



# eGeneration

Transforming Bangladesh  
into an Innovative High-Tech Nation

## ANNUAL REPORT 2020-2021



# APPROACH TO REPORTING

## About the Report

This is eGeneration Ltd.'s Annual Report published for Financial year ending June 30, 2021. This report is procured and published Annually and provides material information relating to our strategy and business model, operating context, material risks and opportunities, stakeholder interest, performance, prospects and governance.

## Financial and Non-Financial Reporting

The report is prepared to mainly to provide relevant information to the shareholders. The report extends beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes that may impact our ability to create value and may have an influence on the decisions of our stakeholders. The financial information is balanced with a commentary on the most material sustainability matters, opportunities and risks.

## Reporting Frameworks

This annual report has been prepared in accordance with the guiding principles and requirements contained in the International Accounting Standards (IAS) and/or International Financial Reporting Standards (IFRS), Financial Reporting Act, 2015, Capital Market Authorities and the Companies Act, 1994. Statutory reports including report of the directors, Management Discussion and Analysis, and Corporate Governance Report are presented as per the aforesaid regulatory requirements and laws.

## Board Responsibility Statement

The Board of Directors acknowledges its responsibilities to ensure the integrity of this Annual Report. The Board has accordingly applied its collective mind and believes the report addresses all material issues and presents the performance of the Company and its impact in a fair and accurate manner.

## Reporting Principles and Approach

The report considers the guiding principles of strategic focus and future orientation, consistency and comparability, reliability and completeness; and connectivity of information. Stakeholder relationships and materiality from the foundation of our reporting process.

# BOARD OF DIRECTORS



**SM Ashrafur Islam**  
Chairman



**Shameem Ahsan**  
Managing Director



**Sayeda Kamrun Ahmed**  
Director



**Ariful Hasan**  
Independent Director



**Md. Eshaque Ali Khondakar, FCA**  
Independent Director



**Dr. Mohammed Shafiul Alam Khan**  
Independent Director



**Dr. Md. Musfiqur Rahman, FCMA**  
Independent Director

## OUR TEAM



**Shameem Ahsan**  
Managing Director



**Swapan Kumar Chakraborty**  
Director, Business Delivery  
& Development



**Emran Abdullah**  
Director, Operations & Sales



**Md. Mazharul Islam**  
Chief Financial Officer



**Ismat Jahan**  
Head of Human Resources  
and Administration



**Sabbir Sakir**  
Head of Strategy



**Md. Ariful Islam**  
Head of Infrastructure  
& Solutions



**Raquib Mahmood Shoeb**  
Emerging Technology Solutions



**Jishan Ahmed Siddiquee**  
Company Secretary



**Anwar Hossain**  
Head of Internal Audit  
& Compliance

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 18th Annual General Meeting (AGM) of eGeneration Limited will be held on **Wednesday, 29 December 2021 at 11:00 a.m.** (Dhaka Time). The AGM will be held virtually by using digital platform through the following link <http://egen.digitalagmbd.net> to transact the following businesses:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2021 and the Reports of the Auditors and Directors thereon.
2. To approve Dividend for the financial year ended on 30 June 2021.
3. To elect Director in place of those who shall retire by rotation in accordance with the provisions of Articles of Association of the Company.
4. To approve appointment/re-appointment of Independent Directors.
5. To re-appoint Statutory Auditors for the year 2021-22 and to fix their remuneration.
6. To appoint Corporate Governance Compliance Auditor for the year 2021-22.

By order of the Board



**Jishan Ahmed Siddiquee**  
Company Secretary

Dhaka, 06 December 2021

## Notes:

- a) The Record Date of the Company was Thursday, 18 November 2021.
- b) The Annual Report 2020-2021 and form of Proxy will be available in the Company's website: [www.egeneration.co](http://www.egeneration.co)
- c) Pursuant to the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021, and Letter No. SEC/SRMIC/94-231/91 dated 31 March 2021 the Annual General Meeting will be conducted virtually by using digital platform.
- d) The link for the virtual AGM and detailed procedures to attend the meeting will be communicated to the shareholders' email ID in due course and it will also be available on Company's website [www.egeneration.co](http://www.egeneration.co)
- e) The members will be able to submit their question(s)/comment(s) and vote electronically 24 hours before commencement of the AGM and during the AGM.
- f) The Form of Proxy(scanned copy), duly stamped with a revenue stamp of Tk. 20.00 must be sent through email to eGeneration Ltd. share department at [jishan.ahmed@egeneration.co](mailto:jishan.ahmed@egeneration.co) not later than 72 hours before the meeting.
- g) Pursuant to Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, the Annual Report 2020-2021 of the Company shall be sent to the respective e-mail addresses of the Shareholders mentioned in their Beneficiary Owner (BO) Accounts with the depository. In case of non-receipt of Annual Report 2020-21 of the Company through e-mail, Shareholders may collect the same from the Registered Office of the Company by submitting written request beforehand.
- h) In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated 24 October 2013, No Gift/Gift Coupon/Food Box/BiscuitBox/Cash or Cash kind shall be distributed at the Annual General Meeting.

# LETTER OF TRANSMITTAL

All Shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firm  
Dhaka Stock Exchange Limited  
Chaittagong Stock Exchange Limited  
All other stakeholders

**Subject: Annual Report for the period ended 30 June 2021**

Dear Sir(s),

The undersigned on behalf of the Board of Directors and Management of eGeneration Limited is pleased to present herewith the Annual Report for the period ended 30 June 2021, along with the audited financial statements (Statement of Financial Position at 30 June 2021, Statement of Profit & Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and Notes thereon) for your kind perusal and record.

Information given in our Annual Report is complete, full and in line with International Accounting Standard. We hope that the report will be used to you today and tomorrow.

Thank you.  
Very truly yours



**Jishan Ahmed Siddiquee**  
Company Secretary

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# ABOUT US

eGeneration is one of the leading system integration and software solution companies in Bangladesh with a vision to become an Asian technology leader by touching billion lives positively and a mission to transform Bangladesh into an innovative high-tech nation. We have a strong 150-member team consisting of dynamic, highly skilled and best-in-class technical and businesspeople. We have partnered with global tech giants such as Microsoft, SAP, Dell, Oracle, VMWare, Trend Micro, Fortinet, and UiPath to provide end-to-end digital transformation solutions for public and private sectors including modern workplace solutions, business applications on cloud, enterprise resource planning, digital healthcare solutions, cybersecurity, big data analytics, artificial intelligence, blockchain, internet of things, robotic process automation, natural language processing, computer vision and speech technology, and IT infrastructure and consultancy services.

eGeneration is the only Bangladeshi Licensing Solutions Partner and Gold Partner of Microsoft, and the only Gold Partner of SAP in the country. We are the first software technology company in Bangladesh to get publicly listed in both Dhaka Stock Exchange and Chittagong Stock Exchange. Our focus industries are financial services, healthcare, government, manufacturing, and education sector.

Some of our most notable customers in Bangladesh are various ministries of the Government of Bangladesh including Ministry of ICT, Ministry of Planning, Ministry of Health; Sonali Bank – the largest state-owned bank; Robi and Banglalink – the second and third largest telco companies; bKash – the largest MFS company; S Alam Group – one of the largest conglomerates; leading private commercial banks including Dutch-Bangla Bank, Pubali Bank, Bank Asia, Dhaka Bank, Prime Bank, Premier Bank, Mercantile Bank and Trust Bank; BRAC University – one of the leading private universities; Bangladesh Army, and Border Guard Bangladesh among others. We are also providing advanced IT solutions developed with emerging technologies to international clients in more than 10 countries including USA, Canada, UK, Japan, UAE, Saudi Arabia, Denmark, Russia, India, Philippines, and Uganda.

Our exponential growth, prospect and value creation have already onboarded large local conglomerates in Bangladesh like United Group, Olympic Industries, Elite Holdings; leading financial institutions like United Finance; and renowned international venture capital

firms like AT Capital, Vanguard, Sonora Peak Ventures as investors.

## OUR FOUR PILLARS

1. Microsoft solutions on cloud including modern workplace, security solutions, Azure cloud applications, data visualization and reporting, and robotic process automation
2. SAP on cloud with business intelligence including enterprise resource planning, and large-scale system integration
3. Health-tech solutions with analytics including Hospital Management Information System (HMIS), ICU Over the Cloud, Tele-radiology, Telemedicine, and AI-enabled Chatbot
4. Solutions developed with emerging technologies such as blockchain, natural language processing, artificial intelligence, machine learning, and computer vision technology

## OUR IMPACT PROJECTS

At eGeneration, we believe in generating profit with a purpose and use technology for the greater good. We wanted to establish ourselves as not only a profit-making venture but also as an organization that puts emphasis on environment, society, and governance (ESG) to create meaningful positive impacts on the lives of millions of people. Since our inception, we have tried to choose our projects keeping this objective in mind. These are some of our most notable impact projects:

- We developed the COVID-19 dashboard for Honorable Prime Minister's office which monitors the coronavirus situation while protecting and serving 170 million people in Bangladesh
- We initiated "Shohojoddha - a Plasma Network" in partnership with Ministry of Health and Ministry of ICT to connect critical COVID-19 patients with convalescent plasma donors
- We developed Hospital Management Information System for two large government hospitals
- We developed Fertilizer Recommendation System in partnership with Ministry of Agriculture to help more than 15 million farmers in the country
- We are creating a Learning Management System with Ministry of ICT to develop skilled human resources and reduce youth unemployment
- We enabled virtual court for the judiciary system during the pandemic through which more than 120,000 cases were disposed of, and over 80,000 people were granted bail.



# PRODUCT & SERVICES

## 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 the management to make fast and data-driven decisions based on the latest information. eGeneration has developed management 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.

## 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

- 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.

## LEARNING MANAGEMENT SOLUTION

The Learning Management Solution" software platform is used for course development and delivery, management, administration of subject-specific courses using recorded and LIVE lessons for the for the educational institutions, government and corporate organization. The system will help the learner to learn and develop their skills. The learning journey can include but is not limited to video tutorials, including text, workbooks, MCQ after every topic, reflection practices and assessments, etc. The solution must have a built-in assessment facility to justify what learners have learned from the lesson. The learning journey may include recommendations towards the final assessment to get the certification. Analyzing the demand for online courses these services are broken down to the course platform and development as follows:

- **Traditional online courses:** Courses that follow a traditional curriculum facilitated and delivered

online instead of in a classroom. They are often offered by colleges and universities and facilitated by an accredited instructor or professor. Traditional online courses typically follow its counterpart traditional course's requirements and guidelines, including lecture schedules and assignment deadlines.

- **Massive Open Online Courses (MOOCs):** Often short, stand-alone courses. Lectures are pre-recorded and accessible 24/7. There is no deadline to complete a MOOC and the course provider does not necessarily have to come from a college or university. In fact, it will not be confined to university restricted media rather cover a broad number of learners from individual to corporate personnel.

## HOSPITAL MANAGEMENT INFORMATION SYSTEM

The hospital management system (HMS) is designed as an integrated software that have different directions of to manage regular hospital workflows. It manages smooth healthcare performance along with administrative, medical, legal, and financial control. That is a foundation for the fruitful operation of the healthcare facility. The hospital management system provides certain automation of many vital daily processes to unify and simplify the work of healthcare professionals as well as their interactions with patients. The hospital management system feature list is concentrated on providing the smooth experience of patients, staff, and hospital authorities. Quality and security remain the main criteria of the medical industry. It is also known for the constant and rapid changes to improve the efficiency of medical services and satisfaction of the patients. It provides complete solutions package assuring remote and real-time capabilities with automation and predictive engine.

Hospital management has significantly changed over the last decades. Business expertise, modern technologies, connected devices, mobile apps, and knowledge of healthcare are key elements for the implementation of hospital management system project. The number of healthcare providers has increased, and the patients have a wide choice of medical specialists. The interactions between the hospital and the patient can be simplified for the convenience of both sides. Each institution can create the efficient, clear and fast delivering healthcare model.

Depending on the hospital management system software features, it can deal with a lot of tasks. It helps to outline and implement policies, guarantee communication and coordination between employees, automate routine tasks, design the patient-oriented workflows, advertise services,

manage human and financial resources, and provide the uninterrupted supply chain. The components of a hospital information system can be chosen and combined in the general system that meets the needs and norms of the healthcare industry as well as quality standards.

#### **OUR HOSPITAL MANAGEMENT INFORMATION SYSTEM SOLUTIONS INCLUDE:**

- TDMS – Telemedicine and Disease Management Solutions
- EDSIMS- Enterprise Drug and Supplies Procurement and Inventory Management System
- HIMS- Hospital Inventory Management System
- EMRS - Electronic Medical Record System's Requirements Analysis
- RAMS-Registration and Appointment Management System
- MIMS- Medication Information Management System
- PMS- Pharmacy Management System
- ABS-Automated Billing System
- LPS – Local Purchase System
- PHRMS – Population Health Research and Management System
- EXECUTIVE DASHBOARD
- Automated Integration of Administrative Data Management System
- Data Reporting System
- HIMS eTraining Software
- Security Software

#### **CLINIC & DIAGNOSTIC MANAGEMENT SYSTEM**

Clinics have been popular with patients with minor ailments and also for certain specialties. They provide easy access to healthcare without having to go to hospitals. For a visit with a dentist or an ophthalmologist, most people visit a doctor at their clinics than spend time waiting at a hospital. Other than specialized clinics, general health clinics in remote locations play a huge role in providing healthcare services where access to hospitals may not be easy. Primary healthcare centers across the country conduct vaccination camps, regular health check-ups in regions which may otherwise suffer from lack of healthcare.

Even though the number of doctors in a clinic may be low, there is a steady stream of patients, and it may not be easy to handle them. It may not be easy to maintain the records of the patients in a small-scale clinic for long durations. A clinic management

software provides a suite of functionalities that makes it easy to manage a clinic.

A clinic management system is used to manage the patients, the appointments, the doctors' schedules, prescriptions, manage the inventory, etc. It makes the otherwise difficult task of managing a clinic. These days, clinic management systems come with android and iOS apps with which the doctors can check their schedule and patients can book appointments, manage prescriptions, etc, and may provide SMS or email notifications regarding appointments. They are more or less a lighter version of a hospital management system, with more focus on the clinic's specialization.

#### **OUR CLINIC & DIAGNOSTIC MANAGEMENT SYSTEM SOLUTIONS INCLUDE:**

- EMRS(SRS) - Electronic Medical Record System
- RAMS(SRS)- Registration and Appointment Management System
- DMS - Diagnostics Management System
- MDI- Medical Devices Integration
- Prosthesis documentation
- Report module
- Statistics module
- Video module
- Processing of CT and MRT series
- Hanging protocols
- Mammography diagnosis
- Speech recognition systems
- Telemedicine
- Distributed archives
- Patient registration and scheduling
- Patient list management
- Modality interface using worklists
- Workflow management within a department of radiology
- Request and document scanning
- Result entry
- Digital reporting (usually using Voice Recognition (VR))
- Printableslike patient letters and printed reports
- Patient tracking
- Interactive documents
- Creation of technical files
- Consent management.
- EMRS (eTraining)
- DMS eTraining Software



## BHAG/VISION

To become an Asian technology leader by touching billion lives positively.

