

ANNUAL REPORT 2021-2022

FUTURE OF PAYMENTS





IT Consultants Ltd.

**Annual Report**  
of  
Information Technology Consultants Limited  
2021-2022





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The image features a Venn diagram with two overlapping circles. The left circle is a medium blue, and the right circle is a darker blue. The intersection of the two circles is a vibrant, solid blue. The background is a light gray gradient with a network of thin, light blue lines connecting small circular nodes, some of which are highlighted in a darker blue. The text "To the Patrons & Stakeholders" is centered within the intersection of the Venn diagram.

To the Patrons & Stakeholders

# To the Patrons & Stakeholders

Date: November 22, 2022

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

**Subject: Annual Report for the year ended June 30, 2022**

Dear Sir(s),

Enclosed herewith, please find a copy of the Annual Report 2021-2022 containing Directors' Report and Auditor's Report together with the Audited Financial Statements for the year ended June 30, 2022 with notes therein of **Information Technology Consultants Limited** for your kind information and record. The Report is also available in the Company Website at : [www.itcbd.com](http://www.itcbd.com)

Thanking you,

Sincerely Yours,



Anindya Sarkar FCS  
Company Secretary



Notice of the  
22<sup>nd</sup> AGM

# Notice of the 22<sup>nd</sup> Annual General Meeting

(Virtual AGM through Digital Platform)

(link: <http://itcl22ndagm.digitalagmbd.net>)

Notice is hereby given to the shareholders of **Information Technology Consultants Limited** that the 22<sup>nd</sup> Annual General Meeting (AGM) of the Company will be held virtually by using Digital Platform on Wednesday, December 14, 2022, at 10:30 a.m. to transact the following businesses:

Agenda-1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2022 together with the Report of Directors' and Auditors' thereon.

Agenda-2: To declare dividend for the year ending June 30, 2022.

Agenda-3: To elect Directors as per the Articles of Association.

Agenda-4: To appoint Statutory Auditors for the year 2022-2023 and fix their remuneration.

Agenda-5: To appoint Compliance Auditor as per CG Code-2018 for the year 2022-2023 and fix their remuneration.

Agenda-6: To approve Re-appointment of the Managing Director.

Agenda-7: To approve appointment of the Independent Directors.

By order of the Board



Anindya Sarkar FCS  
Company Secretary

Dated: Dhaka  
November 22, 2022

## Notes:

1. The Record Date of the Company is November 15, 2022 and the Shareholders with names in the Register of Members or in the Depository Register on the Record Date will be eligible to join the virtual meeting and qualify for dividend.
2. A member entitled to attend and vote in the General Meeting is also entitled to appoint a proxy to join the meeting and vote on his/her behalf. The proxy form duly completed, must be affixed with a revenue stamp of TK. 20/- and to be deposited at the Registered Office of the Company not later than 48 hours before the meeting.
3. Pursuant to the BSEC notification, the soft copy of the Annual Report 2021-22 is being sent to the e-mail addresses of the shareholders available in the BO account maintained with the Depository. The Annual Report 2021-22 is also available in the Website of the Company at [www.itcbd.com](http://www.itcbd.com)



The background features two large, overlapping circles in shades of blue. The circles are filled with a network of thin, light blue lines connecting small circular nodes, creating a web-like pattern. The overall aesthetic is clean and modern, with a light blue gradient background.

**Vision  
Mission  
Strategic Objectives &  
Company Profile**

## Vision

Establishing Digital Infrastructure and Capabilities for Financial Services and Payment Frameworks.

## Mission

Information Technology Consultants Limited (ITC) aspires to lead the IT Horizons in Bangladesh by providing innovative technological infrastructures, electronic payment solutions and real time transaction processing services in the banking sector of the country. Fostering strong community partnerships with our clients, stakeholders and employees is an integral part of our mission.

## Corporate Objectives:

Information Technology Consultants Limited (ITC) concentrates in integrating electronic payment solutions & banking automation with the ongoing socio-economic development of Bangladesh in its thrust for rapid digitalization. ITC has been instrumental in generating mass digital awareness through banking sector creating financial inclusions for the unbanked population. ITC has also contributed greatly in assisting Government organizations in implementing their automation strategies.

## Process Focus

- To continuously improve internal process for realizing efficiencies
- Improve system accuracy and responsiveness
- Ensure improvement of organizational structure
- Ensure Improving performance measurement and reporting capability
- Reduce administrative overhead
- Improve financial analysis, controls, and audit capability

## Business Focus

- Increase quality of service
- Implement innovative changes faster
- Increase and attain client loyalty
- Improve overall service and maximize market share
- Improve marketing, advertising and public relations
- Achieve and maintain excellent client service
- Increase regulatory compliances

## People Focus

- To engage, develop and maintain the right people at right places
- Employ professionals who bring success for clients
- Develop broad set of skills useful for client support
- To continuously learn and adopt applicable best practices
- To conduct training for employees and clients towards inclusive knowledge development

<b>Our Core Values</b>	<b>Our Core Strengths</b>	<b>Our Core Competencies</b>
• Integrity	• Professionally Sound and competent Board of Directors	• Knowledge
• Transparency	• Strong Capital Base	• Experience and Expertise
• Professionalism & Excellence	• Transparent and Quick Decision Making	• Fairness and Objectivity
• Continuous Client Focus	• Efficient Team of Performers	• Pursuit of Sustainable Growth Strategies
• Respect	• Optimizing Clients Satisfaction	• Reliability
• Fairness	• Foolproof Internal Control	• Market Adaptabilities
• Harmony	• Professionally capable & highly experienced Management	• Knowing in advance before competitors
• Team Spirit	• Unique Corporate Culture	• Relentless up-gradation initiatives
• Courtesy	• Sound Policy	
• Commitment	• Prompt Backup Service	
• Compliance with laws		
• Business Ethics		
• Open Communication		

## Company Contours

Established in 2000, Information Technology Consultants Limited has since transformed to become a local leader in Information Technology and payment service automation in the rapidly changing arena of Electronic Payment Transaction Processing Systems. ITC is the PSO (Payment System Operator) licensed by Bangladesh Bank to provide the end-to-end electronic payment services for banks, government organizations, retailers, billers and financial institutions. ITC currently serves 37 banks, with its network named 'Q-Cash' which is a popular brand-name in Banking and Payment sector Industry.

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

ITC's payment system solutions are accredited, certified & recognized by Multinational Payment brands such as Visa, MasterCard, Union Pay 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 sectors and segments, including governmental institutions, telecommunications, transportation and retail, and not just limited to only banking and financial services.



# GOVERNANCE & LEADERSHIP

## **Governance & 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	Madam Fauzijas Tjandra	Nominated Director of Regent Pacific Limited
8	Mr. Md. Kamal Uddin FCA	Independent Director
9	Mr. Dasgupta Asim Kumar	Independent Director

### **Board Committees:**

#### **Audit Committee (AC)**

Mr. Md. Kamal Uddin FCA, Independent Director	- Chairman
Mr. Salahuddin Alamgir, Vice Chairman	- Member
Mr. Dasgupta Asim Kumar, Independent Director	- Member
Mr. Anindya Sarkar FCS, Company Secretary	- Secretary

#### **Nomination and Remuneration Committee (NRC)**

Mr. Dasgupta Asim Kumar, Independent Director	- Chairman
Mr. Lim Kiah Meng, Chairman	- Member
Mr. Md. Kamal Uddin FCA, Independent Director	- Member
Mr. Anindya Sarkar FCS, Company Secretary	- Secretary



# Leadership Profiles



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

Mr. Lim Kiah Meng is a Singapore national and holds a Bachelor Degree in Commerce from Nanyang University, Singapore and Masters in International Management from the American Graduate School of International Management, USA. He has experience in the information technology industry and he is an Executive Director of SiS Group, which is listed on the Hong Kong Stock Exchange.



**Mr. Salahuddin Alamgir**  
**Vice Chairman**

Mr. Salahuddin Alamgir, CIP was born in a respectable Muslim family in Tangail. He is a BMA Graduate and one of the most promising Entrepreneurs and committed Business Personalities. He is the Chairman & CEO of Labib Group which is involved in various Businesses in Bangladesh like RMG, Spinning, Dyeing, Electronics, IT, Banking, Leasing, Agro, etc. and he has been running all his Business Concerns with a good reputation, honest credibility and satisfactory turnover for last 23 years.

And based on his excellent Business Records and significant contribution to the Commerce, Industry & Economy of Bangladesh, Mr. Salahuddin Alamgir has been awarded different National & International Recognitions like '20th BATEXPO AWARD-2009', 'NOKIA BEST DISTRIBUTION AWARD-2009', '21st BATEXPO AWARD-2010', 'NATIONAL EXPORT TROPHY 2010-2011', 'MERCANTILE BANK HONOUR-2017 AS INDUSTRIALIST', 'NATIONAL EXPORT TROPHY 2017-2018', 'SAMSUNG APPRECIATION TROPHY-2019', 'BANGLADESH BEST EMPLOYER BRAND AWARD-2019', 'SOUTH ASIAN BUSINESS EXCELLENCE AWARD-2019', 'BEST PERFORMANCE AWARD-2019' etc.

Even being a Credible and Committed Business Professional, Mr. Salahuddin Alamgir is elected, nominated, and associated with different Associations & Institutions and besides his respective Businesses, Mr. Salahuddin Alamgir is involved in various Social Works & Activities. Currently, he is the Vice-President of FBCCI and President of BDYEA.



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

Dr. Kazi Saifuddin Munir has over 31 year's of professional experience in research, project development and implementation. He obtained his Master's 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 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 for ITC, he is not only the founder, but the main architect of the company. Since inception of the organization he has been the main architect in the helms of affairs as its Managing Director & CEO and also holds a sizeable equity stakes in the Company.



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

Mr. Lim Kia Hong is a Singapore national. He has graduated in Business Administration from the University of Washington, USA and has experience in the IT industry. He is the Chairman & Chief Executive Officer of SiS Group, which is listed on Hong Kong Stock Exchange.



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

Mr. Lim Hwee Hai is Singapore national and holds a Bachelor Degree in Commerce from Nanyang University, Singapore with Masters in Business Administration from the National University of Singapore. He has exposure in the information technology industry with additional experience in finance and banking. Mr. Lim is also an executive director in SiS Group, which is listed on Hong Kong Stock Exchange.



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

Ms. Lim is a Chartered Accountant in Singapore and holds a Bachelors Degree in Commerce from the Nanyang University, Singapore. She is also the Finance Director of SiS Group which is listed on the Hong Kong Stock Exchange.





**Madam Fauzjus Tjandra**  
**Nominated Director of Regent Pacific Limited**

Ms.Tjandra is a national of Indonesia. She holds a Bachelors Degree in Offices and Administration from the University of Western Ontario, Canada. She has experience in IT distribution business.



**Mr. Md. Kamal Uddin FCA**  
**Independent Director**

Mr. Md Kamal Uddin FCA was born at Chittagong in the year 1948 in a respected Muslim family. He obtained bachelor of Commerce degree (B. Com) from Dhaka University in 1967. He Articled with S. F. Ahmed & Co, Chartered Accountants for Chartered Accountancy. He qualified as a chartered Accountant in the year 1978 (ACA) and became fellow Member (FCA) of the Institute of chartered Accountants of Bangladesh (ICAB) in the year 1986; Mr. Md. Kamal Uddin has vast experience in the field of accounting and finance. He started his career as audit manager of Toha Anwar Rouf & Co, Chartered Accountants, Chittagong in the year 1976 and continued till 1979;

After that Mr. Md. Kamal Uddin FCA has joined Bangladesh Jute Mills Corporation (BJMC) as Deputy General Manager (DGM) and worked in the Head Office & in Industrial Units of the Corporation for more than 28 years in different positions in the field of accounts, Audits, Costs, Budget and finance. In his long career of services, he served as CFO in UMC Jute Mills, Amin Jute Mills Ltd, Adamjee Jute Mills Ltd & in Head Office in different senior management positions from May 1979 to 2005. He retired from Corporation's regular service in march 2005 as a Director Finance and then he served in the same position under a contract with Government of Bangladesh (GOB) two terms till end of 2006; From January 2007 he started professional practice as "Public Accountant" or as a partner of Toha Khan Zaman & Co, Chartered Accountants, an Audit Firm and continued as of now.



**Mr. Dasgupta Asim Kumar**  
**Independent Director**

Dasgupta Asim Kumar is a Bangladeshi National by birth. Mr. Dasgupta completed his Masters and MBA Degrees from Dhaka University and opted for central banking career. He joined Bangladesh Bank in 1981 as Class One Officer and after passing a long successful career, retired from Bangladesh Bank as Executive Director in 2014. During the tenure he had been assigned various important tasks like modernization of Bangladesh Clearing and Settlement Systems by establishing Bangladesh Automated Check Processing System (BACPS), Electronic Fund Transfer Network (EFTN) and Real Time Gross Settlement (RTGS). He had significant contribution in preparing Guidelines and Regulations for Mobile Financial Services (MFS), Agent Banking, Bangladesh Payment and Settlement Systems Regulations (BPSSR) 2014 and introducing those services in Bangladesh. Mr. Dasgupta represented Bangladesh Bank as a member of SAARC Payment Council during 2010 to 2014. He had significant contribution to establish Bangladesh Taka Jadughar (Currency Museum) as the member secretary of the implementation committee. He travelled widely home and abroad with important official assignments ranging from combating money laundering and terrorist financing to modernization of country's payment and settlement systems. After retiring from Bangladesh Bank he joined bKash, the largest MFS provider in Bangladesh as its Advisor in 2014 and continued till 2020.



# Corporate Highlights

# Corporate Highlights

☐ Company Name	: <b>Information Technology Consultants Limited</b>
☐ Registered Office	: Evergreen Plaza, 260/B, Tejgaon I/A (3rd Floor), Dhaka –1208 Tel: +88 02 9830310-13, Fax: +88 02 9830309
☐ Date of Incorporation	: 23-08-2000
☐ Date of Commercial Operation	: 23-08-2000
☐ Legal Status	: Public Limited Company listed with DSE & CSE
☐ Authorized Share Capital	: Tk. 2,000,000,000/-
☐ Paid-up Share Capital	: Tk. 1,285,926,640/-
☐ Number of Shareholders	: 3,549
☐ Line of Business	: The business of the company includes online Switching Solutions Software Development and Service Provider of Q-Cash member banks shared ATM network, POS and Q-Cash transactions processing.
☐ Statutory Auditors	: M/s. Hussain Farhad & Co., Chartered Accountants
☐ Compliance Auditor	: M/s. Al-Muqtadir Associates, Chartered Secretaries
☐ Independent Scrutinizer	: M/s. SA Rashid & Associates, Chartered Secretaries
☐ Legal Adviser	: Tanjib Alam & Associates
☐ Company Secretary	: Mr. Anindya Sarkar FCS
☐ Number of Employees	: 364



# ITC Chronicles & Milestones

# ITC Chronicles & Milestones

- ❖ Incorporation of the Company : August 23, 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 WINCOR-NIXDORF1000 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
- ❖ Connected to 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
- ❖ Debut Trading on DSE & CSE : January 10, 2016
- ❖ Trading Code : ITC
- ❖ Membership from BAPLC : January 17, 2016
- ❖ Best ICT Solution Provider-2015 (local market focus) Award by The Daily Star : October 28, 2016
- ❖ CMP (Chattogram Metropolitan Police) E-Traffic Prosecution system : December, 2017
- ❖ Comilla District Police E-Traffic Prosecution system : December, 2017
- ❖ Apicta Awards (Global ICT Award) Runner up : December, 2017
- ❖ Awarded "A2" rating by CRAB : January 07, 2020
- ❖ Bronze Award' in the IT and Telecom category at the 7<sup>th</sup> ICSB National Award for Corporate Governance Excellence for the year 2019 : January 23, 2021
- ❖ Silver Award' in the Trading and Assembly category at the ICMAB Best Corporate Award for the year 2019 : February 25, 2021
- ❖ Prestigious President's Industrial Development Award 2019 in High-Tech category : November 04, 2021

# ITC at a Glance



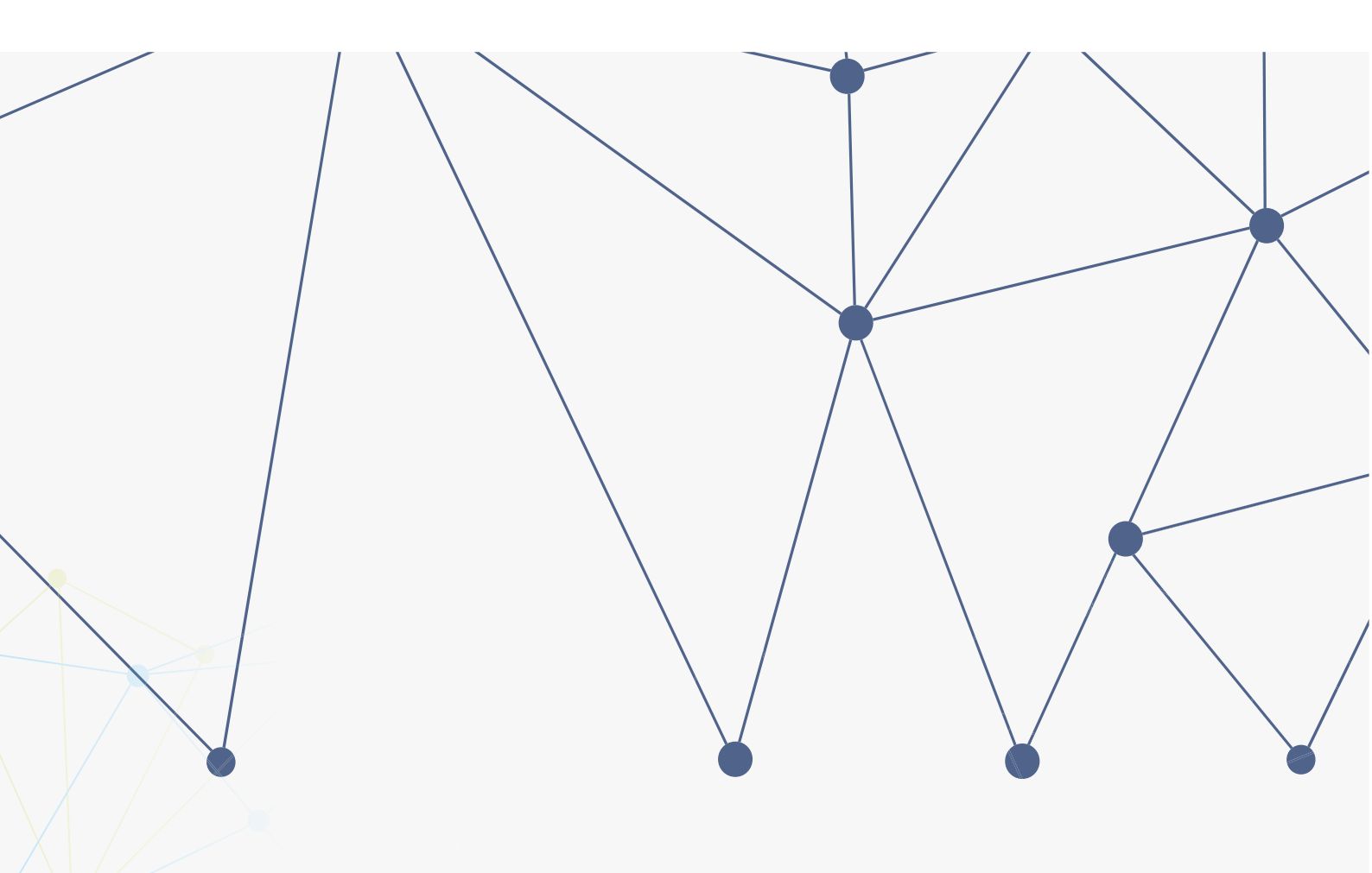
# Company at a Glance

## IT Consultants Limited (ITC-Q Cash) 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 in Bangladesh, known as 'Q-Cash'.
- 37 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, MasterCard and Union Pay International Network.
- Provides more than 11,000 ATMs access for Q-Cash member banks.
- Provides the access for more than 60,000 POS all over Bangladesh.
- The total paid up capital is BDT 1,285,926,640.
- ITC has been awarded Payment Card Industry Data Security Standards (PCI DSS) certification; the first organization in Bangladesh to receive this highest standard data security certification which is mandatory for Card and Electronic Payment industry business.
- 364 employees are currently working at ITC of which 80% are IT 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 its 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 being managed by ITC.
- Technology partner of 'Blaze' inward remittance platform (Bangladesh's first instant, 24x7, 365 days cross-border payment network) to provide any bank account/MFS deposit service in less than five seconds which is established in partnership with HomePay LLC and Sonali Bank Limited
- 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 Bangladesh Post Office (BPO) and World Banks joint initiative.
- ITC has also provided consultancy, development, deployment and maintenance of E-Traffic Prosecution system for Dhaka Metropolitan Police (DMP), Chattogram Metropolitan Police (CMP), Rajshahi Metropolitan Police (RMP), Comilla District Police and some other major areas.
- Converted as public limited company in 2008.
- Listed with Dhaka and Chittagong Stock Exchange in 2015.
- Debut Trading of shares with Dhaka and Chittagong Stock Exchange in 2016.
- Best ICT Solution Provider-2015 (local market focus) Award by The Daily Star in 2016.
- Apicta Awards (Global ICT Award) Runner up in 2017.



- 'Bronze Award' in the IT and Telecom category in the 7<sup>th</sup> ICSB National Award for Corporate Governance Excellence for the year 2019.
- 'Silver Award' in the Trading and Assembly category in the ICMAB Best Corporate Award for the year 2019.
- Prestigious President's Industrial Development Award 2019 in High-Tech category, declared in June 2021 and Awarded on November 04, 2021.



# Products and Services

# Products and Services

<b>Transaction Processing and Maintenance Services</b>	<b>Sales and Support Services</b>
▪ Transaction Switching with automated settlement and reconciliation (Real time)	▪ POS machine
▪ ATM & POS Transaction Processing	▪ POS application
▪ Online Payment Gateway	▪ Core Banking Solution
▪ Real-time Remittance Transaction Processing	▪ Switching & CMS Solution
▪ Card Personalization and Card Data Management	▪ Tailor-made Software
▪ VISA, MasterCard, UnionPay Certification support	▪ IT Infrastructure -Security Solution
▪ SMS Solution	
▪ Interfacing/Integration and development of switching solutions/ middleware	▪ Biometric Reader
▪ E-Commerce Solution	▪ Biometric ATM Solution
▪ Mobile Financial Services Integration and real-time fund transfer	
▪ Online payment processing through Q-Cash Payment Gateway	
▪ New service incorporation for ATM, POS, Internet Banking, MFS and others	
▪ Payment Card Industry Data Security System (PCIDSS) certification	
▪ Electronic Case Management Solution for Traffic Police	
▪ Green PIN services for banks' card	
▪ Virtual card issuance	
▪ E-KYC solution and maintenance	
▪ QR code based transaction processing	

The background is a gradient of red, from light at the top to dark at the bottom. A network of thin red lines connects various circular nodes. Some nodes are solid red, while others are hollow white. Two large, overlapping circles are present: a solid red one on the left and a semi-transparent red one on the right. The text 'Q-Cash Clientele' is centered in white within the solid red circle.

# Q-Cash Clientele

# Q-Cash Clientele

Name of the Members Banks			
01	Agrani Bank Limited	20	NRB Commercial Bank Limited
02	BASIC Bank Limited	21	Global Islami Bank Limited
03	Bank Asia Limited	22	Rupali Bank Limited
04	Bangladesh Commerce Bank Limited	23	Shahjalal Islami Bank Limited
05	Bangladesh Krishi Bank	24	Shimanto Bank Limited
06	Community Bank Bangladesh Limited	25	Sonali Bank Limited
07	EXIM Bank Limited	26	Social Islami Bank Limited
08	First Security Islami Bank Limited	27	ONE Bank Limited (Network Sharing)
10	IFIC Bank Limited	28	South Bangla Agriculture Bank Limited
11	ICB Islamic Bank Limited	29	Standard Bank Limited
12	Janata Bank Limited	30	Trust Bank Limited
13	Jamuna Bank Limited	31	Union Bank Limited
14	Midland Bank Limited	32	Uttara Bank Limited
15	Meghna Bank Limited	33	Woori Bank, Bangladesh
16	Mercantile Bank Limited	34	Bank Al Falah, Bangladesh
17	Modhumoti Bank Limited	35	NCC Bank Limited
18	National Bank Limited	36	Bengal Commercial Bank Limited
19	Bangladesh Development Bank Limited	37	Citizens Bank PLC

Other Financial Institution			
01	Lanka Bangla Finance Limited		
Other Client Banks			
01	Standard Chartered Bank	09	Mutual Trust Bank Limited
02	Dutch Bangla Bank Limited	10	Dhaka Bank Limited
03	The City Bank Limited	11	Premier Bank Limited
04	BRAC Bank Limited	12	Padma Bank Limited
05	Islami Bank Bangladesh Limited	13	NRB Bank Limited
06	United Commercial Bank Limited		
07	Commercial Bank of Ceylon		
08	Prime Bank Limited		

Government Entities			
01.	Bangladesh Bank	43	Bandarban District Police
02.	Bangladesh Post Office	44	Rajshahi District Police
03.	Bangladesh National Board of Revenue	45	Chapai Nababgonj District Police
04.	Telephone Shilpa Sangstha Limited	46	Naogaon District Police
05.	Road Transport and Highways Division	47	Nator District Police
06.	United Nations Development Program (UNDP)	48	Pabna District Police
07.	Dhaka Metropolitan Police (DMP)	49	Sirajgonj District Police
08.	Chottogram Metropolitan Police (CMP)	50	Bogra District Police
09.	Rajshahi Metropolitan Police (RMP)	51	Joypurhat District Police
10.	Khulna Metropolitan Police (kMP)	52	Khulna District Police
11.	Sylhet Metropolitan Police (SMP)	53	Bagerhat District Police
12.	Barishal Metropolitan Police (BMP)	54	Satkhira District Police
13.	Rangpur Metropolitan Police (RPMP)	55	Jessore District Police
14.	Gazipur Metropolitan Police (GMP)	56	Magura District Police
15.	Bogura Highway Police	57	Jhenaidah District Police
16.	Madaripur Highway Police	58	Narail District Police
17.	Cumilla Highway Police	59	Kustia District Police
18.	Sylhet Highway Police	60	Chuadnga District Police
19.	Gazipur Highway Police	61	Meherpur District Police
20.	Dhaka District Police	62	Sylhet District Police
21.	Narayanganj District Police	63	Habiganj District Police
22.	Gazipur District Police	64	Sunamganj District Police
23.	Manikganj District Police	65	Moulvibazar District Police
24.	Munshiganj District Police	66	Barishal District Police
25.	Narshingdi District Police	67	Jhalokathi District Police
26.	Tangail District Police	68	Bhola District Police
27.	Kishoreganj District Police	69	Patuakhali District Police
28.	Faridpur District Police	70	Pirojpur District Police
29.	Gopalganj District Police	71	Barguna District Police
30.	Madaripur District Police	72	Rangpur District Police
31.	Rajbari District Police	73	Gaibandha District Police
32.	Shariatpur District Police	74	Nilphamari District Police
33.	Chottogram District Police	75	Kurigram District Police
34.	Cox's Bazar District Police	76	Lalmonirhat District Police
35.	Rangamati District Police	77	Dinajpur District Police
36.	Khagrachori District Police	78	Thakurgaon District Police
37.	Cumilla District Police	79	Panchogar District Police
38.	Chandpur District Police	80	Mymensingh District Police
39.	Brahmanbaria District Police	81	Netrakona District Police
40.	Noakhali District Police	82	Sherpur District Police
41.	Lakshmipur District Police	83	Jamalpur District Police
42.	Feni District Police		



# Five-Year Reviews

# Five-Year Reviews

## For the Last Five Years

### KEY OPERATING AND FINANCIAL INFORMATION

The key operating and financial information for the year- 2021-2022 along with the preceding four years are presented below:

	Y-2021- 2022	Y-2020- 2021	Y-2019- 2020	Y-2018- 2019	Y-2017- 2018
<b>Assets Employed</b>					
Total Assets	2,666,041,543	2,798,931,966	2,742,242,279	2,537,413,600	2,463,191,060
Total Current Assets	1,534,294,655	1,582,929,167	1,562,959,672	1,459,759,620	1,374,410,026
Property, Plant & Equipment	243,411,201	261,734,365	241,045,075	244,933,913	256,141,723
Intangible Assets	806,527,592	830,098,662	855,633,082	802,451,877	797,227,643
Inventories	283,868,776	352,131,366	291,043,322*	273,446,463*	361,679,138
Accounts Receivables	500,773,246	541,326,119	476,642,028	452,110,539	411,061,604
N.B: Inventories * -rearrange					
<b>Financed By</b>					
Share Capital	1,285,926,640	1,285,926,640	1,224,692,040	1,144,572,000	1,040,520,000
Revaluation Reserve	180,265,073	188,396,337	196,969,201	206,061,581	215,765,163
Retained Earnings	444,170,709	259,119,158	234,209,557	217,065,593	130,662,677
<b>Revenue and Profit</b>					
Revenue	1,014,613,264	1,336,036,216	1,319,766,723	925,430,760	802,592,068
Gross Profit	498,913,978	459,007,357	412,613,278	418,274,486	359,812,401
Net Profit Before Tax	251,864,202	227,042,453	185,164,032	190,323,906	141,214,820
Net Profit After Tax	240,227,113	198,030,308	148,764,850	179,944,694	136,616,573
EPS	1.87	1.54	1.16*	1.47*	1.19*
Net Asset Value Per Share	17.15	15.77*	15.17*	15.21*	14.69*
Note: * Re-stated					

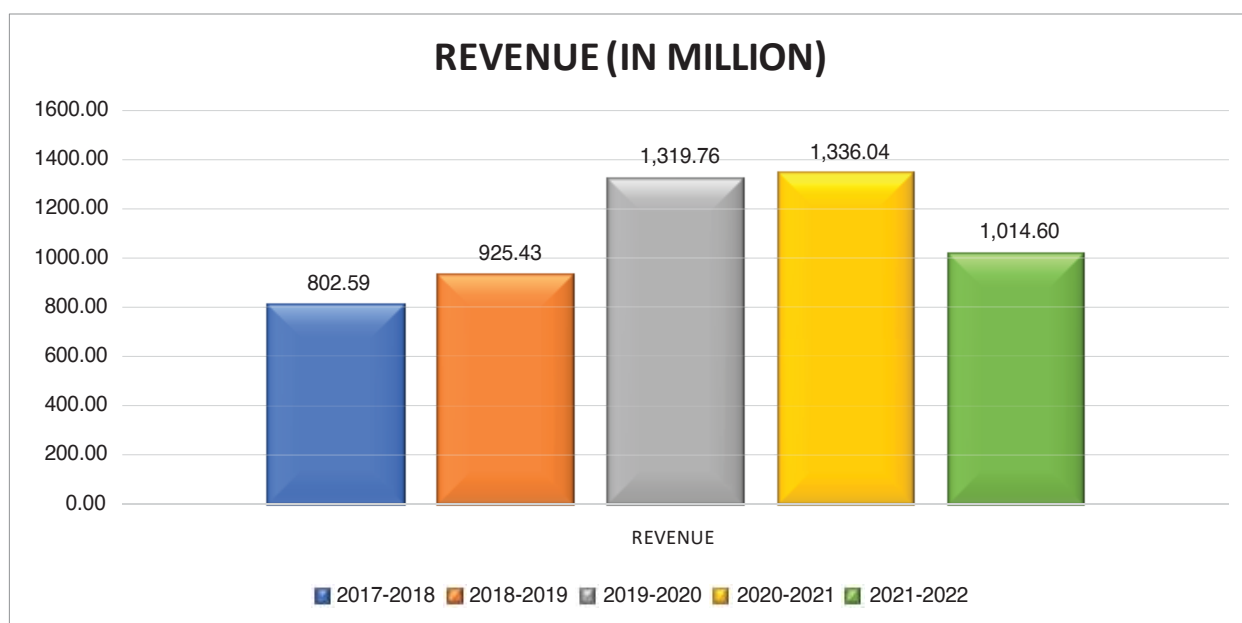
### DIVIDEND:

