



## ANNUAL REPORT | 2021-2022



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**INFORMATION SERVICES NETWORK LIMITED (ISN)**

(First Online Internet Service Provider in Bangladesh)

TMC Building (4th Floor), 52, New Eskaton Road, Dhaka-1000.

Contract No: 09602000001-3,02 848322785-8, Fax: 880-2-9345460

Web: <http://www.bangla.net>

**Notice of the 27<sup>th</sup> Annual General Meeting  
(Virtual AGM through Digital Platform)**

Notice is hereby given that the **27<sup>th</sup> Annual General Meeting** to the Shareholders of **Information Services Network Limited** will be held on **6<sup>th</sup> February, 2023 (Monday) at 11:30 a.m.** using digital platform through the Link <https://isn.virtualagmbd.com> (pursuant to BSEC Order No.: SEC/SRMIC/94-231/91 Dated 31 March 2021) to transact the following business:

1. To confirm the minutes of the 26<sup>th</sup> Annual General Meeting.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the period of 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 together with the Directors Report and the Auditors Report thereon.
3. To declare and approval of Dividend as recommended by board of directors for the year ended on 30<sup>th</sup> June 2022.
4. To elect/re-elect directors in place of those who shall retire in accordance with laws/rules.
5. To appoint/re-appoint Independent Director in accordance with laws/rules.
6. To approve appointment of statutory/External Auditor for the year 2022-23 and fix up their remuneration.
7. To approve appointment of Corporate Governance Code Compliance Auditor for the year 2022-23 and fix up their remuneration.
8. To transact any other business with the permission of the Chair.

All shareholders are requested to attend the digital platform meeting on the time and date mentioned above.

**Dated, Dhaka  
January 12, 2023**

**By order the Board**

(Fakhru Islam Bhuiyan)  
Company Secretary (CC)

**Notes:**

1. 7<sup>th</sup> December, 2022 (Wednesday) has been scheduled as Record Date. The shareholders whose names would appear in the Register of Shareholders of the Company or in the Depository on the "Record Day" (7<sup>th</sup> December, 2022) will be eligible to attend the AGM.
2. A Shareholder entitled to attend/participate and vote at the Annual General Meeting (AGM) may appoint a proxy on his/her behalf. Scanned copy of the proxy form, duly signed and stamped shall be sent through email at [secretary.isn@bangla.net.bd](mailto:secretary.isn@bangla.net.bd) 48 (forty-eight) hours before the meeting.
3. The Shareholders can log into the link <https://isn.virtualagmbd.com> by using their BO A/C number and will be able to submit their queries or comments 24 (twenty-four) hours before the meeting. For any IT related guidance in this regard Shareholders may contact cell number +8801714-317138.
4. Soft copy of the Annual Report 2021-22 will be emailed to respective Shareholder's email ID available in their BO A/C. The Annual Report 2021-22 will also be available in the Company's website at [www.bangla.net.bd](http://www.bangla.net.bd). All Shareholders are requested to notify change of address, if any, to the Depository Participant in time.

In compliance with the Circular No: SEC/CMRRCD/2009-193/154 dated 24 October 2013 issued by BSEC, no benefit in cash or kind shall be offered to the members during the Annual General Meeting.

## AGM 2020-2021



Sayeed Hossain Chowdhury, Chairman



Ms. Shirin Huq, Vice Chairman



Mr. Sajedur Seraj, Shareholder Director



Mr. AL Amin, Independent Director

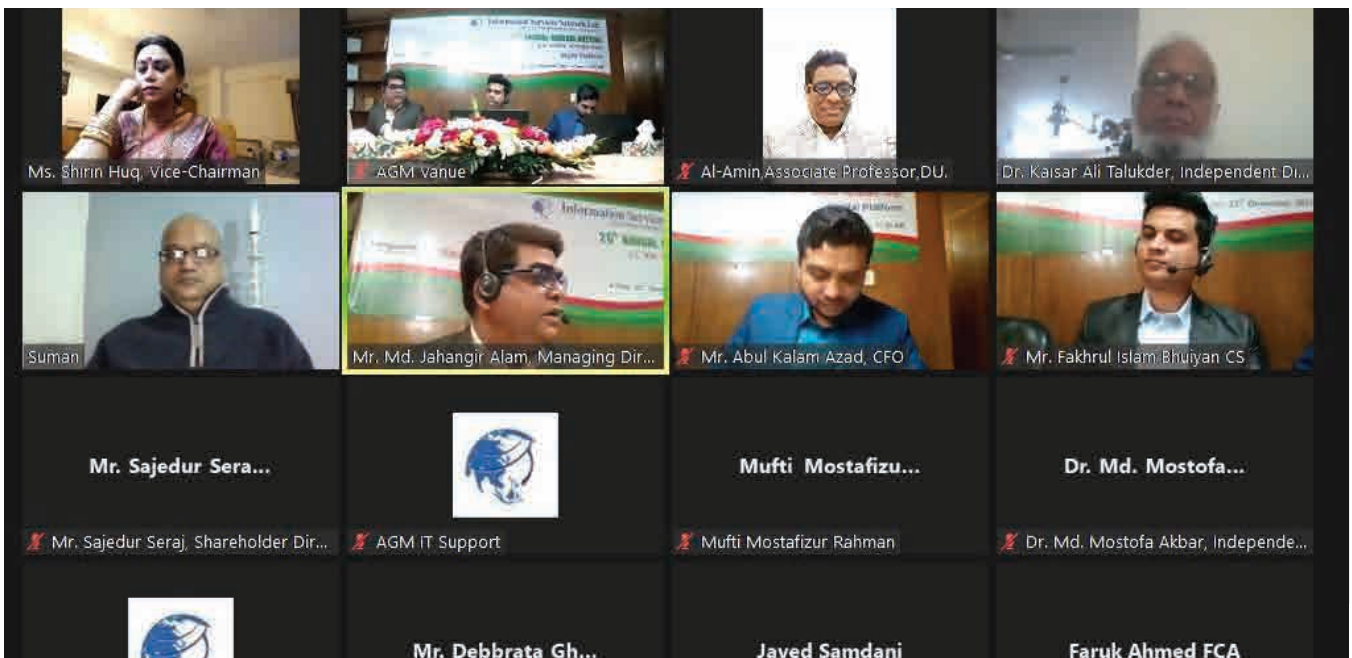




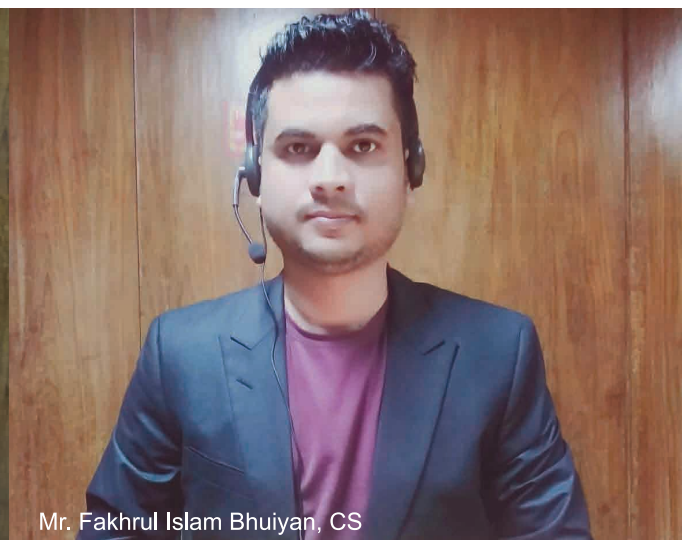
Dr. Md. Mostofa Akbar, Independent Director



Mr. Md. Jahangir Alam, Managing Director (Acting)



Mr. Abul Kalam Azad, CFO



Mr. Fakhru Islam Bhuiyan, CS

## Board of Directors



**Mr. Sayeed Hossain Chowdhury**  
(Chairman & Sponsor Director)



**Ms. Shirin Huq**  
(Vice-Chairman & Sponsor Director)



**Mr. Suman Celine Huq**  
(Shareholder Director)



**Mr. Sajedur Seraj**  
(Shareholder Director)



**Dr. Md. Mostofa Akbar**  
(Independent Director)



**Dr. Kaisar Ali Talukder**  
(Independent Director)



**Mr. AL-Amin**  
(Independent Director)



**Mr. Md. Jahangir Alam**  
(Managing Director, Acting)

## Audit Committee



**Dr. Md. Mostofa Akbar**  
Member



**Mr. AL-Amin**  
Chairman



**Dr. Kaisar Ali Talukder**  
Member

## Nomination & Remuneration Committee (NRC)



**Dr. Md. Mostofa Akbar**  
Member



**Dr. Kaisar Ali Talukder**  
Convener



**Mr. Sajedur Seraj**  
Member

Company Secretary (CC)  
Head of Finance/CFO  
General Manager (Operations)  
AGM & Sr. System Administrator  
In-Charge Gulshan Office  
In-Charge Motijheel Office  
Statutory/External Auditor  
Corporate Governance Auditor  
Bankers

Insurers  
Stock Exchanges

: Mr. Fakhurul Islam Bhuiyan  
: Mr. Abul Kalam Azad  
: Mr. Md. Jahangir Alam  
: Mr. Mohibur Rahman  
: Mr. Md. Monzur Ahamed  
: Mr. Md. Maniruzzaman  
: M/s. Khan Wahab Shafique Rahman & Co.  
: M/s. Shafiq Basak & Co.  
: Mercantile Bank Ltd.  
National Credit & Commerce Bank Ltd.  
Padma Bank Ltd.  
Eastern Bank Ltd.  
Social Islami Bank Ltd.  
Pubali Bank Ltd.  
Bangladesh Development Bank Ltd.  
AB Bank Ltd.  
: Bangladesh General Insurance Company Ltd.  
: Dhaka Stock Exchange Ltd.  
: Chittagong Stock Exchange PLC

## BRIEF PROFILE OF DIRECTORS



**Mr. Sayeed Hossain Chowdhury**  
(Chairman & Sponsor Director)

### Mr. Sayeed Hossain Chowdhury

Unlike traditional feudal, four to five generations, apart from land owning, the past generation took up business, went for College and University education and joined high Govt. posts during British regime and also pursued intellectualism (leading lawyers and News-paper editing). The family is acknowledged as one of the well-established, respected and reputed entrepreneurs of Bangladesh.

