



Payment
solution provider

Payment Gateway

Switching Solution

Biometric ATM Solution

Payment Gateway

Biometric ATM Solution

Bangladesh Post Office

Biometric ATM Solution

Payment Gateway

e-Payment Solution & Gateway

Biometric ATM Solution

Payment Gateway ATM with Biometric Authentication System

Postal Cash Card Service

ITCL operates the nation's biggest payment gateway called Qcash.

Our "customer first" philosophy ensures that we provide our clients with the best services and solutions" possible to optimize their business performance and meet operational goals. We provide new and emerging technologies and leading edge solutions consistently delivering best-of-the-best industry programs and practices.

Annual Report
2015-2016

Biometric ATM Solution

Switching Solution

e-commerce

Biometric ATM Solution

e-commerce e-commerce

Payment Gateway Agent Banking

Switching Solution

Biometric ATM Solution

Payment Gateway

Agent Banking

Switching Solution

e-commerce

Payment Gateway

Switching Solution

Biometric ATM Solution

Payment Gateway

Switching Solution

Payment Gateway

Merchant & Payment POS Terminal

Switching Solution

Card Management System Payment Gateway

Biometric ATM Solution Switching Solutions e-commerce

e-commerce Payment Gateway e-Payment Solution & Gateway

Payment Gateway Switching Solution

Bills Pay & Cash Deposit Machine Switching Solution

Postal Cash Card Service Merchant & Payment POS Terminal

Payment Gateway Payment Gateway

Payment Gateway Switching Solution Agent Banking



Annual Report
of
Information Technology Consultants Limited
2015-2016



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Letter of Transmittal



Letter of Transmittal

Date: November 10, 2016

The Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended June 30, 2016

Dear Sir/Madam(s),

Enclosed herewith, please find, a copy of the Annual Report 2015-2016 containing Directors' Report and Auditor's Report along with the Audited Financial Statements for the year ended June 30, 2016 with notes therein of Information Technology Consultants Limited for your kind information and record.

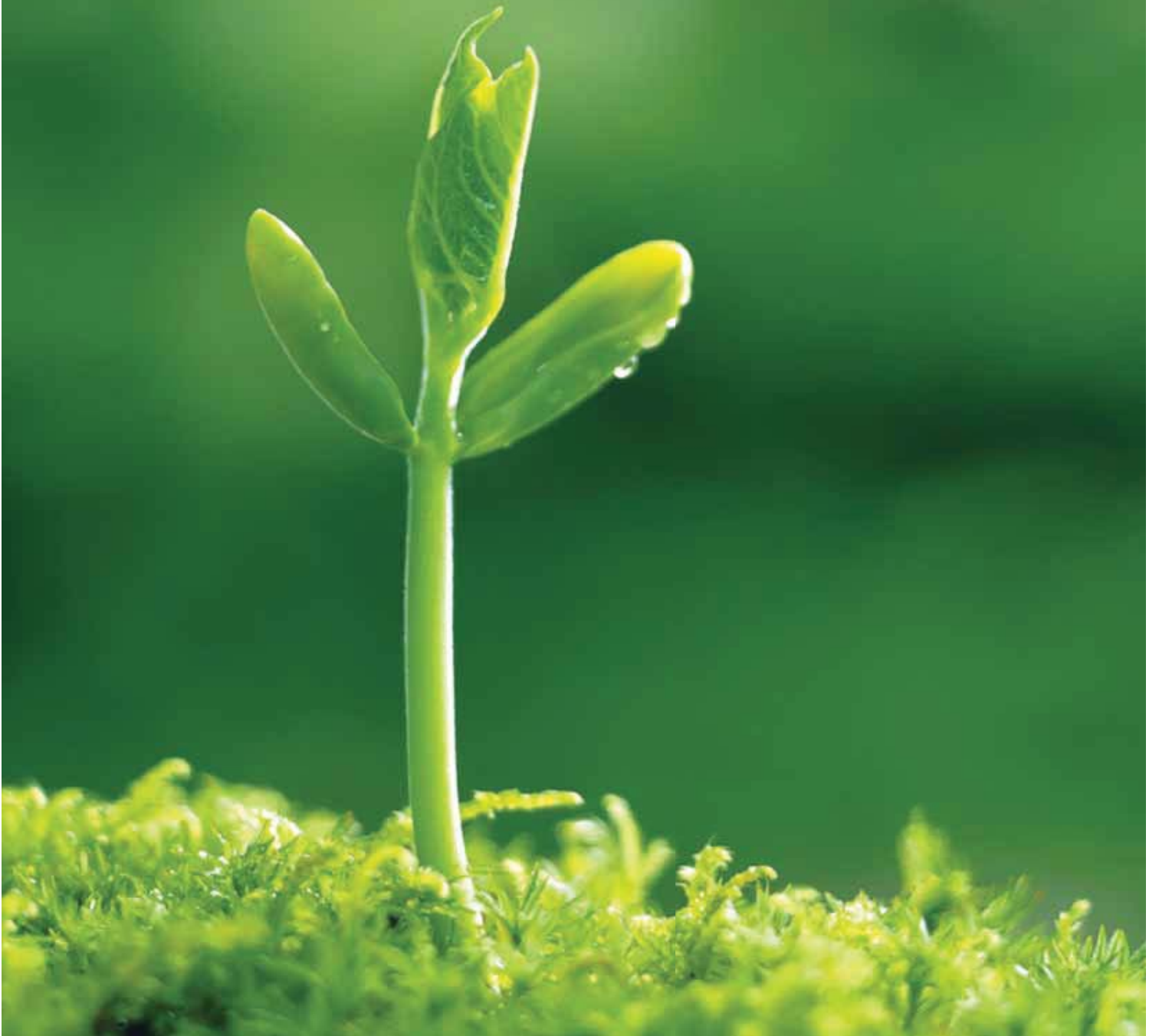
Thanking you,

Sincerely Yours,



Anindya Sarkar ACS
Company Secretary

Notice of the 16th Annual General Meeting



Notice of the 16th Annual General Meeting

Notice is hereby given to the shareholders of Information Technology Consultants Limited that the 16th Annual General Meeting (AGM) will be held on November 27, 2016, Sunday at 10:30 a.m. at The Raowa Convention Hall-2 (Anchor Hall), VIP Road, Mohakhali, Dhaka- 1206 to transact the following business:

Agenda-1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2016 together with the Report of Directors' and Auditor's therein.

Agenda-2: To declare dividend for the year ended June 30, 2016.

Agenda-3: To elect Directors in terms of the relevant provision of Articles of Association.

Agenda-4: To appoint Auditors for the year 2016-17 and fix their remuneration.

Agenda-5: To approve the appointment of Independent Directors.

By order of the Board



Anindya Sarkar ACS
Company Secretary

Dated: Dhaka
November 10, 2016

Notes:

1. The Record Date of the Company was November 08, 2016 and the Shareholders whose names were in the Registered of Members list or in the Depository Register on the Record Date will be eligible to attend the meeting and qualify for dividend.
2. A member entitled to attend and vote at the general meeting is also entitled to appoint a proxy to attend the meeting and vote on his/her behalf. The proxy form duly completed, must be affixed with a revenue stamp of TK. 20/- and deposited at the registered office not later than 48 hours before the time of holding the meeting.
3. Admission into the meeting room will be allowed upon presenting the attendance slip duly signed by the member /attorney/representative, in the case.
4. Annual Report 2015-2016 is available in the Website of the Company www.itcbd.com
5. No Gift/ Gift Coupon/Food Box shall be distributed to the shareholders at the AGM as per Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

Vision, Mission, Company Profile



Vision

Establishing Digital Infrastructure for Financial and Payment Transactions.

Mission

Information Technology Consultants Limited (ITC) intends to become a leading IT organization in the Country providing technological infrastructure, electronic payment solution and real time processing service in the banking sector of Bangladesh. Fostering strong partnerships with our clients and employees is an integral part of our mission.

Company Profile

Established in 2000, Information Technology Consultants Limited has evolved to become a local leader of Technology in the rapidly changing arena of Electronic Payment & Transaction Systems. ITC is the only PSO (Payment System Operator) licensed by Bangladesh Bank to provide the end-to-end electronic payment services for banks and financial sectors. ITC currently serves 31 banks, under its brand name 'Q-Cash' which is a popular name in Banking & Financial circle.

Moreover, ITC is also the technology and Integration & Automation partner of Bangladesh Post Office, provides Online Tax Payment platform to NBR (National Board of Revenue) and Sonali Bank Limited, technology provider for DMP (Dhaka Metropolitan Police) for its E-Prosecution system.

ITC's payment system solutions are accredited, certified & recognized by Multinational Payment brands such as Visa, MasterCard, UnionPay International and AMEX. We continue to develop partnerships with clients and associates- so that we remain dynamic and relevant- and maintain our cutting-edge advantage, even if market needs to become more sophisticated and diverse.

By providing a broad range of payment solutions, ITC today deploys its products and services to multiple clients across various segments, including Governmental institutions, telecommunications, transportation and retail, not limited to banking and financial services.

Leadership Board of Directors



Leadership

Board of Directors

- | | |
|-----------------------------------|---|
| 1. Mr. Lim Kiah Meng | Chairman (Nominated Director of SiS Capital (Bangladesh) Pte Limited) |
| 2. Mr. Salahuddin Alamgir | Vice Chairman |
| 3. Mr. Kazi Saifuddin Munir, Ph.D | Managing Director & CEO |
| 4. Mr. Lim Kia Hong | Nominated Director of SiS Capital (Bangladesh) Pte Limited |
| 5. Mr. Lim Hwee Hai | Nominated Director of SiS Capital (Bangladesh) Pte Limited |
| 6. Madam Lim Hwee Noi | Nominated Director of SiS Capital (Bangladesh) Pte Limited |
| 7. Ms. Goh Peck Hwee | Nominated Director of SiS Capital (Bangladesh) Pte Limited |
| 8. Madam Fauzijos Tjandra | Nominated Director of Regent Pacific Limited |
| 9. Mr. Md. Waliuzzaman FCA | Independent Director |
| 10. Mr. Md. Haqueful Shaikh | Independent Director |

Board Committee

Audit committee

- | | |
|--|-----------|
| 1. Mr. Md. Waliuzzaman FCA, Independent Director | Chairman |
| 2. Mr. Salahuddin Alamgir, Vice Chairman | Member |
| 3. Mr. Md. Haqueful Shaikh, Independent Director | Member |
| 4. Mr. Anindya Sarkar ACS, Company Secretary | Secretary |

Management Committee (MANCOM)

Mr. Kazi Saifuddin Munir, Ph.D, Managing Director & CEO	- Chairman
Mr. Osman Haidar, Director- Business	- Vice Chairman
Mr. Shyamal Kanti Karmakar, Chief Financial Officer	- Member
Mr. Anindya Sarkar ACS, Company Secretary & Head of HR	- Member Secretary

Technical Committee

Mr. Md. Faizul Islam, Chief Technology Officer	- Chief Technology Officer
Mr. Tanzir Mannan Pavel, Chief Operating Officer	- Chief Operating Officer
Mr. Kazi Golam Sarwar Waheed	- Head of Compliance
Mr. Tauhid Ahmed Sarker	- Head of Technology & Project Integration
Mr. Muttahidur Rahman	- Deputy Chief Technology Officer

Procurement Committee

Mr. Md. Faizul Islam, Chief Technology Officer	- Chairman
Mr. Md. Zahirul Islam, Sr. Manager (A&F)	- Vice Chairman
Mr. Tanzir Mannan Pavel, Chief Operating Officer	- Member
Mr. Mahmud Al Hasan Khan, Head of Sales & Marketing	- Member
Mr. Respective Head of the Department	- Member
Mr. Shah M.K. Hassan, Head of Admin & GS	- Member Secretary

HR Committee

Mr. Osman Haidar, Director- Business	- Chairman
Mr. Shyamal Kanti Karmakar, Chief Financial Officer	- Member
Mr. Tanzir Mannan Pavel, Chief Operating Officer	- Member
Mr. Zubaer Ahmad, Head of TP & BI	- Member
Mr. Anindya Sarkar ACS, Company Secretary & Head of HR	- Member Secretary

Senior Management Team

Mr. Kazi Saifuddin Munir, Ph.D	Managing Director & CEO
Mr. Osman Haidar	Director-Business
Mr. Shyamal Kanti Karmakar	Chief Financial Officer
Mr. Zubaer Ahmad	Head of Transaction Processing & Business Initiatives
Mr. Md. Faizul Islam	Chief Technology Officer
Mr. Mahmud Al- Hasan Khan	Head of Sales & Marketing
Mr. Tanzir Mannan Pavel	Chief Operating Officer
Mr. Anindya Sarkar ACS	Company Secretary & Head of HR
Mr. Shah M.K. Hassan	Head of Administration & General Services
Mr. Kazi Golam Sarwar Waheed	Head of Compliance
Mr. Tauhid Ahmed Sarker	Head of Technology & Project Integration
Mr. Muttahidur Rahman	Deputy Chief Technology Officer
Mr. Hafizur Rahaman	Head of Operations Team-1
Mr. Md. Raziur Rahman	Head of Operations Team-2
Mr. Shah Mohammad Abdul Aziz	Head of Operations Team-3
Mr. Mamun Chowdhury	Head of Operations Team-4
Mr. Sikder Ashfaq Sayeed	Head of Processing Business
Mr. Iftekhar Hasan	Head of Network and Security
Mrs. Mariam Begum	Head of Card Personalization
Mr. Md. Mehedi Hasan	Head of Internal Audit

Profile of Directors



Profile of Directors



Mr. Lim Kiah Meng
Chairman (Nominated Director of SIS Capital (Bangladesh) Pte Limited)

Mr. Lim Kiah Meng is Singaporean national and holds a Bachelor's Degree in Commerce from Nanyang University, Singapore and a Master's Degree in International Management from the American Graduate School of International Management, USA. He has over twenty years' experience in the information technology industry and he is an executive director of SIS Group, which is listed on the Stock Exchange of Hong Kong.



Mr. Salahuddin Alamgir
Vice Chairman

Mr. Salahuddin Alamgir was born in a respectable Muslim family at Tangail. He is the Chairman of Labib Group. A renowned businessman in the sector of apparel manufacturing & exporting, Bank, Leasing, Trading and mobile handset distribution since long. He is President of BDYEA, EC member of mobile import export association and also he engaged himself in many social and humane activities like financial help to many poor and old aged people and educational, religious and social institutions. He is a Vice Chairman of ITC.



Mr. Kazi Saifuddin Munir, Ph.D
Managing Director & CEO

Dr. Kazi Saifuddin Munir has over 25 year's professional experience in research, project development and implementation. He obtained his Master degree in Mechanical Engineering from Chalmers University of Technology in Sweden. He was a research fellow under Japan/ Sweden Research and Technology Exchange Program and obtained his Ph.D degree in Automation and Robot Technology (Soft Intelligence) under joint collaboration of Osaka Institute of Technology, Japan and Royal Swedish Institution of Technology, Sweden. He held academic position in Department of Automation and Robot Technology at Chalmers University of Technology, Sweden. He also worked in East Africa as Project Coordinator, Adviser/Consultant in different bilateral technical program under World Bank & UNDP.

As regards ITC, he is not only the founder but the main architect of this Company. Since inception he has been the helm of affairs as its Managing Director & CEO.



Mr. Lim Kia Hong
Nominated Director of SiS Capital (Bangladesh) Pte Limited.)

Mr. Lim Kia Hong is Singaporean national and has graduated with a Bachelor's Degree in Business Administration from the University of Washington, USA. He has more than thirty years experience in the IT industry. He is the Chairman & Chief Executive Officer of SiS Group, which is listed on The Stock Exchange of Hong Kong.



Mr. Lim Hwee Hai
Nominated Director of SiS Capital (Bangladesh) Pte Limited

Mr. Lim Hwee Hai is Singaporean national and holds a Bachelor's Degree in Commerce from Nanyang University, Singapore and a Master's Degree in Business Administration from the National University of Singapore. He had six years' experience in finance and banking and has over thirty years' experience in the information technology industry. Mr. Lim is also an executive director in SiS Group, which is listed on The Stock Exchange of Hong Kong.



Madam Lim Hwee Noi
Nominated Director of SiS Capital (Bangladesh) Pte Limited

Madam Lim is Singaporean national and holds a Bachelor's Degree in Commerce from Nanyang University, Singapore. She has been a Chartered Accountant in Singapore for more than thirty years and she is also the Finance Director of SiS Group which is listed on The Stock Exchange of Hong Kong.



Ms. Goh Peck Hwee
Nominated Director of SiS Capital (Bangladesh) Pte Limited

Ms. Goh Peck Hwee is Singaporean national and holds a Bachelor's Degree in Accountancy from Nanyang Technological University, Singapore. She is a Chartered Accountant in Singapore and has over twenty years' experience in Finance and Accounting. She is the Finance Manager of SiS Group, which is listed on the Stock exchange of Hong Kong.



Madam Fauzjus Tjandra
Nominated Director of Regent Pacific Limited

Madam Tjandra is Indonesian national and holds a Bachelor's Degree in Offices and Administration from University of Western Ontario, Canada. She has over twenty years' experience in IT distribution business.



Mr. Md. Waliuzzaman FCA
Independent Director

Mr. Md. Waliuzzaman FCA after qualifying as Chartered Accountant served with M/s. A. Qasem & Co., as a Chartered Accountants till February 1981. He then served as Deputy Chief Accountant (Head of Accounts and Finance Department) of TSP Complex Limited an enterprise of Bangladesh Chemical Industries Corporation for a very short period till August 1981. In August 1981 joined Bangladesh Jute Mills Corporation (BJMC) in the position of Deputy General Manager and served with The Crescent Jute Mills Limited, BJMC Head Office, Peoples Jute Mills Limited and Hafiz Jute Mills Limited for long ten years till December 1990. Since January 1991 started public practice and continued as Managing Partner of M/s. Toha Khan Zaman & Co., Chartered Accountants.



Mr. Md. Haqueful Shaikh
Independent Director

Mr. Md. Haqueful Shaikh is a Bangladeshi national and obtained Masters Degree from the University of Dhaka in the year 1966. Immediately after completing his education, he took up banking as career in the year 1967 with the erstwhile Commerce Bank Ltd, subsequently merged with Agrani Bank in 1972. During his service with Agrani Bank he was posted as CEO of Zenj Exchange Company, an affiliated Exchange House of the bank, in Bahrain in the year 1993. Later, he also worked with Bahrain Exchange Company, a sister concern of Bahrain Financing Company in Kuwait thereafter.

During his long 45 years of banking service, he further elevated various important senior positions in different private banks- like Prime Bank, Social Islami Bank and Jamuna Bank. In course of his working with the govt. and private banks he had the privilege to obtain several banking trainings especially in Foreign exchange related matters as well as International Banking both at home and abroad.

Lastly, he elevated the position of Managing Director and CEO of Fast Remit, a reputed Remittance House in Malaysia from the middle of 2009 to 2011 with great success wherefrom he retired from the banking service.

