,088,861)
Interest Income Received (Net of tax)	5,186,745	2,802,976
<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(44,364,206)</b>	<b>(218,350,439)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Increase/(Decrease) in Long Term Loan	3,179,659	17,613,036
Increase/(Decrease) in Bank Overdraft	27,489,618	47,771,065
Proceeds from issues of ordinary share	150,000,000	-
IPO expense	(17,427,663)	-
Refund Payable	396,137	-
Cash Paid for Financial Expenses	(15,007,476)	(11,140,830)
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>148,630,275</b>	<b>54,243,271</b>
<b>D. Net Changes in Cash and Cash Equivalents for the year (A+B+C)</b>	<b>105,899,771</b>	<b>(83,109,799)</b>
<b>E. Effects of exchange rate changes on cash and cash-equivalent</b>	<b>(54,069.07)</b>	<b>-</b>
<b>F. Cash and Cash Equivalents at the beginning of the year</b>	<b>47,005,245</b>	<b>130,115,045</b>
<b>G. Cash and Cash Equivalents at the end of the year (D+E+F)</b>	<b>152,850,948</b>	<b>47,005,246</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>0.03</b>	<b>1.35</b>

  
Managing Director

  
Independent Director

  
Company Secretary

  
Chief Financial Officer

Date : 28 October, 2021  
Place: Dhaka



**eGeneration Limited****A summary of significant accounting policies and other explanatory notes**

For the year ended 30 June, 2021

**1. Reporting entity****1.1 Structure of the Organization**

eGeneration Limited was incorporated on November 22, 2003 vide certificate of Incorporation no-C-51172(1467)/2003 as a private limited company and converted into a Public Limited Company on July 5, 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 30.06.2021 :

Particulars	Taka
<b>Authorised Share Capital</b>	
100,000,000 Ordinary Shares @ Tk. 10 each	1,000,000,000
<b>Issued, Subscribed &amp; Paid up Capital</b>	
75,000,000 Ordinary Shares @ Tk. 10 each	750,000,000

**2. Basis of preparation****2.1 Statement of Compliance**

These financial statements have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations, applicable to the Company in 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 (IASs);  
 International Financial Reporting Standards (IFRSs);  
 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);

**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 integer.

**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 the month of July 01, 2020 to June 30, 2021.

**2.6 Presentation of Financial Statements**

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

- a. Statement of Financial Position;
- b. Statement of Profit or Loss & Other Comprehensive Income;
- c. Statement of Changes in Equity;
- d. Statement of Cash Flows and
- e. Notes, comprising a summary of significant accounting policies and other explanatory notes.

**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 & FRC.

**2.8 Going Concern**

As per IAS-1, a Company is required to assess at the end of each year its capability to continue as a going concern. The Company has sufficient resources to continue its operation in the foreseeable future and hence, the financial statements have been prepared on a 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.

**The Impact of COVID-19 Pandemic**

The sudden spread of the COVID-19 pandemic posed a heightened challenge to the economy and business landscape, and eGeneration Ltd. was somewhat affected by it too. However, the Company was able to minimize the impact of this unprecedented situation through timely measures by the management, implementation of remote working, effective cost management and business process optimization. eGeneration Ltd. was one of the companies that started working from home before the countrywide lockdown last year which allowed its team members to continue providing support and services to its clientele without compromising safety.

The company has earned revenue in the current year 20% higher than comparative year, Gross profit, and net profit margin has increased by 12% and 12% respectively whereas Net operating cash flow per share (NOCFPS) has fallen 98% during the year due to business disruption overall industries by global pandemic. Many of its customers experienced a long period of working capital crisis as a result, eGeneration Ltd could not collect its outstanding accounts receivable smoothly which ultimately causes fall in Net operating cash flow per share (NOCFPS) significantly. The management is expecting to collect all the outstanding receivable within in regular course of business.





On the other hand, this pandemic opened the door to many long-term and short-term business opportunities for eGeneration Ltd. It accelerated the decision-making process for many organizations to invest in technologies – from business intelligence and demand forecasting to marketing, customer support, supply chain, and back-office transformation – areas where eGeneration Ltd. has a strong footprint. The Company promoted the work-from-home practice to many public and private organizations to help fight the impact of coronavirus. It 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 eGeneration Ltd.

The Company also took several CSR initiatives to help the nation fight with coronavirus. It initiated 'Shohojodha – A Plasma Network' partnering with the government and healthcare organizations 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. The company also helped automate five government hospitals with 500 beds with its in-house developed Hospital Management Information System (HMIS).

Management of eGeneration Ltd. has critically assessed the impact of the COVID-19 pandemic and found no threat on its going concern. However, the lockdown imposed by the government at the beginning of Q4, 2020-21 may have some similar impact on the business of eGeneration Ltd. The management is keeping a careful watch on the situation at hand and any such future event.