Cash	6% for all Shareholders	5% for all Shareholders	5% for General Shareholders	5%	-
Stock	-	-	5% for all Shareholders	7%	10%
Number of Shareholders	3,549	2,791	2,749	2,816	4,363
Market Price (TK)	33.60 (DSE) & 33.80 (CSE)	36.10 (DSE) & 35.10 (CSE)	29.40 (DSE) & 29.40 (CSE)	44.00 (DSE) & 40.00 (CSE)	42.40 (DSE) & 42.10 (CSE)

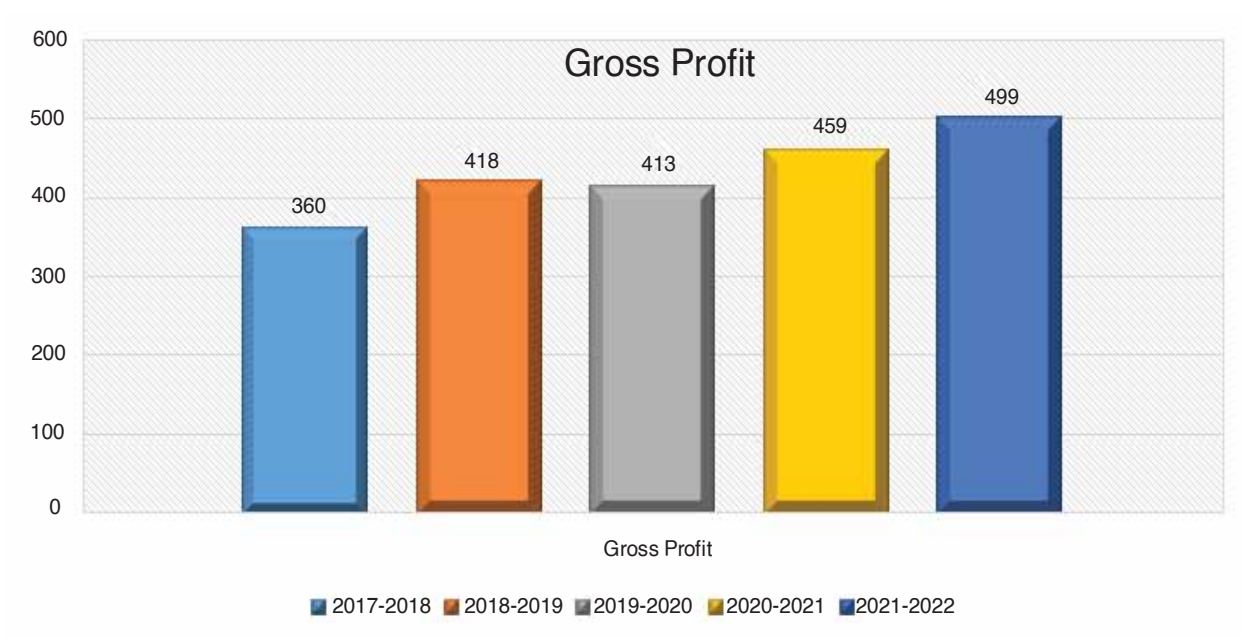


# Performance Focus

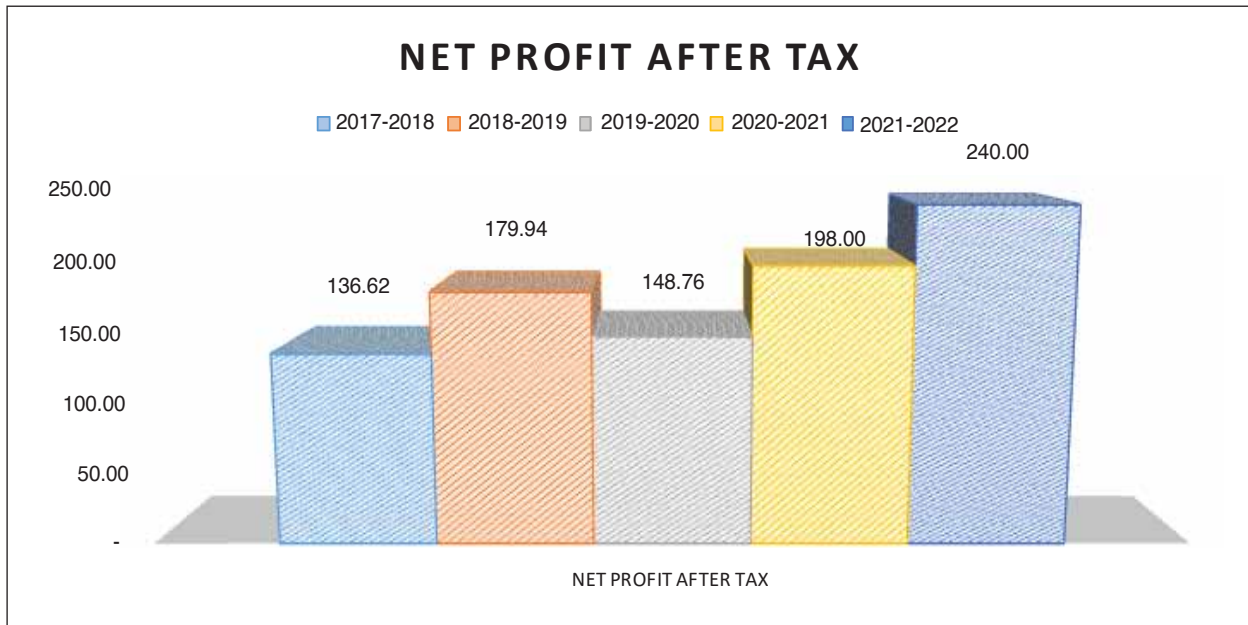
YEAR	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
REVENUE	802.59	925.43	1,319.76	1,336.04	1,014.60



YEAR	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Gross Profit	360	418	413	459	499

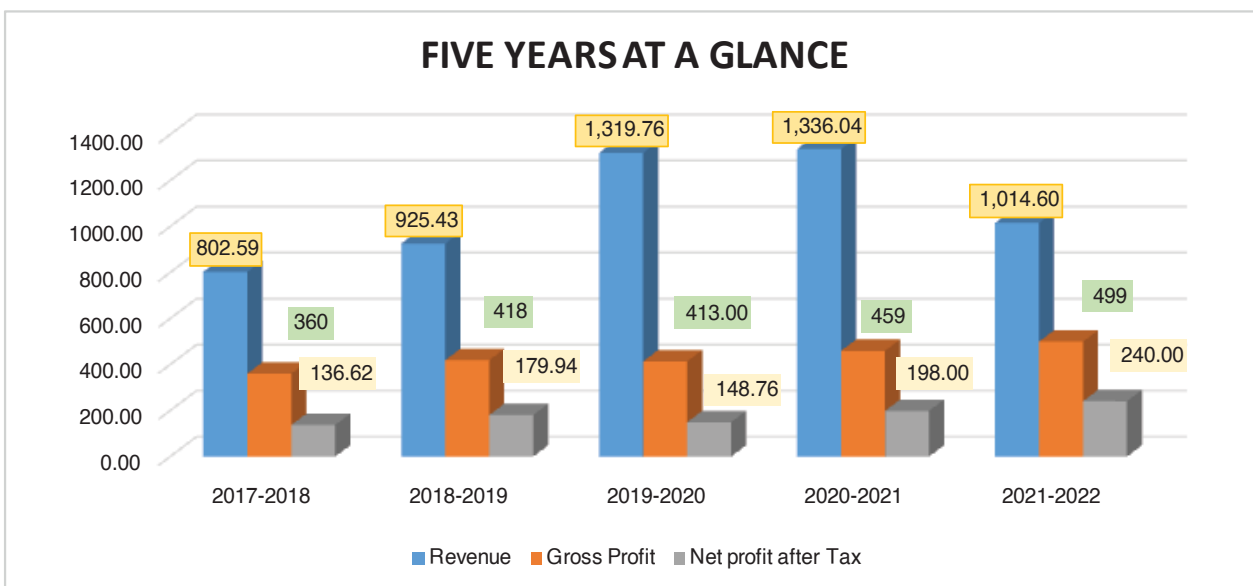


YEAR	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
NET PROFIT AFTER TAX	136.62	179.94	148.76	198.00	240.00



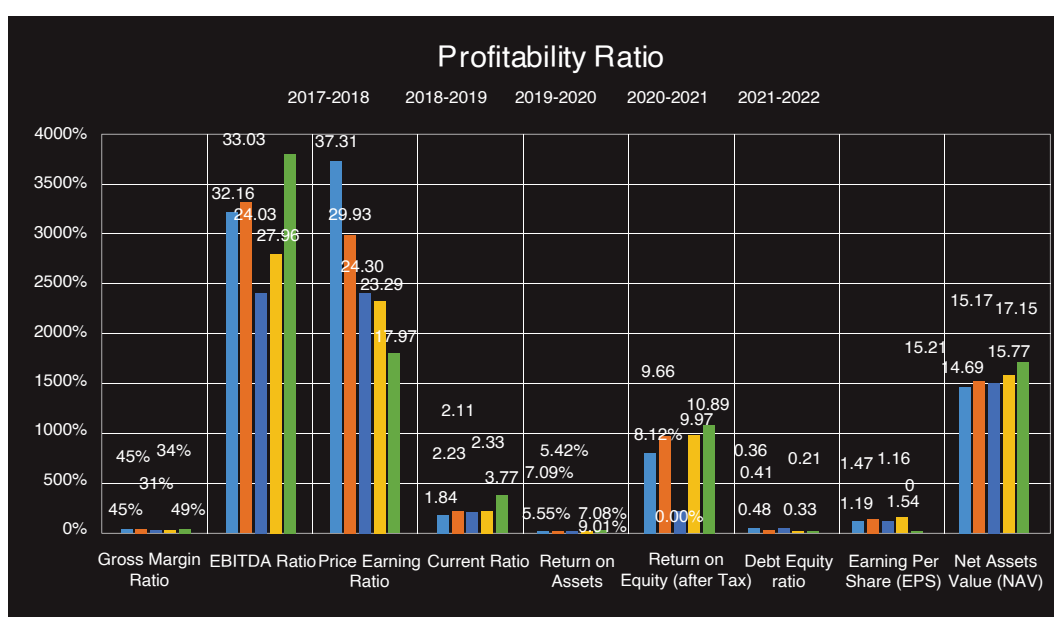
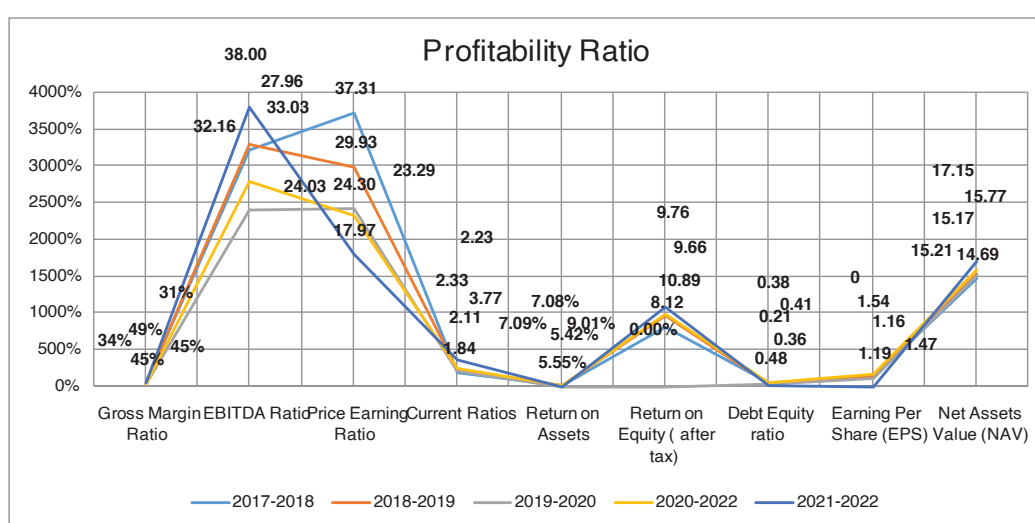
#### FIVE YEARS AT A GLANCE

YEAR	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenue	802.59	925.43	1,319.76	1,336.04	1,014.60
Gross Profit	360	418	413.00	459	499
Net profit after Tax	136.62	179.94	148.76	198.00	240.00



## Profitability Ratio

YEAR	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Gross Margin Ratio	45%	45%	31%	34%	49%
EBITDA Ratio	32.16	33.03	24.03	27.96	38.00
Price Earning Ratio	37.31	29.93	24.30	23.29	17.97
Current Ratios	1.84	2.23	2.11	2.33	3.77
Return on Assets	5.55%	7.09%	5.42%	7.08%	9.01%
Return on Equity ( after tax)	8.12	9.66	7.63	9.76	10.89
Debt Equity ratio	0.48	0.36	0.41	0.38	0.21
Earning Per Share (EPS)	1.19	1.47	1.16	1.54	1.87
Net Assets Value (NAV)	14.69	15.21	15.17	15.77	17.15



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# Message from The Chairman



## MESSAGE FROM THE CHAIRMAN

Respected Ladies and Gentlemen, Colleagues and Shareholders.

I am delighted to witness your kind energetic presence and participation on this joyous occasion of the 22<sup>nd</sup> Annual General Meeting of IT Consultants Limited.

We appreciate the support & patronize our organization has received from you & your organizations. The Board of Directors also recognize the tremendous efforts our management has taken towards the continuity and enhancement of our image as the foremost IT service company in the country for so many years, despite the multiple challenges it faced during the pandemic and its aftereffects.

IT Consultants Limited has earned its well-deserved reputation as an innovative, top-shelf IT Service provider in Bangladesh Banking Sector. Right from the beginning in the year 2000, we have set ourselves a lofty goal to be a premier Tech Organization in the country. Today, we believe that we have come a step closure to fulfill our motto. In spite of the challenges, ITC today is a brand known to all Banking, Financial and Government sectors. Thanks to the prudent Government initiative of DIGITAL BANGLADESH, which has created the environment for our steady growth & improvement. That being said, your kind participation & support has inspired us in our achievement of the targeted results.

ITC started its services targeting the Banking and Financial technology Sector in Bangladesh, but during the past few years we have succeeded in making our footprint in a number of Government Institutes, including National Board of Revenue, Metro Police, Bangladesh Bank and more, which has helped us the extend our reputation as an innovation, fast reacting, dedicated IT organization.

ITC's successful business strategy has resulted in the steady revenue stream thus enhancing the shareholders' value, profitability & reliability, which has been reflected in the Annual Report of the Company for the year 2022.

The Directors are moving cautiously ahead. The outlook for coming year is uncertain and challenging against a backdrop of rising inflation and oil crisis.

On behalf of the Board of Directors and Shareholders, take this opportunity to once again thank and commend our management for an excellent job done, and thank them for their continuous contribution to the best of their abilities to overcome any challenges in the future.

Thank you all.

On Behalf of the Board

A handwritten signature in black ink, appearing to read 'Lim Kiah Meng'.

Lim Kiah Meng  
Chairman

The background features a light blue gradient. Two large, overlapping circles are prominent: a lighter blue circle on the left and a darker blue circle on the right. A network of thin, light blue lines connects various circular nodes of different sizes and colors (including light blue, dark blue, and yellow) across the entire page, creating a complex web-like pattern.

Statement From The  
Managing Director  
& CEO



## STATEMENT FROM THE MANAGING DIRECTOR & CEO

Assalamu-alaikum.

Honorable Shareholders, Patrons, Ladies and Gentlemen.

On this auspicious occasion of the 22<sup>nd</sup> Annual General Meeting of IT Consultants Limited, I humbly express my personal gratitude to all of you for attending this gathering in person. Please accept my most sincere apologies for not being able to arrange such gathering due to the pandemic and its aftershock, in the recent past.

The pandemic has taught us some very valuable lessons that:

- There is no shortcut to advance planning,
- A motivated management can put-up with every challenge it faces,
- Total support from Directors and shareholders are invaluable in mitigating any un-warranted challenges and risks,

I, on behalf of the management therefore, assure you that- with your continued support- we would overcome every challenge- perceived or actual- with all our might.

During the period of uncertainty, our officers and engineers have been relentless & proven once again that they could continue to serve our clients- despite the risks to their health, social order and risk to the family; we are deeply mourned, we lost one of our key employees during the pandemic who worked with the company since the beginning of our journey. I am humbled by the deepest commitment of ITC team to our beloved company. We would therefore, proud to claim that, our services continued, our ATM's remained operational, Call Centers continued to run flawlessly, and most maintenance request fulfilled & sustained- during the entire period of the Pandemic and its aftershock.

Our actions and commitment were not lost to our clients, we have been successful in extending our partnership with our existing clients and acquired new ones. We helped Government efforts to speed-up remittance processing for domestic fund transfer - within 5 seconds. We are excited to report Q-pay mobile app are now fully ready for customers' convenience to access electronic payment services at their fingertips! We are currently working on one of the newest platform to create a Card-less payment processing system through QR technology- with the Bangladesh Bank. Once successfully developed & deployed- this system will revolutionize the payment ecosystem in the country.

I take this opportunity to thank our clients, patrons, shareholders and well-wishers for their continued invaluable support and express our firm commitment to fulfill most of your desires and aspirations - with dedication and sincerity, for days to come.

Once again, I express my heartfelt gratitude for your kind attendance to this humble gathering- despite your busy schedule, just to cheer us in our path for an even higher goal for your company.

I also take this opportunity to ask for your kind forgiveness- in case of any of our un-intended lapses and mistakes, during your kind stay with us.

Thanking you once again,

Kazi Saifuddin Munir, Ph.D  
Managing Director & CEO



# Directors' Responsibility Statement



# Directors' Responsibility Statement

This is a concise report about how our Board Governance leads to value creation for the shareholders and other numerous stakeholders of the Company.

## **Responsibility to Financial Statements;**

The Board of Directors of Information Technology Consultants Limited would like to inform that the financial statements containing the audited accounts for the year ended June 30, 2022 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 -2020 by BSEC 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 under review and reasonably present the Company's financial condition and results of operations. These Financial Statements are audited by the Statutory Auditors, M/s. HUSSAIN FARHAD & CO., Chartered Accountants, Dhaka.

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

The company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and correct view of the state of affairs of the Company as at June 30, 2022 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 on going concern basis. There was no extraordinary gain or loss during the year and there was no significant deviation from previous year in operating results of the Company.

## **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 Statutory Auditors;**

M/s. HUSSAIN FARHAD & 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 of shareholders meeting and Board meetings, relevant policies and expressed their opinion as such.

The background features a network diagram with white nodes and lines on a light gray gradient. Two large, overlapping circles are centered in the middle. The left circle is a light blue, and the right circle is a darker blue. The text is centered within the intersection of these two circles.

# Management Discussion & Analysis

## Management Discussion & Analysis

### Company Outlook:

Established in 2000, Information Technology Consultants Limited has evolved to become a local leader in IT Technology in the rapidly changing arena of Electronic Payment Transaction Processing Systems. So far, ITC is the only PSO (Payment System Operator) licensed by Bangladesh Bank to provide the end-to-end electronic payment services for banks, government organizations, retailers, billers and financial institutions. ITC currently serves 37 member banks, with its network named 'Q-Cash' which is a popular brand-name in the Banking and Financial sectors of Bangladesh.

### Financial Highlights & Analysis:

During the year under review, gross revenue was recorded as BDT 1,014.613 million (BDT 101.46 crore) with an overall decrease 24.1% compared to the previous year. The only growth area was the Transaction Processing Charges, recording @ 15.60% growth and which cover partially revenue stream. We consider this increase as an ongoing business pattern for the post-pandemic dependence on online transactions, which is currently the business trend despite a recessionary trend in the economy.

However, the revenues from Service & Maintenance Charges & Business sales revenue has recorded a substantial downward trend (20.20% & 88.90%) respectively due to the expected long-time effect of post-pandemic uncertainty & global economic recession which resulted in a drastic devaluation of BDT against USD and have resulted in a substantial crisis and operational disruption for the company. The crisis also stemmed in revenue flow for ITC due to sudden reductions in business demand from banking customers, who experienced long period of branch closure and as well as anticipating financial or economic recession in our banking sector during the year. And thus, the banking procurement of the financial sector was recording a slower growth. Resulting in a drastically drop in our Trading business, which also caused reduced in Service & Maintenance Charges.

Particulars	Year-2021-2022 (Tk.)	Year-2020-2021 (Tk.)	Increased/(decreased)	Growth %
REVENUE:				
Q-Cash transaction Processing charge	723,053,469	625,582,391	97,471,078	15.6%
Service & Maintenance charges	247,134,026	309,787,510	(62,653,484)	-20.2%
Sales	44,425,769	400,666,315	(356,240,546)	-88.9%
<b>Total Revenue</b>	<b>1,014,613,264</b>	<b>1,336,036,216</b>	<b>(321,422,952)</b>	<b>-24.1%</b>

Comparatives on the financial performance of the company for the year ended June 30, 2022 are summarized hereunder:

Particulars	2021-2022 (Tk.)	2020-2021 (Tk.)	Increased/(decreased)	Growth %
Revenue	1,014,613,264	1,336,036,216	(321,422,952)	-24.1%
Cost of Service	472,522,538	628,169,781	(155,647,243)	-24.8%
Cost of sales	43,176,748	248,859,078	(205,682,330)	-82.7%
Gross Profit	498,913,978	459,007,357	39,906,621	8.7%
Operating Expenses	201,612,998	191,931,158	9,681,840	5.0%
Operating Profit	297,300,980	267,076,199	30,224,781	11.3%
Profit Before Tax	251,864,202	227,042,453	24,821,749	10.9%
Profit After Tax	240,227,113	198,030,308	42,196,805	21.3%

Due to factors described above Cost of Service & Cost of Sales has decreased @ 24.80% & @ 82.70% respectively, resulting the gross profit of only @ 8.7% valuing Tk. 39,906,621/- increased during the year- compared to the last year.

Net Profit before Tax for the year has increased by Tk.24,821,749 /= from the last year and reflection growth is 10.9% due to increase of Q-Cash Transaction Processing. The growth in Net Profit after Tax is 21.30%, which comprises of Tk. 42,196,805/-.

Additionally, just as a point of reference for the last couple of years, the Banks have also reduced the speed of new ATM rollout due to shifting of technology in Banking sector from ATM to Cash Recyclers, and Banks are experiencing a financial crunch overall, due to various recessional factors.

### **Financial & Economic scenario of the country and the globe:**

Emerging from the devastating effect of the pandemic, the National Economy suffered the predictable downward slide and remained weak and stunted during the period 2021-2022, as reported.

The newest blow came from the aftershock of the faraway war between Russia and Ukraine, which has shaken the base of the world economy. The war increased the cost of fuel, Cost of food grains, thus increasing the overall cost of living. The unexpected scenario has spun all the financial & economic planning to the core.

Relatively small economies like Bangladesh, which has shaking out of the exhaustion of a pandemic- now has to face a twin bomb, Escalation of cost of Basic Good and Ensuring the availability of Food grains and consumer products.

As our shareholders are kindly aware the two warring countries Russia & Ukraine produced 30% + of all food grains consumed in the world. Russia is also the provider of 35% to 40 % of Gas and fuel for EU economies. Due to the continued Pandemic related downturn, the Bangladesh Economy sustained the major blow, but staggeringly still managed to grow by 6.9 % during the year 2021-22, as against a n inflationary pressure of about 6%.

Historically for the last few years, Bangladesh Economy had been enjoying the fastest expansion of the Economy. During the last eight consecutive years, GDP growth in Bangladesh till 2019, recorded a minimum growth greater than 6% with highest recorded @ 8.2%. . Despite the just finished pressure of the pandemic, the ill-equipped health infrastructure sustained most of the shock and still managed to keep the death rate considerably lower, but the new war-ravaged EU countries who are our main RMG clients may prove to be even more challenging. These twin blows have seriously hampered the continuous economic growth what Bangladesh has been enjoying for last several years.

We sincerely hope that, our government will find appropriate policies to not only for recovery, but also for expansion. The Government and Private sector joint initiatives will be hopefully rapidly transforming the socio-economic sectors of the country towards a humming economy.

## **Risk Management:**

ITC as the industry leader in the transition processing for banking sector has always concentrated on providing the best value to its clients & stakeholders through appropriate balancing of its Risk & Returns. ITC continued its time-tested risk management policy under continued tuning with current market needs and a periodic monitoring system to address the challenges and uncertainties that are likely to affect business. Operational response, liquidity and financial position for future performances, are the cornerstones of this policy. The Company's risk recognition system works on a real time basis based on a comprehensive framework as such. Accordingly, a well-structured and proactive risk management system is in place within the Company to address the volatilities relating to market changes, financial liquidity, effect of exchange rate changes and operational capabilities.

## **Future Plan & Projection**

The Company has taken numerous initiatives to introduce new technologies for electronic payment services, payment technology solution development and to cope up with market demand. Some of the major initiatives are:

- Processing inward remittance for domestic instant fund transfer to any Bank any Account/MFS in large scale.
- Interoperability & Integration with mobile financial service operators and 'Digital Wallet' service providers by following Bangladesh Bank guidelines. The Company has already created interface with bKash and some particular services are in operation
- Extend Postal Cash Card services along with Bangladesh Post Office to facilitate disbursement of G2P subsidies, pensions and grants
- Extend transaction processing for Inter-bank fund transfer through ATM, Internet Banking, e-commerce and other channels. Some of these services have been launched.
- Expansion of Bangladesh Police Projects (e-traffic prosecution system) across the country.
- Rollout of QR-based payment transactions throughout the country to facilitate payment at fingertips.
- Promote QPay mobile application for Q-Cash member banks' customers to broaden the e-payment service horizon.

## **Comparison of performance with peer industry scenario**

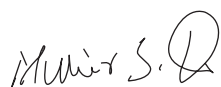
ITC is the only listed company of its kind in Bangladesh. Its business operations are also somewhat different. Hence, there is no alike peer industry that could expressively come under a comparable scenario.

## **Accounting policies and estimations for preparation of financial statements**

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 by BSEC and other applicable laws and regulations in Bangladesh. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

## **Changes in accounting policies and estimations**

The accounting policies applied in the year under review are uniform and consistent with those applied in the previous year. In 2021-22 there was no major change in accounting policies and estimations except for some variations and interpretations applied which did not have any material impact on the financial statements.



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

Date: October 25, 2022



# Report on Human Resource (HR) Management

## **Report on Human Resource (HR) Management**

Creating professionals and developing newer opportunities and openings lie at the pinnacle of a sound corporate HR policy. At Information Technology Consultants Limited, we believe that no organization can build a good team of working professionals without sound Human Resource Management. Any organization without a proper set up for Human Resource Management is bound to suffer while managing its regular activities. ITC is quite aware of the necessity for efficient Human Resource Management and has, accordingly, formulated its policy efficiently to cater to its future needs. The implementation thereof is based on different processes which inter-alia includes the following.

### **Framework:**

ITC considers that the devoted, motivated, loyal and committed team of employees is the core assets of the Company. Accordingly, the Company relentlessly invests to develop its prime wealth - the Human Capital. In that pursuit, employee-skill and expertise development happens to be our utmost consideration and we think that is how we could enhance the Company's strategic ambition to lead the particular sector where we operate and steadily grow to combat the future.

### **Recruitment:**

Priority is given to infuse fresh brains by recruiting new incumbents side by side the experienced ones. Keeping this in mind, the process of recruiting fresh and experienced contenders is a regular feature. Accordingly, in case of new recruits, instead of conventional graduates, professionally qualified aspirants: such CA, CMA, CS, LLB, MBA and Engineers and other recognised professionals are given preference. Young and fresh brains are ideally better fitted for further nurturing and improvement. So, the Company lays importance in recruiting young & energetic personnel and grooming and building them up for undertaking future leadership.

### **Training:**

To facilitate scope of training for the new recruits, changes in the schedule of In-house Training has been brought by increasing number of sessions and inviting guest speakers as and when required. The training programs of the Company are chalked out with idea to educate and develop selected personnel so that they acquire required knowledge, skill and experience needed to manage future positions.

Thus, the management and staff members get the prospect to sharpen their existing skills or develop specialized skills which in turn, will help them to take up new roles and take the company to newer heights.

### **Performance Appraisal:**

ITC evaluates performances of its work forces according to their potential and awards, benefits and incentives according to merits. In ITC there exists various beneficiary schemes for the welfare of employees which includes Hospitalization benefit, Festival Bonus, Cash incentive for Eid festivals, Transport Facility, Car Allowance, Training Home & Abroad etc.

### **Maintaining Work Atmosphere:**

ITC believes that a safe, clean & healthy environment can bring out the best in employees. A friendly

atmosphere gives the staff member's job satisfaction. ITC provides friendly atmosphere so that all the employees can enjoy working with encouragement. ITC is fully alive to its obligation and necessity to build up strong work force for its continuous growth and has formulated its Human Resource Policies keeping eyes open to satisfy all needs and requirements.

### **Redress of Investors**

We value the myth of effective interaction with the stakeholders, mainly the shareowners. ITC is committed to maintaining the highest standard of conduct and professional behavior in dealing with its shareholders. Share Department of the company maintains systematic records and information relevant to the shareholders. Share Department officials are always ready to help shareholders whenever in need of share related services like share transfer, transmission, dividend warrant issue, dividend warrant re-validation, address updates etc. Shareholders get opportunity to speak on various issues relating to the operation of the Company at the Annual General Meeting which is held once a year, in which the Chairman/Managing Director of the Company with the help of Chief Financial Officer (CFO) and Company Secretary respond to all queries raised by the shareholders instantaneously. Generally, shareholders raise issues relating to utilization of Company's resources, yearly, half yearly and quarterly accounts and results, business turnover and profitability, declaration of entitlements, disbursement of benefits, share transfer and transmission, changes of shareholders address, non-receipt of Annual report, date and time of AGM, minutes of meetings of all AGM/EGM, implementation of decision of the AGM & EGM and so on. It is the responsibility of the Company Secretary to oversee that necessary actions are taken expeditiously so that these issues are resolved to the satisfaction of shareholders.

### **Redress of Clients**

ITC being a service industry, clients' satisfaction is of paramount importance in maintaining existing clientele base and tapping new business, thereby to achieve satisfactory business growth in the long run. Being fully aware of this, ITC always attends to its client's complaints, whether related to its services. ITC encourages its clients to come forward with any complaint they may have, and the top management is completely accessible to all of them. Complaints can be lodged with the Help Desk over telephone or by e-mail. During regular meetings with its clients of various types, the management actively solicits the client's views on the company's services, shortcomings, if any, and their suggestions.





Report of the  
Audit & NRC Committee and

**NRC Policy**

## Report of the Audit Committee

Pursuant to code 5(7) of the Codes of Corporate Governance, the Report of the Audit Committee of the Company is presented hereunder as required:

### The Role of Audit Committee:

The Company has established an Audit Committee as required under the codes of corporate governance of BSEC. The Audit Committee of ITC, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. It plays the key role in guidance and supervision of the Company's financial reporting, risk management, control and assurance processes, regulatory compliance and audit. 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 operations and reduce the risks of business. The Audit Committee periodically reviews the state of affairs of business and makes recommendation on the reporting, control and compliance aspects, engagement of auditors, their performance appraisals as well as provides independent monitoring and guidance to the management. A brief of the Audit Committee, its roles, responsibilities and functions are presented as under:

### The Composition of the Audit Committee:

The Board of Directors has appointed the Audit Committee comprising the following members of the Board having adequate knowledge about finance and accounts, as required in the BSEC CG Code. The Committee, headed by an Independent Director, is quite capable in the discharge of its vested responsibilities. As required, the Company Secretary performs as the Secretary to the Audit Committee.

#### Name of Members

Mr. Md. Kamal Uddin FCA, Independent Director  
Mr. Salahuddin Alamgir, Vice Chairman  
Mr. Dasgupta Asim Kumar, Independent Director  
Mr. Anindya Sarkar FCS

#### Position in the committee

Chairman  
Member  
Member  
Secretary

During the year under review, the Audit Committee performed in coherence and consistency and duly ensured full compliance as required under the Codes of Corporate Governance promulgated by BSEC.

### Meetings of the Audit Committee

The Committee conducted a total of 4 meetings during the year under review, a sum up of which is given below :

Sl. No	Name	Number of Meeting during 2021-22	Number of Attendance During 2021-22	Remarks
1	Mr. Md. Waliuzzaman FCA, Independent Director	04	02	
2	Mr. Salahuddin Alamgir, Vice Chairman	04	03	
3	Mr. Md. Haqueful Shaikh, Independent Director	04	02	
4	Mr. Md. Kamal Uddin FCA, Independent Director	04	02	Appointed as on 10/01/2022
5	Mr. Dasgupta Asim Kumar, Independent Director	04	02	Appointed as on 10/01/2022

### Principal responsibilities of the Audit Committee:

Some of the main responsibilities of the ITC Audit Committee are as follows:

- Assess the overall integrity of the financial reporting system of the Company.
- Review the annual, half-yearly and quarterly Financial Statements and any other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval.
- Review the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the Codes of Conduct.