Senior Management Team





Mr. Kazi Saifuddin Munir, Ph.D
Managing Director & CEO



Mr. Osman Haidar
Director-Business



Mr. Shyamal Kanti Karmakar
Chief Financial Officer



Mr. Zubaer Ahmad
Head of Transaction Processing
& Business Initiatives



Mr. Md. Faizul Islam
Chief Technology Officer



Mr. Mahmud Al-Hasan Khan
Head of Sales & Marketing



Mr. Tanzir Mannan Pavel
Chief Operating Officer



Mr. Anindya Sarkar ACS
Company Secretary
& Head of HR



Mr. Shah M.K. Hassan
Head of Administration &
General Services



Mr. Kazi Golam Sarwar Waheed
Head of Compliance



Mr. Tauhid Ahmed Sarker
Head of Technology & Project
Integration



Mr. Muttahidur Rahman
Deputy Chief Technology Officer



Mr. Muhammad Hafijur Rahman
Head of Operations Team-1



Mr. Md. Raziur Rahman
Head of Operations Team-2



Mr. Shah Mohammad Abdul Aziz
Head of Operations Team-3



Mr. Mamun Chowdhury
Head of Operations Team-4



Mr. Sikder Ashfaq Sayeed
Head of Processing Business



Mr. Mohammad Iftexhar Hasan
Head of Network and Security



Mrs. Mariam Begum
Head of Card Personalization



Mr. Md. Mehedi Hasan
Head of Internal Audit

Corporate Directory



Corporate Directory

Company Name	: Information Technology Consultants Limited
Registered address	: Evergreen Plaza, 260/B, Tejgaon I/A (3rd Floor), Dhaka – 1208 Tel: +88 02 9830310-13, Fax: +88 02 9830309
Date of Incorporation	: 03-08-2000
Date of Commercial Operation	: 23-08-2000
Legal Status	: Public Limited Company listed with DSE & CSE
Authorized Share Capital	: 200 crore
Paid-up Share Capital	: 87 crore
Number of Shareholders	: 6,533
Line of Business	: The business of the company includes online Switching Solution, Software Development and Service Provider of Q-Cash member banks shared ATM network. Information Technology Consultants Ltd. is committed to be the leader as Smart Card Solutions Provider in the Banking sector as well as the Automated Transaction processing Industry in Bangladesh.
Auditors	: M/s. Hussain Farhad & Co., Chartered Accountants
Compliance Auditors	: M/s. SARashid & Associate, Chartered Secretaries in Practice
IPO Utilization Proceeds Auditors	: M/s. Howlader Younus & Co., Chartered Accountants
Legal Adviser	: Barrister Tanjib-ul Alam
Company Secretary	: Mr. Anindya Sarkar ACS
Number of Employees	: 312

Key Milestones



Key Milestones

Incorporation of the Company	: August 03, 2000
Date of Commercial Operation	: August 23, 2000
Converted to Public Limited Company	: March 16, 2008
Awarded Bangladesh Post Office (BPO) Electronic Fund Transfer (EFT)	: 2009
Appreciation from Suppliers: 1000 ATM installed in Bangladesh	: November, 2011
NBR- Sonali Bank e Tax payment launched	: March 26, 2012
Registered Trade Mark of Q-cash	: August 31, 2013
DMP (Dhaka Metropolitan Police) E-Traffic Prosecution system	: June, 2014
PCI DSS Certificate of Compliance issued by Trust Wave	: August 14, 2014
License from Bangladesh Bank as Payment System Operator (PSO)	: September 09, 2014
National Payments Switch Bangladesh (NPSB) with Bangladesh Bank	: 2014
Awarded ISO-9001:2008 Certificate	: June 12, 2015
Consent of Initial Public Offering (IPO)	: October 04, 2015
Listing on Dhaka Stock Exchange	: December 24, 2015
Listing on Chittagong Stock Exchange	: December 23, 2015
Trading on DSE & CSE	: January 10, 2016
Trading Code	: ITC
Membership from BAPLC	: January 17, 2016
Awarded "A3" rating by CRAB	: March 31, 2016

Company at a Glance



Company at a Glance

- Established in the year 2000, the first private third party payment processing company in Bangladesh
- Licensed Payment System Operator (PSO) in Bangladesh awarded by Bangladesh Bank
- ITC is the owner of the largest payment platform of Bangladesh, known as 'Q-Cash'
- 31 member banks are using different electronic payment services of Q-Cash Network
- Being a certified service provider, ITC Host is connected with National Payment Switch Bangladesh (NPSB), VISA and UnionPay International Network
- Provide more than 7,500 ATMs access for Q-Cash member banks
- Provide the access for more than 30,000 POS all over Bangladesh
- The total paid up capital is BDT 87 crore
- ITC has been awarded PCIDSS (Payment Card Industry Data Security Standards) certification; the first organization in Bangladesh to receive this highest standard data security certification which is mandatory for Card and Payment business
- 312 employees are currently working at ITC of which 80% are engineers and technicians
- ITC is also the technical partner of National Payments Switch Bangladesh (NPSB) as established and operated by Bangladesh Bank
- Some of unique and first of a kind projects in Bangladesh like Bangladesh Post Office (BPO) automation, Online Tax Payment with NBR & Sonali Bank etc. have been handled as individual project and now been run by ITC
- Providing services to major Government Banks for Electronic Payment Processing
- ITC has implemented and running EGPP (Employment Generation Project for the Poorest) and CCD (Conditional Cash Transfer) project under BPO and World Banks joint initiative
- ITC has also provided consultancy, development, deployment and maintenance for DMP (Dhaka Metropolitan Police) E-Traffic Prosecution system
- Converted as public limited company in 2008
- Listed with Dhaka and Chittagong Stock Exchange in 2015

Products and Services



Products and Services

Transaction Processing and Maintenance Services	Sales and Support Services
<ul style="list-style-type: none"> ▪ Transaction Switching with automated settlement and reconciliation (Real time) 	<ul style="list-style-type: none"> ▪ ATM
<ul style="list-style-type: none"> ▪ ATM & POS Transaction Processing 	<ul style="list-style-type: none"> ▪ POS
<ul style="list-style-type: none"> ▪ Online Payment Gateway 	<ul style="list-style-type: none"> ▪ Kiosk
<ul style="list-style-type: none"> ▪ Remittance Transaction Processing 	<ul style="list-style-type: none"> ▪ Bio Metric ATM Solution
<ul style="list-style-type: none"> ▪ Debit & Credit Card Personalization & Management 	<ul style="list-style-type: none"> ▪ Switching & CMS Solution
<ul style="list-style-type: none"> ▪ Third party VISA Membership support 	<ul style="list-style-type: none"> ▪ Tailor-made Software
<ul style="list-style-type: none"> ▪ SMS Solution 	
<ul style="list-style-type: none"> ▪ Interfacing/Integration and development of switching solutions/middleware 	
<ul style="list-style-type: none"> ▪ E-Commerce Solution 	
<ul style="list-style-type: none"> ▪ Mobile Financial Services 	
<ul style="list-style-type: none"> ▪ Agent Banking solution with management 	
<ul style="list-style-type: none"> ▪ Online Tax Payment solution with development 	
<ul style="list-style-type: none"> ▪ Online Passport fees collection through Q-Cash PG 	
<ul style="list-style-type: none"> ▪ Software Development catered towards Banking requirements; i.e. for ATM, KIOSKS ,POS, etc. (R & D) 	
<ul style="list-style-type: none"> ▪ PCIDSS (Payment Card Industry Data Security System) certification 	
<ul style="list-style-type: none"> ▪ Electronic Case management Solution for Dhaka Metropolitan Police 	

Special & Unique Projects driven by ITC



Special & Unique Projects driven by ITC

Bangladesh Post Office: The Icon of financial inclusion in Bangladesh

Financial Inclusion and Development of Bangladesh Postal Service: In sync with the “Digital Bangladesh” concept of The Honorable Prime Minister, Bangladesh Post Office has also introduced Electronic Fund Transfer (EFT). Honorable Prime Minister launched the Postal Cash Card on Independence Day in 2010 to improve Postal Money Order Service.

IT Consultants Limited and Bangladesh Post Office are rolling out this massive project under joint collaborations and revenue sharing basis. ITC/Q-Cash is giving total technology solution and knowledge transfer for these services. ITC own and operate our country’s largest Payment Network with 31 banks sharing Q-Cash Payment Gateway for domestic transaction settlement. BPO POS Terminals are GPRS-enabled; as a result there is no limitation on mobility. Postal Cash Card can be used by all Government entities and subsidiaries to facilitate value added services by tagging this card with their system. Card to Card (P2P) transfer, account to card, card to mobile wallet, G2P subsidies, pension, grants and P2G taxes and other Governmental revenues can also be facilitated.

The Postal EFT Money Order Service is available with an extensive network across the Country and different value added EFT services have been incorporated through this network to Post Office Clients and other un-banked people. In addition Postal Cash Card users having access to all Q-Cash Network member banks ATMs and merchant network all over Bangladesh. People can remit money to any corner of the country within minutes through a Postal Cash Card instead of traditional Money Order Service which took almost a week.

Online TAX Payment

The National Board of Revenue (NBR) in collaboration with the World Bank have jointly introduced an e-payment system through Sonali Bank Limited with an objective of reducing taxpayers’ hassles by automating the payment of taxes, VAT & other regulatory taxes. After the introduction of the e-payment method, people can pay taxes online by Debit or Credit cards from anywhere in the Country through Q-Cash.

Taxpayers requires tax identification numbers (TINs) to log on to the website of the NBR and they receive acknowledgement receipts as proof of their payments.

National Payment Switch (NPS)

The Bangladesh Bank has introduced National Payment Switch Bangladesh (NPSB) in order to facilitate interbank electronic payments originating from different channels like Automated Teller Machines (ATM), Point of Sales (POS), Internet, Mobile Devices, etc. The main objective of NPSB is to create a common electronic platform for the switches in Bangladesh. NPSB is a mother switch of all other switches in the country. NPSB is facilitating the expansion of the card based payment networks substantially and promote online/e-commerce transactions throughout the country. Online payment of Government dues, using cards and account number information through online/Internet banking will be enhanced using NPSB. ITC has been honored to work as a solution partner for Bangladesh Bank in terms of implementing the NPS project by integrating and create interfaces with all the Banks with the NPS and also to manage the DMS (Dispute Management System).

Employment Generation Program for the Poorest (EGPP)

Bangladesh Post Office (BPO) as the Payment Service Provider (PSP) to implement Card based EGPP disbursement system through Postal Cash Card (PCC) service. ITC has been awarded the technical partner role of BPO for a secured disbursement system for the beneficiaries’ payments and responsible to implement an attendance Verification System through application of POS Terminal for the EGPP project.

Dhaka Metropolitan Police (Case Entry and On Spot Payment Project)

For the first time ever in Bangladesh, the challenge of DMP Traffic has been transferred to the shoulder of ITC to automate on spot case entry and in second phase to pay instantly. ITC is now closely working with the DMP technical team to initiate and implement on spot case entry with POS machines, so that further and extra hassles are avoided. After this first phase, on spot payment for 'charged cases' will be implemented through the same POS machine.

EMV Compliance

ITC coherence with the world standard and in accordance with the guideline of Bangladesh Bank has supplied and re-patronizing its entire devices EMV (Europay, MasterCard, VISA) standard, which is a mandatory now. In alignment with it, ITC is also in process of providing training and support to all the banks; that are going through this changing phase.

PCIDSS Compliance

The Payment Card Industry Data Security Standard (PCI DSS) is a proprietary information security standard for organizations that handle cardholder information for debit/credit/prepaid card, e-wallet, ATM, and POS.

Defined by the Payment Card Industry Security Standards Council, the standard was created to increase controls around cardholder data to reduce card fraud via its exposure. Validation of compliance is performed annually, either by an external Qualified Security Assessor (QSA) that creates a Report on Compliance (ROC) for organizations handling large volumes of transactions, or by Self-Assessment Questionnaire (SAQ) for companies handling smaller volumes.

It is a mandatory certification for all the financial institutions and all other related parties who in persuasion with payment related tasks. ITC being in the forefront has been certified and helping other member and non member banks with providing consultancy to get PCIDSS certified.

IT Consultants Limited – a Licensed PSO and a VisaNet Processor

IT Consultants Limited (ITC), has deployed enormous efforts to establish 'Q-Cash' - a domestic shared Payment Network, is offering managed services for entire EFT processing facilities (such as - Issuing, Acquiring, Personalization) and enriched the financial payment ecosystem in Bangladesh. Eventually continuous investment in system up-gradation, adopting new technology, developing skilled resources, deploying security solution (hardware & software) against the respective threats and fraudulent attacks enable the Q-Cash members or clients launching new & innovative products, maintaining quality support services as well as protecting their brand values. While establishing the nationwide shared payment networks, ITC has connected the global payment hub – Visa (a leading Card Brand) that elongated Q-Cash platform for cross-border processing and assists the members approaching international standard products & services to their customers; finally turned ITC a proven market leader in Bangladesh.

Nevertheless, offering payment services to Visa members, achieving Compliance with the various Security & legislative Programs are obligatory for the Third Party Agents or Clients, as Data-Security is the key concern nowadays. Protecting 'Cardholder Information', Visa has instituted the CIS Pand 3D Secure programs alongside numbers of Compliance endorsement programs, such as PCI-DSS, PA-DSS etc. To comply with these programs, a large amount has been invested within last 5 years gradually - in IT infrastructures, especially in security (physical & logical) of Data-Center and Disaster-Recovery sites that includes network, applications, delivery channels (ATM & POS),

encryption, policy-based key management procedures, PCI validations, resource education and so on. ITC's secure, robust and adaptive Payment platform, not only assists the members/clients fit with the modern environment for business agility and efficiency, but also protects mission critical enterprise payment data from business disruptions and breaches. Being a licensed PSO by Bangladesh Bank and Visa Global Registry, ITC has been demonstrating its Compliance consistently, under the following validation programs:

PCI-DSS	ITC's secure & controlled environment is fully compliant with all the requirements of PCIDSS v3.1 now. With the tighter enforcement Ver-3.1 has strong implications for online commerce and addresses the security breaches.
PCI PA-DSS	ITC's core payment solution TWO [Host], TWCMS [back-office], TWFIMI and TWPG [e-commerce] are compliant with the requirements of PADSS-v3.2.
Visa PIN Security Program or PCI-PTS	As per Visa mandates of Visa PIN Security Program, a detail Onsite Audit conducts by a Visa approved SA regular basis. Recently ITC has passed the event successfully by complying with the requirements of Ver-2.0, which declares that highest level of PIN security & Key Management practices are followed and TDES are used for Encryption.
ACS Service Provider Program	Complying with the applicable security and procedural requirements of 3D Secure, ITC has been offering the ACS / VbV services to Visa clients since 2014.
ISO-9001	While ensuring conformance to the PCI standard and regulatory requirements, ITC also focuses on delivering quality products and services, increasing efficiency and effectiveness and identifying the areas for continual improvement. Henceforth, ITC has participated in ISO-9001 programme and certified as well to achieve the benefits.



Payment Card Industry Data Security Standard (PCI DSS)

Awarded to:

Information Technology Consultants Limited

SP Level One

Service(s) Covered:

- POS / Card Present
- Issuer Processing
- Clearing and Settlement
- Merchant Services
- Internet / e-commerce
- ATM
- 3-D Secure Hosting Provider
- Fraud and Chargeback
- Payment Gateway/Switch
- Back-Office Services



Raymond Simpson
Director, Asia-Pacific
Global Compliance & Risk Services

This is to certify that Information Technology Consultants Limited has successfully completed an assessment by Trustwave against the Payment Card Industry Data Security Standard v3.1 (PCI DSS).

Conditions of issuing:

1. Trustwave has issued this certificate to indicate that the aforementioned company's card holder environment has been provisionally validated against the Payment Card Industry Data Security Standard v3.1 (PCI DSS) as of the Date of Compliance as stated above.
2. This certificate is subject to validation conditions as laid out within the PCI DSS audit and assessment procedures, and is subject to final acceptance by the relevant acquirer and/or card scheme(s). Any queries please contact Trustwave at Compliance-QA@trustwave.com. This certificate covers a one year period beginning from the Date of Compliance.
3. This certificate shall not warrant or guarantee to any third party that Information Technology Consultants Limited's card holder environment is invulnerable to attack or compromise. Accordingly, in no event shall Trustwave be liable to any third party in the event of loss or damage caused by any failure or breach of Information Technology Consultants Limited's systems or payment applications.
4. This certificate is issued by Trustwave as a commercial representation of work complete, and is not officially sanctioned by either the SSC or any card scheme making up said body.

Certificate ID: a0f310000DchAGAAZ-220216
22nd February 2016

Clients List



Clients List

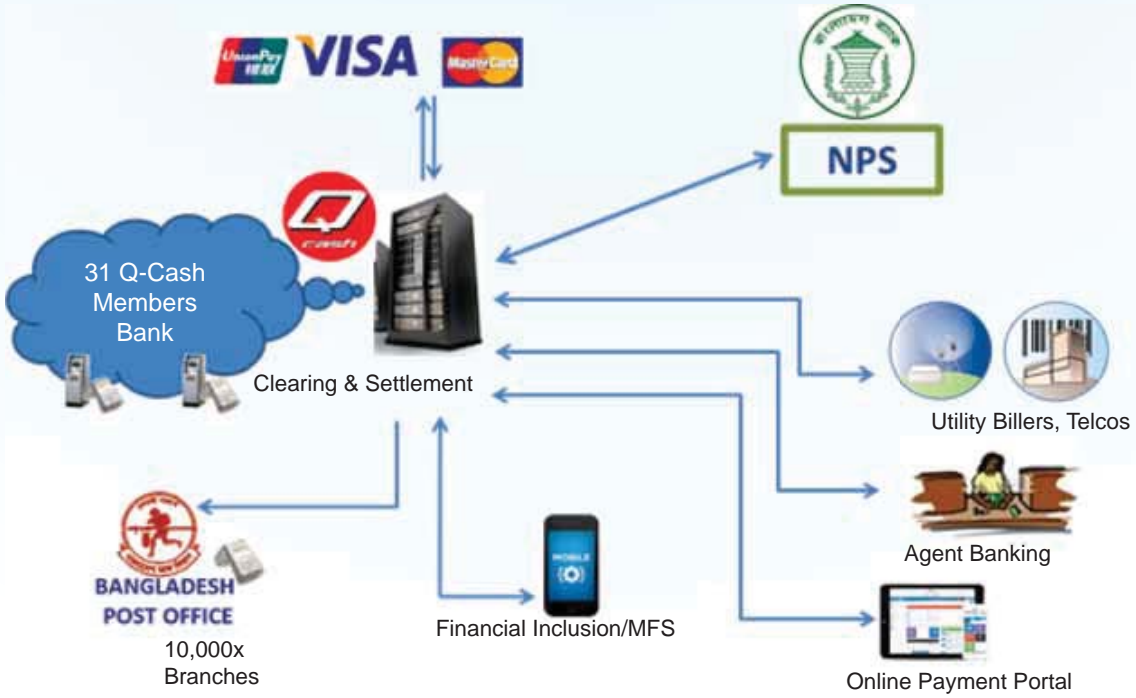
Name of the Member Banks			
01	Agrani Bank Limited	17	NCC Bank Limited
02	Bangladesh Commerce Bank Limited	18	NRB Commercial Bank Limited
03	Bangladesh Krishi Bank	19	NRB Global Bank Limited
04	Bank Asia Limited	20	NRB Bank Limited
05	BASIC Bank Limited	21	One Bank Limited
06	EXIM Bank Limited	22	Rupali Bank Limited
07	First Security Islami Bank Limited	23	Shahjalal Islami Bank Limited
08	ICB Islamic Bank Limited	24	Social Islami Bank Limited
09	IFIC Bank Limited	25	Sonali Bank Limited
10	Jamuna Bank Limited	26	South Bangla Agriculture and Commerce Bank Ltd.
11	Janata Bank Limited	27	Standard Bank Limited
12	Meghna Bank Limited	28	Trust Bank Limited
13	Mercantile Bank Limited	29	Union Bank Limited
14	Midland Bank Limited	30	Uttara Bank Limited
15	Modhumati Bank Limited	31	Woori Bank, Bangladesh
16	National Bank Limited		

Other Financial Institution	
01	Lanka Bangla Finance Limited

Other Client Banks			
01	Standard Chartered Bank	08	Dutch Bangla Bank Limited
02	The City Bank Limited	09	BRAC Bank Limited
03	Islami Bank Bangladesh Limited	10	Eastern Bank Limited
04	United Commercial Bank Limited	11	Commercial Bank of Ceylon
05	Prime Bank Limited	12	Mutual Trust Bank Limited
06	Dhaka Bank Limited	13	Premier Bank Limited
07	Southeast Bank Limited	14	The Farmers Bank Limited

Government Entities			
01	Bangladesh Bank	04	Dhaka Metropolitan Police
02	Bangladesh Post Office	05	Chittagong Metropolitan Police
03	Bangladesh National Board of Revenue	06.	Telephone Shilpa Sangstha Limited

Q-Cash Network Diagram



Message from the Chairman





Message from the Chairman

Dear Shareholders, Colleagues, Ladies and Gentlemen

On behalf of the Board of Directors, I would like to take this opportunity to express my heartfelt gratitude to all of you for your sincere cooperation and trust over the years.

ITC, which has been established in the ICT sector since 2000, is a leading consultant and pioneer in the area of transaction settlement & banking automation in Bangladesh. 2016 marked a significant milestone for ITC with its successful listing on two Stock Exchanges in Bangladesh. This is only possible with the kind patronage and active support from all of you.

Our Government's IT Strategy of "DIGITAL BANGLADESH" has created enormous opportunity and impressive growth potential for the overall ICT Sector of the country. ITC with its historically unique service footprint among the top IT companies in Bangladesh has been active and determined in bringing in this digital strategy in action. It also creates new opportunity and new dimension in delivering its services to all fields of the Consumer and Business sectors as well as the Governmental agencies and assist the Government in its aspiration of complete digitization of the country by 2021.