## PURPOSE/MISSION

- To transform Bangladesh into an innovative high-tech nation.
- To ensure people's well-being, alleviate pain, and reinstate health by leveraging technology.



## CORE VALUES

- Customer: To be customer's trusted adviser through innovation and thought leadership with a can-do professional attitude.
- People: To be the most preferred employer by empowering team members to reach their fullest potential and rewarding wealth creation.
- Culture: To establish a happy and fun organization based on care and collaboration in pursuit of excellence.
- Stakeholder: To ensure sustainability and uphold shared value principles.

# CORPORATE DIRECTORY

## BOARD OF DIRECTORS

1.	SM Ashraful Islam	Chairman
2.	Shameem Ahsan	Managing Director
3.	Syeda Kamrun Nahar Ahmed	Director
4.	Ariful Hasan	Independent Director
5.	Md. Eshaque Ali Khondakar, FCA	Independent Director
6.	Dr. Mohammed Shafiul Alam Khan	Independent Director
7.	Dr. Md. Musfiqur Rahman, FCMA	Independent Director

## AUDIT COMMITTEE

1.	Mr. Md. Eshaque Ali Khondakar, FCA	Chairman
2.	Mr. Ariful Hasan	Member
3.	Dr. Md. Musfiqur Rahman, FCMA	Member

## NOMINATION AND REMUNERATION COMMITTEE

1.	Mr. Ariful Hasan	Chairman
2.	Mr. Md. Eshaque Ali Khondakar, FCA	Member
3.	Dr. Mohammed Shafiul Alam Khan	Member

## STATUTORY AUDITORS

FAMES & R,  
Chartered Accountants

## CORPORATE GOVERNANCE COMPLIANCE AUDITORS

Ashraf Uddin & CO.,  
Chartered Accountants

## LEGAL ADVISORS

Sajed Sami Ahammad  
Managing Partner  
Ahammad, Jonaed and Partners

## Authorized Capital

Authorized Capital Amount	100,000,000
Paid-Up Capital Amount	750,000,000
Face-Value Per Share	10

## Listing in Stock Exchange

DSE	23-Feb-2021
CSE	23-Feb-2021
Trading Code	EGEN

## BANKERS

Brac Bank  
Dutch Bangla Bank Ltd.  
Standard Bank Limited  
Meghna Bank Ltd.  
Social Islami Bank Limited  
Shimanto Bank Ltd.  
Agrani Bank Limited  
Prime Bank Limited  
Trust Bank Ltd.  
Bank Asia Ltd.  
Eastern Bank Ltd.  
Jamuna Bank Ltd.

## REGISTERED OFFICE

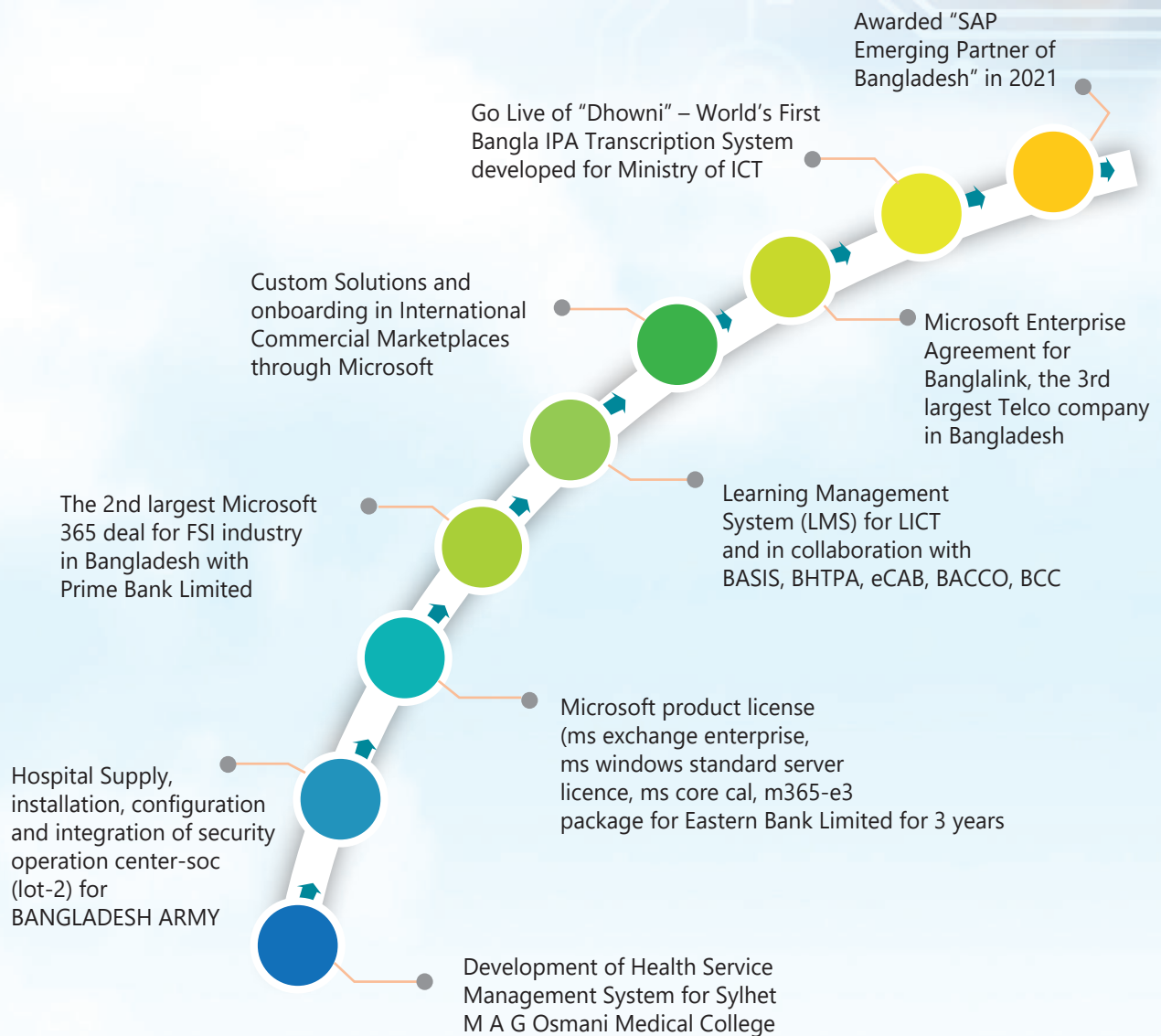
Saimon Center, 5th Floor  
House# 4/A, Road No. 22, Gulshan-1  
Dhaka-1212, Bangladesh.  
Email: info@egeneration.co  
Web:www.egeneration.co  
Phone: +88 02 2222 93076  
Fax :+88 02 2222 89177

## AWARDS AND RECOGNITIONS

### Accolades in Recent Years

- Awarded as Modern Workplace Security Partner of the Year, Modern Workplace Teamwork Partner of the year, and SAP on Azure Partner of the Year at the virtual award ceremony organized by Microsoft South East Asia New Markets2020 Partner Awards.
- Emerging Partner of the Year 2020 from SAP for contribution in evolving the Digital Transformation Ecosystem of the country
- Modern Licensing Solution Partner FY19 from Microsoft for successful implementation of workplace security, team collaboration, analytics, and cloud solutions
- ASOCIO ICT Awards 2019 in the "Outstanding User Organization" category
- Best Stall Award at Digital World 2017
- 'South Asian Business Excellence Awards 2017' Awarded in 'Best Employer Brand Award' Category.

# YEAR AT A GLANCE





# GLOBAL AFFILIATION



Computer software, consumer electronics, personal computers



Database Software Solutions, enterprise software and IT solutions



Cybersecurity solutions



Robotic process automation



Software products for IT security



Enterprise software to manage business operations and customer relations



Cloud computing and virtualization technology



Networking hardware, software, telecommunications equipment



Cyber security software



Telecommunications equipment, consumer electronics & Cloud service provider



Develops, sells, repairs, and supports computers and related products and services



Advanced firewalls and cloud-based offerings that extend those firewalls to cover other aspects of security



Open source software products to enterprises



Cybersecurity and anti-virus



E-Mail Security Gateway



## COMPLIANCE AND ETHICS

The management is fully committed to compliance and the senior leaders serve as anchors and have a pivotal role to play in implementing the compliance interventions. The compliance management framework is managed by the in-house compliance function. The function is adequately staffed with compliance managers who are responsible for establishing business and industry-specific standards in all units across the organization. Adherence to compliance obligations is among the subjects covered in audits by the eGeneration Internal Audit function. Observations from such audits are placed before the Audit Committee and the Board of Directors.

### CORPORATE ETHICS

Ethical behavior is intrinsic to the way we conduct our business. We comply with all regulatory laws and corporate governance code and adopt the best practices. Our focus on embracing ethical operations that are compliant with the laws of the land is enshrined in our core values that shape everything we do at our company. Leadership engagement on topics such as sustainability, corporate social responsibility,

corporate governance and membership in different industry bodies helped the organization augment its reputation at local, national and international levels.

### COMMITTED TO COMPLIANCE

Our sense of compliance spawns from our culture, and our top leadership sets the tone on compliance, taking a rigorous stance to comply with all statutes and regulations. Further, we are also committed to meeting regulatory requirements that are issued from time to time by our regulators. Our compliance department owns the responsibility of observance to all rules and guidelines.

As a publicly-listed company, we are subject to many laws and regulations where the consequences of non-compliance could have a material effect on our organization. Our auditing standards and procedures help us to identify non-compliance with laws and regulations. Our high levels of compliance is reflected in the fact that we have not received any major regulatory censure since our inception.

# DIRECTORS' PROFILE



## SM Ashraf Islam

### Chairman

Appointed as a Chairman on 27 October 2021  
Date of Appointment: 10 April 2018  
Committee Membership: None

Mr. SM Ashraf Islam, an IT enthusiast and tech-entrepreneur is the Chairman (Nominated Director of eGeneration Sourcing Ltd.) at eGeneration Ltd. By being a vital part of eGeneration, Mr. Islam has been working to revolutionize the digital transformation of Bangladesh through initiating and implementing several projects in government organizations. Mr. Islam has remarkable contribution in public health service delivery and public service delivery by mentoring the eGeneration technology team to develop national COVID-19 dashboard for managing COVID-19, Hospital Management Information System for two large government hospitals, Learning Management System, Virtual Court etc.

Previously, as an Additional Secretary, Government of Bangladesh, he contributed to policy formulation, service innovation and transformation of public service delivery through ICT interventions at national level. Mr. Islam has phenomenal experience in health service delivery and related policies.

SM Ashraf Islam was also the Executive Director of Bangladesh Computer Council (BCC) which allowed him to play a pivotal role in the adoption of ICT for public service delivery. A renowned tech influencer in the country, he led a team of around 500 people for the execution of initiatives to materialize "Vision 2021: Digital Bangladesh".

Shameem Ahsan is a VC & PE Investor, Co-Author of Startup Kingdom, Startup ecosystem builder, and General Partner of Silicon Valley based Pegasus Tech Ventures, a US\$ 1.6 billion fund. Pegasus has invested in over 180 startups globally including SpaceX, Airbnb and Gojek.

Shameem is the Chairman of Silicon Valley based World Social Innovation Forum founded by impact investors and social innovators from more than 50 countries and has emerged as global voice for social innovators, impact investors and startups.

He has founded eGeneration, the first Software company in Bangladesh to get approval for IPO. He is a member of the Prime Minister's Digital Bangladesh Task Force from the private sector, which is the highest policy making body to monitor and implement the vision of building Digital Bangladesh and has received "Best Young Entrepreneur" award from the Prime Minister of Bangladesh.

He is the Founder President of Venture Capital & Private Equity Association of Bangladesh (VCPEAB) also founder and Past President of TiE in Bangladesh. He was also Past President of Bangladesh Association of Software & Information Services (BASIS).



## Shameem Ahsan

### Managing Director

Date of Appointment: 08 November 2004  
Last Re-appointment: 24 December 2019  
Committee Membership: None

# DIRECTORS' PROFILE



**Syeda Kamrun Nahar Ahmed**

**Director**

Date of Appointment: 18 May 2017

Last Re-appointment: 30 December 2020

Committee Membership: None

She chaired the BASIS Standing Committee for Digital Commerce advocating the use of online platforms for businesses and works closely with other industry stakeholders to formulate policies and support the companies through maintaining liaison with the Government and concerned Ministries. She is a Director of BWIT (Bangladesh Women in IT) and a member of IEB (Institute of Engineers, Bangladesh). Syeda received a US State Department Fellowship in 2014 for Entrepreneurship development.

Ariful Hasan, Independent Director of eGeneration Limited, 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).

As the CEO of e-Soft, he played a significant role to develop gradually into a leading Web-Based Solution firm in Bangladesh and the Founder of doctorsbd.com, First Health and Medical based web portal in Bangladesh. His company has been focusing on Local and International Web and E-commerce Development. He achieved a 7 times Award for Best Science Project, organized by the Ministry of Science Information and Communication Technology, also he achieved 32 awards for attending various "Science and IT Fair". He regularly participates in seminars, conferences, and meetings.

He participated in international conferences and Exhibitions as BASIS Delegation in India, Turkey, Sweden, Netherlands and Denmark, Korea, Japan, USA. He has led IT, industry teams, to negotiate on behalf of IT business houses with different departments of government and development partners.

He was Organizing Member: BASIS Softexpo 2011,2012, Convener: BASIS IT Innovation Search (Abiskarer Khoje), 2012, Convener: PR and Media, BASIS Softexpo, 2011, 2012, 2014, Director BASIS (2014-16). He was 3 Times Country Lead (Bangladesh) of World Largest Scientific Hackathon "NASA Space Apps Challenge" Organize by National Aeronautics and Space Administration (NASA). Mr. Ariful participates 52 times in Local and International IT & Science Fair, Hackathon, Startup, Idea competition as JUDGE. He is also the convener of the country's first space innovation summit and Mentors and Selection Committee Member of the innovation & Fellowship Fund under the Ministry of ICT.

He is now working for "Bangladesh Innovation Forum" To ensure the progress of Bangladesh and the youth through the innovative thinking of young innovators as the Founder of this forum. Recently Mr. Hasan completed First Astronauts Training from US Space and Rocket Center, Hustvell, Alabama, USA.

Syeda Kamrun Ahmed is an award winning highly accomplished entrepreneur in the ICT industry, engineer, business analyst and academician. She has over 14 years of experience in the ICT industry and as an academician. She has received numerous awards over the years including JCI TOYP 2016, Best eCommerce website from BBJF (Bangladesh Business Journalists Forum), BEST IT USE Award for her work with e-Generation Ltd. For her stellar academic results in MBA, she was awarded the Chancellor's Gold Medal from North South University. She has also won numerous accolades in the world of debating, including the Best Debater Award at the S.O.S. International Championship.

Syeda is currently the Director of eGeneration Ltd., eGeneration is one of the leading system integration and software solutions company in Bangladesh with a vision to transform Bangladesh into an innovative high-tech nation.

Prior to that, she was also a faculty member for BBA & MBA Program at Southeast University. She has worked with different Development agencies in the past such as CBI-Netherlands as well as ITC- Switzerland.



