



Digital Transformations
in Banking & Financial Services





Dr. Kazi Saifuddin Munir, MD & CEO of ITCL (Q-Cash) is receiving the ICT Business Person of Year 2022 award from Honorable Planning Minister MA Mannan, MP



10th
ICSB National Award 2022
for Corporate Governance Excellence



IT Consultants Limited wins the '**Bronze Award**' in the Information and Communication Technology Category in the **10th ICSB National Award** for Corporate Governance Excellence for the year 2022.



IT Consultants Limited wins the
'BRONZE AWARD'
in the IT & Telecommunication category in the
ICMAB BEST CORPORATE AWARD
for the year 2022.

VISA
LEADERSHIP
CONCLAVE 2023
TOWARDS A CASHLESS,
SMART BANGLADESH



EXCELLENCE IN
PAYMENT PROCESSING

IT CONSULTANTS LIMITED





IT Consultants lays foundation stone of ITC tower project

On 1st October 2023, the foundation stone laying ceremony of ITC Tower took place at 35Kha of Tejgaon I/A, marking a significant milestone in the journey of IT Consultants Limited (ITC). The event was graced by esteemed dignitaries and industry leaders.

The chief guest of the ceremony Mr. Salahuddin Alamgir CIP Chairman of Labib Group and Vice Chairman of IT Consultants Limited, special guest Ms. Humaira Azam, Managing Director & CEO of Trust Bank Limited, Mr. Ahsan Zaman Chowdhury, DMD & CBO of The Trust Bank Limited, Dr. Kazi Saifuddin Munir, PhD, Managing Director and CEO of ITC and Mr. Osman Haidar, Director Business at ITC was present in the ceremony.

The ITC Tower project will comprise of 14-storied state-of-the-art data center dedicated to local data hosting and local cloud services specialized for Banks and Financial Industry along with Head office of the organization.





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To the Patrons & Stakeholders

To the Patrons & Stakeholders

Date: November 22, 2023

The Shareholders
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange PLC.
Financial Reporting Council of Bangladesh
Professional Institutes (ICAB, ICSB, ICMAB etc.)
Other Stakeholders

Subject: Annual Report for the year ended June 30, 2023

Dear Sir(s),

Enclosed herewith, please find a copy of the Annual Report 2022-2023 containing Directors' Report and Auditor's Report together with the Audited Financial Statements for the year ended June 30, 2023 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

Thanking you,

Sincerely Yours,



Anindya Sarkar FCS
Company Secretary



Notice of the
23rd AGM

Notice of the 23rd Annual General Meeting

(Virtual AGM through Digital Platform)

(link: <http://itcl23rdagm.digitalagmbd.net>)

Notice is hereby given to the Shareholders of Information Technology Consultants Limited that the 23rd Annual General Meeting (AGM) of the Company will be held on Monday, December 18, 2023, at 10:30 a.m. under the digital platform through the link <https://itcl23rdagm.digitalagmbd.net> to transact the following businesses:

Ordinary Business

- Agenda-1: To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2023 together with the Report of Directors' and Auditors' thereon.
- Agenda-2: To declare dividend for the year ended June 30, 2023.
- Agenda-3: To elect Directors in terms of relevant provisions of the Articles of Association.
- Agenda-4: To appoint Statutory Auditors for the year 2023-2024 and fix their remuneration.
- Agenda-5: To appoint Compliance Auditor as per CG Code-2018 for the year 2023-2024 and fix their remuneration.

Special Business

- Agenda-6: To change the name of the Company from "Information Technology Consultants Ltd." to "IT Consultants PLC." as per provisions of the Companies Act, 1994 (2nd amendment 2020), and to amend Memorandum and Articles of Association with Clause-I and top of page 1 of the Memorandum of Association and Articles 3(i), 54 and 113 & top of page 1 of the Articles of Association of the Company. And also to pass the required Special Resolution to give effect to the above amendments.

By order of the Board



Anindya Sarkar FCS
Company Secretary

Dated: Dhaka
November 22, 2023

Notes:

1. The Record Date of the Company is November 15, 2023 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. 100/- 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 2022-23 is being sent to the e-mail addresses of the shareholders available in the BO account maintained with the Depository. The Annual Report 2022-23 is also available in the Website of the Company at www.itcbd.com



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 advancement of Bangladesh in its thrust for rapid digitalization. ITC has been instrumental in generating mass digital awareness through banking sector creating financial inclusions and attachments for the unbanked population. ITC has also contributed greatly in assisting Government organizations in implementing their automation strategies.

Strategic Focus

- To continuously improve internal process for attaining efficiencies
- Improve system accuracy and responsiveness
- Ensure improvement of organizational structure
- Ensure Improving performance measurement and reporting capability
- Reduce administrative overhead
- Improve financial and supervisory control systems, and audit capabilities

Business Focus

- Increase attention to service quality
- Implement innovative changes faster
- Increase and attain client loyalty
- Extend market presence and maximize market share
- Improve initiatives in marketing, advertising and public relations
- Achieve and maintain fast and prompt client attention
- Increase regulatory contacts and 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

Our Core Values	Our Core Strengths	Our Core Competencies
• 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 Outlines

Established in 2000, Information Technology Consultants Limited has since transformed to become a local leader for Information Technology and payment service automation in the rapidly changing arena of Electronic Payment Transaction Processing Systems. ITC is one of the PSO (Payment System Operator) licensed by Bangladesh Bank to provide end-to-end electronic payment services for banks, government organizations, retailers, billers and financial institutions. ITC currently serves 36 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 along with our cutting-edge advantage, even if market becomes 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.

Leadership Board of Directors



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 Fauzijus 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

The background is a solid dark blue color. It features a network diagram in the upper half, consisting of several light blue circular nodes connected by thin, light blue lines. The nodes are arranged in a roughly triangular pattern. In the lower half, there are several large, overlapping geometric shapes in various shades of blue, including dark blue, medium blue, and light blue. These shapes are angular and layered, creating a sense of depth and movement. The overall aesthetic is modern and corporate.

Profile of Directors



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 24 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. He is the former Vice-President of FBCCI and running President of BDYEA.



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

Dr. Kazi Saifuddin Munir has over 32 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 Fauzijas 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.

The background features a complex, abstract graphic. It consists of numerous curved, parallel lines that create a sense of depth and movement, resembling a stylized tunnel or a series of overlapping paths. The lines are rendered in various shades of blue and teal. At the bottom of the image, there is a network of interconnected nodes and lines, with several nodes highlighted in a bright blue color. The overall aesthetic is modern and technological.

Corporate Highlights

Corporate Highlights

☐ Company Name	: Information Technology Consultants Limited
☐ 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	: 5,961
☐ 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	: 369

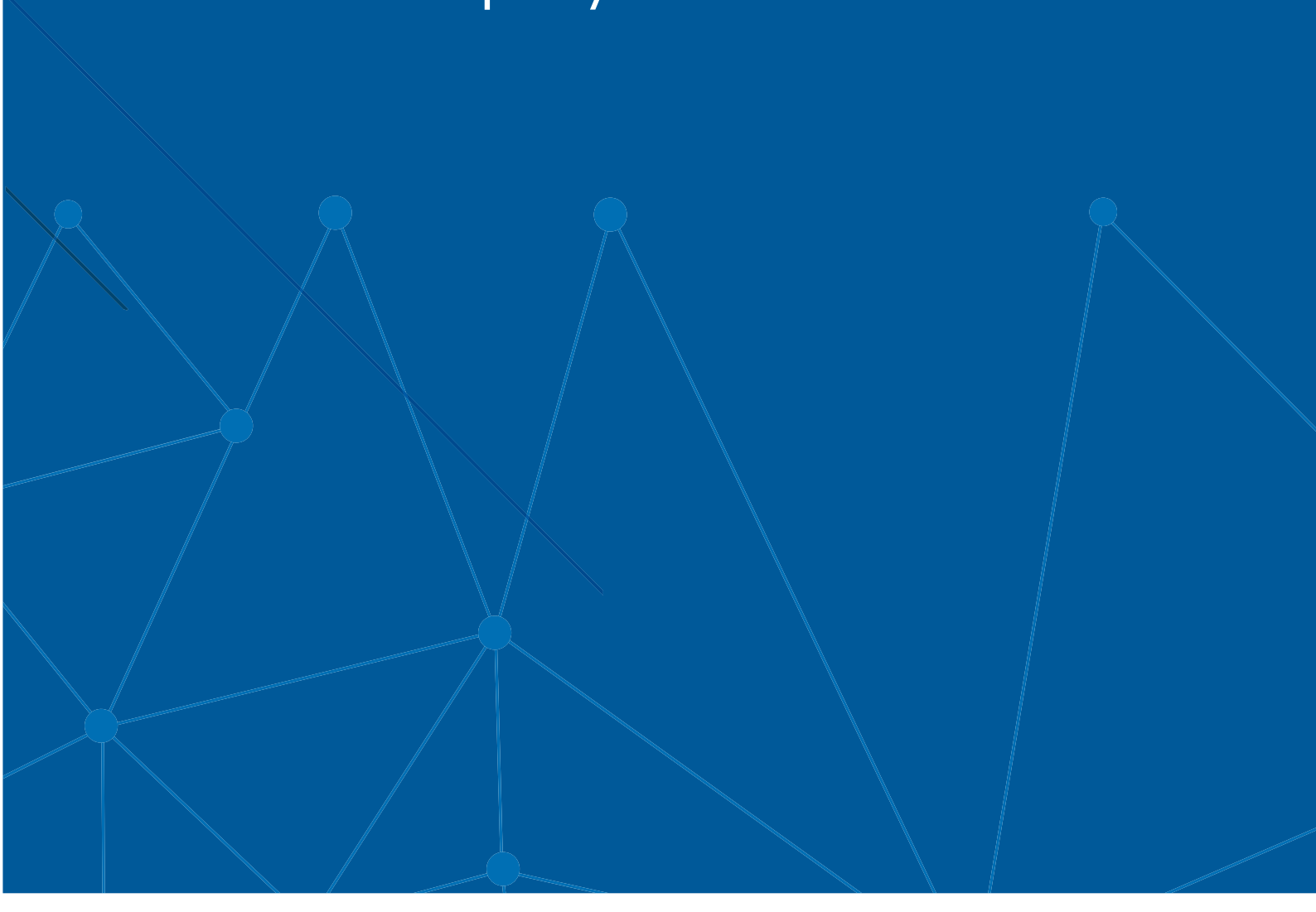


ITC Chronicles & Milestones

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
❖ Bronze Award' in the IT and Telecom category at the 7 th 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
❖ Awarded "A2" rating by CRAB	: December 31, 2022
❖ Bronze Award' in the ICT category at the 10 th ICSB National Award for Corporate Governance Excellence for the year 2022	: October 14, 2023
❖ Bronze Award' in the IT and Telecommunication category at the ICMAB Best Corporate Award for the year 2022	: November 07, 2023

Company 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'.
- 36 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.
- 369 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 7th 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.
- Bronze Award' in the ICT category at the 10th ICSB National Award for Corporate Governance Excellence for the year 2022.
- Bronze Award' in the IT and Telecommunication category at the ICMAB Best Corporate Award for the year 2022.



Products and Services



Products and Services

Transaction Processing and Maintenance Services	Sales and Support Services
▪ 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	



Q-Cash Member Banks (Clientele)



Q-Cash Clientele

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



Five-Year Reviews

For the Last Five Years

KEY OPERATING AND FINANCIAL INFORMATION

The key operating and financial information for the year- 2022-2023 along with the preceding four years are presented below:

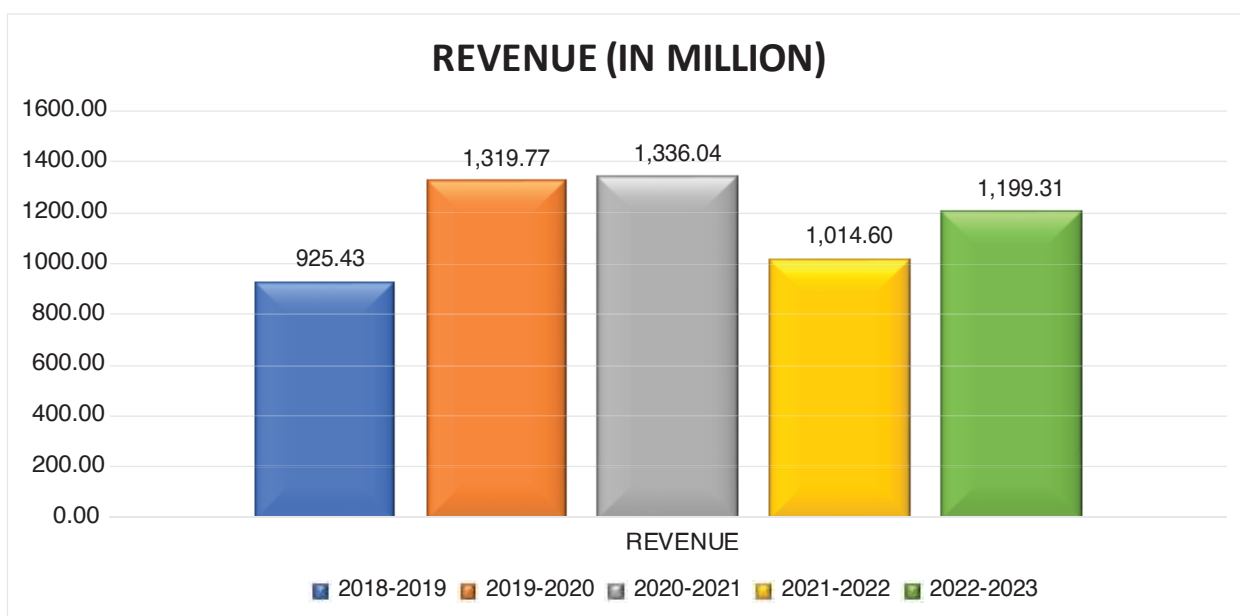
	Y-2022- 2023	Y-2021- 2022	Y-2020- 2021	Y-2019- 2020	Y-2018- 2019
Assets Employed					
Total Assets	3,074,820,522	2,666,041,543	2,798,931,966	2,742,242,279	2,537,413,600
Total Current Assets	1,138,309,746	1,534,294,655	1,582,929,167	1,562,959,672	1,459,759,620
Property, Plant & Equipment	1,094,767,304	243,411,201	261,734,365	241,045,075	244,933,913
Intangible Assets	782,981,595	806,527,592	830,098,662	855,633,082	802,451,877
Inventories	162,734,035	283,868,776	352,131,366	291,043,322*	273,446,463*
Accounts Receivables	378,193,811	500,773,246	541,326,119	476,642,028	452,110,539
N.B: Inventories * -rearrange					
Financed By					
Share Capital	1,285,926,640	1,285,926,640	1,285,926,640	1,224,692,040	1,144,572,000
Revaluation Reserve	172,509,157	180,265,073	188,396,337	196,969,201	206,061,581
Retained Earnings	689,724,980	444,170,709	259,119,158	234,209,557	217,065,593
Revenue and Profit					
Revenue	1,199,312,627	1,014,613,264	1,336,036,216	1,319,766,723	925,430,760
Gross Profit	565,233,347	498,913,978	459,007,357	412,613,278	418,274,486
Net Profit Before Tax	326,475,837	251,864,202	227,042,453	185,164,032	190,323,906
Net Profit After Tax	315,107,958	240,227,113	198,030,308	148,764,850	179,944,694
EPS	2.45	1.87	1.54	1.16	1.47
Net Asset Value Per Share	19.00	17.15	15.77	15.17	15.21

DIVIDEND:

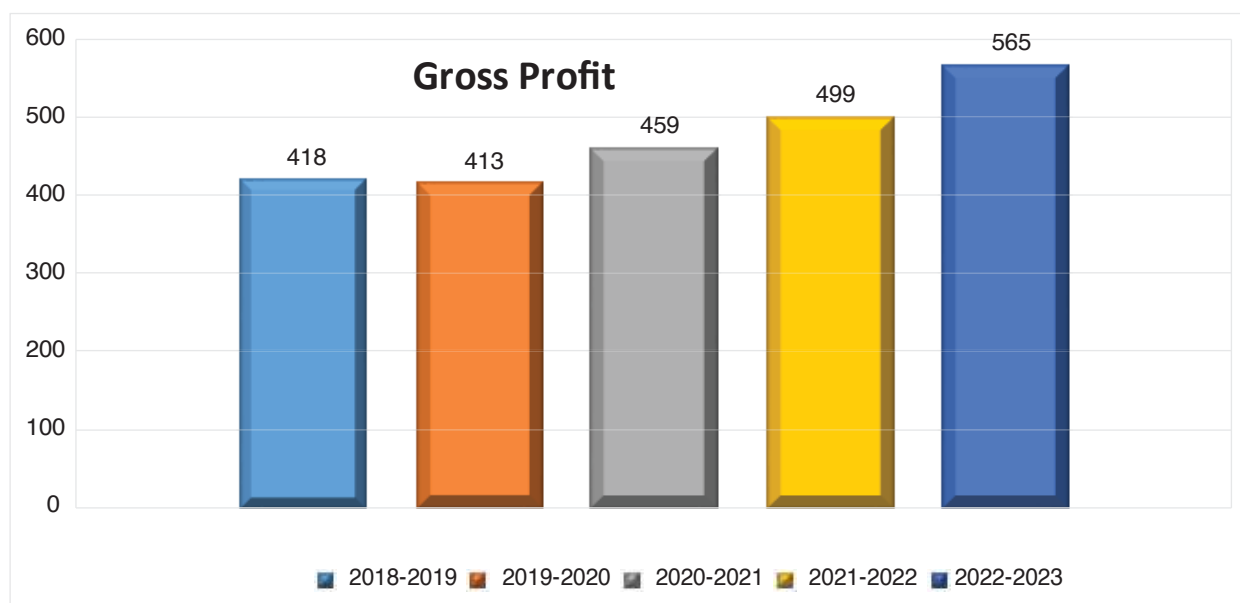
Cash	10% for all Shareholders	6% for all Shareholders	5% for all Shareholders	5% for General Shareholders	5% for all Shareholders
Stock	0%	0%	0%	5% for all Shareholders	7% for all Shareholders
Number of Shareholders	5961	3549	2791	2749	2816
Market Price (TK)	43.10(DSE) & 42.80(CSE)	33.60(DSE) & 33.80(CSE)	36.10(DSE) & 35.10(CSE)	29.40(DSE) & 29.40(CSE)	44.00(DSE) & 40.00(CSE)

Performance Focus

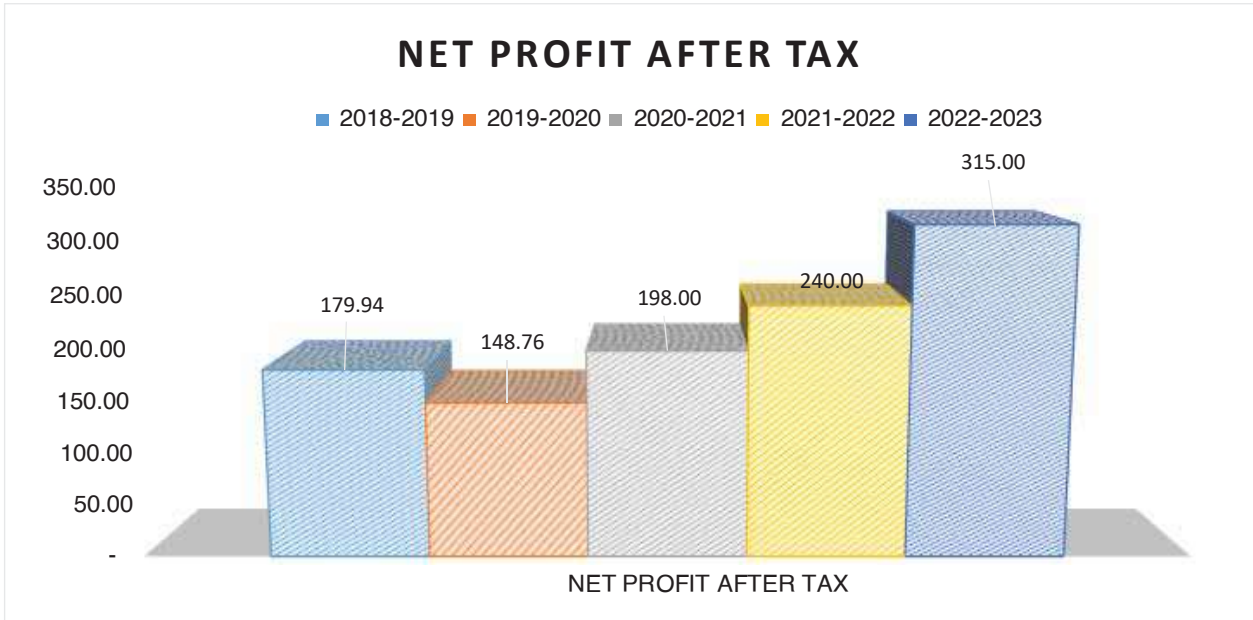
YEAR	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
REVENUE	925.43	1,319.77	1,336.04	1,014.60	1,199.31