ITC has been in the forefront of venturing in the relatively green field market of "third party IT services" over the past decade. Although facing unique challenges, the company, with the strong and determined sense of purpose and armed with state-of-the-art technology, has been able to chart its own course.

ITC is fortunate to establish itself to be an essential part of everyday banking in Bangladesh in Private & State-owned Banking sector ranging from large trading transactions to small rural transactions and keeping in mind the purpose of assisting Government in implementing its Strategy of enabling “financial inclusion” of all.

As Bangladesh’s economy continues to grow and with the evolution of technology and rapid expansion in internet banking, e-commerce and mobile payment, we believe our business will gain momentum and have much opportunity for growth in the foreseeable future.

We would like to thank all our shareholders, executives and officers for their tremendous contribution and urge your continued support and patronize in our future endeavor.

On Behalf of the Board



LIM KIAH MENG
Chairman

Statement from the Managing Director & CEO





Statement from the Managing Director & CEO

Assalamu-alaikum

Respected Directors, Shareholders, Invited Guests, Media Representatives, Ladies and Gentlemen, I am grateful for your kind attendance in this AGM gathering, contributing your valuable time and resources.

It gives me tremendous pleasure to present to you our humble contribution towards your trust & investment in ITC and present this Annual Report.

The financial year 2015-2016 has been a challenging year for Information Technology Consultants Limited (ITC). We have put ourselves in the un-charted territory of public listing and put ourselves in the local Stock Exchanges under BSEC guidance which has been a humbling but heartwarming experience. Our initial public offering (IPO) was subscribed 67 times of its offered value, which is a history in this region.

Our path was neither easy nor even. ITC began in 2000 as a small private company in the backdrop of near total absence of online technology in banking sector in Bangladesh, with virtually no takers. Market was dominated by mostly locally based rudimentary software houses and the concept of online banking or switching software was completely unknown.

With a small team of hardworking and ambitious young officers in the company ITC introduced Q-Cash Consortium with only five member banks on an offline mode in the year 2000-01 as third party Transaction & EFT service provider. With even more hard work and persuasion- we finally succeeded in installing our first online switch in 2003 and introduced a first ever shared ATM network in the country. Later on, we have successfully tied-up with Visa Inc. as a registered third party payment processor and launched VISA Electron Debit card in 2004, first of its kind in Bangladesh market. Successively, ITC has introduced Credit card and Q-Cash merchant Point of Sale (POS) network

to facilitate Debit and Credit cardholders' real-time online transaction facility. A distinctive electronic payment platform emerged for the first time not only in Bangladesh but also in South Asia that helps banks and financial institutions to bring advanced technology based financial products with minimum CAPEX and OPEX.

Since those early days we have succeeded in implementing- "Any person – Any Account – Any Bank – Anywhere - Anytime" which has resulted in today's ITC- which has most of the online transaction market in Bangladesh, closely working with 31 online banks, operate and service 6 switches in 6 different banks virtually lead an array of value added services both in Private & Government owned Banking sectors. ITC also technology support partner of National Payment Switch Bangladesh (NPSB) as operated by Bangladesh Bank (Central Bank of Bangladesh).

During the year of report, Bangladesh's economy has grown roughly 6.5% and has continued to grow 5+% per year since 1996, despite political instability, poor infrastructure, insufficient power supplies, and slow implementation of economic reforms. Major part of GDP is generated through the service sector and more than 50% of Working Bangladeshis are employed in the agriculture sector with rice as the single most important agricultural product.

Garment exports remained the backbone of Bangladesh industrial sector and carries about 80% of total exports, which surpassed (aprox.) \$23 billion last year, contributing to the single most important factor for industrial growth. Combined with worker's remittances from overseas Bangladeshis, which totaled almost \$20 billion this year- also contributed to the country's current account surplus and has created the largest record of foreign exchange reserves.

Though these factors have all contributed towards the economic development of the country- most significant and long terms developments-in our view, has occurred in the fields of ICT and computerization in the Governmental Sectors, thanks to the personal initiative from the Honorable Prime Minister herself and her team of young and computer literate Advisers and Ministers.

In the recent days, sustained Governmental initiative for introduction of ICT in different sectors has also created new opportunities for IT companies in Bangladesh and fortunately, ITC has been able to participate in a major way in helping some Governmental institutes to set up their ICT activities in all economic sectors i.e. Online Tax Payment, E-traffic prosecution system with handheld sergeant POS, Postal Cash Card, Postal-E-shop, etc. We expect to extend our footprint in these sectors further in the near future.

With your support, ITC has been able to maintain and enhance its reputation and has become a revered name in the Financial Service Industry, Telco and related sector of the economy. We are continuously striving to enhance our service offerings, product portfolio and offering the most advanced and cutting edge technology solutions to our clientele. We have been successful in formulating a 360 degree service delivery approach, in order to transform and transcend the businesses of our clients.

Though most Corporations around the country are trying to adopt and adapt to the new era to technology driven business initiatives ITC is playing a crucial supportive role in crafting and designing landscape of technology solutions by packaging, designing, offering & in some cases implementing projects, and services such as infrastructure management, business process management and other managed services.

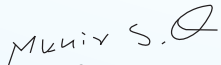
We at ITC, greatly value our human resources. We believe that every piece of technology that we deliver- is only as-good-as the hand- that delivers them. Keeping this in mind, we at ITC have been continuously trying to build a talented team of professionals motivated by our vision and are committed to our corporate mission, vision and passion of creating the most respected & successful technology company and business entity in the country.

We are thankful to the tremendous support and patronages provided by our clients and supporters and assure them our continued best services as always.

We are thankful to the support and patronage provided by our shareholders and directors and looks forward to your continuous support in the years ahead. Please accept our most sincere gratitude and best wisher to all our stakeholders, supporters and clients.

We whole heartedly hope and pray to the almighty Allah to help us achieve our targets and lead us to a profitable and respectable future.

Thank you all for your kind attendance once again.


Kazi Saifuddin Munir, Ph.D
Managing Director & CEO

Corporate Operational Results for the Last Five Years

KEY OPERATING AND FINANCIAL INFORMATION

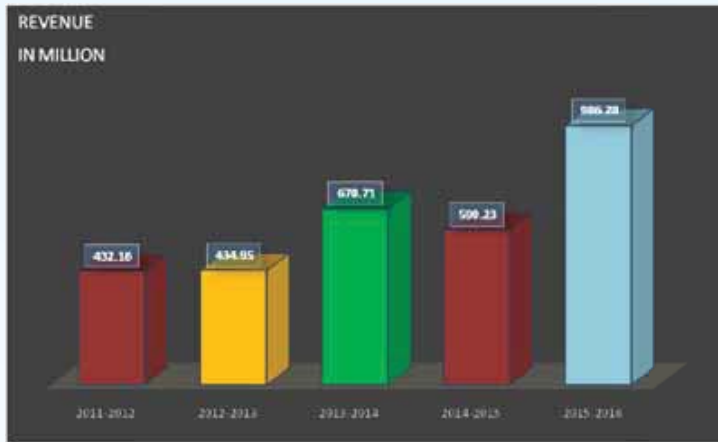
The key operating and financial information for the year 2016 along with the preceding four years are presented below:

	Y-2015- 2016	Y-2014- 2015	Y-2013- 2014	Y-2012- 2013	Y-2011- 2012
Assets Employed	Separate	Separate	Consolidated	Consolidated	Consolidated
Total Assets	2,346,310,224	2,011,687,763	1,889,717,804	1,633,218,477	1,578,690,793
Total Current Assets	1,375,037,622	1,054,747,482	1,027,790,640	800,704,628	821,597,917
Property, Plant & Equipment	250,077,835	241,522,145	276,591,890	284,145,112	303,877,893
Intangible Assets	649,214,807	542,758,006	558,043,068	544,793,574	449,179,092
Inventories	438,429,924	285,315,147	260,310,975	168,930,117	159,351,490
Accounts Receivables	436,391,323	374,494,839	450,601,709	318,920,318	382,912,363
Financed By					
Share Capital	870,000,000	750,000,000	750,000,000	750,000,000	750,000,000
Revaluation Reserve	237,456,401	249,720,234	263,154,934	316,434,847	316,434,847
Retained Earnings	184,656,633	83,428,301	47,779,765	(51,384,580)	(78,440,553)
Revenue and Profit					
Revenue	986,281,850	590,227,256	670,707,822	434,951,730	432,155,858
Gross Profit	299,824,882	212,770,074	228,681,392	141,193,986	145,250,238
Net Profit Before Tax	85,659,348	32,318,664	78,447,681	28,521,636	46,978,416
Net Profit After Tax	75,806,840	31,556,565	77,720,893	26,343,342	41,715,751
EPS	0.93	0.42	1.04	0.35	0.65
Net Asset Value Per Share	19.37	18.58	18.28	17.67	17.39

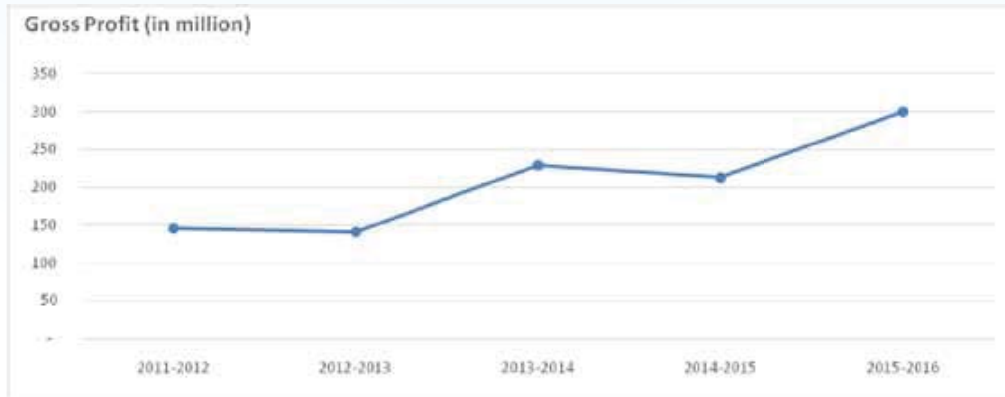
Dividend:

Cash	-	-	-	-	-
Stock	15%	-	-	-	-
Number of Shareholders	6,533	87	87	87	87
Market Price	52.10	N/A	N/A	N/A	N/A

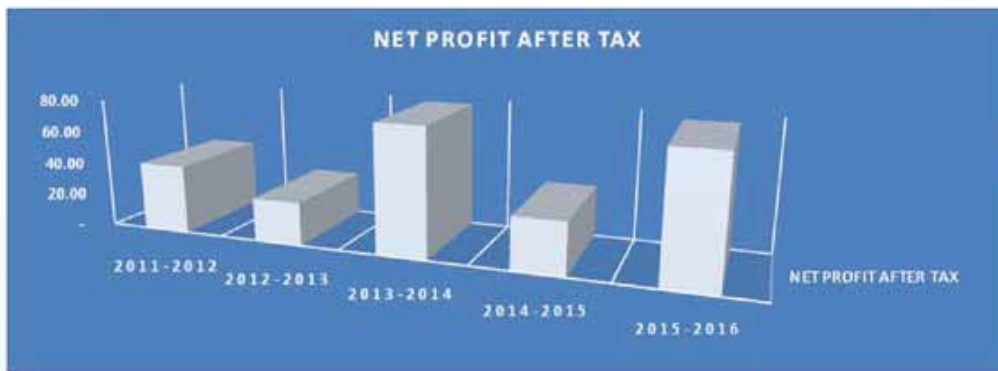
YEAR	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
REVENUE (in mn.)	432.16	434.95	670.71	590.23	986.28



YEAR	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Gross Profit (in mn.)	145	141	229	213	300



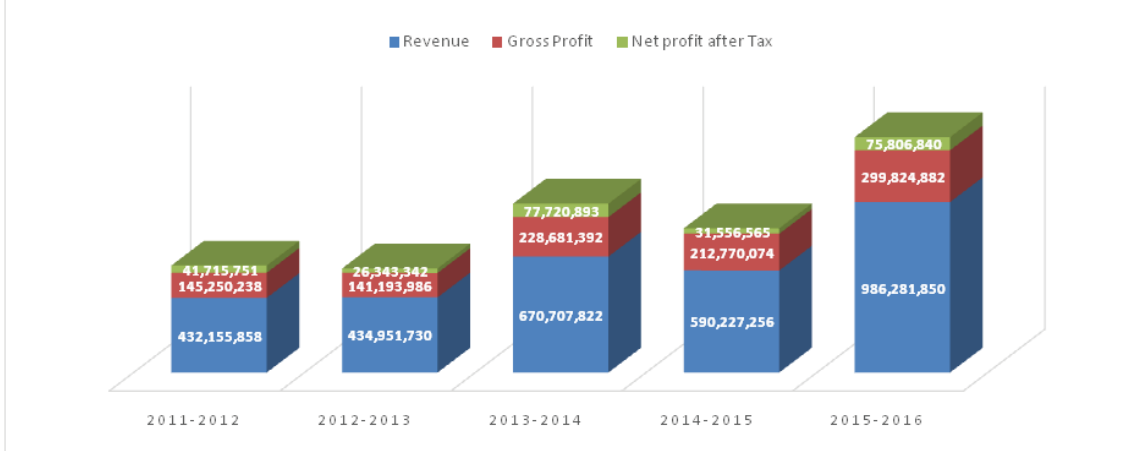
YEAR	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
NET PROFIT AFTER TAX (in mn.)	41.72	26.34	77.72	31.56	75.81



FIVE YEARS AT A GLANCE

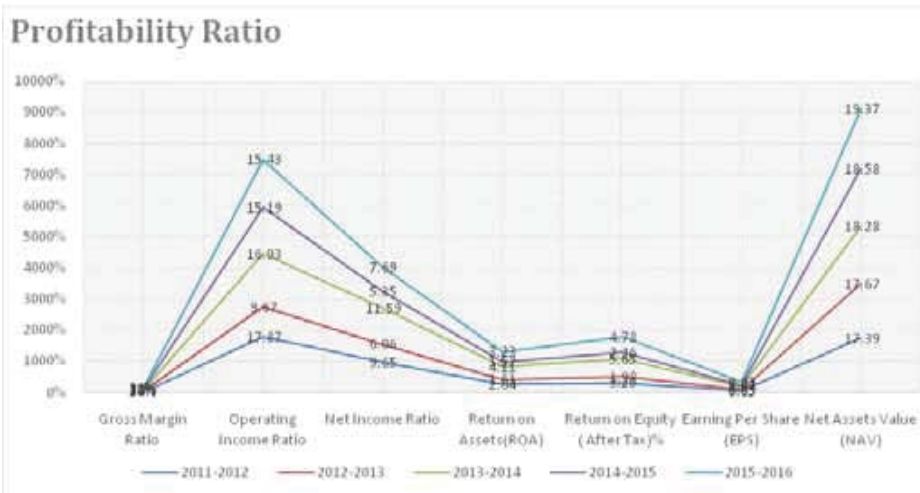
YEAR	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Revenue	432,155,858	434,951,730	670,707,822	590,227,256	986,281,850
Gross Profit	145,250,238	141,193,986	228,681,392	212,770,074	299,824,882
Net profit after Tax (Tk.)	41,715,751	26,343,342	77,720,893	31,556,565	75,806,840

FIVE YEARS AT A GLANCE



Profitability Ratio

YEAR	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Gross Margin Ratio (%)	34	32	34	36	30
Operating Income Ratio (%)	17.87	9.67	16.93	15.19	15.43
Net Income Ratio (%)	9.65	6.06	11.59	5.35	7.69
Return on Assets(ROA) (%)	2.64	1.61	4.11	1.57	3.23
Return on Equity (After Tax) (%)	3.20	1.98	5.65	2.26	4.78
Earnings Per Share (EPS)	0.65	0.35	1.04	0.42	0.93
Net Asset Value (NAV) (Tk.)	17.39	17.67	18.28	18.58	19.37





Human Resources of ITC

The Daily Star ICT Award
Best ICT Solution Provider
(Local Market Focus)
Information Technology Consultants Limited



Dr. Kazi Saifuddin Munir, MD & CEO of ITC (Q-Cash) is receiving the best ICT Solution Provider of the Year-2015 award from Honorable Finance Minister Mr. A M A Muhith, MP



Directors' Responsibility Statement



Directors' Responsibility Statement

Responsibility to Financial Statements;

The Board of Directors of Information Technology Consultants Limited would like to inform that the audited accounts containing the Financial Statements for the year ended June 30, 2016 are in conformity with the requirements of the Companies Act, 1994, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by ICAB, Securities & Exchange Rules -1987 and the listing Regulations of the Dhaka and Chittagong Stock Exchanges and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These Financial Statements are audited by the Statutory Auditors, M/s. Hossain Forhad & Co., Chartered Accountants, Dhaka.

In accordance with the provisions of section 185 of the Companies Act, 1994 and based on the information provided by the Management, Directors state that:

In the preparation of accounts, the applicable accounting standards have been followed;

The company has selected such accounting policies and applied and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at June 30, 2016 and of the profit of the Company for the year ended on that date;

The company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1994 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

The company has prepared the annual accounts ongoing concern basis.

Responsibility to Internal Control System;

The Company has taken proper steps and sufficient care in building a system of internal control, which is reviewed, evaluated and updated regularly. The internal audit department of the Company, conducts periodic audit of provides reasonable assurance that the established policies and procedures of the Company were consistently followed.

Opinion of the External Auditors;

M/s. Hossain Forhad & Co., Chartered Accountants, the external auditor of the Company has carried our annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data, and minutes to shareholders meeting and board meetings, relevant policies and expressed their opinion.

Report of the Audit Committee



Report of the Audit Committee

The Audit Committee on behalf of the Board ensures that standards of corporate reporting, control and compliance are achieved through effective implementation of the procedures and policies with the aim to enhance the effectiveness of the operations and reduce the risks of the business. The Audit Committee periodically reviews the state of affairs of the business and makes recommendation on the reporting, control and compliance aspects as well as provides independent monitoring and guidance to the management in the areas of responsibilities of the Board and the company towards the rules as specified in the conditions/guidelines on corporate governance issued by the BSEC.

The Composition of the Audit Committee

The Board of Directors has appointed the Audit Committee comprising of the following members of the Board having adequate Knowledge about finance and accounts.

<u>Name of Members</u>	<u>Position in the committee</u>
Mr. Md. Waliuzzaman FCA, Independent Director	Chairman
Mr. Salahuddin Alamgir, Vice Chairman	Member
Mr. Md. Haqueful Shaikh, Independent Director	Member
Mr. Anindya Sarkar ACS, Company Secretary	Secretary

Meetings of the Audit Committee

The Committee has 2 meetings during the year under review.

Activates of the Audit Committee

The audit committee discussed the following issues during the year:

- Regular review of the Internal and External Inspection & Audit Report with a view to implementing the suggestion of Internal and External Auditors in respect of Internal Control structure and techniques.
- Minimize expenditure in all operational activities where possible.
- Reviewing the Accounting procedure with a view to ascertain that the International Financial Reporting Standard (IFRS) has been applied in maintaining books and records.

The Following steps also have been taken for implementation of Internal Control Procedure of the company:

- Audit & Inspection division of the company carried out Internal Audit with a view to enrich the compliance culture and full control on the exertion of the ITC's operations. The division directly report simultaneously to the Board Audit Committee.
- Regular monitoring has been done for the effectiveness of the quality control policies and procedures with the effect to evaluate the application of internal Control System and Internal Audit Policy for financial risk, existing rules and regulation.
- To establish Planning, Organizing and Supervising culture and monitoring of Audit and Inspection of the Technology and others different divisions.

Reporting

Pursuant to condition # 3.4.1 of the Corporate Governance Guidelines issued by BSEC the Committee reports that it did not find any conflict of interest or any fraud irregularity material defect in the internal control system. There are no infringement of laws rules and regulations also.

Acknowledgement

The Audit Committee expressed their sincere thanks to the members of the Board and the Management of the company for their support in carrying out its duties and responsibilities effectively.