After completing his higher education in London – UK, Mr. Sayeed H Chowdhury joined the family business in 1981 and was based in the Sultanate of Oman until 1987, looking after its business interest in the Gulf region. Returned home to work for the family company “Karnaphuli Group” as its Director of Finance and Planning. In March 1991, Mr. Chowdhury founded the “HRC Group”, the much acclaimed and multi faceted blue-chip business house of Bangladesh. Initially starting as a shipping agency, the group is now a leading conglomerate of Bangladesh consisting of nineteen (19) member companies with diverse interest which includes but is not limited to ship owning, chartering and agency, tea estate and rubber plantation, blending and packaging of tea for local market and export, real estate, print media, manufacturing/marketing of lighting product, distribution, insurance, housing finance, merchant banking, information technology, etc. Export performance of HRC in the tea sector has earned Mr. Chowdhury the Government CIP honor for twelve (12) consecutive years. He is the Founder, Chairman and CEO of HRC family of companies. Mr. Chowdhury is also Chairman of Media New Age Limited and a Director of Holiday Publications Limited. He is the chairman of the editorial Board of the Bangla National daily ‘JaiJai Din’ and he was the Chairman of ‘One Bank Limited’ a renowned publicly traded banking company. He is a Sponsor Shareholder of Bangladesh General Insurance Company Limited. Mr. Chowdhury is the ex-president of Bangladesh Oceangoing Ship owners Association (BOGSOA). He is also a member of the British Institute of Management.

#### Recognitions:

##### **National**

- Industry Business Award (2003)
- Financial Mirror Business Award (2004)
- Rafiqul Islam Foundation Banking Award (2004) – the best Bank Chairman.
- Financial Mirror Export Award (2007)
- Michael Madhusudhan Dutt Award (2007) – for Upliftment of Education and Social Welfare
- Atish Depankair Gold Medal Award (2009) – for outstanding contribution in Commerce and Industry.

##### **International**

- CPBU Business Entrepreneur of the Year 2007 – United Kingdom.
- Queen’s Special Award 2007 - The Ede and Ravenscroft, United Kingdom

##### **FELLOWSHIP**

- Honorary Fellowship of the Corporation of Executives Administrators (CEA) – United Kingdom





**Ms. Shirin Huq**  
(Vice-Chairman & Sponsor Director)

### Ms. Shirin Huq

Ms. Shirin Huq obtained MA in Bangla. She has been engaged in the ICT arena for a long time. She also has ample experience as a news-caster in the mass media by being involved for more than two and half a decade in both of Bangladesh Television (BTV) and Bangladesh Betar. She is also the Director of Optimax Communication Limited.



**Mr. Suman Celine Huq**  
(Shareholder Director)

### Mr. Suman Celine Huq

Mr. Suman Celine Huq obtained the BBA and MBA from Institute of Business Administration, Dhaka University and Regis University, Denver, Colorado, USA respectively. He worked as an Assistant Manager in William Hill Organization, London, UK (1998-1999) and a Merchandiser at EPIC Designers Limited Dhaka, Bangladesh (1996-1998).



**Mr. Sajedur Seraj**  
(Shareholder Director)

### Mr. Sajedur Seraj

Mr. Sajedur Seraj joined 'Information Services Network Limited (ISN)' as a Shareholder Director in 2016. He holds a bachelor degree (Honors) from University of Manchester and HND in business and finance from Westminster University. He finished O'level and A'level at High gate School, London. Beside this, he received Associate-ship Award from Chartered Institute of Bankers, UK. Currently he is working to get fellowship under Chartered Institute of Bankers, UK.

Mr. Sajed joined Elite Garments Industries Limited as Production Officer in 1994 and in the next year he promoted as a Director of Elite Group. Then he took up the position as Director of AB Bank in 1999 and in 2004 he becomes the vice president of AB Bank. He became the Deputy Managing Director of Octagon Fibers & Chemicals Limited and Elite Group of Industries in 2005. He also served as a board of Director of 'BGIC' and the Purchase and Disciplinary Committee of Bangladesh Cricket Control Board.

He is the Vice Chairman of Thyrocare Bangladesh Limited and Managing Director of Imam Network Limited (ICX).



**Dr. Md. Mostofa Akbar**  
(Independent Director)

### **Dr. Md. Mostofa Akbar**

Educated both in home and abroad, Dr. Md. Mostofa Akbar has keen interest in the ICT industries of the country and has been engaged in this ICT arena for quite a long time.

He is a Professor of CSE (Computer Science & Engineering) Department, Bangladesh University of Engineering and Technology (BUET). He has completed his PhD in Computer Science from University of Victoria, Canada in 2002. He has publications in 12 journals and has published 50 conference papers. He has also published 3 (Three) books on Statistics and 1 (One) book on ICT for Higher Secondary and Tertiary levels. He supervised 24 Masters level students from 2002 to 2017.

Besides teaching, he has provided consultancy services for computerization in Cabinet Division, Support to ICT Task Force, Islami Bank Bangladesh Limited, DESA, Janata Bank, Agrani Bank, Mercantile Bank, Dhaka Stock Exchange (DSE), RAJUK and Bashundhara Group etc. He is also involved in System Analysis, Design, Tender Vetting, Tender Evaluation, Software Development and Testing of different Software Projects.



**Dr. Kaisar Ali Talukder**  
(Independent Director)

### **Dr. Kaisar Ali Talukder**

He obtained B. Sc (Honors) and M. Sc degree in Biochemistry from the University of Dhaka, and PhD on Molecular Biology from the Institute of Medical Sciences, the University of Tokyo, Japan. He is the Professor of the Department of Biotechnology and Genetic Engineering of Mawlana Bhashani Science and Technology University, Santosh, Tangail. He was also the Ex. Senior Scientist and Head of Enteric and Food microbiology Laboratory of Laboratory Science Division, ICDDR-B, Mohakhali, Dhaka. He also received Post Doctorate degree (post doc) from Department of Pharmacology, Robert Wood Johnson Medical School of the University of Medicine and Dentistry of New Jersey, USA. He published more than 90 scientific articles in peer reviewed several international journals. He presented several scientific papers in various international scientific conferences including Japan, UK, USA, China, Europe, North and South America etc.



**Mr. AL- Amin**  
(Independent Director)

### Mr. AL- Amin

Graduated from University of Dhaka, Mr. AL - Amin has keen interest in the emerging ICT sector in Bangladesh. He has more than 18 (Eighteen) years experience in the capital market of Bangladesh. As an avid follower and analyst of the country's prime capital market, Mr. AL - Amin has actively engaged in the analysis of the trends and prospects of country's booming ICT industry. He graduated with an MBA from the Department of Accounting & Information Systems, University of Dhaka. Since 2003, he has been working as a faculty member of the same department. Currently he is an Associate Professor of the Department of Accounting & Information Systems, University of Dhaka. He attended various research training organized at the University of Dhaka. He published 13 journal articles and 2 research reports on the issues of accounting, accountability and governance of Bangladeshi listed companies. His research interest lies in the accounting, auditing, accountability and governance issues of both listed and emerging firms. He supervised 85 Masters level students at their internship and thesis preparation since. At the department, he teaches accounting, auditing and taxation courses both regular BBA/MBA program and professional MPA/EMBA/MAT program. Apart from University of Dhaka, Mr. AL - Amin works as an adjunct faculty of leading private universities of Bangladesh.

Besides teaching, Mr. AL - Amin engaged in the administrative roles on various capacities at the University of Dhaka. He was the house tutor in Master da Surjyosen Hall from 2003 to 2010. He is the auditor of Dhaka University Club since 2003. At the Department of Accounting & Information Systems, he serves as the student councilor from 2011 and works as a member of the Coordination Committee of EMBA program from 2017 to 2019. Currently, he serves as an executive committee member of Dhaka University Accounting Alumni Association and also serving as the secretary of the Dhaka University Club.

Moreover, Mr. AL- Amin has provided consultancy services on capital market issues to various Bangladeshi listed companies in the last 19 years. Also, he works as a regular trainer for National University of Bangladesh. He appears regularly on capital market related talk shows in different electronic media of Bangladesh.



**Mr. Md. Jahangir Alam**  
(Managing Director, Acting)

### Mr. Md. Jahangir Alam

Mr. Md. Jahangir Alam has been engaged in ISN Limited from the very beginning and he brings with him 25 years of experience in business development & operation of ISP Sector. He was appointed to this company as Customer Support Executive in 1998 after graduation. In the beginner Mr. Alam was obsessed with the admirable service to his company's customers and then spent his initial years gaining a deeper understanding about ISN's core business with a strong focus on sales & service activities, in line with his educational background.

He has been working on multiple leadership roles with Innovation and Strategy in different responsibility of ISN as Head of Khulna Divisional Office, Head of Sales & Marketing, DGM -Operation and currently serving as General Manager of the Company. His deep functional experience along with a long and absolutely field level combination skilled career helped him in launching an integral part of this organization and his dream is to establish ISN Limited as one of the most successful IT Company in the Country.

Mr. Alam obtained with his Masters in Business Administration in 2007 from the University of South Asia. He is the Chairman of Genuine Homes Limited (A Building Construction and Developer Company).



### *Chairman's Address*

In the name of the Almighty Allah

***As-salamu alaikum,***

Honorable Shareholders, it is my pleasure to welcome you to the 27th Annual General Meeting (AGM) of Information Services Network Limited (ISN) and to convey my greetings to all of you.

In a time of unprecedented economic uncertainty; ISN displayed exceptional resilience by continuing to deliver services to valuable customers throughout the year without any disruption. We are as usual focused to ensure the continuity of vital and reliable services to our customers across the country.

We have seen significant success in our business over the year as we continued to expand our networking capabilities. I am proud of what we have achieved this year even we have faced challenges. I hope ISN will emerge as a stronger and more resilient and purposeful company in near future.

I am pleased to inform you that we have declared 3 (Three) percent cash dividend for the year ended on 30th June 2022. I hope that our success and progress will continue and believe that we will be able to give you much better things in the coming years.

On behalf of the Board, I would like to take this opportunity to thank all the employees of ISN for their extraordinary contributions during the year. I also want to express gratitude to our shareholders as well as our customers, partners, suppliers, regulatory authorities and the communities where we operate, for supporting ISN.

May the Almighty Allah guide and bless us all in our future endeavors.

A handwritten signature in black ink, appearing to read 'Sayeed Hossain Chowdhury'.

**Sayeed Hossain Chowdhury**  
Chairman & Sponsor Director



## **Directors' Report**

### **To the shareholders for the period of 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022**

#### **Dear Shareholders,**

We, on behalf of the Board of Directors, extend a very warm welcome and good wish to all on the occasion of the 27<sup>th</sup> Annual General Meeting of **Information Services Network Limited (ISN)**, the first Internet Service Provider in Bangladesh. The board has extensively gone through the Audited Financial Statements of the company and presents the audited financial statements for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 with the Auditors Report for your kind consideration.

#### **BOARD**

The number of members in the Board of Directors of the Company is 07 (including Three Independent Directors) which is within the limits given by the BSEC Notification.

#### **CHAIRMAN AND MANAGING DIRECTOR**

The chairman and the Managing Director of the Company are different individuals. The roles of the Chairman and the Managing Director are clearly established, set out in writing in the MoA and AoA of the company, and agreed upon by the Board to ensure transparency and better governance.

#### **INDEPENDENT DIRECTORS:**

As per the BSEC's Corporate Governance Guidelines dated 03 June 2018, (i) At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors, (ii) Independent Director(s) shall be appointment by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM), and (iii) the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.