- Recommend appointment, termination and determination of audit fees for statutory and compliance auditors. Also to Consider the scope of work, and oversee and evaluate the works performed by auditors.
- Exercise its supervision over the works of Company's Internal Audit. Review the effectiveness of internal audit functions including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of audit action plans.
- Review related party transactions to ensure compliance with relevant rules and regulations.

**Main activities of the Audit Committee during the reporting period:**

The Audit Committee performed the following functions during under review:

- a) Reviewed and recommended the quarterly, half yearly and annual financial statements of the Company for the year.
- b) Reviewed the Accounting procedure with a view to ascertaining that the International Financial Reporting Standard (IFRS) has been applied in maintaining books and records.
- c) Reviewed the Internal and External Inspection & Audit Report with a view to implementing the suggestions of Internal and External Auditors in respect of Internal Control structure and techniques.
- d) Reviewed the Management Letter from the external auditors in their presence.
- e) Reviewed the performance of the statutory/external auditors.
- f) Considered and made recommendation to the Board on the appointment and remuneration of the statutory and compliance auditors.
- g) Reviewed the adequacy of internal audit plan and functions, monitored progress and effected revisions, if and when necessary.
- h) Reviewed the draft Directors' Report of the year under audit.
- i) Reviewed the Management Discussion and Analysis statement of the Company for the year.
- j) Reviewed related party transactions and compliance of the codes of conduct of the company.
- k) Reviewed to minimize expenditures in all operational activities where possible.
- l) Reviewed the report relating to Independent Directors as submitted to the regulatory authority
- m) Reviewed other matters of significance as per TOR of the Audit Committee.

The Following steps were also taken for implementation of the Internal Control Plan and Procedures of the Company:

- a) Audit & Inspection division of the company carried out Internal Audit with a view to enrich the compliance culture and to ensure full control on the ITC operations. The division reports directly to the Board Audit Committee.
- b) Regular monitoring was done for the efficiency of the quality control policies and procedures with the purpose to evaluate the application of Internal Control System and Internal Audit Policy for effectiveness of financial risk, asscssing existing rules and regulations.
- c) To establish Planning, Organizing and Supervising culture and monitoring of Audit and Inspection of the Technology and different other divisions.

**Reporting:**

Pursuant to condition # 5(6).a of the Corporate Governance Code-2018 issued by BSEC, the Committee reported that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also was no infringement of laws, rules and regulations.

**Acknowledgement:**

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

On behalf of the Audit Committee



Md. Kamal Uddin FCA  
Chairman  
Audit Committee

Date: October 25, 2022

## Report of the Nomination & Remuneration Committee and NRC Policy

The Nomination & Remuneration Committee (NRC) performs as one of the Board sub-committees of ITC. The broad role of NRC is to assist the Board in the formulation of nomination policy with regard to determining the criteria and qualification, positive attributes, experiences and candid independence of the directors, as well as a strategy and an effective process of considering remunerations/honorarium of the members of the Board and Top Executives and generally to deal with matters of the unionised employees of the Company. Pursuant to code 6.5(c) of the Codes of Corporate Governance, the Policy and Report of the Nomination & Remuneration Committee of ITC is presented hereunder at a glance. It covers the nomination and remuneration policies, evaluation criteria, meetings and activities of NRC during the year.

### Features of Nomination & Remuneration Committee:

As required, the Nomination & Remuneration Committee was set up with explicit terms of reference. The Nomination and Remuneration Committee(NRC) shall, at least once a year, consider its own performance and terms of reference to ensure that it is operating at maximum effectiveness and shall recommend any change necessary to the Board for approval.

### Terms of Reference:

The NRC has performed its duties as assigned to it by the Board of Directors, which is based on the Charter of NRC formulated mainly in accordance with the CG Codes of BSEC as well as including, as far as practicable, other prominent global best practices.

### Composition of the Committee:

The Board of Directors has appointed the Nomination & Remuneration Committee comprising the following members of the Board having adequate Knowledge.

Name of Members	Position in the Committee
Mr. Dasgupta Asim Kumar, Independent Director	Chairman
Mr. Mr. Lim Kiah Meng, Chairman of the Board	Member
Mr. Md. Kamal Uddin FCA, Independent Director	Member
Mr. Anindya Sarkar FCS	Secretary

### Roles and Responsibilities of the Committee and NRC Policies:

As mentioned, the NRC was formed with explicit terms of reference. So, abiding by it the Company pursues a nomination and remuneration policy, the benchmark of which relies on standards which are recognisable in the Bangladesh context and sufficient to meet the current and foreseeable future needs of the Company. The Broad criteria in that respect for Directors and top-level executives, and generally for all other employees of the Company are enumerated as follows :

#### a) Nomination Criteria:

- Following the Company policies as well as guidelines and applicable country regulations,
- Following a selection process that is transparent in all respects,
- Following a process which is compatible to international standards and local best practices,
- Recognize core competencies of the respective personnel for the different level of management and employees of the Company,
- Follow diversity in age, maturity, qualification, expertise and gender disciplines,

#### b) Recruitment and Selection Policies:

The NRC Charter draws a broad outline of the Company needs for employees at different levels, as ascertained by the Management. The recruitment and selection of Directors, top-level executives and other employees of the Company are made according to the following guidelines

- **Executive Director:** The NRC recommends the candidate(s) for Executive Director(s), based on nomination by the majority shareholders. The Board of Directors appoints the Executive Director/s upon nomination and recommendation of the NRC.
- **Non-Executive Director:** The NRC recommends candidate(s) for Non-Executive Director(s), based on nomination by the majority shareholders. The Board of Directors appoints the Non-Executive Directors upon nomination and recommendation of the NRC.
- **Independent Director:** The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and who can make meaningful contribution to the business. The Independent Director should have competence relevant to the sector in which the Company operates, and necessarily should have the qualifications as required by the regulations of BSEC. The Board of Directors appoints Independent Directors upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.
- **Top-level executives:** The NRC identifies and recommends candidate(s) for top-level executives upon thorough scrutiny by the Human Resources Department (HRD), Managing Director and Management Committee and considering relevant qualifications, experience, skills and leadership, as required for the respective positions based on the Company's internal selection process.
- **Other Employees:** The NRC sets a guideline to identify the Company needs for employees at different levels and empowers the relevant management of the Company's HRD for selection, transfer, replacement and promotion of respective employees based on the Company's internal processes.

**c) Remuneration Policies:**

- The structure, scale and composition of remuneration/honorarium are reasonable and sufficient to attract, retain and motivate suitable Directors, top-level executives and other employees to run the Company efficiently and successfully. The outline of packages, including remuneration/ benefits monthly, yearly and in the long run for all the employees are categorically laid down and meets the appropriate performance benchmarks;
- There is a clear balance in benefits between fixed and incentive pay of Executive Directors and senior management, reflecting short and long-term performance goals and objectives of the Company;
- The remuneration, including bonuses, compensation, benefits (or in whatever form) payable to the Executive Directors, top-level executives and other employees are determined by the NRC based on the expressive Company policies and guidelines, which shall be ratified by the Board as and when required;
- The remuneration to be paid to the Executive Directors is in accordance with the Company's policies and guidelines; and increments (if any) to the existing structure of remuneration are determined by the NRC based on the Company policies and guidelines, which are ratified by the Board as and when required;
- The NRC also recommends the Board meeting attendance fees, honorarium, including incidental expenses, if any; and
- No member of the NRC receives, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.
- Whatever formulated by NRC must be within the frameworks (if any) of the Articles of Association.

**The duties of NRC in ITC are:**

- Review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- Identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- Assess the objectivity/independence of independent non-executive directors; and
- Make recommendations to the Board on appointment or re-appointment of directors and succession planning for directors.

The Nomination & Remuneration Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for remuneration of Directors and Senior Management, and reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The meeting is held once in a year.

**The duties of the NRC further include:**

- Formulating the criteria for evaluation of performance of independent directors and the Board;
- Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- Developing, recommending and reviewing annually the company's strength of human resources and its training policies.

**Evaluation of the Board:**

NRC is responsible to ensure the maximum effectiveness of the Board. To that end, it devises the classified courses of yearly evaluation to be carried out under the auspices of the Board. The process, led by the Chairman and assisted by the Company Secretary, involves submission of filled out pre-designed confidential questionnaires by the Directors for onward appraisal. The evaluation further includes total administration of the Board and its committees covering their operations, agenda, reports, information flow to and from the Board and ultimate conducting of meetings and the Board's overall relationship with the Management.

**Meetings of the NRC Committee:**

The Committee conducted 1 meeting during the year under review.

Sl. No.	Name	Number of Meeting during 2021-2022	Number of Attendance During 2021-2022	Number of Attendance During 2021-2022
01	Mr. Md. Waliuzzaman FCA, Independent Director	01	01	Meeting was held on 26/12/2021
02	Mr. Lim Kiah Meng, Chairman	01	01	Meeting was held on 26/12/2021
03	Mr. Md. Haqueful Shaikh, Independent Director	01	01	Meeting was held on 26/12/2021
04	Mr. Md. Kamal Uddin FCA, Independent Director	01	00	Appointed as on 10/01/2022
05	Mr. Dasgupta Asim Kumar, Independent Director	01	00	Appointed as on 10/01/2022

**Activities of NRC during the year under review:**

- Reviewed the Terms of Reference of the Committee,
- Reviewed the background qualifications, positive attributes and level of independence of the directors,
- Reviewed the mix and composition of the Board and Committees,
- Reviewed the vacancy positions and/or new positions, if any,
- Reviewed the frequency of meetings of the Committee in a year.

**Disclosure obligation:**

This disclosure is made pursuant to condition # 6.5(c) of the Corporate Governance Code-2018 issued by BSEC.

**Acknowledgement:**

The NRC Committee expressed their sincere thanks to the members of the Board and Management of the Company for their support in carrying out its duties and responsibilities effectively during the year.

On behalf of the NRC Committee



Mr. Dasgupta Asim Kumar  
Chairman  
Nomination & Remuneration Committee (NRC)

Date: October 25, 2022



# Corporate Governance in ITC



# Corporate Governance in ITC

The business of Information Technology Consultants Limited (ITC) is a thrifty three-tier pursuit resulting from the concerted governance of the Shareowners, the Board of Directors and the Management Team- all having a thoroughly and distinctly delineated area of governance .It is a perfect stature of 'corporate democracy' as outlined below :

**Shareholders:** The Board is constituted by the shareholders, from amongst the shareholders and at a meeting of the shareholders.They appoint and authorise the directors, appoint the statutory and compliance auditors, approve the audited financial statements and hold the directors accountable for the conduct of business. The Board reports to the Shareholders at the AGM.

**Board of Directors:** The Board and its sub-committees are tasked with specific responsibilities as per law and the Articles of Association of the Company. Based on their specific charter, they delegate the authorities and control measures, set strategies of investment and business and exercise their control and supervision over the Executive Management.

**Management Team:** The Executive Team of Management concentrates on the actual day-to-day affairs and management of business with meticulous compliance of laws of the land and the associated rules and regulations. They perform squarely within the mandated areas of operations and answerable to their line of hierarchy - the Board of Directors, who in turn report to the Shareholders.

Thus, the undertaking in ITC is a blend of shared stewardship and governance recognised by global practices and corporate culture.

Based on the above, ITC's business initiatives are guided by the basic governing principles of high emphasis on transparency, accountability, ethical conduct and utmost regulatory compliance. The Company believes that its strategic ambitions and the national aspirations are mutually inclusive and, accordingly, pursues a governing policy that recognizes social responsibility over its commercial interests. The Board of Directors of ITC acknowledges that the Company, being a listed business entity, it has a role to play in upholding the interests of all its stakeholders. Strong governance works as the backbone of an upright organization. Corporate Governance is about intense supervision, commitment to values, ethical business conducts and compliance to regulatory laws. 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. Being a technology-oriented business entity, ITC emphasizes on transparency, accountability and compliance, which are the essence of corporate governance. Good Governance principles encourage the Company to create value through innovations, development and exploration on the one hand and on the other to provide accountability and control systems commensurate with the risks involved. The other important part of the Corporate Governance is regular disclosure of information regarding the financial position of the Company, its performance, ownership and governance in a timely and accurate manner. The disclosures help in improving public understanding of the structure, activities and policies of the organization.

The structure of corporate governance in Bangladesh is guided by the BSEC codes of corporate governance as gazetted vide no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The ITC Board has given prime attention to the codes and which are in the regular process of implementation in the Company.

## **Process and initiatives of Governance:**

As part of its governance pursuits, the Board of ITC is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders while promoting integrity, transparency and accountability. The Board and the Management Team also put their best efforts to comply with all the laws of the land and all internal regulations, policies and procedures to make the Company viable and a

thoroughly transparent entity. In such exercises, it also recognizes the regulatory authority's emphasis that the shareholders are the ultimate beneficiaries of the Company's all economic activities. The Board, accordingly, owns that shareholders interest is the foremost concern in all governing pursuits.

The Board is of the view that throughout the reporting year the Company has complied with the then applicable CG conditions and continues to monitor and review the Company's governance pursuits and makes necessary changes to conform to newer codes. In addition to the primary role of monitoring corporate performance, the function of the Board includes approving business plans, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that the shareholders are kept informed about our plans, strategies and performances. To enable the Directors to discharge their responsibilities effectively, the management provides detailed reports on performance to the Board on quarterly basis. The Board also functions through its various committees, such as the Audit Committee, NRC etc.

### **Ethics & Compliance:**

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

We are performing perfectly fairly and efficiently to generate long-term value and wealth for all its stakeholders. The Governance principles of the Company ensure that the Board remains independent, informed and involved in the Company. At the same time there are continuous efforts to further improve the governance standards to augment the company strategies and to mitigate the beyond business' risks. To that end, the Board periodically reviews the effectiveness of its initiatives and at the same time monitors compliance of all applicable laws and regulations and gives appropriate directions wherever necessary.

### **Distinctions of the ITC Board:**

Some of the key features of the Board of Directors of the Company are as follows :

- The ITC Board is a blend of diverse knowledge, culture and nationality,
- Members of the Board are non-executive directors,
- Chairman and CEO of the Company are separate individuals,
- The Independent Directors and their competencies are precisely as per the codes of governance as prescribed by BSEC,
- None of the Independent Directors is more than six years at the Board,
- The Board Committees are headed by Independent Directors,
- Roles and responsibilities of the Chairman, Directors and CEO are clearly demarcated,
- Members of Management do not indulge in Board matters,
- Roles and functions of the Board and Management are clearly delineated,
- Thus the ITC Board is capable to deliver the utmost 'collective wisdom to the Company.

### **The Board mix and formation:**

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 the Management by the Managing Director & CEO and under the overall supervision of the Board. The Board members have collective experience in diverse fields of business. It is their 'collective wisdom' that makes the Company run on the right track.

In order to comply with the BSEC's notification dated June 03, 2018 on Corporate Governance, the Board of ITC has appointed two eminent personalities as Independent Director of the Company. Thus, the Board of ITC comprises of 09 (Nine) members of which 6 (six) are Non-Executive Directors and 2 (Two) are Non-Executive Independent Directors and a Managing Director & CEO. All the Directors have fulfilled and completed the regulatory compliances necessary and duly qualifying for their directorship in the ITC Board. The robust requirements are meticulously fulfilled to form a competent Board, which is cohesive and has the due expertise for quick and informed decision making. We believe that the ITC Board has the optimum level of knowledge, composure, skills and understanding about the Company's business and stands as the perfect platform to perform and deliver.

**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. In discharging its responsibilities, the Board is guided by the regulations contained in the Memorandum and Articles of Association of the Company, the Companies Act 1994, laws of the land, relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations, Company's Codes of Conduct, Business Principles, Rules of Delegated Authorities and other generally accepted corporate best practices.

**Board Meetings:**

The Company holds at least four Board meetings in a year, one in each quarter, when duly called in writing, to review inter alia the on-field investment applications, business strategies, the financial results and other matters of the Company. The gap between the two Board Meetings does not ideally exceed three months. The Board, accordingly, met five times during 2021-22. Dates for Board Meetings are decided in advance and notice of each Board Meeting is served in writing well ahead of the meeting. The notice contains the detailed statement of business to be transacted at each meeting. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require immediate attention. Apart from the four stipulated Board Meetings, additional Board Meetings are also convened to address any specific requirements of the Company. Urgent matters are often also approved by the Board by passing resolutions through circulation. The Board performs the following functions in addition to supervising the overall business and management:

- Formulating long-term strategies and setting the goals and direction for the Company.
- Review, monitor and approve major financial and business undertakings and corporate actions.
- Providing leadership necessary to ensure that the business objectives set out by the Board are met within the framework of internal controls.
- Assess critical risks facing by the Company and review options for their mitigations.
- Ensures that the processes are in place for maintaining the integrity of:
  - The Board of Directors
  - The Board Committees
  - The Management
  - Financial statements
  - Compliance with laws
  - Relationship with customers and shareholders
  - Overall public exposures
- The Board is also tasked to decide on the following business transactions and activities:
  - Acquisition, disposal or closure of a business unit.
  - Establishment of new businesses.
  - Capital investment and disposal of tangible assets.
  - Proposal for borrowings or credit facilities.
  - Appointment of top management and any expatriate officials.

**Committees of the Board:**

Constitution of the Board is not an end in itself. The CG Code of BSEC requires that there has to be at least two Board sub-committees in the governance structure. Accordingly, for better, quicker and furnished flow of information and thereby exercising effective governance, the Board has also constituted two sub-committees, viz: Audit Committee and Nomination and Remuneration Committee and has delegated certain responsibilities to the Committees to assist the Board in the discharge of its vested responsibilities.

The roles of the Board Committees are to review and assess the respective areas and then to advise and make recommendations to the Board. Each Committee operates in accordance with the respective explicit Terms of Reference (ToR) approved by the Board. The Board reviews the ToR of the Committees from time to time. The Board also appoints the members and Chairman of each Committee. The committees of the ITC Board, accordingly, are:

- Audit Committee, and
- Nomination and Remuneration Committee

These committees are responsible for assisting the Board in some of the Board's responsibilities. The Committee firmly follows the Board approved Terms of Reference (ToR). The ToR elaborates the roles, operating procedures and authorities which are reviewed very often by the Board.

#### **Audit Committee:**

This is the prime sub-committee of the Board and it has jurisdiction over the entire Company. The committee is there to assist the Board in the discharge of its supervisory responsibilities. The primary role of the Audit Committee is to review the adequacy and effectiveness of financial reporting process, disclosure of financial information, internal control system, risk management, auditing matters, recommending appointment/removal of statutory and compliance auditors and fixing their remunerations and the Company's processes for monitoring compliance with laws and regulations and the Codes of Conduct. The Audit Committee is comprised of 4 members, with one Independent Director as Chairman, two non-executive directors and the Company Secretary as Secretary to the Committee. A separate report on activities of the Audit Committee is attached at page no. 49 of this report pursuant to condition # 5.7 of the Corporate Governance Code-2018.

#### **Nomination & Remuneration Committee (NRC):**

The Board has also established a Nomination and Remuneration Committee (NRC) as required by regulatory guidelines. The primary role of the NRC is to oversee the structure, size and composition (including the skills, knowledge and experience) of the Board Members and to make recommendations to the Board on Company's policy and structure for remuneration of Directors and Senior Management, and reviewing and approving the compensations payable to the Managing Director & CEO and Senior Management. The policy of NRC is attached at page no. 51 of this report pursuant to condition # 6.5(c) of the Corporate Governance Code-2018.

#### **Role of the Chairman:**

The directors and their meetings are headed by a Chairman. The Chairman of the Company is elected by the Board of Directors and the Board considers the Chairman being neutral and independent. He plays authoritative role in the selection of members of the Board and senior management. He convenes the meetings and works closely 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. A brief of the roles and responsibilities of the Chairman is as follows:

- ❑ The Chairman's responsibility is defined by the Board as directed by BSEC notification on Corporate Governance.
- ❑ The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.
- ❑ The Chairman presides over meetings of the Board and Company (AGM) and ensures that good governance prevails in the conducts of the Board and Company.
- ❑ The Chairman maintains relations with the relevant stakeholders in consultation with the Board as well as the Managing Director, representing the Company as a good/responsible corporate citizen.

The Chairman may assume any other responsibility if the Board assigns within the purview of the relevant Rules, Regulations, Acts and Articles.

**Chairman and Managing Director/CEO of the Company are different persons:**

As required under the regulatory guidelines, Chairman of the Board and Managing Director of the Company are different individuals with different roles and responsibilities as 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. The roles of the Chairman and Managing Director are clearly established, set out in writing and adopted by the Board to ensure transparency and better governance.

**The Management Team:**

Next to the Board and its Committees lie the Management Team, being the actual operational organ of the Company. The Team is responsible for execution and implementation of the strategies and decisions of the Board. The Board is backed and assisted by this executive arm of the Company. Headed by the CEO, the Management Team discharges its responsibilities for running and managing the affairs of the Company and to carry out any specific plan or order of the Board. The day-to-day operations of the Company are managed and controlled by the Management Team. All the key Managers across the Company work in close collaboration, supervised by the Managing Director and CEO. If and when necessary, the functional managers may be summoned and invited to attend and deliver at the Board meeting.

**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 of the Company's operating plan necessary to achieve business objectives of the Company. 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. A brief of the roles and responsibilities of the Managing Director is as follows:

- ❑ The Managing Director is responsible for driving business operations, leading the development and execution of the Company's long-term strategies with a view to creating shareholders value.
- ❑ He is responsible for all day-to-day management decisions and for implementing the Company's long- and short-term plans.
- ❑ Managing Director acts as the direct liaison between the Board and Management of the Company and communicates to the Board on behalf of the Management.
- ❑ As the primary spokesman, the MD also communicates to the shareholders, employees, Government authorities, other stakeholders and the public on behalf of the Company.

**Role of the Company Secretary:**

There is a qualified Company Secretary to assist the Board. The Board has appointed the Company Secretary in order to maintain the necessary link and liaison with the internal organs as well as external agencies, and also to ensure effective collection, compilation and timely flow of information to and from the Board. The Corporate Governance Codes issued by BSEC also require a listed company to appoint a full-fledged Company Secretary. Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman, other members of the Board and the MD to ensure effective functioning of the Board. The Company Secretary organises and attends all Board and Committee meetings and ensures that deliberations on all issues are properly minute decisions recorded and are duly communicated across the respective authoritylines for necessary information and actions. A brief of the roles and responsibilities of the Company Secretary is as follows:

- ❑ Maintaining linkage between the Board, Management, Shareholders and other stakeholders on matters of corporate interests,
- ❑ Performing duties as per guidelines mainly for corporate secretarial matters.

- ❑ Compliance of the Acts, rules, regulations, notifications, guidelines, codes, orders/directives, etc. as issued by BSEC or Stock Exchanges applicable to the Company so as to protect the interests of the investors and other stakeholders at large.
- ❑ Disclosure of the corporate price sensitive information (PSI) and other capital market related issues,
- ❑ Ensuring that appropriate Board procedures are followed as per given guidelines/secretarial standards (BSS) and best practices, and advises the Board on matters as such.
- ❑ Maintaining all statutory and other statistical registers as required under laws of the land.
- ❑ To act generally as the Public Relations Officer of the Company.

#### **Role of the Head of Internal Audit & Compliance (HIAC):**

The Company's internal control system is designed to provide reasonable assurance regarding the achievement of the Company's objectives in respect of effectiveness and efficiency of operations, reliability (completeness and timeliness) of financial reporting and management information, compliance with applicable laws, regulations and the Company's policies. The Head of Internal Audit and Compliance is responsible for the internal control system and reporting to the Board Audit Committee regarding deviations from accounting and internal control system. He is also leading the internal control team of the Company.

The Company's internal control system is commensurate with its size and business nature. The system minimizes operational risks through effective control, systematic review and on-going audit. The internal auditors embark on a comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal.

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

The Board has ultimate responsibility for establishing an effective system for internal control. The internal control system moderates 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 has made relevant mandatory disclosures in its financial statements under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh. Besides that, it submits all the reports/statements regularly which are required to be sent 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 and worries stemming from the competing markets, operational issues, legal knots, interest and exchange rate volatilities and potential changes in policies at the national or global level relating to market, liquidity and operations. The Company's risk recognition system works on a real time basis based on a comprehensive framework as such.

#### **Related Party Transactions:**

Transactions with related parties are made on arm's length basis and are in the ordinary course of business. Details of related parties and related party transactions are described at note no. 40 of the Financial Statements in the page no. 141 of this Annual Report as per requirements of relevant IFRS.

### **Dividend : policy, allocation and distribution**

The divisibility of dividend and its payout is an annual exercise of the Board. Being a yearly entitlement of the shareholders, the Board strives to ensure the highest pragmatic return of dividend to them. To that end, the Board has instituted an allocation strategy which forms the basis for fund provisioning, appropriation and distribution of dividend. The allocations are worked out taking into consideration the primary business performance of the year, over against its strategic initiatives, future engagements, investments, equity build-up, long and short term obligations and the vital working capital needs. The Board believes that it is in the best interest of the Company to frame out a long term and predictable future dividend policy that is sustainable and could also be in the foremost benefit interest of the shareholders. Abiding by the requirements, the dividends once declared are transferred to a separate dividend account. Further, the unclaimed dividends are treated meticulously as per the regulatory guidelines. ITC being a listed entity, the Board always upholds full transparency for all to make informed investment in the Company. A summary of unclaimed dividend is presented at the Directors' Report and at 'notes to the Financial Statements' of the Company.

### **Financial Reporting:**

Financial reporting system is the backbone of a successful information structure. ITC has strong financial reporting procedures in place. Financial statements are prepared in accordance with International/ Bangladesh Financial Reporting Standards (IFRS/BFRS), the Companies Act 1994, Securities & Exchange Rules -2020 by BSEC and other applicable financial legislations. These financial statements, once prepared, are reviewed initially by CFO and CEO and then by the Audit Committee on a regular basis. At every quarter, external auditors review the quarterly financial statements prepared in accordance with the local financial reporting policies and Company procedures. After all internal scrutiny, the financial reports are placed before the Board for final review and approval.

### **Reviews and monitoring:**

The business activities and financial operations are subjected to regular watch and scrutiny by the Board. Business reviews are done periodically to monitor progress of the strategic goals against set plans, while taking into consideration the market realities and constantly changing IT scenario. This allows timely adjustments that might be necessary in the business initiatives during the year. Financial reviews aim to keep the financial situations of the Company under knowledge and control and thereby taking corrective measures before it goes wayward. The business targets and financial goals are the two most sensitive issues in the Company. Therefore, apart from the Board reviews, the CEO and CFO also scan and scrutinize the business operations and financial and liquidity positions much more frequently.

### **Statutory Audit & Certification:**

Annual audit of the Company is governed by the Companies Act 1994 and BSEC Securities and Exchange Rules 1987. As per these regulations, auditors are appointed by Shareholders at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the same AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors. The Statutory auditors are rotated every three years in compliance with the Codes of Bangladesh Securities and Exchange Commission (BSEC). Audit Committee meets with the statutory auditors to ensure that auditors are acting independently and reviews the financial statements before submission to the Board for approval.

Further, to ensure adequate regulatory discharge, a Compliance Certificate is obtained from licensed practicing professionals M/s. Al-Muqtadir Associates, Chartered Secretaries, who certify that the Company has duly complied with all the regulatory requirements as stipulated by the Bangladesh Securities and Exchange Commission (BSEC). The Compliance Certificate is available at page no. 80 in this Report.

**Declaration of CEO and the CFO regarding Financial Statements:**

A separate statement pertaining to due diligence of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as required under codes of corporate governance is presented at page no. 79 of this report.

**Observance of BAS, BFRS & Applicable Laws:**

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

**Bangladesh Secretarial Standards (BSS):**

The Board and General Meetings of the Company and subsequent preparation of minutes of meetings, as also other necessary pre-meeting requirements viz: serving of notices, agenda, passing of resolutions etc. are precisely done as per by the Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB). Such compliances are also reflected and mentioned in the Certificate of Compliance appended in this Report.

**Employee Health & Safety:**

As a Company that is constantly focused to uphold standard corporate practices, ITC maintains internal health and safety policies and procedures and country's regulations to ensure a safe working environment. The issues of staff health, safety and security are paramount to the Company and 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.

**Pandemic preparedness:**

The Covid-19 calamity in Bangladesh was started first in March 2020 sending all activities into moratorium and safety stoppage. However, matching with the WHO recommendations, some of the services were then labeled as 'essential' in the country. The automation, IT and networking services were included in that category. Accordingly, ITC responded to the situation full throttled and, considering its socio-economic as also corporate pledges and commitments, worked harmoniously amidst stern movement restrictions and lockdowns to play its due role in the cataclysmic scenario. The Company worked relentlessly during the catastrophe side by side with the authorities for the upkeep of its essential services and infrastructures for its clients, thus adding paramount honour and value for the numerous stakeholders and shareholders. The pandemic is still not over, and the Company continues its drives and initiatives for upholding its dedications even risking the health concerns of those in the scene.

**Annual General Meeting (AGM):**

The General Meeting of Shareholders is the supreme governing forum in ITC. The Company recognizes the rights of Shareholders and the Shareholders' interests are primarily ensured through the 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 AGM. The Company's




General Meetings provide a transparent and open platform for the shareholders to communicate with the Board. The Board Members and Statutory and Compliance Auditors attend the AGM to respond to the Shareholders' queries on the result or any other aspects of the Company, if any.

#### Assets and Records Management

The records, documents and assets are of prime importance to the Company. The Board of ITC recognizes its role as the Trustees of the investors' funds. And, as such, it assigns special care to protect and safeguard the records, documents and all assets of the Company. From acquisition to disposal of assets due transparency and accountability is ensured keeping in mind the interests of the investors. Implementation of adequate safety and security measures followed by periodic check and physical verification of the assets are duly ensured. Accuracy and genuineness of the inventory of assets are thoroughly checked with actual situation. The assets are properly insured with renowned insurance companies against fire and industrial risks. Records of the Company are systematically preserved to ensure adequate and timely retrieval as and when necessary.

Overall, ITC pledges its commitment to maintain good governance by applying standard best practices and to continue to work in upholding the best interests of the shareholders and all other stakeholders.



**Directors' Report  
to the Shareholders**

# Directors' Report to the Shareholders

## Honorable Shareholders,

It is a great honor and privilege on the part of the Board of Directors, Management and myself to welcome you all to this 22<sup>nd</sup> Annual General Meeting of Information Technology Consultants Limited and to place before you the audited Annual Financial Statements of the Company for the year ended June 30, 2022 for your kind consideration and adoption. In the following paragraphs we review the year under report for your information and appraisal. The year 2022 has seen the ups and downs of many economies, and just recovering from the rigors of the global pandemic. Bangladesh was no exception, it has also experienced severe downturn in its Exports, Remittances and general economic slowdown resulting from the world-wide effects of this pandemic and war devastation. Fortunately for us, ITC, our beloved company has been able to sustain most of these downturns, rather expanded in some business areas, keeping our revenue stream intact or extended.

### **Monetary Management and Bangladesh Economy:**

The Pandemic and its aftershocks have severely affected country's economy during the 1st quarter of 2021, which ultimately continued throughout the whole of 2022. To that, the war in Europe further dented governmental initiatives for business and economic revival. The economy in general, thus remained sluggish for extended periods and only opened tentatively, during the third quarter.

However, despite the downward spiral, Bangladesh economy sustained the challenges and grew up by 6.9% during the year 2021-22 as against the previous year. Bangladesh was enjoying the reputation of one of the fastest growing Economy in South Asia for the last few years, recording highest growth of 8% plus in previous years. The recorded growth rate however, remarkably surprised most analysts who expected the contraction to be even more severe. Though the growth rate also resulted in unusual high growth of inflation rate recorded at 6% as per Asia Development Bank.

Consequent to the pressure of the just ended pandemic, the latest war between Russia and Ukraine has severely curtailed Economic activities due to the high cost of Imported oil and consumer products, low volume of export to war effected EU countries and low intake of wage-earning labor force in the gulf countries and South East Asia. Fortunately, the Economy still managed to keep the inflationary challenges considerably lower, contrasting the comparable to regional economies like INDIA and PAKISTAN, and Sri Lanka.