YEAR	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Gross Profit	418	413	459	499	565

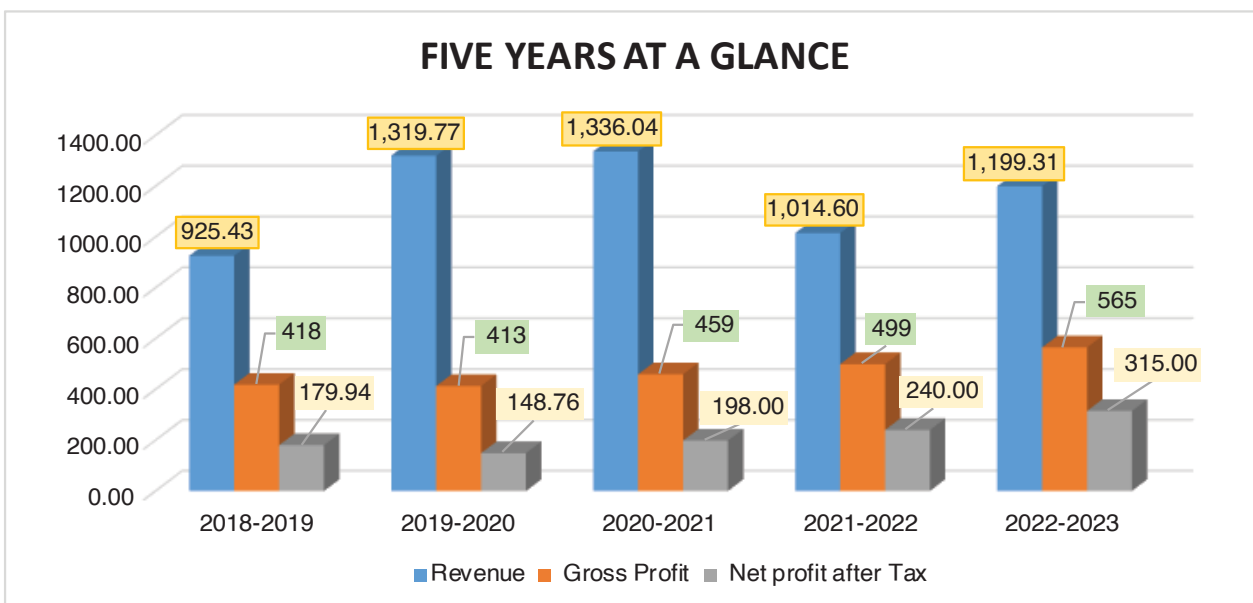


YEAR	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
NET PROFIT AFTER TAX	179.94	148.76	198.00	240.00	315.00



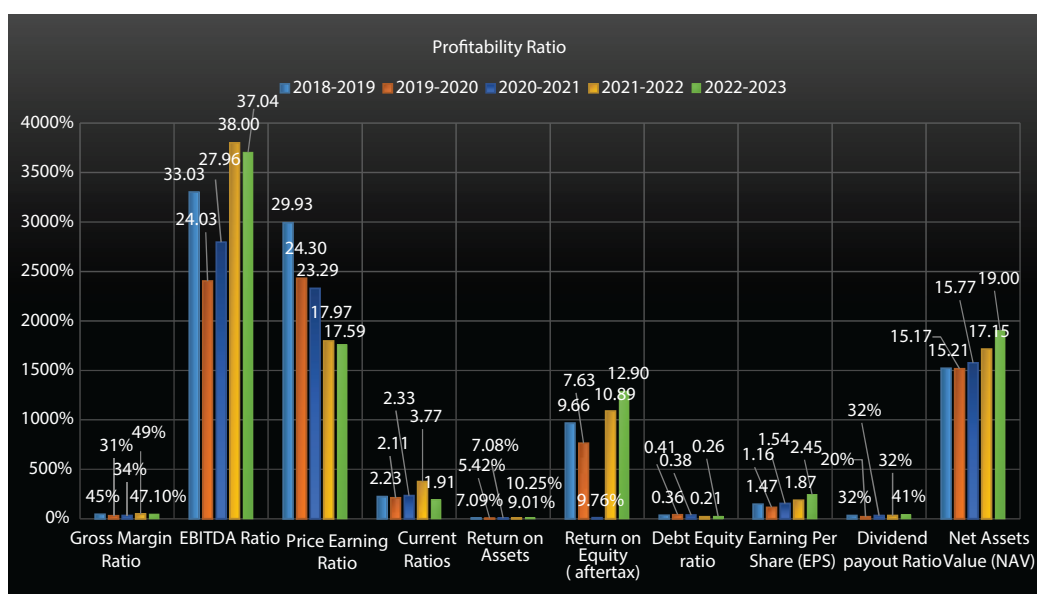
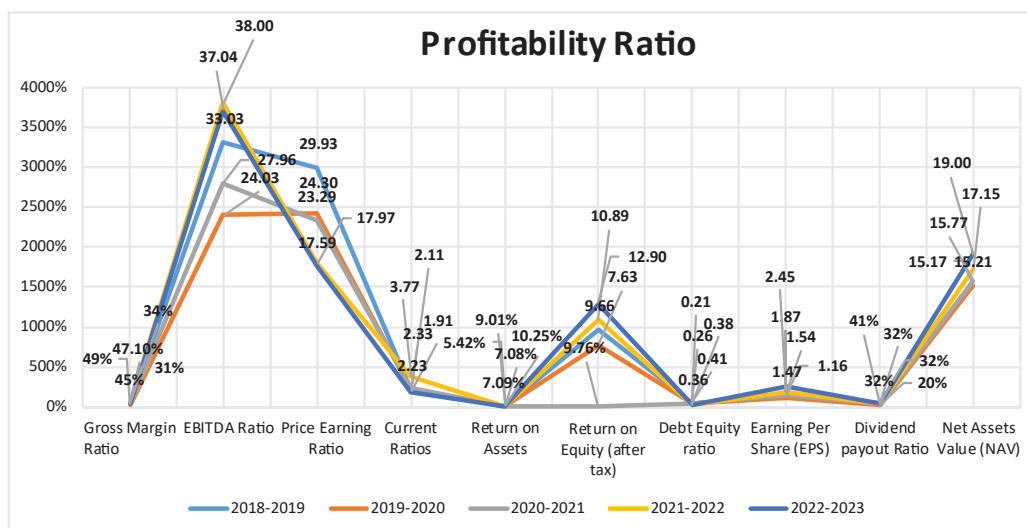
FIVE YEARS AT A GLANCE

YEAR	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Revenue	925.43	1,319.77	1,336.04	1,014.60	1,199.31
Gross Profit	418	413	459	499	565
Net profit after Tax	179.94	148.76	198.00	240.00	315.00



Profitability Ratio

YEAR	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Gross Margin Ratio	45%	31%	34%	49%	47.10%
EBITDA Ratio	33.03	24.03	27.96	38.00	37.04
Price Earning Ratio	29.93	24.30	23.29	17.97	17.59
Current Ratios	2.23	2.11	2.33	3.77	1.91
Return on Assets	7.09%	5.42%	7.08%	9.01%	10.25%
Return on Equity (after tax)	9.66	7.63	9.76%	10.89	12.90
Debt Equity ratio	0.36	0.41	0.38	0.21	0.26
Earning Per Share (EPS)	1.47	1.16	1.54	1.87	2.45
Dividend payout Ratio	32%	20%	32%	32%	41%
Net Assets Value (NAV)	15.21	15.17	15.77	17.15	19.00



Message from The Chairman



Respected Ladies and Gentlemen, Stakeholders, Colleagues and Shareholders.

I am delighted to witness the energetic presence and participation on this grand occasion of the 23rd Annual General Meeting of IT Consultants Limited, from our beloved shareholders.

Bangladesh economy has been experiencing a contracting situation due to the multiple challenges we are facing. This year GDP growth has been somehow shadowed by Russia-Ukraine crisis, higher inflation and higher bank interest rate.

ITC management has once again proven itself to be worthy of your trust and dependence. Their timely strategic business acumen has helped to retain & expand on our revenue stream, profitability and on top of all that, this year we have been able to take a solid step in enhancing our Fixed assets, by buying a plot of land to build our own head quarter on it, as well as for business expansion. The ITC Tower project has been started and expected to be completed in three years.

Confronted by a challenging landscape, ITC is taking a cautious yet optimistic stance. We remain resolute in navigating through obstacles with confidence. I, on behalf of the Board of Directors and Shareholders, take this opportunity to once again thank you all for your continuous contribution to overcome all our challenges now in future.

Thank you all.

On Behalf of the Board



Lim Kiah Meng
Chairman



Statement From The
Managing Director
& CEO

Assalamuu-Alaikum.

Honorable Shareholders, Patrons, Ladies and Gentlemen.

I welcome you all on this joyous occasion of the 23rd Annual General Meeting of our shareholders.

We regret that due to the constraints of online format of the meeting, it's difficult for me to meet all of you personally, but please be assured that, we value the tremendous contributions our shareholders have made by entrusting their hard-earned money in our little institute. On the hind side however, this format also allows all of us to express our feelings more freely from the core of our hearts. Please note that your company is still the NUMBER ONE IT company in Bangladesh dealing in online transactions both financial or utilities.

Dear Shareholders- please be aware that, the Information Technology sector is moving in a tremendous speed and we have to continuously update and upgrade ourselves to cope with this continuously evolving market. Recent past Pandemic crisis taught us that lagging behind is not an option.

A new peril of the Ukraine-Russia war has placed us under optimum pressure again, shortage of parts, shortage of tech support, difficulty in settling payments overseas are to mention a few. Fortunately however, we are still enjoying full confidence from our clients & patrons, and our business growth during the year is a testimony to that effect. Secret to our success has always been simple: Strategy, Planning, Execution, Motivation & Mobilization.

I therefore, with pride, inform you that, our management has once again proved its worth by keeping pace with the market conditions in proving their performance and profitability. This was however- only possible due to your un-ending trust on your management and continuous support and patronize.

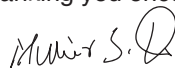
While there is a physical war in Europe, IT industry is also going through a world war of innovation, sophistication, new technology. A brand new field has just opened by AI (artificial Intelligence), ChatGPT and CHIP war between major growth markets.

These multimodal shockwaves has also affected our calculations, cost over-run, disruption in supply chain has sometime effected our commitments. But fortunately our clients are aware of the global scenario and have been accommodating the challenges.

Our new products like Q-pay mobile app are now fully ready for customers to access electronic payment services at their fingertips! Our work is going full swing on one of the newest platform to create a Card-less payment processing system through QR technology.

I most humbly thank our clients, patrons, shareholders and well-wishers for their continued support and express our firm commitment to fulfil your desires and aspirations toward our sacred mission statement - with dedication and sincerity, for days to come. I, request 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, 2023 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, 2023 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 conducted the 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 the Board and Shareholders meetings and relevant policies and expressed their opinion as such.



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 one of 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 36 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 1199.31 million (BDT 119.93 crore) with an overall increase 18.20% compared to the previous year. The growth areas were Q-Cash Transaction Processing Charges and Service & Maintenance Charges, recording @ 26.70% & @5.4% growth respectively and also covering partially revenue stream. We consider this increase as an ongoing business pattern for the real time online transactions, which is currently the business trend despite a recessionary trend in the economy.

However, the revenues from Business sale revenue has recorded a substantial downward trend (49.80%) 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 stymied 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-2022-2023 (Tk.)	Year-2021-2022 (Tk.)	Increased/(decreased)	Growth %
REVENUE:				
Q-Cash transaction Processing charge	916,437,432	723,053,469	193,383,963	26.7%
Service & Maintenance charges	260,585,718	247,134,026	13,451,692	5.4%
Sales	22,289,477	44,425,769	(22,136,292)	-49.8%
Total Revenue	1,199,312,627	1,014,613,264	184,699,363	18.2%

Comparatives on the financial performance of the company for the year ended June 30, 2023 with those of the previous year are summarized hereunder:

Particulars	2022-2023 (Tk.)	2021-2022 (Tk.)	Increased/(decreased)	Growth %
Revenue	1,199,312,627	1,014,613,264	184,699,363	18.2%
Cost of Service	609,097,791	472,522,538	136,575,253	28.9%
Cost of sales	24,981,489	43,176,748	(18,195,259)	-42.1%
Gross Profit	565,233,347	498,913,978	66,319,369	13.3%
Operating Expenses	202,206,496	201,612,998	593,498	0.3%
Operating Profit	363,026,851	297,300,980	65,725,871	22.1%
Profit Before Tax	326,475,837	251,864,202	74,611,635	29.6%
Profit After Tax	315,107,958	240,227,113	74,880,845	31.2%

Due to factors described above, Cost of Service has increased @28.90% & Cost of Sales has also decreased @ 42.10%, subsequent the gross profit @ 13.30% valuing Tk. 66,319,369/- increased during the year- compared to the last year.

Net Profit before Tax for the year has increased by Tk.74,611,635 /= from the last year and reflection growth is 29.60% due to increase of Q-Cash Transaction Processing and Service & Maintenance Charges. The growth in Net Profit after Tax is 31.20%, which is comprising of Tk.74,880,845/=.

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 change of technology in Banking sector from ATM to Cash Recyclers, and Banks are experiencing a financial crunch overall, due to various recessionary factors. In this consequences, some of ATM spare devices/items such as Anti-skimming device, TMD device, TMD security device, biometric device & UPS have been disposed due to damage or being out of use which were recognized under Inventory and also long time storage and have become wholly obsolete from the inventory.

Considering the previous financial years Statutory Auditors' observation against the methods of charging depreciation on property, plant, and equipment and disclosing issue of the useful lives of the fixed Assets, the Company has engaged a professional valuer M/S. Howladar Yunus & Co., Chartered Accountants affiliated with International Company "Grant Thornton", who has determined the useful lives of fixed assets, reconciled fixed assets register, revalued the assets, and carried out impairment test as per IAS 36, para 9. Accordingly the company has recognised & executed their recommendations in its financial Statement during this year.

A detailed 'key-data five year review' of the Company are presented separately in this Annual Report. Apart from routine operations, there was no extra-ordinary activity of the Company during the year.

Financial & Economic scenario of the country and the globe:

As we have already mentioned, our shareholders are well aware that the Bangladesh economy has been experiencing a contracting situation due to the multiple challenges we are facing from Inflationary pressure and continuation of Russia/Ukraine war.

These twin challenges have seriously hampered the continuous economic growth what Bangladesh has been enjoying for the last several years. This year, GDP growth of 6.7% has somehow shadowed by the high inflation, and thereby increased the value of everyday necessary items.

We hope that with the kind support of IMF, the difficulties will be carefully handled and proper measures will be ensured for steering the Economy in the right direction.

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 persistent tuning with current market needs and a periodic monitoring system to address the challenges and uncertainties that are likely to affect business. Operational responses, liquidity & financial position and projections for future performances are the cornerstones of this policy. Further, the Company has a structured process at work to identify Financial Statement risks and the mitigating control system which are designed to address the financial reporting risks, including risks originating from changes in accounting policies or standards, if any. Each year the financial Statement risks arising from transactions, processes, conversions and people, as well as those likely from external and regulatory regimes are carefully reviewed to ensure that the financial statement assertions are meticulously met. Appropriate controls are devised and embedded in the processes to

mitigate the identified risks to an acceptable level. The Company's risk recognition system works on a real time basis based on a comprehensive framework as such. Accordingly, a well-designed 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 etc.

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
- Extend Postal Cash Card services along with Bangladesh Post Office to facilitate disbursement of G2P subsidies, pensions and grants
- Expansion of Bangladesh Police Projects (e-traffic prosecution system) across the country
- Facilitate QR-based payment transactions for bank accountholders along with cardholders to cater large number of transactions
- Promote QPay mobile application for Q-Cash member banks' customers to broaden the e-payment service horizon
- Deploy merchant POS and QR-merchant to widen the payment facilities across the country

Comparison of performance with peer industry scenario

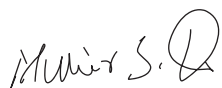
ITC is the only listed company of its kind in Bangladesh. Because of the intricate systems, its business operations are also somewhat different. Hence, there is no similar peer industry that could expressively come under a comparable scenario.

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 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 2022-23 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, 2023



Report on Human Resource (HR) Management



Report on Human Resource (HR) Management

A set of very committed workforce is the strongest force for the Company. It combines a skilled and talented group of employees from diverse disciplines, making them the primary asset of the Company. In this respect ITC devotes in creating professionals and developing newer opportunities and openings that lie at the pinnacle of a sound corporate HR policy. At the core of the Company, we believe that no organization could 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. Selecting rookies and then grooming and ultimately developing them as corporate professionals is what the Company aspires in. 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, CS, LLB, MBA or Engineers and other recognized 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 leaderships.

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 potentials 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. This report provides an overview of who are in the Committee, what are its roles and objectives, how it worked during the year under review and a work summary.

Objectives of the 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 committees, assists the Board in discharging its governance responsibilities. The Committee is tasked primarily to oversee the integrity of the financial statements, internal controls, regulatory compliances, business risks and continuity plans, audit and whistleblowing etc. It plays the key role in ensuring guidance and supervision of the Company's financial reporting systems, risk management and mitigation, 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 laid down 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, remuneration 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:

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	Position in the committee
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	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 2022-23	Number of Attendance During 2022-23	Remarks
1	Mr. Md. Kamal Uddin FCA, Independent Director	04	04	
2	Mr. Salahuddin Alamgir, Vice Chairman	04	03	
3	Mr. Dasgupta Asim Kumar, Independent Director	04	04	

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.
- ❑ Ensure that the financial statements are prepared in accordance with the existing laws, standards and regulations.
- ❑ 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 the statement of compliance as required under the CG Codes and guidelines.
- ❑ 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 the year 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 the draft Annual Report to be tabled at the next Annual General Meeting.
- k) Reviewed related party transactions to ensure that no material 'conflict of interest' exists.
- l) Reviewed compliance of the codes of conduct of the company.
- m) Reviewed the statement of compliance prepared under the CG Codes and guidelines.
- n) Reviewed to minimize expenditures in all operational activities where possible.
- o) Reviewed the report relating to Independent Directors as submitted to the regulatory authority.
- p) Reviewed other matters of significance as per TOR of the Audit Committee.
- q) Reviewed the Report of the Audit Committee (AC) to ensure that :

1. The AC performed as a true sub-committee of the Board,
2. It had the required number of members in it with two Independent Directors,
3. Board appointed Independent Director was the Chairman of AC,
4. The members had true financial literacy in them,
5. The AC meetings were held with required quorum as per the CG guidelines,
6. Four meetings were held in the year under review to meet the requirement,
7. The Company Secretary performed as the secretary to the Committee, and
8. The Chairman of AC attended the AGM of the year as required.

The Audit Committee further ensured that 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 full control on the exertion of the ITC's operations. The division reports directly to the Board Audit Committee.
- b) Regular monitoring was done for the effectiveness of the quality control policies and procedures with the effect to evaluate the application of internal Control System and Internal Audit Policy for financial risk, existing rules and 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 reports that it did not find any conflict of interest, any fraud, irregularity or material defect in the internal control system. There also were 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 benign duties and responsibilities effectively during the year under review.

On behalf of the Audit Committee



Md. Kamal Uddin FCA
Chairman
Audit Committee

Date: October 25, 2023

Report of the Nomination & Remuneration Committee and NRC Policy

The Nomination & Remuneration Committee (NRC) performs as one of the Board 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 unionized employees of the Company. Propelling a sound NRC policy, ITC has always been passionate about its human resources management and endeavors to develop its employee potentials and carefully cultivating their regular growth and progression. The Company is very affectionate about its existing pool of well-organised, skilled & experienced and enthusiastic peoples who seek hard for taking ITC ahead along with them. The Company thrives with them and, accordingly, pursues a HR Policy that acknowledges 'people first' and ensures their active participation in achieving the defined corporate goals. Thus, 'plan the people' has been the cornerstone of ITC NRC Policy.

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. One of the key responsibilities of NRC is to assist the Board in formulating a policy for the prescribed and continuous process of considering the remuneration/honorarium of directors and top-level executives of the Company. So, abiding by it, ITC pursues a nomination and remuneration policy, the benchmark of which relies on standards which are recognizable 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:

With the motto of 'plan the people' in the background, 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 declared 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.
- **Compliance with regards to recruitment policies:** Independent Directors-The existing Independent Directors are selected and appointed based entirely on the declared policies of the Company as enumerated above. Once appointed, the roles and performances of the incumbents are also subject to yearly scrutiny of the NRC and the Board.