### 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 (IASs)	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	N/A
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 (IFRSs)	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	N/A
Disclosure of Interests in other Entities	12	N/A
Fair Value Measurement	13	Complied
Revenue from Contracts with Customer	15	Complied
Leases	16	N/A*

\* **Recognition of Lease Rent of the Office premises**

**IFRS 16:**

As per IFRS 16 is specify single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

**Recognition exemptions:**

Instead of applying the recognition requirements of IFRS 16 described above, a lessee may elect to account for lease payments as an expense on a straight-line basis over the lease term or another systematic basis for the following two types of leases:

- i) leases with a lease term of 12 months or less and containing no purchase options – this election is made by class of underlying asset; and
- ii) leases where the underlying asset has a low value when new (such as personal computers or small items of office furniture) – this election can be made on a lease-by-lease basis.

Income Tax Ordinance 1984: According to section 53A of the act, where any specified person is a tenant/lessee in respect of a house property, the tenant has obligation to deduct tax from the rent of such house property which is precluded to treat it's shown Asset (right of-use asset) and the lease liability instead of as direct expense.

**VAT act, 2012 :**

According to VAT S-074 (Place and establishment renter) refer to any person, Organization or Corporation, who or whose has got the right to use of the place and establishment for certain period or renewal after period expire against consideration. VAT will be payable on basis of use of place and establishment for such period.

**Management's Decision**

eGeneration has house rent agreement with Mr. Yami Bin A. Muhaimin Saleh and the monthly office rent is Taka 585,000.

Since the duration of office rent agreement is 3 years starting from 1st January 2019 and expiring on 31st December 2021 and only six months (from 30 June 2021) remaining, it is considered as immaterial, we would like to charge in profit or loss stated under Generals Administrative Expenditure. (Note No. 25)

**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 off 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, 2021 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 June 30, 2021 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 June 30, 2021

**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".

**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

#### Initial recognition

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

#### Subsequent measurement

A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities are translated into eGeneration Limited's functional currency at each reporting date. Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

### 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. Management has decided to keep provision for bad debt @1% of gross accounts receivable.

### 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 Financial Reporting" as adopted by the ICAB & FRC.

**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 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).



**3.18 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.

**3.19 General**

- a. All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest integer.
- b. The comparative information has been disclosed in respect of the period from July 01, 2020 to June 30, 2021 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-21	30-Jun-20
<b>4.00 Property, Plant &amp; Equipments</b>			
<b>4.01 Asset at Cost</b>			
Opening balance		391,907,424	388,372,871
Add: Addition during the year		1,213,000	3,534,553
<b>Closing balance</b>		<b>393,120,424</b>	<b>391,907,424</b>
<b>4.02 Accumulated Depreciation</b>			
Opening balance		114,311,713	81,378,381
Add: Depreciation charged during the year		29,522,935	32,933,332
<b>Closing balance</b>		<b>143,834,648</b>	<b>114,311,713</b>
		<b>249,285,776</b>	<b>277,595,710</b>
Details of Property, Plant & Equipments are shown in <b>Annexure-A</b>			
<b>5.00 Intangible Assets:</b>			
<b>5.01 Asset at Cost</b>			
Opening Balance		462,205,439	348,948,222
Add: Addition during the year		-	-
Transferred from Work In Progress (Note:7.00)		-	113,257,216
<b>Closing balance</b>		<b>462,205,439</b>	<b>462,205,439</b>
<b>5.02 Accumulated Amortization</b>			
Opening balance		147,328,555	105,864,945
Add: Amortization charged during the year		46,231,592	41,463,610
<b>Closing balance</b>		<b>193,560,147</b>	<b>147,328,555</b>
<b>Written Down Value (WDV)</b>		<b>268,645,291</b>	<b>314,876,884</b>
Details of Intangible Assets are shown in <b>Annexure-B</b>			
<b>6.00 Investment</b>			
Opening balance		253,185,324	244,655,325
Add: Addition during the year		3,880,509	8,530,000
		<b>257,065,833</b>	<b>253,185,325</b>
<b>6.01 Investment in Training Content</b>			
Opening balance		24,990,139	23,940,139
Add: Addition during the year		943,972	1,050,000
		<b>25,934,111</b>	<b>24,990,139</b>
<b>6.02 Investment in Block Chain</b>			
Opening balance		43,665,662	42,215,662
Add: Addition during the year		422,212	1,450,000
		<b>44,087,874</b>	<b>43,665,662</b>
<b>6.03 Investment in IOT Solutions</b>			
Opening balance		36,633,340	35,333,340
Add: Addition during the year		403,400	1,300,000
		<b>37,036,740</b>	<b>36,633,340</b>
<b>6.04 Investment in Digital Platform Development</b>			
Opening balance		55,006,099	53,576,099
Add: Addition during the year		465,393	1,430,000
		<b>55,471,492</b>	<b>55,006,099</b>