Our hope and confidence are however on the, unshackled energy of our young entrepreneurs who will continue their persistent drive, for expansion. War not only devastate Economies; it also provides opportunities to the brave and intelligent The Government and Private sector- joint initiatives will hopefully sync and transform the socio-economic sector of the country towards a sustainable recovery and expansion.

Dear Shareholders and Patrons, needless to mention here that, Bangladesh Economy in general has performed better than the benchmark economic growth of SAARC region for the last few years, and we are confident that our Economy will regain its past glory in no time. We solicit all your combined blessings and good wishes for us to overcome the dark patch of wartime economic challenges.

The Agricultural Sector of the Economy, as always has been dependent on the nature and good will of our water flow controlling neighbors. The North east region was again hit by a massive flood due to heavy rain fall and flood plunging from up-stream. Agro activities and food grain production got hit, effecting the bottom-line of the average farmers and the general consumers.

### **Silver Linings:**

ITC has however been able to extend its reach in all new innovative products in the market during the year, outlines of which are provided below for your kind information's:

**Bangla QR** – Bangladesh Bank formulated a common specification for 'Bangla QR' to facilitate QR (quick response) based payment transactions to extend digital payment services. QR code-based payment technology is not CAPEX intensive and thus, it is easy to rollout throughout the country for small retailers. ITC always keeps the technology up-to-date and takes advance actions to adopt latest payment technology for Q-Cash network. Therefore, ITC has done the necessary certification of its platform to enable Bangla QR payment transactions which shall facilitate the end customers to pay at retail outlets or pay bills at fingertips. ITC expects to cater substantial payment transactions with this new feature in coming years and earn transaction processing income.

**Inbound remittance local fund transfer** – ITC incorporated local fund transfer facility to transfer the remittance fund along with government provided incentives within 5 seconds to the beneficiaries' any bank account or card. Banks can now offer instant fund transfer facility and remittance senders are now encouraged to use banking channels to transfer remittance for instant processing.

**Green PIN generation** – ITC launched web-based green PIN service successfully for its client banks. Cardholders can generate and change personal identification number using green PIN service that helps customers to set their own PIN by themselves and ensure better security. ITC can generate enhanced revenue through this service.

**ITSM for my Gov Platform** - We have been awarded by Access to Information (a2i) against the tender for hiring a firm for IT Service Management (ITSM) for my Gov Platform. my Gov is a central platform providing digital services of various government organizations on a single digital platform. By using "My Gov" Rapid digitalization or digitalization of government services are in progress in the fastest time. ITC will provide maintenance and training services for this platform.

IT Consultants have been able to lead the innovation and continue their good will as the number one service oriented IT Company and with timely response to its present and future clients. That's why ITC has been the first choice for most of our clients - as we continue to serve our clients and patrons with low-cost and e-skilled services, as always.

**Inflationary pressure:**

As indicated above- most of the GDP growth has been balanced out by the high level of inflation. Though the Government has taken appropriate measures and kept it in check through prudent monetary policy, but the war time uncertainty and devastating economic situation in Sri Lanka has kept the policy makers on their toes.

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

It's heartening to report that, ITC has maintained its lead as the number one, third party IT SERVICE PROVIDER in the Banking Sector. Thanks to the timely providing of service to our clients, responding to their queries, Our relentless efforts to innovation in IT platforms in Banking and other relevant areas.

Most client banks today have a Core Banking software (CBS) in place and has at least a basic online facility. ITC in its ever-expanding field of online Transaction Processing and POS Services, has been supported by 37 member banks, moreover our service and expertise in the Governmental Digitization programs i.e., National Revenue collection, the revolution Digital Post and implementation of E-Traffic Prosecution system for Dhaka Metropolitan Police (DMP), Chattogram Metropolitan Police (CMP), Rajshahi Metropolitan Police (RMP), Cumilla District Police and more, has remained unchallenged till day.

Authorities have now recognized the potential of ICT and digitization, have been gracious enough to support our innovations, which has helped us to continue to provide best services to our clients. We firmly believe that our efforts will be further valued by even bigger number of clients and will allow us to help alleviate themselves towards providing best services to their own clients, in turn.

(Source: WB, CPD, Bangladesh Bank, Bangladesh Bureau of Statistics and The World Fact Book Bangladesh part).

## Contribution to the National Economy

ITC recognizes that the company has certain responsibilities to the society for its own development and the development of the nation. For this, the Company has been making significant contribution to the Government each year by way of payment of Income Tax, VAT, Supplementary Duty, Custom & Regulatory Duty etc. During the year 2021-2022 the Company had contributed Tk.16,156,223/- to the national exchequer as against TK. 65,982,869 /- in 2020-2021.

The Company has also made an economic impact by creating large employment and trained them to serve the nation.

Year-wise contribution to the National Exchequer (BDT):

Particulars	Year: 2017-18 (Tk.)	Year: 2018-19 (Tk.)	Year: 2019-20 (Tk.)	Year: 2020-21 (Tk.)	Year: 2021-22 (Tk.)
Customs duty	8,419,244/-	14,154,707/-	23,521,095/-	11,614,824/-	908,597/-
VAT & ATV/AT	26,632,814/-	35,234,206/-	37,186,509/-	22,374,205/-	1,454,722/-
Advance Income Tax (AIT)	22,198,849/-	20,798,655/-	43,486,497/-	31,993,840/-	13,792,904/-
<b>Total</b>	<b>57,250,907/-</b>	<b>70,187,568/-</b>	<b>104,194,101/-</b>	<b>65,982,869/-</b>	<b>16,156,223/-</b>

## Safety and Security initiatives:

The global pandemic has forced us all to be alert, cautious and more proactive about health, safety and security of all including the working place, people and the adjoining environment. Keeping pace with that, the Company also woke up with its absolute keenness to match and combat the situation. Health safety and wellness of its workforce were paramount in the crisis drives. Based on the initial risk assessment and readiness to combat it, the Company introduced the 'work from home' initiatives for most of its employees, which was in line with the local and global guidelines. That minimised the exposure of our workforce in the open and thereby helped reduce, at least to some extent, the scope of further transmission of Covid-19. But, the drive at the same time necessitated institution of some additional digital mechanisms to make the scheme possible. That included activation of the new technology tool known as 'virtual platform' which allows remote concurrent live and real time visual interactions, online communication and collaboration with each other and thus completing the assigned tasks.

However, to ensure operational continuity for us as an essential frontline IT and network solution providers, there were extensive alignment, co-operation and guidance from the authorities, without which it would not have been possible. At this occasion, we thank the authorities for such support and co-operation. To minimise the health risk at the work place, the Company also arranged and distributed adequate facemask-packs, PPE and also implemented the global Corona control protocol throughout the functional lines. As part of its continuous employee wellbeing drives, ITC would maintain such initiatives even after recession of the Corona crisis.

## Governance and Compliance in ITC:

A well-practiced governance regime is essential to success and sustainability, whereas compliance stands to be the essence of governance. The Board of Directors in ITC acknowledges that the company, being a listed business entity, it has a role to play in upholding the interests of all its stakeholders. Improved and advanced governance practices are indispensable ingredients for an accomplished performance. The Company believes that a well-knit governance régime not only allows better control and monitoring, but also develops market trust, which is vital for sustainability. Accordingly, the Board and Management are pledge-bound to continue implementation of the highest standards of governance at the Company through a culture of accountability, transparency, ethical business conduct and well-understood policies and procedures. The Board of Directors of ITC has always played a pivotal role in meeting all stakeholders' interests and is committed to upholding the same in the future as well. It is the responsibility of the Company Secretary, being the highest governance official in the Company, to ensure effective compliance of rules and regulations and proper timely disclosures in that respect. The essential elements that define effective governance in the Company are outlined in the Corporate Governance Statement which is appended in this Annual Report.

In this respect, we have also to confirm that the Company has complied with all the necessary directives under BSEC CG Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 3<sup>rd</sup> June 2018. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2021-22. Further, a Certificate of Compliance required under the said CG code as provided by M/s. Al-Muqtadir Associates, Chartered Secretaries, is also annexed to this report.

### Financial Results:

During the year under review, gross revenue was recorded as BDT 1,014.613 million (BDT 101.46 crore) with an overall decrease 24.1% compared to the previous year. The only growth area was the Transaction Processing Charges, recording @15.60% growth and which cover partially revenue stream. We consider this increase as an ongoing business pattern for the post-pandemic dependence on online transactions, which is currently the business trend despite a recessionary trend in the economy.

However, the revenues from Service & Maintenance Charges & Business sale revenue has recorded a substantial downward trend (20.20% & 88.90%) respectively due to the expected long-time effect of post-pandemic uncertainty & global economic recession which resulted in a drastic devaluation of BDT against USD and have resulted in a substantial crisis and operational disruption for the company. The crisis also stemmed in revenue flow for ITC due to sudden reductions in business demand from banking customers, who experienced long period of branch closure and as well as anticipating financial or economic recession in our banking sector during the year. And thus, the banking procurement of the financial sector was recording a slower growth. Resulting in a drastically drop in our Trading business, which also caused reduced in Service & Maintenance Charges.

Particulars	Year-2021-2022 (Tk.)	Year-2020-2021 (Tk.)	Increased/(decreased)	Growth %
REVENUE:				
Q-Cash transaction Processing charge	723,053,469	625,582,391	97,471,078	15.6%
Service & Maintenance charges	247,134,026	309,787,510	(62,653,484)	-20.2%
Sales	44,425,769	400,666,315	(356,240,546)	-88.9%
<b>Total Revenue</b>	<b>1,014,613,264</b>	<b>1,336,036,216</b>	<b>(321,422,952)</b>	<b>-24.1%</b>

Comparatives on the financial performance of the company for the year ended June 30, 2022 are summarized hereunder:

Particulars	2021-2022 (Tk.)	2020-2021 (Tk.)	Increased/(decreased)	Growth %
Revenue	1,014,613,264	1,336,036,216	(321,422,952)	-24.1%
Cost of Service	472,522,538	628,169,781	(155,647,243)	-24.8%
Cost of sales	43,176,748	248,859,078	(205,682,330)	-82.7%
Gross Profit	498,913,978	459,007,357	39,906,621	8.7%
Operating Expenses	201,612,998	191,931,158	9,681,840	5.0%
Operating Profit	297,300,980	267,076,199	30,224,781	11.3%
Profit Before Tax	251,864,202	227,042,453	24,821,749	10.9%
Profit After Tax	240,227,113	198,030,308	42,196,805	21.3%

Due to factors described above Cost of Service & Cost of Sales has decreased @ 24.80% & @ 82.70% respectively, resulting the gross profit of only @ 8.7% valuing Tk. 39,906,621/- increased during the year-2021-22 compared to the last year- 2020-21.

Net Profit before Tax for the year has increased by Tk. 24,821,749/- from the last year and reflection growth is 10.9% due to increase of Q-Cash Transaction Processing. The growth in Net Profit after Tax is 21.30%, which comprises of Tk. 42,196,805/-.

Additionally, just as a point of reference for the last couple of years, the Banks have also reduced the speed of new ATM rollout due to shifting of technology in Banking sector from ATM to Cash Recyclers, and Banks are experiencing a financial crunch overall, due to various recessionary factors.

#### Revenue Growth & Products:

The Revenue of Tk. 1,014,613,264/- which has decreased by 24.1% during the year 2021-2022 against Tk.1,336,036,216/- in the year 2020-2021 and the list of Products and Services are shown in the page no. 26.

#### Appropriation of Profit Proposed:

Board of Directors in its meeting held on October 25, 2022 has recommended the appropriation of the Net Profit earned during the year 2021-2022 in the following manner:

Net Profit After Tax during the year 2021-22		<b>Tk. 240,227,113/-</b>
Appropriation Recommended: Cash Dividend @6% (Tk. 0.60 per share)	Tk. 77,155,598/-	Tk. 77,155,598/-
Net Un-Appropriated Profit		<b>Tk. 163,071,515/-</b>

#### Cost of Sales Focus:

Constrained by the global, national and health sector impediments, the overall cost of goods sold increased during the year due to increase in business creation cost, financing and related costs plus the Corona specific costs to keep the operations on track. However, despite the cost of sales shooting up, we took several deterrent measures and cost saving drives to cut off its overall effect in profit margin.

#### Human Capital:

ITC believes that human capital is vital for the company's success and which is the prime asset of the company. It is the composition of competencies, knowledge and personality in the ability to perform jobs as to produce economic value to the Company. Human capital can be increased through education, training and experience. ITC has the following policy to increase its human capital:

1. Establish and administer transparent policies that enable Company to develop and implement opportunities of recruitment, promotion, remuneration, benefits, reward and recognition system, transfer and training and performance management system without any regard to age, sex, race, political belief and religion.
2. Create trust and support within the company which encourage the employees to work well together as a team and at the same time, to encourage them to be innovative and creative in order to achieve Company's goals.
3. Develop an effective internal communication and involvement mechanism which encourage employees to identify them with the Company and its activities.
4. Ensure that the employment opportunities conform to the established and acceptable practices of the country

#### HR position:

	<b>2021-2022</b>	<b>2020-2021</b>
Beginning of the year	359	369
New recruitment	28	8
Released	23	18
Closing of the year	364	359

There are proper manpower planning and forecasting system in place along with enough people with the right skills and talents to meet company's current and future growths and needs.

## **Risk Management:**

### **Financial Risk Management:**

The management has overall responsibility for the establishment and oversight of the company's risk management framework. 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 may 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 it's 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, trend 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 puts 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 evolution 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 Obsolesce:**

ITC management believes in continuous up-gradation and continuous improvement of their offerings. Historically, ITC is the 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 efforts to assure its market leadership 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 risks faced or is likely to be faced by the company.

**Financial Statements- conformity avowal:**

The Board of Directors of ITC would like to inform that the Financial Statements containing the audited accounts of the Company for the year ended June 30, 2022 are in conformity with the requirements of the Companies Act, 1994, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted and applicable, Securities & Exchange Rules -2020 by BSEC 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 all transactions carried out during the year under review and reasonably correctly present the Company's financial condition and results of its operations.

**Directors' declaration on the Financial Statements:**

The Directors are responsible for the governance of the Company and, as part of preparation and presentation of the financial statements for the year ended June 30, 2022 the Directors confirm, to the best of their knowledge that:

- . The financial statements, prepared by Management of the Company, which was duly scrutinised by the external auditors, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- . Proper Books of Accounts of the company have been maintained.
- . Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgment.
- . International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS) International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure therefrom has been adequately disclosed.
- . The system of internal control is sound in design and has been effectively implemented and monitored.
- . There is no significant doubt on the ability of the company to continue as a going concern.
- . There is no extraordinary gain or loss or significant deviation during the financial year.

As required under the BSEC CG Code, the Directors further confirm that:

- The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirmed that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- The CEO and CFO have certified to the Board that they have reviewed the financial statements and affirmed 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.
- The CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

### Basis for Qualified Opinion:

Note # 3.01(d) to the financial statements disclosed the method so charging depreciation on property, plant, and equipment. However, the Company has not disclosed the useful lives of fixed assets which is a departure from Paragraph 51 of the International Accounting Standards (IAS) 16. The Company is in the process of identifying the useful lives of its non-current assets by an expert professional valuer, as disclosed in Note # 3.01 (d).

### Emphasis of Matter:

Note # 3.02 (c) of the financial statements, the company has disclosed the rationality for determining the amortization rate of its Intangible Assets. Statutory Auditor's opinion is not modified with respect to this matter.

### Internal Control System & Process

ITC has a competent stakes management process to ensure that the system of internal control is sound in design and has been effectively implemented and monitored. Although it is possible that all risks to the business are not fathomable, the Company takes reasonable measures to identify all material and financial risks that may hamper business operations and results. The Company then systematically reviews those latent risks considering the changing internal and external realities to assess that controls that are in place are adequate to address those risks that are likely to hit the Company's business activities, operations, liquidity and financial position for future performances. Based on experiences it could be concluded that for now the company's internal control system is commensurate with its size, stature and nature of business. The system minimizes operational risks through effective control, systematic review and on-going audit. The internal auditors embark on a comprehensive audit of all functional areas and operations and their findings are referred to the Audit Committee of the Board for due appraisal. However, looking ahead, in view of the pandemic uncertainties, ITC might also adjust its business strategies and operations in future to adapt to the local as well as global realities.

### Board Meetings and Attendance by the Directors

During the year ended June 30, 2022, a total 05 (five) Meetings of the Board of Directors were held.

Attendance of the Directors at the Board Meetings are summarized below:

Sl. No	Name	Meeting during 2021-2022	Attendance During 2021-2022	
1	Mr. Lim Kiah Meng, Chairman (Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
2	Mr. Salahuddin Alamgir, Vice Chairman	05	04	
3	Mr. Kazi Saifuddin Munir, Ph.D, Managing Director & CEO	05	05	Re-Appointed as on 30/12/2022
4	Mr. Lim Kia Hong, Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
5	Mr. Lim Hwee Hai, Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
6	Madam Lim Hwee Noi, Nominated Director of SiS Capital (Bangladesh) Pte Limited	05	02	
7	Madam Fauzijas Tjandra Nominated Director of Regent Pacific Limited	05	02	
8	Mr. Md. Waliuzzaman FCA, Independent Director	03	03	Expired as on 10/01/2022
9	Mr. Md. Haqueful Shaikh, Independent Director	03	03	Expired as on 10/01/2022
10	Mr. Md. Kamal Uddin FCA, Independent Director	02	02	Appointed as on 10/01/2022
11	Mr. Dasgupta Asim Kumar, Independent Director	02	02	Appointed as on 10/01/2022

## Shareholding Patterns

The shareholding patterns of the Company as at June 30, 2022 are shown in the following table:

Sl. No.	Name	Status	Number of Share held as of 30.06.2022	% of Shareholding
<b>A)</b>	<b>Parent/Subsidiary/Associated Companies/Others Related Party:</b>			
	SiS Capital (Bangladesh) Pte Limited	Nominated Director	42,139,058	32.77%
	Regent Pacific Ltd.	Nominated Director	10,863,862	8.45%
<b>B 1)</b>	<b>Directors &amp; their Spouses and Minor Children:</b>			
1	Mr. Kazi Saifuddin Munir, Ph.D	Managing Director & CEO & Sponsor Director	5,794,856	4.51%
2	Mr. Salahuddin Alamgir	Vice Chairman & Director	6,890,909	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	Director		
5	Mr. Lim Hwee Hai Nominated Director of SiS Capital (Bangladesh) Pte Limited	Director		
6	Madam Lim Hwee Noi Nominated Director of SiS Capital (Bangladesh) Pte Limited	Director		
7	Madam FauzijasTjandra Nominated Director of Regent Pacific Ltd	Director.	Nil	Nil
8	Mr. Md. Kamal Uddin, FCA	Independent Director	Nil	Nil
9	Mr. Dasgupta Asim Kumar	Independent Director	Nil	Nil
<b>B 2)</b>	<b>CEO, CFO, CS, HOIA and their Spouses and Minor Children:</b>			
	Mr. Shyamal Kanti Karmakar	Chief Financial Officer	Nil	Nil
	Mr. Anindya Sarkar FCS	Company Secretary	Nil	Nil
	Mr. Md. Mehedi Hasan	Head of Internal Audit	Nil	Nil
<b>C)</b>	<b>Top 5 (Five) Executives and their Spouses and Minor Children:</b>			
1	Mr. Osman Haidar	Director-Business	Nil	Nil
2	Mr. Md. Faizul Islam	Chief Information Officer	Nil	Nil
3	Mr. Muttahidur Rahman	Chief Technology Officer	Nil	Nil
4	Mr. Zubear Ahmed	Chief Strategy Officer	Nil	Nil
5	Mr. Farhad Malik	Chief Operating Officer	Nil	Nil
<b>D)</b>	<b>Shareholders Holding 10% or more voting interest in the company:</b>			
	SiS Capital (Bangladesh) Pte Limited	Nominated Director	42,139,058	32.77%

## Summary of shareholders and range of shareholding

The shareholding distribution schedule of Information Technology Consultants Limited as on June 30, 2022 is presented as below.

Group Name	Number of Share holders	Number of Shares	Ownership (%)
Sponsors/Promoters and Directors	4	65,688,685	51.09%
Institutions	97	26,947,372	20.95%
General Public	3,445	35,943,680	27.95%
Foreign Company	3	12,927	0.01%
<b>Total</b>	<b>3,549</b>	<b>128,592,664</b>	<b>100%</b>

## Remuneration to Directors

No remuneration was paid to the Directors, including the Managing Director & CEO for attending the Board and its Committee meetings. Independent Directors, however received an attendance fee of Tk. 5,000 (Five Thousand) for each meeting attended.

### On the Basis of Shareholding:

SL. No.	Group Name	Number of Shareholders	Number of Shares	Ownership (%)
1	1-100	574	17,857	0.01
2	101-500	720	226,586	0.18
3	501-1000	638	525,244	0.41
4	1001-10000	1,198	4,392,948	3.42
5	10001-20000	192	2,845,405	2.21
6	20001-50000	117	3,955,525	3.08
7	50001-100000	37	2,773,684	2.16
8	100001-1000000	53	18,638,071	14.49
9	1000001-50000000	15	23,855,159	18.55
10	5000001-100000000	3	18,359,265	14.28
11	10000001 and Above	2	53,002,920	41.22
<b>Total:</b>		<b>3,549</b>	<b>128,592,664</b>	<b>100.00</b>

### Related Party Transactions:

Transactions with related parties are made on arm's length basis and are in the ordinary course of business. Details of related parties and related party transactions are described at note no. 40 of the Financial Statements at page no. 141 of this Annual Report.

### Proposed Dividend:

The Board of Directors has recommended an amount of Tk. 77,155,598/- as dividend, being 6% cash to be paid to the shareholders for the year 2021-22. This dividend is to be approved by the shareholders at the 22<sup>nd</sup> AGM of the Company. The Board herewith states that no stock dividend was considered during the year as interim dividend, which fulfills condition no.1 (5) (xxi) of the codes of corporate governance code of BSEC.

### Minority safeguards:

The Board of Directors of ITC is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders alike, including the rights of its minority shareholders, while promoting integrity, transparency and accountability. Accordingly, the Board shall always act in a manner that will be in the best interest of the Company. In this respect, in compliance with code 1(5)(xvi) of the codes of corporate governance, the Board hereby confirms that the interests of the minority shareholders of ITC have been duly protected in the Company by means of open and fully transparent operations and proper disclosure of material information of the Company.

### Utilization of IPO Proceed:

As per BSEC consent letter no. SEC/CI/IPO-234/2014/485 dated October 04, 2015 with issued & approved prospectus for IPO, the company has received a total fund of Taka 12 crores from the public for expansion of business, term loan adjustment and to meet IPO expenses. The company has used the total IPO fund as per prospectus and submitted the relevant report to the Commission (BSEC) and stock exchanges in due time.

### Directors' Appointment & Re-appointment

With regard to the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association, the Companies Act. 1994 and other related legislations. As per Article 125 and 126 of the Articles of Association of the Company, the following Directors retire from office by rotation at the 22<sup>nd</sup> Annual General Meeting and being eligible, they have offered themselves for re-election:

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

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

Madam FauzijuTjandra  
Nominated Director of Regent Pacific Limited

Brief profiles of the Directors being proposed for re-appointment are given at page 14, 15, 16 of the Annual Report, which fulfill condition no.1(5)(xxiv) of the codes of corporate governance of BSEC.

#### **Re-Appointment of Managing Director**

As proposed by the Nomination & Remuneration Committee (NRC), the Board of Directors in its meeting held on December 26, 2021 had re-appointed Mr. Kazi Saifuddin Munir, Ph.D as Managing Director of the company with effect from December 30, 2021 for a further tenure of 5 years as per Companies Act, 1994 subject to approval from the shareholders at the 22<sup>nd</sup> Annual General Meeting (AGM). Brief profiles of the Managing Director being proposed for re-appointment is given at page 15 of the Annual Report, which fulfill condition no.1(5)(xxiv) of the codes of corporate governance of BSEC.

#### **Appointment of Independent Directors**

As proposed by the Nomination & Remuneration Committee, the Board of Directors in its meeting held on December 26, 2021 had re-appointed Mr. Md. Kamal Uddin FCA and Mr. Dasgupta Asim Kumar as Independent Directors of the Company with effect from January 10, 2022 for the tenure of 3 years subject to approval from the shareholders at the 22<sup>nd</sup> Annual General Meeting (AGM). Brief profiles of the Independent Director being proposed for appointment are given at page 16 & 17 of the Annual Report, which fulfill condition no.1(5)(xxiv) of the codes of corporate governance of BSEC.

#### **Other regulatory disclosures:**

Pursuant to the BSEC Notification on 'Codes of Corporate Governance' dated 3rd June 2018, the Directors of ITC also hereby report that:

- There was no extraordinary gain or loss occurred during the financial year;
- Details of related party transactions have been presented at Note: 40 in the Notes to the financial statements;
- The Company's IPO was made in the year 2015. No further issue of any instrument was made during the year;
- The amount of total remuneration paid to Directors including Independent Directors has been presented at Note: 26.01 in the Notes to the financial statements;
- The financial statements of the Company fairly present its state of affairs, result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been followed in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- The financial statements are prepared in accordance with IAS/IFRS and any departure there from has been adequately disclosed;
- The internal control system of the Company is sound in design and has been effectively implemented and monitored;
- There is no significant doubt about the Company's ability to continue as a going concern;
- Significant deviations from the previous year in operating results of the Company have been highlighted and reasons thereof have been explained;
- Rights and interests of the minority shareholders have been duly protected by means of transparent operations and proper disclosure of material information of the Company;
- Key operating and financial data of the preceding five years have been summarized in the page # 31 in this Annual Report;
- The Company has proposed cash dividend for the year 2021-22;
- No bonus or stock dividend has been declared as interim dividend during the year;
- The number of Board meetings and attendance of Directors during the year 2021-22 has been presented in the page # 73 in the Report;

- The patterns of shareholding as on June 30, 2021, has been presented in the page # 74
- A statement of 'Management Discussion and Analysis' has been presented on page 42 of this Annual Report.
- Certification under the Corporate Governance Code by the Managing Director/CEO and Chief Financial Officer on the financial reporting has been presented in the page # 79 of this Annual Report.
- Status of compliance of the conditions of BSEC CG Code dated 3rd June 2018 has been presented in the page # 81 of this Annual Report.
- A 'Certificate of Compliance' of the conditions of BSEC CG Code dated 3rd June 2018 has been presented in the page # 80 of this Annual Report.

### **Appointment of Statutory Auditors**

During the 21<sup>st</sup> Annual General Meeting (AGM) the shareholders had appointed M/s. HUSSAIN FARHAD & Co., Chartered Accountants, as Statutory Auditors of the company for the year 2021-2022. The Auditors are, however eligible for re-appointment as per BSEC notification. As proposed by the Audit Committee and recommended by the Board of Directors at its meeting dated October 25, 2022, the matter for appointment of M/s. Hussain Farhad & Co, Chartered Accountants for the year 2022-2023 as Statutory Auditors of the Company and to fix their remuneration of TK. 375,000 (three lac seventy-five thousand taka only) excluding VAT is placed before the shareholders at the 22<sup>nd</sup> AGM for approval.

### **Appointment of Compliance Auditor as per Corporate Governance Code:**

Pursuant to code 9.2 of the codes of corporate governance issued by BSEC, during the 21<sup>st</sup> Annual General Meeting (AGM) the shareholders had appointed M/s. Al-Muqtadir Associates, Chartered Secretaries as the Compliance Auditor of the company for the year 2021-2022. The Compliance Auditor is eligible for re-appointment. As proposed by the Audit Committee and recommended by the Board of Directors at its meeting dated October 25, 2022, the matter of appointment of M/s. Al-Muqtadir Associates, Chartered Secretaries for the year 2022-2023 as Compliance Auditor of the Company and fixation of their remuneration at TK. 155,600 (one lac fifty five thousand six hundred taka only) excluding VAT is placed before the shareholders at the 22<sup>nd</sup> AGM for approval.

### **Unclaimed Dividend:**

The ageing of unclaimed dividend at the reporting date was:

Dividend Disbursement Year	Opening balance	Current year Unclaimed Dividend	Cumulative closing balance
2018-19	-	205,856	205,856
2019-20	205,856	199,484	405,340
2020-21	405,340	178,742	584,082

**Acknowledgement & appreciation:**

The performance of the Company during period under review, even with so many challenges and calamities confronted, demonstrates the resolves and determination of the Board, Management and overall the peoples in the Company. This also establishes the fact that the Company has the necessary strengths, resources and commitments to enable the Company to propel ahead and augment its contribution to the nation to further empower the financial society. At the same time, the Board also believes that the performance in 2021-22 is a collective result of the pledge, promise, energy and hard works of our Directors, Management and employees together. But that was derived indeed from the persistent support and guidance from the shareholders and numerous other stakeholders of the Company. And keeping those in mind the Board would like to place on record their unstinted gratitude and appreciation to the partners of ITC, its Shareowners, Customers, Financiers, Bangladesh Bank, the Bankers and Insurers of the Company, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Registrar of Joint Stock Companies and Firms (RJSC), Central Depository Bangladesh Ltd. (CDBL) and other Regulatory Authorities for their support and patronage to bring the Company to this height. The Board shall continue to partner with them to build a speedy and conducive auto-system to accelerate Bangladesh's transformation into a digital nation. The Board also places on record the devoted efforts put in by the Company's executives & employees at all levels to uphold the Company's business performance during the challenging year. We value their continued support to fulfill our mission to improve the lives of people at large.

For & On behalf of the Board of Directors



LIM KIAH MENG  
Chairman

Date: October 25, 2022

**Information Technology Consultants Limited**  
**Declaration by CEO and CFO**

Date: October 25, 2022

The Board of Directors  
Information Technology Consultants Limited  
Evergreen plaza, 260/B, Tejgaon I/A  
Dhaka-1208, Bangladesh

**Subject: Declaration on Financial Statements for the year ended on June 30, 2022**

Dear Sirs,

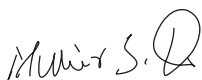
Pursuant to the condition No. 1(5) (xxvi) imposed vide the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that.

- 1) The Financial Statement of Information Technology Consultants Limited for the year ended on June 30, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- i) We have reviewed the financial statements for the year ended on June 30, 2022 and that to the best of our knowledge and belief:
  - 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 collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



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



Shyamal Kanti Karmakar  
Chief Financial Officer (CFO)  
Information Technology Consultants Ltd.





efforts umpteenth : প্রয়াগ অন্তর্হীন

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## Report to the Shareholders of Information Technology Consultants Limited on compliance with the Corporate Governance Code

(As required under the BSEC Codes of Corporate Governance)

We have examined the compliance status to the Corporate Governance Code by **Information Technology Consultants Limited (ITCL)** for the year ended on 30<sup>th</sup> June 2022. This code relates to the gazette notification no: BSEC/CMRRCD/2006- 158/207/Admin/80 dated the 3<sup>rd</sup> June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of Corporate Governance Code. This is a scrutiny and verification and an independent audit on compliance of the conditions of Corporate Governance as well as provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations or representations, which we have required, and after due scrutiny and verification thereof, we report that in our opinion and subject to the remarks and observations as reported in the connected Compliance Statement :

- The Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Corporate Governance Code issued by the Commission.
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- Proper books and records have been kept by the Company as required under the Companies Act 1994, the securities laws and other relevant laws, and
- The standard of governance in the Company is somewhat satisfactory.

This report, however, is no endorsement about quality of contents in the Annual Report of the Company for the year 2021-22.