Top executives-All the top executives of the Company are selected and appointed strictly under scanning of the declared policies of the Company. The performances of the Top Executives are evaluated yearly by a thoroughly-knitted confidential report prepared by the Head of HR and Managing Director. After their perusal, it is examined by the NRC for onward placement before the Board for final approval.

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:

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

Evaluation of the Board:

Efficacy and effectiveness of the Board, Independent Directors and Chairman is crucial for the overall success of the Company. NRC is responsible to ensure the maximum worth of the Board. To that end, and in line with the requirements of the CG Code it devices the classified courses of yearly evaluation to be carried out under the auspices of the Board. Such assessment is an important part of the Board's governance framework and it derives from the evaluation initiatives of the NRC. The process, led by the Chairman and assisted by Company Secretary, involves submission of filled out confidential questionnaires pragmatically structured to draw in core issues relevant to the Board. Those are returned by the Directors for systematic onward appraisal. The evaluation further includes total administration of the Board and its committees covering their operations, agenda items, reports, information flow to and from the Board and ultimate conducting of meetings as well as 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 2022-2023	Number of Attendance During 2022-2023	Remarks
01	Mr. Dasgupta Asim Kumar, Independent Director	01	01	
02	Mr. Lim Kiah Meng, Chairman	01	01	
03	Mr. Md. Kamal Uddin FCA, Independent Director	01	01	

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 Board members and Independent Directors,
- Reviewed the mix & composition and overall performance of the Board and Committees,
- Reviewed and recommended the induction of new Director/Independent Director in the Board,
- Reviewed the vacancy positions and/or new positions, if any,
- Reviewed the frequency of meetings of the Committee in a year.
- Reviewed the yearly report of NRC to ensure that :
 1. The NRC performed as a true sub-committee of the Board,
 2. It had the required number of members in it with one Independent Director,
 3. Board selected Independent Director was the Chairman of NRC,
 4. All members of NRC were non-executive directors,
 5. The NRC meetings were held with required quorum as per the CG guidelines,
 6. None received any remuneration other than their routine fees,
 7. The Company Secretary performed as the secretary to the Committee,
 8. Minutes were duly prepared and confirmed in the following meeting of NRC, and
 9. The Chairman of NRC attended the AGM of the year as required.

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, 2023



Statement of
Corporate Governance in ITC

Corporate Governance in ITC

ITC is a value driven organization and works to build trust with the shareholders, customers, suppliers, the employees and other various stakeholders through application of the tools of good governance, such as transparency, accountability, disclosures and compliance with laws and regulations. Such value is created through an effective, equitable and accommodative interaction with the mentioned stakeholders and through prompt market and customer response. The business of the Company 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 areas 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 contours 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.

Terms of reference of the Board:

The ITC Board is formed and functions under a precise Terms of Reference or Codes of Conduct. Such Codes of Conduct is reviewed time to time under recommendation of the Nomination and Remuneration Committee (NRC) as per BSEC requirements. The Codes of Conduct pronounces prudent conducts of the Board members, their confidentiality, conflicts of interests, relationship with the society, customers, employees, suppliers and others. It also measures true independence and potentials of the directors. Every member of the Board is expected to live up to the defined terms of the Codes of Conduct as long as one remains a Board Member of ITC.

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 led 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.

Appointment and nomination to the Board:

As mentioned, the ITC Board is comprised of an appropriate blend of skills, experience and distinct personal attributes that allow them to perform individually as well as collectively as a business body. Of the members in the Board, there are non-executive directors who are nominated by the overseas shareholding bodies. Then there are also other directors who represent the local shareholders. The non-executive Independent Directors come from dignified social strata who are seasoned professionals and who fulfil the required criteria for selection as Independent Directors under the codes of corporate governance of the regulator.

Rotation, retirement and re-election of Directors:

Directorship on the Company Board is not a permanent or perpetual position. The directors are subject to retirement and rotation as required by the Companies Act and ITC's Articles of Association. Routinely, one-third of the Board members retire at the yearly Annual General Meeting. But they are eligible for re-election based on certain criteria. However, under the BSEC CG Code, the Independent Directors are to perform for maximum two terms of three years each.

Board diversity:

The Company believes that a truly diverse Board will leverage differences in thoughts, perspective, knowledge, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that ITC retains its competitive advantage. Accordingly, the ITC Board is a blend of diverse culture and nationality. The Board recognises the importance of such diversity in interactions and deliberations in the process of decision making and has established a practice of composition of the Board with members from diverse nationhood. This ensures a rich and varied knowledge and expertise in the Board practices and for better assessment of the company needs and ultimately for optimum performance of the Board.

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.

Induction and orientation of new entrants in the Company Board:

Because a newly inducted member in the Board of Directors of the Company might not be fully aware and conversant about business operations of the company or his/her role in the Board, he/she might require a bit of grooming up, adequate exposure and familiarity about the Company. Accordingly, the Company organises induction sessions for the new entrants in the Board that include attention, orientation, training and motivation for them as general aid to their roles, responsibilities and functions as members of the Board. When the Chairman shares his knowledge and gives focus about Board governance, the Managing Directors and other functional heads often provide operational outlines and priority areas of the Company. The Company Secretary might as well brief the incumbents on the regulatory requirements and outlines about the Memorandum & Articles of Association and on the codes of conducts of the Company.

Board workouts and practices:

The Board is responsible to the shareholders. The necessary guidance for attaining business objectives within the framework of its internal controls is provided by the Board, which helps enhance the broader shareholder values. Adherence to ethical standards and compliance to laws and regulations are integral parts of wider governance framework of the Company and it seeks to achieve greater implementation of company objectives. In order to achieve those lookouts, the Company has instituted a few approaches to ensure its commitment to high standards of governance. The features of some of those are :

1. Instituting a code of conduct for ensuring benchmarks of behaviours and manners in discharging obligations,
2. Institution of a system of internal control that checks the balance in discharging duties,
3. Formulating Company policies and procedures to ensure that ethical considerations are paramount in the day-to-day decision making and activity processes,
4. Drawing out an organisational structure for clear positioning and delegation of authorities, and
5. Other monitoring mechanisms for check and balance in the discharge of duties.

In the process of its workouts, the ITC Board complies with the Companies Act, BSEC Codes on Corporate Governance, Listing Regulations and also the parameters of other 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 2022-23. 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. 53 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. 56 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.

Evaluation of performances of the MD & CEO:

The Managing Director and CEO is under direct control and supervision of the Board. Accordingly, as part of its annual evaluation of his performances, the Board carries out yearly reflection by means of a clear appraisal process. The Board evaluates both financial and non-financial achievements, mainly through the yardsticks of quarterly performance results. The process is led by the Chairman and assisted by his Board colleagues. The assessment is evaluated from:

- a) Achievement of business goals and budget,
- b) Any acceleration in results, compared to previous year, and
- c) His overall attitude and relationship with the Board.

During the assessment and evaluation, the business environment during the year, any crucial hindrances or impediments and any major policy changes in the year are also taken into account. The confidential report is then thoroughly assessed, discussed and evaluated by the close door Board.

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 authority lines 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. 42 of the Financial Statements in the page no. 154 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 annual accounts' of the Company. Detailed policy is published in the web site of the company www.itcbd.com. Also refer to 'Dividend Payout' at the Directors Report.

Principles on Disclosure of Material Information and Price Sensitive Information:

Principles are to provide an overarching governance framework for the determination of materiality and price sensitive information in accordance with the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022, and to ensure that all investors have equal access to material information that may affect their investment decisions and that such information is adequately disseminated in a fair and timely manner.

In addition to the objectives outlined above, the plan of action also includes the following:

- Assuring that the information given by the company is correct, up to date, and delivered on time frame.
- Ascertaining that the company's documents and public statements are correct and don't contain any misrepresentation.
- Making sure that the Company meets its disclosure requirements as a publicly traded company, as set out by the Listing Regulations, different securities laws, and any other laws that apply.
- Protecting the confidentiality of material/price-sensitive information within the context of the Company's disclosure.
- Setting up an opportunity for the stakeholders to know that the information the company provides them is true and accurate Details principles on disclosure is published in the web site of the company www.itcbd.com

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 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.

Whistle blowing policy:

The Company takes care in the fulfillment of its professed policies and procedures; such as the codes of conduct and other compliance related directives etc. and offers zero tolerance towards any breach or violation of any of those or any other laws or any frauds or irregularities. It applies to any and all the employees, suppliers, customers and all. Any incidence of violation, irregularity, deceits or dishonesty may be reported to the authority through any of the available reaching means. Any employee or person can report a concern to any officer or manager of the Company and he may even prefer to remain anonymous about that reporting. All such reports are treated confidentially and are meticulously followed up by means of appropriate investigations.

Such practice of whistle blowing also applies to the Board members as per the CG directives. In the event of any such instance, the subsequent steps of reporting and corresponding actions are also meticulously followed up as per the laid down codes of governance.

Statutory Audit & Certification:

Annual audit of the Company is governed by the Companies Act 1994 and BSEC Securities and Exchange Rules 2020. 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. 93 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. 92 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.

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 23rd 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, 2023 for your kind consideration and adoption. This report is prepared generally to meet the requirements of the Companies Act 1994 and codes of corporate governance 2018 of BSEC. It also followed other relevant notifications of the regulators in that respect. Alongside, we have also focused on some other important aspects of the Company.

Perspectives:

Like in the recent past, the year 2022-23 has seen upheavals for many economies and very slowly recovering from the harshness of the world wide uncertainties. The war on the European front still rattles and was one of the important reasons for global recessions. It has brought in a tough situation commonly known as 'Dollar Crisis' for many nations. Bangladesh was no exception. It has also experienced severe downturn in its exports, remittances and general economic slowdown resulting from the aftermaths of world pandemic and war devastations.

Fortunately for us, ITC, our beloved company, has been able to sustain most of these downturns, even expanded in some business areas, keeping our revenue stream intact or extended. In fact, sustainability is weaved into every element of our operations. It is central to the Company's business strategies and seeks to generate and add sustainable value evenly to all our stakeholders. Further, our long term approaches are based on strong futuristic thinking for the shareholders and are equally tuned with the Sustainable Development Goals (SDG) of the government.

Monetary Management and Bangladesh Economy:

Our economy is facing a number of persistent challenges during the recent years, and as we close the year 2023, these challenges continue to persist. We notice few significant steps from the Governmental agencies, despite some progress, the economy is suffering from inadequate access to basic services such as healthcare and education. Additionally, the country is highly vulnerable to natural disasters such as floods and cyclones, which can disrupt economic activity and cause significant damage to infrastructure and crops. Bangladesh has the history of successfully overcoming these climatic challenges in the past.

In spite of the global recessions, Bangladesh has made mentionable progress in recent years in terms of economic growth, poverty reduction, and human development, driven by a combination of factors such as a growing MAC, low labour cost and an expanding manufacturing sector. According to data from the World Bank, the GDP of Bangladesh has been growing at an average rate of 6.5 per cent per year over the past decade. This year however, that history remains with a GDP growth rate of 6.7%, but matching with a high Inflation rate, the growth remains invisible.

Bangladesh is likely to face additional challenges during the Q3 & 4 in 2023, due to incoming Election activity and in the context of a continued global economic crisis, Russia-Ukraine war, Forex reserve, Weakness in the Internal capacity of the banking systems to facilitate import and export through opening LCs, timely payment and collection of foreign currencies, Remittance etc. and miss match in Imports & Exports.

Export, Import And Balance of Payment (BOP) GAP: Bangladesh Economy being dependent on both imports and exports, on export side - particularly on the readymade garments (RMG) sector, which accounts for around 80 per cent of total exports, and on import side - commodity, raw materials and capital

machineries etc. The RMG sector has been hit hard by the ongoing trade tensions and economic slowdown in major markets such as the United States and Europe. This has already led to a significant decline in export revenues and a slowdown in economic growth.

The currency flow of export and import during the years 2013 to 2022 shows that the amount of money Bangladesh spent each year on import is higher than that earned through export. However, it is worth noting that though the country was able to reduce the import-export gap to US\$ 2 billion in 2021, it rose to \$4 billion in 2022.

Remittance: Additionally, the Economy is also facing a slowdown in remittances, which is a major source of foreign exchange and a key driver of the country's economic lifeline.

The decline in remittances is mainly due to the economic crisis in the Middle East and Gulf countries, which are major destinations for Bangladeshi migrant workers. These workers are facing job losses and reduced wages due to the economic crisis, which has led to a decline in remittances to Bangladesh.

Banking & Financial System: Unstable Capital market activities, lack of assertive governance, corruption and mismanagement in the financial sector, especially in the banking sector, have been persisting for many years. The sector, which is dominated by state-owned banks, has been plagued by a lack of transparency and accountability, leading to widespread corruption and mismanagement.

One of the main issues in the banking sector is the lack of proper regulations and oversight. The Central Bank has been accused of inaction and at times overlook the corruption and mismanagement, and of not taking adequate action to prevent it. This tradition has led to a culture of impunity. Another major issue is the lack of monitoring of proper risk management measures.

The lack of access to credit is also affecting the country's small and medium-sized enterprises, which are the backbone of the economy.

Dollar Crisis: Commercial banks including Government owned Banks are the main source of Foreign Currency inflow. However, since 2022, Banks are facing difficulties in fulfilling their import payment obligations due to a rapid depletion of their foreign currency holdings due to the ongoing Balance of payment mismatch. The foreign currency held by banks decreased by 13.5% to 20% in the last quarter of 2022, making it difficult for them to open new Letters of Credit for importing essential products.

This situation has become increasingly challenging, as commodity traders in major stakeholders are unable to open LCs for essential products. The inter-bank foreign exchange market has nearly collapsed, and banks have been unable to meet their own demand in recent months. The Bangladesh central bank's decision not to sell dollar from its reserves to private commercial banks has exacerbated the crisis further. Despite the increasing of Repo and Reverse Repo rate from the beginning of 2023, it is yet to be seen what actually emerges.

Over 40% of commercial banks with negative balance in foreign currency holdings are currently struggling to pay their own import settlements against their issued LCs. These banks have fallen into a dollar deficit due to opening unplanned large amounts LCs without enough cover. Many banks have delayed paying of their import payment obligations, and the crisis has prompted other banks to refuse to open LCs, as they do not have enough dollars to meet the high demand in the market, which has resulted in a bad reputation in the international financial system.

Continued European War: The ongoing conflict between Russia and Ukraine/NATO has had a significant impact on international currencies, with the euro falling below the dollar for the second time in 20 years. Other currencies, such as the Bangladeshi Taka and the Indian Rupee, have also lost value against the dollar, while the Russian Ruble has gained 34.14 per cent by July last year.

The decline in the value of these currencies is largely attributed to the Federal Reserve of the USA raising interest rates, which has led to foreign investors moving their money to the USA. Additionally, Russia's invasion of Ukraine has driven up commodity prices globally, particularly crude oil, which has led to a higher trade deficit. In Bangladesh, the situation has been further exacerbated by the Bangladesh Bank's policy of fixing the exchange rate without adjusting for inflation differences, and by maintaining a fixed interest rate. This has made it harder for the economy to cope with the gradually increasing interest rates in developed economies to curb inflation. The economic fallout and uncertainty over the war in Ukraine will slow the growth in key export destinations and substantially reduce export momentum and growth in the coming months.

During the recent discussions at the International Monetary Fund (IMF) a positive development has taken place in securing substantial support in the current economic situation. Funds from the IMF can play a crucial role in stabilizing the economy in the short/medium-term and controlling inflation. IMF has already approved US\$4.7 billion loans for the country. The first tranche of \$476 million is likely to disburse by this quarter. It can help the country to address its short-term economic challenges and promote sustainable growth in the medium-term.

Silver Linings: Despite the overall negative picture in the economy, we are still optimistic that once the IMF funds are available, the planner will take a non-political view of the economy and steer it into right direction for a SMART & PROSPEROUS Bangladesh.

Bangla QR: ITC always keeps the technology up-to-date and take 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 was entrusted by Sonali bank to handle its remittances in the quickest possible way. Accordingly, 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.

Green PIN generation: Last year, 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 help customers to set own PIN by themselves and ensure better security. ITC is experiencing greater uses of the system since inauguration.

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

Inflationary pressure: The rate of inflation in Bangladesh increased to 6.2 per cent during the last fiscal year, up from 5.6 percent the previous year. This uptick in inflation is primarily due to strong domestic demand and rising global prices of oil, gas, and other commodities as a result of supply disruptions caused by the Russia-Ukraine war. Additionally, the depreciation of the Bangladeshi Taka against the US dollar also contributed to trigger inflation. In the coming months, inflation in Bangladesh is expected to continue to rise due to factors such as increasing global commodity prices, increases in prices of all types of fuel, and an anticipated upward adjustment in domestic power tariffs.

Industry Outlook and Possible future Developments in the Service Industry sub-sector: We are happy to report that ITC has been able to maintain its lead as the number one, third party IT SERVICE PROVIDER in the Banking Sector.

We believe that the followings have been the hallmark of our success :

- Increased attention to service quality,
- Timely response to client requirements,
- Courteous reaction to client complaints,
- Providing spares and installations on time ,
- Knowing in advance before competitors.

As most banks today have their own Core Banking software (CBS) 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 36 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 2022-2023 the Company had contributed Tk. 29,051,842/- to the national exchequer as against TK. 16,156,223/- in 2021-2022.

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: 2018-19 (Tk.)	Year: 2019-20 (Tk.)	Year: 2020-21 (Tk.)	Year: 2021-22 (Tk.)	Year: 2022-23 (Tk.)
Customs duty	14,154,707	23,521,095	11,614,824	908,597	4,266,170
VAT & ATV/AT	35,234,206	37,186,509	22,374,205	1,454,722	12,122,342
Advance Income Tax (AIT)	20,798,655	43,486,497	31,993,840	13,792,904	12,663,330
Total	70,187,568	104,194,101	65,982,869	16,156,223	29,051,842

Safety and security initiatives:

Evils often have some silver linings too. The recently gone 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. In that effort we started 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. The practice still serves most purposes.

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.

CSR initiatives:

Business is conducted in the midst of nation and the society at large. ITC being a responsible corporate citizen, it is quite aware of its prospective roles for the people where it operates. We believe that every business, large or small, has an important role to play in assisting society progress, contributing to economic growth, towards nature and environmental protection and thereby attaining general social wellbeing. So, apart from its routine quests for and engagements in business, turnover, revenue and profit etc. the Company also carries out its regular studies to find out the most active ways of rendering services to the people to augment society welfare. After a careful analysis, the Company chooses the most effective avenues to deliver its potential engagements. Such overtures not only benefit the society, but it also adds to enhance the corporate aura and image of the undertaking before the public. Accordingly, ITC wishes to continue its CSR initiatives in future as well.

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/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2022-23. 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.

Annual evaluation of the Board:

The actions and engagements of the non-executive and independent directors including that of the Chairman come under regular annual assessment system of the Company. This is done through a pre-designed exercise initiated by the Nomination and Remuneration Committee (NRC). This confidential yearly workout is undertaken based on the benchmark stipulated in the codes of corporate governance of BSEC. Based on the criterion, the performances of the ITC Board members, including their attitudes and attendances and likely conflicts of interest, if any, around the Board were assessed in the year under review. A further focus into it including the parameters involved in the process is laid out in the NRC Report of the Company.

Financial Results:

During the year under review, gross revenue was recorded as BDT 1199.31 million (BDT 119.93 crore) with an overall increase 18.20% compared to the previous year. The growth areas were Q-Cash Transaction Processing Charges and Service & Maintenance Charges, recording @ 26.70% & @5.4% growth respectively and also covering partially revenue stream. We consider this increase as an ongoing business pattern for the real time online transactions, which is currently the business trend despite a recessionary trend in the economy.