The Independent Directors have been appointed to the Board as per the said guidelines of the Bangladesh Securities and Exchange Commission (BSEC). Three distinguished Independent Directors have been performing their duties and responsibilities efficiently for the greater interest of the company. ISN LTD indeed benefiting from their voluntarily services and they are determined to protect the interests of general shareholders.

#### **COMPANY'S OPERATION**

The company was run by a group of Senior Manager with the supervision of the directors of the company. The directors are giving voluntary service to revive the company. The Internet business is becoming much more competitive as usual. This makes the business unstable as the clients are switching their providers every now and then.

#### **CORPORATE MANAGEMENT**

The Board's commitment of ensuring standard of corporate management is being followed and well understood. The Board of Directors and the Management ensured maintaining compliance with all requirements of regulatory bodies.

#### **MARKETING & BUSINESS DEVELOPMENT**

ISN LTD has taken a new drive to serve the corporate clients such as Bank, Insurance, Leasing companies, Government Organization; Autonomous & Semi Autonomous

Organization & NGO's which has multiple offices. The company has decreased some non technical workforce in the last fiscal year. On the other hand new marketing personnel have been recruited and the company is planning to expand with new branches. As there is increased revenue in the last year, we are hopeful to do more investment for reliable service through redundancy and for more coverage of the network.

### ADMIN & HR

Admin & HR division again continues to maintain the standard required to provide better services to its clients by employing appropriate persons. Including new bloods to the company has always been in the mind of Admin & HR. The manpower of ISN for the year, **2019-2020, 2020-2021 and 2021-22** is as follows:

Particulars	2021-2022	2020-2021	2019-2020
Number of Employees	128	124	118

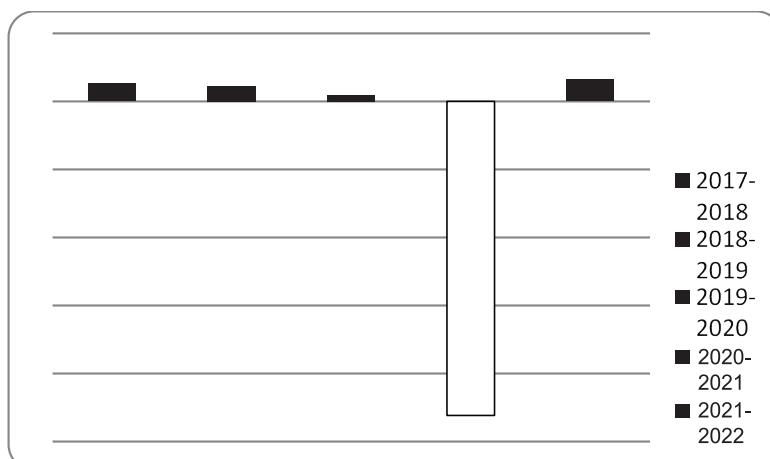
### FINANCE & ACCOUNTS

Finance department follows the International Financial Reporting Standards (IFRSs), International Standards on Auditing together with Bangladesh Financial Reporting Act (FRA), as well as the guidance of Bangladesh Securities and Exchange Commission (BSEC) and continues to comply with notifications, directives and orders. It also places on record the advice and procedures suggested by the Audit Committee that has been beneficial to be more transparent in every aspects of finance. The board also discusses the financial issues of the company in the board meetings, once in every quarter. Our latest Financial Statements and all other price sensitive information are available in our website: <https://www.bangla.net/investors-corner>

### COMPANY'S PERFORMANCE

The company performs well and incurred a **NET PROFIT AFTER TAX** of Tk. 6,425,148 for the period of 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022.

Financial Year	Net Profit After Tax (in Taka)
2017-2018	5,190,900
2018-2019	4,404,794
2019-2020	1,969,449
2020-2021	(92,288,604)
2021-2022	6,425,148

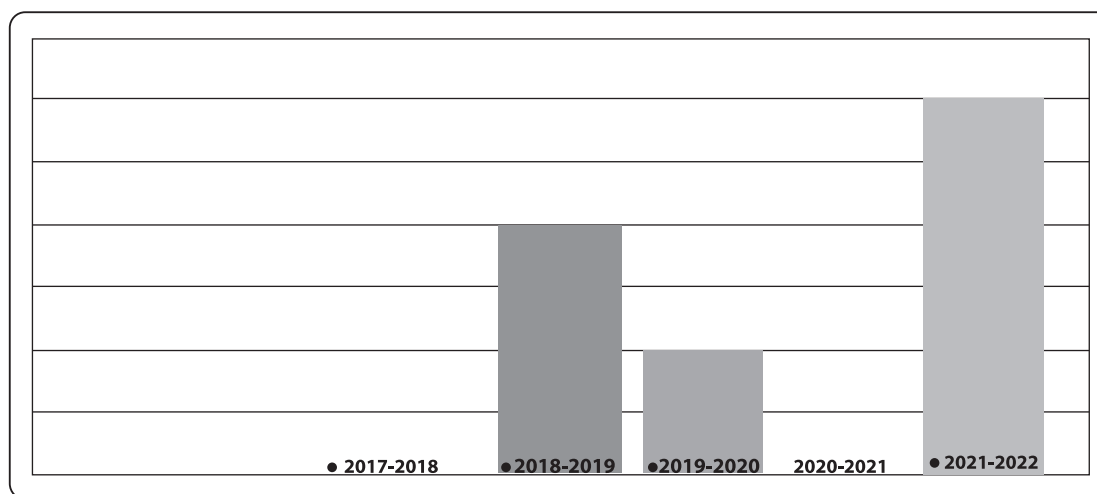


### DECLARATION OF DIVIDEND

As the company incurred a net profit after tax of TK. 6,425,148 and Retained Earnings is TK. (96,230,264.00) the Board of Directors recommended 3% Cash Dividend for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022.



Year wise dividend declaration pattern from year 2017-18 to 2021-22 is provided here:



### FUTURE PLAN

Following future plans has been set by the management of ISN

- Establishment of Branch offices in all the Divisional cities.
- Expansion of the network in 19 greater districts of the country except Chittagong Hill Tracks.
- Invest fresh fund for network expansion, few branch setup, capacity extension of software development wing, server up-gradation and network equipment up-gradation of the company.
- Establishment of new business of Server and network equipment solution provider.
- Establishment of new business in Security Solutions.
- Establishment of Branch office in Savar.
- To be a partner of the network establishment in Dhaka City so that connection can be extended to any location of the Dhaka City.
- Establishment of own Face book and YouTube server

### PRODUCTS & SERVICES

As the first ISP of the Country we continued to serve the ICT sector of the country from every single point of Technology. To provide one stop solution we maintain the following Products & Services to our valued clients:

- **Broadband Internet:** Broadband connection for high speed access to Internet is provided through optical fiber cable and Radio link to dedicated and shared users.
- **Software:** It is to be understood that this company continued to work on customized software. The company is earning revenue by supporting open source product while providing internet services. Software defined network is the state of the art technology in providing service to the customers. Thus the earned revenue for the company is actually due to maintain software for routers, C-Panel, DNS Server, e-mail server, web server etc. The software team of the company is also earning revenue through software development such as database development, website development and installation of IP telephony platform.

- **Virtual Private Network (VPN) Services:** This system uses encryption and other security mechanisms to ensure that only authorized users can access the network and that the data cannot be intercepted. This solution is ideal for Corporate Offices who are in need of giving access to mobile workers or any other 3<sup>rd</sup> party securely.
- **Web Solutions:** ISN develops web sites that offer a broad array of resources and services, such as email, forums, suggestions and online shopping malls. Professionals in developing corporate websites that leads towards reduced customer service cost and attract new employees to the organization. ISN also provides Domain Registration, Web Hosting and Maintenance services as per client requirements.
- **Networking Services:** Our network solutions based on office LAN (Local Area Network) allows information sharing among all employees regardless of where information is stored. We are providing shared applications like email, calendar and task scheduling and other features to aid collaboration in the office; Customized security options and access permissions to safeguard centralized data; High-speed fiber optic network for fast and error-free data transfer etc.
- **Data Services:** ISN Ltd specializes in data services for medium to large businesses with multiple office locations in need of inter-office collaboration and efficient data sharing. Some features of Data Communication are - Net meeting, video phone and other inter-office communication/ collaboration facilities; Shared applications like email, calendar and task scheduling and other features to aid collaboration in the office; Direct link or ISN server aided citywide robust network; Customized security options and access permissions to safeguard centralized data; Powerful high-bandwidth fiber optic network for fast and error-free data transfer in large volumes etc.
- **Server Co-location:** ISN provides Server Co-location service so that the clients can place their server in ISN office for better security, safety, data speed.
- **IP Telephony:** ISN announces the IP Telephony communication services, Branding 'BTel' into Bangladesh market. Information Services Network Ltd (ISN) combines voice, data and Internet services over the same connection for maximum value and flexibility.

## INDUSTRY OUTLOOK, FUTURE PLAN OR PROJECTION

Information Services Network Limited (ISN) has been experiencing steady growth over the past few years and aims to become the market leader in Bangladesh.

Meanwhile, Internet Bandwidth price is the lowest in the country now. In the meantime, on the Directions of the Ministry of Posts, Telecommunications, we had to offer a minimum package of Tk. 500/-, 800/- & 1,200/-. With the arrival of ITC's (International Terrestrial Cable) and IIG's (International Internet Gateway) license holders, prices are low and the market remains very much competitive. The Board of Directors always emphasizes the need of reaching new customers in new geographic locations including at District and Police Station level to expand the business. The board also hopes that the government will emphasize more on country wide infrastructure sharing for ISPs at a much lower cost. The Board also looking for:

- Install full-featured integrated ERP software for business process automation,
- Strengthen risk management and control system, through implementation of Enterprise Risk Management (ERM) Framework, and Framework for Internal Control,

- Reengineer business processes for eliminating redundancies in resource utilization e.g. time, cost, staff etc.,
- Formulate effective strategies for boosting up revenue and market penetration, etc.

### SEGMENT WISE PERFORMANCE:

ISN Ltd is a nationwide internet service provider. ISN LTD itself is operating its business in a single economic segment. So it is not applicable to show the performance of segment-wise or product-wise performance. The breakup of consolidated sales figure/Operating Revenue, Gross Profit and the Net Profit is as described here.

Year	Operating Revenue	Other Income	Gross Profit	Net Profit
2021-22	114,725,274	5,694,975	54,207,712	6,425,148
2020-21	109,206,171	5,409,380	51,518,049	(92,288,604)

### OPERATING EXPENSE, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

The Statement of Profit or Loss and Others Comprehensive Income shows that the Operating Expenses for the period ended 30<sup>th</sup> June 2022 (July 2021 to June 2022) is Tk. 54.82 Millions against Tk. 52.28 millions for the same period of last financial year. Gross Profit for the period ended 30<sup>th</sup> June 2022 is Tk. 54.20 millions against Tk. 51.52 millions for the same period of last financial year. Net Profit after tax for the period ended 30<sup>th</sup> June 2022 is Tk. 6.42 millions against Tk. (95.89) millions for the same period of last financial year.