Dhaka, October 27, 2022

**AL-MUQTADIR ASSOCIATES**  
Chartered Secretaries & Consultants

A.K.A. Muqtadir FCS  
CEO & Chief Consultant

**Annexure-C**  
**[As per condition No.1 (5) (xxvii)]**

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3<sup>rd</sup> June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

**(Report under Condition no. 9)**

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
<b>1.00</b>	<b>Board of Directors</b>			
1.(1)	Board Size (minimum - 5 and maximum - 20)	√		9 directors
<b>1.(2)</b>	<b>INDEPENDENT DIRECTORS</b>			
1.2.(a)	1/5th of total as Independent Director (ID)	√		2 IDs
1.2 (b) (i)	Does not hold any share of less than 1% shares in the Company	√		As declared by the IDs.
1.2(b) (ii)	Not a Sponsor of The Company	√		- do -
1.2 (b)(iii)	Who has not been an executive of the company	√		- do -
1.2 (b)(iv)	Does not have other relationship	√		- do -
1.2 (b)(v)	Not a Member, Director or Officer of nay Stock Exchange	√		- do -
1.2 (b)(vi)	Not a Shareholder, Director of Officer of any Member of Stock Exchange.	√		- do -
1.2 (b)(vii)	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.	√		- do -
1.2 (b)(viii)	Not an Independent Director in more than five listed Companies.	√		- do -
1.2 (b)(ix)	Not Convicted by a curt of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution.	√		- do -
1.2 (b)(x)	Not convicted for a Criminal Offence	√		- do -
1.2 (c )	Appointment by the Board and approved in AGM	√		Awaiting approval by shareholders at next AGM
1.2 (d)	Post cannot remain vacant more than 90 days	√		No such case in the year
1.2 (e)	Tenure of the Independent Director	√		
<b>1.3</b>	<b>QUALIFICATION OF INDEPENDENT DIRECTOR</b>			
1.3(a)	Independent Director shall be a knowledgeable individual	√		As declared by the IDs.
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company	√		- do -
1.(3)(b)(ii)	Should be a Corporate Leader/Business Leader	√		- do -
1(3)(b)(iii)	Former official of government.	√		- do -
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	-		N/A
1(3)(b)(v)	Professional Chartered Accountant/ Secretary or equivalent qualification.	√		-

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
1 (3) ( c )	The independent director shall have at least 10(ten) years of experiences	√		As declared by IDs
1 (3) (d)	Relaxation in special cases			N/A
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The posts of Chairman of the board and Chief Executive Officer are filled by different individuals.	√		They are different individuals
1(4)(b)	This Company MD and CEO of a listed Company shall not hold the same position in another listed Company.	√		
1(4)(c)	The Chairperson shall be elected from among the non-executive directors of the company	√		He is a non-executive director
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director.	√		
1(4)(e)	In absence of Chairman etc.	-		
<b>1(5)</b>	<b>The Directors' Report to Shareholders :</b>			
1(5)(i)	Industry outlook and possible future developments in the industry	√		Discussed in the Directors' Report
1(5)(ii)	Segment-wise or product-wise performance	√		- do -
1(5)(iii)	Risks and concerns including internal and external risk factor.	√		- do -
1(5)(iv)	A discussion on Cost of Goods sold Gross profit Margin and Net Profit Margin.	√		- do -
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or Loss)	√		
1(5)(vi)	Basis for related party transactions-a statement of all related party transactions	√		- do -
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	√		- do -
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.	√		- do -
1(5)(ix)	If significant variance occurs between Quarterly 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	√		- do -

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
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	√		- do -
1(5)(xii)	Proper books of account of the issuer company have been maintained	√		- do -
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	√		- do -
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	√		- do -
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		- do -
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or indirectly and have effective means of redress	√		- do -
1(5)(xvii)	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	√		- do -
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained	√		- do -
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized	√		- do -
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons there of shall be given	√		Dividend declared
1(5)(xxi)	Declaration that no stock div. paid as interim div.	√		Discussed in the Directors' Report
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director shall be disclosed	√		- do -
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details)	√		- do -

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	√		- do -
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children ( name wise details)	√		- do -
1(5)(xxiii)(c)	Executives	√		- do -
1(5)(1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		- do -
1(5)(xxiv)(a)	A brief resume of the director	√		- do -
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	√		- do -
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the Board	√		- do -
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		- do -
1(5)(xxv)(b)	Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes	√		- do -
1(5)(xxv)(c)	Comparative analysis and financial position as well as cash flow for current financial year with immediate preceding five years explaining reasons	√		- do -
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		Not such peer company
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		Discussed in the Report
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements	√		- do -
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation shall be explained to the shareholders in the next AGM	√		- do -
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(30) shall be disclosed as per Annexure-A	√		Given in the Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed	√		Given in the Annual Report
1(6)	Meeting of the Board of Directors			
1(6)	Compliance under Bangladesh Secretarial Standards (BSS)	√		

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior, rules and regulations , prohibition of insider trading, relationship with environment, employees, customers and suppliers, and independency.	√		Available in the Company Website
2	<b>Governance of Board of Directors of Subsidiary Company</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company			N/A
2(b)	One Independent Director of holding company also in the subsidiary company			N/A
2(c)	Minutes of subsidiary company to be placed in the meeting of holding company			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company			N/A
3	<b>Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
3.1	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer, a Company Secretary (CS), Chief Financial Officer(CFO), and Head of Internal Audit and Compliance (HIAC)	√		The positions are duly replenished
3(1)(b)	The positions of the MD,CEO,CS,CFO,HIAC shall be filled by different individuals	√		They are different persons
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		In practice
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		Those are clearly defined

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
3(1)(e)	The MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the commission and stock exchange	√		No such case during the year
3.2	<b>Requirement to attend Board of Directors' Meetings</b>			
3 (2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	√		In practice
3.3	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		Given in the Annual Report
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance	√		- do -
3(3)(b)	The MD or CEO and CFO to certify on due diligence in the Report	√		- do -
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report	√		- do -
4	<b>Board of Directors' Committee</b>			
4 (i)	Audit Committee	√		Already in practice
4 (ii)	Nomination and Remuneration Committee	√		- do -
5	<b>Audit Committee</b>			
5.1	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board	√		In practice
5(1)(b)	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	√		The AC duly discharged its responsibilities
5(1)(c)	The Audit Committee shall report on its activities to the Board of Directors	√		In practice
5.2	<b>Constitution of the Audit committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	√		AC has 3 members
5(2)(b)	Board to appoint members of the Audit Committee who shall be non-executive	√		In practice
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience	√		The AC members meet the guideline

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
5(2) (d)	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	√		No such case in the reporting year
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee	√		In practice
5(2)(f)	The quorum of Audit Committee meeting shall not constitute without at least 1 (One) independent director	√		In practice
5.3	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee who will be ID.	√		Board selected accordingly
5(3)(b)	In the absence of the Chairperson of the Audit Committee members to elect one			N/A
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		In practice
5.4	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		Four meetings held
5(4)(b)	The quorum of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee whichever is higher	√		In practice
5.5	<b>Role of Audit Committee</b>			
5(5)(a)	Oversee the financial reporting process	√		In practice
5(5)(b)	Monitor choice of accounting policies and principles	√		- do -
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced	√		- do -
5(5)(d)	Performance of external auditors	√		- do -
5(5)(e)	Hold meeting on annual financial statements before submission to the Board for approval or adoption	√		- do -
5(5)(f)	Review the annual financial statements before submission to the Board for approval	√		- do -
5(5)(g)	Review the Quarterly and half yearly financial statements before submission to the Board for approval	√		- do -
5(5)(h)	The review adequacy of internal audit function	√		- do -
5(5)(i)	Review the management's Discussion and Analysis before disclosing in the Annual Report	√		- do -



Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
5(5)(j )	Review statement of all related party transactions submitted by the management	√		- do -
5(5)(k )	Review management letters or letter of Internal Control weakness issued by statutory auditors	√		- do -
5(5)(l )	Oversee determination of audit fees based on scope and magnitude	√		- do -
5(5)(m )	Oversee whether IPO proceeds utilized as per the published Prospectus			N/A
5.6	<b>Reporting of the Audit Committee</b>			
5.6 (a)	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on tis activates to the Board	√		In practice
5(6)(a)(ii)(a)	Report on conflicts of interests	-		No such case in the year
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process	-		- do -
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation	-		- do -
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	-		- do -
5.6 (b)	<b>Reporting to the Authorities</b>			
5.7	<b>Reporting to the Shareholders and General Investors</b>			
5(7)	Reporting to the Shareholders and General Investors	√		Audit committee report given in the AR
6	<b>Nomination and Remuneration Committee (NRC)</b>			
6.1	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		In practice
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications	√		The NRC worked as per the ToR
6(1)(c)	The Terms of Reference of the NRC shall be clearly set forth in writing covering the areas stated at the condition	√		In practice
6.2	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director	√		The NRC has 3 members
6(2)(b)	All members of the Committee shall be non-executive directors	√		In practice

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	√		In practice
6(2)(d)	The Board shall have authority to remove and appoint any member of the committee	√		In practice
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any another cases of vacancies the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee			N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert members			N/A
6(2)(g)	The Company Secretary shall act as the secretary of the committee	√		In practice
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	√		In practice
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium form the company	√		In practice
6.3	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 ( One ) member of the NRC to be Chairperson of the Committee	√		Board selected accordingly
6(3)(b)	The absence of chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting	√		N/A
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM)	√		In practice
6.4	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year	√		One meeting held
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting	-		No such case in the year
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee	√		In practice
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such mines shall be confirmed in the next meeting	√		In practice
6.5	<b>Role of NRC</b>			

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	√		In practice
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	√		In practice
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance	√		In practice
6(5)(b)(i)(c)	The remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance	√		In practice
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		In practice
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		In practice
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board	√		In practice
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement	√		In practice
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies	√		In practice
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report	√		Given in the Annual Report
<b>7</b>	<b>External or Statutory Auditors</b>			
7(1)(i)	External or Statutory Auditors shall not be engaged in Appraisal or valuation services or fairness opinions	√		As declared by the auditors
7(1)(ii)	External or Statutory Auditors shall not be engaged in Financial information systems design and implementation	√		- do -
7(1)(iii)	External or Statutory Auditors shall not be engaged in Book- keeping or other service related to the account in records	√		- do -
7(1)(iv)	External or Statutory Auditors shall not be engaged in Broker –dealer services	√		- do -
7(1)(v)	External or Statutory Auditors shall not be engaged in Actuarial services	√		- do -

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
7(1)(vi)	External or Statutory Auditors shall not engage Internal audit services	√		- do -
7(1)(vii)	External or Statutory Auditors shall not be engaged in any services that the Audit Committee may determine	√		- do -
7(1)(viii)	External or Statutory Auditors shall not be engaged in Certification services on compliance of corporate governance	√		- do -
7(1)(ix)	External or Statutory Auditors shall not be engaged in any other service that may create conflict of interest	√		- do -
7(2)	No partner or employees of the External or Statutory Auditors audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	√		- do -
7(3)	Representative of External or Statutory Auditors shall remain present in the Shareholders Meeting ( Annual General Meeting or Extraordinary General Meeting)	√		In practice
8	<b>Maintaining a website by the company</b>			
8(1)	The company shall have an official website linked with that of the stock exchange	√		Website exists
8(2)	The company shall keep the website functional from the date of listing	√		Website is functional
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchanges	√		In practice
9	<b>Reporting and Compliance of Corporate Governance</b>			
9(1)	The company shall obtain a certificate from a practicing professional firm on yearly basis regarding compliance of conditions of Corporate Governance and such certificate shall be disclosed in the Annual Report	√		Certificate given in the Annual Report
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the Annual General Meeting	√		Duly Appointed at AGM on 14.12.2021
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors report whether the company has complied with these conditions	√		Duly stated in the Directors' Report



Audited  
**Financial**  
Statements

**Corporate Office:**

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**INDEPENDENT AUDITOR'S REPORT**  
**To the shareholders of**  
**Information Technology Consultants Limited**  
**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the financial statements of Information Technology Consultants Limited (the Company), which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss, statement of other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Qualified Opinion**

Note#3.01(d) to the financial statements disclosed the methods of charging depreciation on Property, plant, and equipment. However, the company has not disclosed the useful lives of fixed assets which is a departure from Paragraph 51 of the International Accounting Standards (IAS) 16. ITCL is in the process of identifying the useful lives of its non-current assets by an expert professional valuer, as disclosed in Note # 3.01 (d).

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and Bangladesh Securities and Exchange Commission (BSEC), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

As discussed in Note # 3.02(c) of the financial statements, the company has disclosed the rationality for determining the amortization rate of its Intangible Assets. Our opinion is not modified with respect to this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



<b>Carrying value (CV) of Noncurrent Assets and their impairment</b>	
<b>Key Audit Matter</b>	<b>Our response to the risk</b>
<p>PPE of Information Technology Consultants Limited comprises a major portion of the total assets, which amounts to Tk. 243,411,201 at the reporting date.</p> <p>The non-current assets comprise the property, plant and equipment, intangible assets, right-of-use assets and the capital work in progress. As the major operations of the Company depend on the tangible and intangible infrastructure, the measurement and valuation of the non-current assets involve significant audit risk, we considered this a key audit matter. There is also a risk that the impairment charges may not have been recognized.</p>	<p>We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>• Understanding and testing relevant controls within the purchase and measurement process of the non-current assets.</li> <li>• Reviewed the basis of recognition, measurement, and valuation of assets.</li> <li>• Understanding the calculation process of the depreciation and amortization of the non-current assets.</li> <li>• Checked ownership of the major assets.</li> <li>• Checked the Capital-Work-in-Progress (CWIP) and its transfer to PPE.</li> <li>• Performed physical asset verification at the year-end on sample basis.</li> <li>• Critically reviewed the Company's assumptions &amp; disclosures in relation to recoverable amounts of the major PPE to identify if there is any requirement for recognition of impairment; and</li> <li>• Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.</li> </ul>
<b>Please see Notes # 3.01, 3.02, 3.03, 4.00, 5.00 to the financial statements</b>	

<b>Revenue Recognition</b>	
<b>Key Audit Matter</b>	<b>Our response to the risk</b>
<p>For the year-end, the Company reported total revenue of Taka 1,014,613,264 in Note 24 of the financial statements.</p> <p>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, and 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 IFRS15.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following areas:</p> <ul style="list-style-type: none"> <li>• Assessed whether the revenue recognition policy is appropriate which is in line with IFRS 15 - Revenue from contracts with customers.</li> <li>• Performed walkthrough tests to understand the adequacy and the design of the revenue cycle.</li> <li>• Reviewed the contracts with different banks on a sample basis.</li> <li>• Obtained supporting documentation for sales transactions recorded at the beginning and end of the year to verify the revenue recognition at the cut-off time.</li> </ul>

<p>We have identified the heads of revenue as a key audit matter because revenue is one of the key performance indicators of the Company, and therefore there is an inherent risk of misstatement arising from the timing of recognition of revenue by management to meet specific targets or expectations. Moreover, there is a risk of differences between the timing of happening of the electronic transactions and the recognition of the same. Accordingly, there could be a potential risk that these revenue transactions are not recognized in the proper reporting period. Also, there may remain risks in the proper implementation of IFRS 15.</p> <p>There is also a risk that revenue may be misstated due to fraud through misstating of price declaration, unrecorded sales, maintaining accrual concept for invoicing, recognition within the Cutoff period, and inaccurate sales figures and unauthorized sales.</p>	<ul style="list-style-type: none"> <li>• Obtained third-party confirmation on a sample basis for trade and other receivables.</li> <li>• Performed substantive analytical procedures to understand how revenue trends impacted over the year, among other parameters.</li> <li>• Reviewing the presentation and disclosures. Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.</li> </ul>
<p><b>Please see Notes# 3.09 and 24.00 to the financial statements.</b></p>	

<p><b>Valuation of Inventories</b></p>	
<p><b>Key Audit Matter</b></p>	<p><b>Our response to the risk</b></p>
<p>The Company had inventories of Tk. at 283,868,776 as at June 30, 2022.</p> <p>Inventories are valued at the lower of cost and net realizable value. The cost is assigned following the weighted average cost formula. The measurement and valuation of the inventories are judgmental and complex. Moreover, the nature of the inventories is sophisticated and has a significant impact on the operations of the Company. Due to the high level of judgment involved and use of some manual processes in estimating the valuation and net realizable value of inventories, we considered this to be a key audit matter.</p>	<p>We verified the appropriateness of the management’s assumptions applied in the calculation of the value of the inventory. To mitigate the related risk, we have followed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of key inventory controls.</li> <li>• Conducted inventory counts of Store Materials &amp; Finished goods on sample basis and reconciled the count results to the inventory listings to test the completeness of data.</li> <li>• Evaluated, on a sample basis, whether inventories were stated at the lower of cost and net realizable value at the reporting date by comparing the sales prices of inventories on a sample basis after the reporting date</li> <li>• Assessed whether some of the inventory became slow-moving or obsolete and assessed the necessity for inventory provisioning; and</li> <li>• Evaluated the adequacy of financial statement disclosures as per IAS-2.</li> </ul>
<p><b>Please see Notes # 3.04 and 8.00 to the financial statements</b></p>	



<b>Provision for Income Tax and Recognition of Deferred Tax</b>	
<b>Key Audit Matter</b>	<b>Our response to the risk</b>
<p>The company reported Income Tax Provision &amp; net deferred tax liability of Tk. 42,320,402 &amp; 1,147,068 as at June 30, 2022.</p> <p>The Company is a provider of both Information Technology Enabled Services (ITES) and Non-ITES services. So, there is considerable uncertainty towards execution of tax assessment under paragraph 33 of Part- A of the 6th schedule of the Income Tax Ordinance, 1984, up to 30th day of June 2024, i.e., the expiry of the tax exemption period. There may remain the risk of improper accounting of the tax holiday and its impact on deferred tax and considering ITES related services as non-ITES related services. Complexities associated with tax assessment of an ITES Company also involve audit risk. We have determined these to be a key audit matter, due to the complexity in income tax provisioning, the inherent uncertainty in forecasting the amount, timing of future taxable profits/ expenses and the reversal of temporary differences.</p>	<p>We have carried out the following substantive tests to address the related risk:</p> <ul style="list-style-type: none"> <li>• Developed an understanding, evaluated the design, and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Income Tax &amp; deferred tax liabilities and the assumptions used in estimating the future taxable income of the Company.</li> <li>• Assessed the completeness and accuracy of the data used for the estimation of future taxable income.</li> <li>• Tested the mathematical accuracy in the calculation of Income Tax &amp; Deferred Tax.</li> <li>• Assessed key assumptions, controls, recognition and measurement of Deferred Tax Assets.</li> <li>• Assessed the adequacy of the Company's disclosures, setting out the basis of deferred tax assets balances and the level of estimation involved.</li> <li>• We also reviewed the tax implications, the reasonableness of estimations and calculations determined by management.</li> <li>• Finally, assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.</li> </ul>
<p><b>Please see Notes# 3.06, 17.00, 33.00 and 34.00 to the financial statements.</b></p>	

<b>Information technology systems and controls</b>	
<b>Key Audit Matter</b>	<b>Our response to the risk</b>
<p>The information required for the preparation of the financial statements of the Company is primarily generated through the Company's IT system. Thus, information systems and controls have immense significance in the preparation of financial statements. Moreover, the operation of the Company is based on its IT infrastructure. Accordingly, we are considering this as a key audit matter.</p>	<p>Our audit procedures to address the risks of material misstatement relating to Information Technology Systems included:</p> <ul style="list-style-type: none"> <li>• Reviewing the security policy covering physical and logical access controls.</li> <li>• Reviewing controls instituted in view of the rapid changes in technology.</li> <li>• Identifying and evaluating the major risk points (including points of manual intervention) together with the key controls (including reconciliation controls) for each critical application system.</li> <li>• Examining business continuity plan and updates to plan; and</li> <li>• Reviewing controls ensuring the availability of systems.</li> </ul>

### **Other Matter**

The financial statements of Information Technology Consultants Limited (ITCL) for the year ended June 30, 2021, were audited by ACNABIN., Chartered Accountants who expressed a modified opinion on those financial statements on 28 October 2021.

### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

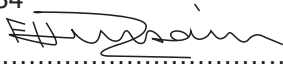
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules, 2020 and relevant notification issued by Bangladesh Securities and Exchange Commission, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's statements of financial position and statement of profit or loss and other comprehensive income along with the annexed notes 1 to 40 dealt with by the report are in agreement with the books of accounts; and
- d) the expenditure incurred was for the purposes of the Company's business.

Firm Name : Hussain Farhad & Co., Chartered Accountants  
 Registration no : 4/452/ICAB-84  
 Signature of the auditor :   
 Name of the auditor: : M Farhad Hussain FCA, Partner/Enrollment No: 0452  
 DVC No : 2210260452AS644924  
 Place : Dhaka  
 Date : 25 Oct 2022

**Information Technology Consultants Limited**  
**Statement of Financial Position**  
As at 30 June 2022

Restated

	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
<b>Assets</b>			
<b>Non-Current Assets:</b>			
Property, plant and equipment	4.00	243,411,201	261,734,365
Intangible assets	5.00	806,527,592	830,098,662
Right of use assets	6.00	81,808,095	120,239,621
Capital work-in-progress	7.00	-	3,930,151
		<b>1,131,746,888</b>	<b>1,216,002,799</b>
<b>Current Assets:</b>			
Inventories	8.00	283,868,776	352,131,366
Accounts receivable	9.00	500,773,246	541,326,119
Other receivable	10.00	20,505,860	22,163,138
Advance, deposits & prepayments	11.00	551,263,698	517,813,253
Cash and cash equivalents	12.00	177,883,075	149,495,291
		<b>1,534,294,655</b>	<b>1,582,929,167</b>
<b>Total Assets</b>		<b>2,666,041,543</b>	<b>2,798,931,966</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' Equity:</b>			
Share capital	13.00	1,285,926,640	1,285,926,640
Share premium	14.00	294,578,430	294,578,430
Retained earnings	15.00	444,170,709	259,119,158
Revaluation reserve	16.00	180,265,073	188,396,337
		<b>2,204,940,852</b>	<b>2,028,020,565</b>
<b>Non-Current Liabilities:</b>			
Deferred tax liability	17.00	1,147,068	3,595,383
Lease liabilities	18.01	53,231,835	88,882,542
		<b>54,378,903</b>	<b>92,477,925</b>
<b>Current Liabilities:</b>			
Trade payables	19.00	57,325,644	27,724,833
Bank overdraft	20.00	202,281,400	449,790,393
Lease liabilities (current portion)	18.02	23,711,834	22,562,567
Other liabilities	21.00	80,498,426	18,636,522
Unclaimed dividend	22.00	584,082	1,177,452
Provision for income tax	23.00	42,320,402	158,541,709
		<b>406,721,788</b>	<b>678,433,476</b>
<b>Total Liabilities</b>		<b>461,100,691</b>	<b>770,911,401</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,666,041,543</b>	<b>2,798,931,966</b>
Net Asset Value (NAV) per share	36.00	<b>17.15</b>	<b>15.77</b>

Restated: Refer to Note 3.06 (b)


The annexed notes from 1 to 40 form an integral part of these financial statements.

  
Chairman

  
Managing Director & CEO

  
Company Secretary

Place: Dhaka  
Date: 25 October, 2022

  
Hussain Farhad & Co.  
Chartered Accountants  
DVC No. 2210260452AS644924

**Information Technology Consultants Limited**  
**Statement of Profit or Loss**  
For the year ended 30 June 2022

	Notes	Amounts in Taka	
		2021-22	2020-21
Revenue	24.00	1,014,613,264	1,336,036,216
Cost of services and sales	25.00	(515,699,286)	(877,028,859)
<b>Gross Profit</b>		<b>498,913,978</b>	<b>459,007,357</b>
<b>Operating Expenses:</b>			
General and administrative expenses	26.00	(145,596,487)	(138,424,716)
Selling and distribution expenses	27.00	(43,313,120)	(39,491,049)
Other operating expenses	28.00	(12,703,391)	(14,015,393)
<b>Total Operating Expenses</b>		<b>(201,612,998)</b>	<b>(191,931,158)</b>
<b>Operating Profit/(Loss)</b>		<b>297,300,980</b>	<b>267,076,199</b>
Non-operating income/(expenses)	29.00	(1,358,141)	57,785
<b>Profit/(Loss) before Finance Costs</b>		<b>295,942,839</b>	<b>267,133,984</b>
Finance costs	30.00	(43,071,550)	(56,260,140)
Finance income	31.00	11,586,123	27,520,732
<b>Profit/(Loss) before WPPF &amp; WF</b>		<b>264,457,412</b>	<b>238,394,576</b>
Contribution to WPPF & WF	32.00	(12,593,210)	(11,352,123)
<b>Profit/(Loss) before Income Tax</b>		<b>251,864,202</b>	<b>227,042,453</b>
<b>Income Tax</b>		<b>(11,637,089)</b>	<b>(29,012,145)</b>
Current tax	33.00	(13,095,898)	(29,224,504)
Deferred tax income/(expenses)	34.00	1,458,809	212,359
<b>Net Profit/(Loss)</b>		<b>240,227,113</b>	<b>198,030,308</b>
Earnings Per Share (EPS)	35.00	<b>1.87</b>	<b>1.54</b>


The annexed notes from 1 to 40 form an integral part of these financial statements.

  
Chairman

  
Managing Director & CEO

  
Company Secretary

Place: Dhaka  
Date: 25 October, 2022

  
Hussain Farhad & Co.  
Chartered Accountants  
DVC No. 2210260452AS644924

**Information Technology Consultants Limited**  
**Statement of Other Comprehensive Income**  
For the year ended 30 June 2022

Notes	Amounts in Taka	
	2021-22	2020-21
<b>Other comprehensive income that will not be reclassified to profit or loss in subsequent years, net of tax:</b>		
Net profit after tax	<b>240,227,113</b>	<b>198,030,308</b>
Deferred tax on revaluation surplus	989,506	120,695
Remeasurement on defined benefit plans	-	-
Deferred tax impact on defined benefit plans	-	-
<b>Other comprehensive income /(loss) for the year, net of tax</b>	<b>989,506</b>	<b>120,695</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>241,216,619</b>	<b>198,151,003</b>


The annexed notes from 1 to 40 form an integral part of these financial statements.

  
Chairman

  
Managing Director & CEO

  
Company Secretary

Place: Dhaka  
Date: 25 October, 2022

  
Hussain Farhad & Co.  
Chartered Accountants  
DVC No. 2210260452AS644924

**Information Technology Consultants Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2022

Restated

Particulars	Paid-up Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2021	1,285,926,640	294,578,430	259,119,158	188,396,337	2,028,020,565
Net profit for the year	-	-	240,227,113	-	240,227,113
Cash dividend (2020 - 21)	-	-	(64,296,332)	-	(64,296,332)
Transfer from revaluation reserve	-	-	8,131,264	(8,131,264)	-
Deferred tax on revaluation reserve	-	-	989,506	-	989,506
<b>Balance as at 30 June 2022</b>	<b>1,285,926,640</b>	<b>294,578,430</b>	<b>444,170,709</b>	<b>180,265,073</b>	<b>2,204,940,852</b>

Particulars	Paid-up Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2020	1,224,692,040	294,578,430	234,209,557	196,969,201	1,950,449,228
Net profit for the year	-	-	198,030,308	-	198,030,308
Stock dividend (2019 - 20)	61,234,600	-	(61,234,600)	-	-
Cash dividend (2019 - 20)	-	-	(29,954,275)	-	(29,954,275)
Prior year adjustment (Restated)	-	-	(90,625,391)	-	(90,625,391)
Transfer from revaluation reserve	-	-	8,572,864	(8,572,864)	-
Deferred tax on revaluation reserve	-	-	120,695	-	120,695
<b>Balance as at 30 June 2021</b>	<b>1,285,926,640</b>	<b>294,578,430</b>	<b>259,119,158</b>	<b>188,396,337</b>	<b>2,028,020,565</b>

Restated: Refer to Note 3.06 (b)

The annexed notes from 1 to 40 form an integral part of these financial statements.

  
Chairman

  
Managing Director & CEO

  
Company Secretary

Place: Dhaka

Date: 25 October, 2022

**Information Technology Consultants Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2022

	Notes	Amounts in Taka	
		2021-22	2020-21
<b>A. Cash flows from operating activities</b>			
Cash receipts from customers/sales		1,000,594,598	1,284,551,309
Cash paid to suppliers		(204,931,564)	(642,989,351)
Cash paid for operating activities		(81,162,851)	(82,267,348)
Cash paid to employees		(278,847,588)	(258,122,674)
Interest paid		(43,071,550)	(55,455,256)
Income taxes paid		(13,095,898)	(31,416,797)
<b>Net cash provided by/(used in) operating activities</b>	38.00	<b>379,485,147</b>	<b>214,299,883</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant & equipment		(21,668,829)	(26,534,275)
Purchase of card bureau		(5,411,652)	(10,893,585)
Payment of right of use asset - Lease assets		(416,700)	(10,168,106)
Purchase of intangible assets		-	(2,100,000)
Payment of Bangabandu Hi-Tech Park project (WIP)		-	(2,772,220)
Interest received		11,566,522	30,345,745
<b>Net cash provided by/(used in) investing activities</b>		<b>(15,930,659)</b>	<b>(22,122,441)</b>
<b>C. Cash flows from financing activities</b>			
Payment of lease liabilities		(22,763,192)	(24,729,232)
Proceeds from bank overdraft		46,927,568	458,262,457
Payment of bank overdraft		(294,436,561)	(511,703,085)
Proceeds from dividend refund		306,904	402,173
Payment of dividend		(65,201,423)	(30,218,792)
<b>Net cash provided by/(used in) financing activities</b>		<b>(335,166,704)</b>	<b>(107,986,479)</b>
<b>D. Net changes in cash and cash equivalents (A+B+C)</b>		<b>28,387,784</b>	<b>84,190,963</b>
<b>E. Cash and cash equivalents at beginning of the year</b>		<b>149,495,291</b>	<b>65,304,328</b>
<b>F. Cash and cash equivalents at end of the year</b>		<b>177,883,075</b>	<b>149,495,291</b>
Net Operating Cash Flows Per Share (NOCFPS)	37.00	<b>2.95</b>	<b>1.67</b>

The annexed notes from 1 to 40 form an integral part of these financial statements.

  
Chairman

  
Managing Director & CEO

  
Company Secretary

Place: Dhaka

Date: 25 October, 2022



**Information Technology Consultants Limited**  
Notes to the Financial Statements  
**As at and for the year ended 30 June 2022**

**1.00 Reporting Entity**

**1.01 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.

The Company has raised its paid-up capital by issuing ordinary shares through Initial Public Offering (IPO) for 12,000,000 ordinary shares of Tk.10.00 each at par totaling Tk. 120,000,000/- vide BSEC consent letter no. - SEC/CI/IPO-234/2014/485; dated - 04 October 2015. The Company became listed with Dhaka & Chittagong Stock Exchanges in 2016 and subscription for IPO was opened on 02 November 2015. The Company's shares were officially floated from 10 January 2016.

**1.02 Nature of business**

The business of the Company inter-alia includes online Switching Solution, Software Development and Service Provider of Q-Cash member banks shared ATM network.

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

**2.00 Basis of Preparation**

**2.01 Statement of Compliance**

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 2020, the listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

Notes to the financial statements marked from 3.01 to 3.19 set out the accounting policies on all material accounting areas.

The Following IASs and IFRSs are applicable to the financial statements for the year under review:

Sl#	Name of IAS/IFRS	IAS/ IFRS No.	Status
01	Presentation of Financial Statements	IAS 1	Complied
02	Inventories	IAS 2	Complied
03	Statements of Cash Flows	IAS 7	Complied
04	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Complied
05	Events after the Reporting Period	IAS 10	Complied
06	Income Taxes	IAS 12	Complied
07	Property, Plant and Equipment	IAS 16	Complied
08	Employee Benefits	IAS 19	Complied
09	Accounting for Govt. Grants and disclosures of Govt. Assistancess	IAS 20	N/A
10	The Effects of Changes in Foreign Exchange Rates	IAS 21	Partially Complied
11	Borrowing Costs	IAS 23	*Complied

SI#	Name of IAS/IFRS	IAS/ IFRS No.	Status
12	Related Party Disclosures	IAS 24	Complied
13	Accounting and Reporting by Retirement Benefit Plan	IAS 26	N/A
14	Consolidated and Separate Financial Statements	IAS 27	N/A
15	Investments in Associates	IAS 28	N/A
16	Financial Instruments: Presentation	IAS 32	Complied
17	Earnings Per Share	IAS 33	Complied
18	Interim Financial Reporting	IAS 34	Complied
19	Impairment of Assets	IAS 36	*Complied
20	Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Complied
21	Intangible Assets	IAS 38	Complied
22	Financial Instrument: Recognition and Measurement	IAS 39	N/A
23	Investment Property	IAS 40	N/A
24	Agriculture	IAS 41	N/A
25	First-time Adoption of International Financial Reporting Standards	IFRS 1	N/A
26	Share-based Payment	IFRS 2	N/A
27	Business Combinations	IFRS 3	N/A
28	Insurance Contracts	IFRS 4	N/A
29	Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	*Complied
30	Exploration for and Evaluation of Mineral Resources	IFRS 6	N/A
31	Financial Instruments: Disclosures	IFRS 7	Complied
32	Operating Segments	IFRS 8	Complied
33	Financial Instruments	IFRS 9	Complied
34	Consolidated Financial Statements	IFRS 10	N/A
35	Joint Arrangements	IFRS 11	N/A
36	Disclosure of Interests in Other Entities	IFRS 12	N/A
37	Fair Value Measurement	IFRS 13	Complied
38	Regulatory Deferral Accounts	IFRS 14	N/A
39	Revenue from Contracts with Customers	IFRS 15	Complied
40	Leases	IFRS 16	Complied

\*Complied but there is no application of this IAS/ IFRS in current year.