However, the revenues from Business sale revenue has recorded a substantial downward trend (49.80%) 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 stymied 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-2022-2023 (Tk.)	Year-2021-2022 (Tk.)	Increased/(decreased)	Growth %
REVENUE:				
Q-Cash transaction Processing charge	916,437,432	723,053,469	193,383,963	26.7%
Service & Maintenance charges	260,585,718	247,134,026	13,451,692	5.4%
Sales	22,289,477	44,425,769	(22,136,292)	-49.8%
Total Revenue	1,199,312,627	1,014,613,264	184,699,363	18.2%

Comparatives on the financial performance of the company for the year ended June 30, 2023 with those of the previous year are summarized hereunder:

Particulars	2022-2023 (Tk.)	2021-2022 (Tk.)	Increased/(decreased)	Growth %
Revenue	1,199,312,627	1,014,613,264	184,699,363	18.2%
Cost of Service	609,097,791	472,522,538	136,575,253	28.9%
Cost of sales	24,981,489	43,176,748	(18,195,259)	-42.1%
Gross Profit	565,233,347	498,913,978	66,319,369	13.3%
Operating Expenses	202,206,496	201,612,998	593,498	0.3%
Operating Profit	363,026,851	297,300,980	65,725,871	22.1%
Profit Before Tax	326,475,837	251,864,202	74,611,635	29.6%
Profit After Tax	315,107,958	240,227,113	74,880,845	31.2%

Due to factors described above, Cost of Service has increased @28.90% & Cost of Sales has also decreased @ 42.10%, subsequent the gross profit @ 13.30% valuing Tk. 66,319,369/- increased during the year- compared to the last year.

Net Profit before Tax for the year has increased by Tk.74,611,635 /= from the last year and reflection growth is 29.60% due to increase of Q-Cash Transaction Processing and Service & Maintenance Charges. The growth in Net Profit after Tax is 31.20%, which is comprising of Tk.74,880,845/=.

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 change of technology in Banking sector from ATM to Cash Recyclers, and Banks are experiencing a financial crunch overall, due to various recessionary factors. In this consequences, some of ATM spare devices/items such as Anti-skimming device, TMD device, TMD security device, biometric device & UPS have been disposed due to damage or being out of use which were recognized under Inventory and also long time storage and have become wholly obsolete from the inventory.

Considering the previous financial years Statutory Auditors' observation against the methods of charging depreciation on property, plant, and equipment and disclosing issue of the useful lives of the fixed Assets, the Company has engaged a professional valuer M/S. Howladar Yunus & Co., Chartered Accountants affiliated with International Company "Grant Thornton", who has determined the useful lives of fixed assets, reconciled fixed assets register, revalued the assets, and carried out impairment test as per IAS 36, para 9. Accordingly the company has recognised & executed their recommendations in its financial Statement during this year.

Revenue Growth & Products:

The Revenue of Tk. 1,199,312,627/- which has increased by 18.2% during the year 2022-2023 against Tk. 1,014,613,264/- in the year 2021-2022 and the list of Products and Services are shown in the page no. 30.

Appropriation of Profit Proposed:

Board of Directors in its meeting held on October 25, 2023 has recommended the appropriation of the Net Profit earned during the year 2022-2023 in the following manner:

Net Profit After Tax during the year 2022-23	Tk. 315,107,958/-
Appropriation Recommended: Cash Dividend @10% (Tk. 1/- per share)	Tk. 128,592,664/-
Net Un-Appropriated Profit	Tk. 186,515,294/-

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 now lessened 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:

A set of very committed workforce is the strongest force for the Company. It combines a skilled and talented group of employees from diverse disciplines, making them the primary asset of the Company. 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 with 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 enhance and empower 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:

Particulars	2022-2023	2021-2022
Beginning of the year	364	360
New recruitment	35	28
Released	30	24
Closing of the year	369	364

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.

Risks and Concerns:

Recognizing risks around the Company is an integral part of the Board and executive management and the Company has in place a thorough system to identify and combat such multifarious risks.

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 its liquidity risk.

(c) Market Risk:

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

Technological Risk Management:

Technology is a dynamic term that frequently changes its shape, 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-a-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, 2023 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, 2023 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.
- . Any deviation from the previous year in operating results has been explained.

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.

Emphasis of Matter:

1. We draw attention to Note #3.02(c) of the financial statements, the company has disclosed the rationality for determining the amortization rate of its Intangible Assets. The management of the company has considered the estimated useful lives of the intangible assets to be between 5-40 years.
2. We draw attention to Note # 3.04 in the financial statements, which discloses the valuation methods applied to ITCL's inventories. The inventory of ITCL consists of exceptionally high-tech items, posing a considerable challenge to management in determining the accurate Net Realizable Value (NRV) of these items.
3. Attention is drawn to Note # 3.09 to the financial statements, outlining the revenue recognition method for the Card Renewal Charge. According to the agreement with the member banks, the management of ITCL is allowed to recognize revenue for card renewal fees only after every 12-months cycle.

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, 2023, 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 2022-2023	Attendance During 2022-2023
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
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. Kamal Uddin FCA, Independent Director	05	05
9	Mr. Dasgupta Asim Kumar, Independent Director	05	05

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.

Shareholding Patterns:

The shareholding patterns of the Company as at June 30, 2023 are shown in the following table:

Sl. No.	Name	Status	Number of Share held as of 30.06.2022	% of Shareholding
A)	Parent/Subsidiary/Associated Companies/Others Related Party:			
	SiS Capital (Bangladesh) Pte Limited	Nominated Director	42,139,058	32.77%
	Regent Pacific Ltd.	Nominated Director	10,863,862	8.45%
B 1)	Directors & their Spouses and Minor Children:			
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 FauzjusTjandra 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 2)	CEO, CFO, CS, HOIA and their Spouses and Minor Children:			
	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
C)	Top 5 (Five) Executives and their Spouses and Minor Children:			
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
D)	Shareholders Holding 10% or more voting interest in the company:			
	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, 2023 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	106	18,659,164	14.51%
General Public	5,849	44,244,068	34.40%
Foreign Company	2	747	0.00%
Total	5,961	128,592,664	100%

On the Basis of Shareholding:

SL. No.	Group Name	Number of Shareholders	Number of Shares	Ownership (%)
1	1-100	1,033	40,625	0.03%
2	101-500	1,307	407,936	0.32%
3	501-1000	1,029	848,300	0.66%
4	1001-10000	1,928	7,431,471	5.78%
5	10001-20000	275	4,115,395	3.20%
6	20001-50000	222	7,143,828	5.56%
7	50001-100000	79	6,001,087	4.67%
8	100001-1000000	73	19,588,754	15.23%
9	1000001-50000000	11	17,326,583	13.47%
10	5000001-100000000	2	12,685,765	9.87%
11	10000001 and Above	2	53,002,920	41.21%
Total :		5,961	128,592,664	100.00

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. 42 of the Financial Statements at page no. 154 of this Annual Report.

Dividend Payouts:

The Board of Directors has recommended an amount of **Tk.128,592,664/-** as dividend, being 10% cash to be paid to the shareholders for the year 2022-23. This dividend is to be approved by the shareholders at the 23rd 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.

The dividend once approved is paid out to the entitled shareholders within 30 days of declaration or record date as the case may be. The Company diligently transfers the amount of dividend to a dedicated separate bank account. If any cash dividend remains unpaid or unclaimed for a period of three years from the date of declaration or approval or record date, as the case may be, it is transferred by the Company to the Fund as directed by the regulator time to time. A detailed 'compliance report' is sent to the Commission and the Stock Exchanges in a prescribed format within seven days of completion of distribution of dividend and the report is also posted in the Company Website.

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 23rd Annual General Meeting and being eligible, they have offered themselves for re-election:

Mr. Salahuddin Alamgir
Vice Chairman

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

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

Brief profiles of the Directors being proposed for re-appointment are given at page 18 & 19 of the Annual Report, which fulfill condition no.1(5)(xxiv) of the codes of corporate governance of BSEC.

Board Committees:

Based on codes of corporate governance of BSEC, there are at present two functional committees of the Board, namely the Audit Committee and the Nomination and Remuneration Committee (NRC). A short profile of the Committees are presented below :

Audit Committee

This is the most vital committee of the Board. This committee is constituted as per code 5.1(a) of the codes of corporate governance of BSEC. The Board has appointed the Audit Committee comprising the following members of the Board having adequate knowledge about finance and accounts, as required in the 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. A further detailed report of the Audit Committee is presented at the appropriate place in this Annual Report to meet the regulatory requirements.

Nomination and Remuneration Committee (NRC)

ITC has always been very passionate about its human resources management and thereby improving its personnel potentials. With a view to developing its total human capital for the Company, including nomination, selection, hiring, remuneration and placement for the entire segment and based on requirements of the CG code 6.1(a), the Board has established the Nomination and Remuneration Committee (NRC). The committee is comprised of the following members of the Board having adequate knowledge :

Name of Members

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

Position in the committee

Chairman
Member
Member
Secretary

During the year under review, the NRC performed in a well-knit manner ensuring full compliance as required under the Codes of Corporate Governance promulgated by BSEC. A further detailed report of the NRC is presented at the appropriate place in this Annual Report to meet the regulatory requirements.

Extra Ordinary General Meeting (EGM):

Pursuant to the provision of Clause (2) of the BSEC Notification vide no. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021 regarding to purchase Land and to Construct a Multi-storied Building of the Company which is more than 50% of the total tangible assets as shown in the statement of Financial Position as of end of the financial year 2021-2022, the Board of Directors of the Company at its meeting held on March 09, 2023 at 3:00 p.m. and the Shareholders in its Extra Ordinary General Meeting (EGM) held on April 26, 2023 had taken the following decisions with regard to purchase of Land, Construction of Building, Source of Funds etc.:

• Purchase of Land, Construction of Multi-storied Building and Source of Funds:

Purchase of Land: Information Technology Consultants Limited will purchase commercial Plots Number: 35/Kha (Thirty Five/Kha) & 36/Kha (Thirty Six/Kha) at Tejgaon Industrial Area, Dhaka total 20.065 Kathas from M/s. House of Sunshine Knitwear Ltd. Mouza valuing at Taka 35 (Thirty Five) Crores from company's own source.

The details of land area are follows:

1) Plot number: 35/Kha total land area:	10.478 katha
2) Plot number: 36/Kha total land area:	9.587 katha
Combined total Land:	20.065 kathas

Besides the above purchase consideration, Information Technology Consultants Limited will also bear all incidental charges for Registration of Sale Deed and other miscellaneous expenses including issue of certified copy of Sales/Purchase Deed.

The Deed of Land and Registration formalities will be signed for and on behalf of, Information Technology Consultants Limited by Dr. Kazi Saifuddin Munir, Managing Director & CEO.

Construction of Building: Information Technology Consultants Limited will start construction of a multi-storied building having Ground Floor + 13 floors + 2 Basements and has decided to name the project as "ITC Tower Project" and name of the proposed tower shall be "ITC Tower". The proposed building will be equipped with modern IT infrastructure & multiple state-of-the-art data centers with the total project cost of Tk. 280 (Two Hundred Eighty) Crores including cost of land which is more than 50% of the total tangible assets as shown in the statement of Financial Position as of end of the financial year 2021-2022.

Source of Funds: Information Technology Consultants Limited shall purchase the proposed land from Company's own source of fund and shall construct modern architectural building equipped with necessary technical equipment, data center, furniture & fixture, fire-fighting equipment and IT equipment, etc. The total project cost would stand around Taka 280 (Two Hundred Eighty) Crores. The Company will bear Taka 76 (Seventy Six) Crores from its own source and the remaining project cost of Taka 204 (Two Hundred Four) Crores shall be mitigated phase by phase through Bank Finance under Term Loans [1st Phase: 50 (Fifty) Crores, 2nd Phase: 57 (Fifty Seven) Crores and 3rd Phase: 97 (Ninety Seven) Crores.

Special Business:

In order to change the name of the Company from "Information Technology Consultants Ltd." to "IT Consultants PLC." as per requirements of the Companies Act, 1994 (2nd amendment 2020), and to amend Memorandum and Articles of Association with Clause-I and top of page 1 of the Memorandum of Association and Articles 3(i), 54 and 113 & top of page 1 of the Articles of Association of the Company, Special Resolutions are required to be passed to give effect to the above amendments.

The Board of Directors at its meeting held on October 25, 2023 has adopted the following resolution in order to comply with the provisions of the Companies Act, 1994 (2nd amendment 2020).

Therefore, if thought fit, the shareholders are requested to pass the following resolutions as adopted by the Board of Directors as Special Resolutions:

Resolved that:

- a) **the name of the Company “Information Technology Consultants Ltd.” be and is hereby changed to “IT Consultants PLC.” as per requirements of the Companies Act, 1994 (2nd amendment 2020), and accordingly Clause-I and top of page 1 of the Memorandum of Association and Articles 3(i), 54 and 113 & top of page 1 of the Articles of Association respectively shall be amended at appropriate places.**

- b) **a new printed copy of the Memorandum and Articles of Association of the Company incorporating the amendments made up to this date in substitution of the existing Memorandum and Articles of Association be and is hereby adopted as Memorandum and Articles of Association of the Company and the same be filed with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh.**

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: 42 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: 27.01 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 # 35 in this Annual Report;
- The Company has proposed cash dividend for the year 2022-23;
- 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 2022-23 has been presented in the page # 82 in the Report;
- The patterns of shareholding as on June 30, 2023, has been presented in the page # 83
- A statement of 'Management Discussion and Analysis' has been presenting on page 46 of this Annual Report.
- Declaration under the Corporate Governance Code by the Managing Director/CEO and Chief Financial Officer on the financial reporting has been presented in the page # 92 of this Annual Report.
- Status of compliance of the conditions of BSEC CG Code dated 3rd June 2018 has been presented in the page # 94 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 # 93 of this Annual Report.

Appointment of Statutory Auditors:

During the 22nd Annual General Meeting (AGM) the shareholders had appointed M/s. HUSSAIN FARHAD & Co., Chartered Accountants, as Statutory Auditors of the company for the year 2022-2023. The Auditors are 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, 2023, the matter for appointment of M/s. Hussain Farhad & Co, Chartered Accountants for the year 2023-2024 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 23rd 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 22nd 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 2022-2023. 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, 2023, the matter of appointment of M/s. Al-Muqtadir Associates, Chartered Secretaries for the year 2023-2024 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 23rd 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
2019-20	-	199,484	199,484
2020-21	199,484	169,201	368,685
2021-22	368,685	226,005	594,690

Prospect revelations for investors:

ITC Limited was established in the year 2000 as a private company. After a flourishing IPO, it was enlisted with the stock exchanges in 2015 and its present paid up capital is about Tk. 128 crores. The Company has since transformed to become a local leader for Information Technology and payment service automation in the rapidly changing arena of Electronic Payment Transaction Processing Systems. ITC is the one of the PSO (Payment System Operator) licensed by Bangladesh Bank to provide end-to-end electronic payment services for banks, government organizations, retailers, billers and financial institutions. The Company currently serves 36 banks, with its network named 'Q-Cash' which is a popular brand-name in Banking and Payment Industry in Bangladesh. ITC has since done the necessary certification of its platform to enable Bangla QR payment transactions which will further facilitate the end customers to pay at retail outlets or pay bills at fingertips. ITC cherishes to cater substantial payment transactions with this new feature in coming years and thereby further boost its transaction processing revenues.

Thus, ever since its startup journey 23 years back, Information Technology Consultants Limited has achieved significant milestones and has established itself as a lead player in Information Technology and Payment Service Automation Systems in Bangladesh. The Company has expanded its market share remarkably through its flagship brand 'Q-Cash' and braces all potentials for greater growth and expansion. Further, ITC is poised to purchase sizably large commercial Plots at Tejgaon Industrial Area, Dhaka entirely from its own sources and to undertake construction of multi-commercial complexes at that place. Now, those are momentous indications that ITC sees green beckoning at the lurking horizon.

It is now up to the prospective stakeholders, home and abroad, to contemplate about Information Technology Consultants Limited.

Amongst others, the Board performed the following core activities during the year under review :

1. Provided 'collective wisdom' to the Company,
2. Conducted 5 (five) meetings during the year,
3. Reviewed and approved the quarterly and annual accounts of the Company as recommended by the Audit Committee,
4. Appropriated profit and recommended dividend for the year,
5. Reviewed and approved the report of the Audit Committee,
6. Reviewed and approved the report of the Nomination and Remuneration Committee (NRC),
7. Reviewed and approved the 'Management Discussion & Analysis' statement prepared by the Management of the Company,
8. Reviewed the Auditors Report submitted by the statutory auditors,
9. Reviewed and approved the Due Diligence Declaration jointly made by the CEO and CFO,
10. Reviewed and approved the Status of Compliance of the CG Codes,
11. Reviewed the 'Certificate of Compliance' from the CG Compliance Auditor,
12. Reviewed and approved the Directors Report of the year,
13. Reviewed and approved the Annual Report of the Company to be placed before the ensuing 23rd Annual General Meeting,
14. Reviewed and approved the yearly evaluation reports of the Directors,
15. Resolved to purchase commercial land for the Company.

Acknowledgement & appreciation:

Whatever accolades and attainments the Company has earned over the years are the harvests of success achieved by the dedicated employees of the Company. The Board of Directors takes this occasion to record its utmost appreciation for them who were with the Company at all odds of pandemic fears and endemic challenges. At the same time the Board also offers its heartfelt thanks and gratitude to the success 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 continued support and patronage to carry the Company to its cherished height. We value their continued support to fulfill our mission to improve the lives of our countless partners at large and augment its contribution to the nation to further empower the financial society of Bangladesh.

For & On behalf of the Board of Directors



LIM KIAH MENG
Chairman

Date: October 25, 2023

Declaration by CEO and CFO



Information Technology Consultants Limited
Declaration by CEO and CFO

Date: October 25, 2023

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, 2023

Dear Sirs,

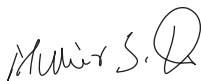
Pursuant to the condition No. 1(5) (xxvi) imposed vide the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that.

- 1) The Financial Statement of Information Technology Consultants Limited for the year ended on June 30, 2023 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, 2023 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.



Chartered Secretaries & Consultants

efforts umpteenth : প্রয়াগ অন্তর্হীন

Business Office :
House #412, Apartment: 8
Road: 08, Block: D
Bashundhara R/A, Dhaka-1229
Bangladesh

Phone: 01730 340 340
e-mail: muqtadiromuqtadirbd.com
g-mail: akamuqtadir@gmail.com
VAT Reg: 19041063900
BIN No: 000179575-0202

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 30th June 2023. This code relates to the gazette notification no: BSEC/CMRRCD/2006- 158/207/Admin/80 dated the 3rd 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 :

- (a) The Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Corporate Governance Code issued by the Commission.
- (b) 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.
- (c) 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
- (d) 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 2022-23.

AL-MUQTADIR ASSOCIATES
Chartered Secretaries & Consultants

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

Dhaka, October 30, 2023

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 3rd 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	
1.00	Board of Directors			
1.(1)	Board Size (minimum - 5 and maximum - 20)	√		9 directors
1.(2)	INDEPENDENT DIRECTORS			
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	√		
1.3	QUALIFICATION OF INDEPENDENT DIRECTOR			
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
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
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)	The MD and CEO of a listed Company shall not hold the same position in another listed Company.	√		Compliance declared
1(4)(c)	The Chairperson shall be elected form 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.	√		Respective roles and responsibilities are clearly defined
1(4)(e)	In absence of Chairman etc.	-		No such case in year
1(5)	The Directors' Report to Shareholders :			
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)	√		- do -
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	√		- do -
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.	√		Stated in 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)	√		Done as per BSS

Condition No.	Title	Compliance Status		Remarks (If any)
		Compiled	Not Compiled	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC)	√		NRC recommended and Board approved CoC exists
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.	√		The Codes of Conduct is duly posted on the Company Website
2	Governance of Board of Directors of Subsidiary Company			
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	Managing Director (MD) or Chief Executive Officer, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer, 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	Requirement to attend Board of Directors' Meetings			
3 (2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	√		In practice
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
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	√		Stated 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	Board of Directors' Committee			
4 (i)	Audit Committee	√		Already in practice
4 (ii)	Nomination and Remuneration Committee	√		- do -
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
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 be responsible to the Board	√		In practice
5.2	Constitution of the Audit committee			
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	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee who 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)	√		The AC Chairman attended the AGM
5.4	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		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	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process	√		Performed as per guidelines
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	Reporting of the Audit Committee			
5.6 (a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on tis activates to the Board	√		Performed as per guidelines
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)	Reporting to the Authorities			
5.7	Reporting to the Shareholders and General Investors			
5(7)	Reporting to the Shareholders and General Investors	√		Audit committee report given in the AR
6	Nomination and Remuneration Committee (NRC)			
6.1	Responsibility to the Board of Directors			
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 Performed as per guidelines
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	Constitution of the NRC			
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	√		Constituted as per guidelines
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			No such case in the reporting year
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	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (One) member of the NRC to be Chairperson of the Committee	√		Board selected the Chairman 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	√		No such case in the reporting year
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM)	√		Practiced as per guidelines
6.4	Meeting of the NRC			
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	√		- do -
6.5	Role of NRC			

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	√		- do -
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	√		- do -
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance	√		- do -
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	√		- do -
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, experience etc.	√		- do -
6(5)(b)(iii)	Identifying persons who are qualified the criteria laid down and recommend their appointment and removal to the Board.	√		No such list as yet
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board	√		Practiced as per guidelines
6(5)(b)(v)	Identifying company's needs for employees at different levels and determine their selection, transfer or replacement	√		- do -
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies	√		- do -
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	√		Stated in the Annual Report
7	External or Statutory Auditors			
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)	√		He was present in the last AGM
8	Maintaining a website by the company			
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	Reporting and Compliance of Corporate Governance			
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
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:

📍 : House # 15, Road # 12, Block # F, Niketon
Gulshan-1, Dhaka-1212, Bangladesh.
☎ : +88 (02)8836015-7 📠 : +88 01681126120
✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

Independent Auditor's Report
To the shareholders of Information Technology Consultants Limited
Report on the Audit of the Financial Statements

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 2023, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with the 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 Matters

1. We draw attention to Note #3.02(c) of the financial statements, the company has disclosed the rationality for determining the amortization rate of its Intangible Assets. The management of the company has considered the estimated useful lives of the intangible assets to be between 5-40 years.
2. We draw attention to Note # 3.04 in the financial statements, which discloses the valuation methods applied to ITCL's inventories. The inventory of ITCL consists of exceptionally high-tech items, posing a considerable challenge to management in determining the accurate Net Realizable Value (NRV) of these items.
3. Attention is drawn to Note # 3.09 to the financial statements, outlining the revenue recognition method for the Card Renewal Charge. According to the agreement with the member banks, the management of ITCL is allowed to recognize revenue for card renewal fees only after every 12-months cycle.