	Amount in Taka	
	30-Jun-21	30-Jun-20
<b>6.05 Investment in Data Center Solutions</b>		
Opening balance	19,700,000	18,800,000
Add: Addition during the year	407,772	900,000
	<b>20,107,772</b>	<b>19,700,000</b>
<b>6.06 Investment in Solutions Developed in Microsoft Platform</b>		
Opening balance	46,600,000	45,000,000
Add: Addition during the year	910,760	1,600,000
	<b>47,510,760</b>	<b>46,600,000</b>
<b>6.07 Investment in Fertilizer Recommendation Systems</b>		
Opening balance	26,590,084	25,790,084
Add: Addition during the year	327,000	800,000
	<b>26,917,084</b>	<b>26,590,084</b>
<b>7.00 Work-in-Progress</b>		
Opening balance	340,500,157	250,168,512
Add: Addition during the year (Note-7.01)	44,457,442	209,088,861
	<b>384,957,599</b>	<b>459,257,374</b>
<b>Less: Adjustment during the year</b>	-	<b>(118,757,216)</b>
Transferred to Intangible Assets (Note 7.02)	-	113,257,216
Transferred to Profit & Loss A/C):- Data Center Solution (Note-24)	-	5,500,000
<b>Closing Balance</b>	<b>384,957,599</b>	<b>340,500,157</b>
<b>7.01 Addition during the year:</b>		
Data Analytics	-	19,508,239
Solutions Developed in Microsoft Platform	-	25,273,839
ERP Software	-	38,203,169
Hospital Management Information System	32,716,927	96,370,100
Clinics & Diagnostics Management System	11,740,515	29,733,514
<b>Total Addition during the year</b>	<b>44,457,442</b>	<b>209,088,861</b>
<b>7.02 Transferred to Intangible Assets</b>		
Database Solutions	-	11,182,500
Solutions Developed in Microsoft Platform	-	12,402,300
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
	-	<b>113,257,216</b>
<b>8.00 Inventories</b>		
Infrastructure Solutions	947,885	982,885
Cyber Security Solutions	1,707,091	1,682,091
Document Management Solutions	825,102	905,102
	<b>3,480,078</b>	<b>3,570,078</b>





	Amount in Taka	
	30-Jun-21	30-Jun-20
<b>9.00 Account Receivables</b>		
Opening balance	103,433,829	66,031,514
Add: Addition during the year	475,831,793	396,321,127
	<b>579,265,622</b>	<b>462,352,641</b>
Less: Realized during the year	365,757,500	356,645,899
Exchange gain/(loss)	(171,979)	-
	<b>213,336,144</b>	<b>105,706,742</b>
Bad debt Expense		(2,272,913)
Allowance for Bad Debt	(2,133,361)	
	<b>211,202,782</b>	<b>103,433,829</b>

The Classification Receivables as required by the Schedule XI, Part1, Para 4 of the Companies Act,1994 are given below:

Particulars	30-Jun-21	30-Jun-20
Receivables considered good in respect of which is fully secured	211,202,782	103,433,829
Receivables considered good in respect of which the company holds no security other than the debtor's personal security	-	-
Receivables considered doubtful or Bad	2,133,361	-
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 other Officers at any time during year	-	-
	<b>213,336,144</b>	<b>103,433,829</b>

**10.00 Advance, Deposit & Prepayments**

Advance against Office Rent	456,300	456,300
Security Deposit	1,530,000	1,530,000
Advance against Salary	2,214,568	1,832,818
Advance Against Work/Project	118,335,490	57,230,606
Security Deposit(FDR) For Microsoft (Note: 10.01)	78,218,465	58,240,476
Security Deposit(FDR) against Loan (Note: 10.02)	15,318,000	10,980,137
Advance for Income Tax (Note 10.03)	576,305	311,442
	<b>216,649,128</b>	<b>130,581,779</b>

Disclosure as per Schedule XI, Part1, Para 6 of the Companies Act,1994 are given below:

Particulars	30-Jun-21	30-Jun-20
Advance, Deposit & Prepayments considered good in respect of which is fully secured	214,434,560	128,748,961
Advance, Deposit & Prepayments considered good in respect of which the company holds no security	-	-
Advance, Deposit & Prepayments considered doubtful	-	-







	Amount in Taka	
	30-Jun-21	30-Jun-20
Brac Bank A/C No. 150120355399006	34,358	-
Dutch Bangla Bank A/C No. 1011100043472	18,669,146	17,808,647
Dutch Bangla Bank A/C No. 2461100001747	257,006	25,954
Standard Bank Ltd. A/C No. 07433000203	1,813,194	1,323,294
Meghna Bank Ltd. A/C No. 110111100000859	7,057	8,127
Social Islami Bank Ltd. A/C No. 0081330020198	5,345	7,415
Agrani Bank Ltd. A/C No. 176878	2,987	-
Shimanto Bank Ltd. A/C No. 1001271003010	1,542	3,498
Trust Bank Ltd. A/C No. 00160210017919	120,698	-
Bank Asia Ltd. A/C No. 61533000346	31,829,451	-
Prime Bank Ltd. A/C No. 2118111025215	15,408	-
	<b>152,708,501</b>	<b>46,880,308</b>