### RISKS AND CONCERNS

The company is always aware of that business is subject to variety of risks and uncertainties e.g. industry risk, liquidity risk, market risk, operational risk, interest rate risk, exchange rate risk and potential changes in global or national policies etc. Although IT is a flourishing sector with great potential in Bangladesh, it also has its own risk factors like all other businesses.

In this respect, ISN Limited has well defined its risk management policies and introduced periodic monitoring system that act as an effective tool in mitigating various risks to which our businesses are exposed to in the course of its day-to-day operations as well as in its strategic actions.

### FINANCIAL RISK MANAGEMENT

The management of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

By analyzing the risks existing in the ISP sector in Bangladesh, ISN has identified some significant risks associated with the financial instruments. Credit Risk, Liquidity Risk & Market Risk.

#### Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables. Management has a credit policy in place that are controlled and monitored in accordance with terms and conditions prescribed. As at 30 June 2022

almost the entire part of the receivables is related to sale of services subject to insignificant credit risk.

Risk exposures from other financial assets: i.e., Cash at bank and other external receivables are nominal.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach in managing liquidity (cash and cash equivalents) is to ensure as far as possible and the management is working diligently in this regard.

**Market Risk**

Market risk is the risk that any change in the market such as technology change or unhealthy competition in ISP Market, dominance of mobile phone operators, price fluctuation risk or foreign exchange rate and interest may affect the company's earnings. The objective of market risk management is to manage and control market risk exposure within acceptable parameters and the management is trying their best to act accordingly.

**DISCLOSURE ON DISCUSSION ON COGS, GPM, NPM:**

The Board discussed on regarding the Cost of Goods sold/Operating Expense, Gross Profit Margin and the Net Profit Margin.

**DISCLOSURE REGARDING EXTRA-ORDINARY GAIN OR LOSS:**

There was no extra-ordinary gain or extra-ordinary loss during the year 2021-22.

**DISCLOSURE REGARDING RELATED PARTY TRANSACTION:**

In ordinary course of business, related party transactions take place with other entities that fall within the term 'related party' as defined in IAS 24: The Board discussed in relation to related party transactions. But they find no significant related party transactions in this period. Moreover a statement in relation to the related party transactions has been disclosed under Schedule XI of the notes to the financial statements.

**EXPLANATION/DISCLOSURE REGARDING UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR ANY OTHER INSTRUMENTS**

ISN LTD went for IPO in 2002 and after that the company did not raise any fund by any sort of public offerings up to June 30, 2022. Therefore, no explanation is required in this connection.

**DISCLOSURE REGARDING VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS**

There were some variances in the financial results from quarter to quarter. But these are not very significant or material in nature.

**DISCLOSURE ON REMUNERATION OF THE DIRECTORS:**

The Directors including Independent Directors are given only Meeting Attendance Fee. During the year 2021-22, a total amount of Tk. 172,236 was given to the Directors as Meeting Attendance Fee. However, in 2020-21 the amount was Tk. 127,780. In this regard a statement has been disclosed under Schedule XI of the notes to the financial statements.

**QUALITY POLICY AND CONTROL**

Improving and maintaining the quality of services is an issue of great importance for ISN LTD and its Board of Directors. The company strictly controls the quality of all Services & products by maintaining standard qualities, using modern equipment and hiring of competent, qualified and dedicated personnel.

**UNPAID OR UNCLAIMED DIVIDEND:**

Three years of unclaimed dividend summary are as follows:

Year	Amount of Unpaid or Unclaimed Dividends
2021-2022	1,537,545

**N.B.** Unpaid or Unclaimed Dividend Amount last updated June 30, 2022

**DISCLOSURE ON PROPER BOOKS OF ACCOUNT:**

Proper books of accounts as required by law have been kept by the company. Also the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

**DISCLOSURE ON APPROPRIATE ACCOUNTING POLICIES:**

The Board consistently applied appropriate Accounting Policies in preparation of the financial statements. In addition, the note on the appropriate Accounting policies has been disclosed under Policy Note no. 01 to 03.22 of the notes to the financial statements.

**DISCLOSURE ON IASs OR IFRSs:**

The applicable IASs and IFRSs (International Accounting Standards and International Financial Reporting Standards) has been adopted and is applied by the company from the IFRSs and IASs issued by International Accounting Standard Board (IASB) as adopted by ICAB. In this regard a detailed note has been given in note no. 02.10 in policy notes.

**DISCLOSURE ON INTERNAL CONTROL SYSTEM**

The Board has ultimate responsibilities to establish the effective systems of internal control. To ensure internal control regarding risk management, financial control and compliance legislation, the company has a strong internal audit department from very beginning. The Board states that the systems of internal control system are sound in design and have been implemented and monitored effectively.

**PROTECTION OF NON-CONTROLLING SHAREHOLDERS:**

The Board certifies that non-controlling shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

**COMPANY'S ABILITY TO CONTINUE AS GOING CONCERN:**

The Directors declare that there are no significant doubts upon the company's ability to continue as a going concern. Moreover those charged with governance has given a description on 'Going Concern' in policy note No. 2.08 of notes to the financial statements.

**EXPLANATION OF SIGNIFICANT DEVIATION FROM THE OPERATING RESULTS OF LAST YEAR:**

Earnings per share increased as compared to last year but is not comes from the operating results. During the year, significant deviation has occurred compared to last year Earnings per share (EPS). Last year, EPS was negative due to large amount of write-



off of receivables. This period (financial year 2021-22) there was no impact on EPS as there was no such write off.

### COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE AND POSITION AS WELL AS CASH FLOWS WITH IMMEDIATE PRECEDING FIVE YEARS (2017-18 to 2021-22):

Particulars	2021-2022 (July-June)	2020-2021 (July-June)	2019-2020 (July-June)	2018-2019 (July-June)	2017-2018 (July-June)
No. of Authorized Shares	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
No. of Issued Shares	10,920,003	10,920,003	10,920,003	10,920,003	10,920,003
Paid up Capital (Tk.)	109,200,030	109,200,030	109,200,030	109,200,030	109,200,030
Share Holders Equity (Tk.)	34,074,346	26,990,001	141,355,133	141,569,684	137,164,890
Total Assets (Tk.)	119,035,802	115,595,371	212,181,050	213,368,031	214,193,974
Total Liabilities (Tk.)	84,961,456	88,605,370	70,825,918	71,798,347	77,029,084
Reserve & Surplus (Tk.)	21,104,580	21,283,941	25,766,853	26,696,002	27,964,855
Net Sales	109,030,292	103,796,791	90,565,283	91,427,690	95,067,597
Profit Before Tax (Tk.)	6,316,491	(90,642,541)	2,286,816	5,112,097	6,597,365
Net Profit After Tax (Tk.)	6,425,148	(95,888,825)	1,969,448	4,404,794	5,190,900
Book Value Per Share	10.00	10.00	10.00	10.00	10.00
% of Dividend	3% Cash	-	1% Cash	2% Cash	-
Current Ratio	0.52:1.00	0.46:1.00	2.34:1.00	2.39:1.00	2.70:1.00
Operating Ratio	100.50.28	100.50.37	100.47.30	100.47.23	100.45.38
EPS	TK. 59	Tk. (8.45)	Tk. 0.18	Tk. 0.40	Tk. 0.48
NOCPS	TK. 1.59	TK. 1.72	TK. 1.72	TK. 1.23	TK. 1.41
NAVPS	TK. 3.12	Tk. 2.47	Tk. 12.94	Tk. 12.96	Tk. 12.56

It is mentioned that, the Board compared and discussed such financial performance and financial position as well as cash flows with the peer industry scenario.

### COMPARISON OF FINANCIAL PERFORMANCE WITH THE PEER INDUSTRY SCENARIO:

Comparison with	For the year ended on 30 <sup>th</sup> June 2022				
	ISN LTD	AGNISYS	AAMRA TECH	ADNTEL	BDCOM
Revenue (BDT in Millions)	114.723	519.52	2308.78	1154.92	727.37
Gross Profit (BDT in Millions)	54.20	173.62	300.46	474.05	393.27
Net Profit Before Tax (BDT in Millions)	6.31	79.77	129.49	191.74	105.48
Net Profit After Tax (BDT in Millions)	6.43	72.95	108.48	167.63	80.18
Total Current Assets (BDT in Millions)	37.34	706.76	2562.47	1198.27	724.33
Total Assets (BDT in Millions)	119.04	1283.36	3280.03	1357.03	1197.13
Total Equity (BDT in Millions)	34.07	1108.15	1470.32	1781.79	899.39
Total Current Liabilities (BDT in Millions)	71.28	151.45	1504.53	497.27	250.25
Net Operating Cash Flow (BDT in Millions)	17.39	96.42	155.97	212.02	92.91
Net Asset Value per share BDT (NAV)	3.12	15.27	24.09	27.56	15.75
EPS (BDT)	0.59	1.01	1.78	2.59	1.40
NOCFPS (BDT)	1.59	1.33	2.56	3.28	1.63

\*Financial information of peer companies is based on the data available on their website.



## EXPLANATIONS ON MODIFIED AUDIT REPORT:

***The auditor's mentioned three finding on its modified opinion. The Board's responses based on auditor's opinion are as follows:***

The board discussed all the opinions pointed out by the Auditor in their audit report as follows:

**Modified opinion No. 01:** As per Auditors opinion Tk. 14,734,225 has been shown under two sub head namely Mujibul Huq and Others and the figure has been carrying forward for a long period without making any adjustment. This amount is likely to be doubtful in nature and adequate provision should have been made in the financial statements, but no provision has been made in connection with the matter.

**Management Response:** Management responded that the company filled cases against them, bearing case numbers C.R Case No. 18 of 2019 & C.R Case No. 19 of 2019. The cases are now in court and we are working to start hearings.

**Modified Opinion No. 02:** As per Auditor's opinion the sponsors and directors of the company are holding 21.62% share of the company and are continuing to hold the position of the directorship of the company ignoring the requirement of holding, at all time, jointly minimum 30% (thirty percent) shares of the paid up capital of the company violating BSEC notification.

**Management Response:** Management responded that the company has been trying to fulfill this condition for a long time. We are also in very close discussions with the Bangladesh Securities & Exchange Commission (BSEC) on this issue so that we can fulfill this regulatory requirement as early as possible.

**Modified Opinion No. 03:** As per Auditors opinion 'The Company has availed loan of Tk. 3,416,000 from the employees' provident fund violating Bangladesh Labor Act 2006 as amended in 2018. Interest has been charged @4% during the year which is lower than as prescribed in Bangladesh Labor Act 2006.'