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.



Key Audit Matter	Our response to the risk
Carrying value (CV) of Noncurrent Assets and their impairment	
<p>Property, Plant and Equipment (PPE) of Information Technology Consultants Limited comprises a major portion of the total assets, which amounts to Tk. 654,417,304 as at June 30, 2023.</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"> • Understood and tested relevant controls within the purchase and measurement process of the non-current assets. • Reviewed the basis of recognition, measurement, and valuation of assets. • Reviewed the calculation process of the depreciation and amortization of the non-current assets. • Checked ownership of the major assets. • Checked the Capital-Work-in-Progress (CWIP) and its transfer to PPE. • Performed physical asset verification at the year-end on sample basis. • Critically reviewed the Company's assumptions & disclosures in relation to recoverable amounts of the major PPE to identify if there is any requirement for recognition of impairment. • Checked the report on Fixed Asset Register Preparation. • Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.
Please see Notes # 3.01, 3.02, 3.03, 4.00, 5.00 to the financial statements	
Revenue Recognition	
<p>For the year-end, the Company reported total revenue of Taka 1,199,312,627 in Note 25 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 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 IFRS 15. 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</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"> • Assessed whether the revenue recognition policy is appropriate which is in line with IFRS 15 - Revenue from contracts with customers. • Performed walkthrough tests to understand the adequacy and the design of the revenue cycle. • Reviewed the contracts with different banks on a sample basis. • Obtained supporting documentation for sales transactions recorded at the

<p>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 Cut-off period, and inaccurate sales figures and unauthorized sales.</p>	<p>beginning and end of the year to verify the revenue recognition at the cut-off time.</p> <ul style="list-style-type: none"> • Obtained third-party confirmation on a sample basis for trade and other receivables. • Performed substantive analytical procedures to understand how revenue trends impacted over the year, among other parameters. • Reviewed the presentation and disclosures. <p>Finally, assessed the appropriateness and presentation of disclosures related to relevant accounting standards.</p>
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Please see Notes # 3.09 and 25.00 to the financial statements.

Valuation of Inventories

Key Audit Matter	Our response to the risk
<p>The Company had inventories of Tk. 162,734,035 as at June 30, 2023.</p> <p>Inventories are valued as per note no. 3.04. 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 the 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"> • Evaluated the design and implementation of key inventory controls. • Conducted inventory counts of store materials and finished goods on sample basis and reconciled the count results to the inventory listings to test the completeness of data. • Assessed whether some of the inventory became slow-moving or obsolete and assessed the necessity for inventory provisioning; and • Evaluated the adequacy of financial statement disclosure as per IAS-2. • Reviewed the valuation methods for high exceptional Technological Items.



Please see Notes # 3.04 and 8.00 to the financial statements

Provision for Income Tax and Recognition of Deferred Tax

Key Audit Matter	Our response to the risk
<p>The company reported Income Tax Provision and net Deferred tax liability of Tk. 53,650,342 & 1,339,012 as at June 30, 2023.</p> <p>The Company is a provider of both Information Technology Enable Service (ITES) and Non-ITES services. So, there is considerable uncertainty towards execution of tax assessment under paragraph 21 of Part- A of the 6th schedule of the Income Tax Act 2023, up to the 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 considering ITES-related services as non-ITES- related services. Complexities associated with the tax assessment of an ITES Company also involve audit risk. We have determined these to be a key audit matter, due to the complexity of income tax provisioning, the inherent uncertainty in forecasting the amount, the 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"> • 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 & deferred tax liabilities and the assumptions used in estimating the future taxable income of the Company. • Assessed the completeness and accuracy of the data used for the estimations of future taxable income. • Tested the mathematical accuracy in the calculation of Income Tax and deferred Tax. • Assessed key assumptions, controls, recognition, and measurement of Deferred Tax Assets. • Assessed the adequacy of the Company's disclosures, setting out the basis of deferred tax assets balances and the level of estimation involved. • Reviewed the tax implications, the reasonableness of estimations, and calculations determined by management. • Checked the exemption letter provided by NBR. • Finally, assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.



Please see Note# 3.06, 19.00, 24.00, 34.00, and 35.00 to the financial statements.	
Information technology systems and controls	
Key Audit Matter	Our response to the risk
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>Our audit procedures to address the risks of material misstatement relating to Information Technology Systems includes:</p> <ul style="list-style-type: none"> • Reviewed the security policy covering physical and logical access controls. • Reviewed controls instituted in view of the rapid changes in technology. • Identified and evaluated the major risk points (including points of manual intervention) together with the key controls (including reconciliation controls) for each critical application system. • Examined business continuity plan and updates to plan; and • Reviewed controls ensuring the availability of systems.

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 are 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 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 the 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 : **Asifur Rahman, FCA, ACS, Partner/Enrollment No: 0904
FRC Enrollment: CA-001-239**

DVC No : 2310260904AS311673

Place : Dhaka

Date : 26 Oct 2023



Information Technology Consultants Limited
Statement of Financial Position
As at 30 June 2023

	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
Assets			
Non-Current Assets:			
Property, plant and equipment, net	4.00	654,417,304	243,411,201
Intangible assets, net	5.00	782,981,595	806,527,592
Right of use assets, net	6.00	54,139,247	81,808,095
Capital work-in-progress	7.00	444,972,630	-
		1,936,510,776	1,131,746,888
Current Assets:			
Inventories	8.00	162,734,035	283,868,776
Accounts receivable	9.00	378,193,811	500,773,246
Other receivable	10.00	16,331,802	20,505,860
Advance, deposits & prepayments	11.00	336,689,157	551,263,698
Cash and cash equivalents	12.00	244,360,941	177,883,075
		1,138,309,746	1,534,294,655
Total Assets		3,074,820,522	2,666,041,543
Equity and Liabilities			
Shareholders' Equity:			
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	689,724,980	444,170,709
Revaluation reserve	16.00	172,509,157	180,265,073
		2,442,739,207	2,204,940,852
Non-Current Liabilities:			
Term loan	17.01	4,058,053	-
Lease liabilities	18.01	30,042,544	53,231,835
Deferred tax liability	19.00	1,339,012	1,147,068
		35,439,609	54,378,903
Current Liabilities:			
Trade payables	20.00	37,238,212	57,325,644
Bank overdraft	21.00	283,063,855	202,281,400
Term loan, current portion	17.02	2,166,573	-
Lease liabilities, current portion	18.02	23,259,255	23,711,834
Other liabilities	22.00	196,668,779	80,498,426
Unclaimed dividend	23.00	594,690	584,082
Provision for income tax	24.00	53,650,342	42,320,402
		596,641,706	406,721,788
Total Liabilities		632,081,315	461,100,691
Total Equity & Liabilities		3,074,820,522	2,666,041,543
Net Asset Value (NAV) per share	37.00	19.00	17.15

The annexed notes from 1 to 42 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

Dated, Dhaka
Date: 25 October, 2023
DVC No. 2310260904AS311673


Hussain Farhad & Co.
Chartered Accountants

Information Technology Consultants Limited
Statement of Profit or Loss
For the year ended 30 June 2023

	Notes	Amounts in Taka	
		2022-23	2021-22
Revenue	25.00	1,199,312,627	1,014,613,264
Cost of services and sales	26.00	(634,079,280)	(515,699,286)
Gross Profit		565,233,347	498,913,978
Operating Expenses:			
General and administrative expenses	27.00	(153,668,655)	(145,596,487)
Selling and distribution expenses	28.00	(37,000,690)	(43,313,120)
Other operating expenses	29.00	(11,537,151)	(12,703,391)
Total Operating Expenses		(202,206,496)	(201,612,998)
Operating Profit/(Loss)		363,026,851	297,300,980
Non-operating income/(expenses)	30.00	(10,837,499)	(1,358,141)
Profit/(Loss) before Finance Costs		352,189,352	295,942,839
Finance costs	31.00	(19,895,972)	(43,071,550)
Finance income	32.00	10,506,249	11,586,123
Profit/(Loss) before WPPF & WF		342,799,629	264,457,412
Contribution to WPPF & WF	33.00	(16,323,792)	(12,593,210)
Profit/(Loss) before Income Tax		326,475,837	251,864,202
Income Tax		(11,367,879)	(11,637,089)
Current tax	34.00	(11,329,940)	(13,095,898)
Deferred tax income/(expenses)	35.00	(37,939)	1,458,809
Net Profit/(Loss)		315,107,958	240,227,113
Earnings Per Share (EPS)	36.00	2.45	1.87

The annexed notes from 1 to 42 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary


Hussain Farhad & Co.
Chartered Accountants

Dated, Dhaka
Date: 25 October, 2023
DVC No. 2310260904AS311673

Information Technology Consultants Limited
Statement of Other Comprehensive Income
For the year ended 30 June 2023

Notes	Amounts in Taka	
	2022-23	2021-22

Other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax:

Net profit after tax	315,107,958	240,227,113
Deferred tax on revaluation surplus	(154,005)	989,506
Remeasurement on defined benefit plans	-	-
Deferred tax impact on defined benefit plans	-	-
Other comprehensive income /(loss) for the period, net of tax	(154,005)	989,506
Total comprehensive income for the period, net of tax	314,953,953	241,216,619

The annexed notes from 1 to 42 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary


Hussain Farhad & Co.
Chartered Accountants

Dated, Dhaka
Date: 25 October, 2023
DVC No. 2310260904AS311673

Information Technology Consultants Limited
Statement of Changes in Equity
For the year ended 30 June 2023

Particulars	Paid-up Capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Equity
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2022	1,285,926,640	294,578,430	444,170,709	180,265,073	2,204,940,852
Net profit for the year	-	-	315,107,958	-	315,107,958
Cash dividend (2021-22)	-	-	(77,155,598)	-	(77,155,598)
Transfer from revaluation reserve	-	-	7,755,916	(7,755,916)	-
Deferred tax on revaluation reserve	-	-	(154,005)	-	(154,005)
Balance as at 30 June 2023	1,285,926,640	294,578,430	689,724,980	172,509,157	2,442,739,207

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
Balance as at 30 June 2022	1,285,926,640	294,578,430	444,170,709	180,265,073	2,204,940,852

The annexed notes from 1 to 42 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

Dated, Dhaka
Date: 25 October, 2023

Information Technology Consultants Limited
Statement of Cash Flows
For the year ended 30 June 2023

	Notes	Amounts in Taka	
		2022-23	2021-22
A. Cash flows from operating activities			
Cash receipts from customers/revenue		1,351,430,418	1,050,594,598
Cash paid to suppliers		(285,857,442)	(204,931,564)
Cash paid for operating activities		(91,424,306)	(81,162,851)
Cash paid to employees		(288,194,451)	(278,847,588)
Interest paid		(19,895,972)	(43,071,550)
Income taxes paid		(11,329,940)	(13,095,898)
Net cash provided by/(used in) operating activities	40.00	654,728,307	429,485,147
B. Cash flows from investing activities			
Purchase of property, plant & equipment		(435,550,452)	(21,668,829)
Purchase of card bureau		(14,419,498)	(5,411,652)
Purchase of property, plant & equipment (W-I-P)		(444,972,630)	-
Fixed deposit receipt (FDR)		(30,000,000)	(50,000,000)
Proceeds from FDR encashment		335,605,993	-
Payment of right of use asset - Lease assets		-	(416,700)
Proceed from sale of vehicles		400,000	-
Interest received		14,593,058	11,566,522
Net cash provided by/(used in) investing activities		(574,343,529)	(65,930,659)
C. Cash flows from financing activities			
Payment of lease liabilities		(23,769,003)	(22,763,192)
Proceeds from long term loan		6,895,000	-
Payment of long term loan		(670,374)	-
Proceeds from bank overdraft		338,291,393	46,927,568
Payment of bank overdraft		(257,508,938)	(294,436,561)
Proceeds from dividend refund		1,600,254	306,904
Payment of dividend		(78,745,244)	(65,201,423)
Net cash provided by/(used in) financing activities		(13,906,912)	(335,166,704)
D. Net changes in cash and cash equivalents (A+B+C)		66,477,866	28,387,784
E. Cash and cash equivalents at beginning of the year		177,883,075	149,495,291
F. Cash and cash equivalents at end of the year		244,360,941	177,883,075
Net Operating Cash Flows Per Share (NOCFPS)	38.00	5.09	3.34

The annexed notes from 1 to 42 form an integral part of these financial statements.


Chairman


Managing Director & CEO


Company Secretary

Dated, Dhaka
Date: 25 October, 2023

Information Technology Consultants Limited
Notes to the Financial Statements
As at and for the year ended 30 June 2023

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 subscription for IPO was opened on 02 November 2015 and the company became listed with Dhaka & Chittagong Stock Exchanges in 2016 and. 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 Financial Reporting Council (FRC).

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	Partially 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. Assistances	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	Partially 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 2023.

2.03 Reporting period

The financial period of the Company covers one year from 01 July 2022 to 30 June 2023, 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:

- Income Tax Act 2023
- 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:

Name of Assets	Rate
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 has engaged a professional valuer **M/S. Howladar Yunus & Co. (HYC)**, Chartered Accountants affiliated with International Company “**Grant Thornton**”, who has determined the useful lives of fixed assets, reconciled fixed assets register, revalued the assets and carried out an impairment test as per IAS 36, para 9. Accordingly, the company has recognised & executed its recommendations in its financial Statement during this year.

In this consequence, it/HYC has been identified that a total 68 numbers of ATM machinery required to be derecognized from the fixed Assets since ITCL did not get any economic benefits from it, and it is not probable that future economic benefits associated with the item will flow to the entity because of the current condition of ATM Machinery. In addition, an amount of office decoration cost should be considered as a disposable amount under the head Office decoration though decoration no longer exists in the current office premises which is leftover in the previous office premises. The cost amount of ATM Machinery and office decoration have been derecognized, and necessary adjustment has been applied. Details are given below:

Particulars	ATM Machinery (68 units)	Office Decoration	Total
	Taka	Taka	Taka
Cost value, opening	71,728,966	8,315,094	80,044,060
Accumulated depreciation, opening	59,996,243	6,659,316	66,655,559
Depreciation for the current year	1,759,908	165,578	1,925,486
Accumulated depreciation, closing	61,756,151	6,824,894	68,581,045
Written down value, closing	9,972,815	1,490,200	11,463,015

Workings for Depreciation of ATM Machine (68 units) and Office Decoration

Assets Item	Written down Value (Opening)	Depreciation (2022-23)	Written down Value (Closing)
	Taka	Taka	Taka
ATM machine	11,732,723	1,759,908	9,972,815
Office decoration	1,655,778	165,578	1,490,200

(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 the 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 are 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 been considered.

(g) Leases

The Company adopted IFRS 16 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 IFRS 16, 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, 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 organizations, a2i, UNDP and retailers while operating Bank driven independent Q-Cash gateway, which consists of payment brand as well as a 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 the ITC host and subsequently 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 requirements 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 from 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 in fact those are highly exceptional Technological Items, that's why it is very difficult to determine net realizable value of those items. 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 Act 2023 and as per the applicable rates prescribed in the Finance Act, 2023 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-21 of part-A of the 6th schedule of the Income Tax Act 2023 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 Status:

The Company is mainly an Information Technology Enable Service (ITES) provider by nature of its business activities and also enjoying tax exemption by virtue of Tax exemption certificate no#51, Ref# 08.01.0000.034.01.118.14-194. In the Income Tax year-2021-22, the Deputy Commissioner of Taxes has disallowed some expenditure and imposed tax on those ITES related expenditure. As such, the Company has appealed to the learned Commissioner (Appeal), Tax Appeal Zone-03, Dhaka, which is under process for appeal order. In this connection, the Company has submitted Tax return for the Income tax year-2022-2023, which is also being under process for assessment.

(C) Deferred tax

Differed 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 IFRS 15: Revenue from Contracts with Customers. also conducted IFRS 15, para-3 the use of any practical expedients against Card renewal charge (Customer data management software maintenance) included in the Q-cash transaction processing charge and thus recognized business agreement with the member banks of the Company after every 12 months.

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 the 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 the 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, the 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 2023 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 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 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.

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. The 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 puts high focus and undertakes 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 that 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 its 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 in statements of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft, Bank charges and borrowings.

3.19 Comparatives and rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and the narrative and descriptive information when it is relevant for understanding of the current financial statements.

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform current year's presentation.

3.20 Number of employees

As on 30 June 2023 the Company had 369 (30 June 2022, 364) 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 2023

Particulars	Cost/Revaluation				Depreciation				Net book value As at 30 June 2023	
	As at 01 July 2022	Addition during the year	Disposal/ Adjustment during the year	As at 30 June 2023	Rate	As at 01 July 2022	Charged during the year	Disposal/ Adjustment during the year		As at 30 June 2023
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
Land*	-	394,528,750	-	394,528,750	--	-	-	-	394,528,750	
ATM booth	14,026,316	-	-	14,026,316	15%	11,442,911	387,516	-	11,830,427	
ATM machinery**	169,689,485	15,338,198	71,728,966	113,298,717	15%	139,496,731	13,630,185	61,756,151	91,370,765	
Computer & components	59,384,983	4,367,333	-	63,752,316	15%	45,382,518	2,358,005	-	47,740,523	
Data center	40,984,478	17,448,061	-	58,432,539	10%	12,757,576	3,598,440	-	16,356,016	
Generator	14,800,000	-	-	14,800,000	10%	10,155,604	464,436	-	10,620,040	
Network solution (CISCO)	20,733,570	2,370,197	-	23,103,767	10%	7,654,311	1,486,006	-	9,140,317	
Online UPS	14,029,867	-	-	14,029,867	10%	5,197,616	883,224	-	6,080,840	
Operating equipment	8,331,926	-	-	8,331,926	15%	5,988,162	351,564	-	6,339,726	
Plant & machinery	37,466,637	-	-	37,466,637	15%	27,894,104	1,435,884	-	29,329,988	
POS terminal	44,314,185	-	-	44,314,185	15%	33,621,706	1,603,872	-	35,225,578	
Power sub station	2,460,500	-	-	2,460,500	10%	1,688,360	77,220	-	1,765,580	
Power system	11,921,101	-	-	11,921,101	10%	7,764,474	415,668	-	8,180,142	
Structure cabling	7,276,370	-	-	7,276,370	10%	3,471,752	380,460	-	3,852,212	
Switching hardware	33,246,661	-	-	33,246,661	10%	13,595,339	1,965,132	-	15,560,471	
Call center	100,000	-	-	100,000	10%	61,272	3,876	-	65,148	
Web application firewall	278,300	-	-	278,300	15%	63,049	32,292	-	95,341	
Furniture & fixture	11,456,864	647,217	-	12,104,081	10%	7,146,606	474,272	-	7,620,878	
Office decoration	43,118,511	1,154,375	8,315,094	35,957,792	10%	26,106,267	1,737,918	6,824,894	21,019,291	
Office equipment	41,292,182	3,715,587	-	45,007,769	15%	32,217,414	1,638,092	-	33,855,506	
Vehicles***	7	10,765,294	2	10,765,299	20%	-	717,688	-	717,688	
Sub total (a)	574,911,943	450,335,012	80,044,062	945,202,893	--	391,705,772	33,641,750	68,581,045	356,766,477	
SMS aggregator project - uLKa										
Server	3,818,000	-	-	3,818,000	15%	897,230	438,120	-	1,335,350	
Sub total (b)	3,818,000	-	-	3,818,000	--	897,230	438,120	-	1,335,350	

*N.B. The company has purchased 20.065 katha of land plot no. # 35/kha & 36/kha from House of Sunshine Knitwear Limited in Tejgaon, Dhaka, which has been followed as per BSEC Notification No. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021, para-(2) and consequently approved by the shareholders on its EGM dated 26 April 2023.