### 13.00 Share Capital

#### Authorised Share Capital

100,000,000 Ordinary Shares @ Tk. 10 each

**1,000,000,000**      **1,000,000,000**

#### Issued, Subscribed & Paid up Capital

75,000,000 Ordinary Shares @ Tk. 10 each

**750,000,000**      **600,000,000**

#### (a) Composition of Shareholdings:

	No. of Shares	%
Sponsors and Directors	28,327,803	37.77
Institutions	23,492,518	31.32
Foreign Investors	340,000	0.45
General Public	22,839,679	30.46
	<b>75,000,000</b>	<b>100</b>

#### (b) Share Distribution Schedule of the shares as at 30 June 2021 is given below:

Range of Holding	No. of Shareholders	No. of Shares
1 to 500 shares	2646	954,590
501 to 5000 shares	964	1,963,135
5001 to 10000 shares	219	1,695,818
10001 to 20000 shares	109	1,672,737
20001 to 30000 shares	40	1,030,085
30001 to 40000 shares	18	641,224
40001 to 50000 shares	30	1,439,370
50001 to 100000 shares	42	3,527,476
100001 to 1000000 shares	42	16,654,678
1000001 to 2000000 shares	4	7,694,754
2000001 to 4000000 shares	2	5,207,491
4000001 to 5000000 shares	1	4,014,082
5000001 to 10000000 shares	2	11,470,877
10000001 to above	1	17,033,683
<b>Total</b>	<b>4120</b>	<b>75,000,000</b>

#### The Utilization of IPO proceeds:

Sl. No.	Purpose	Amount as per prospectus (BDT)	Total Utilized Amount (BDT)
1	Purchase of Commercial Space for Office	80,000,000	-
2	Loan Repayment	34,000,000	34,000,000
3	Digital Healthcare Platform Development	18,389,000	-
4	IPO Expenditure	17,611,000	17,427,663
	<b>Total</b>	<b>150,000,000</b>	<b>51,427,663</b>



	Amount in Taka	
	30-Jun-21	30-Jun-20
<b>14.00 Share Premium</b>		
Share Premium	186,182,451	186,182,451
	<b>186,182,451</b>	<b>186,182,451</b>
<b>15.00 Retained Earnings</b>		
Opening balance	540,516,396	447,352,394
Add: Addition during the year	105,301,656	93,164,002
IPO expenses	(17,427,663)	-
	<b>628,390,390</b>	<b>540,516,396</b>
<b>16.00 Term Loan (Non-Current Portion)</b>		
Opening balance	71,366,475	51,453,452
Add: Addition during the year	60,996,670	39,803,707
	<b>132,363,145</b>	<b>91,257,158</b>
Less: Adjustment during the year	57,817,011	19,890,684
	<b>74,546,133</b>	<b>71,366,475</b>
Current portion of the long term loan	(27,306,585)	(26,811,245)
	<b>47,239,548</b>	<b>44,555,230</b>
<b>16.01 IDLC Finance</b>		
Opening balance	-	823,742
Add: Addition during the year	-	26,835
	-	<b>850,578</b>
Less: Adjustment during the year	-	850,578
	-	-
Less: Current portion of the long term loan	-	-
	-	-
<b>16.02 Brac Bank Limited</b>		
Opening balance	546,200	1,774,252
Add: Addition during the year	22,804	163,947
	<b>569,004</b>	<b>1,938,200</b>
Less: Adjustment during the year	569,004	1,392,000
	-	<b>546,200</b>
Current portion of the long term loan	-	(546,200)
	-	-
<b>16.03 IDLC Finance Limited</b>		
Opening balance	16,765,026	-
Add: Addition during the year	1,899,504	22,233,506
	<b>18,664,530</b>	<b>22,233,506</b>
Less: Adjustment during the year	4,499,697	5,468,480
	<b>14,164,833</b>	<b>16,765,026</b>
Current portion of the long term loan	(8,202,717)	(8,202,717)
	<b>5,962,116</b>	<b>8,562,309</b>
<b>16.04 IDLC Finance Limited</b>		
Opening balance	9,240,647	-
Add: Addition during the year	672,858	10,949,547
	<b>9,913,504</b>	<b>10,949,547</b>
Less: Adjustment during the year	2,691,120	1,708,900
	<b>7,222,384</b>	<b>9,240,647</b>
Current portion of the long term loan	(4,101,360)	(4,101,360)
	<b>3,121,024</b>	<b>5,139,287</b>