**Management Response:** In this regard the Management will look into the matter and take necessary steps accordingly.

## DISCLOSURE REGARDING BONUS OR STOCK DIVIDEND:

During the year 2021-22, no bonus share or stock dividend has been declared as interim dividend and the company has not declared any bonus or stock dividend in a decade.

**NUMBER OF BOARD MEETING HELD AND ATTENDANCE BY:**

The Directors of ISN LTD meet on a regular basis. The number of Board Meeting and the attendance of Directors during the year 2021-22 were as follows:

SL. No.	Name of the Directors	Position	No. of meetings held	Number of meetings attended	Attendance in the last AGM
1	Mr. Sayeed Hossain Chowdhury	Chairman & Sponsor	5	1	No
2	Ms. Shirin Huq	Vice-Chairman & Sponsor	"	4	Yes
3	Mr. Suman Celine Huq	Shareholder Director	"	3	No
4	Mr. Sajedur Seraj	Shareholder Director	"	3	Yes
5	Dr. Md. Mostofa Akbar	Independent Director	"	5	Yes
6	Dr. Kaisar Ali Talukder	Independent Director	"	5	Yes
7	Mr. Al - Amin	Independent Director	"	5	Yes
8	Mr. Md. Jahangir Alam	Managing Director (Acting)	"	5	Yes

**REPORT ON THE PATTERN OF SHAREHOLDING AS ON 30.06.2022**

Name of the Shareholder	Position/Designation	No. of Shares
<b>1. Parent/Subsidiary/Associate companies and other related parties:</b>	-	NIL
<b>2. Directors, Sponsors, CEO, CS, CFO, HIA, Executives and their spouses and minor children:</b>	-	-
<b>2 (a). Directors and sponsors:</b>		
Mr. Sayeed Hossain Chowdhury	Chairman & Sponsor Director	892,462
Ms. Shirin Huq	Vice Chairman & Sponsor Director	220,054
Mr. Sajedur Seraj	Shareholder Director	5,46,306
Mr. Suman Celine Huq	Shareholder Director	239,403
Mr. Habibul Alam, BP	Sponsor	164,490
Mr. Mirza Ali Behrouze Ispahani	Sponsor	99,717

Mr. Abdullah Hel Mostafa	Sponsor	2,668
Ms. Najma Enaytullah Khan	Sponsor	20,131
Mr. Anwar Hossain	Sponsor	151,878
Dr. Md. Mostofa Akbar	Independent Director	10,867
Dr. Kaisar Ali Talukder	Independent Director	4,601
Mr. Al - Amin	Independent Director	NIL
<b>2 (b). CS, CFO, HIAC:</b>		
Mr. Fakhru Islam Bhuiyan	Company Secretary (CC)	NIL
Mr. Abul Kalam Azad	Head of Finance	NIL
Mr. H.M Yunus Shikder	Head of Internal Audit	NIL
<b>2 (c). Executives (top 5 salaried persons other than Directors/CEO/CS/CFO/HIAC):</b>		
Mr. Md. Jahangir Alam	GM - Operation & Managing Director (Acting)	NIL
Mr. Mohibur Rahman	AGM - Technical & Sr. System Administrator	
Mr. Mangurul Islam	Sr. Manager, Network & Operation	
Mr. Md. Shariful Hoque	Sr. Manager, Sales & Marketing	
Mr. Emtiajul Huq	Sr. Manager Support & Call Centre	
<b>2 (d). Spouses and minor children</b>		
Spouses and minor children's do not hold any shares of the Company.		
<b>3. Shareholding 10% or more voting right</b>		
There is no shareholder who holds 10% or more voting right.		

Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and others, (c) Executives & (d) Shareholding 10% or more:

SL	Directors/Executives	No. of shares hold	Percentage of share holding position	Comments
b.1	Chief Executive Officer	Nil	N/A	-
b.2	Chief Financial Officer	Nil	N/A	
b.3	Internal Auditor	Nil	N/A	
b.4	Company Secretary	Nil	N/A	
c.	Executives	Nil	N/A	
d.	Shareholding holding 10% or more voting rights	Nil	N/A	

### ELECTION of DIRECTORS

As per article 95 and in accordance with the prospectus of the company made public in February 2002 and Amended in 2018 and its subsequent development in AGMs the following Directors will retire and be eligible to offer themselves for re-election:

#### SPONSOR & SHAREHOLDER DIRECTOR:

- Ms. Shirin Huq, Sponsor Director
- Mr. Sajedur Seraj, Shareholder Director

#### BRIEF PROFILE:

##### 1. Ms. Shirin Huq (Vice-Chairman & Sponsor Director)

Ms. Shirin Huq obtained MA in Bangla. She has been engaged in the ICT arena for a long time. She also has ample experience as a newscaster in the mass media by being involved for more than two and half a decade in both of Bangladesh Television (BTV) and Bangladesh Betar. She is also the Chairman of Optimax Communication Limited.

##### 2. Mr. Sajedur Seraj (Shareholder Director)

Mr. Sajedur Seraj joined 'Information Services Network Limited' as a director in 2016. He holds a bachelor degree (Honors) from University of Manchester and HND in business and finance from Westminster University. He finished O' level and A' level at High gate School, London. Beside this, he received Associate-ship Award from Chartered Institute of Bankers, UK. Currently he is working to get fellowship under Chartered Institute of Bankers, UK.

Mr. Sajed joined Elite Garments Industries Limited as Production Officer in 1994 and in the next year he promoted as a Director of Elite Group. Then he took up the position as Director of AB Bank in 1999 and in 2004 he becomes the vice president of AB Bank. He became the Deputy Managing Director of Octagon Fibers & Chemicals Limited and Elite

Group of Industries in 2005. He also served as a board of Director of 'BGIC' and the Purchase and Disciplinary Committee of Bangladesh Cricket Control Board.

He is the Vice Chairman of Thyrocare Bangladesh Limited and Managing Director of Imam Network Limited (ICX).

### **RE-APPOINTMENT OF DIRECTOR**

As per the guidance of Bangladesh Securities & Exchange Commission (BSEC), Mr. AL Amin's tenor has end and he has an opportunity to be appointed for another 3 years in the (2<sup>nd</sup>) term. In accordance with the guidance of 'BSEC' the Board unanimously agreed to re-appoint Mr. AL-Amin as an Independent Director for another 3 (three) years term which will effect from 10th June, 2022, subject to approval from the shareholders in the 27th AGM of the company.

### **BRIEF PROFILE:**

#### **Mr. AL - Amin** **(Independent Director)**

Graduated from University of Dhaka, Mr. AL - Amin has keen interest in the emerging ICT sector in Bangladesh. He has more than 18 (Eighteen) years experience in the capital market of Bangladesh. As an avid follower and analyst of the country's prime capital market, Mr. AL - Amin has actively engaged in the analysis of the trends and prospects of country's booming ICT industry. He graduated with an MBA from the Department of Accounting & Information Systems, University of Dhaka. Since 2003, he has been working as a faculty member of the same department. Currently he is an Associate Professor of the Department of Accounting & Information Systems, University of Dhaka. He attended various research training organized at the University of Dhaka. He published 13 journal articles and 2 research reports on the issues of accounting, accountability and governance of Bangladeshi listed companies. His research interest lies in the accounting, auditing, accountability and governance issues of both listed and emerging firms. He supervised 85 Masters level students at their internship and thesis preparation from 2003 to 2019. At the department, he teaches accounting, auditing and taxation courses both regular BBA/MBA program and professional MPA/EMBA/MAT program. Apart from University of Dhaka, Mr. AL - Amin works as an adjunct faculty of leading private universities of Bangladesh.

Besides teaching, Mr. AL - Amin engaged in the administrative roles on various capacities at the University of Dhaka. He was the house tutor in Master da Surjyosen Hall from 2003 to 2010. He is the auditor of Dhaka University Club since 2003. At the Department of Accounting & Information Systems, he serves as the student councilor from 2011 and works as a member of the Coordination Committee of EMBA program from 2017 to 2019. Currently, he serves as an executive committee member of Dhaka University Accounting Alumni Association and also serving as the secretary of the Dhaka University Club.

Moreover, Mr. AL- Amin has provided consultancy services on capital market issues to various Bangladeshi listed companies in the last 18 years. Also, he works as a regular trainer for National University of Bangladesh. He appears regularly on capital market related talk shows in different electronic media of Bangladesh.

**DISCLOSURE OF MANAGEMENT'S DISCUSSION AND ANALYSIS:**

The Management discussed and analyzed details of the company's position and operations along with changes in the financial statements.

**DISCLOSURE REGARDING CHANGES IN ACCOUNTING POLICIES AND ESTIMATION:**

During the year 2021-22, there are no changes in Accounting policies and Estimation for financial statements.

**THE FINANCIAL AND ECONOMIC SCENARIO OF THE COUNTRY AND THE GLOBE.**

The unstable global economy, rapidly growing inflation and fluctuating IT market had critical impact on business and its performance. Irrespective of these unpredictable and external elements, ISN limited has successfully retained its market reputation and always believed that technology and the wonders should be reachable to every part of the country and every citizen, irrespective of their identity. Our business strategy is aligned to the needs of our customers and the outcome they want to achieve. Hence, this mindset of ours has worked as a motivation to drive us towards expansion of the network with limited resources. The overall financial position of the company has been positive this year.

**DECLARATION OR CERTIFICATION BY THE CEO AND THE CFO TO THE BOARD**

The Details of discussion of declaration by the CHAIRMAN/CEO and Finance Controller/HEAD OF FINACNE is appended separately as per Annexure-A and the report as well as certificate regarding compliance of conditions as per Annexure-B and Annexure-C.

**SUBSIDIARY OPERATIONS**

ISN has no subsidiary Company.

**MAINTAINING A WEBSITE:**

ISN Limited maintains an official website and the website address is [www.bangla.net](http://www.bangla.net). There is a section in the website named "Investor Corner" designed specifically for investors. It includes detailed coverage of the Board of Directors, share information, PSI, investor relation and the status of compliance etc. Quarterly, half-yearly and the annual financial statements are posted to keep all the stakeholders informed about the company's financial results.

**CONSOLIDATION OF ACCOUNTS:**

Since there is no subsidiary Company hence no consolidation is applicable for preparing financial statements.

**DIRECTORS INTEREST IN OTHER COMPANIES:**

Name	Designation (ISN LTD)	Entities where they have interest	Position
Mr. Sayeed H. Chowdhury	Chairman	HRC Group	Chairman
Mr. Sajedur Seraj	Director	Elite Group	Director
Ms. Shirin Huq	Vice Chairman	Optimax Comm. LTD	Director

**CORPORATE SOCIAL RESPONSIBILITY:**

The Directors are sincere to discharge corporate responsibilities to the society. As a part of discharging corporate social responsibilities, ISN Limited has been sponsoring various welfare activities, besides patronizing cultural activities in the country since its inception.