On behalf of the Audit Committee


Md. Waliuzzaman FCA
Chairman
Audit Committee

Dhaka
Date : October 17, 2016

**INFORMATION TECHNOLOGY
CONSULTANTS LIMITED
CERTIFICATE OF DUE
DILIGENCE BY CEO & CFO**



INFORMATION TECHNOLOGY CONSULTANTS LIMITED
CERTIFICATE OF DUE DILIGENCE BY CEO & CFO
(As required under the BSEC Guidelines)

To the Board of Directors of

INFORMATION TECHNOLOGY CONSULTANTS LIMITED

In compliance with condition no. 6 of the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012, we the undersigned, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of Information Technology Consultants Limited, do hereby certify before the Board that we have thoroughly reviewed the Financial Statements of the Company for the year ended June 30, 2016, and state that:

- a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b) 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, and
- c) To the best of our knowledge and belief, the Company has not entered into any transaction during the year which is fraudulent, illegal or in violation of the Company's codes of conduct.


Kazi Saifuddin Munir, Ph.D
Managing Director & CEO
Information Technology Consultants Ltd.


Shyamal Kanti Karmakar
Chief Financial Officer
Information Technology Consultants Ltd.

Date : October 17, 2016

Report on Corporate Governance



Report on Corporate Governance

Corporate Governance is about commitment to values and ethical business conduct. It provides for a structure that works for the benefit of its stakeholders by ensuring that the enterprise adheres to accept ethical standards and best practices as well as to applicable laws, procedures and implicit rules. Good Corporate Governance principles encourage the Company to create value through innovations, to the development and exploration on one hand and on the other provides accountability and control systems commensurate weight or the risks involved. The other important part of the Corporate Governance is the disclosure of information regarding the financial position of the Company, its performance, ownership and governance in a timely and accurate way. These disclosures help in improving the public understanding of the structure, activities and policies of the organization.

Thus Corporate Governance is about promoting corporate fairness, transparency and accountability. Corporate Governance guidelines developed over a period of time in Bangladesh are protected through Bangladesh Securities & Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

Corporate Governance at ITC

ITC's Corporate Governance policies recognize the importance of the transparency to all of its constituents; including employees, clients, investors, and the regulatory authorities demonstrating that the shareholders are the ultimate beneficiaries of the Company's economic activities.

In addition to the primary role of monitoring corporate performance, the function of the Board includes approving a business plan, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that our shareholders are kept informed about our plans, strategies and performance. To enable the Board of Directors to discharge these responsibilities effectively, the management provides detailed reports on performance to the Board on quarterly basis. The Board of Directors also functions through various committees, such as the Audit Committee.

Ethics & Compliance

ITC's Corporate Governance philosophy encompasses not only regulatory and legal requirements, but also other practices aimed at a high level of business ethics, effective supervising and enhancement of value for all shareholders.

We are performing ethically and efficiently to generate long-term value and wealth for all its stakeholders. The Corporate Governance principles of the Company ensures that the Board remains informed, independent and involved in the Company and there are ongoing efforts towards better Corporate Governance to mitigate "non business" risks. The Board periodically reviews the compliance of all applicable laws and gives appropriate directions, wherever necessary.

Board of Directors

The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business judgments on behalf of the Company. The Company's business is conducted by its employees under direction of the Managing Director & CEO and the overall supervision of the Board. The Board members have collective experience in diverse fields of business.

In order to comply with the BSEC's notification dated August 07, 2012 on Corporate Governance, the Board of ITC has appointed one eminent personality as Independent Director of the Company. Thus, the Board of ITC comprises of 10 (Ten) members of which 7 (seven) are Non-Executive Directors and 2 (Two) are Non-Executive Independent Directors and the Managing Director & CEO. The goal has been to form a Board, which is cohesive and has the expertise for quick and informed decision making.

Role of the Board

The Board of Directors is in full control of the company's affairs and is also accountable to the shareholders. The Board is committed to achieve greater financial performances and long term prosperity, while meeting stakeholder's expectations of sound Corporate Governance practices.

Board Meetings

The Company holds at least four Board meetings in a year, one in each quarter inter alia to review the financial results of the Company. The gap between the two Board Meeting does not exceed three months. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. During the year under review 10 meetings of the Board were held.

The Board performs following functions in addition to overseeing the overall business and management:

- Review, monitor and approve major financial and business strategies and corporate actions.
- Assess critical risks facing by the Company- review options for their mitigations.
- Ensures that the processes are in place for maintaining the integrity of:
 - o The Company
 - o The financial statements
 - o Compliance with law
 - o Relationship with customers and shareholders.

Audit Committee

The primary role of the Audit Committee is overseeing the financial reporting process and disclosure of financial information, reviewing the financial statements before submitting to the Board, reviewing adequacy of internal control systems and reviewing findings of internal investigations besides recommending appointment/removal of statutory auditors and fixing their remuneration. A separate report on the activities of the Audit Committee is attached in the page no. 51 of this report.

Role of the Chairman

The Chairman serves as the primary link between the Board and Management, and works with the Managing Director & CEO and Company Secretary to set the agenda of the Board Meetings. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

Chairman & Managing Director/CEO of the Company are different persons

Chairman of the Board and Managing Director of the Company are different persons with different roles and responsibilities, defined by the Board and thereby preventing unregulated powers of decision making by a single hand. The Chairman is a Non-Executive Director while the Managing Director is an Executive Director.

Role of the Managing Director& CEO

The Managing Director & CEO is the key person and is responsible for running the business of the Company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and execution the Company's operating plan that is necessarily to achieve Company's objectives. He has the overall control on the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company.

Role of the Company Secretary

Company Secretary is responsible for advising the Board through the Chairman on all governance matters. He is also responsible for ensuring proper information flow with the Board and its Committees and between the Management and the Non-Executive Directors. He is also acting as a bridge between the regulators/stakeholders and the Company.

Role of the Head of Internal Control & Compliance

The Head of Internal Control and Compliance is responsible for reporting to the Board Audit Committee regarding deviations from accounting and internal control system. He is also leading the internal audit team of the Company.

Internal Control and Compliance

The Company's internal control system commensurate with its size and business nature. The system minimized operational risks through effective control, systemic review and on-going audit. The internal auditors undertook a comprehensive audit of all functional areas and operations, their findings referred to the Audit Committee of the Board.

The Company internalized its legal and technical appraisal functions to ensure optimum control of the Company's multi-level authorization structure ensured that higher exposure levels were duly authorized by personnel and committees with required experience and authority. Training programs and guidelines helped implement linkage between goals and operations.

The Board has ultimate responsibility for establishing an effective system for internal control. The internal control system holds all business risks, including financial, operational and strategic. To mitigate all the risks as well as to establish control environment, the board holds its meeting regularly with comprehensive agenda dealing with all major aspects of business. There is an internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

ITC made relevant mandatory disclosure in its delivering in its financial statements under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh, beside that it submits all the reports/statements regularly, which are required to be submitted to the regulators as well as the other stakeholders of the Company.

Risk Management

The Company always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well-structured and proactive risk management system is in place within the Company to address the risks relating to market, liquidity and operations.

Related Party Transactions

Transactions with related parties are made on arm's length basis and are in the ordinary course of business. Detailed transactions with related parties are described at notes 36 of the Financial Statements in the page no. 108 of this annual report.

Auditors Certificate on Corporate Governance

The Company has complied with all mandatory requirements of Corporate Governance guidelines as enumerated in the Notification No. SEC/CMRRCD/2006-158/Admin/44 dated August 07, 2012 of Bangladesh Securities and Exchange Commission. **M/s. SARASHID & Associate, Chartered Secretaries in Practice** have certified that the Company has complied with the conditions of Corporate Governance as stipulated under the Corporate Governance guidelines which is annexed in the page no. 64.

Statement of CEO and the CFO regarding Financial Statements

A separate statement as to the fairness and presentation of the Financial Statements of the Company is given in page no. 53 of this report.

Observance of BAS, BFRS & Applicable Laws

The Directors confirm the financial statements have been prepared in accordance with the Bangladesh Accounting Standard and applicable rules and regulations. A statement on implementations of the different accounting standards is set out at notes to the financial statements.

Employee Health & Safety

ITC maintains internal health and safety policies and procedures and national regulations to ensure a safe working environment. We are working with our employees to ensure that health and safety standards are maintained and improved. ITC provides adequate life and hospitalization insurance coverage to all its permanent employees.

Annual General Meeting (AGM)

ITC holds Annual General Meeting of shareholders once a year and the Company ensures effective interaction with the shareholders at the Annual General Meeting. The Directors pay special attention in answering the various queries raised by the shareholders at the Annual General Meeting.

Having reviewed the BSCE's Corporate Governance guideline on August 7, 2012, the Company's Board issued and signed their declaration of Compliance, a statement of which is given below:

Condition No.	Title	Compliance Status		Explanation Noncompliance with the condition
		Compiled	Not Compiled	
1.00	Board of Directors			
1.1	Board Size	√		
1.2	INDEPENDENT DIRECTORS			
1.2.(i)	Appointment of Independent Directors	√		
1.2.(ii)(a)	Does not hold any share of less than 1% shares in the Company	√		
1.2.(ii)(b)	Not a Sponsor of The Company	√		
1.2.(ii)(c)	Does not have other relationship	√		
1.2.(ii)(d)	Not a Member, Director or Officer of nay Stock Exchange	√		
1.2.(ii)(e)	Not a Shareholder, Director of Officer of any Stock Exchange.	√		
1.2.(ii)(f)	Not a partner of an Executive or was not a partner of an Executive during the preceding 3(Three) years of the concerned Company's statutory audit firm.	√		
1.2.(ii)(g)	Not an Independent Director more than three listed Companies.	√		
1.2.(ii)(h)	Not Convicted by a curt of competent jurisdiction as a derailed in payment of any loan to a Bank or a Non-Bank Financial Institution.	√		
1.2.(ii)(i)	Not convicted for a Criminal Offence	√		
1.2.(iii)	Appointment by the Board and approved in AGM	√		
1.2.(iv)	Post cannot remain vacant more than 90 days	√		
1.2.(v)	Lay down a code of conduct and annual compliance	√		
1.2.(vi)	Tenure of the Independent Director	√		
1.3	QUALIFICATION OF INDEPENDENT DIRECTOR			
1.3(i)	Independent Director shall be knowledgeable	√		
1.3(ii)	Should be a Corporate Leader/Business Leader	√		
1.3(iii)	Special cases for relaxation of qualifications.	√		
1.4	The posts of Chairman of the board and Chief Executive Officer are filled by different individuals.	√		
1.5	THE DIRECTORS REPORT TO SHAREHOLDERS			
1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	Segment-wise or product-wise performance	√		
1.5(iii)	Risks and concerns	√		
1.5(iv)	A discussion on Cost of Goods sold Gross profit Margin and Net Profit Margin.	√		

1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss			N/A
1.5(vi)	Basis for related party transactions-a statement of all related party transactions	√		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others 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 Offer, Direct Listing, etc.			N/A
1.5(ix)	If significant if the financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	√		
1.5(x)	Remuneration to Directors including Independent Director	√		
1.5(xi)	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)	Proper books of account of the issuer company have been maintained	√		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1.5(xiv)	International Accounting Statement (IAS) Bangladesh Accounting Standard(BAS)/ International Financial Reporting standard (BFRS), 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)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5(xvi)	There are no significant doubts 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 thereof should be disclosed	√		
1.5(xvii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained			N/A

1.5(xviii)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized	√		
1.5(xix)	If the issuer company has not declared dividend (cash or stock)for the year, the reasons there of shall be given			N/A
1.5(xx)	The number of Board meetings held during the year and attendance by each Director shall be disclosed	√		
1.5(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)			N/A
1.5(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5(xxi) c)	Executives	√		
1.5(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1.5(xxii)	In case of appointment/re-appointment of a director, the company shall disclose the following information to the shareholders			
1.5 (xxii) a)	A brief resume of the Director	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas	√		
1.5 (xxii) c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the Board	√		
2.00	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY			
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary	√		
2.2	Requirement of CFO and Company Secretary to attend Board Meeting	√		
3.00	AUDIT COMMITTEE			
3.00 (i)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors	√		
3.00 (ii)	The Audit Committee shall assist the Board of Directors 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	√		
3.00(iii)	The Audit Committee shall be responsible to the Board of Directors, The duties of the Audit Committee shall be clearly set forth in Writing	√		
3.1	CONSTITUTION OF THE AUDIT COMMITTEE			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) Independent Director	√		

3.1 (iii)	All members of the Audit Committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management experience	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service	√		
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director	√		
3.2	SELECTION OF THE CHAIRMAN OF THE AUDIT COMMITTEE			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM)			N/A
3.3	ROLE OF AUDIT COMMITTEE			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		
3.3 (iii)	Monitor Internal Control Risk Management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the Management	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO/Repeat Public Offering (RPO) /Rights Issue the company shall disclose to the Audit Committee, on a quarterly basis and annual basis	√		
3.4	REPORTING TO THE AUDIT COMMITTEE			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1(ii) (a)	Report on conflict of interest			N/A

3.4.1 (ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system			N/A
3.4.1 (ii) (c)	Suspected infringement of laws			N/A
3.4.1 (ii) (d)	Any other matter			N/A
3.4.2	Reporting to the authorities			N/A
3.5	Reporting to the shareholder and general investors	√		
4	EXTERNAL/ STATUTORY AUDITORS:			
4 (i)	Appraisal or valuation services of fairness opinions	√		
4 (ii)	Financial information systems design and implementation	√		
4 (iii)	Book keeping or other services related to the accounting records	√		
4 (iv)	Broker- dealer services	√		
4 (V)	Actuarial Services	√		
4 (vi)	Internal Audit Services	√		
4 (vii)	Any other services that the audit committee determines	√		
4 (viii)	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	√		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition no. 7	√		
5.	SUBSIDIARY COMPANY:			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary Company			N/A
5 (ii)	At least 1 (one) Independent Director on the Board of Directors of the holding company shall be director on the Board of Directors of the Board of Directors of the subsidiary company			N/A
5 (iii)	The minutes of the Board meeting of the subsidiary Company shall be policed for review at the following Board meeting of the holding Company			N/A
5 (iv)	The minutes of the respective Board meeting of the holding Company shall state that they have also reviewed the affairs of the subsidiary Company			N/A
5 (v)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investment made by the subsidiary Company			N/A

6.	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):			
6 (i)a)	Certify that no materially untrue statements that might be misleading	√		
6 (ii)b)	Certify that 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	√		
6 (iii)	Certify that no transaction entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct	√		
7.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	Obtain Certificate relating to Complied Corporate Governance Guidelines from practicing professional Accountant	√		
7 (ii)	Attached in the directors report whether the company has complied with these conditions	√		

S. Abdur Rashid FCS

BCom (Hons), MBS (Finance & Banking), MBA (Finance), PGDHRM, LLB, AIPM

Chartered Secretary in Practice

Private Practice Certificate No.: 003

Phone # +880 2 9558796, +88 01726533655

E-mail : sarashid12000@yahoo.com

SARashid & Associates
(Chartered Secretaries)

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E-mail : sarashidnasso@gmail.com

Certificate on Compliance of Corporate Governance Guidelines

[Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012]

I have reviewed the Compliance of Conditions of the Corporate Governance Guidelines by **Information Technology Consultants Ltd.** ("the Company") for the year ended 30 June 2016. Such compliance is the responsibility of the Company as stipulated in the above mentioned notification issued by Bangladesh Securities and Exchange Commission (BSEC).

I have conducted my review in a manner that has provided me a reasonable basis for evaluating the compliances and expressing my opinion thereon. This review has been limited to the measures adopted by the Company in ensuring such compliances and this has not been for expression of opinion on the financial statements or future viability of the Company.

According to the information and explanations provided to me by the Company, I hereby certify that all the conditions of the Corporate Governance Guidelines have been complied with by the Company.



S. Abdur Rashid FCS



Dhaka, 24 October 2016

Directors' Report



Directors' Report

Dear Shareholders,

In terms of the provisions of the Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchanges Rules 1987, BSEC Notification date August 07, 2012 and IAS-1 (International Accounting Standards-1) codes as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), it is the pleasure of the Board of Directors to submit its Report to the Shareholders for the year ended June 30, 2016 in the following paragraphs:

Monetary Management

Declining inflation, reduced lending rates, stable exchange rate and reserve build up show the central bank's monetary policy worked well. 12.4 percent, broad money growth in FY15 languished below the monetary policy Statement target of 16.5 percent, primarily due to a 10% domestic credit growth shortfall compared to 20.2% target. It reflects weak credit demand from private sector and the government. Net foreign assets grew by 18.2%, Compared with FY15 3.6% target. The banking sector face challenges with estimated average earning decline by 7 percent in FY15 vis-à-vis 7.5 percent growth in FY14.

Inflation

Inflation declined to 5.8 percent in FY16 from 6.4 percent in FY15, thanks to declining food inflation. The rural-urban gap in food inflation also reduced. But, non-food inflation increased as political unrest caused supply disruptions. Aggregate demand management limited inflation volatility while declining international commodity prices helped reduce inflation.

Industry Outlook and Possible future Developments in the Service Industry sub-sector

Information Technology grew in Bangladesh in the late 1990s when companies began to use computers for carrying out their businesses. Bangladesh, as a nation didn't realize the significance of technology until 1997, when the Government recognized the potentiality of ICT industry and its impact on the economy. Today, it has become a commodity without which the economy will not be able to sustain or function effectively. The information technology industry in Bangladesh accounts for more than USD 400 million in annual revenues and is growing every year at a rate of around 20%.

The IT industry is fast coming up as one of the most important national sectors of Bangladesh. One of the main driving factors behind the surge in activity in the sector has been the Government's national policies aimed towards developing the industry to facilitate the dream of a "Digital Bangladesh" and the availability of strong talent at globally competitive prices. These have led to Bangladesh ranking 26th in A.T deanery's "Global Service Location Index" and gain the third position among contraction countries index.

In terms of exports, Bangladesh earns more than USD 100 million from the export of IT and IT related services. The export revenue has risen robustly over the years; standing at USD 101.63 million in 2012-13, which was around 4 times the amount earned in 2006-07.

Business now needs technology for upgraded and updated performance and ITC provides the best possible IT solution for its clients assessing their business needs and visions. ITC is contributing in enhancement of digitization and automation of businesses by incorporating international technologies which suits our local demands.

(Source: Bangladesh Bank, Bangladesh Bureau of Statistics, Bangladesh Association of Software & Information Services).

Contribution to National Exchequer

The company contributed an amount of Taka 89,290,635 to the National Exchequer against Duties, Taxes towards Software, Hardware imports.

Highlights on Financial Performance

The comparatives on the financial performance of the Company for the year ended to June 30, 2016 are presented below:

Particulars	2015-16	2014-15	Growth%
Revenue	986,281,850	590,227,256	67.10%
Cost of Goods Sold	686,456,968	377,457,182	81.86%
Gross Profit	299,824,882	212,770,074	40.91%
Operating Expenses	147,671,301	123,129,621	19.93%
Operating Profit	152,153,581	89,640,453	69.74%
Financial Cost	77,501,240	74,345,882	4.24%
Profit Before Tax	85,659,348	32,318,664	165.05%
Profit After Tax	75,806,840	31,179,747	143.13%

Net Profit Before Tax for the year was increased Tk. 53,340,684 of the same period of the last year reflection growth is 165% due to increase of revenue as well as decrease of operational cost. The growth of Net Profit After Tax is 143%.

Revenue Growth & Products and Services

The Revenue is Tk. 986,281,850 Growth is 67.10% of 2015-16 against previous year 2014-15 is 590,227,256 and the list of Products and Services are shown in the page no. 29

Human Capital

	2015-16	2014-15
Beginning of the year	261	235
New recruitment	73	52
Released	22	26
Closing of the year	312	261

Financial Results and Appropriation

1	Net Profit After Tax	Tk. 75,806,840/-
2	Retained Earnings Brought Forward Profit Available for Distribution	Tk. 108,849,793/-
3	Amount available for Distribution of Dividend	Tk. 184,656,633/-
4	Proposed Dividend 15% of Stock (Bonus) Dividend	Tk. 130,500,000/-
5	Retained Earnings Carried Forward	Tk. 54,156,633/-

Risk Management

Financial Risk Management:

The management has overall responsibility for the establishment and oversight of the company's risk management frame work. The company has exposure to the following risks from its use of financial instruments.

- (a) Credit Risk;
- (b) Liquidity Risk; and
- (c) Market Risk.

(a) Credit Risk

Credit Risk represents the Financial loss to the company if a customer or counterparty to a financial instrument fail to meet its contractual obligations. It mainly comprises of trade receivables, advances to suppliers, trade deposits and bank balances. the company's maximum exposure to credit risk at the reporting date is trade receivables which is also secured by agreement with the clients & member banks also.

(b) 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 maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidity risk.