**N.B. Inventory items such as PROCASH 280 NFL KMAT (17 nos), DN Series 100D (2 Nos), Opteva 378 Cash Recycler (2 nos) ATM have been transferred to ATM machinery as per IAS-2, para-35 & IAS-16, Para-55 and subsequently incurred depreciation has been charged in line with the ATM depreciation during the year.

***N.B. Four vehicles (02 no's of TOYOTA HIACE GL and 02 no's of TOYOTA AXIO XD, Non Hybrid) have been purchased, and two old vehicles have been disposed of and sold due to uncongenial conditions. The sales value has been recognized as a gain from the sale of an old car under Non-operating income/(expenses) in Note - 30.00.

(Cont.....)

Particulars	Cost/Revaluation				Depreciation				Net book value	
	As at 01 July 2022	Addition during the year	Disposal/ Adjustment during the year	As at 30 June 2023	Rate	As at 01 July 2022	Charged during the year	Disposal/ Adjustment during the year	As at 30 June 2023	As at 30 June 2023
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Card Bureau										
Card printer	56,652,908	-	-	56,652,908	15%	33,029,549	3,543,504	-	36,573,053	20,079,855
Computer & components	519,000	133,281	-	652,281	15%	200,268	49,474	-	249,742	402,539
Online UPS	2,036,647	-	-	2,036,647	10%	544,306	149,232	-	693,538	1,343,109
Network solution	924,795	-	-	924,795	10%	247,714	67,704	-	315,418	609,377
Structure cabling	2,437,633	-	-	2,437,633	10%	644,112	179,352	-	823,464	1,614,169
Server	2,570,026	-	-	2,570,026	10%	497,721	207,228	-	704,949	1,865,077
HSM	8,868,947	13,775,701	-	22,644,648	15%	2,035,846	1,369,360	-	3,405,206	19,239,442
Office decoration	1,260,237	-	-	1,260,237	10%	340,602	91,968	-	432,570	827,667
Office equipment	3,795,375	-	-	3,795,375	15%	1,035,808	413,940	-	1,449,748	2,345,627
Furniture & fixture	35,629	103,067	-	138,696	10%	9,660	8,605	-	18,265	120,431
Sub total (c)	79,101,197	14,012,049	-	93,113,246	--	38,585,586	6,080,367	-	44,665,953	48,447,293
Disaster Recovery Centre										
Switching hardware	25,906,828	-	-	25,906,828	10%	13,464,840	1,244,196	-	14,709,036	11,197,792
Generator	1,698,025	-	-	1,698,025	10%	885,876	81,216	-	967,092	730,933
Structure cabling	2,168,517	-	-	2,168,517	10%	1,131,324	103,716	-	1,235,040	933,477
Firewall & router	548,000	-	-	548,000	10%	261,528	28,644	-	290,172	257,828
Online UPS	1,800,000	-	-	1,800,000	10%	939,072	86,088	-	1,025,160	774,840
Network solution	109,000	-	-	109,000	10%	37,488	7,152	-	44,640	64,360
Office decoration	730,837	-	-	730,837	10%	369,288	36,156	-	405,444	325,393
Office equipment	2,548,454	-	-	2,548,454	15%	1,731,480	122,544	-	1,854,024	694,430
Furniture & fixture	167,040	-	-	167,040	10%	87,156	7,992	-	95,148	71,892
Sub total (d)	35,676,701	-	-	35,676,701	--	18,908,052	1,717,704	-	20,625,756	15,050,945
Grand total (a+b+c+d)	693,507,841	464,347,061	80,044,062	1,077,810,840	--	450,096,640	41,877,941	68,581,045	423,393,536	654,417,304

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
2021-22	677,936,085	19,389,756	3,818,000	693,507,841	--	416,841,235	34,152,635	897,230	450,096,640	243,411,201

5.00 Intangible assets, net
as at 30 June 2023

Particulars	Cost/Revaluation				Amortization				Net book As at 30 June 2023	
	As at 01 July 2022	Addition during the year	Disposal during the year	As at 30 June 2023	Rate	As at 01 July 2022	Charged during the year	Disposal during the year		As at 30 June 2023
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
ATM software	248,027,789	-	-	248,027,789	2.5%	46,044,320	6,200,700	-	52,245,020	195,782,769
Mobile banking software	1,000,000	-	-	1,000,000	5%	450,028	50,004	-	500,032	499,968
Oracle software	7,646,500	-	-	7,646,500	5%	3,440,891	382,320	-	3,823,211	3,823,289
PCI DSS security compliance software	1,129,800	4,709,879	-	5,839,679	5%	508,452	233,116	-	741,568	5,098,111
POS software	77,917,045	-	-	77,917,045	5%	23,142,110	3,895,848	-	27,037,958	50,879,087
Q cash e portal software development	1,108,060	-	-	1,108,060	5%	498,635	55,404	-	554,039	554,021
Q cash retailer POS software	8,449,820	-	-	8,449,820	5%	3,802,455	422,496	-	4,224,951	4,224,869
Software development	168,175,800	-	-	168,175,800	2.5%	34,508,690	4,204,392	-	38,713,082	129,462,718
Switching software	482,600,589	-	-	482,600,589	2.5%	86,108,143	12,065,016	-	98,173,159	384,427,430
Call center	1,054,000	-	-	1,054,000	5%	474,328	52,704	-	527,032	526,968
VMware software	2,970,700	-	-	2,970,700	5%	523,288	148,536	-	671,824	2,298,876
Issue tracking software (JIRA)	1,000,000	-	-	1,000,000	5%	400,029	50,004	-	450,033	549,967
E traffic web application	1,710,000	-	-	1,710,000	5%	459,492	85,500	-	544,992	1,165,008
Accounting software	90,000	-	-	90,000	20%	90,000	-	-	90,000	-
Sub total (a)	1,002,880,103	4,709,879	-	1,007,589,982	--	200,450,861	27,846,040	-	228,296,901	779,293,081
uLKa QsMs gateway project										
uLKa QsMs gateway	4,098,350	-	-	4,098,350	10%	-	409,836	-	409,836	3,688,514
Sub total (b)	4,098,350	-	-	4,098,350	--	-	409,836	-	409,836	3,688,514
Grand total (a+b)	1,006,978,453	4,709,879	-	1,011,688,332	--	200,450,861	28,255,876	-	228,706,737	782,981,595

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
2021-22	1,002,880,103	4,098,350	-	1,006,978,453	--	172,781,441	27,669,420	-	200,450,861	806,527,592

6.00 Right of use of assets, net as at 30 June 2023

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 2023 Taka	
	As at 01 July 2022	Addition/Adjustment during the year	Disposal/Adjustment during the year	As at 30 June 2023	Rate	As at 01 July 2022	Charged during the year	Disposal/Adjustment during the year		As at 30 June 2023
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
3rd, 4th & Ground floor - EP	66,199,172	-	-	66,199,172	--	18,756,440	13,239,840	-	31,996,280	34,202,892
2nd & Ground floor - EP	43,011,148	-	-	43,011,148	--	20,788,710	8,602,224	-	29,390,934	13,620,214
1st Floor - EP	5,868,593	-	-	5,868,593	--	2,249,630	1,173,720	-	3,423,350	2,445,243
Ground Floor - EP	3,450,360	-	-	3,450,360	--	345,036	690,072	-	1,035,108	2,415,252
Chittagong office	1,583,629	56,059	-	1,639,688	--	901,792	305,204	-	1,206,996	432,692
Warehouse (Babli)	8,109,505	-	8,109,505	-	--	5,897,827	2,211,678	8,109,505	-	-
Vehicle	7,844,854	-	4,008,771	3,836,083	--	5,319,731	1,502,169	4,008,771	2,813,129	1,022,954
Sub total (a)	136,067,261	56,059	12,118,276	124,005,044	--	54,259,166	27,724,907	12,118,276	69,865,797	54,139,247

as at 30 June 2022

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
2021-22	155,870,912	3,450,360	23,254,011	136,067,261	--	35,631,291	29,071,726	10,443,851	54,259,166	81,808,095

	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
7.00 Capital work-in-progress			
Property, plant & equipment:			
Opening balance		-	-
Add: Addition during the year			
Land		394,819,750	-
ITC tower project*		440,350,000	-
Computer & components		6,664,044	-
		841,833,794	-
Less: Transfer to property, plant & equipment			
Land		(394,528,750)	-
Computer & components		(2,332,414)	-
		(396,861,164)	-
		444,972,630	-
*N.B. Advance amount of BDT 440,000,000 was paid to M/S House of Sunshine Knitwear Ltd. based on agreement to initiate the ITC tower project wor			
8.00 Inventories			
Finished goods	8.01	25,216,440	77,138,455
Store materials	8.02	137,517,595	206,730,321
		162,734,035	283,868,776
8.01 Finished goods			
Opening balance		77,138,455	111,076,540
Add: Addition during the year		-	9,238,663
Less: Consumptions		(51,922,015)	(43,176,748)
		25,216,440	77,138,455
Details are given in Schedule A			
8.02 Store materials			
Opening balance		206,730,321	241,054,826
Add: Addition during the year		15,042,263	-
Less: Consumptions		(84,254,989)	(34,324,505)
		137,517,595	206,730,321
Details are given in Schedule B			
9.00 Accounts receivable			
ATM software support & maintenance receivable		18,112,076	14,984,440
Q-cash joining & interface establishment receivable		-	900,000
Card charge receivable	9.01	105,601,077	149,638,100
Connectivity charge receivable	9.02	9,323,718	4,950,373
Transaction charge receivable	9.03	114,445,092	138,662,754
Servicing & maintenance charge receivable	9.04	40,749,651	92,221,205
Sales receivable	9.05	89,962,197	99,416,374
		378,193,811	500,773,246

Notes	Amounts in Taka	
	30 June 2023	30 June 2022
Ageing schedule of accounts receivable		
<u>Duration</u>		
1 - 30 days	69,774,023	99,372,507
31 - 60 days	46,287,347	50,076,926
61 - 90 days	47,335,533	44,857,017
91 - 180 days	54,739,412	80,750,402
181 - 365 days	48,119,879	71,071,199
above 365 days	111,937,617	154,645,195
	378,193,811	500,773,246
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 2023.		
ii) Accounts receivable considered good for which the company holds no security other than the personal security:	378,193,811	500,773,246
Accounts receivable accrued in the ordinary course of business are considered good as they are based on valid agreements with banks and other clientele. In this context, a significant amount of Tk. 8.25 crore has been lying as a 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 has already been delivered in due time.	-	-
iii) Accounts receivable considered doubtful or bad:		
There is no such accounts receivable in this respect as on 30 June 2023.	-	-
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 2023.	-	-
9.01 Card charge receivable		
Card annual charge receivable	49,742,526	75,273,077
Card renewal charge receivable	55,858,551	74,365,023
	105,601,077	149,638,100
9.02 Connectivity charge receivable		
VISA connectivity charge receivable	9,228,478	4,902,753
ATM link connectivity charge receivable	95,240	47,620
	9,323,718	4,950,373
9.03 Transaction charge receivable		
ATM transaction charge receivable	34,732,471	23,776,298
POS transaction charge receivable	57,918,215	64,730,888
OTP transaction receivable	3,482,477	1,675,066
Card cheque transaction charge receivable	317,535	691,085
Fund transfer transaction charge receivable	527,305	426,060
SMS management charge receivable	317,286	446,120
SMS service charge receivable	13,352,747	27,134,056
Data SIM transaction charge receivable	3,000	1,500
E-mail notification charge receivable	-	100,000
Internet banking fund transfer transaction charge receivable	2,194,905	551,024
Inward remittance transaction charge receivable	19,330	14,460
BKash e-money transaction receivable	1,256,645	17,549,860
E-alert transaction receivable	288,176	130,000
E-statement transaction receivable	35,000	35,000
E-commerce transaction receivable	-	1,401,337
	114,445,092	138,662,754

Notes	Amounts in Taka	
	30 June 2023	30 June 2022

9.04 Servicing & maintenance charge receivable

ATM software servicing & maintenance charge receivable	16,016,396	54,535,119
ATM switching software service charge receivable	1,402,828	1,205,214
ATM booth servicing & maintenance charge receivable	3,865,365	2,425,604
KIOSK software servicing & maintenance charge receivable	406,203	3,745,359
POS software servicing & maintenance charge receivable	-	3,830,150
Tranzware retail re-installation charge receivable	59,250	237,000
Switching software service charge receivable	10,606,369	18,349,519
PCI DSS security compliance charge receivable	600,000	100,000
Software customization & application development receivable	7,793,240	7,793,240
	40,749,651	92,221,205

9.05 Sales receivable

POS sales receivable	89,590,104	94,170,791
CDM sales receivable	372,093	1,707,663
ATM sales receivable	-	3,537,920
	89,962,197	99,416,374

10.00 Other receivable

Inward remittance receivable (Sonali Bank Ltd.)	222,892	310,141
Receivable from NBR	15,768,260	15,768,260
Jamuna Bank Limited (FDR A/C : 80851) - Interest	113,550	-
Jamuna Bank Limited (FDR A/C : 80862) - Interest	113,550	-
Jamuna Bank Limited (FDR A/C : 80873) - Interest	113,550	-
Trust Bank Limited (FDR A/C : 21516) - Interest	-	381,926
Trust Bank Limited (FDR A/C : 21516) - Interest	-	4,045,533
	16,331,802	20,505,860

10.01 The mentioned receivable has been comprising the tax refund amount after necessary adjustment with Advance Income Tax as well as earlier refund receivables. The breakdown of the amount is given below:

Receivable from NBR

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	666,963
2017-18	968,113	968,113
2018-19	1,187,736	1,187,736
	20,574,420	20,574,420
Adjustment of tax liability (2015-16)	(4,767,300)	(4,767,300)
Adjustment of tax liability (2019-20)	(38,860)	(38,860)
	(4,806,160)	(4,806,160)
	15,768,260	15,768,260

	Notes	Amounts in Taka		
		30 June 2023	30 June 2022	
11.00	Advance, deposits & prepayments			
	Advance	11.01	120,098,870	103,617,391
	Advance against office rent	11.02	-	452,700
	Bank guarantee margin	11.03	6,360,212	4,067,954
	Security deposit (Non interest bearing)	11.04	1,460,000	1,460,000
	Fixed deposit receipt (FDR)	11.05	39,357,404	343,886,739
	Prepayments	11.06	8,774,305	6,881,142
	Topup	11.07	1,764,786	2,281,301
	SMS aggregator project	11.08	2,733,333	4,727,574
	Advance against LC	11.09	-	16,811,528
	Inward foreign remittance initiative project	11.10	156,140,247	67,077,369
			336,689,157	551,263,698
11.01	Advance			
	Advance to vendors	11.01.01	2,572,972	290,472
	Advance against expenses		509,134	211,967
	Advance to employees		5,109,500	4,103,000
	Advance income tax (AIT)	11.01.02	55,842,635	44,512,695
	VAT current account		25,283,655	25,283,655
	Advance tax (AT)		30,780,974	29,215,602
			120,098,870	103,617,391
11.01.01	Advance to vendors			
	CIBL Technology Consultants Limited		162,500	-
	Abir Enterprise		895,000	58,250
	Ensure Support Services Ltd		700,000	-
	Porichoy.gov.bd		10,000	10,000
	Ashraf Siddique		222,222	222,222
	Howladar Yunus & Co.		293,250	-
	J & Y International Ltd		290,000	-
			2,572,972	290,472
11.01.02	Advance income tax (AIT)			
	Opening balance		44,512,695	158,750,654
	Add: Addition during the year	11.01.02.01	11,329,940	13,095,898
			55,842,635	171,846,552
	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)
			55,842,635	44,512,695
11.01.02.01	Addition of advance income tax (AIT)			
	Advance income tax - Revenue		8,302,772	11,173,848
	Advance income tax - Vehicle		592,500	577,500
	Advance income tax - FDR & SND A/C		2,434,668	1,344,550
			11,329,940	13,095,898
11.02	Advance against office rent			
	Uttara office - DR center		-	452,700
			-	452,700

Notes	Amounts in Taka	
	30 June 2023	30 June 2022
11.03 Bank guarantee margin		
Bank guarantee	2,200,589	665,400
Earnest money	2,890,000	2,578,000
Advance performance guarantee	832,950	75,000
Performance guarantee	436,673	749,554
	6,360,212	4,067,954
11.04 Security deposit (Non interest bearing)		
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
Islami Bank Bangladesh Ltd	50,000	50,000
Shahjalal Islami Bank Ltd	40,000	40,000
Surveyor General of Bangladesh	15,000	15,000
	1,460,000	1,460,000
11.05 Fixed deposit receipt (FDR)		
FDR at Trust Bank Ltd (FDR A/C : 31694)	811,956	790,327
FDR at Jamuna Bank Ltd (FDR A/C : 65354)	2,361,608	2,271,419
FDR at Trust Bank Limited (FDR A/C : 39552)	5,383,008	5,219,000
FDR at Jamuna Bank Ltd (FDR A/C : 80851)	10,266,944	-
FDR at Jamuna Bank Ltd (FDR A/C : 80862)	10,266,944	-
FDR at Jamuna Bank Ltd (FDR A/C : 80873)	10,266,944	-
FDR at Trust Bank Ltd (FDR A/C : 21516)	-	202,276,663
FDR at Trust Bank Ltd (FDR A/C : 30060)	-	83,329,330
FDR at Trust Bank Limited (FDR A/C : 40095)	-	30,000,000
FDR at Trust Bank Limited (FDR A/C : 40102)	-	20,000,000
	39,357,404	343,886,739
<p>The company has settled and encashed the FDR instruments (A/C Nos. - 21516; 30060; 40095; and 40102) for buying its own land. Further, the company has formed FDRs at Jamuna Bank Ltd. and Trust Bank Ltd. for an interim period. Another FDR of Tk. 0.81 million has a lien against Banglalink Digital Communications Ltd. for a security deposit against the i-top-up service through the Q-cash network.</p>		
11.06 Prepayments		
Insurance premium on assets	339,733	440,390
Google mail server software license fee	328,970	328,739
Oracle software license renewal fee	1,487,500	1,060,500
Commercial license charge (JIRA)	131,625	600,979
VMware license fee	2,703,136	-
Red Hat Linux server license fee	1,275,002	100,008
Web application firewall	2,508,339	3,941,667
Support & maintenance of HSM	-	370,526
SMS aggregator enlistment fee (BTRC)	-	38,333
	8,774,305	6,881,142
11.07 Topup		
Banglalink - i Top Up	407,701	432,108
Robi - Top Up	284,032	380,396
Teletalk - Telecharge	60,872	74,972
Grameenphone - Flexiload	699,777	1,128,038
Airtel - EasyLoad	312,404	265,787
	1,764,786	2,281,301

	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
11.08 SMS aggregator project			
MNP dipping service		264,605	752,058
SMS service provider	11.08.01	2,468,728	3,975,516
		2,733,333	4,727,574
11.08.01 SMS service provider			
Banglalink		504,096	2,113,082
Grameenphone		751,570	720,309
Robi		1,145,444	1,142,125
Teletalk		67,618	-
		2,468,728	3,975,516
11.09 Advance against LC			
LC for switching software		-	11,966,405
LC for networking security device		-	4,845,123
		-	16,811,528
11.10 Inward foreign remittance initiative project			
Sonali Bank Ltd (CD A/C [TCSA] : 0003402001703), Wage Earners Br.		14,223,728	30,497,688
Trust Bank Ltd (SND A/C [TCSA] : 0017-0320001628), Settlement A/C		141,916,519	36,579,681
		156,140,247	67,077,369
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 is only used for inward remittance transaction processing, routing, and settlement purposes. Moreover, this project is being transacted 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.			
12.00 Cash and cash equivalents			
Cash in hand		176,686	141,161
Cash at bank	12.01	244,184,255	177,741,914
		244,360,941	177,883,075
12.01 Cash at bank			
NRB Commercial Bank Ltd (CD A/C: 010133300000685)		6,292,586	3,183,204
Bank Asia Ltd (CD A/C : 00333006503)		43,474,572	128,131
BRAC Bank Ltd (CD A/C : 1501201589532001)		19,856,863	6,863,720
City Bank Ltd (CD A/C : 1102041731001)		18,715,861	11,813,975
Dutch Bangla Bank Ltd (CD A/C : 1161100002212)		5,646,657	5,140,057
Eastern Bank Ltd (CD A/C : 1011060011178)		29,142,665	7,982,803
Eastern Bank Ltd (STD A/C : 1011360210568)		54,716	54,869
Jamuna Bank Ltd (CD A/C : 1001000117854)		2,908,423	16,899,959
Janata Bank Ltd (CD A/C : 0100000991109)		4,096,130	6,089
National Bank Ltd (CD A/C : 099933143418)		4,451,131	3,598,758
NCC Bank Ltd (CD AC : 00500210003280)		39,730	239,207
Shahjalal Islami Bank Ltd (CD A/C : 400511100000281)		3,022,412	7,338,430
Sonali Bank Ltd (CD A/C : 0002633130481)		5,728,719	2,235,640
One Bank Ltd (CD A/C : 0121020003189)		92,714	55,040
Trust Bank Ltd (SND A/C : 0320000978)		8,167,986	1,329,135
United Commercial Bank Ltd (CD A/C : 0951101000004308)		20,027,351	6,762,469
Standard Chartered Bank (CD A/C : 01118353501)		4,549,368	13,987,427
EXIM Bank Ltd (CD A/C : 03911100100275)		3,263,391	5,984,139