## **MANAGEMENT DISCUSSION & ANALYSIS ON THE COMPANY'S POSITION AND OPERATION: BUSINESS PLAN FOR 2022-23**

Keeping in view the effect of pandemic, ISN Limited has rewritten its business plan and strategy for survival and growth. Even in pandemic situation, we have been successful in staying ahead of the curve and we shall indeed remain vigilant in coming years. Our strategy for tackling this is simply to remain true to our customers by providing them with the best possible solutions and invest in innovation and people. More emphasis is now being given on Home Users. We are very confident that the coming year shall bring us prosperity and success in business.

## **CODE OF CONDUCT FOR THE CHAIRPERSON, OTHER BOARD MEMBERS AND CHIEF EXECUTIVE OFFICER.**

The code of conduct for the Chairperson, other Board members and chief executive officer has been made and uploaded it in our website. The link is: <https://www.bangla.net/Code-of-Conduct>

## **HUMAN RESOURCE PRACTICES:**

ISN Limited is committed to providing equal opportunities to all employees, irrespective of their gender, race, nationality, ethnic origin, or religion. ISN Limited is an inclusive employer and values diversity in its employees.

## **CORPORATE GOVERNANCE:**

ISN believes in the practice of Corporate Governance. As a Publicly traded Company, the Board of Directors of ISN is determined to meet the stakeholders' interests. The Board of Directors and the Management Team are committed to maintain effective Corporate Governance through a culture of accountability, transparency, well-understood policies and procedures. The company has complied with the conditions as mentioned in the Corporate Governance Guidelines issued by Bangladesh Securities and Exchange Commission vide notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 and the date of the same is 10 June, 2018.

## **AUDIT COMMITTEE:**

The Committee plays an important role to ensure transparency, accountability in the operations of the Company and confirming that the activities are conducted within the framework of principles and policies as laid down by the Board, as well as the guidelines of the Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018. The Audit Committee reviewed the financial statements of the company for the year ended 30<sup>th</sup> June, 2022 audited by the External Auditors stressing on the importance of the successful compliance within the company. Four meeting of Audit Committee was held during the year 2021-22.

## **NOMINATION AND REMUNERATION COMMITTEE (NRC):**

In compliance with Notification No.: BSEC/CMRRCD/2006-158/207/Admin and dated June 03, 2018 issued by the Bangladesh Securities & Exchange Commission, ISN Limited formed a Nomination and Remuneration Committee (NRC). The NRC is responsible or accountable to the Board and to the Shareholders of the Company. Two meeting of NRC was held during the year 2021-22.

**(i) Audit Committee; and**

SL	Name of Members	Designation	Committee Status	Meeting held	Attended
01	Mr. Al – Amin	Chairman	Active	4	4
02	Dr. Md. Mostofa Akbar	Member		4	4
03	Dr. Kaisar Ali Talukder	Member		4	4

**(ii) Nomination and Remuneration Committee (NRC):**

SL	Name of Members	Designation	Committee Status	Meeting held	Attended
01.	Dr. Kaisar Ali Talukder	Chairman	Active	2	2
02.	Dr. Md. Mostofa Akbar	Member		2	2
03.	Mr. Sajedur Seraj	Member		2	2

**ADDITIONAL DISCLOSURES: CORPORATE & FINANCIAL REPORTING;**

The Directors are pleased to conform the following:

- The financial statements together with notes thereon have been drawn up in conformity with the Companies Act, 1994 and Bangladesh Securities and Exchange Rules 1987. These statements present fairly the company's state of affairs, the result of its operations, cash flow, and changes in equity.
- Books of accounts have been maintained properly as required by the law.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates were reasonable and prudent.
- The financial statements were prepared in accordance with International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), as applicable in Bangladesh. Any departure there from has been adequately disclosed.
- The system of internal control is sound in design and effectively monitored.

**APPOINTMENT of STATUTORY AUDITOR**

The existing auditor's M/s. Khan Wahab Shafiq Rahman & Co. Chartered Accountants shall retire in this AGM. They have audited the Company consecutive 03 (Three) years. As 'BSEC' regulation they are not eligible for audit of the next Year. M/S Islam Kuazi Shafique & Co., Chartered Accountants being eligible for appointment and they have offered their willingness to act as the auditors of the company for the year to be ended on 30<sup>th</sup> June 2023.

The Board of Directors recommended the appointment of M/s Islam Kuazi Shafique & Co. Chartered Accountants; as Statutory Auditor for the year to be ended on 30<sup>th</sup> June 2023 at a fee to be decided in this AGM.

**APPOINTMENT OF COMPLIANCE AUDITOR**

Also the existing Corporate Governance auditor's M/s. Shafiq Basak & Co. Chartered Accountants shall retire in this AGM. M/S Khan Wahab Shafique Rahman & Co.,

Chartered Accountants being eligible for appointment and they have offered their willingness to act as the auditor of the Corporate Governance Code Compliance of the company for the year to be ended on 30<sup>th</sup> June 2023.

The Board of Directors recommended the appointment of M/s Khan Wahab Shafique Rahman & Co., Chartered Accountants; as Corporate Governance Code Compliance Auditor for the year to be ended on 30<sup>th</sup> June 2023 at a fee to be decided in this AGM.

#### **APPOINTMENT OF AN INDEPENDENT SCRUTINIZER**

The BSEC, Condition no 9. Directive dated March 10, 2021 Ref no. BSEC/CMRRCD/2009-193/08-. The company is to be recruited an Independent Scrutinizer for observing the election and detailed information on voting results at the 27<sup>th</sup> Annual General Meeting (AGM). In this regard the members appoint M/s ATA KHAN & Co., Chartered Accountants as an Independent Scrutinizer for the 27<sup>th</sup> AGM of ISN LTD.

#### **APPOINTMENT OF CREDIT RATING COMPANY**

As per Bangladesh Securities & Exchange Commission Notification No.: BSEC/CMRRC/2009-193/37/Admin/132- ISN LTD appoint Credit Rating & Information Services Limited (CRISL) as Credit Rating Company for the year 2021-22 and another 3 (Three) Years.

#### **MANAGEMENT APPRECIATION**


The Board of Directors would like to put on record their appreciation to the esteemed shareholders of the company for their continued support. The board also thanks Government of Bangladesh, Ministry of Post and Telecommunication (MOPT), Bangladesh Telecommunication Regulatory Commission (BTRC), Registrar of Joint Stock Companies and Firms (RJSC&F), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), and other Government & Regulatory Agencies for their valuable guidance and continued support. The board of Directors is also grateful to the valued clients, stakeholders, business partners and public at large for their outstanding help and support.

The board of Directors also places on record their great appreciation of the commitment, sense of involvement and dedication exhibited by all the staff members towards the company and look forward to their continued support and whole-hearted co-operation for realization of the goals in the year ahead.

Thanking you with warm regards.

On behalf of the Board of Directors of 'Information Services Network Limited'.

  
(Mr. Md. Jahangir Alam)  
Managing Director (Acting)

  
(Mr. Sayeed Hossain Chowdhury)  
(Chairman)

**Annexure-A**  
**[As per condition No. 1(5) (xxvi)]**

**Information Services Network Limited**  
**Declaration by CEO/MD and CFO**

Dated: 27<sup>th</sup> October, 2022

**The Board of Directors**

Information Services Network Limited  
TMC Building, (4<sup>th</sup> floor)  
52, New Eskaton Road, Dhaka - 1000.

**Subject: Declaration on Financial Statements for the year ended on 30<sup>th</sup> June 2022.**

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. SEC/CMRCD2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Information Services Network Limited for the year ended on 30<sup>th</sup> June 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there 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 30<sup>th</sup> June 2022 and that to the best of our knowledge and belief:

- (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of 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,



**(Mr. Md. Jahangir Alam)**  
**Managing Director (Acting)**



**(Mr. Abul Kalam Azad)**  
**Head of Finance**

Annexure-B



**CHATTOGRAM OFFICE:**  
National House (1<sup>st</sup> Floor),  
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Chattogram - 4100, Bangladesh.  
Phone : 88-031-711561  
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Web : www.shafiqbasak.com  
E-mail : basak\_sbc@yahoo.com  
basak@shafiqbasak.com

**CHARTERED ACCOUNTANTS**

**Partners:**

Md. Shafiqul Islam, FCA  
Sampad Kumar Basak, FCA  
Sarwar Mahmood, FCA  
Sheikh Zahidul Islam, MBA, FCA

**DHAKA OFFICE -(1):**

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shafiq@shafiqbasak.com

**CERTIFICATE OF COMPLIANCE ON CONDITIONS OF THE CORPORATE GOVERNANCE GUIDELINES TO  
THE SHAREHOLDERS OF  
INFORMATION SERVICES NETWORK LIMITED.**

[As required under the Bangladesh Securities and Exchange Commission (BSEC)]

We have examined the compliance status to the Corporate Governance Code by **Information Services Network Limited** for the year ended on 30 June 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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 the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

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



**Md. Shafiqul Islam, FCA**  
Enrolment # 595  
Partner  
SHAFIQ BASAK & CO.  
Chartered Accountants



## Annerure-C

**Status of Compliance**

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No.: BSEC/CMRRCD/ 2006-158/207/Admin/80, dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969

(Report under Condition No. 9.00)

Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Remarks (in any)
		Complied	Not complied	
	<b>Board of Directors</b>			
1(1)	Board Size: The number of the board member shall not be less than 05 ( Five) and more than 20 (Twenty)	✓		Board size 7(Seven) including 3 independent Directors.
1(2) (a)	At least one fifth (1/5) of the total number of directors in the company's Board shall be independent directors.	✓		The company has three independent Directors.
	<b>Independent Directors</b>			
1(2)(b)(i)	Independent Director does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up.	✓		
1(2)(b)(ii)	Independent Director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company;	✓		The Independent Directors have declared their compliances.
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange?	✓		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	Independent Director is not a partner or an executive or was not a Partner or and executive during the preceding 3(three) years of the concerned company's statutory audit firm	✓		
1(2)(b)(viii)	Independent Director shall not be an independent director in more than 5 (Five) listed companies	✓		
1(2)(b)(ix)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank financial Institution (NBFI)	✓		
1(2)(b)(x)	Independent Director has not been convicted for a criminal offence involving moral turpitude	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		



1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) tenure only.	√		
<b>Qualification of Independent Director</b>				
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory and corporate laws and can make meaningful contribution to business.	√		
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of taka 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	√		
1(3)(b)(ii)	Corporate leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid –up capital of tk. 100.00 million or of a listed company; or	√		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 <sup>th</sup> grade of the national pay scale, who has at list educational background of bachelor degree in economics or commerce or business or law; or	√		
1(3)(b)(iv)	University Teacher who has educational background in economics or commerce or business studies or law; or	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost & Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1(3)(c)	The Independent director shall have a at least 10 ( Ten) years of experience in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.	√		
1(4)(a)	The position of the Chairperson of the board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and /or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the board shall be elected from among the non – executive directors of the company;	√		
1(4)(d)	The board shall clearly define respective roles & responsibilities of the Chairperson and the Managing Director and/ or Chief Executive Officer ;	√		
1(4)(e)	In the absence of the Chairperson of the board, the remaining members may elect one of themselves from executive directors as Chairperson for those particulars. Boards Meeting; the Reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		