(c) Market Risk

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

Technological Risk Management:

Technology is a dynamic term that frequently changes its shape and nature. Every capital-intensive industry has to rapidly synchronize itself with technological changes and invest in sophisticated machineries. A right technology is a crucial determinant of competitiveness that ensures better products and services to the customers while minimizing costs. Adjustment to new technologies thus involves relatively large scale investments as well as a longer pay-back period.

The company is operating in an industry where technology is the key success factor. Some of the technological risks associated with the company vis-à-vis the management perception is as follows.

(a) Infrastructure Related Risk

Management always put high focus and undertake required CAPEX to keep the infrastructure updated to ensure smooth operation.

(b) Efficient Technical Expertise

The Company is the pioneer in Bangladesh in IT industry and has built up a strong team who has been involved since the revolution of the industry. So apparently they have the most expert team in the industry to cater any technological dynamics.

(c) Up gradation of the Industry / Solutions

In line with the global financial market, Bangladesh is also adopting the upgraded solutions fast. ITC is capable to adjust and cope up with the change in industry dynamics.

(d) Product / Solution Obsolescence

ITC management believes in continuous up-gradation and continuous improvement of their offerings. Historically they were pioneer and fast mover in terms of launching new products or ideas in the market. So it is implied that the management is well cautious about their competitive edge and continuously putting effort to assure its market leader position.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risk faced by the company.

Corporate and Financial Reporting Framework

The Members of the Board, in accordance with the Bangladesh Securities & Exchange Commission's Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012; hereby confirm compliance with the financial reporting framework for the following:

- The Financial Statements prepared by the Management of ITC, present its state of affairs, the result of its operations, Cash flows and Changes in Equity fairly and accurately.
- Proper Books of Accounts of the issuer company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS) Bangladesh Accounting Standards (BAS) International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been defectively implemented and monitored.
- There are no significant doubts on the ability of the company to continue as a going concern.

Going Concern

The financial statements of the Company have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Board of Directors of ITC has made annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern, including review of budget and future uncertainties in existence.

Board Meetings and Attendance by the Directors

During the year ended June 30, 2016, total 10 (Ten) Meeting of the Board of Directors was held. Attendance by the Directors in the Board are summarized and given below:

Sl. No	Name	Number of Meeting during 2015-16	Number of Attendance During 2015-16	Remarks
1	Mr. Lim Kiah Meng Chairman (Nominated Director of SiS Capital (Bangladesh) Pte Limited	10	8	
2	Mr. Salahuddin Alamgir Vice Chairman	10	9	
3	Mr.Kazi Saifuddin Munir, Ph.D Managing Director & CEO	10	10	
4	Mr. Lim Kia Hong Nominated Director of SiS Capital (Bangladesh) Pte Limited	10	7	
5	Mr. Lim Hwee Hai Nominated Director of SiS Capital (Bangladesh) Pte Limited	10	7	
6	Madam Lim Hwee Noi Nominated Director of SiS Capital (Bangladesh) Pte Limited	10	7	
7	Ms. Goh Peck Hwee Nominated Director of SiS Capital (Bangladesh) Pte Limited	10	7	
8	Madam Fauzjus Tjandra Nominated Director of Regent Pacific Limited	10	7	
9	Mr. Md. Waliuzzaman FCA Independent Director	10	4	Appointed on 10/01/2016
10	Mr. Md. Haqueful Shaikh Independent Director	10	4	Appointed on 10/01/2016

Remuneration of Directors:

No Remuneration was paid to any Director including Independent Directors except Managing Director & CEO. Independent Directors are however, receiving an attendance fees Tk. 3,000 (Three Thousand) for each meeting.

Shareholding Pattern

Shareholding patterns of the Company as at the end of the year 2015-2016 is shown in below:

The Pattern of Shareholdings as on June 30, 2016 :

Sl. No.	Name	Status	Number of Share held as of 30.06.2016	% of Shareholding			
A)	Parent/Subsidiary/Associated Companies/Others Related Party:						
	SIS Capital (Bangladesh) Pte Limited	Nominated Director	28,509,390	32.77%			
	Regent Pacific Ltd.	Nominated Director	7,350,000	8.45%			
B1)	Directors & their Spouses and Children:						
1	Mr. Kazi Saifuddin Munir, Ph. D	Managing Director & CEO & Sponsor Director	3,920,540	4.51%			
2	Mr. Salahuddin Alamgir	Vice Chairman & Director	4,662,080	5.36%			
3	Mr. Lim Kiah Meng Nominated Director of SIS Capital (Bangladesh) Pte Limited	Chairman & Director	Nil	Nil			
4	Mr. Lim Kia Hong Nominated Director of SiS Capital (Bangladesh) Pte Limited						
5	Mr. Lim Hwee Hai Nominated Director of SiS Capital (Bangladesh) Pte Limited						
6	Madam Lim Hwee Noi Nominated Director of SiS Capital (Bangladesh) Pte Limited						
7	Ms. Goh Peck Hwee Nominated Director of SiS Capital (Bangladesh) Pte Limited						
8	Madam Fauzjus Tjandra Nominated Director of Regent Pacific Ltd						
9	Mr. Md. Waliuzzaman FCA				Independent Director	Nil	Nil
10	Mr. Md. Haqueful Shaikh				Independent Director	Nil	Nil
B 2)	CEO, CFO, CS, HOIA and their Spouses and Minor Children:						
	Mr. Shyamal Kanti Karmakar	Chief Financial Officer	Nil	Nil			
	Mr. Anindya Sarkar ACS	Company Secretary	Nil	Nil			
	Mr. Md. Mehedi Hasan	Head of Internal Audit	Nil	Nil			
C)	Top 5 (Five) Executives and their Spouses and Minor Children:						
1	Mr. Osman Haidar	Director-Business	3,000	0.003%			
2	Mr. Zubaer Ahmad	Head of TP & BI	22,100	0.025%			
3	Mr. Md. Faizul Islam	Chief Technology Officer	Nil	Nil			
4	Mr. Mahmud Al-Hasan Khan	Head of Sales & Marketing	Nil	Nil			
5	Mr. Tanzir Mannan Pavel	Chief Operating Officer	30,000	0.030%			
D)	Shareholders Holding 10% or more voting interest in the company:						
	SIS Capital (Bangladesh) Pte Limited	Nominated Director	28,509,390	32.77%			

Range of Shareholding

Summary of Shareholders

The distribution schedule of Information Technology Consultants limited as on June 30, 2016 was presented as below.

On the Basis of Shareholders Type:

Group Name	Number of Shareholders	Number of Shares	Ownership (%)
Sponsors/Promoters and Directors	4	44,442,010	51.09
Institute	170	17,156,695	19.72
General Public	6,359	25,401,295	29.19
Total	6,533	8,70,00,000	100%

On the Basis of Shareholding:

Shareholding Range	Number of Shareholders	Number of Shares	Ownership (%)
1-100	967	65,771	0.08
101-500	2619	8,58,239	0.99
501-1000	923	7,86,257	0.90
1001-5000	1448	35,11,676	4.04
5001-10000	300	22,29,113	2.56
10001-20000	140	20,56,037	2.36
20001-above	136	7,74,92,907	89.07
Total	6,533	8,70,00,000	100%

Proposed Dividend

The Board of Directors at the time of considering the annual accounts have recommended 15% Stock (Bonus) dividend to be paid to the shareholders out of profit for the year 2015-16, which is to be approved by the shareholders in the forthcoming AGM.

IPO Utilization of Proceed

As per IPO BSEC consent letter no SEC/CI/IPO-234/2014/485 dated October 04, 2015 with issued & approved prospectus, the company has received a fund of Taka 12 crore from the public for expansion of business, term loan adjustment and to meet IPO expenses. The company appointed auditors M/s. Howladar Younus & Co., (Chartered Accountants with foreign affiliated from Grant Thornton International Limited) for Audit of IPO Utilization of Proceed Audit and submit monthly report to the regulatory authorities as per consent letter. The company has used BDT. 92,491,710 (Nine crore twenty four lac ninety one thousand seven hundred ten only) till date June 30, 2016.

Directors' Appointment & Re-appointment:

As per Article 125 and 126 of the Articles of Association of the Company, the following Directors are retires from the office by rotation at the 16th Annual General Meeting and being eligible, have offered themselves for seeking re election:

Mr. Lim Kiah Meng
(Nominated by SiS Capital Bangladesh Ltd.)

Mr. Lim Hwee Hai
(Nominated by SiS Capital Bangladesh Ltd.)

Madam Lim Hwee Noi
(Nominated by SiS Capital Bangladesh Ltd.)

Brief Resume and other information of the above mentioned Directors as per clause 1.5 (xxii) of BSEC notification dated August 07, 2012 are shown in the page no. 15, 16 & 17

Independent Directors' Appointment

The Board of Directors in its meeting held on January 10, 2016 had appointed Mr. Md. Waliuzzaman FCA and Mr. Md. Haqueful Shaikh as Independent Director of the company subject to approval from the shareholders in the 16th Annual General Meeting (AGM). Brief Resume and other information of the above mentioned Directors (as per clause 1.5 (xxii) of BSEC notification dated August 07, 2012) are shown in the page no. 18

Appointment of External Auditors

During the 15th Annual General Meeting (AGM) the shareholders appointed M/s. Hussain Farhad & Co., Chartered Accountants, as External Auditors of the company for the year 2015-16. The Auditors are eligible for re appointment as per BSEC notification. As recommended by the Board of Directors in its meeting dated October 17, 2016, the matter for appointment of M/s. Hussain Farhad & Co., Chartered Accountants for the year 2016-2017 as External Auditors of the company and fix their remuneration TK. 330,000 (three lac thirty thousand taka only) is placed before the shareholders in the AGM for approval.

Corporate Governance

ITC is committed to maintaining high standards of Corporate Governance. Accordingly, your Company has complied with the provisions of BSEC Corporate Governance Guideline dated August 7, 2012 and amendment thereof issued by the Bangladesh Securities & Exchange Commission. Pursuant to the Guidelines, the following statements are appended as part of this Annual Report:

- Audit Committee Report to the Shareholders
- Statement on Financial Statements by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)
- Report on the Corporate Governance
- Certificate regarding compliance of conditions of Corporate Governance.

Acknowledgement

The Board of Directors of the Company would like to extend their sincere thanks and gratitude to its stakeholders for their assistance and guidance from time to time. The Directors of the Company express and extend acknowledge their gratitude to its Customers, Financiers, Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), and Chittagong Stock Exchange (CSE), Registrar of Joint Stock Companies and Firms (RJSC), Central Depository Bangladesh Ltd. (CDBL) and other Regulatory Authorities for their kind guidance and support to the company and the co-operation extended by the Auditors, and the devoted efforts put in by the company's executives & employees at all levels to uphold the Company's business performance.

For & On behalf of the Board of Directors



LIM KIAH MENG
Chairman

Dhaka
Date : October 17, 2016

**AUDITOR'S REPORT
AND
AUDITED FINANCIAL STATEMENTS**



INDEPENDENT AUDITOR'S REPORT
to the shareholders of
Information Technology Consultants Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Information Technology Consultants Limited, which comprise the statement of financial position as at June 30, 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of Information Technology Consultants Limited as at June 30, 2016 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

We also report that:

- a) We have obtained all the information and explanation 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 account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) The statement of financial position, statement of profit or loss and other comprehensive income and statement of cash flows dealt with by the report are in agreement with the books of account and returns; and
- d) The expenditure incurred and payment made were for the purpose of the company's business.

Dhaka
Date: 17 October, 2016


Hussain Farhad & Co.
Chartered Accountants

Information Technology Consultants Limited

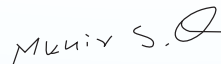
Statement of Financial Position

As at 30 June 2016

	Notes	30 June 2016 Taka	30 June 2015 Taka
Assets			
Non Current Assets:			
Property, plant and equipment, net	4.00	250,077,835	241,522,145
Intangible assets, net	5.00	649,214,807	542,758,006
Capital work in progress	6.00	71,979,960	172,660,130
		971,272,602	956,940,281
Current Assets:			
Inventories	7.00	438,429,924	285,315,147
Accounts receivable	8.00	436,391,323	374,494,839
Other receivable	9.00	5,721,780	6,668,780
Advance, deposits & prepayments	10.00	448,116,710	359,558,359
Cash and cash equivalents	11.00	46,377,885	28,710,357
		1,375,037,622	1,054,747,482
		2,346,310,224	2,011,687,763
Total Assets			
Equity and Liabilities			
Shareholders' Equity:			
Share capital	12.00	870,000,000	750,000,000
Share premium	13.00	294,578,430	310,201,854
Retained earnings	14.00	184,656,633	83,428,301
Revaluation reserve	15.00	237,456,401	249,720,234
		1,586,691,464	1,393,350,389
Non Current Liabilities:			
Secured loan	16.00	-	50,937,305
ITC-QOOL ATM project	17.00	26,250,000	30,975,000
		26,250,000	81,912,305
Current Liabilities:			
Trade payables	18.00	34,849,549	49,254,391
Bank overdraft	19.00	524,086,460	360,387,142
IPO subscription refund	20.00	927,085	-
Payable for expenses	21.00	9,127,704	12,057,335
Other liabilities	22.00	131,782,989	92,195,577
Current portion of long term loan	23.00	20,876,760	20,664,919
Income tax payable	24.00	11,718,213	1,865,705
		733,368,760	536,425,069
		759,618,760	618,337,374
Total Liabilities			
Total Equity & Liabilities			
		2,346,310,224	2,011,687,763
Net Asset Value (NAV) per share			
	35.00	19.37	18.58

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

As per our report of same date

Place: Dhaka
Date: 17 October, 2016


HUSSAIN FARHAD & Co.
Chartered Accountants

Information Technology Consultants Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2016

	Notes	2015-2016 Taka	2014-2015 Taka
Revenue	25.00	986,281,850	590,227,256
Cost of services & sales	26.00	(686,456,968)	(377,457,182)
Gross Profit		299,824,882	212,770,074
Operating expenses:			
General and administrative expenses	27.00	(99,275,280)	(80,875,738)
Selling & distribution expenses	28.00	(40,206,597)	(35,413,685)
Other operating expenses	29.00	(8,189,424)	(6,840,198)
Total operating expenses		(147,671,301)	(123,129,621)
Operating Profit/(Loss)		152,153,581	89,640,453
Non operating income	30.00	831,208	1,923,622
Profit/(Loss) before Finance Costs		152,984,789	91,564,075
Finance costs	31.00	(77,501,240)	(74,345,882)
Finance income	32.00	14,458,766	16,716,404
Profit/(Loss) before WPPF		89,942,315	33,934,597
Contribution to WPPF	33.00	(4,282,967)	(1,615,933)
Profit/(Loss) before Income Tax		85,659,348	32,318,664
Income tax expenses	24.00	(9,852,508)	(1,138,917)
Profit/(Loss) before Extraordinary Gain/(Loss)		75,806,840	31,179,747
Extraordinary gain - Discontinued operation (BEPS)		-	376,818
Net Profit/(Loss)		75,806,840	31,556,565
Earnings per Share	34.00	0.93	0.42

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

As per our report of same date

Place: Dhaka
Date: 17 October, 2016

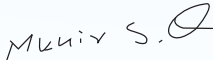

HUSSAIN FARHAD & CO.
Chartered Accountants

Information Technology Consultants Limited
Statement of Changes in Equity
For the year ended 30 June 2016

Particulars	Paid-up Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2015	750,000,000	310,201,854	83,428,301	249,720,234	1,393,350,389
Issuance of share	120,000,000	-	-	-	120,000,000
Initial public offering cost	-	(15,623,424)	-	-	(15,623,424)
Total comprehensive income for the year	-	-	75,806,840	-	75,806,840
Prior year adjustment	-	-	13,157,659	-	13,157,659
Transfer from revaluation reserve to retained earnings	-	-	12,263,833	(12,263,833)	-
Balance as at 30 June 2016	870,000,000	294,578,430	184,656,633	237,456,401	1,586,691,464
Balance as at 01 July 2014	750,000,000	310,201,854	40,275,591	263,154,934	1,363,632,379
Total comprehensive income for the year	-	-	31,179,747	-	31,179,747
Extraordinary gain - Discontinued operations (BEPS)	-	-	376,818	-	376,818
Prior year adjustment	-	-	(1,838,555)	-	(1,838,555)
Transfer from revaluation reserve to retained earnings	-	-	13,434,700	(13,434,700)	-
Balance as at 30 June 2015	750,000,000	310,201,854	83,428,301	249,720,234	1,393,350,389

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

As per our report of same date

Place: Dhaka
Date: 17 October, 2016


HUSSAIN FARHAD & CO.
Chartered Accountants

Information Technology Consultants Limited
Statement of Cash Flows
For the year ended 30 June 2016

	2015-2016 Taka	2014-2015 Taka
A. Cash flows from operating activities		
Cash receipts from customers/sales	938,374,233	644,329,526
Cash generated from/(paid to) suppliers	(800,727,824)	(337,527,006)
Cash generated from/(paid for) operating activities	(158,872,598)	(96,839,073)
Interest paid	(77,501,240)	(74,345,882)
Income taxes paid	(39,636,364)	(26,889,735)
Net cash provided by/(used in) operating activities	(138,363,793)	108,727,830
B. Cash flows from investing activities		
Purchase of property, plant & equipment (WIP)	(18,310,980)	(13,209,464)
Purchase of property, plant & equipment - DR (WIP)	(956,828)	(7,083,167)
Purchase of intangible assets (WIP)	(52,712,152)	(125,075,293)
Interest received	14,458,766	16,716,404
Cash receipts from discontinued operations (BEPS)	-	604,787
Net cash provided by/(used in) investing activities	(57,521,194)	(128,046,733)
C. Cash flows from financing activities		
Proceeds from issue of share capital	120,000,000	-
Payment of IPO expenses	(15,623,424)	-
Proceeds from IPO subscription refund	927,085	-
Proceeds from/(Payment of) secured loan	(50,725,464)	(17,032,276)
Proceeds from/(Payment of) bank overdraft	163,699,318	8,269,703
Proceeds from/(Payment of) ITC-QOOL ATM project	(4,725,000)	30,975,000
Net cash provided by/(used in) financing activities	213,552,515	22,212,427
D. Net changes in cash and cash equivalents (A+B+C)	17,667,528	2,893,524
E. Cash and cash equivalents at beginning of the period	28,710,357	25,816,833
F. Cash and cash equivalents at end of the period	46,377,885	28,710,357

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

As per our report of same date

Place: Dhaka
Date: 17 October, 2016


HUSSAIN FARHAD & CO.
Chartered Accountants

Information Technology Consultants Limited

Notes to the Financial Statements

For the year ended 30 June 2016

1. Reporting entity

1.1 Company profile

Information Technology Consultants Ltd. was incorporated as a private company limited by shares registered under the Companies Act, 1994, vide certificate of incorporation no: C-41094(453)/2000, dated: 23 August, 2000 and converted to "Public" Limited company on 16 March 2008. The registered office of the company is located at Evergreen Plaza (3rd Floor), 260/B, Tejgaon I/A, Dhaka - 1208.

1.2 Nature of business

The business of the company interalia includes online Switching Solution, Software Development and Service Provider of Q-cash member banks shared ATM network.

Information Technology Consultants Ltd. is committed to be the leader as Smart Card Solutions Provider in the Banking sector as well as the Automated Transaction Processing Industry in Bangladesh.

2. Basis of preparation

2.1 Statement of compliance

The financial statements of the company under reporting have been prepared in accordance with BAS-1 "Presentation of Financial Statements" under historical cost convention in a going concern basis and on accrual basis. The preparation and disclosures have been made to the financial statements in accordance with the Companies Act, 1994, Bangladesh Securities and Exchange Commission Rules, 1987, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

The financial statements were authorized for issue by the Board of Directors on 17 October, 2016.

2.2 Application of standards

The following BAS are applicable for the financial statement for the period under review:

- BAS - 1 Presentation of Financial Statements
- BAS - 2 Inventories
- BAS - 7 Statement of Cash Flows
- BAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors
- BAS - 10 Events after the reporting Period
- BAS - 12 Income Taxes
- BAS - 16 Property, Plant and Equipment
- BAS - 18 Revenue
- BAS - 19 Employee Benefits
- BAS - 21 The Effects of Changes in Foreign Exchange Rates
- BAS - 23 Borrowing Costs
- BAS - 24 Related party Disclosures
- BAS - 32 Financial Instrument - Presentation
- BAS - 33 Earnings per Share
- BAS - 36 Impairment of Assets
- BAS - 37 Provisions, Contingent Liabilities and Contingent Assets
- BAS - 38 Intangible Assets

2.3 Basis of measurement

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base as provided in the "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Committee (IASC).