**Ariful Hasan**

**Independent Director**

Date of Appointment: 10 April 2018

Last Re-appointment: 10 April 2021

Committee Membership: Audit Committee, Nomination & Remuneration Committee

## DIRECTORS' PROFILE



**Md. Eshaque Ali Khondakar, FCA**

**Independent Director**

Date of Appointment: 06 January 2021  
Committee Membership: Audit Committee,  
Nomination & Remuneration Committee

With more than 11 years of experience in different industries as a Chartered Accountant (CA), Md. Eshaque Ali Khondakar FCA has expertise in achieving organizations' corporate objectives.

He is the current Chief Financial Officer (CFO) of Matam Fibre Mills Ltd. one of the largest Yarn manufacturing companies in Bangladesh. Prior to moving here, he was a Manager at M.J. Abedin & Co. 2013, which is one of the leading Chartered Accountancy (CA) firms of Bangladesh, and an Independent Member Firm of Moore Stephens International Ltd. UK.

Mr. Khondakar became FCA from The Institute of Chartered Accountants of Bangladesh (ICAB). He completed his MA in English from Jahangirnagar University, and BBA in Finance from Northern University Bangladesh with a CGPA of 3.99 out of 4.00. He has also completed his LL. B from the National University.

Additionally, he is a member of The Institute of Certified General Accountants of Bangladesh (ICGAB), and Income Tax Practitioner (ITP) from National Board of Revenue (NBR).

Dr. Mohammed Shafiul Alam Khan, Independent Director, eGeneration, is currently working as a Director and Associate Professor of the Institute of Information Technology (IIT) at the University of Dhaka.

Mr. Alam has more than 15 years of teaching experience in the Information Technology sector. He received his Ph.D. in Information Security from Royal Holloway, University of London, Egham, United Kingdom.

He did his B.Sc. and M.Sc. in Computer Science and Engineering from Department of Computer Science, University of Dhaka after completing his SSC and HSC from Mirzapur Cadet College. He also completed his MBA from Institute of Business Administration (IBA), University of Dhaka.

A Commonwealth Scholar, Mr. Alam has received numerous scholarships for his academic excellence throughout his career. He received the undergraduate merit scholarship awarded by the Government of Bangladesh. He worked with different organizations home and abroad (i.e., GSMA London; NTT Neomeit, Japan; GIZ Bangladesh) at different role. Mr. Alam is actively doing research on data security, web and application security, system security, security economics and technologies relevant to the Fourth Industrial Revolution (4IR).



**Dr. Mohammed Shafiul Alam Khan**

**Independent Director**

Date of Appointment: 06 January 2021  
Committee Membership: Nomination &  
Remuneration Committee

## DIRECTORS' PROFILE



**Dr. Md. Musfiqur Rahman, FCMA**

**Independent Director**

Date of Appointment: 06 January 2021

Committee Membership: Audit Committee

Dr. Md. Musfiqur Rahman, Independent Director, eGeneration, is working as an Associate Professor in the Department of Accounting and Information Systems, University of Dhaka. Earlier, he worked as an Assistant Professor and Lecturer in the same department of University of Dhaka. He has working experience as guest faculty in other public and private universities of Bangladesh.

Dr. Md. Musfiqur completed Ph.D. under the supervision of Professor and Dean Dr. Kazumi Suzuki, in the Graduate School of Business Administration, Kobe University, Japan in 2017. His Ph.D. research topic is "CEO compensation and Corporate Governance: Empirical Evidence from Listed Banks of Bangladesh."

He is interested in corporate governance, management compensation, corporate reporting, and disclosure related research. He attends local and international conferences and seminars regularly. He received the 'Second Best Paper Award' for the paper of "Disclosure Quality of CEO compensation and Its Determinants: Empirical Evidence from the Listed Banks of

Bangladesh" in the International Conference on Business and Economics at the University of Dhaka, Bangladesh. He also received 'Second Best Paper Award' in the 6th Asian Management Research and Case Conference for the paper titled 'Quality of Corporate Governance and Its Determinants: Empirical Evidence from Listed Banks of Bangladesh'. He presented the paper titled 'Determinants of CEO Compensation: Empirical Evidence from Listed Banks of Bangladesh' in 'The 7th International Conference of the Japanese Accounting Review' organized by Kobe University, Japan. He has published more than twenty research papers in renowned international and domestic journals. He is working as a 'Reviewer' in national and international journals.

He is the fellow member of Institute of Cost and Management Accountants of Bangladesh (ICMAB), one of the leading Professional Institute of Bangladesh. He is working as a 'Consultant' in ICMAB since January 2019.

He works as a resource person in Bangladesh Institute of Capital Market (BICM), The Institute of Cost and Management Accountants of Bangladesh (ICMAB), and National University in Continuous Professional Development (CPD) program, conference, seminar, and training sessions. As a professional, he worked as a 'member of the Expert Panel for reviewing the draft/red-herring prospectus/Information of Dhaka Stock Exchange (DSE)'.

Dr. Md. Musfiqur received Japanese Monbukagakusho Scholarship (MEXT) for pursuing Ph.D. from October 2013 to March 2017. He stood the first position in both MBA and BBA program in the Department of Accounting and Information Systems, University of Dhaka and achieved 'ABM Khaled Memorial Trust scholarship Award' and 'UGC Merit Scholarship Award' in BBA program. He enlisted his name in the prestigious 'Dean's Merit List' and 'Dean's Honor List' in both MBA and BBA program. He stood 20th position in order of merit in SSC in Dhaka Board and received a gold medal from Badda Alatunnesa High School. He was also the recipient of the Government Scholarship for SSC & HSC results.

# CHAIRMAN'S STATEMENT

## Dear Esteemed Shareholders,

We hope you and your families are healthy and safe. The world and the humanity are witnessing an unprecedented pandemic with highest impact on our life as well as on business. For us the financial year 2020-21 was marked not only by its challenges due to COVID-19, but also by how people of our company came together to fight it. We all know how difficult it was to continue operation during the ups and downs of COVID-19 surge in accordance with the advisories issued from time to time by the Government, and other health authorities, strictly adhering to the prescribed safety protocols.

Even amidst the surge of COVID-19 infections in Bangladesh and around the world, the employees of our company worked relentlessly and closely with the customers, to achieve project goals as per timeline. eGeneration worked tirelessly with the people of our country and the government by assisting with provisioning of Information Technology to tackle the pandemic effectively along with the policy makers, duty bearers and people in need. The commitment and grit shown by our employees, during these unprecedented times, is worth to be mentioned exemplary. My heartfelt thanks and gratitude to all of them.

Throughout the year, your company remained committed to its deliverables, in partnering with the government our engineers, business analysts, project managers have shown highest level of commitment in building and functioning National Covid Dashboard to manage this pandemic through data driven decision making. We have extensively partnered with public, private, industry, academia in health sector to stand by the side of distressed humanity. Even in the darkest days of COVID-19 pandemic we have continued our efforts and achieved major milestones of our ongoing projects.

We have continued to learn and grow. Our major focus was to achieve efficiency, growth and increased profitability to build wealth for our esteemed shareholders to honor the trust you have bestowed upon us through investing in eGeneration. We are learning from the world. We are continuously training and developing our work force to compete the world in the age of industry 4.0 with a view to transforming

Bangladesh into an innovative hi-tech nation.

We have a strong 150-member team consisting of dynamic, highly skilled and best-in-class technical and business professionals. We have partnered with global tech giants such as Microsoft, SAP, Dell, Oracle, VMWare, Trend Micro, Fortinet, and UiPath to provide end-to-end digital transformation solutions for public and private sectors including modern workplace solutions, business applications on cloud, enterprise resource planning, digital healthcare solutions, cybersecurity, big data analytics, artificial intelligence, blockchain, internet of things, robotic process automation, natural language processing, computer vision and speech technology, and IT infrastructure and consultancy services. We won deals from sectors such as healthcare, banking, manufacturing, defense, large conglomerates, and public sector. Some of the high value deals during the period includes digital healthcare transformation of a large public hospital in Sylhet; EdTech, computer vision and speech recognition solution for government of Bangladesh; Solutions developed on Microsoft cloud platform for leading private commercial banks and large conglomerates, and solution for defense.

We are also providing advanced IT solutions developed with emerging technologies to international clients in more than 10 countries including USA, Canada, UK, Japan, UAE, Saudi Arabia, Denmark, Russia, India, Philippines, and Uganda.

## OUR COLLABORATIVE VISION

Bangladesh is making great progress in economic and social development. Vision 2021, Digital Bangladesh empowered the country travel the path of development with ease and speed. Digital Bangladesh vision is materialized by achieving the status of middle-income country surprising the world. Unprecedented progress is made in the field of Information Technology by bringing in thousands of digital services in the public sector. The big push is transforming the financial sector, Gov-tech, Health-tech, Edu-tech and what not? With high hope we anticipate even higher growth of our company during the government journey 2041 to become a developed country.

eGeneration has completed this year with some challenges posed by the strict lockdown to contain another wave of COVID-19 pandemic. However, the management and the team members of eGeneration showed resilience and character to minimize the negative

impact of these circumstances. This pandemic also solidified our confidence of achieving our long-term BHAG/ Vision: To become an Asian technology leader by touching billions of lives positively.

**BHAG/VISION**  
To become an Asian technology leader by touching billion lives positively

**CORE VALUES**

- ❑ **Customer:** To be customers' trusted adviser through innovation and thought leadership with a can-do professional attitude
- ❑ **People:** To be the most preferred employer by empowering team members to reach their fullest potential and rewarding wealth creation
- ❑ **Culture:** To establish a happy and fun organization based on care and collaboration in pursuit of excellence
- ❑ **Stakeholder:** To ensure sustainability and uphold shared value principles

**PURPOSE/MISSION**

- To transform Bangladesh into an innovative high-tech nation
- To ensure people's well-being, alleviate pain, and reinstate health by leveraging technology

**eGeneration**

The Annual Report has been prepared in compliance with the Companies Act 1994, Notification of BSEC, Corporate Governance Code-2018 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 2021. eGeneration Limited's business during the period are discussed in this report.

**ACKNOWLEDGEMENTS**

We believe IT is all about people! Before concluding, I once again like to convey my sincere thanks to the dedicated peoples, the employees of eGeneration. Without their efforts and commitment, the Company could not have performed and sustained during these challenging times. I would also like to thank the eGeneration leadership and management, for their continued strong and unequivocal support. I would like to convey my heartfelt thanks to eGeneration Board of directors for their excellent contribution in the journey of the company. It would not be justified if we do not thank Mr. Shameem Ahsan, MD of eGeneration Ltd for his great leadership.

I convey my gratitude to the various Government and Regulatory authorities, Company's valued customers, suppliers, vendors, investors, bankers and shareholders for their continued and resolute co-operation and trust.

Finally, I take this opportunity to once again thank the Board Members and particularly the distinguished Independent Directors for their continued leadership and unwavering support to the Company and its employees. They are always there for us for invaluable guidance and counsel on a myriad of topics, and I truly value their partnership which holds the company to the highest governance and compliance standards.

I wish and pray that this world emerges victorious from the crisis created by the pandemic. I urge each one of you to stay safe and take care of your loved ones.

Thank you

Chairman  
S M Ashraful Islam



# MANAGING DIRECTOR'S STATEMENT

## Dear Shareholders,

The onset of COVID-19 and its continuity in the last two years have affected us all. We've lost our loved ones and have faced numerous challenges during the pandemic. I offer my heartfelt sympathies for all of those who have been impacted by COVID-19 in various ways. At the same time, our ability to adapt to the "New Normal" which has been accelerated by the pandemic is starting to take shape and impacting our customers and society.

Despite facing an unprecedented situation brought about by the COVID-19 pandemic, we mitigated risks from the uncertain business environment, demonstrated our resilience and captured opportunities. 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 earned BDT 475.8 Mn revenue and 106.5 Mn PAT in FY20-21 with an annual growth of 20% and 13% respectively. Many of its customers experienced a long period of business closure and temporary slowdown in investment in their business transformation initiatives. Nevertheless, eGeneration Ltd. continued to perform notwithstanding the hurdles.

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. 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.

eGeneration completed the year with some challenges posed by the strict lockdown to contain another wave of COVID-19 pandemic. However, the management and the team members of eGeneration showed resilience and character to minimize the negative impact of these circumstances and be a crucial stakeholder in revolutionizing sectors such as healthcare, banking, manufacturing, defense, large conglomerates, and public sector. In health-tech, we developed the COVID-19 dashboard for Honorable Prime Minister's office which monitors the coronavirus situation while protecting and serving 170 million people in Bangladesh. We also initiated "Shohojodha - a Plasma Network" in partnership with Ministry of Health and Ministry of ICT to connect critical COVID-19 patients with convalescent plasma donors. Additionally, we developed Hospital Management Information System for two large government hospitals. We're also working on EdTech, computer vision and speech recognition solution for government of Bangladesh; Solutions developed on Microsoft cloud platform for leading private commercial banks and large conglomerates, and infrastructure and networking solution for defense. We delivered productivity solutions including a host of enterprise software such as collaboration tools and task management software under a secure cloud platform to several large conglomerates. These solutions protect and secure organizations data by adhering to compliance and enabling the employees to work in new and flexible ways. We also implemented a real-time License plate recognition system partnering with a corporation in Japan which will be deployed in Myanmar's industrial Zone to automate vehicle access authorization. We finished several milestones of

implementing a Learning Management System (LMS) for the government of Bangladesh that enables learners to experience seamless online learning and the platform can be used for course development as well as delivery, management and administration of subject specific course using recorded and live session. In the ever-changing field of digitalization, eGeneration has been able to offer customized solutions to its clients, assessing their exact business needs and by providing appropriate solutions, future visions and budgeting priorities. Our friendly gesture and timely response have attracted our clients to offer us the first choice for any of their IT needs and in most times remain satisfied with our cost effective and timely response.

We extend our heartfelt gratitude to our investors and shareholders for their continued support and cooperation. 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 18th Annual General Meeting (AGM) and join our journey towards transforming Bangladesh into an innovative high-tech nation.

Thank You



**Shameem Ahsan**  
Managing Director



## SUSTAINABILITY

Creating harmony between people, planet, and prosperity. At eGeneration, we have always built sustainability principles and actions into the strategy, culture, and day to day operations of our company.

In a changed world, business transformation is important to ensure it is more lean, agile and that its strategy, organization process, business models and manpower planning are aligned with the new normal. This ensures greater responsiveness to the needs of customers and readiness to capitalize on the opportunities.

### MANAGING THE CRISIS

With the onset of pandemic, the business continuity plan was immediately deployed. Measures were taken to enable employees work remotely, ensure uninterrupted services to customers. There was a sharp focus on cost management across each business. We looked at opportunities to offshore work, as remote working became a norm. We looked at ways to reduce dependence on third party vendors and sub-contractors and moved worked products in-house by managing our bench optimally. These measures helped us to improve our operational metrics through the year.

### ENABLING SUSTAINABLE WORKPLACE

eGeneration takes pride in being fully compliant with workplace safety regulations and required legal, industry and market requirements pertaining to employee welfare. Our foremost effort is to nurture a healthy and happy workforce that makes the optimum contribution in the workplace every day. Our strong

principles of governance and our well thought through policies, ensure we have a positive impact on people, planet and profit and help us make our workplace sustainable. We are undergoing a 'Great Sustainable Reset' in every sphere of our business activities, especially at the workplace, in the post-pandemic scenario.