	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
IFIC Bank Ltd, (CD A/C : 1203522605001)		13,508,938	11,975,708
Mutual Trust Bank Ltd (CD A/C : 00460210004114)		12,271,465	6,428,711
Midland Bank Ltd (CD A/C : 00021050002804)		377,743	2,913,376
Dhaka Bank Ltd (CD A/C : 02181000005561)		2,141,729	119,571
Jamuna Bank Ltd (SND A/C : 1201000019495)		1,727,784	1,066,496
Trust Bank Ltd (CD A/C : 0210001210)		8,905,268	1,306,445
ICB Islami Bank Ltd (CD A/C : 1002400011916)		96,428	308,023
Shimanto Bank Ltd (CD A/C : 1001241000525)		7,126,309	1,593,048
First Security Islami Bank Ltd (CD A/C : 011211100019765)		25,323	12,600,001
Bangladesh Commerce Bank Ltd (CD A/C : 00521001112)		2,047,945	1,365,474
Padma Bank Ltd (CD A/C : 0111100082151)		641,189	359,176
Community Bank Bangladesh Ltd (CD A/C : 0010302328101)		4,482,951	4,761,504
Community Bank Bangladesh Ltd (SND A/C : 0010302328301)		2,316,940	-
Trust Bank Ltd (SND A/C : 0320001619), Dividend A/C		479,055	35,082,858
Sonali Bank Ltd (SND A/C : 0003403000014), Wage Earners Br.		3,452,692	1,230,871
Standard Bank Ltd (CD A/C : 33013144)		4,925,837	2,901,621
Trust Bank Ltd (IPO A/C)	12.01.01	125,384	125,979
		244,184,255	177,741,914
12.01.01 Trust Bank Ltd (IPO A/C)			
	Currency	Taka	Taka
Trust Bank Ltd, SND A/C	BDT	70,107	70,702
Trust Bank Ltd, FC A/C	USD	50,424	50,424
Trust Bank Ltd, FC A/C	EURO	4,853	4,853
		125,384	125,979
13.00 Share capital			
This is made up as follows:			
Authorized:			
175,000,000 Ordinary Shares of Tk.10/= each		1,750,000,000	1,750,000,000
25,000,000 Preference Shares of Tk.10/= each		250,000,000	250,000,000
		2,000,000,000	2,000,000,000
Issued, subscribed and paid up:			
Opening balance		1,285,926,640	1,285,926,640
Stock dividend		-	-
		1,285,926,640	1,285,926,640

The position of shareholders as on 30 June 2023 is as follows:

Percentage of shareholdings:

Classification of investors	%		No. of Shares	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Sponsors/Promoters and Directors	51.09%	51.09%	65,688,685	65,688,685
Institute	14.51%	20.95%	18,659,164	26,947,372
Foreign Company	0.00%	0.01%	747	12,927
General Public	34.40%	27.95%	44,244,068	35,943,680
	100%	100%	128,592,664	128,592,664

The distribution schedule for each class of equity security sets out the number of holders and percentage as of June 30 June, 2023.

Notes	Amounts in Taka	
	30 June 2023	30 June 2022

Classification of shareholders by range of numbers held:

Shareholding range	No. of Shareholders		No. of Shares	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
1-100	1033	574	40,625	17,857
101-500	1307	720	407,936	226,586
501-1000	1029	638	848,300	525,244
1001-10000	1928	1198	7,431,471	4,392,948
10001-20000	275	192	4,115,395	2,845,405
20001-50000	222	117	7,143,828	3,955,525
50001-100000	79	37	6,001,087	2,773,684
100001-1000000	73	53	19,588,754	18,638,071
1000001-5000000	11	15	17,326,583	23,855,159
5000001-10000000	2	3	12,685,765	18,359,265
10000001 and above	2	2	53,002,920	53,002,920
	5961	3549	128,592,664	128,592,664

14.00 Share premium

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

294,578,430	294,578,430
294,578,430	294,578,430

15.00 Retained earnings

This is arrived as follows:

Opening balance		444,170,709	259,119,158
Cash dividend (2021 - 22)*		(77,155,598)	(64,296,332)
Transfer from revaluation reserve	16.00	7,755,916	8,131,264
Deferred tax on revaluation reserve	19.00	(154,005)	989,506
Profit/(Loss) during the year		315,107,958	240,227,113
		689,724,980	444,170,709

The Board of Directors of the Company has recommended a 6% cash dividend for all shareholders at the Board Meeting held on 25 October 2022. Subsequently, the dividend was approved by the Shareholders at the Annual General Meeting (AGM) of the Company dated 14 December 2022 and disbursed to the Shareholders accordingly.

16.00 Revaluation reserve

Opening balance	180,265,073	188,396,337
Addition during the year	-	-
	180,265,073	188,396,337
Less: Transfer to retained earnings	7,755,916	8,131,264
	172,509,157	180,265,073

Revaluation reserve Tk. 7,755,916 (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**.

	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
17.00 Term loan			
Term loan, non current portion	17.01	4,058,053	-
Term loan, current portion	17.02	2,166,573	-
		6,224,626	-
17.01 Term loan, non current portion			
Opening balance		-	-
Add: Received during the year		6,895,000	-
		6,895,000	-
Less: Transfer to current portion		(2,836,947)	-
		4,058,053	-
17.02 Term loan, current portion			
Opening balance		-	-
Add: Transfer from non current portion		2,836,947	-
Interest on loan		206,662	-
		3,043,609	-
Less: Installment paid during the year		(877,036)	-
		2,166,573	-
18.00 Lease liabilities			
Lease liabilities, Non current portion	18.01	30,042,544	53,231,835
Lease liabilities, Current portion	18.02	23,259,255	23,711,834
		53,301,799	76,943,669
18.01 Lease liabilities, non current portion			
Opening balance		53,231,835	88,882,542
Add: Current year provision		-	3,033,660
		53,231,835	91,916,202
Less: Transfer to current portion		(23,189,291)	(23,912,459)
Adjustment for lease modification		-	(14,771,908)
		30,042,544	53,231,835
18.02 Lease liabilities, current portion			
Opening balance		23,711,834	22,562,567
Add: Transfer from non current portion		23,189,291	23,912,459
		46,901,125	46,475,026
Less: Paid during the year		(23,641,870)	(22,763,192)
		23,259,255	23,711,834
19.00 Deferred tax liability			
Deferred tax liability excluding revaluation reserve			
Taxable temporary difference of PPE			
Net book value		28,302,628	11,186,481
Tax base net book value		24,356,584	9,580,115
Taxable temporary difference of PPE		3,946,044	1,606,366

Notes	Amounts in Taka	
	30 June 2023	30 June 2022
Taxable temporary difference of ROU asset		
Accounting base value	33,626,908	36,540,390
Tax base value	32,998,243	33,740,663
Taxable temporary difference of ROU asset	628,665	2,799,727
Taxable temporary difference	4,574,709	4,406,093
Applicable tax rate	22.50%	22.50%
Deferred tax liability, closing (A) (a)	1,029,310	991,371
Deferred tax liability, opening (B)	991,371	2,450,180
Deferred tax income (A-B)	37,939	(1,458,809)
Deferred tax liability on revaluation reserve		
Net book value	1,376,455	691,985
Tax base net book value	-	-
Taxable temporary difference	1,376,455	691,985
Applicable tax rate	22.50%	22.50%
Deferred tax liability, closing (A) (b)	309,702	155,697
Deferred tax liability, opening (B)	155,697	1,145,203
Deferred tax, transferred to retained earnings (A-B)	154,005	(989,506)
(a + b)	1,339,012	1,147,068

N.B.: As per the Finance Act 2023, the income tax rate is applicable @ 22.50% for the publicly traded company. Deferred tax arises due to a temporary difference in the Property, plant and equipment and Right of use asset.

20.00 Trade payables

Payable against vendors	20.01	33,867,015	54,577,740
Payable for others	20.02	3,371,197	2,747,904
		37,238,212	57,325,644

20.01 Payable against vendors

Link3 Technologies Ltd	53,760	47,250
Metronet (BD) Ltd	12,200	-
Telnet Communications Ltd	179,076	90,787
Compass Plus	16,750,192	38,160,828
BDCOM Online Ltd	26,776	13,200
Natty Com Pvt Ltd	306,250	612,500
Royal Technology & Electronics	312,050	499,613
Integrated Security Services Ltd	362,670	371,800
NRB Commercial Bank Ltd (VISA connectivity)	1,605,000	1,410,000
Property Care Services Bangladesh (Pvt) Ltd	142,241	249,524
Leads Corporation Ltd	500,000	-
Amber IT Ltd	87,766	-
Omega Exim Ltd	-	195,000
Software Shop Ltd	517,704	4,816,746
Express Systems Ltd	141,379	-
MZ Pest Control Services	44,722	44,722
Probarton Engineering	-	10,000
ADN Telecom Ltd	6,848	6,848
BRACNet Ltd	5,478	-
Community Bank Bangladesh Ltd (BKash)	1,438,612	703,202
Esquire Electronics Ltd	248,974	-
Trust Bank Ltd (BKash)	-	2,710,546
Modhumoti Bank Ltd (Bkash)	-	27,697
Alpine Fresh Water System Ltd	47,109	42,518

Notes	Amounts in Taka	
	30 June 2023	30 June 2022
Green Technology	214,050	-
Abir Enterprise	-	16,125
Cool Craft	-	3,106
M/S Asif Caring	36,130	30,600
M/S New Khalil Enterprise	29,839	14,200
New S.N. Motors	10,808	-
M/S Kajol Automobiles Workshop	76,634	-
First Security Islami Bank Ltd (Bkash)	-	122,070
Union Bank Ltd (Bkash)	208,206	-
New Ali Tyre	11,739	106,898
Smart Computer & Stationery	166,320	65,734
Everest Engineering & Service	180,694	208,350
SP Enterprise	23,162	-
Powerful Engineering	17,732	-
Advance Fire Protection	7,403	16,624
HNS Engineering & Services Ltd	3,615	20,960
Bangladesh Communications Solution	36,473	59,592
Kallol Trading Corporation	37,200	-
Compliance Control Ltd	2,100,000	3,900,700
Anika Enterprise	78,079	-
Vivid Technology	8,201	-
A2Z Hi-Tech Solution Ltd	46,316	-
Bengal Commercial Bank Ltd (Bkash)	19,470	-
Orange Business Development Ltd	4,430,632	-
Co-Solution Ltd	2,374,429	-
Multibrand Workshop Ltd	61,703	-
Cosmopolitan Communications Ltd	16,275	-
National Bank Ltd (Bkash)	883,098	-
	33,867,015	54,577,740
20.02 Payable for others		
TDS payable	132,311	132,311
VAT payable	3,238,886	2,615,593
	3,371,197	2,747,904
21.00 Bank over draft		
Trust Bank Ltd (OD A/C)	260,714,060	202,281,400
Jamuna Bank Ltd (SOD A/C)	22,349,795	-
	283,063,855	202,281,400

	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
22.00 Other liabilities			
Audit fee payable		431,250	431,250
Provision for LC (Switching software)		6,848,778	-
BTRC (Revenue sharing & social welfare fund)		269,026	-
Legal & professional expenses payable		57,500	57,500
Utilities payable		982,370	-
Salaries payable		86,540	-
Unearned revenue	22.01	14,980,000	-
IPO subscription refund	22.02	55,277	55,277
Provision for WPPF & WF	22.03	16,323,792	12,593,210
Dividend payable	22.04	-	-
Inward remittance payable		156,415,406	67,335,483
Liabilities against transaction		179,693	17,580
Topup transaction payable		39,147	8,126
		196,668,779	80,498,426
22.01 Unearned revenue			
Unearned service revenue		14,980,000	-
		14,980,000	-
22.02 IPO subscription refund			
		30 June 2023	30 June 2022
		Taka	Taka
Trust Bank Ltd, FC A/C	Currency USD A/C No. 0017-5802000024	50,424	50,424
Trust Bank Ltd, FC A/C	Currency EURO A/C No. 0017-5804000020	4,853	4,853
		55,277	55,277
The balance amount of the IPO FC account is the refundable fund of IPO subscribers, which will be refunded to the respective applicants accordingly			
22.03 Provision for WPPF & WF			
Opening balance		12,593,210	11,352,123
Add: Current year provision		16,323,792	12,593,210
		28,917,002	23,945,333
Less: Paid during the year		(12,593,210)	(11,352,123)
		16,323,792	12,593,210
22.04 Dividend payable			
Dividend payable - Opening		-	-
Add: Cash dividend (2021-22)		77,155,598	64,296,332
Returned dividend		1,600,254	-
		78,755,852	64,296,332
Less: Paid during the year		(78,755,852)	(64,296,332)
		-	-

	Notes	Amounts in Taka	
		2022-23	2021-22
23.00 Unclaimed dividend			
Unclaimed dividend - Opening		584,082	1,177,452
Add: Unclaimed dividend		226,005	178,742
		810,087	1,356,194
Less: Unclaimed dividend transfer to CMSF		(205,856)	(763,044)
Unclaimed dividend		(9,541)	(9,068)
		(215,397)	(772,112)
		594,690	584,082

N.B.: CMSF - Capital Market Stabilization Fund

The ageing of unclaimed dividend at the reporting date was:

Financial Year	30 June 2023			Previous years cumulative closing balance
	Opening balance	Current year unclaimed dividend	Cumulative closing balance	
2019-20	-	199,484	199,484	-
2020-21	199,484	169,201	368,685	-
2021-22	368,685	226,005	594,690	-

The Company has given cash and a fractional dividend (from Stock Dividend) to the respective shareholders' individual Bank A/C through BEFTN and subsequently issued cheques/dividend warrants to the recipients against the returned BEFTN dividend amounts of the shareholders, which were not presented before the related banks till 30 June, 2023. Those amounts are deposited in a bank account and are payable on demand by the shareholders. An unclaimed dividend from FY 2015-16 to FY 2018-19, valuing a total amount of Tk. 968,900/- 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.

24.00 Provision for income tax

Opening balance	42,320,402	158,541,709
Add: Current year provision	11,329,940	13,095,898
	53,650,342	171,637,607
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)
	53,650,342	42,320,402

Current year income tax has been provisioned under Section - 163 (6) of the Income Tax Act, 2023.

	Notes	Amounts in Taka	
		2022-23	2021-22
25.00 Revenue			
Q-cash transaction processing charge	25.01	916,437,432	723,053,469
Service and maintenance charge	25.02	260,585,718	247,134,026
Sales revenue	25.03	22,289,477	44,425,769
		1,199,312,627	1,014,613,264
25.01 Q-cash transaction processing charge			
ATM software support & maintenance		72,394,059	67,261,440
Contactless middleware card management software		1,743,500	941,600
Q-cash joining & interface establishment		2,400,000	-
Core banking software interface service		-	1,642,500
NPS software support & maintenance		26,531,838	-
		103,069,397	69,845,540
Card charge			
Card annual/issuance charge (Customer data management software service)		154,321,922	137,160,558
Card renewal charge (Customer data management software maintenance)		202,293,842	161,980,131
		356,615,764	299,140,689
Connectivity charge			
VISA connectivity charge		30,834,832	22,560,107
Link connectivity charge		285,720	285,720
		31,120,552	22,845,827
Transaction processing charge			
ATM transaction charge		142,055,048	114,073,147
Topup transaction charge		334,137	1,160,885
POS transaction charge		169,997,101	133,436,243
SMS management charge		1,132,764	1,200,288
SMS service charge		15,945,720	24,914,794
Card cheque transaction charge		837,248	837,661
Fund transfer transaction charge		630,900	681,670
Data SIM transaction charge		322,980	1,845,470
OTP transaction		20,583,723	1,659,740
E-mail notification charge		100,000	100,000
Internet banking fund transfer transaction		7,227,409	3,240,442
Inward remittance transaction charge		2,191,585	1,240,335
E-alert transaction		673,765	725,000
E-statement transaction		70,000	87,500
Apps Transaction Fee		65,235	-
Internal fund transfer transaction		336,480	-
BKash e-money transaction		45,217,773	38,922,311
E-challan VISA & MC transaction charge		-	1,415,600
		407,721,868	325,541,086

	Notes	Amounts in Taka	
		2022-23	2021-22
SMS aggregator project - uLKa (A2P SMS Aggregator -BTRC)			
SMS service charge		17,909,851	5,680,327
		17,909,851	5,680,327
		916,437,432	723,053,469
25.02 Service and maintenance charge			
ATM software servicing & maintenance charge		102,962,928	134,095,569
KIOSK software servicing & maintenance charge		2,743,389	6,027,860
POS software servicing & maintenance charge		8,175,126	12,492,809
Tranzware retail re-installation charge		711,000	711,000
ATM booth servicing & maintenance charge		5,072,724	5,072,724
Switching software service charge		131,716,331	81,836,473
UPS servicing & maintenance charge		-	1,968,366
PCI DSS security compliance charge		2,625,000	1,450,000
NCR ATM switching software service charge		3,875,918	2,421,832
OTP service charge		448,750	1,057,393
IT support for My Gov platform		2,254,552	-
		260,585,718	247,134,026
25.03 Sales revenue			
Sales of POS		22,289,477	42,974,606
Sales of CDM		-	1,451,163
		22,289,477	44,425,769
26.00 Cost of services & sales			
Cost of services	26.01	609,097,791	472,522,538
Cost of sales	26.02	24,981,489	43,176,748
		634,079,280	515,699,286
26.01 Cost of services			
Salary & allowance		200,504,663	181,592,798
ATM carrying & labour charge		805,329	1,305,225
Link connectivity charge		2,874,933	3,029,467
ATM software servicing & maintenance		9,205,385	10,516,478
Secure site Pro with EV		-	225,166
Card printer repairs & maintenance		2,412,000	2,016,913
KIOSK software servicing & maintenance		7,028,101	966,526
Link installation charge		41,298	-
Networking materials cost		27,703	596,125
POS software servicing & maintenance expenses		8,644,130	2,641,438
Post office project expenses		-	47,276
Ribbon for card printer		925,000	1,549,000
SMS service charge		15,243,485	7,796,411
Call center service charge		365,941	1,020,306
ATM spare parts	Sch-A & N.B.	75,966,412	32,294,898
VISA connectivity expenses		6,368,543	5,195,050
Short code allocation fee		170,200	172,735
Online UPS servicing & maintenance charge		2,029,790	2,339,280

	Notes	Amounts in Taka	
		2022-23	2021-22
Grounding/Earthing service charge		-	287,438
Servicing & maintenance expenses for data center		3,147,237	3,681,871
Data connectivity & radio link charge		103,200	100,900
VISA card expenses		1,500,000	2,447,575
VISA 3DS security module		701,250	-
Service interruption charge		-	4,188,694
Switching software customization charge		2,625,000	-
Commercial license charge for JIRA		3,149,412	1,304,219
Topup settlement charge		50,096	50,295
Finger vein spare parts	Sch-A & N.B.	4,686,036	-
LINUX OS license fee		525,006	399,996
License fee		194,900	1,913,656
Software development expenses		2,061,345	8,710,788
Software customization expenses		2,205,000	-
VISA bureau card production charge		331,643	209,158
VMware license fee		3,334,878	2,046,327
Data SIM bill expenses		28,233	935,044
Courier bill		1,594,785	1,691,890
Agent banking software service charge		487,500	650,000
Contactless middleware software expenses		754,688	1,581,563
Certification charge (VISA & Master Card)		8,612,050	8,590,375
Switching software license charge		58,961,119	-
E-mail service charge		141,000	68,250
Software maintenance charge		8,186,009	846,211
IT support expenses		1,695,751	-
Recurring license charge		50,164,228	63,476,987
Support & maintenance of HSM		370,526	741,072
Annual technical support fee (Finacle)		8,607,200	6,843,997
BKash e-money transaction charge		23,443,426	24,423,600
VISA system integrity charge		634,002	57,587
BKash ATM cash out transaction charge		413,065	1,166,780
Apps transaction charge		9,205	-
ATM booth servicing & maintenance expenses		3,675,000	3,675,000
Enlistment fee for SMS aggregator		38,333	24,917
One time charge (MNP dipping)		-	23,000
Recurring charge (MNP dipping)		-	10,350
Computer components expenses		-	584,197
PCI DSS security compliance expenses	26.01.01	4,606,376	8,971,492
SMS aggregator project - uLKa	26.01.02	14,293,711	12,632,157
Profit sharing of SMS aggregator project with BTRC		232,865	-
Social welfare fund (BTRC)		36,161	-
Depreciation expenses		36,628,766	29,212,640
Amortization expenses		28,255,876	27,669,420
		609,097,791	472,522,538

As per BTRC guidelines under clause - 19.1.4, the company will be required to share revenue on the "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 for the remaining years, it will be shared @5.5% of the net income of the project. Further, @1.00% revenue sharing will be made on the net income of the project with the Social Welfare/Liabilities Fund under clause 19.1.5, subject to a yearly audit.