The Directors' Report to Shareholders				
1(5)(i)	An Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		
1(5)(v)	Discussion on Continuity of any Extra-Ordinary gain or loss	N/A		No such issue.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.	N/A		No such issue arose.
1(5)(ix)	If significant variance occurs between Quarterly financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1(5)(x)	Remuneration to directors including independent directors	√		
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	√		Subject to modified report of external auditor.
1(5)(xii)	Proper books of account of the issuer company have been maintained	√		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by , or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	√		
1(5)(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		



1(5)(xix)	Key operating and financial data of at least preceding 5(five) years shall be summarized	√		
1(5)(xx)	If the issuer company has not declared dividend (cash or stock) for the year	N/A		The company has declared 3 % Cash Dividend.
1(5)(xxi)	Board's statement of the effect that no bonus share or stock dividend has been or shall be or declared as interim dividend;	√		
1(5)(xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		05 (five) board meeting held during the year.
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties(name wise details)	N/A		
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)	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1(5)(xxiv)(a)	A brief resume of the director	√		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5)(xxv)(a)	Accounting Policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	Comparative analysis (Including effects of inflation) of financial performance or results and financial position as well as Cash flows for current financial years with immediate preceding Five years explaining reasons thereof;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM ;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the board as required under condition no.3(3) shall be disclosed as per annexure –A; and	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per annexure-B and Annexure – C	√		
1 (6)	The company shall conduct its board meeting and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this code.	√		



1 (7)(a)	The board shall lay down a code of conduct, based on the recommendation of the Nomination & Remuneration committee (NRC) at Condition No-6, For the Chairperson of the board, other board members and chief executive officer of the company;	√		
1 (7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employee, customers and suppliers ; and independency.	√		
<b>Governance of Board of Directors of Subsidiary Company</b>				
2 (a)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the compositions of the Board of Directors of the subsidiary company			N/A
2 (b)	At least 1(one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company			N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			N/A
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also			N/A
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			N/A
<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).</b>				
3(1)(a)	The board shall appoint a Managing Director (MD) or Chief Executive officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and Head of internal Audit and Compliance (HIAC)	√		
3(1)(b)	The Position of the Managing Director (MD) or Chief Executive officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals'	√		
3(1)(c)	The MD and CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO , CS,CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the commission and stocks Exchange(s)			N/A
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meeting of the board. Provided that the CS, CFO and/ or the HIAC shall not attend such part of a meeting of the board which involves consideration of an agenda item relating to their personal matters.	√		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		





3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's board or its members.	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the annual report.	√		
<b>Board of Directors' Committee</b>				
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration committee.	√		
<b>Audit Committee</b>				
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board	√		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
5(1)(c)	The Audit Committee shall be responsible to the Board, the duties of the Audit Committee shall be clearly set forth in writing	√		
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	√		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	√		
5(2)(d)	When the term of service of any committee member expires or there any circumstance causing any committee member to be unable to hold office before expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3 ( Three) persons, the board shall appoint the new committee member to fill up the vacancy immediately or not later than 1 (One) month from the date of vacancy in the committee to ensure continuity of the performance of work of the audit committee ;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constituted without at least 1(one) independent director	√		
5(3)(a)	The Board of Directors shall select 1(one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.	√		
5(3)(b)	In the absence of the chairpersons of the audit committee , the remaining members may elect on of themselves as chairpersons for that particulars meeting , in that case there shall be no problem of constituting a quorum as required under condition No-5(4)(b) and the reason of absence the regular chairperson shall be duly recorded in the minutes.	√		



5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		Management will ensure.
5(4)(a)	The Audit committee shall conduct at least its four meetings in a financial year	√		04 (four) meeting held during the year.
5(4)(b)	The quorum of the meeting of the audit committee shall be constituted in presence of either two members or two-third of the members of the audit committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)(a)	Oversee the Financial reporting process	√		
5(5)(b)	Monitor choice of accounting policies and principles	√		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the internal audit and compliance plan and review of the internal audit and compliance report;	√		
5(5)(d)	Oversee hiring and performance of external auditors	√		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the board for approval or adoption.	√		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval	√		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval	√		
5(5)(h)	Review the adequacy of internal audit function	√		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	Review statement of all related party transactions submitted by the management	√		
5(5)(k)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	√		No such letter issued by auditor
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	√		
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests;	√		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	√		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	√		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√		



5(6)(b)	Reporting to the Authorities :If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	Not Applicable		No such situation occurred.
5(7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
	<b>Nomination and Remuneration Committee (NRC)</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	√		
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	N/A		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		



6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	√		
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		2 (two) Meeting
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		



6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		Management will ensure this matter in the annual report.
<b>External or Statutory Auditors</b>				
7.1	The issuer company shall not engage its external or statutory auditors to perform the following service of the company, namely	√		
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial information systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	Broker-dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal audit services or special audit services;	√		
7(1)(vii)	Any service that the Audit Committee determines;	√		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
<b>Maintaining a website by the Company</b>				
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
<b>Reporting and Compliance of Corporate Governance</b>				
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		Compliance will continue.





## **Report of the Nomination and Remuneration Committee (NRC)**

The Board of Directors of **Information Services Network Limited (ISN)** formed the Nomination and Remuneration Committee by having Dr. Kaisar Ali Talukder as Chairman/Convener of the NRC. Dr. Md. Mostofa Akbar and Mr. Sajedur Seraj as NRC Members, with the duties to nominate and consider remuneration for Directors, Managing Directors and other top level employees to ensure transparency and fairness in accordance with the Corporate Governance Code of Bangladesh Securities & Exchange Commission (BSEC) dated June 03, 2018. The NRC comprised with the following members:

SL	Name of Members	Position in the Committee	Position in the Board
1	Dr. Kaisar Ali Talukder	Chairman	Independent Director
2	Mr. Sajedur Seraj	Member	Shareholder Director
3	Dr. Md. Mostofa Akbar	Member	Independent Director

During the period of 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 the Committee held 2 (two) meetings under review and transacted the following activities:

1. Reviewed the level and composition of remuneration of the company and opined that the level and composition of remuneration is competitive to attract, retain and motivate the Directors to run the company successfully.
2. Reviewed the relation between remuneration and performance and opined that it is clear and meets appropriate performance benchmarks.
3. Reviewed the remuneration to key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
4. Took initiative to search and nominate two new Independent Directors as instructed by Bangladesh Securities and Exchange Commission (BSEC)
5. Took initiative to formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.

### **Acknowledgement**

The Nomination and Remuneration Committee expressed its sincere thanks to the members of the Committee, Board, Management and the employees for their support in carrying out the duties and responsibilities.

  
 (Chairman)

Nomination and Remuneration Committee

## **Report of the Audit Committee**

### **Composition of Audit Committee**

In accordance with the currently accepted best practices and corporate governance guidelines of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, the board appointed Audit Committee comprising of the following non-executive and independent directors to the company:

<b>Name of Members</b>	<b>Position in the Committee</b>	<b>Position in the Board</b>
Mr. Al –Amin	Chairman	Independent Director
Dr. Md. Mostofa Akbar	Member	
Dr. Kaisar Ali Talukder	Member	

### **Meetings of the Audit Committee:**

The Committee held 4 (four) meeting during the period of 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 under review. The terms of reference of the audit committee clearly defines the roles and responsibilities of the audit committee. The roles and functions of the committee are regulated by the rules governing the audit committee as specified by the conditions/guidelines on corporate governance issued by the Bangladesh Securities and Exchange Commission (BSEC).

### **Activities of the Audit Committee:**

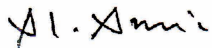
The audit committee carried out the following activities during the period:

- Overseen the financial reporting process;
- Monitored choice of accounting policies and principles;
- Monitored Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- Overseen hiring and performance of External Auditors;
- Held meeting with the External/Statutory Auditor's for review of the annual Financial Statements before submission to the Board for approval or adoption;
- Reviewed along with the Management, the annual Financial Statements before submission to the Board for approval;

- Reviewed the adequacy of Internal Audit function;
- Reviewed the Management's Discussion and Analysis before disclosing in the Annual Report;
- Reviewed statement of all related party transactions submitted by the Management;
- Reviewed Management Letters or Letter of Internal Control weakness issued by Statutory Auditor's;
- Overseen the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.

### Acknowledgement

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



**(Mr. AL – Amin)**

Chairman  
Audit Committee

**Independent Auditor's Report  
To the Shareholders  
of  
Information Services Network Limited (ISN)**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the financial statements of “**Information Services Network Limited**”, which comprise the statement of financial position as at 30 June 2022, and statement of profit or loss and other comprehensive Income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory information.

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of “**Information Services Network Limited**” as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basis for Qualified Opinion**

- (1) As disclosed in **note no. 9.00** of notes to the financial statements an amount of Tk. 14,734,225 has been shown under two sub head namely MujibulHuq and Others. The figure has been carrying forward for a long period without making any adjustment. ISN Ltd., filled cases against them, bearing case numbers C.R Case No. 18 of 2019 & C.R Case No. 19 of 2019. This amount is likely to be doubtful in nature and adequate provision should have been made in the financial statements, but no provision has been made in connection with the matter.
- (2) The sponsors and Directors of the company are holding 21.62% share of the company and are continuing to hold the position of the directorship of the company ignoring the requirement of holding, at all time, jointly minimum 30% (thirty percent) shares of the paid up capital of the company violating BSEC notification no. BSEC / CMRRCD / 2009-193 / 217 / Admin / 90.
- (3) The company has availed loan of TK. 3,416,000 from the employees' provident fund violating Bangladesh Labour Act 2006 as amended in 2018. Interest has ben charged @ 4% during the year which is lower than as prescribed in Bangladesh Labour Act 2006 as amended in 2018.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical



requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance these requirements and 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 qualified opinion.

### Emphasis of Matters:

- (i) We draw attention to note no. **30.00 & 31.00** of notes to the financial statements where management has described the reason of significant deviation in **EPS** and **NAVPS** respectively.
- (ii) We draw attention to **note no. 03.13** of notes to the financial statements where management has described possible effects of **IFRS-16** Leases.

Our opinion is not modified in respect of these matters.

### 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. In addition to the matter described in the *basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

### Depreciable lives of property, plant and equipment

#### *The key Audit Matter*

The company has Tk. 80,471,836 as Written Down Value (WDV) at Property, Plant and Equipment which stands at 67.60% of its total assets with new acquisitions of Tk. 9,810,452 made during the year. It usually the company policy to charge depreciation when property, plant and equipment become available for use as described in note 03.05 of the notes to the financial statements. The management used judgment to ascertain the timing of depreciation of the property, plant and equipment in few cases.