### KNOWLEDGE-BASED WORKFORCE

In order to retain employees, it is critical to provide opportunities for them to learn and develop their technical and soft skills. The company provides hands-on job training and in-house and external training sessions based on the identified needs to upskill employees.

### DIVERSITY

Diversity is a critical success factor for eGeneration, because we ensure we have a diverse set of employees who can focus on career growth, secure in the knowledge that the company does not discriminate on any grounds and that it respects human rights.

### GOVERNANCE

We follow best practices in our governance policies, including those dealing with such areas as diversity, bribery, and corruption, and executive compensation.

### SOCIAL

We strongly believe in integrating ourselves with the local communities we serve. We monitor metrics related to human rights, labor standards in the supply chain, and adherence to workplace health and safety guidelines.

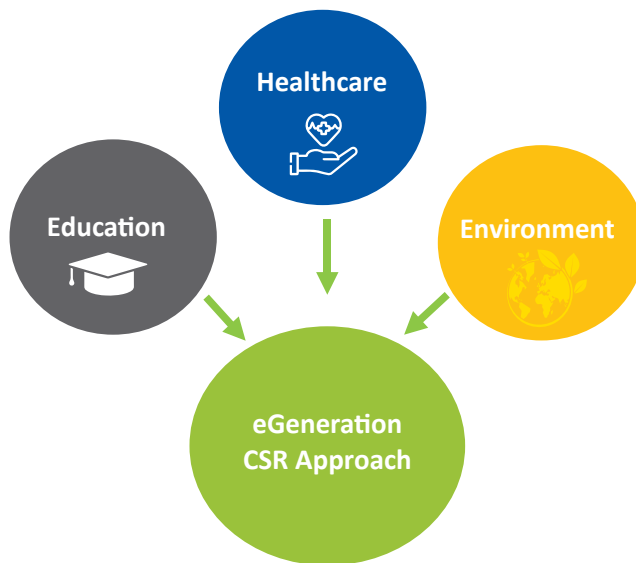


# CORPORATE SOCIAL RESPONSIBILITY

## eGeneration’s CSR Approach

Since the conception as a responsible corporate body eGeneration Limited has undertaken various initiatives considering the interest of customers, employees, shareholders, communities, and environment. These

initiatives go beyond the statutory obligation and mandatory compliance to voluntary activities that promote sustainable development.



This year the focus was on healthcare and contributing to the nation's response to the pandemic.

- Uncertain situation during Covid-19 lockdown Implemented work from home as first company
- Cancellation of physical events and activations

Enhance customer relationship management

- Addressing stakeholders’ queries and potential Customer service enhancement initiatives Complaints

## CSR INITIATIVES

eGeneration's vision focuses on double bottom line that it should make decisions based not only on profit but also on social and environmental consequences is closely linked to the principles of CSR. While most of our environmental impact is indirect, resulting from our financing and investment activities. To breach that boundary our honorable managing director Mr. Shameem Ahsan has been helping founders create social impact by converging business, tech and innovation to solve socio economic problems. He has become the chairman of World Social Innovation Forum (WSIF), a global platform of social innovators, impact investors, policymakers and startups.

World Social Innovation Forum is headquartered in Silicon Valley, and it aims to improve the lives of people and build stronger, healthier communities across the globe. Its approach provides a unique combination of educating, engaging, and connecting leaders in areas like impact investment, digital women entrepreneurship, digital healthcare, digital education, and smart city/village

It has taken several initiatives and formed platforms for the wellbeing of the fellow beneficiary. The growing impact investment market provides fund to address the world's most pressing challenges in sectors such as sustainable energy, agriculture, microfinance, eCommerce, and affordable and accessible essential services including housing, healthcare, and education. It is predicted that 70% of new value creation in the economy over the next decade will be based on digitally enabled platform business models. Entrepreneurs are rapidly adopting a platform approach that can enable multiple players to solve various social issues together and create value for all parties involved. This will facilitate greater economic participation from marginalized populations. With digital healthcare, the traditional means of patient care will be replaced by a less error prone and well-integrated healthcare ecosystem that will alleviate pain, reinstate health, and ensure wellbeing of people. Digital education can enable a student residing in any region of the world to get education from the best educators, schools, and universities through digital platforms. Last but not the least Smart City initiatives which includes smart city technologies those are being developed more rapidly in emerging markets as more pressing needs create better conditions for radical innovation and rapid scale. Startups are playing a vital role in the construction of smart city with their innovation and ability to connect their technological resources in bringing solutions to urban challenges.

The year 2020 was extraordinary for everyone. The

outbreak of COVID-19 turned our world upside down. People and society experienced things they have never encountered in years. This pandemic is trembling the whole world and most of the economic activities are essentially at halt. To facilitate the collection and distribution of plasma from patients who recovered from coronavirus a voluntary plasma platform 'Shohojoddha' – was launched as a joint initiative of ICT Division, Directorate General of Health Services (DGHS), a2i innovation Lab in collaboration with eGeneration limited.

It is a plasma network platform designed with the intent to collect plasma donors and recipients in Bangladesh. In the platform donor can register to become a part of digital plasma bank that will serve the patients who are affected by corona virus. The digital plasma bank network will enable infected patients to search and collect necessary plasma in case of doctors prescribes convalescent plasma therapy. The platform get a list of Covid-19 survivors from the DGHS who will then be contacted based on requirements. eGeneration has initiated this platform in collaboration with other institutions for the well being of the country people at this noble pandemic situation at its own cost of development. Shohojoddha' platform is a continuation of all the government efforts to cure people infected by the coronavirus. Health sector was needed to adopt with digital technologies like this to fight a challenge like COVID-19. eGeneration is delighted to take part in 'Shohojoddha' platform which is the manifestation of the ideology to bring about technology innovation to our health sector. To solve our national problems eGeneration has come forward at this vulnerable situation and took part in doing research with RND partners and researchers successfully. "Shohojoddha" is one of those initiatives that played a vital part in binding different stakeholders to facilitate the plasma distribution in our country.

The COVID-19 calamity is not only responsible for victimizing over 2 million people but additionally, it is adversely affecting the entire human population due to the stress induced by living in isolation during this pandemic along with enduring agonizing consequences on countries' economies. As a response to this catastrophe, eGeneration has taken the initiative to help fight coronavirus by introducing the 'BeatCorona – AI against corona' quest. eGeneration has developed Coronabot and X-ray image analysis tool specifically geared to improve and accelerate the detection of coronavirus. These initiatives have been implemented only with the enormous diligent contribution by the employee who enabled eGeneration to take part in the well being for the country's sake.

eGeneration have developed an AI-powered internet bot named CoronaBot and an X-ray image analysis tool specifically geared to improve and accelerate the detection of the novel

### **CORONAVIRUS**

eGeneration CoronaBot is a self-testing tool that helps users to determine if they are a suitable candidate for a Covid-19 test. This encourages prompt self-isolation to safeguard others from possible transmission and provides healthcare professionals with more time to attend to the critical patients. The CoronaBot is powered with artificial intelligence (AI) to acknowledge and answer users' questions. The bot can also respond to questions asked in English, Bengali, and Bengali to English transliteration.

Another initiative by eGeneration is X-ray image analysis tool using machine learning technology, an effective method to detect Covid-19 from chest X-ray image.

Using this tool, users will be able to identify whether they are healthy, or are suffering from a mild case of pneumonia, or are infected with Covid-19 by simply providing an x-ray image of their lungs to eGeneration BeatCorona. Two machine learning models are used in this tool - Feed-forward Neural Network and Convolutional Neural Network, which are trained with processed data collected from various hospitals of Italy and China. These X-rays will help to facilitate the undertaking of massive screening programmes while speeding up the detection of coronavirus which results

in the successful reduction of transmission, developers hope. This will lessen the burden on healthcare officials who are working tirelessly to examine numerous coronavirus test results.

### **INTEGRATING HEALTHCARE WITH EMERGING TECHNOLOGIES TO FIGHT COVID-19**

eGeneration has been conducting R&D in health technologies for the past two years. The industry 4.0 capabilities acquired from those work enabled eGeneration to develop an AI-based chatbot, an X-ray image analysis tool based on machine learning, ICU over the Cloud, telemedicine and teleradiology solutions which are specifically geared towards improving and accelerating the detection and treatment of coronavirus infection. Recently, the company helped automate five hospitals of Border Guard Bangladesh with 500 beds through its self-developed Hospital Management Information System.

eGeneration will be investing in technology solutions to combat pandemics like Covid-19, as well as to ensure proper healthcare and well-being of people in both local and international spheres for the upcoming years. This will allow to make a significant contribution to the healthcare sector for Bangladesh.

## KEY FINANCIAL HIGHLIGHTS

Particulars	Amount in Taka				
	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Authorized Capital	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Issued, Subscribed & Paid up Capital	750,000,000	600,000,000	600,000,000	600,000,000	99,999,000
Non-Current Assets:	1,159,954,500	1,186,158,076	1,044,901,604	889,602,953	449,505,688
Current Assets:	633,733,778	306,684,856	267,589,164	262,671,572	105,668,226
Total Assets	1,793,688,278	1,492,842,932	1,312,490,768	1,152,274,525	555,173,916
Shareholders' Equity:	1,564,438,737	1,326,698,847	1,233,534,845	1,124,492,651	333,426,766
Non-Current Liabilities:	47,239,548	44,555,230	34,998,341	1,973,994	163,690,070
Current Liabilities:	182,009,992	121,588,855	43,957,581	25,807,880	58,057,081
Revenue	475,831,793	396,321,127	363,945,996	308,899,578	240,996,658
Gross Profit	176,049,326	156,870,538	156,842,931	144,094,357	111,933,887
Operating Expenses	(70,175,476)	(61,782,350)	(44,492,327)	(33,967,800)	(25,157,662)
Profit from Operation	105,873,850	95,088,187	112,350,605	110,126,557	86,776,224
Profit before WPPF & Income Tax	111,834,020	99,238,495	115,739,852	110,126,557	86,776,224
Profit before Income Tax	106,508,591	94,512,852	110,228,430	104,882,435	86,776,224
Profit after Income Tax	105,167,552	93,164,002	109,042,194	104,882,435	86,776,224
Earnings Per Share (EPS) Basic	1.61	1.55	1.82	1.75	6.12
Net Operating Cash Flow Per Share Basic (NOCFPS)	0.03	1.35	1.93	4.57	8.42
Net Assets Value (NAV) Per Share	23.95	22.10	20.56	18.74	33.34

Name of the Ratio		30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
<b>A. Liquidity Ratios</b>						
1	Current Ratio (Times)	3.48	2.52	6.09	10.18	1.82
2	Quick Ratio (Times)	2.27	1.24	4.46	9.97	1.7
<b>B. Operating Ratios</b>						
1	Accounts Receivable Turnover Ratio (Times)	3.02	4.68	5.74	4.54	3.93
2	Inventory Turnover Ratio (Times)	85.04	68.15	63.72	40.46	17.71
3	Assets Turnover Ratio (Times)	0.29	0.28	0.3	0.36	0.56
<b>C. Profitability Ratios</b>						
1	Gross Margin Ratio (%)	37.00%	39.60%	43.10%	46.60%	46.40%
2	Operating Income Ratio (%)	22.25%	24.00%	30.90%	35.70%	36.00%
3	Net Income Ratio (%)	22.10%	23.50%	30.00%	34.00%	36.00%
4	Return on Assets Ratio (%)	5.86%	6.60%	8.80%	12.30%	20.00%
5	Return on Equity Ratio (%)	6.72%	7.00%	8.80%	9.30%	26.00%
6	Earnings Per Share (EPS) Basic	1.61	1.55	1.82	2.51	6.12
7	EBITDA Margin	41.46%	45.90%	50.90%	51.50%	53.80%
<b>D. Coverage Ratio</b>						
1	Debt to total Asset Ratio	13%	11.13%	6.02%	2.41%	39.94%
2	Debt to Equity Ratio (Times)	15%	12.52%	6.40%	2.47%	66.51%
3	Times Interest Earned Ratio (Times)	8.10	7.29	34.67	50.18	33.73
4	Debt Service Coverage Ratio	2.70	3.32	4.32	14.61	7.79
<b>E. Cash Flow</b>						
1	Net operating Cash Flow Per Share Basic	0.03	1.35	1.93	4.57	8.42
2	Net operating Cash Flow Per Share/EPS Basic	0.019	0.87	1.06	1.82	1.37

# REPORT OF THE DIRECTORS WITH ANNEXURE

## 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 2021 together with the Auditors' Report thereon for your consideration and approval.

This is the first time we are presenting the report after listing in Stock Exchanges. The Directors' Report has been prepared in compliance with the Companies Act 1994, Notification of BSEC, Corporate Governance Code-2018 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 2021 in eGeneration Limited's business are discussed in this report.

## GLOBAL SOFTWARE INDUSTRY

The software industry today is \$205Bn market that drives many technological and social innovations. The industry contributes to overall productivity and economic growth due to competitiveness and innovation it brings to other industries. Rapid changes in business dynamics in the market are expected to benefit the industry as cloud-based solutions support business operations in changing conditions. Dynamic conditions include economic uncertainty, competitive rivalry, changing regulations, internet usage and applications. The global SaaS industry is expected to grow to \$272Bn in 2021 at a CAGR of 20.8%. The growth is likely to be driven by companies rearranging their operations and recovering from COVID-19. Top 100 companies Microsoft, IBM, Oracle, SAP, EMC, etc. More than 50% of these companies' activities are based in Asia, especially India, China and other developing economies, which are also the main source of majority of their revenues. The industry is expected to reach \$437Bn in 2025 at a CAGR of 12.5%.

With companies prioritizing revenue growth, companies are diverting their attention to address the plethora of changes brought about by technology and innovation. Cloud computing has given rise to fundamental changes from Software as a Product to Software as a Service. The exploding popularity of smartphones and consumerization of technology are blurring the lines between enterprise and consumer software markets. These are causing software companies to rethink their business model, foster collaboration, and focus on customer centricity.

Concerns over data security and privacy will also be a crucial factor that software industry must consider in the future.

## BANGLADESH SOFTWARE INDUSTRY

The footprint of Software Development in Bangladesh is modest in comparison to the country's population which is 150 million+ and its GDP. However, in recent years, the software business industry in this country has begun to grow fast and contribute significantly more than before. There are around 4500+ software and ICT companies registered in Bangladesh as of today with over 300,000 local ICT specialists and software developers employed by these companies. Together, these companies meet the demand of \$1.18Bn worth of software in the local industry.

The country has benefited enormously from this strong growth, earning \$800Mn in 2017 from software and service exports. The primary export market is North America, but many IT companies have recently begun to export to EU countries and East Asian countries, particularly Japan.

The Government of Bangladesh plays an important role in the growth of Software Development in Bangladesh through its vision 2021 of achieving a "Digital Bangladesh". From developing ICT-based infrastructure and innovation centers to waiving tax for the software developing companies, the Government is establishing the digitalization of Bangladesh in every sector possible to deliver services to the people's doorsteps. In the FY22 budget, the government IT sector to be eligible for tax exemption for 22 Information and Technology Enabled Services (ITES). The tax exemption facility has been proposed to the providers of cloud service, system integration, e-learning platform, e-book publications, mobile application development service, and IT freelancing until 2024. The government also proposed tax exemption, on certain conditions, for 10 years on production of some selective IT hardware if manufactured in Bangladesh. The Information and Communication Technology (ICT) department has been allocated Tk1,721 crore, which is Tk306 crore more than the last financial year.