Notes	Amounts in Taka	
	2022-23	2021-22
26.01.01 PCI DSS security compliance expenses		
Compliance validation service	-	2,933,362
PCI DSS service	1,125,850	1,880,000
Web application firewall	1,433,328	650,805
PCI PIN security module	-	1,140,700
Internal scanning application service	246,750	-
PCI 3D secure certification	813,448	2,366,625
Penetration testing	987,000	-
	4,606,376	8,971,492
26.01.02 SMS aggregator project - uLKa		
MNP dipping service	1,515,288	230,733
SMS service charge	12,778,423	12,401,424
	14,293,711	12,632,157
26.02 Cost of sales		
POS	24,981,489	42,114,336
CDM	-	1,062,412
	24,981,489	43,176,748
27.00 General & administrative expenses		
Salary & allowance	50,946,006	48,873,734
Office rent	1,656,912	843,312
Office maintenance	5,639,593	4,109,629
Utilities	11,524,550	10,490,347
Insurance premium	908,667	97,926
Insurance premium on assets	1,459,577	1,696,124
Gas, fuel & lubricants - Vehicle	8,984,125	7,721,829
Meeting attendance fee	100,000	70,000
Car reimbursement expenses	4,763,144	5,303,924
Conveyance expenses	710,851	567,773
Entertainment expenses	3,678,236	3,444,375
Entertainment for foreign guest	677,266	456,585
Postage & courier	135,764	124,996
Printing & stationery	3,078,336	2,964,427
Training expenses	51,763	72,000
Eid holiday allowance	1,293,000	1,304,700
Internship allowance	40,000	-
Security guard salary	4,462,260	4,350,900
Computer spare parts	804,059	330,808
Internet bill	455,426	426,858
Legal & professional expenses	678,311	1,323,455
Membership fee	37,479	113,551
Mobile bill	5,777,750	5,795,488
Newspaper bill	11,109	10,640
Service charge	1,691,536	1,692,813
Telephone bill	324,989	260,469
Vehicle running expenses	4,376,590	3,697,550
Website development expenses	-	126,572
Festival expenses	342,830	100,200
Books & periodicals	4,900	2,950
Google mail server software license fee	1,377,862	1,377,386
Oracle software license renewal fee	2,123,000	1,872,250
Antivirus software license fee	49,871	-
Advertisement expenses	824,811	632,157
Retirement allowance	-	600,000
AGM expenses	904,500	881,753
EGM expenses	799,500	-
Share management software	-	105,000
Depreciation expenses	5,249,175	4,682,280
Depreciation expenses on ROU assets	27,724,907	29,071,726
	153,668,655	145,596,487

Notes	Amounts in Taka	
	2022-23	2021-22

27.01 Independent Directors have received the following meeting attendance fees during the year ended 30 June 2023:

Name	No. of Meeting	2022-23 Taka	2021-22 Taka
Md. Kamal Uddin, FCA	10	50,000	20,000
Mr. Dasgupta Asim Kumar	10	50,000	20,000
Md. Waliuzzaman, FCA	-	-	15,000
Md. Haqueful Shaikh	-	-	15,000
		100,000	70,000

28.00 Selling & distribution expenses

Salary & allowance	30,148,360	36,333,773
Advertisement expenses	209,560	301,810
Plastic card (Promotional)	3,302,164	2,926,147
Support & training expenses	-	2,802,030
Business promotional expenses	2,169,021	734,111
Enlistment fee	6,300	14,000
Tender expenses	48,500	132,500
Travelling & tour allowance - overseas	1,035,380	-
Travelling & tour allowance - local	81,405	55,249
Transportation expenses	-	13,500
	37,000,690	43,313,120

29.00 Other operating expenses

Audit fees	431,250	431,250
Bank charge	412,013	281,709
Bank commission	390,912	235,209
Excise duty	775,100	621,600
Consultancy fee	50,089	44,722
Credit rating fee	53,750	53,750
Domain registration charge	66,570	70,964
Gift & donation expenses	1,469,777	740,813
Medical expenses	1,132,126	1,252,618
Miscellaneous expenses	4,730,361	6,949,633
Registration & renewals	847,853	475,009
Stamp, duty & fees	62,980	43,335
Bad debt expenses	-	371,429
Signing ceremony expenses	-	16,980
Renewal fees - DSE, CSE & CDBL	1,114,370	1,114,370
	11,537,151	12,703,391

30.00 Non-operating income/(expenses)

Other income		225,516	610,258
Gain/(Loss) from sale of old car		400,000	-
Gain/(Loss) from disposal of ATM machinery	3.01 (d)	(9,972,815)	-
Gain/(Loss) from disposal of Office decoration	3.01 (d)	(1,490,200)	-
Gain/(Loss) from BHTP project		-	(1,968,399)
		(10,837,499)	(1,358,141)

Notes	Amounts in Taka			
	2022-23	2021-22		
31.00 Finance costs				
Interest on long term loan	206,662	-		
Interest on short term loan	13,787,309	35,163,022		
Interest on lease from ROU assets	5,902,001	7,908,528		
	19,895,972	43,071,550		
32.00 Finance income				
Trust Bank Ltd, FDR A/C NO - 21516	4,392,364	8,020,320		
Trust Bank Ltd, FDR A/C NO - 30060	2,870,001	3,026,531		
Trust Bank Ltd, FDR A/C NO - 31694	31,613	37,839		
Trust Bank Ltd, FDR A/C NO - 39552	208,760	250,000		
Trust Bank Ltd, SND A/C NO - 01315	793	534		
Trust Bank Ltd, SND (Dividend) A/C NO - 01619	183,361	95,503		
Trust Bank Ltd, FDR A/C NO - 40095	750,000	-		
Trust Bank Ltd, FDR A/C NO - 40102	500,000	-		
Jamuna Bank Ltd, FDR A/C NO - 80851	413,488	-		
Jamuna Bank Ltd, FDR A/C NO - 80862	413,488	-		
Jamuna Bank Ltd, FDR A/C NO - 80873	413,488	-		
Jamuna Bank Ltd, FDR A/C NO - 65354	103,546	98,895		
Jamuna Bank Ltd, SND A/C NO - 19495	9,222	12,515		
Eastern Bank Ltd, SND A/C NO - 10568	1,108	8,136		
NRB Commercial Bank Ltd, CD A/C - 00685	30,572	31,524		
Sonali Bank Ltd, SND A/C - 00014, Wage Earners Br.	56,082	4,326		
Community Bank Bangladesh Ltd, SND A/C - 28301	128,363	-		
	10,506,249	11,586,123		
33.00 Contribution to WPPF & WF				
Contribution to WPPF & WF for current year	16,323,792	12,593,210		
	16,323,792	12,593,210		
34.00 Current tax				
Profit before income tax				
Non-taxable	381,311,168	287,716,495		
Other than supply sales	(34,012,881)	(25,836,172)		
Supply sales	(20,822,450)	(10,016,121)		
	326,475,837	251,864,202		
Profit before income tax (Other than supply sales)	-	-		
Provision for tax on profit of taxable services (Other than ITES)	-	-		
Minimum tax from other than supply sales	9,527,118	9,726,562		
Minimum tax from supply sales	1,802,822	3,369,336		
Provision for income tax during the year	11,329,940	13,095,898		
34.01 Reconciliation of effective tax rate				
	2022-23		2021-22	
	%	Taka	%	Taka
Tax using the company's tax rate	22.50%	73,457,063	22.50%	56,669,445
Tax effect of:				
Less: Non-taxable for being ITES	-26.28%	(85,795,013)	-25.70%	(64,736,211)
Other than supply sales	2.92%	9,527,118	3.86%	9,726,562
Add/(Less): Tax on other than supply sale at normal tax rate	2.34%	7,652,898	2.31%	5,813,139
Supply sales	0.55%	1,802,822	1.34%	3,369,336
Add/(Less): Tax on supply sale at normal tax rate	1.44%	4,685,051	0.89%	2,253,627
Effective tax rate	3.47%	11,329,940	5.20%	13,095,898

Notes	Amounts in Taka	
	2022-23	2021-22

35.00 Deferred tax

Deferred tax expenses/(income)	19.00	37,939	(1,458,809)
Income tax		37,939	(1,458,809)

The provision for deferred income tax is raised due to taxable temporary differences for this year. Details of the breakup have been shown in the under Note - 19.00.

36.00 Earnings per share (EPS)

Net profit after tax		315,107,958	240,227,113
Weighted average number of shares outstanding	39.00	128,592,664	128,592,664
		2.45	1.87

The part of revenue, especially Q-Cash transaction processing charge and service & maintenance charge has increased and finance costs have decreased significantly compared to the previous year. Subsequently, earnings per share have increased, which refers to the upward trend in this financial year.

37.00 Net Assets Value (NAV)

		30 June 2023	30 June 2022
Share capital		1,285,926,640	1,285,926,640
Share premium		294,578,430	294,578,430
Retained earnings		689,724,980	444,170,709
Revaluation reserve		172,509,157	180,265,073
Total equity with revaluation reserve		2,442,739,207	2,204,940,852
Weighted average number of shares outstanding	39.00	128,592,664	128,592,664
		19.00	17.15

38.00 Net Operating Cash Flows Per Share (NOCFPS)

Net cash provided by/(used in) operating activities		654,728,307	429,485,147
Weighted average number of shares outstanding	39.00	128,592,664	128,592,664
		5.09	3.34

Net Operating Cash Flow Per Share (NOCFPS) has increased due to collection against bills receivable significantly increased during the year and simultaneously finance costs have decreased compared to the previous year.

39.00 Weighted average number of shares outstanding

Weighted average number of shares outstanding as at 30 June 2023		128,592,664	128,592,664
		128,592,664	128,592,664

Notes	Amounts in Taka	
	2022-23	2021-22
40.00 Reconciliation of cash flows from operating activities through indirect method		
	Jul'22 to Mar'23	Jul'21 to Mar'22
Net Profit/(Loss) before tax	326,475,837	251,864,202
Adjustments to reconcile profit before tax to net cash flows		
Depreciation	69,602,848	62,966,646
Amortization	28,255,876	27,669,420
Sub total (a)	97,858,724	90,636,066
Working capital adjustments:		
Increase/decrease in inventories	121,134,741	68,262,590
Increase/decrease in accounts receivable	122,579,435	40,552,873
Increase/decrease in other receivable	4,174,058	1,657,278
Increase/decrease in advance, deposit & prepayments	40.01 (79,701,512)	(97,688,404)
Increase/decrease in trade payable	(20,087,432)	29,600,811
Increase/decrease in other liabilities	116,170,353	61,861,904
Income tax paid as AIT	(11,329,940)	(13,095,898)
Interest income	(10,506,249)	(11,586,123)
Sub total (b)	242,433,454	79,565,031
Other adjustments and adjustments for the non-current assets & liabilities portion included in the current assets and liabilities:		
Adjustment against property, plant & equipment	3,520,724	9,644,638
Dividend payable	(10,608)	593,370
Interest receivable	(4,086,809)	19,601
Adjustment against loss from disposal of property, plant & equipment	(11,463,015)	-
Adjustment against capital W-I-P	-	1,968,399
Provision for income tax (2015-16 & 2019-20)	-	(4,806,160)
Sub total (c)	(12,039,708)	7,419,848
Total (a+b+c)	328,252,470	177,620,945
Cash flows from operating activities	654,728,307	429,485,147
40.01 Increase/decrease in advance, deposit & prepayments		
Increase/decrease in advance, deposit & prepayments	214,574,541	(33,450,445)
Increase/ decrease in advance income tax (AIT)	11,329,940	13,095,898
Adjustment of FDR	(305,605,993)	50,000,000
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)
	(79,701,512)	(97,688,404)
41.00 Events after the Reporting period		

The Board of Directors of the Company has recommended 10% cash dividend for all Shareholders at the Board meeting held on 25 October 2023. The dividend is subject to approval by the Shareholders at the forthcoming Annual General Meeting (AGM) of the Company dated 18 December 2023. Dividend payable for the year 2022-23 will be recognized after the dividend is approved by the Shareholders at the AGM.

42.00 Related party transaction

42.01 Other related party transactions during the year

The company has entered into transactions with other entities in the normal course of business that fall within the definition of a 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 2023	Balance as at 30 June 2022
	Taka			Taka	Taka
Trust Bank Ltd.	62,852,202	Shareholder	Sale of equipment & service	10,751,708	36,461,908
National Bank Ltd.	39,747,748	Shareholder	Sale of equipment & service	14,115,904	7,454,037
Mercantile Bank Ltd.	34,597,362	Shareholder	Sale of equipment & service	16,493,384	8,824,522
LankaBangla Finance Ltd.	21,092,002	Shareholder	Q-cash transaction	6,273,781	9,099,148

42.02 Key management personnel compensation

Particulars	2022-23		2021-22	
	Managing Director	Other Managers	Managing Director	Other Managers
Directors remuneration	7,440,000	-	7,440,000	-
Salary & allowance	-	79,100,558	-	78,741,279
Short term employee benefits	-	719,454	-	613,312
Other long term benefits	-	494,646	-	306,656
Post employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Share based payment	-	-	-	-
Grand total	7,440,000	80,314,658	7,440,000	79,661,247

We have no disclosure as per BSEC Notification No. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021 vide para-(1).

Schedule - A
Finished Goods
as at 30 June 2023

Inventory items	Balance as at 01 July 2022		Addition during the year		Consumption / Sales during the year		Balance as at 30 June 2023	
	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Stock in trade - ATM								
PROCASH 280 NFL KMAT	17	6,933,565	-	-	17	6,933,565	-	-
DN Series 100D	2	1,159,633	-	-	2	1,159,633	-	-
PROCASH 285 KMAT	3	2,596,491	-	-	-	-	3	2,596,491
Opteva 378 Cash Recycler	2	7,245,000	-	-	2	7,245,000	-	-
Stock in trade - Anti-skimming device	48	3,499,557	-	-	48	3,499,557	-	-
Stock in trade - TMD device (Anti skimming)	1	96,491	-	-	1	96,491	-	-
Stock in trade - TMD security device (Anti skimming)	15	227,353	-	-	15	227,353	-	-
Stock in trade - CDM	17	3,010,166	-	-	16	2,833,098	1	177,068
Stock in trade - POS	2,834	47,424,370	-	-	1,488	24,981,489	1,346	22,442,881
Stock in trade - Biometric device	962	4,686,035	-	-	962	4,686,035	-	-
Stock in trade - UPS	1	259,794	-	-	1	259,794	-	-
Total		77,138,455				51,922,015		25,216,440

N.B: As per IAS-2 under para-28, inventory items (Anti-skimming device, TMD device, TMD security device, biometric device & UPS) have been disposed of due to damage or being out of use and have become wholly obsolete. Further, inventory items such as PROCASH 280 NFL KMAT (17 nos), DN Series 100D (2 nos), Opteva 378 Cash Recycler (2 nos) ATM have been transferred to property, plant & equipment under ATM machinery as per IAS-2, para-35 & IAS-16, Para-55 and necessary related adjustments have been made in due course. It may be noted that those ATMs are being run for R&D against software interfacing with the clients as well as middleware software integration under Mechatronics and R&D Lab.

Schedule - B
Store materials
as at 30 June 2023

Inventory items	Balance as at 01 July 2022		Addition during the year		Consumption during the year		Balance as at 30 June 2023	
	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
ATM spare parts	-	194,618,343	-	14,962,263	-	72,143,011	-	137,437,595
KIOSK/CDM spare parts	-	3,965,688	-	-	-	3,965,688	-	-
POS spare parts	-	8,146,290	-	80,000	-	8,146,290	-	80,000
Total		206,730,321		15,042,263		84,254,989		137,517,595

Schedule - C
Statement of Revaluation Reserve on Property, Plant & Equipment and Intangible Assets
as at 30 June 2023

Particulars	Revaluation				Depreciation/Amortization				Net book value	
	As at 01 July 2022	Addition during the year	Disposal during the year	As at 30 June 2023	Rate	As at 01 July 2022	Charged during the year	Disposal during the year	As at 30 June 2023	As at 30 June 2023
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
Property, Plant & Equipment										
ATM machinery	69,237,574	-	-	69,237,574	15%	59,389,099	1,477,272	-	60,866,371	8,371,203
Card printer	7,334,892	-	-	7,334,892	15%	6,291,563	156,500	-	6,448,063	886,829
Plant & machinery	9,917,246	-	-	9,917,246	15%	8,506,600	211,596	-	8,718,196	1,199,050
POS terminal	13,199,873	-	-	13,199,873	15%	11,322,299	281,636	-	11,603,935	1,595,938
Sub total	99,689,585	-	-	99,689,585	--	85,509,561	2,127,004	-	87,636,565	12,053,020
Intangible Assets										
ATM software	6,242,650	-	-	6,242,650	2.5%	1,404,600	156,068	-	1,560,668	4,681,982
POS software	4,186,345	-	-	4,186,345	5%	1,883,849	209,316	-	2,093,165	2,093,180
Q cash retailer POS software	4,224,910	-	-	4,224,910	5%	1,901,208	211,244	-	2,112,452	2,112,458
Software development	65,710,823	-	-	65,710,823	2.5%	14,784,941	1,642,772	-	16,427,713	49,283,110
Switching software	136,380,534	-	-	136,380,534	2.5%	30,685,615	3,409,512	-	34,095,127	102,285,407
Sub total	216,745,262	-	-	216,745,262	--	50,660,213	5,628,912	-	56,289,125	160,456,137
Grand total	316,434,847	-	-	316,434,847	--	136,169,774	7,755,916	-	143,925,690	172,509,157

as at 30 June 2022

Particulars	Revaluation				Depreciation/Amortization				Net book value	
	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	As at 30 June 2022
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka	Taka	Taka
2021-22	316,434,847	-	-	316,434,847	--	128,038,510	8,131,264	-	136,169,774	180,265,073

The image features a central, light blue outline of a camera. Inside the camera's lens area, the word "Snapshots" is written in a clean, white, sans-serif font. The background is a gradient of blue, transitioning from a darker shade at the top to a lighter shade at the bottom. Overlaid on this background is a network diagram consisting of several light blue circular nodes connected by thin, light blue lines, creating a web-like structure. The camera icon is semi-transparent, allowing the network lines and nodes to be seen through it.

Snapshots

Snapshots









Information Technology Consultants Limited
Evergreen Plaza, 260/B, Tejgoan Industrial Aria, Dhaka-1208

PROXY FORM

I/We
Of.....being a member of **Information Technology Consultants Ltd.**
and entitled to vote, hereby appoint Mr./Mrs./Miss.....
of as my/our
proxy to attend and vote for me/us and on my/our behalf at the 23rd Annual General Meeting (AGM) of the
Company to be held through virtual participation on Monday, December 18, 2023 at 10:30 a.m. under
digital mode as per regulatory guidelines.

Signature of Shareholder

Revenue
Stamp
100

Signature of proxy

Dated.....2023

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 23rd Annual General Meeting (AGM) of ITC to be held
virtually under digital participation on Monday, December 18, 2023, 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.

 **IT Consultants Limited**

📍 Evergreen Plaza 260/B, Tejgaon I/A,
Dhaka-1208, Bangladesh

☎ +88 02 9830310-13 📧 info@itcbd.com

🖨 +88 02 983-0309 🌐 www.itcbd.com



Production
Galaxy Corporation
Phone: 02-983400854