2.4 Functional and presentational currency and level of precision

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with the Bangladesh Accounting Standards requires management to make estimates and assumption that affect the report, amount 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.

2.6 Reporting period

These Financial Statements of the company cover for the year ended 30 June 2016.

2.7 Presentation of financial statements

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

- i) Statement of Financial Position;
- ii) Statement of Profit or Loss and Other Comprehensive Income;
- iii) Statement of Changes in Equity;
- iv) Statement of Cash Flows; and
- v) Notes, comprising a summary of significant accounting policies and other explanatory information.

2.8 Responsibility for preparation and presentation of financial statements

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

2.9 Going concern

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

3. Significant accounting policies

The accounting policies set out below have been applied to the accounts consistently to all periods presented in these financial statements.

3.1 Property, plant & equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

(b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are expensed when incurred.

(c) Revaluation of fixed assets

The company had revalued its fixed assets in the year 2009-2010 viz, Plant & Machinery, ATM Machine, POS Terminal, Card Printers, Q-cash retailer POS software, ATM Software, Switching Software, POS Software and Software Development by a competent consultant M/s. Ahmed & Akter, an independent Chartered Accountants firm who have no interest in the assets of the company.

(d) Depreciation

Depreciation is charged on the basis of diminishing balance method on all tangible assets over their estimated useful economic lives.

The depreciation rates applicable to the principal categories of fixed assets are:-

Name of assets	Rate
Plant & Machinery	15%
ATM Machinery	15%
POS Terminal	15%
Card Printer	15%
Data Centre	10%
Furniture & Fixture	10%
Computer & Components	15%
Office Equipment	15%
Operating Equipment	15%
Office Decoration	10%
ATM Booth	15%
Generator	10%
Online UPS	10%
Switching Hardware	10%
Network Solutions (CISCO)	10%
Power Sub Station	10%
Power System	10%
Structure Cabling	10%
Call Centre	10%
Web Application Firewall	15%
Vehicles	20%

(e) Retirements and disposals

An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of comprehensive income.

(f) Capital work in progress

Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service.

3.2 Intangible assets

(a) Recognition and measurement

The cost of intangible assets are capitalized provided they meet the recognition criteria specified by BAS-38. Capitalization costs include license fees & cost of implementation / system integration services which are capitalized during the period in which the relevant softwares are installed for use. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the assets for its intended use.

(b) Subsequent costs

Subsequent cost/expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Cost of maintenance, upgrading and enhancements are charged off as revenue expenditure unless they bring similar significant additional long term benefits.

(c) Amortization

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

The amortization rates applicable to the principal categories of intangible assets are:-

Name of assets	Rate
Accounting Software	20%
ATM Software	2.5%
Mobile Banking Software	5%
Oracle Software	5%
PCCI DSS Security Compliance Software License	5%
POS Software	5%
Q Cash E Portal Software Development	5%
Q Cash Retailer POS Software	5%
Software Development	2.5%
Switching Software	2.5%
Call Centre	5%
VMware Software	5%
Issue Tracking Software (JIRA)	5%
E traffic web application	5%

3.3 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. As per BAS 2 “Inventories” Net realizable value is determined by deducting estimated cost of completion and cost of sales from the estimated sales of the 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 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 Employee benefits

Workers' Profit Participation Fund (WPPF)

This represents 5% of net profit before tax contributed by the company as per provisions of Bangladesh Labour (Amendments) Act, 2013 and is payable to employees as defined in the said law.

3.6 Contingencies

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37, there is no contingent liability or asset during the year from 01 July, 2015 to 30 June, 2016.

3.7 Revenue recognition

The revenue during the year represents revenue arising from various services of electronic transaction processing under Q-cash Shared ATM Network and from the sale of ATM, KIOSK, POS which are recognized when deliveries are made against the sales order received from the respective bank clients and after satisfying all the conditions for revenue recognition as provided in BAS 18 “Revenue Recognition.”

A. Accounting policies for recognition of service revenue

- (i) reliably measure the amount of service revenue;
- (ii) economic benefit of service revenue flow to the entity;
- (iii) reliably measure the stage of completion of service revenue at the end of reporting period; and

(iv) reliably measure the costs incurred for service revenue.

B. Accounting policies for recognition of sales revenue

- (i) transfer risks & rewards of ownership of the goods;
- (ii) does not effective control over the goods sold;
- (iii) reliably measure the amount of sales revenue;
- (iv) reliably measure the cost of goods sold; and
- (v) economic benefit of sales revenue flow to the entity.

3.8 Taxation

(a) Current tax

Provision for income tax has been made during the year as per the Income Tax Ordinance, 1984. But the company has been enjoying tax free under para-33 of part-A of the 6th schedule of the Income Tax Ordinance, 1984 up to 30th day of June 2024.

(b) Deferred tax

As there is considerable uncertainty with regard to the taxation of such companies after the expiry of the tax exemption period, the management feels it is not possible to make a reasonable estimate of deferred tax and make its provision at this stage.

3.9 Foreign currency transactions

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of transaction in accordance with BAS 21.

3.10 Finance income and expenses

Finance income comprises interest income which is recognized on accrual basis. Finance expenses comprise interest expense on loan, overdraft and bank charges. All borrowing costs are recognized in the statement of comprehensive income.

3.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.11.1 Financial assets

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, other long term receivables and deposits.

(a) Cash and cash equivalents

According to BAS 7 “Cash Flow Statement”, cash comprises of cash in hand and demand deposit and cash equivalents which are of short term, highly liquid investments that are readily convertible to know amount of cash which are subject to an insignificant risk of changes in value, BAS 1 “Presentations of Financial State ments” also provides that cash equivalents are those which have no restriction in use considering the provision of BAS 7 and BAS 1. Cash in hand and bank balance have been considered as cash and cash equivalents.

(b) Accounts receivable

Accounts receivable are created based on original invoice amount and accrued income which is still not billed to customer.

3.11.2 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 cancelled or expired. Financial liabilities include trade and other payables and other current liabilities.

(a) Trade payables

Liabilities are recognized for 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 statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.12 Impairment of assets

As all assets of the company shown in the financial statement that are within the scope of BAS – 36 are in physical existence and valued no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to “Impairment of Assets” as per BAS - 36 have not been considered necessary.

3.13 Statements of cash flows

Statements of Cash Flows is prepared principally in accordance with BAS - 7 Statements 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 calculates Earnings per Share (EPS) in accordance with BAS - 33; Earnings per Share, which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income and the computation of EPS is stated in note 34.00.

Basic earnings

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to the Ordinary Shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding as on 30 June 2016.

Weighted average number of ordinary shares outstanding during the period

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the period.

Diluted earnings per share

No diluted earnings per share are required to be calculated per year as there was no scope for dilution during the period.

3.15 Events after the reporting period

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

3.16 Capital raise through Initial Public Offer (IPO)

The company has raised its paid up capital by issuing ordinary share through Initial Public Offering (IPO) for 12,000,000 ordinary shares of Tk.10.00 each at per totaling to Tk. 120,000,000/- vide BSEC consent letter no - SEC/CI/IPO-234/2014/485; dated - 04 October, 2015.

3.17 Comparative amounts

Certain comparative amounts have been re-classified & rearranged for the better presentation.

3.18 Related party transactions

During the period the company carried out a number of transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provision of BAS-24.

3.19 Financial Risk Management

The management has overall responsibility for the establishment and oversight of the company's risk management frame work. The company has exposure to the following risks from its use of financial instruments.

- (a) Credit Risk;
- (b) Liquidity Risk; and
- (c) Market Risk.

(a) Credit Risk

Credit Risk represents the Financial loss to the company if a customer or counterparty to a financial instrument fail to meet its contractual obligations. It mainly comprises of trade receivables , advances to suppliers, trade deposits and bank balances. the company's maximum exposure to credit risk at the reporting date is trade receivables which is also secured by agreement with the clients & member banks also.

(b) 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 maintains sufficient resources and arrangement of credit lines with the various banks for managing its liquidity risk.

(c) Market Risk

Market risk is that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

3.20 Technological Risk Management

Technology is a dynamic term that frequently changes its shape and nature. Every capital-intensive industry has to rapidly synchronize itself with technological changes and invest in sophisticated machineries. A right technology is a crucial determinant of competitiveness that ensures better products and services to the customers while minimizing costs. Adjustment to new technologies thus involves relatively large scale investments as well as a longer pay-back period.

The company is operating in an industry where technology is the key success factor. Some of the technological risks associated with the company vis-à-vis the management perception is as follows.

(a) Infrastructure Related Risk

Management always put high focus and undertake required CAPEX to keep the infrastructure updated to ensure smooth operation.

(b) Efficient Technical Expertise

The Company is the pioneer in Bangladesh in IT industry and has built up a strong team who has been involved since the revolution of the industry. So apparently they have the most expert team in the industry to cater any technological dynamics.

(c) Up gradation of the Industry / Solutions

In line with the global financial market, Bangladesh is also adopting the upgraded solutions fast. ITCL is capable to adjust and cope up with the change in industry dynamics.

(d) Product / Solution Obsolescence

ITCL management believes in continuous up-gradation and continuous improvement of their offerings. Historically they were pioneer and fast mover in terms of launching new products or ideas in the market. So it is implied that the management is well cautious about their competitive edge and continuously putting effort to assure its market leader position.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risk faced by the company.

3.21 Events after the reporting period

The Board of Directors of the Company has recommended 15% Stock (Bonus) dividend for the year ended 30 June 2016 at the Board Meeting held on 17 October 2016. The dividend is subject to final approval by the Shareholders at the forthcoming Annual General Meeting (AGM) of the company.

3.22 Number of employees

During the year ended 30 June 2016 the company had 312 (30 June 2015: 261) employees who received a salary of Tk. 36,000 and above per annum and there were no employees who received a salary less than Tk. 36,000 per annum.

4.00 Property, plant and equipment, net
as at 30 June 2016

Particulars	Cost/Revaluation				Rate	Depreciation				Net book value As at 30 June 2016 Taka
	As at 01 July 2015 Taka	Addition during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2016 Taka		As at 01 July 2015 Taka	Charged during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2016 Taka	
	%	%	%	%		%	%	%	%	
ATM booth	12,518,401	804,055	-	13,322,456	15%	1,084,584	-	7,176,515	6,145,941	
ATM machinery	161,059,559	-	3,011,091	158,048,468	15%	11,484,456	1,875,460	94,105,483	63,942,985	
Card printer	29,386,311	-	-	29,386,311	15%	11,838,784	2,632,128	14,470,912	14,915,399	
Computer & components	40,693,164	2,023,720	-	42,716,884	15%	27,449,920	2,290,044	29,739,964	12,976,920	
Data centre	10,927,347	533,600	-	11,460,947	10%	2,441,904	901,908	3,343,812	8,117,135	
Furniture & fixture	6,210,694	959,456	-	7,170,150	10%	4,003,223	316,692	4,319,915	2,850,235	
Generator	14,800,000	-	-	14,800,000	10%	5,089,720	971,028	6,060,748	8,739,252	
Network solution (CISCO)	6,156,868	1,606,960	-	7,763,828	10%	2,000,277	576,360	2,576,637	5,187,191	
Office decoration	30,162,252	-	-	30,162,252	10%	12,938,306	1,722,396	14,660,702	15,501,550	
Office equipment	32,224,702	582,288	-	32,806,990	15%	20,317,186	1,873,476	22,190,662	10,616,328	
Online UPS	15,126,100	-	-	15,126,100	10%	4,974,696	1,015,140	5,989,836	9,136,264	
Operating equipment	3,984,102	1,663,781	-	5,647,883	15%	2,042,746	540,768	2,583,514	3,064,369	
Plant & machinery	29,651,033	5,035,604	-	34,686,637	15%	11,460,282	3,483,948	14,944,230	19,742,407	
POS terminal	34,802,374	-	-	34,802,374	15%	13,904,981	3,134,604	17,039,585	17,762,789	
Power sub station	2,460,500	-	-	2,460,500	10%	846,164	161,436	1,007,600	1,452,900	
Power system	11,921,101	-	-	11,921,101	10%	3,230,610	869,052	4,099,662	7,821,439	
Structure cabling	4,871,624	-	-	4,871,624	10%	1,320,204	355,140	1,675,344	3,196,280	
Switching hardware	12,929,170	-	-	12,929,170	10%	4,172,528	875,664	5,048,192	7,880,978	
Call centre	100,000	-	-	100,000	10%	18,996	8,100	27,096	72,904	
Web application firewall	83,300	-	-	83,300	15%	12,492	10,620	23,112	60,188	
Vehicles	104,980	-	-	104,980	20%	-	21,000	21,000	83,980	
Sub total	460,173,582	13,209,464	3,011,091	470,371,955	--	218,651,437	34,328,544	251,104,521	219,267,434	
Disaster Recovery Centre										
Switching hardware	-	24,950,000	-	24,950,000	10%	-	2,495,004	-	22,454,996	
Generator	-	1,698,025	-	1,698,025	10%	-	169,800	-	1,528,225	
Office decoration	-	663,337	-	663,337	10%	-	66,336	-	597,001	
Office equipment	-	2,548,454	-	2,548,454	15%	-	382,272	-	2,166,182	
Furniture & fixture	-	167,040	-	167,040	10%	-	16,704	-	150,336	
Structure cabling	-	2,168,517	-	2,168,517	10%	-	216,852	-	1,951,665	
Firewall & router	-	380,000	-	380,000	10%	-	38,004	-	341,996	
Online UPS	-	1,800,000	-	1,800,000	10%	-	180,000	-	1,620,000	
Sub total	-	34,375,373	-	34,375,373	--	-	3,564,972	-	30,810,401	
Grand total	460,173,582	47,584,837	3,011,091	504,747,328	--	218,651,437	37,893,516	254,669,493	250,077,835	

as at 30 June 2015

Particulars	Cost/Revaluation				Rate	Depreciation				Net book value As at 30 June 2015 Taka
	As at 01 July 2014 Taka	Addition during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2015 Taka		As at 01 July 2014 Taka	Charged during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2015 Taka	
	%	%	%	%		%	%	%	%	
2014-2015	443,779,827	16,393,755	-	460,173,582	--	183,736,489	34,914,948	-	218,651,437	241,522,145

5.00 Intangible assets, net
as at 30 June 2016

Particulars	Cost/Revaluation				Rate	Depreciation				Net book value As at 30 June 2016 Taka
	As at 01 July 2015 Taka	Addition during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2016 Taka		As at 01 July 2015 Taka	Charged during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2016 Taka	
Accounting software	90,000	-	-	90,000	20%	18,000	-	54,000	36,000	
ATM software	116,983,062	57,977,132	-	174,960,194	2.5%	4,374,000	-	9,902,062	165,058,132	
Mobile banking software	1,000,000	-	-	1,000,000	5%	50,004	-	150,006	849,994	
Oracle software	7,646,500	-	-	7,646,500	5%	382,320	-	1,146,968	6,499,532	
PCI DSS security compliance software	1,129,800	-	-	1,129,800	5%	56,496	-	169,479	960,321	
POS software	23,563,521	362,649	-	23,926,170	5%	1,196,304	-	3,529,621	20,396,549	
Q cash e portal software development	1,108,060	-	-	1,108,060	5%	55,404	-	166,211	941,849	
Q cash retailer POS software	8,449,820	-	-	8,449,820	5%	422,496	-	1,267,481	7,182,339	
Software development	131,499,391	18,492,590	-	149,991,981	2.5%	3,749,796	-	9,849,042	140,142,939	
Switching software	278,134,218	47,922,922	-	326,057,140	2.5%	8,151,432	-	21,793,507	304,263,633	
Call centre	1,054,000	-	-	1,054,000	5%	52,704	-	158,106	895,894	
VMware software	870,700	-	-	870,700	5%	43,536	-	87,072	783,628	
Issue tracking software (JIRA)	1,000,000	-	-	1,000,000	5%	50,004	-	100,007	899,993	
E traffic web application	-	320,000	-	320,000	5%	15,996	-	15,996	304,004	
Total	572,529,072	125,075,293	-	697,604,365	--	18,618,492	-	48,389,558	649,214,807	

as at 30 June 2015

Particulars	Cost/Revaluation				Rate	Depreciation				Net book value As at 30 June 2015 Taka
	As at 01 July 2014 Taka	Addition during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2015 Taka		As at 01 July 2014 Taka	Charged during the year Taka	Sales/Disposal during the year Taka	As at 30 June 2015 Taka	
Accounting software	90,000	-	-	90,000	20%	18,000	-	54,000	36,000	
ATM software	116,983,062	57,977,132	-	174,960,194	2.5%	4,374,000	-	9,902,062	165,058,132	
Mobile banking software	1,000,000	-	-	1,000,000	5%	50,004	-	150,006	849,994	
Oracle software	7,646,500	-	-	7,646,500	5%	382,320	-	1,146,968	6,499,532	
PCI DSS security compliance software	1,129,800	-	-	1,129,800	5%	56,496	-	169,479	960,321	
POS software	23,563,521	362,649	-	23,926,170	5%	1,196,304	-	3,529,621	20,396,549	
Q cash e portal software development	1,108,060	-	-	1,108,060	5%	55,404	-	166,211	941,849	
Q cash retailer POS software	8,449,820	-	-	8,449,820	5%	422,496	-	1,267,481	7,182,339	
Software development	131,499,391	18,492,590	-	149,991,981	2.5%	3,749,796	-	9,849,042	140,142,939	
Switching software	278,134,218	47,922,922	-	326,057,140	2.5%	8,151,432	-	21,793,507	304,263,633	
Call centre	1,054,000	-	-	1,054,000	5%	52,704	-	158,106	895,894	
VMware software	870,700	-	-	870,700	5%	43,536	-	87,072	783,628	
Issue tracking software (JIRA)	1,000,000	-	-	1,000,000	5%	50,004	-	100,007	899,993	
E traffic web application	-	320,000	-	320,000	5%	15,996	-	15,996	304,004	
Total	572,529,072	125,075,293	-	697,604,365	--	18,618,492	-	48,389,558	649,214,807	

6.00

Capital work in progress**Property, plant & equipment:**

	30 June 2016 Taka	30 June 2015 Taka
Opening balance	13,209,464	-
Add: Addition during the year		
ATM booth	703,860	804,055
Computer & component	6,145,874	2,023,720
Data centre	577,240	533,600
Furniture & fixture	193,320	959,456
Network solution (CISCO)	367,570	1,606,960
Office decoration	2,728,048	-
Office equipment	1,144,843	582,288
Online UPS	285,000	-
Operating equipment	1,272,003	1,663,781
Plant & machinery	-	5,035,604
Switching hardware	4,893,222	-
	18,310,980	13,209,464

	31,520,444	13,209,464
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Less: Transfer to property, plant & equipment	(13,209,464)	-
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	18,310,980	13,209,464
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Property, plant & equipment-DR:

Opening balance	34,375,373	27,292,206
Add: Addition during the year		
Switching hardware	956,828	-
Generator	-	1,127,500
Office equipment	-	1,530,110
Furniture & fixture	-	167,040
Structure cabling	-	2,078,517
Firewall & router	-	380,000
On line UPS	-	1,800,000
	956,828	7,083,167

	35,332,201	34,375,373
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Less: Transfer to property, plant & equipment-DR	(34,375,373)	-
--	--------------	---

	956,828	34,375,373
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Intangible assets:

Opening balance	125,075,293	-
Add: Addition during the year		
ATM software	52,712,152	57,977,132
POS software	-	362,649
Software development	-	18,492,590
Switching software	-	47,922,922
E traffic web application	-	320,000
	52,712,152	125,075,293

	177,787,445	125,075,293
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Less: Transfer to intangible assets	(125,075,293)	-
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	52,712,152	125,075,293
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	71,979,960	172,660,130
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The Company has procured the above mentioned assets for its infrastructure development & upgradation time to time during the year, which are installed but yet to be operational due to its nature of business. After operational the value of those assets (tangible & intangible) would be transferred to the respective assets arena of the company.