Additionally, Bangladesh Hi-Tech Park Authority is setting up 39 Hi-Tech Parks/Software Technology Parks in different parts of the country, out of which 7 are ready for investment. Janata Tower Software Technology Park, Sheikh Hasina Software Technology Park, Jessore, and Sheikh Kamal IT Training and Incubation Center, Natore are now operational, according to the government.



Although the software and ITES businesses have been exempted from the corporate tax until 2024, the sector has suffered a lot in the last 15 months due to the pandemic. More local and foreign investments are needed in this sector. To draw investors, the tax exemption period should be extended to 2030 as proposed before the budget. The sooner this announcement comes, the more investors will be interested in investing in the sector.

The proposed allocation for the ICT sector is Tk 1,721 crore, which is Tk 690 crore higher than the last year. Although it is encouraging for the ICT industry that the amount has been raised from that of last year, but this time special attention needs to be given in the software development sector and also to the skilled human resource development which is the backbone of this industry.

Another positive point that has come into the budget proposal that the government has declared tax exemption facility for another six subsectors of the ICT sector namely cloud service providers, system integration, e-learning platform, e-book publications, mobile application development service and IT freelancing until 2024.

Among this six subsectors, e-learning platform and e-book publication are very new domains in our country that has been boosted up a lot in the last year during the pandemic.

### INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS

With digitization and technological advancement, Bangladesh is a prospective place for investments. Bangladesh is growing rapidly due to the smart use of technology to reaching the goal of digital transformation. Technology is improving the accessibility, quality and affordability of all kinds of sectors. The government has encouraging innovation and use of Information Technology for many years and aims to create 'Digital Bangladesh'. The progress of digitization had been improving over the years. eGeneration has completed this year with some challenges posed by the strict lockdown to contain another wave of COVID-19 pandemic. However, the

management and the team members of eGeneration showed resilience and character to minimize the negative impact of these circumstances. We won deals from sectors such as healthcare, banking, manufacturing, defense, large conglomerates, and public sector. Some of the high value deals during the period includes digital healthcare transformation of a large public hospital in Sylhet; EdTech, computer vision and speech recognition solution for government of Bangladesh; Solutions developed on Microsoft cloud platform for leading private commercial banks and large conglomerates, and infrastructure and networking solution for defense.

We delivered productivity solutions including a host of enterprise software such as collaboration tools and task management software under a secure cloud platform to several large conglomerates. These solutions protect and secure organizations data by adhering to compliance and enabling the employees to work in new and flexible ways. We also implemented a real-time License plate recognition system partnering with a corporation in Japan which will be deployed in Myanmar's industrial Zone to automate vehicle access authorization. We finished several milestones of implementing a Learning Management System (LMS) for the government of Bangladesh that enables learners to experience seamless online learning and the platform can be used for course development as well as delivery, management and administration of subject-specific course using recorded and live session.

In the ever-changing field of digitalization, eGeneration has been able to offer customized solutions to its clients, assessing their exact business needs and by providing appropriate solutions, future visions and budgeting priorities. Our friendly gesture and timely response have attracted our clients to offer us the first choice for any of their IT needs and in most times remain satisfied with our cost effective and timely response.

### THE SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

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

Name of the Product	30-Jun-21	30-Jun-20	Increase/(Decrease)
ERP Software	33,489,010	106,747,702	(73,258,693)
CRM Software	2,755,845	3,350,000	(594,155)
Solutions Developed in Microsoft Platform	310,891,630	226,364,111	84,527,519
Database Solutions	8,736,194	8,789,571	(53,377)
Cyber Security Solutions	2,379,591	1,494,343	885,248
Data Analytics	3,984,833	6,410,000	(2,425,167)

HR Management System	579,626	1,828,470	(1,248,844)
Hospital Management Information System	55,295,545	-	55,295,545
Clinics & Diagnostics Management System	7,031,000	-	7,031,000
Fertilizer Recommendation System	261,260	2,500,000	(2,238,740)
Social media Monitoring	360,000	1,850,000	(1,490,000)
Web Designing & Olympus	77,700	843,475	(765,775)
AI & Natural Language Processing	8,857,926	442,896	8,415,030
Networking Solutions	2,968,676	274,538	2,694,138
Data Center Solution	-	6,500,000	(6,500,000)
Digital Platform Development	38,162,958	28,926,021	9,236,937
<b>Total</b>	<b>475,831,793</b>	<b>396,321,127</b>	<b>79,510,666</b>

### RISK & CONCERN

The Board of Directors recognizes the importance of sound risk management practices and internal controls to safeguard shareholder's 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 which are as follows:

#### CREDIT RISK

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable from customers and investment in securities.

The company's revenue is mainly generated from services provided to Bank, Financial Institution, Multinational Corporate, Public and Private companies. The aforesaid clients are renowned organizations and smooth in transaction, therefore, the possibility of default by any of these Parties are significantly less.

#### LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's approach is to ensure, sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking Company's reputation. Typically, the Company always ensures sufficient cash and cash equivalent to meet expected operational expenses including servicing of financial obligation through the preparation of cash forecast, based on time line of payment of financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

### INTEREST RATE RISKS

Interest rate risk is the risk that Company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect Companies having floating rate loans or Companies investing in debt securities.

The Management of the Company is always well informed of interest rates. If the interest rate increases the cost of credit fund will increase. eGeneration has always been a cash-rich Company and operates with low dependence on debt. As the Company maintains very low debt-equity ratio, adverse impact of interest rate fluctuation is insignificant. Moreover, the Company is confident about meeting its needs for future expenses from its internal sources.

### EXCHANGE RATE RISKS

Exchange rate risk occurs due to changes in exchange rates where a company is engaged in global trade as it receives as pays in foreign currency. Therefore, fluctuations in the related foreign currency rates may affect adversely to the company liquidity and profitability and expose a threat to the stability of the company.

The volatility of Taka against USD, GBP, and EURO and the recent trend of local currency devaluation may expose foreign currency risk. In such cases, the management of the company is confident to significantly cushion the foreign currency risk and price escalation risk through forwarding contracts if it is justifiable in terms of the cost-benefit analysis.

### ECONOMIC RISKS

The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities,

commodity and energy prices and various other factors. Any significant changes may adversely affect our business and financials.

Bangladesh's economy is booming during last few years. Consistent industrial growth along with increased agricultural production has made the Per Capita Income higher than that of recent years. Besides, favorable government policies and industry-friendly policies by other regulatory bodies have proven to be congenial for the economy of the country.

### POLITICAL RISKS

The risk that an investment return could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers or military control.

The management of the Company believes that more effective management of political risk shall help the companies in protection of their investments and shall improve the performance of business operation. Management perceives that this requires more integration of political risk management into a systematic process as well as having it be embedded in the Company's other business processes. The management of the Company is fully aware of the potential risk related to political outcome and accordingly, they have taken several safeguards to prevent the financial loss of the Company.

### MARKET RISK

Market risk is the risk that any change in market such as demand of product, foreign exchange rates fluctuation, prices of product, an increase of competition, squeeze of business through cancellation of work order, shifting of customer to another competitor will affect the Company's business.

Globally the demands for IT products/solutions are increasing significantly and the trend is experiencing double-digit growth over the last decade. With businesses looking for IT solutions to increase efficiency and decrease operational expenditure, the industry is still at its nascent stage in meeting expectations and current demands. It is a similar case in Bangladesh, and learning from global best practices as well as avoiding industry mistakes made especially by our neighboring countries, the IT industry in Bangladesh is leap-frogging with meeting local demands and creating new opportunities for exporting its services.

### 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. 299.78 million. The last year's cost

of sales was Tk. 239.45 million. The cost of sales is increased due to the increase in sales and sales related costs.

**Gross Profit:** During the year, gross profit earned was Tk. 176.05 million against last year's gross profit of Tk. 156.87 million. The gross profit margin is increased due to the increase in sales.

**Net Profit:** Net profit (after tax) earned during the year was Tk. 105.17 million compared to last year's Net Profit (after tax) of Tk. 93.16 million. Increase in the sales is the main reason for increase in net profit after tax.

### Utilization of Proceeds from Public Issues, right issues, and/or through any other instruments

Utilization of proceeds from public offering was audited by K. M. Hasan & Co., Chartered Accountants and the report as of month June 2021 is provided in Annexure-5 of this report.

### 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.

There is no decline in financial results of the company after it went for Initial Public Offering.

### Significant variance that occurs between Quarterly and Annual Financial Statements

There was no significant variance between quarterly financial performance and annual financial statements during the year of reporting.

### Significant deviations from the last year's operating results of the Company

#### EXPLANATION FOR SIGNIFICANT DEVIATION IN NOCFPS:

The company has earned revenue in the current year 20% higher than comparative year, Gross profit, and net profit margin by 9% and 13% 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.

### THE IMPACT OF COVID-19 PANDEMIC

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.

Although the Company achieved annual revenue growth of 20% in FY 2020-21, the growth was below anticipated level because of business disruption across industries due to the pandemic which resulted in loss of revenue for the Company. Many of its customers experienced a long period of business closure and temporary slowdown in investment in their business transformation initiatives. As a result, eGeneration Ltd. did not achieve the expected business growth that was assessed before the pandemic.

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.

### **MINORITY SHAREHOLDERS INTEREST PROTECTION**

The Corporate Governance philosophy at your Company emphasizes fairness and transparency to all stakeholders. The Company has a separate investor relation department through which minority shareholders can interact with the management or Board and express their concerns. Any Shareholders can communicate any grievance to the Company Secretary's office, where complaints are tracked to closure. The Board of Directors oversees the redressal of this complaints. The Annual General Meeting is another forum where they can interact with the Board.

### **DIVIDEND**

The Board of Directors has recommended 10% Cash dividend for General Public Shareholder without sponsors and directors on 26 October 2021, for the year ended on 30 June 2021 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholder position on record date i.e. 18 November 2021.

### **DIRECTORS APPOINTMENT/RE-APPOINTMENT AND RETIREMENTS**

#### ***Directors Retiring By Rotation***

In accordance with the relevant provisions of the Companies Act, 1994 and in terms of the Articles of Association of the Company, Mr. S M Ashraful Islam (Nominated by eGeneration Sourcing Ltd.) Retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and Board recommended him for re-appointment.

#### ***Re-appointment Of Independent Director***

Mr. Ariful Hasan, Independent Director, had completed his first term as Independent Director of the Company on 09 April 2021. On the recommendation of the Nomination and Remuneration Committee, the Board, subject to the approval of the shareholders, proposes to reappoint him as Independent Director for a further term of three consecutive years. The Company also has received declarations from Mr. Ariful Hasan to meet the criteria of Independence and qualification in line with the Corporate Governance Code of BSEC.

#### ***Appointment Of Independent Director***

Mr. Md. Eshaque Ali Khondakar, FCA, Dr. Mohammed Shafiu Alam Khan, Dr. Md. Musfiqur Rahman, FCMA have been appointed as an Independent Directors of the Company with effect from 06 Jan 2021. On the recommendation of the Nomination and Remuneration Committee, the Board, subject to the approval of the shareholders, proposes to appoint themselves as Independent Directors for as per Corporate Governance Code of BSEC. The Company also received declarations from themselves to meet the criteria of Independence and qualification in line with the Corporate Governance Code of BSEC.

Brief profiles of the retiring Director, re-appointing and appointing of Independent Directors and the names of the Companies where they have interest is mentioned in the annual report on page no. 18 & annexure-4 as well.

### **CORPORATE GOVERNANCE**

Our Company is listed on the Dhaka Stock Exchange and Chittagong Stock Exchange. The Company has complied with all the applicable conditions set out in the Corporate Governance Code-2018 issued by the Bangladesh Securities and Exchange Commission (BSEC). The certificate required under the said code along with the compliance status of corporate governance code of BSEC has been given in page no. 50 & 63 to this report.

### RE-APPOINTMENT OF STATUTORY AUDITOR

FAMES & R, Chartered Accountants, the present statutory auditor of the Company, retired at this Annual General Meeting, being eligible, offered themselves for re-appointment.

The Board of Directors of your Company has, on the recommendation of the Audit Committee, recommend their re-appointment for the year 2021-2022 at a fee of BDT 3,00,000 (Excluding VAT & Tax).

### APPOINTMENT OF COMPLIANCE AUDITOR

The Board of Directors recommended to appoint Ashraf Uddin & Co. As the compliance auditor of the Company to audit the Corporate Governance Code for the year 2021-2022.

### ACKNOWLEDGEMENT

On behalf of the Board, I would like to acknowledge the continued support and cooperation from our valued shareholders, and the confidence and trust our customers have bestowed in our products and Company. I would like to particularly thank all the employees for their commitment, sacrifice and hard work throughout this COVID-19 pandemic in Bangladesh as we try to develop a recovery strategy for the future. We look forward to your continued cooperation and support as the driving force of honest and sustainable growth of your Company in the future.

On behalf of the Board



Chairman

Date : 26 October 2021

### ANNEXURE-1

Pursuant to Bangladesh Securities and Exchange Commission's Notification on 'Corporate Governance Code' dated 03 June 2018, the Directors also report that:

- No extraordinary gain or loss occurred during the financial year has been explained;
- Details of related party transactions has been presented in Note No. 32.06 in the Notes to the financial statements;
- The amount of total remuneration to Directors including Independent Directors has been presented in Note No. 32.06 in the Notes to the financial statements;
- The financial statements of the Company fairly present its state of affairs, 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 followed in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- The financial statements were prepared in accordance with IAS/IFRS and any departure thereof has been adequately disclosed;
- The internal control system is sound in design and has been effectively implemented and monitored;
- There are no significant doubts about the Company's ability to continue as a going concern;
- Key operating and financial data of at least preceding 5 (five) years have been summarized on page No. 30 of this Annual Report;
- No bonus or stock dividend has been declared as interim dividend during the year;
- The number of Board meetings and attendance of Directors during the year 2020-2021 has been presented in Annexure-2;
- The pattern of shareholding as on 30 June 2021 has been presented in Annexure-3.
- A report on Management's Discussion and Analysis has been presented on page No. 39 of this Annual Report.
- Certification under the Corporate Governance Code the Managing Director and Chief Financial Officer on the financial reporting has been presented on page 64 of this Annual Report.
- Status of compliance of conditions of BSEC's Corporate Governance Code dated 03 June 2018 has been presented on page No. 50 of this Annual Report.
- Certificate regarding compliance condition of BSEC's Corporate Governance Code dated 03 June 2018 has been presented on page No. 63 of this Annual Report.