		Amount in Taka	
		30-Jun-21	30-Jun-20
<b>16.05 IPDC Finance Limited</b>			
Opening balance		44,814,602	48,855,457
Add: Addition during the year		2,215,723	6,429,871
		<b>47,030,326</b>	<b>55,285,328</b>
Less: Adjustment during the year		47,030,326	10,470,726
		-	<b>44,814,602</b>
Current portion of the long term loan		-	(13,960,968)
		-	<b>30,853,634</b>
<b>16.06 Prime Bank Limited</b>			
Opening balance		-	-
Add: Addition during the year		5,316,357	-
		<b>5,316,357</b>	-
Less: Adjustment during the year		877,475	-
		<b>4,438,882</b>	-
Current portion of the long term loan		(2,106,168)	-
		<b>2,332,714</b>	-
<b>16.07 IPDC Finance Limited</b>			
Opening balance		-	-
Add: Addition during the year		50,869,425	-
		<b>50,869,425</b>	-
Less: Adjustment during the year		2,149,390	-
		<b>48,720,035</b>	-
Current portion of the long term loan		(12,896,340)	-
		<b>35,823,695</b>	-
<b>17.00 Bank Overdraft</b>			
Dutch-Bangla Bank Limited A/C . 246.407.0021		20,461,109	19,598,146
Brac Bank Ltd. A/C 1501203555399008		59,726,797	38,089,772
Prime Bank Ltd. A/C 2198765011124 (Specialized loan facility to overcome Covid-19 effect for CMSME)		4,989,629	-
		<b>85,177,536</b>	<b>57,687,917</b>
<b>18.00 Liabilities for Expenses</b>			
Salary & Allowance		20,497,070	13,199,095
Director's Remuneration		3,204,975	1,642,401
Office Rent		585,000	2,131,682
Mobile & Telephone Bill		-	2,580
Office Maintenance		-	18,000
Internet Bill		-	62,257
Utility Expense		71,784	96,519
Other Expenses		-	25,883
Audit & Legal Fees		230,000	230,000
VDS Payable		89,697	9,310
TDS Payable		2,411,546	583,710
Provision for Income Tax (Note. 18.01)		1,206,934	1,348,850
		<b>28,297,006</b>	<b>19,350,287</b>
<b>18.01 Provision for Income Tax</b>			
Opening balance		1,348,850	1,186,236
Add: Addition during the year		1,206,934	1,348,850
		2,555,784	2,535,086
Adjustment during the year		(1,348,850)	(1,186,236)
		<b>1,206,934</b>	<b>1,348,850</b>



	Amount in Taka	
	30-Jun-21	30-Jun-20
<b>Calculation of Income Tax</b>		
Non-Operating Income (Note: 28.00)	5,960,170	4,150,308
Tax @22.5% (shown in statement of Profit & Loss)	1,341,038	1,348,850
Less: Rebate @10 on Tax (For IPO issue)	134,104	-
	<b>1,206,934</b>	<b>1,348,850</b>
<b>19.00 Long Term Loan (Current Portion)</b>	<b>27,306,585</b>	<b>26,811,245</b>
	<b>27,306,585</b>	<b>26,811,245</b>
<b>20.00 Accounts Payable</b>		
Accounts Payable	35,373,194	13,013,763
	<b>35,373,194</b>	<b>13,013,763</b>
<b>21.00 Refund Payable</b>		
Brac Bank A/C No. 1501203555399004	365,050	-
Brac Bank A/C No. 1501203555399005	20,000	-
Brac Bank A/C No. 1501203555399003	1,086	-
Brac Bank A/C No. 1501203555399006	10,001	-
	<b>396,137</b>	<b>-</b>
<b>22.00 Liability for Workers' Profit Participation Fund</b>		
Opening balance	4,725,643	5,511,422
Add: Addition during the year (29.00)	5,325,430	4,725,643
	10,051,072	10,237,064
Payment during the year	(4,725,643)	(5,511,422)
	<b>5,325,430</b>	<b>4,725,643</b>
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.		
<b>23.00 Revenue</b>		
ERP Software	33,489,010	106,747,702
CRM Software	2,755,845	3,350,000
Solutions Developed in Microsoft Platform	310,891,630	226,364,111
Database Solutions	8,736,194	8,789,571
Cyber Security Solutions	2,379,591	1,494,343
Data Analytics	3,984,833	6,410,000
HR Management System	579,626	1,828,470
Hospital Management Information System	55,295,545	-
Clinics & Diagnostics Management System	7,031,000	-
Fertilizer Recommendation System	261,260	2,500,000
Social media Monitoring	360,000	1,850,000
Web Designing & Olympus	77,700	843,475
AI & Natural Language Processing	8,857,926	442,896
Networking Solutions	2,968,676	274,538
Data Center Solution	-	6,500,000
Digital Platform Development	38,162,958	28,926,021
	<b>475,831,793</b>	<b>396,321,127</b>
<b>24.00 Cost of Service &amp; Sales</b>		
Cost of Service (24.01)	141,238,484	127,206,468
Cost of Sales (24.02)	158,543,983	112,244,121
	<b>299,782,467</b>	<b>239,450,589</b>