07.00 Inventories
as at 30 June 2016

Inventory items	Balance as at 01 July 2015		Addition during the year		Consumption during the year		Balance as at 30 June 2016	
	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Finished goods								
Stock in trade - ATM	225	97,432,485	1103	382,536,125	966	347,557,204	362	132,411,406
Stock in trade - KIOSK	28	6,722,655	40	10,600,000	35	8,746,864	33	8,575,791
Stock in trade - Verifone POS	666	13,203,347	0	-	0	-	666	13,203,347
Stock in trade - SAND POS	2227	45,131,098	3000	61,683,310	3180	64,978,235	2047	41,836,173
Stock in trade - Finger vein	0		1930	24,129,733	1800	22,447,181	130	1,682,552
Stock in trade - Finger print reader	0		8	11,260	0	-	8	11,260
Stock in trade - UPS	0		25	6,000,000	25	6,000,000	0	-
Q Pay - i Top Up	0	353,179	0	9,750,000	0	9,566,576	0	536,603
Q Pay - Top Up	0	157,964	0	5,900,000	0	5,532,192	0	525,772
Q Pay - Telecharge	0	100,000	0	900,000	0	857,314	0	142,686
Q Pay - Flexiload	0		0	15,615,133	0	14,180,652	0	1,434,481
		163,100,728		517,125,561		479,866,218		200,360,071
Store materials								
ATM spare parts	0	74,551,192	0	61,425,387	0	9,853,652	0	126,122,927
KIOSK/CDM spare parts	0	4,961,961	0	10,640,445	0	2,724,692	0	12,877,714
POS spare parts	0		0	436,000	0	63,947	0	372,053
Card printer spare parts	0		0	1,399,239	0	-	0	1,399,239
VISA card	53615	8,042,260	0	-	0	-	53615	8,042,260
Ribbon	0		350	1,561,000	100	446,000	250	1,115,000
Plastic card	81805	1,827,295	340000	10,091,000	326054	8,877,363	95751	3,040,932
Pin mailer	15532	139,788	300000	1,650,000	233992	1,336,112	81540	453,676
		89,522,496		87,203,071		23,301,766		153,423,801
Stock in Transit								
LC for ATM	0	24,312,877	0	-	0	-	0	-
LC for ATM software	0	5,609,621	0	-	0	-	0	-
LC for POS (LC#10052)	0		0	-	0	-	0	10,664,094
LC for POS software (LC#10053)	0		0	-	0	-	0	28,719,164
LC for ATM security software (LC#10067)	0	2,713,761	0	-	0	-	0	556,389
LC for switching software (LC#10126 & 10379)	0	55,664	0	-	0	-	0	44,706,405
LC for finger vein	0		0	-	0	-	0	-
		32,691,923		-		-		84,646,052
Total inventory		285,315,147		604,328,632		503,167,984		438,429,924

Disclosure: The value of Tk. 2,97,54,409 against 64 units ATM has been transferred to ATM spare for deployed ATM service & support at cost price.

		30 June 2016	30 June 2015
		Taka	Taka
8.00	Accounts receivable		
	ATM software support & maintenance fee receivable	18,754,317	15,988,541
	Online tax payment system integration service receivable	-	1,550,000
	Card fee receivable	43,787,120	40,988,714
	Connectivity fee receivable	7,013,417	8,632,727
	Transaction fee receivable	20,766,292	13,940,946
	Servicing & maintenance fee receivable	115,436,352	81,042,442
	Sales receivable	230,052,260	211,769,904
	Others accounts receivable	581,565	581,565
		436,391,323	374,494,839
8.01	Card fee receivable		
	SEQAEP card fee receivable	3,238,354	1,810,072
	Card annual fee receivable	18,113,339	14,281,412
	Card renewal fee receivable	16,942,134	19,073,855
	Card fee receivable-AB Bank Limited	5,493,293	6,125,250
		43,787,120	41,290,589
	Less: Bad debt provision	-	(301,875)
		43,787,120	40,988,714
8.02	Connectivity fee receivable		
	ATM link connectivity receivables	1,758,158	3,390,228
	Host connectivity receivables	36,000	16,000
	VISA connectivity receivables	5,219,259	5,584,400
		7,013,417	8,990,628
	Less: Bad debt provision	-	(357,901)
		7,013,417	8,632,727
8.03	Transaction fee receivable		
	ATM transaction fee receivable	9,257,174	5,912,716
	POS transaction fee receivable	7,975,063	5,272,405
	Card cheque transaction fee receivable	102,830	264,050
	Fund transfer transaction fee receivable	18,920	29,630
	SMS management fee receivable	297,000	240,000
	SMS service fee receivable	3,115,305	2,222,145
		20,766,292	13,940,946
8.04	Servicing & maintenance fee receivable		
	ATM servicing & maintenance receivables	42,520,345	13,663,439
	Terminal security software service fee receivable	4,119,580	-
	ATM booth servicing & maintenance receivable	3,749,791	3,024,510
	KIOSK servicing & maintenance receivable	3,470,106	1,455,957
	KIOSK modification fee receivable	4,650,000	6,820,800
	UPS servicing & maintenance receivable	1,950,138	350,625
	POS servicing & maintenance receivable	6,114,824	5,305,240
	VbV certified ACS service fee receivable	301,435	-
	ATM booth construction fee receivable	7,650,000	6,800,000
	Tranzware retail re-installation receivable	58,500	26,250
	Switching software service fee receivable	39,101,633	43,595,621
	PCI DSS security compliance fee receivable	250,000	-
	Windows migration fee receivable	1,500,000	-
		115,436,352	81,042,442

		30 June 2016	30 June 2015
		Taka	Taka
8.05	Sales receivable		
	ATM sales receivable	185,444,877	164,141,344
	KIOSK sales receivable	13,300,393	2,260,000
	POS sales receivable	2,648,740	4,870,060
	Switching software sales receivable	15,405,750	30,547,500
	UPS sales receivable	13,252,500	9,951,000
		230,052,260	211,769,904
8.06	Other accounts receivable		
	Receivables against Q-cash network sharing from bank	-	5,812,725
	ATM booth construction receivable	-	240,138
	KIOSK modification receivable	581,565	811,565
		581,565	6,864,428
	Less: Bad debt provision	-	(6,282,863)
		581,565	581,565
8.07	Bad debt provision		
	Card fees	-	301,875
	Link connectivity receivables	-	357,901
	ATM booth construction receivable	-	240,138
	Receivable against Q-cash network sharing	-	5,812,725
	KIOSK modification receivable	-	230,000
		-	6,942,639
9.00	Other receivable		
	TRUST Bank Limited (FDR A/C : 30060) - Interest	607,434	703,596
	TRUST Bank Limited (FDR A/C : 21516) - Interest	3,958,386	5,066,104
	Receivable from Qool Bangladesh Ltd	1,155,960	899,080
		5,721,780	6,668,780
10.00	Advance, deposits & prepayments		
	Advance	170,744,396	145,413,188
	Advance against office rent	11,996,281	7,605,813
	Bank guarantee margin	4,646,170	5,944,711
	Security deposit (Non interest bearing)	3,355,000	2,855,000
	Fixed deposit receipt (FDR)	207,911,150	193,838,754
	Prepayments	3,793,493	3,900,893
	Deferred expenses	45,670,220	-
		448,116,710	359,558,359
10.01	Advance		
	Advance to suppliers	14,287,719	32,388,271
	Advance against purchase	1,924,118	1,676,126
	Advance to employees	2,852,300	2,648,800
	Advance income tax (AIT)	135,589,211	95,952,847
	VAT deduction at source	5,909,026	3,143,986
	VAT current account	10,182,022	9,603,158
		170,744,396	145,413,188

All the above advances, deposits and prepayments are considered as good and secured by the company's management.

	30 June 2016	30 June 2015
	Taka	Taka
10.01.01 Advance to suppliers		
ECSAS Computers & Equipment	1,794,000	5,400,000
New S.N. Motors	-	100,000
Thakral Information Systems Pvt Ltd	-	1,144,525
Trustwave	-	195,000
LOS Technology Ltd	-	6,270,000
Nawabpur Electric Works	75,000	75,000
Ares Communications Limited	3,360,000	6,270,000
Computer Source	3,863,794	3,863,794
Natty Com Pvt Limited	305,773	1,447,848
Sthapottik Limited	350,043	350,043
Superior Electronics Pvt Ltd	-	6,479,061
Evergreen Industries Ltd.	-	50,000
Future Solution for Business Ltd	250,000	250,000
M/S Global Colour Bank Ltd	240,415	-
Azad Industries	-	150,000
dcon design studio	343,000	343,000
Noor Traders	283,550	-
MegaNet ICT Ltd	1,500,000	-
RFL Plastics Ltd	15,144	-
Bayside Autos	1,212,000	-
IT Objects	695,000	-
	14,287,719	32,388,271
10.01.02 Advance income tax (AIT)		
Opening balance	95,952,847	69,063,112
Addition during the year	39,636,364	26,889,735
	135,589,211	95,952,847
10.1.2.1 Addition of Advance Income Tax (AIT)		
Advance Income Tax - Revenue	31,798,420	25,062,709
Advance Income Tax - Import	6,237,816	-
Advance Income Tax - Vehicle	215,000	-
Advance Tax - FDR & SND A/C	1,385,128	1,827,026
	39,636,364	26,889,735
10.01.03 VAT deduction at source		
Opening balance	3,143,986	-
Addition during the year	2,765,040	3,143,986
	5,909,026	3,143,986
10.02 Advance against office rent		
Tejgaon office	7,492,308	1,630,244
Chittagong office	116,000	164,000
Uttara office - DR centre	2,512,800	2,858,400
Tejgaon godown	508,500	1,186,500
Essential Agencies (Pvt) Ltd	1,366,673	1,766,669
	11,996,281	7,605,813
10.03 Bank guarantee margin		
Bank guarantee	410,483	2,814,150
Earnest money	2,497,600	1,065,000
Advance performance guarantee	150,000	2,065,561
Performance guarantee	1,588,087	-
	4,646,170	5,944,711

	30 June 2016	30 June 2015
	Taka	Taka
10.04 Security deposit (Non interest bearing)		
Uttara office - DR centre	144,000	144,000
DESCO	11,000	11,000
Security Deposit - RAJUK	600,000	600,000
Essential Agencies (Pvt.) Ltd	2,000,000	2,000,000
Teletalk Bangladesh Ltd	100,000	100,000
Central Depository Bangladesh Ltd (CDBL)	500,000	-
	3,355,000	2,855,000
10.05 Fixed deposit receipt (FDR)		
FDR at Trust Bank Ltd (FDR A/C : 21516)	146,606,802	136,460,732
FDR at Trust Bank Ltd (FDR A/C : 30060)	60,743,360	56,856,435
FDR at Trust Bank Ltd (FDR A/C : 31694)	560,988	521,587
	207,911,150	193,838,754
<p>The company has reserved as fixed deposit for an amount to Tk. 146.61 million & Tk. 60.74 million through Trust Bank Ltd. Another FDR value of Tk. 0.56 million has lien to Banglalink Digital Communications Ltd for security deposit against i-top up service through Q-cash network.</p>		
10.06 Prepayments		
Insurance premium on assets	1,068,694	1,080,822
Google mail server software license fee	261,254	236,664
Oracle software license renewal fee	918,750	918,750
Group Life Insurance Premium	1,101,313	206,084
Managed Security Services (SIEM)	-	595,003
VeriSign secure site pro with EV	71,789	215,912
Commercial License Charge (JIRA)	371,693	647,658
	3,793,493	3,900,893
10.07 Deferred expenses		
Switching & CMS architectural expenses	689,170	-
E-Shop implementation	1,692,900	-
Software customization	1,128,600	-
IT maintenance & rollout	3,605,250	-
IT support	11,207,625	-
Software development	7,602,375	-
Integration with middleware software	10,136,500	-
Business process outsourcing	3,678,400	-
Bonus	5,929,400	-
	45,670,220	-
11.00 Cash and cash equivalents		
Cash in hand	51,673	257,946
Cash at bank	46,326,212	28,452,411
	46,377,885	28,710,357

	30 June 2016	30 June 2015
	Taka	Taka
11.01 Cash at bank		
NRB Commercial Bank Ltd (CD A/C: 010133300000685)	157,578	-
Bank Asia Ltd (CD A/C : 00333006503)	4,915,538	2,643,370
BRAC Bank Ltd (CD A/C : 1501201589532001)	83,329	21,021
City Bank Ltd (CD A/C : 1102041731001)	2,683,923	1,839,268
Dutch Bangla Bank Ltd (CD A/C : 1161100002212)	368,093	1,132,308
Eastern Bank Ltd (CD A/C : 1011060011178)	589,750	659,065
Eastern Bank Ltd (STD A/C : 1011360210568)	19,323	19,323
IFIC Bank Ltd (CD A/C : 1001114450001)	-	317
Jamuna Bank Ltd (CD A/C : 00100210008907)	1,629,282	1,531,618
Janata Bank Ltd (CD A/C : 0888001013819)	67,343	51,739
National Bank Ltd (CD A/C : 099933143418)	15,280	391,912
NCC Bank Ltd (CD AC : 00500210003280)	54,978	2,728
Pubali Bank Ltd (CD A/C : 3677901016811)	14,018	14,708
Shahjalal Islami Bank Ltd (CD A/C : 400511100000281)	23,044	29,959
Sonali Bank Ltd (CD AC : 000233130481)	40,327	56,647
One Bank Ltd (CD A/C : 0121020003189)	18,229	175,359
Trust Bank Ltd (STD A/C : 0320000978)	2,986,167	258,313
United Commercial Bank Ltd (CD A/C : 0951101000004308)	229,005	223,098
Standard Chartered Bank (CD A/C : 01118353501)	587,260	17,115,279
EXIM Bank Ltd (CD A/C : 03911100100275)	11,791	51,018
IFIC Bank Ltd, Tejgaon Branch (CD A/C : 1203522605001)	20,529	241,752
Mutual Trust Bank Ltd (CD A/C : 00460210004114)	20,253	896,164
Midland Bank Ltd (CD A/C : 00021050002804)	3,210,996	508,619
City Bank Ltd (CD A/C : 1101002047001)	2,752	2,752
Dutch Bangla Bank Ltd (CD A/C : 1161100005216)	3,500	483,555
Dutch Bangla Bank Ltd (Settlement A/C : 1161100005849)	14,997	63,242
First Security Bank Ltd (CD A/C : 011211100001753)	36,109	36,109
United Commercial Bank Ltd (CD A/C : 0011101000003917)	3,168	3,168
Farmers Bank Ltd (CD A/C : 0111100082151)	10,649	-
Dhaka Bank Ltd (CD A/C : 0218100000005561)	5,000	-
Trust Bank Ltd (IPO A/C) 11.01.01	28,504,001	-
	46,326,212	28,452,411
11.01.01 Trust Bank Ltd (IPO A/C)		
Trust Bank Ltd, SND A/C	BDT 27,576,916	-
Trust Bank Ltd, FC A/C	USD 922,232	-
Trust Bank Ltd, FC A/C	GBP -	-
Trust Bank Ltd, FC A/C	EURO 4,853	-
	28,504,001	-
12.00 Share capital		
This is made up as follows:		
Authorized:		
175,000,000 Ordinary Shares of Tk.10/= each	1,750,000,000	1,750,000,000
2,50,00,000 Preference Shares of Tk.10/= each	250,000,000	250,000,000
	2,000,000,000	2,000,000,000
Issued, subscribed and paid up:		
Opening balance	750,000,000	750,000,000
Initial Public Offering (IPO)	120,000,000	-
87,000,000 shares of Ordinary Shares of Tk. 10.00 each fully paid up	870,000,000	750,000,000

The Company has raised its paid up capital through Initial Public Offering (IPO) by Tk. 12,00,00,000/- as per consent letter (No. - SEC/CI/IPO-234/2014/485; dated - October 04, 2015) of Bangladesh Securities and Exchange Commission and allotted 1,20,00,000 Ordinary Shares of Tk. 10.00 each on December 03, 2015 accordingly.

The position of shareholders as on 30 June, 2016 is as follows:

Classification of investors	No. of Shareholders	30 June 2016 No. of Shares	Ownership (%)	30 June 2015 Ownership (%)
Sponsors/Promoters and Directors	4	44,442,010	51.09%	59.24%
Institute	170	17,156,695	19.72%	19.76%
General Public	6359	25,401,295	29.19%	0.00%
Other/Placement shareholders	0	-	0.00%	21.00%
	6,533	87,000,000	100%	100%

Distribution schedule of each class of equity security setting out the number of holders and percentage as on 30 June, 2016

Shareholding Range	Number of Shareholders	No. of Shares	Ownership (%)
1-100	967	65,771	0.08%
101-500	2619	858,239	0.99%
501-1000	923	786,257	0.90%
1001-5000	1448	3,511,676	4.04%
5001-10000	300	2,229,113	2.56%
10001-20000	140	2,056,037	2.36%
20001-above	136	77,492,907	89.07%
	6,533	87,000,000	100%

		30 June 2016	30 June 2015
		Taka	Taka
13.00	Share premium		
	Share premium from issue of 1,79,29,900 shares in 2011	310,201,854	310,201,854
	Less: Initial Public Offering cost	(15,623,424)	-
		294,578,430	310,201,854

Initial Public Offering costs have directly attributable to the equity transaction under BAS - 32, Para - 37.

13.01 Initial Public Offering cost			
	Issue management fee	1,380,000	-
	DSE listing fees, annual & service charge	2,090,000	-
	CSE listing fees, annual & service charge	2,090,000	-
	BSEC fees	190,000	-
	Underwriting commission	300,000	-
	Auditor fees including certification fees	296,000	-
	CDBL fees & expenses	287,410	-
	Printing of Prospectus & post IPO expenses	1,527,832	-
	Post issue manager expenses	7,000,000	-
	Lottery conduction expenses - BUET	462,182	-
		15,623,424	-

	30 June 2016	30 June 2015
	Taka	Taka
14.00 Retained earnings		
This is arrived as follows:		
Opening balance	83,428,301	40,275,591
Prior year adjustment	13,157,659	(1,838,555)
Transfer from revaluation reserve to retained earnings Sch - A	12,263,833	13,434,700
Profit/(Loss) during the year	75,806,840	31,556,565
	184,656,633	83,428,301
15.00 Revaluation reserve		
Opening balance	249,720,234	263,154,934
Addition during the year	-	-
	249,720,234	263,154,934
Less: Transfer to retained earnings Sch - A	12,263,833	13,434,700
	237,456,401	249,720,234

Revaluation reserve Tk. 1,22,63,833 (difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets' original cost) had been transferred directly to retained earnings.

16.00 Secured loan		
Long term portion		
Trust Bank Ltd	-	50,937,305
	-	50,937,305

Term loan of Trust Bank Ltd has been transferred to current portion as it will be paid in the financial year 2016-2017.

17.00 ITC-QOOL ATM project		
QOOL Bangladesh Ltd	26,250,000	30,975,000
	26,250,000	30,975,000

QOOL Bangladesh Ltd has financed to ITCL against ITC-QOOL ATM project for Agrani Bank Ltd towards supply of 50 units ATM considering profit sharing of the project.

18.00 Trade payables			
Payable against supplier	18.01	32,741,023	47,887,763
Payable for others	18.02	2,108,526	1,366,628
		34,849,549	49,254,391

18.01 Payable against supplier			
Link 3 Technologies Ltd		398,830	1,727,561
Metronet (BD) Ltd		91,650	157,000
Telnet Communications Ltd		494,130	307,117
Compass Plus		7,773,152	19,179,234
Eastern Bank Limited (VISA connectivity)		2,283,222	1,131,429
ECSAS Computer & Equipment		15,205,868	2,575,746
Nawabpur Electric Works		450,700	295,100
N & FAM Ltd		-	11,060,909
BDCOM Online Ltd		202,500	168,750
MOVE International		-	9,429,857
Natty Com Pvt Ltd		266,633	1,069,766
Sthapottik Ltd		164,294	164,294
Royal Technology & Electronics		561,000	-
New Friends Automobiles		-	71,000
Plastic Card ID Ltd		-	550,000
Superior Electronics (Pvt) Ltd		1,582,380	-
Panache		519,196	-
Global Brand Pvt Ltd		138,600	-
Integrated Security Services Ltd		2,608,868	-
		32,741,023	47,887,763

		30 June 2016	30 June 2015
		Taka	Taka
18.02	Payable for others		
	TDS payable	970,526	458,499
	VAT payable	1,138,000	908,129
		2,108,526	1,366,628
19.00	Bank over draft		
	Trust Bank Ltd (SOD A/C)	357,882,425	313,665,701
	Trust Bank Ltd (LTR A/C)	98,474,778	46,721,441
	Trust Bank Ltd (PAD A/C)	57,726,479	-
	Trust Bank Ltd (Time Loan)	10,002,778	-
		524,086,460	360,387,142
20.00	IPO subscription refund		
		Currency	A/C No.
		30 June 2016	30 June 2015
		Taka	Taka
	Trust Bank Ltd, SND A/C	BDT	0017-0320001315
	Trust Bank Ltd, FC A/C	USD	0017-5802000024
	Trust Bank Ltd, FC A/C	GBP	0017-5803000022
	Trust Bank Ltd, FC A/C	EURO	0017-5804000020
		-	-
		922,232	-
		-	-
		4,853	-
		927,085	-

The balance amount of the IPO FC account is the refundable fund of IPO subscribers, which will be refunded to the respective applicants accordingly.