## ANNEXURE-2

Directors Meeting & Attendance: During the financial year 2020-2021 under review total 09 (nine) Board meetings were held. The Chief Financial Officer, Company Secretary and Head of Internal Audit and Compliance were present in all the Board Meetings. The attendance by each Director is mentioned below:

Name of the Directors	Position	No. of Meetings held during his/her tenure	Meeting attended	Remarks
Mrs. Syeda Kamrun Nahar Ahmed	Chairperson	09	08	Continuing
Mr. Shameem Ahsan	Managing Director	09	09	Continuing
Mr. S M Ashraf Islam	Executive Vice-Chairman (Nominated Director)	09	09	Continuing
Mr. Ariful Hasan	Independent Director	09	09	Continuing & Reappointed for another term of 3 (three) years on 10 April 2021
Mr. Md. Eshaque Ali Khondakar, FCA	Independent Director	04	04	Appointed as an Independent Director on 6 January 2021
Dr. Mohammed Shafiul Alam Khan	Independent Director	04	04	Appointed as an Independent Director on 6 January 2021
Dr. Md. Musfiqur Rahman, FCMA	Independent Director	04	04	Appointed as an Independent Director on 6 January 2021

## ANNEXURE-3

Pattern of Shareholding: As at 30 June 2021

Name & Description of Shareholders	Shares Held	% of Holding
<b>A. Parent/ Subsidiary/ Associated/ Related Parties:</b>		
eGeneration Solutions Limited	5,467,594	7.29
eGeneration B2B Limited	279,102	0.37
<b>B. Directors/MD/CS/CFO/ HIAC and their Spouses and Minor Children:</b>		
Mrs. Syeda Kamrun Nahar Ahmed - Chairperson	6,003,283	8.00
Mr. Shameem Ahsan - Managing Director	17,033,683	22.71
eGeneration Sourcing Limited - Director	4,014,082	5.35
Mr. S M Ashraf Islam - Director (Nominee of eGeneration Sourcing Ltd.)	282,080	0.38
Mr. Ariful Hasan - Independent Director	Nil	---
Mr. Md. Eshaque Ali Khondakar, FCA - Independent Director	Nil	---
Dr. Mohammed Shafiul Alam Khan - Independent Director	Nil	---
Dr. Md. Musfiqur Rahman, FCMA - Independent Director	Nil	---
Mr. Md. Mazharul Islam - Chief Financial Officer	Nil	---
Mr. Jishan Ahmed Siddiquee - Company Secretary	Nil	---
Mr. Anwar Hossain - Head of Internal Audit & Compliance	Nil	---
<b>C. Executives:</b>		
Mr. Swapan Kumar Chakraborty - Director, Business Delivery & Development	Nil	---
Mr. Emran Abdullah - Director, Operations & Sales	100,000	0.13
Mr. Raquib Mahmood Shoeb - Head of Emerging Technology Solutions	Nil	---
Mr. Mohammad Ashadullah Uzzal - Head of e-Governance Practice	Nil	---
Mr. MD. Ariful Islam - Head of Infrastructure & Solutions	Nil	---
	Nil	---
<b>D. Shareholders who hold 10% or more:</b>		
	Nil	---
<b>E. Other shareholders who hold less than 10%</b>		
	41,820,176	55.77
	<b>75,000,000</b>	<b>100</b>

## ANNEXURE-4

Sl. No	Name of Director	Member of Board Committees	Other Directorship
1.	Mr. S M Ashraful Islam	None	None
2.	Mr. Ariful Hasan	Audit Committee, Nomination & Remuneration Committee	e-soft
3.	Mr. Md. Eshaque Ali Khondakar, FCA	Audit Committee, Nomination & Remuneration Committee	None
4.	Dr. Mohammed Shafiul Alam Khan	Audit Committee, Nomination & Remuneration Committee	None
5.	Dr. Md. Musfiqur Rahman, FCMA	Audit Committee	None

## ANNEXURE-5



কে. এম. হাসান এন্ড কোং  
**K. M. HASAN & CO.**  
Chartered Accountants

Hometown Apartments (8<sup>th</sup> & 9<sup>th</sup> Floor)  
87, New Eskaton Road, Dhaka-1000  
Phone: 222221564, 222221457, 58311559  
Fax: 88-02-222225792  
E-mail: info@kmhasan.com.bd  
website: www.kmhasan.com.bd



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### Report on Utilization of Initial Public Offering (IPO) Proceeds For the period from 01 June 2021 to 30 June 2021

Name of the company : eGeneration Limited  
Amount (BDT) of Capital Raised Through IPO : Tk. 150,000,000  
Date of Close of Subscription : 18 January 2021  
Proceeds Receiving Date : 22 February 2021  
Last Date of Full Utilization of Fund as per Prospectus : Within 24 Months from receiving IPO fund

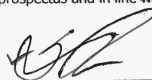
Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus (BDT)	Status of Utilization				Remarks
				Total Utilized Amount (BDT)	Utilized (%)	Total Un-utilized/(Over utilized) Amount (BDT)	Un-utilized (%)	
1	Purchase of Commercial Space for Office	21/02/2023	80,000,000	-	0.00%	80,000,000	100.00%	
2	Loan Repayment		34,000,000	34,000,000	100.00%	-	0.00%	
3	Digital Healthcare Platform Development		18,389,000	-	0.00%	18,389,000	100.00%	
4	IPO Expenditure		17,611,000	17,427,663	98.96%	183,337	1.04%	
<b>Total</b>			<b>150,000,000</b>	<b>51,427,663</b>		<b>98,572,337</b>		

**Percentage:**  
Interest income rate of IPO Proceeds: 3.00%  
Un-utilized IPO proceeds: 65.71%

**Note:**

- Actual application was received almost 40.762 Times.
- IPO Proceeds have been utilized for the purposes/heads as specified in the prospectus and in line with the condition of the commissions consent letter.
- Interest income of IPO proceeds in BDT 940,895.45


  
Chairman

  
Managing Director

  
Chief Financial Officer

Place: Dhaka, Bangladesh  
Dated: 13 July 2021



  
Mr. Hedayet Ullah FCA  
Engagement Partner  
K. M. HASAN & CO.  
Chartered Accountants  
DVC: 2103110281CC512902

# REPORT ON MANAGEMENT'S DISCUSSION AND ANALYSIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Pursuant to the condition no. 1(5)(XXV) of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission, the Management Discussion and Analysis for the year ended 30 June, 2021 presenting the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on as follows:

## ACCOUNTING POLICIES AND ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENT

The financial statements of eGeneration Limited have been prepared in accordance with the International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules, and other applicable laws and regulations in Bangladesh. The financial statements have been prepared on a going concern basis under historical cost convention in accordance with IFRSs. In the preparation of these financial statements, management used available information to make judgements, estimate 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.

## CHANGES IN ACCOUNTING POLICIES AND ESTIMATION OF FINANCIAL STATEMENTS

The changes in accounting policies and estimation are described in the note No. 3 Of the financial statements.

## COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE

The key operating and financial performance of the Company for the last 5 years are annexed on page no 30.

## FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE

Bangladesh is one of the world's fastest growing economy. The size of the economy of Bangladesh has been growing year by year. According to an article published by IMF, Bangladesh economy is projected to grow at 6% in 2021, and it considers Bangladesh to be a low risk of overall and external debt distress. Bangladesh remains an excellent country for investment and we firmly believe that business activity

will continue to flourish.

In FY 2021, COVID-19 pandemic had a profound impact on economies witnessed loss of productivity, increased unemployment etc. To address these adverse conditions governments around the world have provided large emergency lifelines to people and firms. Although global economic activity is growing again, it is not likely to return to business as usual for the foreseeable future, global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below pre-pandemic projections. Global growth is projected to moderate 3.8 percent in 2022, weighed down by the pandemic's lasting damage to potential growth.

## RISK & CONCERN

The risk factors and the management of these factors are set out on the page no 33 of the Directors Report.

## FUTURE PLAN & PROJECTION

The management of eGeneration Ltd. is very sincere in adoption of necessary feasible plans and strategy in respect of operations, performance, financial and sustainability for its foreseeable future. We also focusing on the strategy of exploring new clients locally and internationally and enhancing the customer relationship. The Detailed Future Plan discussed in the directors report.

Thank You,



**Shameem Ahsan**  
Managing Director



# DIVIDEND DISTRIBUTION POLICY

## BACKGROUND AND APPLICABILITY

In compliance with the Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRC-D/2021-386/03 dated 14th January 2021, the issuers of listed securities are required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of eGeneration Limited (herein after referred to as "the Company") has formulated and approved this Dividend Distribution Policy (herein after referred to as "the Policy").

## DEFINITION

Dividend means distribution of profits, earned in the current year or earlier years, by the Company, to its shareholders in proportion to the amount paid-up on shares held by them. Dividend can be cash or stock in types and can also be final or interim. Dividend to be declared on the basis of audited financial statements regardless of interim or final.

The Company can declare dividend after the end of financial year, which is called final dividend. Final dividend shall be declared on the basis of recommendations of the Board and shareholders shall approve at the Annual General Meeting (AGM) of the Company.

The Company can also declare dividend from current year profits, which will be called interim dividend and the Board may, at its discretion, declare an interim dividend out of current profit.

## OBJECTIVES

The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of directors shall recommend dividend in compliance with this policy, the Articles of Association of the Company, the provisions of the Companies Act 1994, relevant Directives / Orders published by the Bangladesh Securities and Exchange Commission and other applicable legal provisions.

The Board will consider the Policy while proposing dividend on behalf of the Company. The Policy is not an alternative to the decision of the Board for proposing dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

## PARAMETERS FOR DECLARATION OF DIVIDEND

The Policy depends on the financial position of the Company, other funding needs related to the investments to be made, conditions in the sector, conditions in the economic environment, Company's present and future performance for declaration and payment of dividend. The Board of Directors shall consider the factors affecting the dividend proposal while arriving at the dividend amount:

### Financial parameters

- Availability of profits;
- Capital expenditure and investment plans;

- Favorable debt equity ratio;
- Company's liquidity position and future cash flow requirements for operations;
- Profits earned during the financial year;
- Profit growth;
- Future requirement of funds.

### Few guiding financial parameters in dividend recommendation will be as follows:

- i) Cash dividend is preferred at least once in consecutive 2 years to avoid the company to be shifted or transferred to the "Z-category" as per BSEC Order vide letter no SEC/CMRRC/ 2009-193/08, dated September 01,2020.
- ii) Cash dividend ratio will be higher or equal to the stock dividend (where stock dividend is valid as per BSEC notifications) ratio to avoid excess tax expenditure as per section 16(F) of ITO 1984.
- iii) The dividend payout ratio and process will be followed by the guideline given by BSEC time to time

### Internal Factors

- Growth rate of past earnings;
- Growth rate of predicted profits;
- Earnings stability;
- Accumulated reserves;
- History of dividends distributed by the Company;
- Working capital requirements;
- Mergers and acquisitions.

### External Factors

- Shareholders' expectations;
- Macroeconomic and business conditions;
- Sectorial performance;
- Cost and availability of alternative sources of financing;
- Industry Outlook for the future years;
- Changes in the government policies or changes in regulatory provisions;
- Other relevant factors that the Board may deem fit.

## UTILIZATION OF RETAINED EARNINGS

The Company may utilize its retained earnings in the manner which is beneficial to the interest of the Company and its stakeholders.

Retained earnings helps in maintaining a healthy capital adequacy ratio and supports the future growth.

- Acquisition/diversification of business;
- Capital expenditure requirements;
- Investment in new business and/or additional investment in existing business;
- Market or product development/expansion plan;
- Expansion and modernization of existing business;
- High cost of debt.

Apart from the above, the Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as financial environment.

The Portion of profits not distributed among the shareholder's as dividends will be used for the business activities of the Company.

#### **ENTITLEMENT OF DIVIDEND**

The Company shall determine the record date or date of closure of the register of members. The Company shall give notice in advance of at least 14 workings days (excluding the date of intimation and the record date) to stock exchange(s) of record date specifying the purpose of the record date.

Members whose names shall appear in the Members'/Depository Register on the Record Date will be eligible to receive dividend.

#### **Dividend Pay Out Method and Timing**

The Company shall distribute declared and duly approved dividend to all shareholders in a timely manner and in line with Bangladesh Securities and Exchange Commission directions (as issued time to time) and any other applicable local laws, rules and regulations.

#### **DIVIDEND DISTRIBUTION PROCESS:**

- Company shall pay off the dividend (cash/stock) to the shareholders within 30 days of declaration or approval or record date as the case may be.
- Company shall pay off the cash dividend to the bank account of the entitled shareholder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN) or through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible through BEFTN.
- Dividend of the margin client of stock broker or merchant banker shall pay off to the Consolidated Customer's Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.
- In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder.
- Company shall credit the stock dividend to the BO account or issue the bonus share certificate of the entitled shareholder.
- Company shall follow the directives/circulars in force of the securities regulator, related to dividend distribution from time to time.

#### **Circumstances under which Shareholders of the Company may or may not expect dividend:**

- The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among Shareholders and the amount of profit to be retained in business.
- The Board shall consider the parameters mentioned in this policy before determination of any dividend payout.
- The Shareholders of the Company may not expect dividend in many other circumstances, some of which are the following, always subject to the discretion of the Board:
- Company has inadequacy of profits or incurs losses for the financial year;
- Company undertakes /proposes to undertake a significant expansion project requiring higher allocation of capital;
- Company undertakes /proposes to undertake any acquisitions or joint arrangements requiring significant allocation of capital;
- Company has significantly higher working capital requirement affecting free cash flow;
- Company proposes to utilize surplus cash for buy-back of securities;
- Company is prohibited to recommend/declare dividend by any regulatory body

#### **TAX MATTERS**

Tax will be deducted at source as per applicable tax laws.

#### **COMPLIANCE REPORT**

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 and other regulatory requirement eGeneration Limited will submit a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 days from the date of completion of dividend distribution of the concerned year's. This report shall be submitted to BSEC, DSE and CSE in a specified format issued by the regulator (s) within stipulated time"

#### **UNCLAIMED DIVIDEND**

Any unclaimed or unsettled dividend shall be managed in line with Bangladesh Securities and Exchange Commission directions (as issued time to time) and any other applicable local laws, rules, and regulations.

#### **MODIFICATION OF THIS POLICY**

The board is authorized to change or modify this Policy from time to time at its sole discretion and/or in pursuance of any amendments made by any relevant law for the time being in force.

#### **DISCLOSURES**

The Dividend Distribution Policy (as amended from time to time) shall be disclosed in the Annual Report and the website of the Company.

# REPORT OF THE 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. The composition of the present Board Audit Committee is as follows:

Sl. No.	Name		Designation
1	<b>Mr. Md. Eshaque Ali khondakar, FCA</b>	(Independent Director)	Chairman
2	<b>Mr. Ariful Hasan</b>	(Independent Director)	Member
3	<b>Dr. Md. Musfiqur Rahman, FCMA</b>	(Independent Director)	Member

The Company Secretary attends the Committee's meetings as the Secretary of the Committee. The 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.
- Reviewing IPO Proceeds Utilization Report.

## 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 during his period	Meetings Attended
<b>Mr. Md. Eshaque Ali khondakar, FCA</b> (Independent Director)	Chairman	2	2
<b>Mr. Ariful Hasan</b> (Independent Director)	Member	4	4
<b>Dr. Md. Musfiqur Rahman, FCMA</b> (Independent Director)	Member	2	2

## ACTIVITIES CARRIED OUT DURING FINANCIAL YEAR 2020-21

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:

- 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.
- 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 IPO Proceeds Utilization Report.
- Reviewed the Management's Discussion and Analysis before disclosing in the Annual Report.
- Reviewed statement of all party transactions.
- 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.
- 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 for the next annual audit, subject to the approval of the Members at the 18th Annual General Meeting of the Company.