The Statement of Compliance has been disclosed in compliance with the requirements of Notification of the Bangladesh Securities and Exchange Commission dated 04.06.2008 under ref: # SEC/CMMRPC/2008-181/53/Adm/03/28.

## 2.02 Date of authorization

The financial statements were authorized for issue by the Board of Directors on 25 October 2022.

## 2.03 Reporting period

The financial period of the Company covers one year from 01 July 2021 to 30 June 2022, and the July-June year is followed consistently.

#### **2.04 Basis of measurement**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Financial statements have been prepared following the accrual basis of accounting. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year except otherwise mentioned.

#### **2.05 Functional and presentation currency**

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.

#### **2.06 Regulatory Compliance:**

As required by the Company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- ❖ The Income Tax Ordinance, 1984;
- ❖ The Income Tax Rules, 1984;
- ❖ The Value Added Tax and Supplementary Duty Act, 2012;
- ❖ The Value Added Tax and Supplementary Duty Rules, 2016;
- ❖ The Customs Act, 1969;
- ❖ Bangladesh Labour Law & Rules 2006 & 2015
- ❖ The Securities and Exchange Ordinance, 1969; and
- ❖ The Securities and Exchange Rules, 2020.

#### **2.07 Structure, content and presentation of financial statements**

According to the International Accounting Standards IAS 1: Presentation of Financial Statements, the complete set of financial statements includes the following components-

- a. Statement of Financial Position.
- b. Statement of Profit or Loss.
- c. Statement of Other Comprehensive Income.
- d. Statement of Changes in Equity.
- e. Statement of Cash Flows.
- f. Notes, comprising a summary of significant accounting policies and other explanatory information for the period; and
- g. Comparative information in respect of preceding period.

#### **2.08 Responsibility for preparation and presentation of financial statements**

The Board of Directors /management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs), as explained in note # 2.01 to the financial statements, and for such internal control as management determines it is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **2.09 Statement of cash flows**

Statement of Cash Flows is prepared in accordance with IAS 7: Statement of Cash Flows and Securities and Exchange Rules, 2020. As per the said standard and rules, the Company is required to prepare a Statement of Cash Flows following the direct method. A reconciliation of net profit or net income with cash flows from operating activities has been presented in Note-38 as per the direction of Bangladesh Securities and Exchange Commission (BSEC/CMRRCD/2006/-158/208/Admin/81; dated: 20 June 2018).

## 2.10 Going concern

As per IAS 1, a Company is required to assess at the end of each year its capability to continue as a going concern. The management of the Company makes such an assessment every year. The Company has sufficient resources to continue its operation in the foreseeable future and hence, the financial statements have been prepared on a going concern basis. As per management assessment, there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

## 3.00 Significant accounting policies

### 3.01 Property, plant and 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 discounts 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 an intended manner.

#### (b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized at 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 2009-10 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 has no interest in the assets of the Company.

#### (d) Depreciation

Depreciation is charged based on the reducing balance method on all tangible assets over their estimated useful economic lives. As per paragraphs 60 and 61 of IAS 16, the company selects the diminishing/reducing balance method of charging depreciation on Property, Plant & Equipment because it most closely reflects the expected pattern of consumption of the future benefits embodied in the assets.

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%

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

<b>Name of Assets</b>	<b>Rate</b>
Generator	10%
Online UPS	10%
Switching Hardware	10%
Network Solutions (CISCO)	10%
Power Substation	10%
Power System	10%
Structure Cabling	10%
Call Centre	10%
Web Application Firewall	15%
Vehicles	20%

The Company has created/established a unique & robust network and gateway to bring financial institutions under a single platform. So, its technological set-up as well as its PPE is not traditional items. Besides, it is very difficult to determine the useful life i.e., the period over which an asset is expected to be available for use by the Company. However, the Company will engage a professional valuer who will determine the useful lives of fixed assets, reconcile fixed assets register, revalue the assets, and carry out impairment test as per IAS 36, para 9, which is subject to upcoming Board approval.

**(e) Retirements and disposals**

An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss 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 profit or loss and other comprehensive income.

**(f) Impairment**

As all assets of the Company shown in the financial statements which is within the scope of IAS 36 are in physical existence and valued not more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures regarding “Impairment of Assets” as per IAS 36 have not been considered necessary.

**(g) Leases**

The Company adopted IFRS16 from 01 July 2019 for all leasing arrangements, which have been capitalized as “right of use” assets with a corresponding financial liability on the statement of financial position.

**i. Lease**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

## ii. Right-of-use Asset

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The Cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date less any lease incentives received.

## iii. Short-term leases and leases of low-value assets

In compliance with IFRS16, the Company measured and recognized the short-term leases (leases of less than 12 months maximum duration) and leases of low value as an expense on a straight-line basis over the lease term.

### 3.02 Intangible assets

#### (a) Recognition and measurement

The cost of intangible assets is capitalized provided they meet the recognition criteria specified by IAS 38. Capitalization costs include license fees & cost of implementation/system integration services which are capitalized during the period in which the relevant software's 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

The Company provides advanced infrastructure for transaction Processing Services to major Banks, Financial Institutions, Government organization, a2i, UNDP and retailers while operating Bank driven independent Q-Cash gateway, which is consisting payment brand as well as common platform for Financial Technological aspects, which is connected with all the major international payment brands, including VISA, Master Card, Union Pay (UPI) etc. So, the 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. To the fact that the technology infrastructure of the Company was in development nature, to interface new member banks with ITC host and subsequent for expanding Q-Cash boarder network and continuous development & up-gradation of the intangible assets. So, the amortization of intangibles is the process of expensing the cost of an intangible asset over the projected life of the asset.

The Management of the Company has considered the estimated useful lives of the intangible assets to be 05-40 years based on existing and future economic benefit, consistency, and value of intellectual property, evolving business requirement and logics of the dynamic evolution with its business arena. Besides this, the Company has taken an academic opinion by the consulting team of University of Dhaka regarding the adapted amortization schedule for the intangible assets. The management has decided to periodically (3-5 years) review the probable economic benefit of its Intangible Assets. Amortization of intangible assets is charged under the straight-line method and amortization rates applicable to the principal categories of intangible assets are: -

Name of assets	Rate per Annum
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%
Accounting Software	20%

### 3.03 Capital Work in Progress

The assets procured for its infrastructure development & up-gradation time to time during the year, which are installed but yet to be operational due to its nature of business, are shown as capital work in progress. After being operational the value of those assets (tangible & intangible) are transferred to the respective asset arena of the Company.

### 3.04 Inventories

Inventories consist of finished goods and store materials. Inventories are measured at cost or net realizable value, whichever is lower. The cost of inventories is measured by following the weighted average cost formula and includes expenditure incurred for acquiring the inventories and other costs in bringing them to their existing location and condition.

#### 3.05 Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand, bank current accounts and other bank deposit accounts which are held for the purpose of mitigating short term cash commitments rather than for investment or other purposes.

### 3.06 Taxation

#### (a) Current tax (General)

The provision for current tax is made as per the requirements of Income Tax Ordinance- 1984 and as per the applicable rates prescribed in the Finance Act, 2022 on the taxable profit made by the Company as per IAS 12: Income Taxes. But the Company has been enjoying tax exemption on revenue from IT enable services under Para-33 of part-A of the 6th schedule of the Income Tax Ordinance, 1984 extended up to 30th day of June 2024. Other than IT enabled services, the Company has also revenue from sale of hardware and other non-IT enable services for which provision for tax has been made.

#### (b) Current Tax (Restatement)

Restatement due to compliance with refund/demand/claim notice for the FY 2011-2012 to 2015-2016 and 2016-2017 to 2019-2020:

Nature of error: Error in tax refund for the FY 2011-2012 to 2015-2016 due to further reviewed by The Inspecting Additional Commissioner of Taxes, Inspecting Range - 2, Tax Zone - 15, Dhaka.

The Company is (mainly) an Information Technology Enable Service (ITES) provider by nature of its business activities. It also sales some equipment and provides some non-IT enable services not in a regular basis. So, the Company has been enjoying tax exemption by virtue of its business transaction & operation under para - 33 of part - A of the 6th schedule of the Income Tax Ordinance, 1984 up to 30th day of June, 2024. However, advance tax was deducted by the clients of the Company

over the year but the Company did not claim the same in the return. Which has incurred due to deduct tax at source by bank from our bills against IT enable services. In this respect, the Company has been reopened or re-assessed subject to consideration of the Deputy Commissioner of Taxes, Circle - 316 (Companies), Taxes Zone - 15, Dhaka unfair assessment and simultaneously reassessed the financial years 2011-2012, 2012-2013, 2013-2014, 2014-2015, and 2015-2016 and the assessment years 2012-2013, 2013-2014, 2014-2015, 2015-2016, and 2016-2017 for adjustment of Advance Income Tax (AIT) of Tk. 135,589,211/- as at 30 June 2016.

After reassessment it has been observed that the Company will get tax refund from the retrospective years and appealed to the learned Commissioner (Appeal), Tax Appeal Zone - 03, Dhaka. The Taxes Appellate Tribunal, Division Bench - 1, Dhaka has declined the appeal filed by the taxes department for the assessment years 2012-2013, 2013-2014, 2014-2015, 2015-2016, and 2016-2017 as on 27.02.2019. Consequently, the ground taken by the taxes department for the above-mentioned assessment years have failed.

In this circumstance, the learned Commissioner (Appeal), Tax Appeal Zone - 03, Dhaka has given an appeal order dated 12.08.2018 and instructed to the Deputy Commissioner of Taxes, Circle - 316 (Companies), Taxes Zone - 15, Dhaka for executing tax refund to the company. To accord their benevolent order the Deputy Commissioner of Taxes has issued an order in favour of the Company. Details tax refunds or benefits allowed to the Company are given below:

Income Year	Assessment Year	Refund
		Taka
2011-2012	2012-2013	3,693,937
2012-2013	2013-2014	3,044,480
2013-2014	2014-2015	5,196,023
2014-2015	2015-2016	22,095,384
2015-2016	2016-2017	22,539,229
<b>Total</b>		<b>56,569,053</b>

In the year 2020, The Inspecting Additional Commissioner Of Taxes, Inspecting Range - 2, Tax Zone - 15, Dhaka has raised and reopened the above mentioned years under section - 120 of the Income Tax Ordinance, 1984 by way of his unaccustomed thoughtful law ground. In this, regard the Learned Inspecting Additional Commissioner of Taxes has assessed unfairly the mentioned year's i.e. the assessment years 2012-2013, 2013-2014, 2014-2015, 2015-2016, and 2016-2017 by his own justification.

Considering the unfair assessment order under section - 120 of the Inspecting Additional Commissioner Of Taxes, Inspecting Range - 2, the Company has appealed to the Commissioner of Taxes (Appeals), Tax Appeal Zone - 3, Dhaka, appeal date: 20.09.2020 for the financial year 2011-2012 to 2015-2016, appeal no. - 142, 143, 144, 145, & 146 respectively. Further, the Company has been appealed another next three years i.e financial year 2016-2017 to 2017-2018 and 2018-2019 as on 13.10.2020 & 13.07.2021, appeal no. - 208, 209 & 01 respectively to the same Tax Appeal Zone - 3, Dhaka.

As such the Company & the Tax Department has further appealed & filed to the Taxes Appellate Tribunal, Division Bench - 4, Dhaka against the appeal order of the above-mentioned financial years, Filed no. - 2743, 2744, 2745, 2746, 2747, 2748, 2749 & 2750 for the assessment year 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019 & 2019-2020 respectively.

In view of above, the learned Tribunal Members of the Taxes Appellate Tribunal, Division Bench - 4, Dhaka has given an tribunal order, dated 29.12.2021 and instructed to the Deputy Commissioner of



Taxes, Circle - 316 (Companies), Taxes Zone - 15, Dhaka for executing revised tax refund to the Company. To accord their benevolent order the Deputy Commissioner of Taxes has issued revised tax benefit/refund instruction in favor of the Company. Details tax refund/(claim) allowed to the Company are given below:

For the financial year 2011-2012 to 2015-2016:

Income Year	Assessment Year	Refund/(Claim)
		Taka
2011-2012	2012-2013	3,324,361
2012-2013	2013-2014	3,027,967
2013-2014	2014-2015	5,774,106
2014-2015	2015-2016	5,625,174
Total refund		<b>17,751,608</b>
2015-2016	2016-2017	(4,767,300)

For the financial year 2016-2017 to 2019-2020:

Income Year	Assessment Year	Refund/(Claim)
		Taka
2016-2017	2017-2018	666,963
2017-2018	2018-2019	968,113
2018-2019	2019-2020	1,187,736
2019-2020	2020-2021	(38,860)

Details information regarding provision for income tax (restated) are given below:

For the financial year 2015-2016:

Income Year	Assessment Year	Provision for income tax
		Taka
2015-2016	2016-2017	4,767,300

For the financial year 2016-2017 to 2019-2020:

Income Year	Assessment Year	Provision for income tax
		Taka
2016-2017	2017-2018	30,618,942
2017-2018	2018-2019	7,789,514
2018-2019	2019-2020	5,833,721
2019-2020	2020-2021	3,315,451
<b>Total</b>		<b>47,557,628</b>

Affected items of the financial statements for the year 2020-21:

Particulars	Notes	Before restatement	After restatement	Changes
		Taka	Taka	Taka
Receivable from NBR	10.01	56,569,053	17,751,608	38,817,455
Provision for income tax	23.00	106,216,781	158,541,709	52,324,928
Retained earnings	15.00	350,261,531	259,119,158	91,142,373
Earnings Per Shares (EPS)	35.00	---	---	---
Net Asset Value (NAV)	36.00	16.48	15.77	0.71

To this end of view, the management of the Company had made necessary adjustments on assessed refund income tax and subsequently restated the prior year's comparatives as per IAS - 8, Paragraph - 42 in the financial year 2018-2019 and during this year the management of the Company has also made necessary adjustments. Considering the restatement of the financial statements, there are some changes of Information reported in prior year's comparatives, which has been reflected in the notes - 10.01 Receivable from NBR, 23.00 Provision for income tax & 15.00 Retained earnings.

### **(C) Deferred tax**

Deferred tax (asset)/liability is calculated in accordance with IAS 12. Deferred tax is made as per the balance sheet assets/liabilities method in respect of temporary differences arising from the difference between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are the income taxes payable in future periods in respect of taxable temporary differences and deferred tax assets are amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits. The Company has made adequate provision for deferred tax for the year 2021-22.

### **3.07 Accrued Expenses and Other Payables**

Liabilities for the goods and services received are accounted for, whether paid or not, those goods and services. Payables are not interest-bearing and are stated at their nominal value.

### **3.08 Trade and other receivables**

Trade and other receivables are recognized at cost which is fair value of the consideration given from them.

### **3.09 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, and POS which are recognized following the provisions of IFRS15: Revenue from Contracts with Customers.

Revenue is presented net of value added tax (VAT), rebates and discounts. These taxes are regarded as collected on behalf of the authorities. Revenue comprises of the following:

- i. Q-cash transaction processing charge;
- ii. Service & maintenance charge; and
- iii. Sales revenue.

Sales revenue comprises the revenue derived from the sale of the product itself (e.g. ATM, KIOSK and POS) and its related services (e.g. warranty, after-sales services and maintenance) combinedly as per the contract/work order for being the related services very immaterial in substance.

### **3.10 Earnings per Share (EPS)**

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33: Earnings Per Share, which has been shown on the face of Statement of Comprehensive Income account and the computation of EPS are stated in note 35.00.

#### **Basic earnings per share**

This has been calculated by dividing the net profit after tax by the weighted average number of ordinary shares outstanding for the period.

#### **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**

The Company calculates diluted earnings per share amounts for profit or loss attributable to ordinary equity holders of the Company, and, if presented, profit or loss from continuing operations attributable to those equity holders. For the purpose of calculating diluted earnings per share, the Company adjusts profit or loss attributable to ordinary equity holders of the Company and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

### **3.11 Provisions**

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of the statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

### **3.12 Employee benefits**

#### **Workers' Profit Participation Fund (WPPF)**

The Company keeps provision at the rate of 5% of net profit before tax contributed by the Company as per provisions of Bangladesh Labour (Amendments) Act 2013.

### **3.13 Related party transactions**

If the Company carries out any transaction during the period with its related parties in the normal course of business, the Company discloses those in accordance with the provisions of IAS 24 and those transactions are made on an arm's length basis. The name of related parties, nature of transactions, their total value and closing balance are set out in accordance with the provisions of IAS 24.

### **3.14 Events after the Reporting period**

The Company discloses the non-adjusting events after reporting date in the notes to the financial statements which among other things includes the dividend recommended by the Board of Directors of the Company for the year ended 30 June 2022 at the Board Meeting. The dividend is subject to final approval by the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company.

### **3.15 Comparative Information and Re-arrangement Thereof**

Comparative information is disclosed in respect of the year for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year have been re-arranged wherever considered necessary to ensure better comparability with the current year as well as better presentation.

### **3.16 Financial Risk Management**

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

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

### **i) Credit Risk**

Credit Risk represents the financial loss to the Company if a customer or counterparty to a financial instrument fails 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 bank banks also.

### **ii) 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.

### **iii) 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.

## **3.17 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 types of machinery. 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 are as follows:

- Infrastructure Related Risk – Management always put high focus and undertake required CAPEX to keep the infrastructure updated to ensure smooth operation;
- Efficient Technical Expertise – The Company is the pioneer in Bangladesh in this 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; and
- 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.

Product / Solution Obsolesce – ITCL management believes in continuous up-gradation and continuous improvement of their offerings. Historically ITCL were pioneer and fast mover in terms of launching new products or ideas in the market. So, it's 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 the risk faced by the Company.

## **3.18 Finance income and expenses**

Finance income comprises interest on financial deposits with banks. Finance income is recognized on an accrual basis and shown understatement of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft, Bank charges and borrowings.

## **3.19 Number of employees**

As on 30 June 2022 the Company had 364 (30 June 2021, 359) 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 2022

Particulars	Cost/Revaluation				Depreciation				Net book value	
	As at 01 July 2021	Addition during the year	Disposal /Adjustment during the year	As at 30 June 2022	Rate	As at 01 July 2021	Charged during the year	Disposal /Adjustment during the year	As at 30 June 2022	As at 30 June 2022
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
ATM booth	14,026,316	-	-	14,026,316	15%	10,987,019	455,892	-	11,442,911	2,583,405
ATM machinery	169,689,485	-	-	169,689,485	15%	134,168,599	5,328,132	-	139,496,731	30,192,754
Computer & components	57,830,652	1,554,331	-	59,384,983	15%	43,066,281	2,316,237	-	45,382,518	14,002,465
Data center	32,684,220	8,300,258	-	40,984,478	10%	10,090,530	2,667,046	-	12,757,576	28,226,902
Generator	14,800,000	-	-	14,800,000	10%	9,639,556	516,048	-	10,155,604	4,644,396
Network solution (CISCO)	16,289,414	4,444,156	-	20,733,570	10%	6,201,063	1,453,248	-	7,654,311	13,079,259
Online UPS	14,029,867	-	-	14,029,867	10%	4,216,256	981,360	-	5,197,616	8,832,251
Operating equipment	8,331,926	-	-	8,331,926	15%	5,574,558	413,604	-	5,988,162	2,343,764
Plant & machinery	41,284,637	-	3,818,000	37,466,637	15%	26,586,634	2,204,700	897,230	27,894,104	9,572,533
POS terminal	44,314,185	-	-	44,314,185	15%	31,734,802	1,886,904	-	33,621,706	10,692,479
Power sub station	2,460,500	-	-	2,460,500	10%	1,602,572	85,788	-	1,688,360	772,140
Power system	11,921,101	-	-	11,921,101	10%	7,302,630	461,844	-	7,764,474	4,156,627
Structure cabling	7,276,370	-	-	7,276,370	10%	3,049,016	422,736	-	3,471,752	3,804,618
Switching hardware	33,246,661	-	-	33,246,661	10%	11,411,855	2,183,484	-	13,595,339	19,651,322
Call center	100,000	-	-	100,000	10%	56,964	4,308	-	61,272	38,728
Web application firewall	83,300	195,000	-	278,300	15%	56,604	6,445	-	63,049	215,251
Furniture & fixture	11,316,101	140,763	-	11,456,864	10%	6,678,076	468,530	-	7,146,606	4,310,258
Office decoration	42,624,216	494,295	-	43,118,511	10%	24,253,974	1,852,293	-	26,106,267	17,012,244
Office equipment	40,849,233	442,949	-	41,292,182	15%	30,641,237	1,576,177	-	32,217,414	9,074,768
Vehicles	3	4	-	7	20%	-	-	-	-	7
<b>Sub total (a)</b>	<b>563,158,187</b>	<b>15,571,756</b>	<b>3,818,000</b>	<b>574,911,943</b>	<b>--</b>	<b>367,318,226</b>	<b>25,284,776</b>	<b>897,230</b>	<b>391,705,772</b>	<b>183,206,171</b>
<b>SMS aggregator project - uLKa</b>										
Server	-	3,818,000	-	3,818,000	15%	639,515	257,715	-	897,230	2,920,770
<b>Sub total (b)</b>	<b>-</b>	<b>3,818,000</b>	<b>-</b>	<b>3,818,000</b>	<b>--</b>	<b>639,515</b>	<b>257,715</b>	<b>-</b>	<b>897,230</b>	<b>2,920,770</b>

The company has allocated 3 servers for SMS aggregator project, which has been providing SMS service through other channel earlier. But now it has been transferred and separated from plant & machinery of the company's asset considering cost value of those services and accumulated depreciation has been considered up to 31st December 2021 for fair presentation.

(Cont.....)

(Cont.....)

Particulars	Cost/Revaluation			Depreciation			Net book value		
	As at 01 July 2021	Addition during the year	Disposal /Adjustment during the year	As at 30 June 2022	Rate	As at 01 July 2021	Charged during the year	Disposal /Adjustment during the year	As at 30 June 2022
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka
<b>Card Bureau</b>									
Card printer	56,652,908	-	-	56,652,908	15%	28,860,725	4,168,824	-	33,029,549
Computer & components	519,000	-	-	519,000	15%	144,024	56,244	-	200,268
Online UPS	2,036,647	-	-	2,036,647	10%	378,490	165,816	-	544,306
Network solution	924,795	-	-	924,795	10%	172,486	75,228	-	247,714
Structure cabling	2,437,633	-	-	2,437,633	10%	444,828	199,284	-	644,112
Server	2,570,026	-	-	2,570,026	10%	267,465	230,256	-	497,721
HSM	8,868,947	-	-	8,868,947	15%	830,002	1,205,844	-	2,035,846
Office decoration	1,260,237	-	-	1,260,237	10%	238,422	102,180	-	340,602
Office equipment	3,795,375	-	-	3,795,375	15%	548,824	486,984	-	1,035,808
Furniture & fixture	35,629	-	-	35,629	10%	6,768	2,892	-	9,660
<b>Sub total (c)</b>	<b>79,101,197</b>	<b>-</b>	<b>-</b>	<b>79,101,197</b>	<b>--</b>	<b>31,892,034</b>	<b>6,693,552</b>	<b>-</b>	<b>38,585,586</b>
<b>Disaster Recovery Centre</b>									
Switching hardware	25,906,828	-	-	25,906,828	10%	12,082,392	1,382,448	-	13,464,840
Generator	1,698,025	-	-	1,698,025	10%	795,636	90,240	-	885,876
Structure cabling	2,168,517	-	-	2,168,517	10%	1,016,076	115,248	-	1,131,324
Firewall & router	548,000	-	-	548,000	10%	229,704	31,824	-	261,528
Online UPS	1,800,000	-	-	1,800,000	10%	843,408	95,664	-	939,072
Network solution	109,000	-	-	109,000	10%	29,544	7,944	-	37,488
Office decoration	730,837	-	-	730,837	10%	329,112	40,176	-	369,288
Office equipment	2,548,454	-	-	2,548,454	15%	1,587,312	144,168	-	1,731,480
Furniture & fixture	167,040	-	-	167,040	10%	78,276	8,880	-	87,156
<b>Sub total (d)</b>	<b>35,676,701</b>	<b>-</b>	<b>-</b>	<b>35,676,701</b>	<b>--</b>	<b>16,991,460</b>	<b>1,916,592</b>	<b>-</b>	<b>18,908,052</b>
<b>Grand total (a+b+c+d)</b>	<b>677,936,085</b>	<b>19,389,756</b>	<b>3,818,000</b>	<b>693,507,841</b>	<b>--</b>	<b>416,841,235</b>	<b>34,152,635</b>	<b>897,230</b>	<b>450,096,640</b>
									<b>23,623,359</b>
									<b>318,732</b>
									<b>1,492,341</b>
									<b>677,081</b>
									<b>1,793,521</b>
									<b>2,072,305</b>
									<b>6,833,101</b>
									<b>919,635</b>
									<b>2,759,567</b>
									<b>25,969</b>
									<b>40,515,611</b>
									<b>12,441,988</b>
									<b>812,149</b>
									<b>1,037,193</b>
									<b>286,472</b>
									<b>860,928</b>
									<b>71,512</b>
									<b>361,549</b>
									<b>816,974</b>
									<b>79,884</b>
									<b>16,768,649</b>
									<b>243,411,201</b>

as at 30 June 2021

Particulars	Cost/Revaluation			Depreciation			Net book value		
	As at 01 July 2020	Addition during the year	Disposal during the year	As at 30 June 2021	Rate	As at 01 July 2020	Charged during the year	Disposal during the year	As at 30 June 2021
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka
<b>2020-21</b>	<b>624,284,475</b>	<b>53,651,610</b>	<b>-</b>	<b>677,936,085</b>	<b>--</b>	<b>383,239,400</b>	<b>32,962,320</b>	<b>-</b>	<b>416,201,720</b>
									<b>261,734,365</b>

5.00 Intangible assets, net  
as at 30 June 2022

Particulars	Cost/Revaluation				Amortization				Net book As at 30 June 2022	
	As at 01 July 2021	Addition during the year	Disposal during the year	As at 30 June 2022	Rate	As at 01 July 2021	Charged during the year	Disposal during the year		As at 30 June 2022
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
ATM software	248,027,789	-	-	248,027,789	2.5%	39,843,620	6,200,700	-	46,044,320	201,983,469
Mobile banking software	1,000,000	-	-	1,000,000	5%	400,024	50,004	-	450,028	549,972
Oracle software	7,646,500	-	-	7,646,500	5%	3,058,571	382,320	-	3,440,891	4,205,609
PCI DSS security compliance software	1,129,800	-	-	1,129,800	5%	451,956	56,496	-	508,452	621,348
POS software	77,917,045	-	-	77,917,045	5%	19,246,262	3,896,848	-	23,142,110	54,774,935
Q cash e portal software development	1,108,060	-	-	1,108,060	5%	443,231	55,404	-	498,635	609,425
Q cash retailer POS software	8,449,820	-	-	8,449,820	5%	3,379,959	422,496	-	3,802,455	4,647,365
Software development	168,175,800	-	-	168,175,800	2.5%	30,304,298	4,204,392	-	34,508,690	133,667,110
Switching software	482,600,589	-	-	482,600,589	2.5%	74,043,127	12,065,016	-	86,108,143	396,492,446
Call center	1,054,000	-	-	1,054,000	5%	421,624	52,704	-	474,328	579,672
VMware software	2,970,700	-	-	2,970,700	5%	374,752	148,536	-	523,288	2,447,412
Issue tracking software (JIRA)	1,000,000	-	-	1,000,000	5%	350,025	50,004	-	400,029	599,971
E traffic web application	1,710,000	-	-	1,710,000	5%	373,992	85,500	-	459,492	1,250,508
Accounting software	90,000	-	-	90,000	20%	90,000	-	-	90,000	-
<b>Sub total (a)</b>	1,002,880,103	-	-	1,002,880,103	--	172,781,441	27,669,420	-	200,450,861	802,429,242
<b>ulKa Qs/MS gateway project</b>										
ulKa Qs/MS gateway	-	4,098,350	-	4,098,350	--	-	-	-	-	4,098,350
<b>Sub total (b)</b>	-	4,098,350	-	4,098,350	--	-	-	-	-	4,098,350
<b>Grand total (a+b)</b>	1,002,880,103	4,098,350	-	1,006,978,453	--	172,781,441	27,669,420	-	200,450,861	<b>806,527,592</b>

as at 30 June 2021

Particulars	Cost/Revaluation				Amortization				Net book As at 30 June 2021	
	As at 01 July 2020	Addition during the year	Disposal during the year	As at 30 June 2021	Rate	As at 01 July 2020	Charged during the year	Disposal during the year		As at 30 June 2021
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
2020-21	1,000,780,103	2,100,000	-	1,002,880,103	--	145,147,021	27,634,420	-	172,781,441	<b>830,098,662</b>

## 6.00 Right of use of assets, net as at 30 June 2022

The company has leases for Vehicle and Rented office premises, and been capitalized under IFRS 16: Leases. Information related to Right-of-use Asset are depicted below:

Particulars	Cost/Revaluation				Depreciation				Net book value As at 30 June 2022 Taka	
	As at 01 July 2021	Addition /Adjustment during the year	Disposal /Adjustment during the year	As at 30 June 2022	Rate	As at 01 July 2021	Charged during the year	Disposal /Adjustment during the year		As at 30 June 2022
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
3rd, 4th & Ground floor - EP	66,199,172	-	-	66,199,172	--	5,516,600	13,239,840	-	18,756,440	47,442,732
2nd & Ground floor - EP	43,011,148	-	-	43,011,148	--	12,186,486	8,602,224	-	20,788,710	22,222,438
1st Floor - EP	5,868,593	-	-	5,868,593	--	1,075,910	1,173,720	-	2,249,630	3,618,963
Ground Floor - EP	3,144,070	3,450,360	3,144,070	3,450,360	--	2,829,661	659,445	3,144,070	345,036	3,105,324
Chittagong office	1,583,629	-	-	1,583,629	--	637,852	263,940	-	901,792	681,837
Warehouse (Babli)	8,109,505	-	-	8,109,505	--	2,948,911	2,948,916	-	5,897,827	2,211,678
Kaliakoir H-Tech Park	13,543,778	-	13,543,778	-	--	564,322	169,296	733,618	-	-
Vehicle	14,411,017	-	6,566,163	7,844,854	-	9,871,549	2,014,345	6,566,163	5,319,731	2,525,123
<b>Sub total (a)</b>	<b>155,870,912</b>	<b>3,450,360</b>	<b>23,254,011</b>	<b>136,067,261</b>	<b>--</b>	<b>35,631,291</b>	<b>29,071,726</b>	<b>10,443,851</b>	<b>54,259,166</b>	<b>81,808,095</b>

## as at 30 June 2021

Particulars	Cost/Revaluation				Depreciation				Net book value As at 30 June 2021 Taka	
	As at 01 July 2020	Addition /Adjustment during the year	Disposal /Adjustment during the year	As at 30 June 2021	Rate	As at 01 July 2020	Charged during the year	Disposal /Adjustment during the year		As at 30 June 2021
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
<b>2020-21</b>	<b>142,039,293</b>	<b>80,181,075</b>	<b>66,349,456</b>	<b>155,870,912</b>	<b>--</b>	<b>72,361,721</b>	<b>29,380,548</b>	<b>66,110,978</b>	<b>35,631,291</b>	<b>120,239,621</b>