		Amount in Taka	
		30-Jun-21	30-Jun-20
<b>24.01</b>	<b>Cost of Service</b>		
	Salary & Allowances	64,541,207	53,784,045
	Festival Bonus	3,505,313	1,543,688
	Amortization Expenses (Annexure-B)	46,231,592	41,463,610
	Depreciation Expenses (Annexure-A)	26,570,641	29,639,999
	Mobile & Telephone	10,000	172,084
	Repair & Maintenance	88,469	24,870
	Internet	291,263	578,173
		<b>141,238,484</b>	<b>127,206,468</b>
<b>24.02</b>	<b>Cost of Sales</b>		
	ERP Software	7,194,227	22,942,155
	CRM Software	628,753	764,343
	Solutions Developed in Microsoft Platform	106,070,128	73,455,519
	Database Solutions	2,520,369	2,650,645
	Cyber Security Solutions	490,300	308,643
	HR Management System	119,888	379,413
	Hospital Management Information System	27,580,600	-
	Clinics & Diagnostics Management System	3,867,050	-
	Fertilizer Recommendation System	68,400	655,189
	Social media Monitoring	100,749	517,740
	Web Designing & Olympus	19,124	207,597
	AI & Natural Language Processing	2,728,241	124,011
	Networking Solutions	1,029,923	95,263
	Data Center Solution	-	5,500,000
	Digital Platform Development	6,126,231	4,643,605
		<b>158,543,983</b>	<b>112,244,121</b>
<b>25.00</b>	<b>General &amp; Administrative Expenses</b>		
	Salary & Allowance	17,210,989	14,342,412
	Festival Bonus	934,750	411,650
	Directors' Remuneration	10,357,500	9,125,000
	Board Meeting Attendance Fees	440,841	200,000
	Depreciation Expenses (Annexure-A)	2,952,293	3,293,333
	Registration & Membership fees	1,904,839	184,674
	Utility Expense	738,477	938,084
	Office Rent	7,026,000	8,446,619
	Repair & Maintenance	136,127	282,900
	Conveyance	697,969	977,126
	Mobile & Telephone	12,462	11,500
	Internet	97,088	192,724
	Entertainment	1,121,694	843,930
	Audit Fee	414,000	230,000
	Miscellaneous Expenses	180,475	254,045
	Office Common expenses	823,698	528,001
	Postage & Stamps	4,241	6,920
	Stationery expenses	106,991	340,837
	Email	60,887	9,013
	Publications & Magazine	123,570	24,558
	Consultancy	190,000	665,000
	Legal Expenses	499,462	64,365
	Commission	50,000	248,550
	Donation & gift	242,314	41,000
	Bad Debt	-	2,272,913
	Allowance for Bad debt	2,133,361	-
	Exchange rate fluctuation (gain)/loss	226,048	-
		<b>48,686,075</b>	<b>43,935,155</b>



		Amount in Taka	
		30-Jun-21	30-Jun-20
<b>26.00</b>	<b>Selling &amp; Distribution Expenses</b>		
	Salary & Allowance	4,302,747	3,585,603
	Festival Bonus	233,688	102,913
	Conveyance	232,656	325,709
	Training & Seminar Expenses	867,357	135,305
	Marketing Expenses	691,229	188,009
	Business Promotion Expenses	154,248	68,840
		<b>6,481,925</b>	<b>4,406,378</b>
<b>27.00</b>	<b>Financial Expenses</b>		
	Interest on Loan	12,951,188	12,973,299
	Bank Charges	2,056,288	467,518
		<b>15,007,476</b>	<b>13,440,817</b>
<b>28.00</b>	<b>Non-Operating Income</b>		
	Interest on Security Deposit (FDR)for Microsoft	4,360,911	3,250,308
	Interest on Bank Accounts (IPO)	940,896	-
	Interest on Security Deposit for Loan From IPDC	658,363	900,000
		<b>5,960,170</b>	<b>4,150,308</b>
<b>29.00</b>	<b>Calculation of Workers' Profit Participation Fund</b>		
	Profit before WPPF & Income Tax	111,834,020	99,238,495
	Provision for Workers' Profit Participation Fund @ 5% on the above amount after charging the contribution (5/105)	5,325,430	4,725,643
<b>30.00</b>	<b>Provision for Income Tax</b>		
	Current Tax (Note 30.01)	1,206,934	1,348,850
		<b>1,206,934</b>	<b>1,348,850</b>
<b>30.01</b>	<b>Current Tax</b>		
	Tax on Non-operating Income (Note 18.01)	1,206,934	1,348,850
		<b>1,206,934</b>	<b>1,348,850</b>
<p>As per Sixth Schedule, Part A, Para 33 of the Income Tax Ordinance, 1984 Income from Information Technology Enabled Services (ITES) for the year 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.</p>			
<b>31.00</b>	<b>INFORMATION BASED ON PER SHARE</b>		
<b>31.01</b>	<b>Earnings Per Share (EPS)</b>		
	Earning attributable to the ordinary shareholders	105,301,656	93,164,002
	Weighted Average Number of ordinary shares at the end of the year	65,301,370	60,000,000
	<b>Earnings Per Share (EPS)</b>	<b>1.61</b>	<b>1.55</b>
<b>31.02</b>	<b>Restated Earnings Per Share (EPS)</b>		
	Earning attributable to the ordinary shareholders	105,301,656	93,164,002
	Weighted Average Number of ordinary shares at the end of the year	65,301,370	65,301,370
	<b>Earnings Per Share (EPS)</b>	<b>1.61</b>	<b>1.43</b>