On behalf of the Audit Committee



**Md. Eshaque Ali khondakar, FCA**

Chairman of the 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 terms of reference of the Nomination and Remuneration Committee (NRC) have been

determined by the Board as per BSEC notification. The NRC 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.

## COMPOSITION

The Nomination and Remuneration Committee (NRC) of eGeneration Limited is comprised of three Independent Directors of the Board. 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. Ariful Hasan (Independent Director)	Chairman
2	Mr. Md. Eshaque Ali Khondakar, FCA (Independent Director)	Member
3	Dr. Mohammed Shafiu Alam Khan (Independent Director)	Member

Further the Company Secretary attends the Committee's meeting as the Secretary of the Committee. The Head of Human Resources and Administration attend the meetings by invitation.

## 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:

- (1) NRC shall be independent and responsible or accountable to the Board and to shareholders
- (2) NRC shall oversee, among others, the following matters and make a report with recommendations to the Board:

a) Formulating the criteria for determining qualifications, positive attributes and

independence of a Director, and recommending a policy to the Board relating to the remuneration of Directors and top-level executives, considering the following:

- I. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to steward the Company successfully;
  - II. The alignment of remuneration to performance is clear and meets appropriate performance benchmarks;
  - III. Remuneration to Directors and top-level executives 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;
- (b) Devising a policy on the Board's diversity, taking into consideration age, gender, experience, ethnicity, educational background and nationality;
  - (c) Identifying persons who are qualified to become Directors and who may be appointed in top-level executive positions, in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
  - (d) Formulating the criteria for evaluation of performance of Independent Directors of the Board;

### NOMINATION POLICY

The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of the diversity policy of the Board, and recommend to the Board his/her appointment. For the appointment of top-level executives, a person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. Further, for administrative convenience, for the appointment of top-level executives, the Managing Director is authorized to identify and appoint a suitable person for such positions. However, if need be, the Managing Director may consult the Committee/Board for further directions/guidance.

### REMUNERATION POLICY

The level and composition of remuneration to be paid to Directors, top-level executives and other employees shall be reasonable and sufficient to attract, retain and motivate suitable individuals. The relationship of remuneration to performance should be clear and should encourage meeting of appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive/performance related pay, reflecting achievement of short- and long-term performance objectives appropriate to the working of the Company and meeting its goals.

### EVALUATION CRITERIA

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify the evaluation criteria, which will evaluate Directors based on their knowledge to perform the role, time and level of participation, performance of duties, level of oversight and professional conduct and independence. The appointment/re-appointment/continuation of Directors on the Board shall be subject to the outcome of the annual evaluation process. The Committee shall evaluate performance of top-level executives on the basis of individual KPIs. Decisions pertaining to promotion/ continuation of top-level executives shall be subject to the outcome of the annual evaluation process based on appropriate performance benchmarks

### MEETINGS AND ATTENDANCE

During the financial year 2020-21, the Committee met twice. The Present NRC committee was constituted on 06 January 2021 and the committee reviewed the re-appointment of Independent Director Mr. Ariful Hasan effective from 10 April 2021.

### ACTIVITIES CARRIED OUT DURING FINANCIAL YEAR 2020-21

In accordance with the 'Terms of Reference'

of Nomination and Remuneration Committee, the Committee carried out the following activities during the financial year 2020-21:

- Reviewed issues related to the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top-level executives.
- Reviewed the performance of top-level executives on the basis of individual KPIs.
- Reviewed the criteria for evaluation of performance of Independent Directors and the Board.
- Reviewed the Company's need for employees at different levels and determined their selection, transfer or replacement and promotion criteria.
- Reviewed human resources and training policies.
- Reviewed the salary at different levels of the Company.
- Reviewed the appointment/reappointment of Director of the Company.
- Identified and reviewed the vacancy of Regulatory Mandatory Position of the Company and recommended to the Board for appointment.
- 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



**Ariful Hasan**

Chairman 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 2021, 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 eGeneration Limited comprises of seven members including Chairperson, Managing Director, one Directors and four Independent Directors. At present the composition of the Board is as follows:

Sl. No.	Name	Position
1	Mr. S M Ashraf Islam	Chairman
2	Mr. Shameem Ahsan	Managing Director
3	Mrs. Syeda Kamrun Nahar Ahmed	Director
4	Mr. Ariful Hasan	Independent Director
5	Mr. Md. Eshaque Ali Khondakar, FCA	Independent Director
6	Dr. Mohammed Shafiul Alam Khan	Independent Director
7	Dr. Md. Musfiqur Rahman, FCMA	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. Md. Eshaque Ali Khondakar, FCA, 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. Ariful Hasan 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
Mr. S M Ashraful Islam	---	---
Mr. Shameem Ahsan	---	---
Mrs. Syeda Kamrun Nahar Ahmed	---	---
Mr. Ariful Hasan	Member	Chairperson
Mr. Md. Eshaque Ali Khondakar, FCA	Chairperson	Member
Dr. Mohammed Shafiul Alam Khan	---	Member
Dr. Md. Musfiqur Rahman, FCMA	Member	---

### 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 26 October 2021, 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 2021-22 shall be appointed by the shareholders at 18th Annual General Meeting. The Board in its meeting held on 26 October 2021 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 26 October 2021 recommends to the Shareholders for appointment of FAMES & R, Chartered Accountants as statutory auditors for the year 2021-22.

### **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.

# STATUS OF COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Status of compliance with the conditions imposed by the Commission's Notification No BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 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.	<b>Board of Directors</b>			
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)	<b>Independent Directors.</b> 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;	✓		
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
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 (NBFI); 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);	✓		
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).	✓		
<b>(3)</b>	<b>Qualification of Independent Director.-</b>			
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;	✓		
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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;	✓		
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 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	✓		
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	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-</b>			
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;	✓		
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)	<b>The Directors' Report to Shareholders:</b> 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):	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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 Independent Director	✓		
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 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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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;	✓		
<b>1 (5) (xxiii)</b>	<b>Pattern of shareholding and name wise details (disclosing aggregate number of shares)</b>			
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;	✓		
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 immediate 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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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)	<b>Meetings of the Board of Directors</b>			
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.	✓		
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	<b>Governance of Board of Directors of Subsidiary Company.-</b>			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



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>	✓		
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;	✓		
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).	✓		
<b>3 (2)</b>	<b>Requirement to attend Board of Directors' Meetings</b>	✓		
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.	✓		
<b>3 (3)</b>	<b>Duties of Managing Director(MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>	✓		
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.	✓		
<b>4</b>	<b>Board of Directors, Committee. -</b> For ensuring good governance in the company, the Board shall have at least following sub-committees:	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4 (i)	Audit Committee; and	√		
4 (ii)	Nomination and Remuneration Committee.	√		
5	<b>Audit Committee.-</b>			
5 (1)	<b>Responsibility to the Board of Directors.</b>			
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 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)	<b>Constitution of the Audit Committee</b>	√		
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)	<b>Chairperson of the Audit Committee</b>			
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).	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (4)	<b>Meeting of the Audit Committee</b>	✓		
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)	<b>Role of Audit Committee:</b>	✓		
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, 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.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (6)	<b>Reporting of the Audit Committee.</b>			
5 (6) (a)	<b>Reporting to the Board of Directors</b>			
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)	<b>Reporting to the Authorities</b> 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.	NA		
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	<b>Nomination and Remuneration Committee (NRC).-</b>	√		
6 (1)	<b>Responsibility to the Board of Directors</b>	√		
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)	<b>Constitution of the NRC</b>			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	✓		
<b>6 (3)</b>	<b>Chairperson of the NRC</b>	✓		
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 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)	<b>Meeting of the NRC</b>			
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);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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)	<b>Role of the NRC</b>			
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;	√		
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	<b>External or Statutory Auditors.-</b>			
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;	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	√		
<b>8</b>	<b>Maintaining a website by the Company.-</b>			
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).	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance.-</b>			
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 shall 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.	√		

# CORPORATE GOVERNANCE CERTIFICATE



**MANAGING PARTNER :**  
MD. ASHRAF UDDIN AHMED  
LLB, CFC, FCA

**PARTNERS:**  
ENAMUL KABIR, FCA  
MD. MOHIUDDIN AHMED, FCA, CFC

**Corporate Address :** 142/B, Green Road (3rd & 4th Floor)  
Dhaka-1215, Bangladesh.  
**Registered Address :** Rahman Chamber (5th Floor)  
Area, Dhaka-1000. Bangladesh

## 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 30th June, 2021. This Code relates to the Notification No BSEC notification no. BSEC/CMRRC-D/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:

- 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;
- 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;
- 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
- The Governance of the company is highly satisfactory.

Dated: September 22, 2021  
Place: Dhaka

**Md. Mohiuddin Ahmed, FCA, CFA**  
Enrollment No. 1046  
Partner  
Ashraf Uddin & Co.  
Chartered Accountants  
DVC: 21092210460C418927



# DUE DILIGENCE CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON THE FINANCIAL STATEMENTS OF THE COMPANY

Date: 25 October 2021

## The Board of Directors

eGeneration Limited  
Saimon Center, Level-4, House: 4/A  
Road: 22, Gulshan-1, Dhaka-1212

## Subject: Declaration on financial Statements for the year ended on 30 June 2021

Dear Sir(s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 Under section 2CC of the Securities and Exchange Ordinance, 1969, We do hereby declare that:

- 1) The Financial Statements of eGeneration Limited for the year ended on 30 June 2021 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;
- 2) The estimates and judgements 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;
- 3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exist 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: -

- (i) We have received the financial statements for the year ended on 30 June 2021 and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
  - b) these statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transaction 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

# INDEPENDENT AUDITOR'S REPORT

## 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>
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***Please see to the Statement of profit or loss & other Comprehensive Income.***

**Valuation of Inventory**

<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>
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<b>Please see note no. 08 to the Financial Statements</b>	
<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>
<b>Please see note no. 04 to the Financial Statements</b>	
<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>
<b>Please see note no. 16, 17 &amp; 19 to the Financial Statements</b>	
<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 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>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> <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> </ul>

<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>➤ Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to account receivable balances at June 30, 2021.</li> </ul>
<p><b>Please see note no. 09 to the Financial Statements</b></p>	
<p><b>Evaluation of Intangible Assets</b></p>	
<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>
<p><b>Please see note no. 05 to the Financial Statements</b></p>	
<p><b>Valuation of Investment</b></p>	
<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> <li>➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>
<p><b>Please see note no. 06 to the Financial Statements</b></p>	
<p><b>Valuation of Work in progress</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.

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.

- 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.
- 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.
- 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.
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.

### 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 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.

Date : 28 October, 2021  
Place : Dhaka

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 issued 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.



**Fouzia Haque, FCA**  
Partner

**FAMES & R**

Chartered Accountants  
DVC # 2110281032A5580873

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

**FAMES & R**  
Chartered Accountants

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>633,733,778</b>	<b>306,684,856</b>
<b>Current Assets</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>			
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**



**Company Secretary**



**Independent Director**



**Chief Financial Officer**



Fuzia Haque, FCA  
Partner

**FAMES & R**

Chartered Accountants  
DVC # 2110281032AS580873

*As per our annexed report of same date*

Date : 28 October, 2021  
Place: Dhaka



**eGeneration Limited**  
**Statement of Profit or Loss & Other Comprehensive Income**

**FAMES & R**  
Chartered Accountants

For the year ended 30 June, 2021

Particulars	Note	Amount in Taka	
		30-Jun-21	30-Jun-20
<b>Revenue</b>	23	<b>475,831,793</b>	<b>396,321,127</b>
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	(5,325,430)	(4,725,643)
<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>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>



**Managing Director**



**Company Secretary**

*The annexed notes form an integral part of the Financial Statement*



**Independent Director**



**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**



**Company Secretary**



**Independent Director**



**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>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

  
Company Secretary

  
Independent Director

  
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

##### 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
"Authorised Share Capital	100,000,000
Ordinary Shares @ Tk. 10 each" 1,000,000,000	
"Issued, Subscribed & Paid up Capital 75,000,000	
Ordinary Shares @ Tk. 10 each"	75,000,000

#### 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 'Shohojoddha – 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. 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 **Annexure-A**

**5.00 Intangible Assets:**

<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 **Annexure-B**

**6.00 Investment**

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>

**6.04 Investment in Digital Platform Development**

	Amount in Taka	
	30-Jun-21	30-Jun-20
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>
<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>		
Transferred to Intangible Assets (Note 7.02)	-	(118,757,216)
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
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 or a director or a member	2,214,568	1,832,818
Advance, Deposit & Prepayments due by companies under same management	-	-
The Maximum amount due by any Directors or others Officers at any time during year	-	-
	<b>216,649,128</b>	<b>130,581,779</b>

#### 10.01 Security Deposit (FDR) for Microsoft

Opening balance	56,435,476	29,505,000
Addition during the year	16,040,294	24,937,500
Interest reinvested	3,748,938	1,992,976
	<b>76,224,708</b>	<b>56,435,476</b>
Interest accrued	1,993,757	1,805,000
	<b>78,218,465</b>	<b>58,240,476</b>

#### 10.02 Security Deposit (FDR) against Loan

Opening balance	10,810,000	10,000,000
Addition during the year	3,750,000	-
Interest reinvested	579,500	810,000
	<b>15,139,500</b>	<b>10,810,000</b>
Interest accrued	178,500	170,137
	<b>15,318,000</b>	<b>10,980,137</b>

#### 10.03 Advance for Income Tax

Opening balance	311,442	245,000
Adjustment during the year	(311,442)	(245,000)
	-	-
Add: Addition during the year	576,305	311,442
Closing Balance	<b>576,305</b>	<b>311,442</b>

#### 11.00 Tender Security & Margin

Tender security	29,341,437	22,093,925
Letter of Credit Margin	4,320,604	-
Performance Guarantee Margin	15,888,800	-
	<b>49,550,841</b>	<b>22,093,925</b>

#### 12.00 Cash & Cash Equivalents

Cash in Hand	142,447	124,937
Cash at Bank (Note :-12.01)	152,708,501	46,880,308
	<b>152,850,948</b>	<b>47,005,245</b>

#### 12.01 Cash at Bank

Premier Bank Ltd. A/C No: 010711100012746	2,523	3,386
Brac Bank A/C No. 1501203555399001	182,934	27,659,987
Brac Bank A/C No. 1501203555399002	40,000	40,000
Brac Bank A/C No. 1501203555399003	84,401,063	-
Brac Bank A/C No. 1501203555399004	15,305,789	-
Brac Bank A/C No. 1501203555399005	20,000	-

	Amount in Taka	
	30-Jun-21	30-Jun-20
Brac Bank A/C No. 1501203555399006	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

#### Issued, Subscribed & Paid up Capital

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

#### (a) Composition of Shareholdings:

Sponsors and Directors

Institutions

Foreign Investors

General Public

	30-Jun-21	30-Jun-20
	<b>1,000,000,000</b>	<b>1,000,000,000</b>
	<b>750,000,000</b>	<b>600,000,000</b>
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

1 to 500 shares  
501 to 5000 shares  
5001 to 10000 shares  
10001 to 20000 shares  
20001 to 30000 shares  
30001 to 40000 shares  
40001 to 50000 shares  
50001 to 100000 shares  
100001 to 1000000 shares  
1000001 to 2000000 shares  
2000001 to 4000000 shares  
4000001 to 5000000 shares  
5000001 to 10000000 shares  
10000001 to above

#### Total

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>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 ( <b>Note. 18.01</b> )	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>		
	27,306,585	26,811,245
	<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>22.00 Liability for Workers' Profit Participation Fund</b>		
Opening balance	4,725,643	5,511,422
Add: Addition during the year <b>(29.00)</b>	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>

	<b>Amount in Taka</b>	
	<b>30-Jun-21</b>	<b>30-Jun-20</b>
<b>24.01 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 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 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 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 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 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 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 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 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>

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.