	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
<b>7.00 Capital work-in-progress</b>			
<b>Property, plant &amp; equipment:</b>			
Opening balance		-	5,142,343
Add: Addition during the year			
Plant & machinery		-	-
Switching hardware		-	-
		-	5,142,343
Less: Transfer to property, plant & equipment		-	(5,142,343)
		-	-
<b>Card bureau:</b>			
Opening balance		-	6,626,604
Add: Addition during the year			
HSM		-	-
		-	-
Less: Transfer to card bureau		-	6,626,604
		-	(6,626,604)
		-	-
<b>Bangabandu Hi-Tech Park (BHTP) project:</b>			
Opening balance		3,930,151	1,157,931
Add: Addition during the year			
Bangabandu Hi-Tech City		-	2,772,220
		-	2,772,220
		3,930,151	3,930,151
Less: Adjustment of BHTP project		(3,930,151)	-
		-	3,930,151
		-	<b>3,930,151</b>
<b>8.00 Inventories</b>			
Finished goods	8.01	77,138,455	111,076,540
Store materials	8.02	206,730,321	241,054,826
		<b>283,868,776</b>	<b>352,131,366</b>
8.01 Finished goods			
Opening balance		111,076,540	44,681,675
Add: Addition during the year		9,238,663	317,656,528
Less: Consumptions		(43,176,748)	(251,261,663)
		<b>77,138,455</b>	<b>111,076,540</b>
Details are given in <b>Schedule A</b>			
8.02 Store materials			
Opening balance		241,054,826	246,361,647
Add: Addition during the year		-	18,118,313
Less: Consumptions		(34,324,505)	(23,425,134)
		<b>206,730,321</b>	<b>241,054,826</b>
Details are given in <b>Schedule B</b>			

Notes	Amounts in Taka	
	30 June 2022	30 June 2021
<b>9.00 Accounts receivable</b>		
ATM software support & maintenance receivable	14,984,440	16,407,272
Contactless middleware card management software receivable	-	1,100,000
Q-cash joining & interface establishment receivable	900,000	900,000
Card charge receivable	9.01 149,638,100	117,455,367
Connectivity charge receivable	9.02 4,950,373	5,812,145
Transaction charge receivable	9.03 138,662,754	116,186,747
Servicing & maintenance charge receivable	9.04 92,221,205	166,816,593
Sales receivable	9.05 99,416,374	116,647,995
	<b>500,773,246</b>	<b>541,326,119</b>
<b>Ageing schedule of accounts receivable</b>		
<b>Duration</b>		
1 - 30 days	99,372,507	117,746,025
31 - 60 days	50,076,926	65,987,022
61 - 90 days	44,857,017	31,939,597
91 - 180 days	80,750,402	84,312,812
181 - 365 days	71,071,199	146,818,847
above 365 days	154,645,195	94,521,816
	<b>500,773,246</b>	<b>541,326,119</b>
i) Accounts receivable considered good in respect of which the company is fully secured:		
There is no such accounts receivable in this respect as on 30 June 2022	-	-
ii) Accounts receivable considered good for which the company holds no security other than the personal security:		
Accounts receivable accrued in the ordinary course of business are considered good as those are based on valid agreement with Banks & other clientele. In this context, a significant amount to Tk. 8.25 Crore has been lying as Security Deposit against supply of POS terminal to DEW (Dockyard & Engineering Works Ltd) vide their contact no-06.02.6758.165.44.407.19.2957, dated-09.10.2019, which will be realized after completion of the project. Note that the product already has delivered in due time.	500,773,246	541,326,119
iii) Accounts receivable considered doubtful or bad:		
There is no such accounts receivable in this respect as on 30 June 2022	-	-
iv) Accounts receivable from the Directors or other officers of the company:		
There is no such accounts receivable in this respect as on 30 June 2022	-	-
<b>9.01 Card charge receivable</b>		
Card annual charge receivable	75,273,077	50,208,222
Card renewal charge receivable	74,365,023	67,247,145
	<b>149,638,100</b>	<b>117,455,367</b>

Notes	Amounts in Taka	
	30 June 2022	30 June 2021
<b>9.02 Connectivity charge receivable</b>		
ATM link connectivity charge receivable	47,620	23,810
VISA connectivity charge receivable	4,902,753	5,788,335
	<b>4,950,373</b>	<b>5,812,145</b>
<b>9.03 Transaction charge receivable</b>		
ATM transaction charge receivable	23,776,298	29,549,912
POS transaction charge receivable	64,730,888	54,179,986
OTP transaction receivable	1,675,066	1,708,609
Card cheque transaction charge receivable	691,085	771,271
Fund transfer transaction charge receivable	426,060	408,570
SMS management charge receivable	446,120	419,334
SMS service charge receivable	27,134,056	16,712,624
Data SIM transaction charge receivable	1,500	-
E-mail notification charge receivable	100,000	100,000
Internet banking fund transfer transaction charge receivable	551,024	134,340
Inward remittance transaction charge receivable	14,460	150
BKash e-money transaction receivable	17,549,860	-
E-alert transaction receivable	130,000	-
E-statement transaction receivable	35,000	-
E-commerce transaction receivable	1,401,337	12,201,951
	<b>138,662,754</b>	<b>116,186,747</b>
<b>9.04 Servicing &amp; maintenance charge receivable</b>		
ATM software servicing & maintenance charge receivable	54,535,119	70,808,702
NCR ATM switching software service charge receivable	1,205,214	675,898
ATM booth servicing & maintenance charge receivable	2,425,604	4,978,210
KIOSK software servicing & maintenance charge receivable	3,745,359	4,387,303
KIOSK modification charge receivable	-	3,450,000
UPS servicing & maintenance charge receivable	-	2,278,409
POS software servicing & maintenance charge receivable	3,830,150	15,482,894
VbV certified ACS service charge receivable	-	27,380
Tranzware retail re-installation charge receivable	237,000	296,250
Switching software service charge receivable	18,349,519	55,688,307
PCI DSS security compliance charge receivable	100,000	950,000
Software customization & application development receivable	7,793,240	7,793,240
	<b>92,221,205</b>	<b>166,816,593</b>
<b>9.05 Sales receivable</b>		
ATM sales receivable	3,537,920	11,207,289
Anti skimming device sales receivable	-	1,302,326
CDM sales receivable	1,707,663	458,390
POS sales receivable	94,170,791	103,679,990
	<b>99,416,374</b>	<b>116,647,995</b>
<b>10.00 Other receivable</b>		
Trust Bank Limited (FDR A/C : 30060) - Interest	381,926	503,352
Trust Bank Limited (FDR A/C : 21516) - Interest	4,045,533	3,904,506
Inward remittance receivable (Sonali Bank Ltd.)	310,141	3,672
Receivable from NBR (Restated)	15,768,260	17,751,608
	<b>20,505,860</b>	<b>22,163,138</b>

Restated: Refer to Note 3.06 (b)

	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
10.01	The mentioned receivable has been comprising tax refund amount after necessary adjustment with Advance Income Tax as well as earlier refund receivables. The break down of the amount is given below:		
	<b>Receivable from NBR (Restated)</b>		
	2011-12	3,324,361	3,324,361
	2012-13	3,027,967	3,027,967
	2013-14	5,774,106	5,774,106
	2014-15	5,625,174	5,625,174
	2015-16	-	-
	2016-17	666,963	-
	2017-18	968,113	-
	2018-19	1,187,736	-
		<b>20,574,420</b>	<b>17,751,608</b>
	Adjustment of tax liability (2015-16)*	(4,767,300)	-
	Adjustment of tax liability (2019-20)*	(38,860)	-
		(4,806,160)	-
		<b>15,768,260</b>	<b>17,751,608</b>

\*Refund has been set off with tax liability as per Section - 152 of the Income Tax Ordinance, 1984.  
Restated: Refer to Note 3.06 (b)

<b>11.00</b>	<b>Advance, deposits &amp; prepayments</b>			
	Advance	11.01	103,617,391	217,559,978
	Advance against office rent	11.02	452,700	1,062,300
	Bank guarantee margin	11.03	4,067,954	3,698,447
	Security deposit (Non interest bearing)	11.04	1,460,000	1,539,641
	Fixed deposit receipt (FDR)	11.05	343,886,739	283,703,655
	Prepayments	11.06	6,881,142	6,001,649
	Topup	11.07	2,281,301	2,937,598
	SMS aggregator project	11.08	4,727,574	-
	Advance against LC	11.09	16,811,528	1,309,985
	Inward foreign remittance initiative project	11.10	67,077,369	-
			<b>551,263,698</b>	<b>517,813,253</b>
<b>11.01</b>	<b>Advance</b>			
	Advance to suppliers	11.01.01	290,472	2,150,000
	Advance against purchase		211,967	363,455
	Advance to employees		4,103,000	2,444,500
	Advance income tax (AIT)	11.01.02	44,512,695	158,750,654
	VAT current account		25,283,655	25,283,655
	Advance tax		29,215,602	28,567,714
			<b>103,617,391</b>	<b>217,559,978</b>
<b>11.01.01</b>	<b>Advance to suppliers</b>			
	Abir Enterprise		58,250	-
	Porichoy.gov.bd		10,000	-
	Ashraf Siddique		222,222	-
	Brain Station 23 Ltd		-	1,050,000
	Root Square		-	1,050,000
	DIA Ltd		-	50,000
			<b>290,472</b>	<b>2,150,000</b>
<b>11.01.02</b>	<b>Advance income tax (AIT)</b>			
	Opening balance		158,750,654	127,333,857
	Add: Addition during the year	11.01.02.01	13,095,898	31,416,797
			171,846,552	158,750,654
	Less: Adjustment during the year:			
	Adjustment of income tax provision (2016-17 to 2019-20)		(124,511,045)	-
	Adjustment of receivable from NBR (2016-17 to 2018-19)		(2,822,812)	-
			(127,333,857)	-
			<b>44,512,695</b>	<b>158,750,654</b>

	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
<b>11.01.02.01 Addition of advance income tax (AIT)</b>			
Advance income tax - Revenue		11,173,848	29,584,643
Advance income tax - Vehicle		577,500	210,000
Advance income tax - FDR & SND A/C		1,344,550	1,622,154
		<b>13,095,898</b>	<b>31,416,797</b>
<b>11.02 Advance against office rent</b>			
Uttara office - DR center		452,700	1,062,300
		<b>452,700</b>	<b>1,062,300</b>
<b>11.03 Bank guarantee margin</b>			
Bank guarantee		665,400	407,288
Earnest money		2,578,000	2,578,000
Advance performance guarantee		75,000	75,000
Performance guarantee		749,554	638,159
		<b>4,067,954</b>	<b>3,698,447</b>
<b>11.04 Security deposit (Non interest bearing)</b>			
Uttara office - DR center		144,000	144,000
DESCO		11,000	11,000
Security Deposit - RAJUK		600,000	600,000
Teletalk Bangladesh Ltd		100,000	100,000
Central Depository Bangladesh Ltd (CDBL)		500,000	500,000
Dhaka Bank Ltd (Lease)		-	94,641
Islami Bank Bangladesh Ltd		50,000	50,000
Shahjalal Islami Bank Ltd		40,000	40,000
Surveyor General of Bangladesh		15,000	-
		<b>1,460,000</b>	<b>1,539,641</b>
<b>11.05 Fixed deposit receipt (FDR)</b>			
FDR at Trust Bank Ltd (FDR A/C : 21516)		202,276,663	195,225,300
FDR at Trust Bank Ltd (FDR A/C : 30060)		83,329,330	80,536,168
FDR at Trust Bank Ltd (FDR A/C : 31694)		790,327	756,772
FDR at Jamuna Bank Ltd (FDR A/C : 65354)		2,271,419	2,185,415
FDR at Trust Bank Limited (FDR A/C : 39552)		5,219,000	5,000,000
FDR at Trust Bank Limited (FDR A/C : 40095)		30,000,000	-
FDR at Trust Bank Limited (FDR A/C : 40102)		20,000,000	-
		<b>343,886,739</b>	<b>283,703,655</b>
<p>The Company has deposited FDR for an amount to Tk. 202.28 million, Tk. 83.33 million, Tk. 5.22 million, Tk. 30.00 million and Tk. 20.00 million in Trust Bank Ltd. for long-term purpose. Another FDR of Tk. 0.79 million has lien to Banglalink Digital Communications Ltd for security deposit against i-top up service through Q-cash network. In addition FDR No. 65354 in Jamuna Bank Ltd has been fixed deposit for an interim period.</p>			
<b>11.06 Prepayments</b>			
Insurance premium on assets		440,390	374,960
Google mail server software license fee		328,739	391,157
Oracle software license renewal fee		1,060,500	1,114,750
Commercial license charge (JIRA)		600,979	462,853
VMware license fee		-	2,046,327
Red Hat Linux server license fee		100,008	500,004
Support & maintenance of HSM		370,526	1,111,598
Web application firewall		3,941,667	-
SMS aggregator enlistment fee (BTRC)		38,333	-
		<b>6,881,142</b>	<b>6,001,649</b>

	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
<b>11.07 Topup</b>			
Banglalink - i Top Up		432,108	298,145
Robi - Top Up		380,396	555,588
Teletalk - Telecharge		74,972	71,733
Grameenphone - Flexiload		1,128,038	1,089,981
Airtel - EasyLoad		265,787	922,151
		<b>2,281,301</b>	<b>2,937,598</b>
<b>11.08 SMS aggregator project</b>			
MNP dipping service		752,058	-
SMS service provider	11.08.01	3,975,516	-
		<b>4,727,574</b>	-
<b>11.08.01 SMS service provider</b>			
Banglalink		2,113,082	-
Grameenphone		720,309	-
Robi		1,142,125	-
Teletalk		-	-
		<b>3,975,516</b>	-
<b>11.09 Advance against LC</b>			
LC for switching software		11,966,405	1,309,985
LC for networking security device		4,845,123	-
		<b>16,811,528</b>	<b>1,309,985</b>
<b>11.10 Inward foreign remittance initiative project</b>			
Sonali Bank Ltd (CD A/C [TCSA] : 0003402001703), Wage Earners Br.		30,497,688	-
Trust Bank Ltd (SND A/C [TCSA] : 0017-0320001628), Settlement A/C		36,579,681	-
		<b>67,077,369</b>	-
TCSA - Trust cum Settlement Account			
N.B.: Inward foreign remittance initiative project, this project consists under the business with Sonali Bank Ltd as well as Trust Bank Ltd towards processing all foreign remittance transaction through Q-cash channel for Q-cash member banks and NPSB member banks on a real time basis. So the transactional amount of those bank accounts only use for inward remittance transaction processing, routing and settlement purpose. Moreover this project is being transacting under the Guidelines for Trust fund management in payment and settlement services of Bangladesh Bank, P.S.D circular no. - 06/2021; dated 06/05/2021.			
<b>12.00 Cash and cash equivalents</b>			
Cash in hand		141,161	175,594
Cash at bank	12.01	177,741,914	149,319,697
		<b>177,883,075</b>	<b>149,495,291</b>
<b>12.01 Cash at bank</b>			
NRB Commercial Bank Ltd (CD A/C: 010133300000685)		3,183,204	2,015,201
Bank Asia Ltd (CD A/C : 00333006503)		128,131	2,732,706
BRAC Bank Ltd (CD A/C : 1501201589532001)		6,863,720	6,941,584
City Bank Ltd (CD A/C : 1102041731001)		11,813,975	12,391,885
Dutch Bangla Bank Ltd (CD A/C : 1161100002212)		5,140,057	11,087,741
Eastern Bank Ltd (CD A/C : 1011060011178)		7,982,803	31,400,596
Eastern Bank Ltd (STD A/C : 1011360210568)		54,869	32,012
Jamuna Bank Ltd (CD A/C : 1001000117854)		16,899,959	12,957,599
Janata Bank Ltd (CD A/C : 0100000991109)		6,089	171,310
National Bank Ltd (CD A/C : 099933143418)		3,598,758	8,271,838
NCC Bank Ltd (CD AC : 00500210003280)		239,207	107,631
Shahjalal Islami Bank Ltd (CD A/C : 400511100000281)		7,338,430	7,640,514

Notes	Amounts in Taka	
	30 June 2022	30 June 2021
Sonali Bank Ltd (CD A/C : 0002633130481)	2,235,640	3,498,791
One Bank Ltd (CD A/C : 0121020003189)	55,040	56,650
Trust Bank Ltd (SND A/C : 0320000978)	1,329,135	857,201
United Commercial Bank Ltd (CD A/C : 0951101000004308)	6,762,469	3,377,877
Standard Chartered Bank (CD A/C : 01118353501)	13,987,427	20,934,454
EXIM Bank Ltd (CD A/C : 03911100100275)	5,984,139	4,425,053
IFIC Bank Ltd, (CD A/C : 1203522605001)	11,975,708	2,273,791
Mutual Trust Bank Ltd (CD A/C : 00460210004114)	6,428,711	4,362,775
Midland Bank Ltd (CD A/C : 00021050002804)	2,913,376	553,174
Dhaka Bank Ltd (CD A/C : 02181000005561)	119,571	55,681
Jamuna Bank Ltd (SND A/C : 1201000019495)	1,066,496	1,843,495
Trust Bank Ltd (CD A/C : 0210001210)	1,306,445	1,436,052
ICB Islami Bank Ltd (CD A/C : 1002400011916)	308,023	154,934
Shimanto Bank Ltd (CD A/C : 1001241000525)	1,593,048	62,050
First Security Islami Bank Ltd (CD A/C : 011211100019765)	12,600,001	2,020,143
Bangladesh Commerce Bank Ltd (CD A/C : 00521001112)	1,365,474	501,423
Padma Bank Ltd (CD A/C : 0111100082151)	359,176	38,154
Community Bank Bangladesh Ltd (CD A/C : 0010302328101)	4,761,504	539,162
Trust Bank Ltd (SND A/C : 0320001619), Dividend A/C	35,082,858	4,948,181
Sonali Bank Ltd (SND A/C : 0003403000014), Wage Earners Br.	1,230,871	1,527
Standard Bank Ltd (CD A/C : 33013144)	2,901,621	799,340
Trust Bank Ltd (IPO A/C) 12.01.01	125,979	126,649
Sonali Bank Ltd (TCSA A/C : 0003402001703), Wage Earners Br.	-	26,438
Trust Bank Ltd (TCSA A/C : 0320001628), Settlement A/C	-	676,085
	<b>177,741,914</b>	<b>149,319,697</b>

#### 12.01.01 Trust Bank Ltd (IPO A/C)

Trust Bank Ltd, SND A/C  
Trust Bank Ltd, FC A/C  
Trust Bank Ltd, FC A/C

Currency	Taka	Taka
BDT	70,702	71,372
USD	50,424	50,424
EURO	4,853	4,853
	<b>125,979</b>	<b>126,649</b>

#### 13.00 Share capital

This is made up as follows:

##### Authorized:

175,000,000 Ordinary Shares of Tk.10/= each  
25,000,000 Preference Shares of Tk.10/= each

1,750,000,000	1,750,000,000
250,000,000	250,000,000
<b>2,000,000,000</b>	<b>2,000,000,000</b>
1,285,926,640	1,285,926,640
-	-
<b>1,285,926,640</b>	<b>1,285,926,640</b>

##### Issued, subscribed and paid up:

Opening balance  
Stock dividend

Notes	Amounts in Taka	
	30 June 2022	30 June 2021

The position of shareholders as on 30 June 2022 is as follows:

**Percentage of shareholdings:**

Classification of investors	%		No. of Shares	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Sponsors/Promoters and Directors	51.09%	51.09%	65,688,685	65,688,685
Institute	20.95%	23.66%	26,947,372	30,420,134
Foreign Company	0.01%	0.18%	12,927	232,917
General Public	27.95%	25.07%	35,943,680	32,250,928
	<b>100%</b>	<b>100%</b>	<b>128,592,664</b>	<b>128,592,664</b>

Distribution schedule of each class of equity security setting out the number of holders and percentage as on 30 June, 2022.

**Classification of shareholders by range of numbers held:**

Shareholding range	No. of Shareholders		No. of Shares	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
1-100	574	590	17,857	16,293
101-500	720	542	226,586	152,920
501-1000	638	524	525,244	408,348
1001-10000	1198	830	4,392,948	3,087,022
10001-20000	192	120	2,845,405	1,762,185
20001-50000	117	81	3,955,525	2,887,202
50001-100000	37	26	2,773,684	1,988,628
100001-1000000	53	59	18,638,071	19,033,997
1000001-5000000	15	13	23,855,159	22,545,784
5000001-10000000	3	4	18,359,265	23,707,365
10000001 and above	2	2	53,002,920	53,002,920
	<b>3549</b>	<b>2791</b>	<b>128,592,664</b>	<b>128,592,664</b>

**14.00 Share premium**

Share premium from issue of 17,929,900 shares in 2011

294,578,430	294,578,430
<b>294,578,430</b>	<b>294,578,430</b>

**15.00 Retained earnings**

This is arrived as follows:

Opening balance		259,119,158	234,209,557
Stock dividend		-	(61,234,600)
Cash dividend (2020 - 21)*		(64,296,332)	(29,954,275)
Prior year adjustments	15.01	-	(90,625,391)
Transfer from revaluation reserve	16.00	8,131,264	8,572,864
Deferred tax on revaluation reserve	17.00	989,506	120,695
Profit/(Loss) during the year		240,227,113	198,030,308
		<b>444,170,709</b>	<b>259,119,158</b>

\* The Board of Directors of the Company had recommended 5% cash dividend for all Shareholders at the Board Meeting held on 28 October 2021. Subsequently, the dividend had been approved by the shareholders at the Annual General Meeting of the Company held on 14 December 2021 and disbursed to the Shareholders accordingly.



	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
<b>15.01 Prior year adjustment</b>			
Receivable from NBR (2011-12 to 2015-16) (Restated)		-	(38,817,445)
Provision for income tax (2015-16) (Restated)		-	(4,767,300)
Provision for income tax (2016-17 to 2019-20) (Restated)		-	(47,557,628)
Interest - IFRS 16		-	128,521
Depreciation expenses - IFRS 16		-	388,461
		-	<b>(90,625,391)</b>
Restated: Refer to Note 3.06 (b)			
<b>16.00 Revaluation reserve</b>			
Opening balance		188,396,337	196,969,201
Addition during the year		-	-
		188,396,337	196,969,201
Less: Transfer to retained earnings		8,131,264	8,572,864
		<b>180,265,073</b>	<b>188,396,337</b>

Revaluation reserve Tk.8,131,264 (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. Details are given in **Schedule - C**.

#### 17.00 Deferred tax liability

##### Deferred tax liability excluding revaluation reserve

Taxable temporary difference of PPE			
Net book value		11,186,481	74,765,362
Tax base net book value		9,580,115	63,875,675
Taxable temporary difference of PPE		1,606,366	10,889,687
Taxable temporary difference of ROU asset			
Accounting base value		36,540,390	-
Tax base value		33,740,663	-
Taxable temporary difference of ROU asset		2,799,727	-
Taxable temporary difference		4,406,093	10,889,687
Applicable tax rate		22.50%	22.50%
Deferred tax liability, closing (A)	(a)	991,371	2,450,180
Deferred tax liability, opening (B)		2,450,180	2,662,539
Deferred tax income (A-B)		(1,458,809)	(212,359)

##### Deferred tax liability on revaluation reserve

Net book value		691,985	5,089,793
Tax base net book value		-	-
Taxable temporary difference		691,985	5,089,793
Applicable tax rate		22.50%	22.50%
Deferred tax liability, closing (A)	(b)	155,697	1,145,203
Deferred tax liability, opening (B)		1,145,203	1,265,898
Deferred tax, transferred to retained earnings (A-B)		(989,506)	(120,695)
	(a + b)	<b>1,147,068</b>	<b>3,595,383</b>

N.B.: As per Finance Act 2022, the income tax rate is applicable @22.50% for the publicly traded company. Deferred tax arises due to temporary difference in the Property, plant and equipment and Right of use asset.

#### 18.00 Lease liabilities

Lease liabilities, Non current portion	18.01	53,231,835	88,882,542
Lease liabilities, Current portion	18.02	23,711,834	22,562,567
		<b>76,943,669</b>	<b>111,445,109</b>

Notes	Amounts in Taka	
	30 June 2022	30 June 2021
<b>18.01 Lease liabilities, non current portion</b>		
Opening balance	88,882,542	48,430,374
Add: Current year provision	3,033,660	70,940,608
	91,916,202	119,370,982
Less: Transfer to current portion	(23,912,459)	(30,108,640)
Adjustment for lease modification	(14,771,908)	(379,800)
	<b>53,231,835</b>	<b>88,882,542</b>
<b>18.02 Lease liabilities, current portion</b>		
Opening balance	22,562,567	17,550,820
Add: Transfer from non current portion	23,912,459	30,108,640
	46,475,026	47,659,460
Less: Paid during the year	(22,763,192)	(25,096,893)
	<b>23,711,834</b>	<b>22,562,567</b>
<b>19.00 Trade payables</b>		
Payable against supplier	19.01 54,577,740	24,697,858
Payable for others	19.02 2,747,904	3,026,975
	<b>57,325,644</b>	<b>27,724,833</b>
<b>19.01 Payable against supplier</b>		
Link3 Technologies Ltd	47,250	107,100
Metronet (BD) Ltd	-	16,400
Telnet Communications Ltd	90,787	166,576
Compass Plus	38,160,828	-
ECSAS Computer & Equipment	-	4,185,125
N & FAM LTD	-	200,000
BDCOM Online Ltd	13,200	26,400
Thakral Information Systems Pvt Ltd	-	1,972,500
Natty Com Pvt Ltd	612,500	918,750
Royal Technology & Electronics	499,613	229,562
Integrated Security Services Ltd	371,800	671,000
NRB Commercial Bank Ltd (VISA connectivity)	1,410,000	1,401,675
Smart Technologies (BD) Ltd	-	524,536
Property Care Services Bangladesh (Pvt) Ltd	249,524	283,598
Leads Corporation Ltd	-	240,600
Amber IT Ltd	-	87,766
Omega Exim Ltd	195,000	-
Software Shop Ltd	4,816,746	5,180,548
Sonali Bank Ltd (E-Commerce)	-	3,575,290
MZ Pest Control Services	44,722	89,444
Probarton Engineering	10,000	10,000
ADN Telecom Ltd	6,848	6,848
Pathway Technology	-	652,353
BRACNet Ltd	-	16,434
Community Bank Bangladesh Ltd (BKash)	703,202	1,119,128
Esquire Electronics Ltd	-	562,000
Trust Bank Ltd (BKash)	2,710,546	2,454,225
Modhumoti Bank Ltd (Bkash)	27,697	-
Alpine Fresh Water System Ltd	42,518	-
Abir Enterprise	16,125	-
Cool Craft	3,106	-

Notes	Amounts in Taka	
	30 June 2022	30 June 2021
M/S Asif Caring	30,600	-
M/S New Khalil Enterprise	14,200	-
First Security Islami Bank Ltd (Bkash)	122,070	-
New Ali Tyre	106,898	-
Smart Computer & Stationery	65,734	-
Everest Engineering & Service	208,350	-
Advance Fire Protection	16,624	-
HNS Engineering & Services Ltd	20,960	-
Bangladesh Communications Solution	59,592	-
Compliance Control Ltd	3,900,700	-
	<b>54,577,740</b>	<b>24,697,858</b>
<b>19.02 Payable for others</b>		
TDS payable	132,311	132,311
VAT payable	2,615,593	2,894,664
	<b>2,747,904</b>	<b>3,026,975</b>
<b>20.00 Bank over draft</b>		
Trust Bank Ltd (OD A/C)	202,281,400	354,808,526
Trust Bank Ltd (LTR A/C)	-	94,981,867
	<b>202,281,400</b>	<b>449,790,393</b>
<b>21.00 Other liabilities</b>		
Audit fee payable	431,250	431,250
Legal & professional expenses payable	57,500	201,250
Salaries payable	-	513,133
IPO subscription refund	21.01 55,277	55,277
Provision for WPPF & WF	21.02 12,593,210	11,352,123
Dividend payable	21.03 -	-
Inward remittance payable	67,335,483	632,211
Liabilities against transactions	17,580	-
Topup transaction payable	8,126	-
Provision for Card Issuance System	-	5,411,652
Liabilities against office rent	-	39,626
	<b>80,498,426</b>	<b>18,636,522</b>

21.01 IPO subscription refund	Currency	A/C No.	30 June 2022	30 June 2021
			Taka	Taka
Trust Bank Ltd, FC A/C	USD	0017-5802000024	50,424	50,424
Trust Bank Ltd, FC A/C	EURO	0017-5804000020	4,853	4,853
			<b>55,277</b>	<b>55,277</b>

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

<b>21.02 Provision for WPPF &amp; WF</b>		
Opening balance	11,352,123	9,258,202
Add: Current period provision	12,593,210	11,352,123
	23,945,333	20,610,325
Less: Paid during the period	(11,352,123)	(9,258,202)
	<b>12,593,210</b>	<b>11,352,123</b>

	Notes	Amounts in Taka	
		30 June 2022	30 June 2021
<b>21.03 Dividend payable</b>			
Dividend payable - Opening		-	-
Add: Cash dividend (2020-21)		64,296,332	29,954,275
Fractional dividend		-	25,654
		64,296,332	29,979,929
Less: Paid during the period		(64,296,332)	(29,979,929)
		-	-
<b>22.00 Unclaimed dividend</b>			
Unclaimed dividend - Opening		1,177,452	763,054
Add: Unclaimed dividend		178,742	414,398
		1,356,194	1,177,452
Less: Unclaimed dividend transfer to CMSF		(763,044)	-
Unclaimed dividend		(9,068)	-
		(772,112)	-
		<b>584,082</b>	<b>1,177,452</b>

N.B.: CMSF - Capital Market Stabilization Fund

The ageing of unclaimed dividend at the reporting date was:

Financial Year	30 June 2022			Previous years cumulative closing balance
	Opening balance	Closing balance for the current year	Cumulative closing balance	
2015-16	-	-	-	2,250
2016-17	-	-	-	760,601
2017-18	-	-	-	763,044
2018-19	-	205,856	205,856	-
2019-20	205,856	199,484	405,340	-
2020-21	405,340	178,742	584,082	-

The Company has given cash and fractional dividend (from Stock Dividend) to the respective shareholders' individual Bank A/C through BEFTN and subsequently has issued cheques / dividend warrants to the recipients against returned BEFTN dividend amount of the shareholders, which were not presented before the related banks till 30 June, 2022. Those amounts are deposited in a bank account and are payable on demand of the shareholders. During the period an amount of Tk. 763,044/- against unclaimed dividend has been transferred through BEFTN to the Capital Market Stabilization Fund (CMSF) as per BSEC notification No. : SEC/SRMIC/165-2020/part-1/182, dated : 19 July 2021.

### 23.00 Provision for income tax

Opening balance	158,541,709	76,992,277
Add: Current period provision	13,095,898	29,224,504
Prior year adjustment (2015-16) (Restated)	-	4,767,300
Prior year adjustment (2016-17 to 2019-20) (Restated)	-	47,557,628
	171,637,607	158,541,709
Less: Adjustments:		
Receivable from NBR (2015-16)	(4,767,300)	-
Advance income tax (2016-17 to 2019-20)	(124,511,045)	-
Receivable from NBR (2019-20)	(38,860)	-
	(129,317,205)	-
	<b>42,320,402</b>	<b>158,541,709</b>

Tax liability has been set off with refund as per Section - 152 of the Income Tax Ordinance, 1984.

Restated: Refer to Note 3.06 (b)

	Notes	Amounts in Taka	
		2021-22	2020-21
<b>24.00 Revenue</b>			
Q-cash transaction processing charge	24.01	723,053,469	625,582,391
Service and maintenance charge	24.02	247,134,026	309,787,510
Sales revenue	24.03	44,425,769	400,666,315
		<b>1,014,613,264</b>	<b>1,336,036,216</b>
<b>24.01 Q-cash transaction processing charge</b>			
ATM software support & maintenance		67,261,440	65,290,730
Contactless middleware card management software		941,600	7,812,000
Q-cash joining & interface establishment		-	900,000
Core banking software interface service		1,642,500	-
NPS software support & maintenance		-	29,382,500
		<b>69,845,540</b>	<b>103,385,230</b>
<b>Card charge</b>			
Card annual/issuance charge (Customer data management software service)		137,160,558	134,075,916
Card renewal charge (Customer data management software maintenance)		161,980,131	146,591,723
		<b>299,140,689</b>	<b>280,667,639</b>
<b>Connectivity charge</b>			
Link connectivity charge		285,720	285,720
VISA connectivity charge		22,560,107	21,337,453
		<b>22,845,827</b>	<b>21,623,173</b>
<b>Transaction processing charge</b>			
ATM transaction charge		114,073,147	81,472,859
Topup transaction charge		1,160,885	535,544
POS transaction charge		133,436,243	91,549,340
SMS management charge		1,200,288	1,050,288
SMS service charge	24.01.01	24,914,794	23,530,120
Card cheque transaction charge		837,661	1,032,456
Fund transfer transaction charge		681,670	367,550
Data SIM transaction charge		1,845,470	697,740
E-challan transaction charge (NBR)		-	100,050
OTP transaction		1,659,740	2,406,582
E-mail notification charge		100,000	100,000
Internet banking fund transfer transaction		3,240,442	162,420
Inward remittance transaction charge		1,240,335	2,250
E-alert transaction		725,000	-
E-statement transaction		87,500	-
BKash e-money transaction		38,922,311	16,793,241
E-challan VISA & MC transaction charge		1,415,600	105,909
		<b>325,541,086</b>	<b>219,906,349</b>
<b>SMS aggregator project - uLKa</b>			
SMS service charge		5,680,327	-
		<b>5,680,327</b>	-
		<b>723,053,469</b>	<b>625,582,391</b>

Notes	Amounts in Taka	
	2021-22	2020-21

The company has initiated and implemented SMS service towards its clients under an Application to Person (A2P) SMS aggregator enlistment certificate issued by BTRC. In this respect, the company has been obtained enlistment certificate as on November 18, 2021 vide enlistment no. - BTRC-A2P-21-081. Initially, the validity of the enlistment certificate is 17.11.2024, which is renewable. As per BTRC guidelines under clause - 19.1.4, the company will require to share revenue on "A2P SMS Aggregator Project" with BTRC (Bangladesh Telecommunication Regulatory Commission) being an A2P SMS aggregator enlisted company. The revenue sharing will be made at 0% for the first year from the enlistment date and the remaining years it will be shared @5.5% on net income of the project. Further, @1.00% revenue sharing will be made on net income of the project with the Social Welfare/Liabilities Fund under clause - 19.1.5 subject to yearly audit.