Amount in Taka	
30-Jun-21	30-Jun-20

**Weighted Average Number of Ordinary Shares as on 30 June, 2021**

Number of Shares	Weighted	Weighted average number of shares
Opening Balance 60,000,000	365/365	60,000,000
New Issued Shares 15,000,000	129/365	5,301,370
<b>Total</b>		<b>65,301,370</b>

**31.03 Net Assets Value (NAV)**

Total Assets	1,793,688,278	1,492,842,932
Less: Total Liabilities	(229,115,436)	(166,144,085)
<b>Net Assets' Value (NAV)</b>	<b>1,564,256,558</b>	<b>1,325,796,696</b>
Weighted Number of ordinary shares outstanding at the end of year	65,301,370	60,000,000
<b>Net Asset Value (NAV) Per Share</b>	<b>23.95</b>	<b>22.10</b>

**31.04 Net Operating Cash Flows Per Share (NOCFPS)**

Net Operating Cash Flows (from Statement of Cash Flows)	1,633,702	80,997,368
Weighted Number of ordinary shares outstanding at the end of year	65,301,370	60,000,000
<b>Net Operating Cash Flows per share (NOCFPS)</b>	<b>0.03</b>	<b>1.35</b>

(Explanation of Deviation is detailed on Note 2.8)

**32.00 Other Commitments, Contingencies and Relevant Information**

**32.01 Contingencies**

There is no contingent event requiring recognition of contingent liabilities for the year ended 30 June, 2021.

**32.02 Capital expenditure commitment**

There was no capital expenditure commitment or contract for the year ended 30 June, 2021. There was no material capital expenditure authorized by the board but not contracted for the year ended 30 June, 2021.

**32.03 Credit facility not availed**

There was no credit facility available to the company under any contract, but not availed as on 30 June, 2021 other than trade credit available in the ordinary course of business.

**32.04 Segment Reporting**

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

**32.05 Number of Employees**

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

Salary Range (Monthly)	30-Jun-21	30-Jun-20
Below 15,000	24	10
Above 15,000	95	97
	<b>119</b>	<b>107</b>



**32.05 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 year	Paid during the year	Amounts in Taka	
					6/30/2021	6/30/2020
Shameem Ahsan	MD	895,726	6,150,000	5,229,684	1,816,042	895,726
SM Ashraf Islam (Nominated by eGeneration Sourcing Limited)	Nominated Director	746,009	4,207,500	3,564,575	1,388,933	746,009
		<b>1,641,735</b>	<b>10,357,500</b>	<b>8,794,260</b>	<b>3,204,975</b>	<b>1,641,735</b>

**32.06 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	
						6/30/2021	6/30/2020
Syeda Kamrun Nahar Ahmed	Chairman	Meeting Fees	-	65,000	65,000	-	-
Shameem Ahsan	MD	Remuneration	895,726	6,150,000	5,229,684	1,816,042	895,726
SM Ashraf Islam (Nominated by eGeneration Sourcing Limited)	Nominated Director	Remuneration	746,009	4,207,500	3,564,575	1,388,933	746,009
Hamidul Mishba (Tenure Completed)	Independent Director	Meeting Fees	-	30,000	30,000	-	-
Ariful Hasan			-	90,000	90,000	-	-
Md. Eshaque Ali Khondakar, FCA			-	60,000	60,000	-	-
Dr. Md. Mushfiqur Rahman, FCMA			-	60,000	60,000	-	-
Dr. Mohammad Shafiu Alam Khan			-	40,000	40,000	-	-
<b>Total</b>			<b>1,641,735</b>	<b>10,702,500</b>	<b>9,139,260</b>	<b>3,204,975</b>	<b>1,641,735</b>

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 person:-

Particulars	Amounts in Taka	
	6/30/2021	6/30/2020
Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	8,794,260	8,666,365
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  
(b) Post-employee benefits  
(c) Other long term benefits  
(d) Termination benefits and  
(e) Share-based payment

10,357,500	9,325,000
-	-
-	-
-	-
-	-
<b>Total:</b>	<b>10,357,500</b>
	<b>9,325,000</b>

**As per IAS- 24 Para 18:**

Disclosure requirements of IAS 24 Para 18 :

- a) the amount of transaction  
b) the amount of outstanding balance, including commitments  
i) their terms & condition, including whether they are secured, and the nature of the  
ii) details of any guarantee given or received  
c) Provisions for doubtful debts related to the amount of outstanding balance  
d) the expenses recognized during the period in respect of bad or doubtful debts due from

10,357,500	9,325,000
3,204,975	1,641,735
Remuneration	Remuneration
Nil	Nil
Nil	Nil
Nil	Nil