### 31.00 INFORMATION BASED ON PER SHARE

#### 31.01 Earnings Per Share (EPS)

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>

#### 31.02 Restated Earnings Per Share (EPS)

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 Valus (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 Ashrafal 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 Ashrafal 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	10,357,500	9,325,000
(b) Post-employee benefits	-	-
(c) Other long term benefits	-	-
(d) Termination benefits and	-	-
(e) Share-based payment	-	-
<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	10,357,500	9,325,000
b) the amount of outstanding balance, including commitments	3,204,975	1,641,735
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 from related	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%	704,891	5,911,535	6,344,022	7,048,913
Computer & Computer Accessories	18,286,199	1,013,450	30%	1,242,511	15,571,250	3,728,399	3,957,460
Server	11,569,563	199,550	25%	828,257	9,159,147	2,609,967	3,238,673
Office Equipment	11,438,326	-	10%	453,122	7,360,232	4,078,094	4,531,215
Interior Development	56,485,286	-	10%	3,236,136	27,360,059	29,125,227	32,361,363
Networking Equipment	3,133,044	-	20%	120,629	2,650,528	482,517	603,146
Power Equipment	3,910,130	-	10%	170,354	2,376,943	1,533,188	1,703,542
Vehicle	10,170,000	-	20%	703,790	7,354,841	2,815,159	3,518,949
Data Center	264,659,317	-	10%	22,063,245	66,090,112	198,569,205	220,632,449
<b>Balance as at 30.06.2021</b>	<b>391,907,424</b>	<b>1,213,000</b>		<b>29,522,935</b>	<b>143,834,648</b>	<b>249,285,776</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

Annexure-B

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	1,795,823	18,426,593	16,162,407	17,958,230
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>

# USEFUL INFORMATION FOR SHAREHOLDER



## Share Capital:

- Authorized Share Capital: Tk. 100,00,00,000 divided into 10,00,00,000 nos. of Ordinary Shares of Tk. 10 each.
- Issued, Subscribed and Paid-up Share Capital: Tk. 75,00,00,000 divided into 7,50,00,000 nos. of Ordinary Shares of Tk. 10 each.

Date	29 December 2021
Time	11:00 am
Venue	The Company is conducted meeting by using digital platform pursuant to BSEC Directive No. BSEC/CMR-RCD/2009-193/08 dated 10 March 2021, and Letter No. SEC/SRMIC/94-231/91 dated 31 March 2021

The annual report of the Company for the year 2020-21 along with Notice of AGM are being sent only by email to the members, and all other persons/entities entitled to receive the same and that the 18th Annual General Meeting will be convened by using digital platform.

Directive No. BSEC/CMRCD/2009-193/08 dated 10 March 2021, and Letter No. SEC/SRMIC/94-231/91 dated 31 March 2021 permitted the listed company for holding of Annual General Meeting virtually. Considering the health and safety of all the shareholders and others, the 18th AGM of eGeneration Ltd. will be convened by using digital platform without the physical presence of the members at a common venue.

## Virtual Shareholders Meeting:

In view of the Covid-19 pandemic, the Bangladesh Securities and Exchange Commission has vide its



### Access

A simple click on the following link shall allow the shareholders to connect at the virtual AGM platform. Through the online platform the shareholders can ask any relevant questions and/or provide any comments on the performance, agenda and any other aspect of the Company.

18th AGM Link of eGeneration Ltd <http://egen.digitalagmbd.net>

Supported device: Laptop, Desktop, Tab, Mobile (android/iphone)



### Q&A

Shareholders will able to send questions/comments to us in advance and/or during the meeting. The Chair or the management will try to answer the questions sent in.



### Vote

The shareholders will be able to cast their vote on the Agenda

## Key Share Information

Particulars	30 June, 2021
Total no. of shareholder	4,120
DSE Share price (Closing) Tk.	49.10
Outstanding shares	7,50,00,000
Free float shares	1,50,00,000
DSE Market Capitalization (BDT in million)	3682.50

## Investor Calendar

Particulars	Date
Approval of unaudited Q1 financial statements	12 November 2020
Approval of unaudited Q2 financial statements	27 January 2021
Approval of unaudited Q3 financial statements	26 April 2021
Approval of financial results of FY:2020-21	26 October 2021
Record date for 18th Annual General Meeting	18 November 2021
Notice published for 18th Annual General Meeting	06 December 2021
Annual Report dispatched to the members through e-mail	06 December 2021

## Composition of Shareholding as on 30 June 2021

Shareholder's Group	No. of Shares	% of Shareholding
Sponsor and Directors	28,327,803	37.77%
Institutions	23,492,518	31.32%
Foreign	340,000	0.45%
General Public	22,839,679	30.46%
<b>Total</b>	<b>75,000,000</b>	<b>100%</b>

### Share Price Sensitive Analysis:

Share price in the stock market moves due to various factors viz. performance of the Company, sentiments of general market, country's economic & political events, and money market performance. Pursuant to listing regulations and other regulatory requirements, eGeneration Ltd. ensure that its price sensitive information is circulated in due process to stakeholders. During the year 2020-21, Company's share price has touched the peak of Tk. 61.50, while the lowest recorded price was Tk. 15. The Company's closing share price on the last trading day of the financial year stood at Tk. 49.10.

### Dividend Payment:

eGeneration aims to provide commendable and sustainable rate of dividend to its shareholders. The Board of Directors has recommended 10% Cash dividend for general public shareholders without sponsors and directors on 26 October 2021, for the year ended on 30

June 2021 which will be paid after approval in the Annual General Meeting of the Company as per respective shareholder position on record date i.e. 18 November 2021.

### Investors' Grievance:

Routine queries and complaints received from shareholders are promptly attended to and replied. During the year under review, none of the investors or shareholders has filed any letter of complaint against any service provided by the Company to its members/shareholders. Shareholders may file any query relating to investment can contact at +88 02 222293076 or email the share department of the Company at [jishan.ahmed@egeneration.co](mailto:jishan.ahmed@egeneration.co).

### Web Presence:

Updated information regarding eGeneration Limited can be accessed at the Company's website, [www.egeneration.co](http://www.egeneration.co).

# PHOTO GALLERY



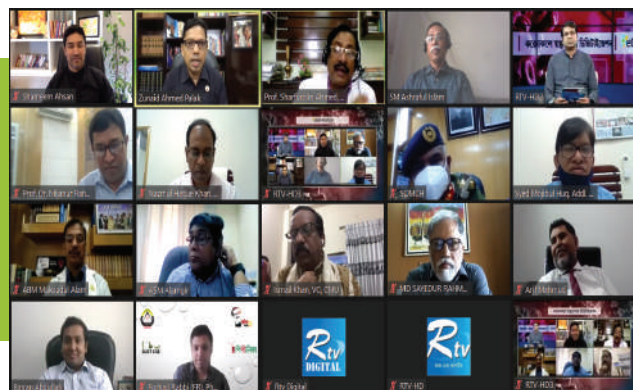
eGeneration organized "Shohojodda – ICT in Battling COVID-19" webinar

eGeneration Wins Three Microsoft Partner Awards at the Microsoft Inspire South East Asia New Markets 2020 Partner Awards



eGeneration arranges webinar titled "Reimagine Financial Sector with Robotic Process Automation"

Experts Expect Digitalization of Bangladesh Health System by 2025



# PHOTO GALLERY



eGeneration Wins the SAP Emerging Partner of Bangladesh Award

eGeneration to Implement Workflow and Security Solutions in Planning Ministry

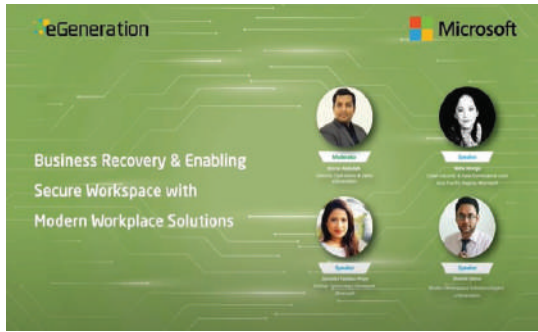


eGeneration implements SAP in Unitex as the first local system integrator in Bangladesh

eGeneration to Implement Infrastructure Solutions for Bangladesh Bank



# PHOTO GALLERY



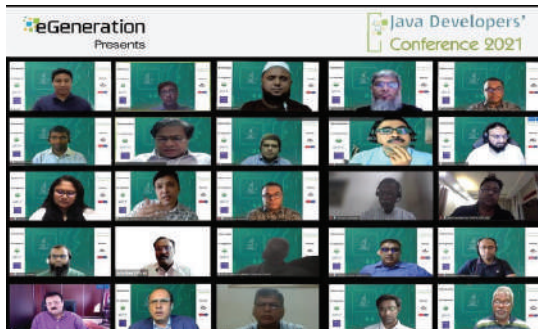
eGeneration and Microsoft Arranges Webinar on Modern Workplace Solutions Focusing on Business Recovery and Workplace Security

eGeneration provides Advanced Online Class & Exam System on Microsoft Platform for BUET



Startups to get tech innovation support from eGeneration and Microsoft

eGeneration Implements Intelligent Cloud Microsoft Solution for IFAD Group



eGeneration organizes International Technology Conference for Java Professionals

# BAPLC CERTIFICATE

## BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2021/233

Date of issue : June 14, 2021



### Certificate of Membership

*This is to certify that*

**eGENERATION LIMITED**

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies  
and is entitled to all the rights and privileges appertaining thereto.*

*This certificate remains current until 31<sup>st</sup> December 2021.*



  
Secretary-General





## Annual Report 2020-2021

Saimon Center, Level-4, House No. 4/A,  
Road No. 22, Gulshan-1, Dhaka-1212  
Bangladesh

### PROXY FORM

I/We .....  
of .....  
being Member of eGeneration Limited, hereby appoint .....of  
as my / our proxy to attend and vote for me / us and on my / our behalf at the 18th Annual  
General Meeting of the Company to be held on Wednesday, 29 December 2021 at 11:00  
a.m. via virtually by using digital platform and /or at any adjournment thereof.

As witness my hand this ..... day of ..... 2021.

(Signature of the Shareholder)

Folio No. / BO ID.....

No. of shares held .....

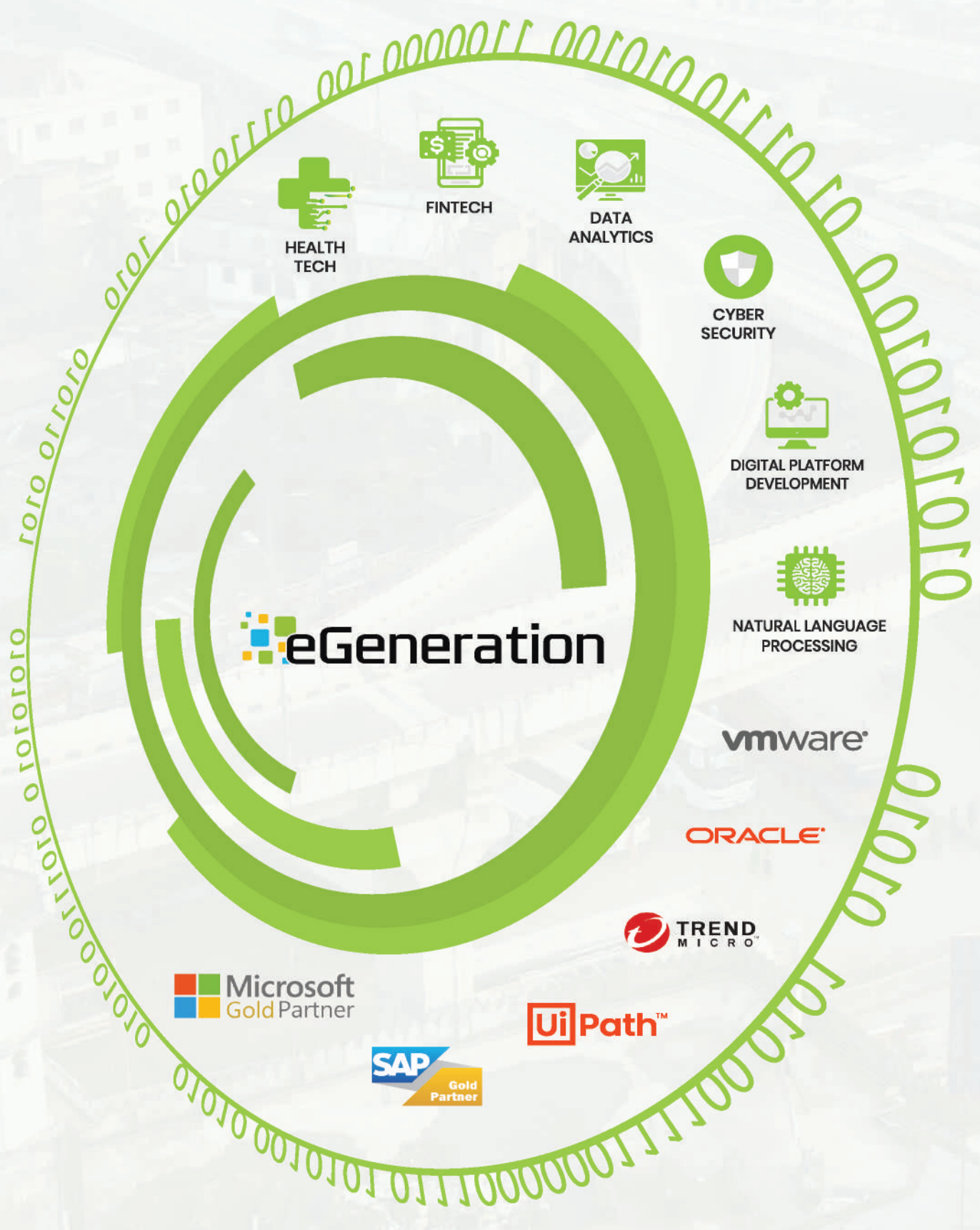
Signature of the Proxy



Revenue Stamp

#### Notes:

A Member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly completed must be sent through email to Registered Office at [jjishan.ahmed@egeneration.co](mailto:jjishan.ahmed@egeneration.co) not later than 72 hours before the time fixed for the meeting.



HEALTH  
TECH



FINTECH



DATA  
ANALYTICS



CYBER  
SECURITY



DIGITAL PLATFORM  
DEVELOPMENT



NATURAL LANGUAGE  
PROCESSING

 **eGeneration**

vmware®

ORACLE®



TREND  
MICRO™



[info@egeneration.co](mailto:info@egeneration.co), [www.egeneration.co](http://www.egeneration.co)

Phone: +88 02 2222 93076, Fax: +88 02 2222 89177

Saimon Centre, House #4/A, Level -5, Road #22, Gulshan-1, Dhaka- 1212, Bangladesh