24.01.01 The company has been provided SMS service to the clients earlier through different channel. But the company has obtained an SMS aggregator enlistment certificate from BTRC and during this year it has started to provide SMS service to the respective clients through BTRC under the A2P (Application to Person) SMS aggregator project from May 2022. So, we have considered SMS service as revenue up to April 2022, and respective expenses have been made and recognized accordingly.

**24.02 Service and maintenance charge**

ATM software servicing & maintenance charge	134,095,569	145,570,006
KIOSK software servicing & maintenance charge	6,027,860	8,639,709
POS software servicing & maintenance charge	12,492,809	17,959,533
Tranzware retail re-installation charge	711,000	711,000
ATM booth servicing & maintenance charge	5,072,724	5,072,724
Switching software service charge	81,836,473	56,536,921
UPS servicing & maintenance charge	1,968,366	9,113,636
KIOSK modification charge	-	1,840,000
PCI DSS security compliance charge	1,450,000	1,250,000
NCR ATM switching software service charge	2,421,832	1,755,030
OTP service charge	1,057,393	579,051
Software customization & application development	-	60,759,900
	<b>247,134,026</b>	<b>309,787,510</b>

**24.03 Sales revenue**

Sales of ATM	-	600,000
Sales of POS	42,974,606	400,066,315
Sales of CDM	1,451,163	-
Sales of anti skimming device	-	-
	<b>44,425,769</b>	<b>400,666,315</b>

**25.00 Cost of services & sales**

Cost of services	25.01	472,522,538	628,169,781
Cost of sales	25.02	43,176,748	248,859,078
		<b>515,699,286</b>	<b>877,028,859</b>

**25.01 Cost of services**

Salary & allowance	181,386,798	164,688,964
Computer components expenses	584,197	959,767
ATM carrying & labour charge	1,305,225	2,187,600
Link connectivity charge	2,950,241	3,180,319
ATM software servicing & maintenance	10,516,478	10,209,989
Secure site Pro with EV	225,166	215,309
Card printer repairs & maintenance	2,016,913	1,102,718
KIOSK software servicing & maintenance	966,526	3,097,342
KIOSK modification cost	-	1,158,091
Networking materials cost	596,125	504,590
POS software servicing & maintenance expenses	2,641,438	4,776,223
Data SIM bill expenses	935,044	2,212,973

Notes	Amounts in Taka	
	2021-22	2020-21
Post office project expenses	47,276	322,620
Ribbon for card printer	1,549,000	892,498
SMS service charge	7,796,411	19,010,078
Call center service charge	1,020,306	265,276
ATM spare parts	32,294,898	13,505,508
VISA connectivity expenses	5,195,050	5,606,700
Short code allocation fee	172,735	138,757
Online UPS servicing & maintenance charge	2,339,280	14,002,550
Grounding/Earthing service charge	287,438	344,184
Servicing & maintenance expenses for data center	3,681,871	2,485,651
Data connectivity & radio link charge	100,900	144,224
VISA card expenses	2,447,575	3,397,260
VISA 3DS security module	-	1,178,067
Service interruption charge	4,188,694	1,281,647
Commercial license charge for JIRA	1,304,219	1,266,301
Topup settlement charge	50,295	117,555
LINUX OS license fee	399,996	399,996
Biometric finger vein service charge	-	2,402,585
License fee	1,913,656	553,272
License fee for core banking solution	-	51,368,079
Software development expenses	8,710,788	49,816,054
Software customization expenses	-	5,565,000
EMV & NFC configuration expenses	-	19,343,299
EMV & NFC software certification expenses	-	479,871
VISA bureau card production charge	209,158	29,800
VMware license fee	2,046,327	1,256,105
Courier bill	1,691,890	2,021,900
Agent banking software service charge	650,000	4,150,000
Contactless middleware software expenses	1,581,563	-
Certification charge	8,590,375	5,309,375
Switching software license charge	-	76,395,764
E-mail service charge	68,250	29,400
Software maintenance charge	846,211	-
Recurring license charge	63,476,987	13,551,999
Support & maintenance of HSM	741,072	617,559
Annual technical support fee	6,843,997	13,592,000
BKash e-money transaction charge	24,423,600	11,836,710
VISA system integrity fee	57,587	977,369
BKash ATM cash out transaction charge	1,166,780	-
ATM booth servicing & maintenance expenses	3,675,000	3,675,001
POS implementation project for BPO	-	15,225,000
Service charge - DEW	-	24,750,000
PCI DSS security compliance expenses	8,971,492	10,318,322
SMS aggregator project - uLKa	13,233,365	-
Profit sharing of SMS aggregator project with BTRC	-	-
Depreciation expenses	28,954,925	28,618,140
Amortization expenses	27,669,420	27,634,420
	<b>472,522,538</b>	<b>628,169,781</b>

	Notes	Amounts in Taka	
		2021-22	2020-21
<b>25.01.01 Software development expenses</b>			
End-to-end encryption and micro ATM features of Wizar POS terminal		525,000	-
Middleware software development for banks		2,550,000	41,475,000
Software configuration & development for Infosys core banking software - CBBL project		3,426,150	7,768,950
Software development for Inward remittance service		1,050,000	-
Software development of ATMOS (Windows 10) for Shahjalal Islami Bank Ltd.		630,000	-
Development and implementation of CDM application of The City Bank Ltd		525,000	-
MMS office development		4,638	-
Middleware Wizar POS application software development		-	405,867
Development of CRM license and certification for FSIBL		-	166,237
		<b>8,710,788</b>	<b>49,816,054</b>
<b>25.01.02 PCI DSS security compliance expenses</b>			
Compliance validation service		2,933,362	-
Managed security services		-	3,163,381
PCI DSS service		1,880,000	1,611,610
Web application firewall		650,805	270,416
PCI PIN security module		1,140,700	3,793,178
Internal scanning application service		-	1,479,737
PCI 3D secure certification		2,366,625	-
		<b>8,971,492</b>	<b>10,318,322</b>
<b>25.01.03 SMS aggregator project - uLKa</b>			
Salary & allowance		206,000	-
Enlistment fee		24,917	-
One time charge (MNP dipping)		23,000	-
Recurring charge (MNP dipping)		10,350	-
MNP dipping service		230,733	-
SMS service charge	24.01.01	12,401,424	-
Link connectivity charge		79,226	-
Depreciation expenses*		257,715	-
		<b>13,233,365</b>	<b>-</b>

\*The company acquired hardware for performing SMS service through an SMS aggregator project as of December 2021, and subsequently depreciation has been charged. But the company did not consider amortization of uLKa QsMs gate way software due to the fact that this software was fully developed and installed at the end of this year.

<b>25.01.04 Profit sharing of SMS aggregator project with BTRC</b>			
SMS service charge - uLKa		5,680,327	-
Less: Expenses incurred during the year	25.01.03	(13,233,365)	-
Profit/(Loss)		(7,553,038)	-
Payable against profit sharing : BTRC			
BTRC @ 0% (for the 1st year)		-	-
Social welfare/liabilities fund @ 0% (for the 1st year) if loss		-	-



	Notes	Amounts in Taka	
		2021-22	2020-21
<b>25.02 Cost of sales</b>			
ATM		-	407,857
POS		42,114,336	248,451,221
CDM		1,062,412	-
		<b>43,176,748</b>	<b>248,859,078</b>
<b>26.00 General &amp; administrative expenses</b>			
Salary & allowance		48,873,734	45,853,443
Office rent		843,312	826,294
Office maintenance		4,109,629	5,010,821
Utilities		10,490,347	10,875,791
Insurance premium		97,926	164,560
Insurance premium on assets		1,696,124	1,494,034
Gas, fuel & lubricants - Vehicle		7,721,829	7,184,879
Meeting attendance fee	26.01	70,000	54,000
Car reimbursement expenses		5,303,924	4,477,090
Conveyance expenses		567,773	401,122
Entertainment expenses		3,444,375	2,480,685
Entertainment for foreign guest		456,585	508,000
Postage & courier		124,996	109,262
Printing & stationery		2,964,427	2,509,414
Training expenses		72,000	58,375
Eid holiday allowance		1,304,700	805,350
Security guard salary		4,350,900	4,026,000
Computer spare parts		330,808	234,190
Internet bill		426,858	548,331
Legal & professional expenses		1,323,455	1,212,878
Membership fee		113,551	30,365
Mobile bill		5,795,488	5,879,088
Newspaper bill		10,640	7,770
Service charge		1,692,813	1,699,241
Telephone bill		260,469	310,709
Vehicle running expenses		3,697,550	2,321,200
Website development expenses		126,572	-
Festival expenses		100,200	35,000
Books & periodicals		2,950	2,310
Google mail server software license fee		1,377,386	1,535,726
Oracle software license renewal fee		1,872,250	1,903,416
Antivirus software license fee		-	339,500
Advertisement expenses		632,157	586,674
Retirement allowance		600,000	339,000
AGM expenses		881,753	847,639
Bonus share distribution expenses		-	27,831
Share management software		105,000	-
Depreciation expenses		4,682,280	4,344,180
Depreciation expenses on ROU assets		29,071,726	29,380,548
		<b>145,596,487</b>	<b>138,424,716</b>

Notes	Amounts in Taka	
	2021-22	2020-21

26.01 Independent Directors have received the following meeting attendance fees during the year ended 30 June 2022:

Name	No. of Meeting	2021-22 Taka	2020-21 Taka
Md. Kamal Uddin, FCA	4	20,000	-
Mr. Dasgupta Asim Kumar	4	20,000	-
Md. Waliuzzaman, FCA	5	15,000	27,000
Md. Haqueful Shaikh	5	15,000	27,000
		<b>70,000</b>	<b>54,000</b>

#### 27.00 Selling & distribution expenses

Salary & allowance	36,333,773	30,906,160
Advertisement expenses	301,810	689,860
Plastic card (Promotional)	2,926,147	4,508,126
Support & training expenses	2,802,030	583,757
Business promotional expenses	734,111	2,401,901
Enlistment fee	14,000	-
Tender expenses	132,500	25,000
Travelling & tour allowance - overseas	-	128,940
Travelling & tour allowance - local	55,249	186,185
Transportation expenses	13,500	61,120
	<b>43,313,120</b>	<b>39,491,049</b>

#### 28.00 Other operating expenses

Audit fees	431,250	431,250
Bank charge	281,709	208,272
Bank commission	235,209	96,883
Excise duty	621,600	684,100
Consultancy fee	44,722	588,813
Credit rating fee	53,750	53,750
Domain registration charge	70,964	41,538
Gift & donation expenses	740,813	644,267
Medical expenses	1,252,618	1,083,844
Miscellaneous expenses	6,949,633	7,741,259
Registration & renewals	475,009	980,649
Stamp, duty & fees	43,335	21,690
Bad debt expenses	371,429	-
Signing ceremony expenses	16,980	16,520
Renewal fess - DSE, CSE & CDBL	1,114,370	1,422,558
	<b>12,703,391</b>	<b>14,015,393</b>

#### 29.00 Non-operating income/(expenses)

Other income	610,258	57,785
Gain/(Loss) from BHTP project	(1,968,399)	-
	<b>(1,358,141)</b>	<b>57,785</b>

	Notes	Amounts in Taka	
		2021-22	2020-21
<b>30.00 Finance costs</b>			
Interest on short term loan		35,163,022	48,867,643
Interest on lease from ROU assets		7,908,528	7,392,497
		<b>43,071,550</b>	<b>56,260,140</b>
<b>31.00 Finance income</b>			
Trust Bank Ltd, FDR A/C NO - 21516		8,020,320	9,144,609
Trust Bank Ltd, FDR A/C NO - 30060		3,026,531	4,008,056
Trust Bank Ltd, FDR A/C NO - 31694		37,839	59,794
Trust Bank Ltd, FDR A/C NO - 39552		250,000	-
Jamuna Bank Ltd, FDR A/C NO - 65354		98,895	120,545
Trust Bank Ltd, SND A/C NO - 01315		534	983
Trust Bank Ltd, SND (Dividend) A/C NO - 01619		95,503	1,727
Jamuna Bank Ltd, SND A/C NO - 19495		12,515	38,608
Eastern Bank Ltd, SND A/C NO - 10568		8,136	702
NRB Commercial Bank Ltd, CD A/C - 00685		31,524	21,305
Sonali Bank Ltd, SND A/C - 00014, Wage Earners Br.		4,326	2
Trust Bank Ltd, SND A/C - 01628		-	1
Interest obtained from lien FDR of System Engineering		-	14,124,400
		<b>11,586,123</b>	<b>27,520,732</b>
<b>32.00 Contribution to WPPF &amp; WF</b>			
Contribution to WPPF & WF for current year		12,593,210	11,352,123
		<b>12,593,210</b>	<b>11,352,123</b>
<b>33.00 Current Tax</b>			
<b>Profit before Income Tax</b>			
Non-taxable		287,716,495	170,501,071
Other than supply sales		(25,836,172)	25,996,922
Supply sales		(10,016,121)	35,716,783
		<b>251,864,202</b>	<b>232,214,776</b>
<b>Profit before income tax (Other than supply sales)</b>		-	<b>25,996,922</b>
Provision for tax on profit of taxable services (Other than ITES)		-	5,849,307
Minimum tax from other than supply sales		9,726,562	-
Minimum tax from supply sales		3,369,336	23,375,197
<b>Provision for income tax during the year</b>		<b>13,095,898</b>	<b>29,224,504</b>

### 33.01 Reconciliation of effective tax rate

	2021-22		2020-21	
	%	Taka	%	Taka
<b>Tax using the company's tax rate</b>	<b>22.50%</b>	<b>56,669,445</b>	<b>22.50%</b>	<b>51,084,552</b>
<b>Tax effect of:</b>				
Provision for non-deductible expenses	0.00%	-	0.51%	1,163,773
Less: Non-taxable for being ITES	-25.70%	(64,736,211)	-16.90%	(38,362,741)
Other than supply sales	3.86%	9,726,562	0.00%	-
Add/(Less): Tax on other than supply sale at normal tax rate	2.31%	5,813,139	0.00%	-
Supply sales	1.34%	3,369,336	10.30%	23,375,197
Add/(Less): Tax on supply sale at normal tax rate	0.89%	2,253,627	-3.54%	(8,036,276)
<b>Effective tax rate</b>	<b>5.20%</b>	<b>13,095,898</b>	<b>12.87%</b>	<b>29,224,504</b>

	Notes	Amounts in Taka	
		2021-22	2020-21
<b>34.00 Deferred Tax</b>			
Deferred tax expenses/(income)	17.00	(1,458,809)	(212,359)
<b>Income tax</b>		<b>(1,458,809)</b>	<b>(212,359)</b>

The provision for deferred income tax is raised due to taxable temporary differences for this year. Details breakup has been shown in the under Note - 17.00.

<b>35.00 Earnings per share (EPS)</b>			
Net profit after tax		240,227,113	198,030,308
Weighted average number of shares outstanding	37.01	128,592,664	128,592,664
		<b>1.87</b>	<b>1.54</b>

The part of revenue especially Q-cash transaction processing charge has increased and cost of services & sales has decreased significantly than the previous year. Subsequently the earnings per share has increased refers to the upward trend in this financial year.

<b>36.00 Net Assets Value (NAV)</b>			
Before restatement:		<b>30 June 2022</b>	<b>30 June 2021</b>
Share capital		1,285,926,640	1,285,926,640
Share premium		294,578,430	294,578,430
Retained earnings		444,170,709	350,261,531
Revaluation reserve		180,265,073	188,396,337
Total equity with revaluation reserve		2,204,940,852	2,119,162,938
Weighted average number of shares outstanding	37.01	128,592,664	128,592,664
		<b>17.15</b>	<b>16.48</b>
After restatement:		<b>30 June 2022</b>	<b>30 June 2021</b>
Share capital		1,285,926,640	1,285,926,640
Share premium		294,578,430	294,578,430
Retained earnings		444,170,709	259,119,158
Revaluation reserve		180,265,073	188,396,337
Total equity with revaluation reserve		2,204,940,852	2,028,020,565
Weighted average number of shares outstanding	37.01	128,592,664	128,592,664
		<b>17.15</b>	<b>15.77</b>

Restated: Refer to Note 3.06 (b)

<b>37.00 Net Operating Cash Flows Per Share (NOCFPS)</b>			
Net cash provided by/(used in) operating activities		379,485,147	214,299,883
Weighted average number of shares outstanding	37.01	128,592,664	128,592,664
		<b>2.95</b>	<b>1.67</b>

Net Operating Cash Flow Per Share (NOCFPS) has increased during this year due to decrease of Cash paid to suppliers, Cash paid for operating activities and interest expenses than the previous year.

37.01 Weighted average number of shares outstanding			
Weighted average number of shares outstanding as at 30 June 2022		128,592,664	128,592,664
		<b>128,592,664</b>	<b>128,592,664</b>

Notes	Amounts in Taka	
	2021-22	2020-21
<b>38.00 Reconciliation of cash flows from operating activities</b>		
<b>through indirect method</b>		
Net Profit/(Loss) before tax	251,864,202	227,042,453
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation	62,966,646	62,342,868
Amortization	27,669,420	27,634,420
Sub total (a)	90,636,066	89,977,288
<b>Working capital adjustments:</b>		
Increase/decrease in inventories	68,262,590	(61,088,044)
Increase/decrease in accounts receivable	40,552,873	(64,684,091)
Increase/decrease in other receivable	1,657,278	68,270,764
Increase/decrease in advance, deposit & prepayments <sup>38.01</sup>	(147,688,404)	115,692,205
Increase/decrease in trade payable	29,600,811	(8,963,743)
Increase/decrease in payable for expenses	-	(15,577,015)
Increase/decrease in other liabilities	61,861,904	(69,580,557)
Income tax paid as AIT	(13,095,898)	(31,416,797)
Interest income	(11,586,123)	(27,520,732)
Sub total (b)	29,565,031	(94,868,010)
<b>Other adjustments and adjustments for the non-current assets &amp; liabilities portion included in the current assets and liabilities:</b>		
Adjustment against property, plant & equipment	9,644,638	(4,612,437)
Adjustment against capital WIP	1,968,399	-
Provision for income tax (2015-16 & 2019-20)	(4,806,160)	-
Interest receivable	19,601	(2,825,013)
Dividend payable	593,370	(414,398)
Sub total (c)	7,419,848	(7,851,848)
Total (a+b+c)	127,620,945	(12,742,570)
<b>Cash flows from operating activities</b>	<b>379,485,147</b>	<b>214,299,883</b>
<b>38.01 Increase/decrease in advance, deposit &amp; prepayments</b>		
Increase/decrease in advance, deposit & prepayments	(33,450,445)	84,275,408
Increase/ decrease in Advance income tax (AIT)	13,095,898	31,416,797
Adjustment of income tax provision (2016-17 to 2019-20)	(124,511,045)	-
Adjustment of receivable from NBR (2016-17 to 2018-19)	(2,822,812)	-
	(147,688,404)	115,692,205

### 39.00 Events after the reporting period

The Board of Directors of the Company has recommended 6% cash dividend for all Shareholders at the Board Meeting held on 25 October 2022. The dividend is subject to approve by the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company dated 14 December 2022. Dividend payable for the year 2021-22 will be recognized after the dividend being approved by the Shareholders in the AGM.

#### 40.00 Related party transaction

##### 40.01 Other related party transactions during the year

The company has entered transactions with other entities in normal course of business that fall within the definition of related party as per International 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 2022	Balance as at 30 June 2021
	Taka			Taka	Taka
Trust Bank Ltd.	59,999,756	Shareholder	Sale of equipment & service	36,461,908	26,995,942
National Bank Ltd.	33,598,876	Shareholder	Sale of equipment & service	7,454,037	11,076,091
Mercantile Bank Ltd.	29,651,238	Shareholder	Sale of equipment & service	8,824,522	9,873,892
LankaBangla Finance Ltd.	20,601,768	Shareholder	Q-cash transaction	9,099,148	14,589,345

##### 40.02 Key management personnel compensation

Particulars	2021-22		2020-21	
	Managing Director	Other Managers	Managing Director	Other Managers
Directors remuneration	7,440,000	-	7,440,000	-
Salary & allowance	-	78,741,279	-	73,500,573
Short term employee benefits	-	613,312	-	511,969
Other long term benefits	-	306,656	-	256,003
Post employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Share based payment	-	-	-	-
<b>Grand total</b>	<b>7,440,000</b>	<b>79,661,247</b>	<b>7,440,000</b>	<b>74,268,545</b>

We have no disclosure as per BSEC Notification No. BSEC/CMRRCD/2009-193/2/admin/103 dated 05 February, 2020.

**Schedule - A**  
**Finished Goods**  
**as at 30 June 2022**

Inventory items	Balance as at 01 July 2021		Addition during the year		Consumption / Sales during the year		Balance as at 30 June 2022	
	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Stock in trade - ATM	17	6,933,565	-	-	-	-	17	6,933,565
PROCASH 280 NFL KMAT	2	1,159,633	-	-	-	-	2	1,159,633
DN Series 100D	3	2,596,491	-	-	-	-	3	2,596,491
PROCASH 285 KMAT	2	7,245,000	-	-	-	-	2	7,245,000
Opteva 378 Cash Recycler	48	3,499,557	-	-	-	-	48	3,499,557
Stock in trade - Anti-skimming device	1	96,491	-	-	-	-	1	96,491
Stock in trade - TMD device (Anti skimming)	15	227,353	-	-	-	-	15	227,353
Stock in trade - TMD security device (Anti skimming)	23	4,072,578	-	-	6	1,062,412	17	3,010,166
Stock in trade - CDM	4,783	80,300,043	1,020	9,238,663	2,969	42,114,336	2,834	47,424,370
Stock in trade - POS	962	4,686,035	-	-	-	-	962	4,686,035
Stock in trade - Biometric device	1	259,794	-	-	-	-	1	259,794
<b>Total</b>		<b>111,076,540</b>		<b>9,238,663</b>		<b>43,176,748</b>		<b>77,138,455</b>

**Schedule - B**  
**Store materials**  
**as at 30 June 2022**

Inventory items	Balance as at 01 July 2021		Addition during the year		Consumption during the year		Balance as at 30 June 2022	
	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
ATM spare parts	-	226,871,128	-	-	-	32,252,785	-	194,618,343
KIOSK/CDM spare parts	-	4,098,305	-	-	-	132,617	-	3,965,688
POS spare parts	-	10,085,393	-	-	-	1,939,103	-	8,146,290
<b>Total</b>		<b>241,054,826</b>		<b>-</b>		<b>34,324,505</b>		<b>206,730,321</b>

Schedule - C

Statement of Revaluation Reserve on Property, Plant & Equipment and Intangible Assets as at 30 June 2022

Particulars	Revaluation			Depreciation/Amortization			Net book value As at 30 June 2022 Taka			
	As at 01 July 2021 Taka	Addition during the year Taka	Disposal during the year Taka	As at 30 June 2022 Taka	Rate %	As at 01 July 2021 Taka		Charged during the year Taka	Disposal during the year Taka	As at 30 June 2022 Taka
<b>Property, Plant &amp; Equipment</b>										
ATM machinery	69,237,574	-	-	69,237,574	15%	57,651,135	1,737,964	-	59,389,099	9,848,475
Card printer	7,334,892	-	-	7,334,892	15%	6,107,447	184,116	-	6,291,563	1,043,329
Plant & machinery	9,917,246	-	-	9,917,246	15%	8,257,664	248,936	-	8,506,600	1,410,646
POS terminal	13,199,873	-	-	13,199,873	15%	10,990,963	331,336	-	11,322,299	1,877,574
<b>Sub total</b>	<b>99,689,585</b>	<b>-</b>	<b>-</b>	<b>99,689,585</b>	<b>--</b>	<b>83,007,209</b>	<b>2,502,352</b>	<b>-</b>	<b>85,509,561</b>	<b>14,180,024</b>
<b>Intangible Assets</b>										
ATM software	6,242,650	-	-	6,242,650	2.5%	1,248,532	156,068	-	1,404,600	4,838,050
POS software	4,186,345	-	-	4,186,345	5%	1,674,533	209,316	-	1,883,849	2,302,496
Q cash retailer POS software	4,224,910	-	-	4,224,910	5%	1,689,964	211,244	-	1,901,208	2,323,702
Software development	65,710,823	-	-	65,710,823	2.5%	13,142,169	1,642,772	-	14,784,941	50,925,882
Switching software	136,380,534	-	-	136,380,534	2.5%	27,276,103	3,409,512	-	30,685,615	105,694,919
<b>Sub total</b>	<b>216,745,262</b>	<b>-</b>	<b>-</b>	<b>216,745,262</b>	<b>--</b>	<b>45,031,301</b>	<b>5,628,912</b>	<b>-</b>	<b>50,660,213</b>	<b>166,085,049</b>
<b>Grand total</b>	<b>316,434,847</b>	<b>-</b>	<b>-</b>	<b>316,434,847</b>	<b>--</b>	<b>128,038,510</b>	<b>8,131,264</b>	<b>-</b>	<b>136,169,774</b>	<b>180,265,073</b>

as at 30 June 2021

Particulars	Revaluation			Depreciation/Amortization			Net book value As at 30 June 2021 Taka			
	As at 01 July 2020 Taka	Addition during the year Taka	Disposal during the year Taka	As at 30 June 2021 Taka	Rate %	As at 01 July 2020 Taka		Charged during the year Taka	Disposal during the year Taka	As at 30 June 2021 Taka
<b>2020-21</b>	<b>316,434,847</b>	<b>-</b>	<b>-</b>	<b>316,434,847</b>	<b>--</b>	<b>119,465,646</b>	<b>8,572,864</b>	<b>-</b>	<b>128,038,510</b>	<b>188,396,337</b>






## WE DEEPLY MOURN

the demise of  
**Kazi Golam Sarwar Waheed**  
Chief Security & Compliance Officer  
Compliance Department

02/11/1977 - 20/11/2021


 IT Consultants Ltd.



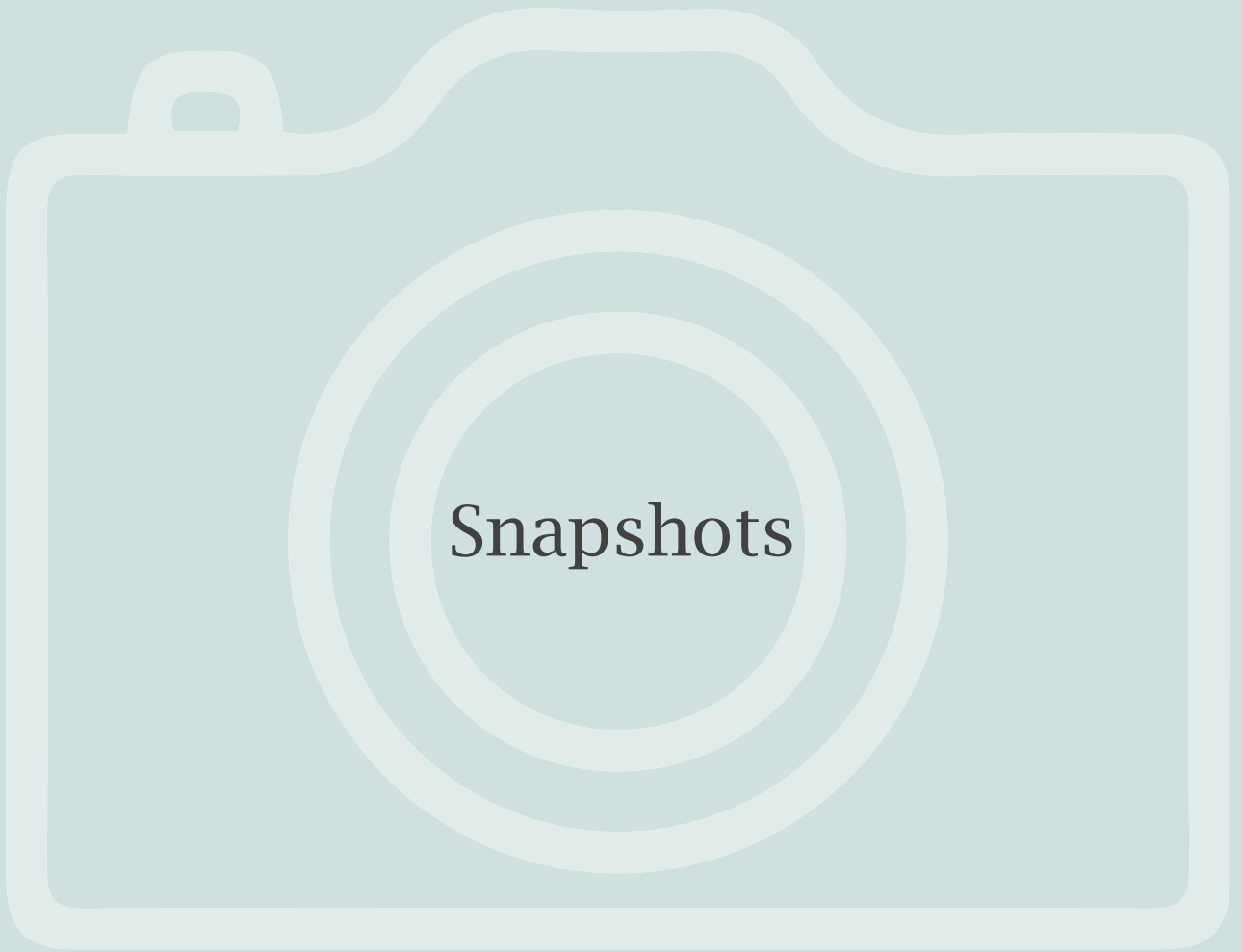
## WE DEEPLY MOURN

the demise of  
**Mohammed Atawar Rahoman**  
Support Engineer  
ATM & KIOSK Operation Team

01/11/1979 - 25/11/2021

 IT Consultants Ltd.





Snapshots

# Snapshots



## Congratulations

We are proud of your great achievement.



***Md. Sakib Khan***

*Manager, Network & Security Team  
received the invitation to work for  
FIFA world cup-2022 in Qatar  
as an IT manager.*



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 22<sup>nd</sup> Annual General Meeting (AGM) of the  
Company to be held through virtual participation on Wednesday, December 14, 2022 at 10:30 a.m.  
under digital mode as per regulatory guidelines.

Signature of Shareholder

Revenue  
Stamp  
20.00

Signature of proxy

Dated.....2022

BO A/C No.

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

**No. of Shares:**

**Note:**

- 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 FOR VIRTUAL REGISTRATION**

I do hereby record my/our attendance at the 22<sup>nd</sup> Annual General Meeting (AGM) of ITC to be held  
virtually under digital participation on Wednesday, December 14, 2022, at 10:30 a.m. Name of the  
Member/

Shareholder/ Proxy.....

BO ID:

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

Signature.....

Date.....

**N.B.:** Shareholders attending the Meeting in person or by Proxy under virtual platform are requested  
to complete the Attendance Slip and deposit the same at the Registered Office of the Company before  
the meeting.



**Information Technology Consultants Ltd.**

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