21.00	Payable for expenses		
	Directors remuneration payable	-	500,000
	Salaries payable	-	10,236,335
	Audit fee payable	395,000	264,500
	Legal & professional expenses payable	-	1,056,500
	Provision against LC	8,732,704	-
		9,127,704	12,057,335
22.00	Other liabilities		
	Unearned revenue	22.01	127,510,022
	Accrued interest	22.02	-
	Provision for WPPF		4,272,967
			131,782,989
			92,195,577
22.01	Unearned revenue		
	Unearned revenue against ATM		58,140,000
	Unearned revenue against Pin shield		64,462
	Unearned service revenue		1,550,000
	Unearned switching software revenue		6,207,500
	Unearned revenue against finger vein		61,548,060
			127,510,022
			76,900,000

(i) Tk. 58,140,000/- received as advance against sales revenue from Dutch Bangla Bank Ltd against ATM W/O.

(ii) Tk. 6,207,500/- received as advance against revenue from Farmers Bank Ltd against switching software W/O.

(iii) Unearned revenue contains Tk. 61,548,060/- as advance received from Bangladesh Post Office against finger vein W/O by Tk. 90,25,000/- and Telephone Shilpa Sangstha against W/O by Tk. 52,523,060/-.

	30 June 2016	30 June 2015
	Taka	Taka
22.02 Accrued interest		
Trust Bank Ltd	-	13,689,644
	-	13,689,644
23.00 Current portion of long term loan		
Trust Bank Ltd	20,876,760	20,664,919
	20,876,760	20,664,919
24.00 Income tax payable		
Opening balance	1,865,705	726,788
Provision during the year	9,852,508	1,138,917
	11,718,213	1,865,705

The company has computed its current tax liability in accordance with the provision of applicable section (e.g. Section-82C, 6th Schedule-Para 33 of the Income Tax Ordinance, 1984).

25.00 Revenue			
Q-cash transaction processing fee	25.01	218,926,094	162,457,709
Service & maintenance fee	25.02	210,918,276	195,287,639
Sales revenue	25.03	556,437,480	232,481,908
		986,281,850	590,227,256
25.01 Q cash transaction processing fee			
ATM software support & maintenance fee		54,460,739	52,818,742
NPS software support & maintenance fee		7,889,797	-
Online tax payment system integration service		1,837,000	-
		64,187,536	52,818,742
Card fee			
SEQAEP card fee		14,359,915	1,810,072
Card annual fee		40,152,707	27,070,025
Card renewal fee		34,713,634	25,947,273
		89,226,256	54,827,370
Connectivity fee			
Link connectivity fee		671,250	990,875
Host connectivity fee		204,000	240,000
VISA connectivity fee		13,993,683	12,664,465
		14,868,933	13,895,340
Transaction fee			
ATM transaction fee		28,286,035	24,242,758
Q pay transaction fee		942,299	111,199
POS transaction fee		14,295,862	10,644,179
SMS management fee		817,000	768,000
SMS service fee		5,564,110	3,824,836
SMS management tool		64,800	-
Card cheque transaction fee		590,063	751,420
Fund transfer transaction fee		83,200	83,010
Attendance verification fee		-	490,855
		50,643,369	40,916,257
		218,926,094	162,457,709

		30 June 2016	30 June 2015
		Taka	Taka
25.02	Service & maintenance fee		
	ATM servicing & maintenance fee	79,045,684	52,272,761
	KIOSK servicing & maintenance fee	6,049,424	7,089,942
	Mobile van ATM servicing & maintenance fee	-	820,277
	POS servicing & maintenance fee	12,874,882	10,278,042
	ATM carrying & labour fee	301,820	107,498
	Tranzware retail re-installation fee	384,035	307,500
	Grounding/Earthing Service Fee	-	35,000
	ATM booth construction fee	6,800,000	12,650,000
	ATM booth servicing & maintenance fee	10,430,000	6,490,166
	Switching software service fee	75,023,727	93,204,960
	Windows migration fee	8,455,770	4,070,000
	UPS servicing & maintenance fee	2,006,388	640,693
	KIOSK modification fee	4,660,931	6,820,800
	Interface establishment fee	-	500,000
	Finger vein servicing & maintenance fee	114,600	-
	VbV certified ACS service fee	401,435	-
	Terminal security software service fee	4,119,580	-
	PCI DSS security compliance fee	250,000	-
		210,918,276	195,287,639
25.03	Sales revenue		
	Sale of ATM	409,580,816	114,389,148
	Sale of POS	96,913,771	116,233,280
	Sale of KIOSK	11,040,393	1,160,000
	Sale of UPS	6,412,500	-
	Sales of finger vein	32,490,000	-
	Biometric ATM software license fee	-	699,480
		556,437,480	232,481,908
26.00	Cost of services & sales		
	Cost of services	266,481,893	204,998,979
	Cost of sales	419,975,075	172,458,203
		686,456,968	377,457,182

26.01
Cost of services

	30 June 2016	30 June 2015
	Taka	Taka
Salary & allowance	107,853,270	72,210,500
ATM carrying & labour charge	6,182,099	4,188,850
ATM link connectivity charge	3,956,756	5,385,328
ATM servicing & maintenance	8,340,910	2,509,569
Versign secure site pro with EV	144,123	116,189
Windows migration charge	-	1,265,900
Card printer repairs & maintenance	213,581	1,406,556
KIOSK servicing & maintenance	2,228	4,444,124
KIOSK modification cost	4,056,217	4,806,690
Link installation charge	5,000	-
Mobile van ATM servicing & maintenance	181,511	255,960
Networking materials cost	24,405	-
POS installation charge	-	731,500
POS servicing & maintenance expenses	163,053	938,415
Post office project expenses	5,356,583	5,019,986
Ribbon for card printer	2,029,500	1,846,500
SMS service charge	1,458,450	2,039,942
Call centre service charge	307,157	172,504
ATM spare parts	4,546,116	5,994,822
VISA connectivity expenses	5,373,137	4,579,178
Short code allocation fee	138,000	287,500
MFS customization & support fee	3,210,240	3,608,560
Online UPS servicing & maintenance charge	4,402,255	2,052,300
Grounding/Earthing service charge	1,281,000	847,500
CryPTA stick subscription renewal fee	346,082	-
Servicing & maintenance expenses for Data Centre	477,200	766,150
Online Tax Payment System Integration Service Charge	-	426,800
Data connectivity & radio link charge	334,500	252,000
Visa card expenses	46,200	221,616
Visa 3DS Security Audit	-	1,723,705
Service interruption charge	17,253	113,044
Switching software customization charge	13,902,733	9,000,000
Long code & maintenance fee	120,555	180,000
Commercial license charge for JIRA	1,168,034	268,387
SEQAEP card processing expenses	7,537,254	923,448
Q Pay settlement charge	164,719	16,170
Switching & CMS architectural expenses	3,445,830	-
Finger vein spare parts	232,010	-
LINUX OS License fee	256,345	-
Customization of ATM security tools	1,045,000	-
TSS service charge	1,498,913	-
ATM booth construction expenses	5,051,224	10,327,098
ATM booth expenses	9,351,119	3,678,894
POS implementation project for BPO	7,088,300	-
Finger vein deployment project for postal e-shop	2,403,500	-
PCI DSS security compliance expenses	790,003	6,178,148
Depreciation expenses	33,361,036	30,930,084
Amortization expenses	18,618,492	15,285,062
	266,481,893	204,998,979

	30 June 2016	30 June 2015
	Taka	Taka
26.01.01 ATM booth expenses		
Security guard salary	8,070,715	3,475,518
Servicing & maintenance expenses	1,280,404	203,376
	9,351,119	3,678,894
26.01.02 POS implementation project for BPO		
IT Maintenance & Rollout expenses	1,034,550	-
IT support expenses	1,034,550	-
E-Shop implementation expenses	2,131,800	-
Software customization expenses	1,379,400	-
Business process outsourcing expenses	1,508,000	-
	7,088,300	-
26.01.03 Finger vein deployment project for postal e-shop		
IT Maintenance & Rollout expenses	329,175	-
IT support expenses	721,050	-
Software development	391,875	-
Integration with middleware software	522,500	-
Business process outsourcing expenses	438,900	-
	2,403,500	-
26.01.04 PCI DSS security compliance expenses		
Compliance validation service (Addendum)	-	399,093
Managed security service (SIEM)	790,003	3,941,616
PCI DSS service	-	1,147,321
Web application firewall	-	690,118
	790,003	6,178,148
26.02 Cost of sales		
ATM	317,802,795	84,666,003
KIOSK	8,746,864	960,379
Verifone POS	-	28,972,676
SAND POS	64,978,235	57,859,145
Finger vein	22,447,181	-
UPS	6,000,000	-
	419,975,075	172,458,203

	30 June 2016	30 June 2015
	Taka	Taka
27.00 General & administrative expenses		
Salary & allowance	28,488,473	25,590,151
Office rent	19,289,612	12,430,180
Office maintenance	2,743,668	1,933,737
Utilities	6,974,404	5,944,908
Insurance premium	206,788	167,615
Insurance premium on assets	1,177,976	1,013,151
Group life insurance premium	1,272,256	1,791,067
Vehicle maintenance	3,883,400	3,074,949
Meeting attendance fee	24,000	-
Conveyance expenses	5,455,876	3,926,291
Entertainment expenses	3,570,897	2,516,480
Entertainment for foreign guest	1,347,461	1,301,675
Postage & courier	65,876	163,638
Printing & stationery	1,554,427	1,258,974
Training expenses	548,040	2,135,808
Eid Holiday Allowance	506,600	575,600
Internship allowance	9,667	-
Security guard salary	3,299,350	2,034,739
Computer spare parts	334,612	439,382
Internet bill	797,523	884,964
Legal & professional expenses	584,078	535,070
Membership fee	6,000	-
Mobile bill	3,106,135	2,887,956
Newspaper bill	57,976	52,352
Service charge	1,373,013	1,091,807
Telephone bill	836,610	739,912
Vehicle running expenses	3,725,622	1,803,180
Website development expenses	61,886	-
Festival expenses	48,200	-
Books & periodicals	385	1,100
E-commerce development cost	-	6,000
Google mail server software license fee	1,470,407	714,621
Oracle software license renewal fee	1,575,000	1,575,000
Antivirus software license fee	28,175	279,405
Advertisement expenses	192,905	21,162
Retirement Allowance	259,106	-
Depreciation expenses	4,398,876	3,984,864
	99,275,280	80,875,738

27.01 Independent Directors have received the following meeting attendance fees during the year ended 30 June 2016

Name	No. of Meeting	2015-2016	2014-2015
		Taka	Taka
Md. Waliuzzaman, FCA	4	12,000	-
Md. Haqueful Shaikh	4	12,000	-
		24,000	-

	30 June 2016	30 June 2015
	Taka	Taka
28.00 Selling & distribution expenses		
Salary & allowance	18,302,774	14,860,415
Advertisement expenses	1,427,480	1,402,819
Business promotional expenses	15,751,066	12,259,899
Tender expenses	37,500	124,500
Travelling & tour allowance	1,177,665	780,732
Transportation expenses	117,850	54,700
Plastic card (Promotional)	2,397,231	1,235,620
Sales Commission for ATM	-	3,045,000
Support & training expenses	245,575	1,650,000
Share of profit of TSS	749,456	-
	40,206,597	35,413,685
29.00 Other operating expenses		
Audit fees	531,250	230,000
Bank charge	1,012,796	484,329
Bank commission	517,395	1,636,900
Excise duty	274,650	85,400
Consultancy fee	398,075	196,250
Credit rating fee	115,000	115,000
Domain registration charge	47,118	4,577
Gift & donation expenses	1,075,874	522,820
Medical expenses	1,203	5,659
Miscellaneous expenses	3,365,371	1,069,600
Registration & renewals	426,565	172,358
Stamp, duty & fees	87,477	83,755
Trade Mark Expense	-	1,290
Income tax fair expenses	322,300	119,770
Bad debt expenses	-	205,771
Signing ceremony expenses	14,350	214,052
IPO expenses	-	1,452,500
Profit Sharing of ITC-QOOL ATM Project - Agrani Bnak Ltd	-	240,167
	8,189,424	6,840,198
30.00 Non-operating income		
Other income	112,875	469,206
Income from income tax fair 2015	632,060	-
Foreign currency exchange gain/(loss)	86,273	1,454,416
	831,208	1,923,622
31.00 Finance costs		
Interest on long term loan	6,955,536	13,293,724
Interest on short term loan	70,545,704	61,052,158
	77,501,240	74,345,882
32.00 Finance income		
Trust Bank Ltd, FDR A/C NO - 21516	10,059,277	11,845,605
Trust Bank Ltd, FDR A/C NO - 30060	4,161,130	4,750,651
Trust Bank Ltd, FDR A/C NO - 31694	44,335	24,375
Trust Bank Ltd, STD A/C NO - 00978	194,024	8,902
Eastern Bank Ltd, STD A/C NO - 10568	-	2,961
Interest income from FDR against LC margin	-	83,910
	14,458,766	16,716,404

		30 June 2016	30 June 2015
		Taka	Taka
33.00	Contribution to WPPF		
	Contribution to WPPF for the year 2015-2016	4,282,967	1,615,933
		4,282,967	1,615,933
34.00	Earnings per Share (EPS)		
	Net profit after tax	75,806,840	31,556,565
	Weighted average number of shares outstanding	81,904,110	75,000,000
		0.9256	0.4208
34.01	Weighted average number of shares outstanding		
		No. of Shares	No. of Shares
	75,000,000 shares for 365 days	75,000,000	75,000,000
	12,000,000 shares for 210 days	6,904,110	-
		81,904,110	75,000,000
35.00	Net Assets Value (NAV)		
	Paid up capital	870,000,000	750,000,000
	Share premium	294,578,430	310,201,854
	Retained earnings	184,656,633	83,428,301
	Revaluation reserve	237,456,401	249,720,234
	Total equity with revaluation reserve	1,586,691,464	1,393,350,389
	Weighted average number of shares outstanding	81,904,110	75,000,000
		19.37	18.58

36.00 Related party transaction

The company has entered transactions with other entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting Standard: 24 "Related Party Disclosures". The related party transactions are as follows:

Name of the related parties	Transaction during the year	Relationship with the entity	Nature of transaction	Balance as at 30 June 2016	Balance as at 30 June 2015
	Taka			Taka	Taka
Trust Bank Ltd	21,819,270	Shareholder	Sale of equipment & service	11,354,850	12,688,275
National Bank Ltd	4,488,128	Shareholder	Sale of equipment & service	716,255	15,485
Mercantile Bank Ltd	13,189,597	Shareholder	Sale of equipment & service	4,187,416	17,574,741
QOOL Bangladesh Ltd	1,717,500	Shareholder	Sale of equipment & service	1,941,500	224,000
QOOL Bangladesh Ltd	4,725,000	Shareholder	ITC-QOOL ATM project - Agrani Bank Ltd	26,250,000	30,975,000
Dr. Kazi Saifuddin Munir	7,440,000	Managing Director & Shareholder	Remuneration	-	500,000

Schedule-A

Statement of Revaluation Reserve on Property, Plant & Equipment and Intangible Assets as at 30 June 2016

Particulars	As at 01 July 2015		Addition during the year		Revaluation Sales/Disposal during the year		As at 30 June 2016		Rate		Charged during the year		Sales/Disposal during the year		As at 30 June 2016		Net book value As at 30 June 2016		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Property, Plant & Equipment																			
ATM machinery	69,237,574	-	-	-	-	-	69,237,574	15%	4,608,162	-	-	-	-	-	43,124,658	-	-	26,112,916	
Card printer	7,334,892	-	-	-	-	7,334,892	15%	4,080,361	488,180	-	-	-	-	-	4,568,541	-	-	2,766,351	
Plant & machinery	9,917,246	-	-	-	-	9,917,246	15%	5,516,912	660,050	-	-	-	-	-	6,176,962	-	-	3,740,284	
POS terminal	13,199,873	-	-	-	-	13,199,873	15%	7,343,019	878,528	-	-	-	-	-	8,221,547	-	-	4,978,326	
Sub total	99,689,585	-	-	-	-	99,689,585	--	55,456,788	6,634,920	-	-	-	-	-	62,091,708	-	-	37,597,877	
Intangible Assets																			
ATM software	6,242,650	-	-	-	-	6,242,650	2.5%	312,132	156,066	-	-	-	-	-	468,198	-	-	5,774,452	
POS software	4,186,345	-	-	-	-	4,186,345	5%	418,633	209,317	-	-	-	-	-	627,950	-	-	3,558,395	
Q cash retailer POS software	4,224,910	-	-	-	-	4,224,910	5%	422,492	211,246	-	-	-	-	-	633,738	-	-	3,591,172	
Software development	65,710,823	-	-	-	-	65,710,823	2.5%	3,285,541	1,642,771	-	-	-	-	-	4,928,312	-	-	60,782,511	
Switching software	136,380,534	-	-	-	-	136,380,534	2.5%	6,819,027	3,409,513	-	-	-	-	-	10,228,540	-	-	126,151,994	
Sub total	216,745,262	-	-	-	-	216,745,262	--	11,257,825	5,628,913	-	-	-	-	-	16,886,738	-	-	199,858,524	
Grand total	316,434,847	-	-	-	-	316,434,847	--	66,714,613	12,263,833	-	-	-	-	-	78,978,446	-	-	237,456,401	

as at 30 June 2015

Particulars	As at 01 July 2014		Addition during the year		Revaluation Sales/Disposal during the year		As at 30 June 2015		Rate		Charged during the year		Sales/Disposal during the year		As at 30 June 2015		Net book value As at 30 June 2015	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
2014-2015	316,434,847	-	-	-	-	-	316,434,847	--	53,279,913	13,434,700	-	-	-	-	66,714,613	-	-	249,720,234

SNAPSHOTS









Information Technology Consultants Limited

Evergreen Plaza, 260/B, Tejgoan Industrial Aria, Dhaka-1208

PROXY FORM

I/We
Of.....being a member of Information Technology Consultants Ltd.
and entitled to vote, hereby appoint Mr./Mrs./Miss.....
.....of as my/our proxy to attend and vote for
me/us and on my/our behalf at the 16th Annual General Meeting (AGM) will be held on November 27, 2016, the
Sunday at 10:30 a.m. at Raowa Convention Hall-2 (Anchor Hall), VIP Road, Mohakhali, Dhaka- 1206 or at any adjourn-
ment thereof or at any ballot to be taken in consequence hereof.

BO A/C No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Share(s): _____

Revenue
Stamp
for Tk. 20.00
(twenty) only

Signed this _____

Signature of proxy _____

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



Information Technology Consultants Limited

Evergreen Plaza, 260/B, Tejgoan Industrial Aria, Dhaka-1208

ATTENDANCE SLIP

I hereby record my attendance at the 16th Annual General Meeting (AGM) will be held on November 27, 2016, the
Sunday at 10:30 a.m. at Raowa Convention Hall-2 (Anchor Hall), VIP Road, Mohakhali, Dhaka- 1206

Name of the Member/Proxy _____

BO ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Signature

Date.....

N.B.: Shareholder attendance Meeting in person or by Proxy are requested to complete the attendance Slip and deposit same at the entrance of the meeting.



“ডাটাবেসে লেট মাস্টার” লঞ্চ
 উদ্বোধন-প্রদর্শন
 প্রধান অতিথি: শেখ হাছিনা, মাননীয় প্রধানমন্ত্রী, গণপ্রজাতন্ত্রী বাংলাদেশ
 বিশেষ অতিথি: জেনারেল আবুল কালাম আজাদ, এম.পি. মাননীয় সিনিয়র সচিব, বাংলাদেশ পোস্ট অফিস কর্তৃক
 প্রধানমন্ত্রীর অর্থনৈতিক
 ২৬ মে ২০১২

Information Technology Consultants Limited

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