## 32.07 Reconciliation of net operating cash flow with net profit

Particulars	Note	Amount in Taka	
		30.06.2021	30.06.2020
Net Profit Before Tax	P/L	106,508,591	93,164,002
Financial Expenses paid	27.00	15,007,476	13,440,817
Bad debt provision	25.00	2,133,361	-
Foreign exchange gain loss	25.00	226,048	-
Interest Income	28.00	(5,960,170)	(4,150,308)
Depreciation cost	4.00	29,522,935	32,933,332
Amortization cost	5.00	46,231,592	41,463,610
Transfer from WIP to Cost of sales (Non-cash expense)	7.00	-	5,500,000
(Increase)/Decrease in Inventory	8.00	90,000	(113,718)
(Increase)/Decrease in Accounts Receivable	9.00	(110,074,293)	(37,402,315)
(Increase)/Decrease in Advance, Deposit & Prepayments	10.00	(85,605,366)	(83,587,127)
(Increase)/Decrease Tender Security & Margin	11.00	(27,456,916)	-
Increase/(Decrease) in Liabilities for expenses	18.00	9,088,635	13,625,054
Increase/(Decrease) in Accounts Payable	20.00	22,359,431	7,851,035
Increase/(Decrease) in Provision for Workers' Profit Participation Fund	22.00	599,787	(785,779)
Income Tax Paid	18.01	(1,037,408)	(941,236)
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>		<b>1,633,702</b>	<b>80,997,368</b>

## 32.08 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  
As at 30 June, 2021

Annexure-A

Particulars	Cost		Rate	Depreciation		Written Down Value as at 30.06.2021	Written Down Value as at 30.06.2020
	Balance as on 01.07.2020	Addition during the period		Balance as on 30.06.2021	Charged for the period		
Furniture & Fixture	12,255,557	-	10%	5,206,644	704,891	5,911,535	7,048,913
Computer & Computer Accessories	18,286,199	1,013,450	30%	14,328,739	1,242,511	15,571,250	3,957,460
Server	11,569,563	199,550	25%	8,330,890	828,257	9,159,147	3,238,673
Office Equipment	11,438,326	-	10%	6,907,111	453,122	7,360,232	4,531,215
Interior Development	56,485,286	-	10%	24,123,923	3,236,136	27,360,059	32,361,363
Networking Equipment	3,133,044	-	20%	3,133,044	120,629	2,650,528	603,146
Power Equipment	3,910,130	-	10%	3,910,130	170,354	2,376,943	1,703,542
Vehicle	10,170,000	-	20%	6,651,051	703,790	7,354,841	3,518,949
Data Center	264,659,317	-	10%	44,026,868	22,063,245	66,090,112	220,632,449
<b>Balance as at 30.06.2021</b>	<b>391,907,424</b>	<b>1,213,000</b>		<b>114,311,713</b>	<b>29,522,935</b>	<b>143,834,648</b>	<b>277,595,710</b>

Allocation of depreciation	Rate(%)	Amounts in Taka
Cost of Service (Note - 24.01)	90%	26,570,641
General & Administrative Expenses (Note-25.00)	10%	2,952,293
	<b>100%</b>	<b>29,522,935</b>





eGeneration Limited  
Schedule of Intangible Assets  
As at 30 June, 2021

Particulars	Cost			Rate	Amortization			Written Down Value as at 30.06.2021	Written Down Value as at 30.06.2020
	Balance as on 01.07.2020	Addition during the period	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged for the period	Balance as on 30.06.2021		
	Data Analytics	34,589,000	-		34,589,000	10%	16,630,770		
Solution on Microsoft Platform	69,448,190	-	69,448,190	15%	15,479,267	8,095,338	23,574,606	45,873,584	53,968,923
Networking Solutions	33,649,500	-	33,649,500	10%	4,944,149	2,870,535	7,814,684	25,834,816	28,705,351
Cyber Security Solution	61,850,297	-	61,850,297	20%	20,093,537	8,351,352	28,444,889	33,405,408	41,756,760
HR Management System	26,953,202	-	26,953,202	20%	9,503,469	3,489,947	12,993,415	13,959,787	17,449,733
CRM Software	96,142,455	-	96,142,455	10%	31,803,539	6,433,892	38,237,431	57,905,025	64,338,916
Fertilizer Recommendation System	46,303,095	-	46,303,095	20%	24,034,840	4,453,651	28,488,491	17,814,604	22,268,255
Social Media Monitoring	31,208,393	-	31,208,393	20%	16,805,677	2,880,543	19,686,220	11,522,173	14,402,716
Database Solutions	38,358,572	-	38,358,572	18%	7,637,180	5,529,851	13,167,031	25,191,541	30,721,392
Digital Platform Development	23,702,734	-	23,702,734	10%	396,128	2,330,661	2,726,789	20,975,946	23,306,606
<b>Balance as at 30.06.2021</b>	<b>462,205,439</b>	<b>-</b>	<b>462,205,439</b>		<b>147,328,555</b>	<b>46,231,592</b>	<b>193,560,147</b>	<b>268,645,291</b>	<b>314,876,884</b>

Annexure-B