Depreciable lives of property, plant and equipment have been identified as a key audit matter because it requires the management to exercise significant judgment in relation to the estimate of depreciable lives of the assets considering the nature, timing and likelihood of changes to the technical factors which may affect the useful life expectancy of the assets and therefore it could have a material impact on the depreciation expense for the year.

Please refer to **Note 4.00 “Property Plant and Equipment”** of the notes to the financial statements for relevant details.





*How the scope of our audit responded to the key audit matter:*

Our procedures in relation to the depreciable lives of the property, plant and equipment included:

- Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives of property, plant and equipment.
- Assessing the management's estimates on the useful lives of property, plant and equipment with reference to:
  - (1) the consistency with the company's expected consumption pattern of economic benefits embodied in the respective assets and future operating plans including acquisitions and retirements of property, plant and equipment;
  - (2) the comparison to the policies adopted by other comparable entities operating in this area; and
  - (3) consideration of the company's historical experience.

## **Taxation**

*The key Audit Matter*

The Statement of Profit & Loss and Other Comprehensive Income shows the income and expenditure is derived from operations in a systematic manner.

Given the company's exposure to complex tax issues, the high level of management judgment in estimating the amounts of provision for tax and involvement with regulatory authorities, taxation was considered to be a key audit matter.

Please refer to **Note 10.00 "Advance Income Tax"**, **Note 18.00 "Deferred Tax Liability"**, **Note 23.00 "Liability for Income Tax"** and **Note 24.00 "Provision for Current Income Tax"** to the financial statements for relevant disclosures regarding calculation and disclosure of taxation.

*How the scope of our audit responded to the key audit matter:*

We particularly focused on the impact of whether the tax provision was appropriately recognized; we conducted interviews with the company's tax personnel in order to assess the taxable income of the company. We re-performed the calculations made by the management regarding tax liabilities to ensure compliance with the provisions of Income Tax Ordinance, 1984 and checked the arithmetical accuracy of the calculations. We also carefully reviewed for any contingent liabilities to be included in the financial statements in this regard.

We also obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used thereon. We assessed key assumptions, controls, recognition and measurement of deferred tax assets. We also assessed the appropriateness of presentation of disclosures against **"Income Tax"**.

## **Impairment of property, Plant and equipment**

*The Key Audit matter*

Property, plant and equipment (PPE) represent about **66.67%** of total assets of the Company which is thus a material items to the financial statements, PPE includes Internet Equipment, building and others being of total PPE which are sophisticated in nature. Being different in nature,



there is a risk whether market value if those assets could materially fall because of non-marketability and arise risk of impairment.

Management's review regarding determination of impairment involves forecasting and discounting future cash flows and estimation of recoverable amounts which are inherently uncertain. This is one of the key judgmental areas that our audit has concentrated on.

**Please refer to note 4.00 "Property, Plants and Equipments" to the financial statements.**

*How the scope of our audit responded to the key audit matter:*

- Assessing the accounting estimates made of the different business models of the company.
- Assessing the design of the processes set up to account for the transaction in accordance with the new standard.
- Reviewed the management's assessment of impairment taking consideration of the future economic benefits of the assets.
- Reviewed the internal control system implemented by management for safeguarding of those assets.
- Tested on sample basis the physical condition of the assets whether the assets become idle, obsolesces, damage and there is a plant to discontinue or restructure the operation to which the assets belongs.

## Revenue

*The Key Audit matter*

The company has made net revenue of taka 109,030,299 during the year. Revenue has increased due to increased demand from customers. Recognition of the revenue of "**Information Services Network Limited**" has been considered complex due to several types of contracts based mainly on corporate customers.

**Please refer to Note 25.00 of the financial statements.**

*How the scope of audit responded to the key audit matter:*

We have reviewed the company's revenue recognition policies, accounting guidelines and disclosures to assess conformity with IFRS 15 revenue from contracts with customers. We have tested relevant internal control used to ensure the completeness, accuracy and timing of revenue recognized including sales and services during the years end to ensure cut off has been properly maintained. We have applied analytical substantive procedures to establish, whether any revenue had been recognized where no corresponding accounts receivable or proceeds has been recorded in the general ledger.

## Other Information

Management is responsible for the other information. The other information comprises all of the information other than 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 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.

When we read 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 IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for or

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- 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 company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 have determined 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 shall describe these matters in our auditors' 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, the Securities and Exchange Rules 1987 and other applicable laws and regulations, 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 statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred and payments made were for the purposes of the company's business.

Dated, Dhaka  
27 October, 2022

  
**Khan Wahab Shafique Rahman & Co.**  
**Chartered Accountants**  
**Signed by: Faruk Ahmed FCA**  
**Partner**  
**Enrolment No.: 1591**  
**Firm's Registration No.: 11970 E.P.**  
**DVC Code: 2210271591AS506806**





## INFORMATION SERVICES NETWORK LIMITED

## Statement of Financial Position

As at 30 June 2022

Particulars	Notes	Amount in Taka	
		30.06.2022	30.06.2021
<b>ASSETS</b>			
<b>Non-Current Asset</b>		<b>81,699,710</b>	<b>83,329,488</b>
Property, Plant & Equipment	4	80,471,836	80,996,243
Intangible Asset	5	1,227,874	2,333,245
<b>Current Asset</b>		<b>37,336,092</b>	<b>32,265,883</b>
Accounts receivable	7	17,202,483	13,132,804
Accrued Interest	8	32,291	29,062
Advances, deposits and prepayments	9	16,254,672	16,196,574
Advance Income Tax	10	2,289,469	1,652,470
Cash and cash equivalents	11	1,557,177	1,254,973
<b>TOTAL ASSETS</b>		<b>119,035,802</b>	<b>115,595,371</b>
<b>SHARE HOLDERS EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' equity</b>		<b>34,074,346</b>	<b>26,990,000</b>
Share Capital (Paid up Capital)	13	109,200,030	109,200,030
Retained Earnings	14	(96,230,264)	(103,493,970)
Revaluation Surplus	15	21,104,580	21,283,941
<b>Non-current liabilities:</b>		<b>13,680,019</b>	<b>17,885,689</b>
Long Term Loan	16	13,040,287	13,872,809
Deferred Tax Liabilities	18	639,732	4,012,879
<b>Current liabilities:</b>		<b>71,281,437</b>	<b>70,719,681</b>
Accrued Expenses	19	17,527,026	16,666,918
Long Term Loan Current Portion	17	6,060,000	6,060,000
Liabilities for Other Finance	20	1,001,876	668,803
Unclaimed Dividend Account	21	1,537,545	2,059,904
WPPF & WF Payable		315,825	-
Short Term Loan	22	43,076,673	43,438,563
Liability for Income Tax	23	1,762,492	1,825,493
<b>Total Liabilities</b>		<b>84,961,456</b>	<b>88,605,370</b>
<b>TOTAL SHARE HOLDERS EQUITY &amp; LIABILITIES</b>		<b>119,035,802</b>	<b>115,595,371</b>
<b>Net Asset value par share (NAVPS)</b>	<b>30</b>	<b>3.12</b>	<b>2.47</b>

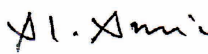
The annexed notes form an integral part of these financial statements.




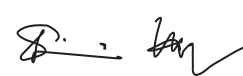
Head of Finance



Company Secretary (CC)



Director


Managing Director  
(Acting)


Vice Chairman

Dated, Dhaka  
27 October, 2022

Signed in terms of our annexed report of even date.


Khan Wahab Shafique Rahman & Co.  
Chartered AccountantsSigned by: Faruk Ahmed FCA  
Partner

Enrolment No.: 1591

Firm's Registration No.: 11970 E.P.

DVC Code:2210271591AS506806



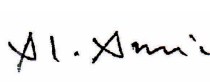
**INFORMATION SERVICES NETWORK LIMITED**  
**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME**  
For the year ended on 30 June, 2022

Particulars	Notes	Amount in Taka			
		ISP & Others	IPTSP	Total 2021-2022	2020-2021
Revenue from sales and services	25	108,499,454	530,845	109,030,299	103,796,791
Less: Operating Expenses	26	54,355,275	467,312	54,822,587	52,278,742
<b>Gross Profit</b>		<b>54,144,179</b>	<b>63,533</b>	<b>54,207,712</b>	<b>51,518,049</b>
<b>Administrative &amp; Other Expenses</b>		<b>47,294,941</b>	<b>1,243,647</b>	<b>48,538,588</b>	<b>140,446,916</b>
Administrative Expenses	27	47,294,941	1,243,647	48,538,588	140,446,916
<b>Operating Profit</b>		<b>6,849,238</b>	<b>(1,180,114)</b>	<b>5,669,124</b>	<b>(88,928,867)</b>
Financial Expenses		(5,047,608)	-	(5,047,608)	(7,123,054)
<b>Net profit/ (Loss) before other operating Income</b>		<b>1,801,630</b>	<b>(1,180,114)</b>	<b>621,516</b>	<b>(96,051,921)</b>
Other Operating Income	28	5,694,975	-	5,694,975	5,409,380
<b>Net profit/(Loss) before Tax for the year</b>		<b>7,496,605</b>	<b>(1,180,114)</b>	<b>6,316,491</b>	<b>(90,642,541)</b>
Deferred Tax Income	29.01	2,713,951	-	2,713,951	6,406
WPPF & WF		-	-	(315,825)	-
Provision for Income tax	24	-	-	(2,289,469)	(1,652,470)
<b>Net profit / (Loss) after tax for the year</b>		<b>10,210,556</b>	<b>(1,180,114)</b>	<b>6,425,148</b>	<b>(92,288,605)</b>
<b>Other Comprehensive Income</b>	29	<b>659,196</b>	<b>-</b>	<b>659,196</b>	<b>(3,600,220)</b>
Deferred Tax Expense On Revaluation Reserve of Depreciable Assets	29.02	665,817	-	665,817	(3,732,624)
Deferred Tax Income On Depreciation of Revalued Assets	29.03	(6,620)	-	(6,620)	132,404
<b>Total Comprehensive Income</b>		<b>10,869,752</b>	<b>(1,180,114)</b>	<b>7,084,344</b>	<b>(95,888,825)</b>
<b>Earning Per Share (EPS)</b>	31			<b>0.59</b>	<b>(8.45)</b>

The annexed notes form an integral part of these financial statements.

  
Head of Finance

  
Company Secretary (CC)

  
Director


  
Managing Director (Acting)

  
Vice Chairman

Signed in terms of our annexed report of even date.

Dated, Dhaka  
27 October, 2022



  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: Faruk Ahmed FCA  
Partner  
Enrolment No.: 1591  
Firm's Registration No.: 11970 E.P.  
DVC Code: 2210271591AS506806

**INFORMATION SERVICES NETWORK LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Particulars	Share capital	Retained Earnings	Revaluation Surplus	General Reserve	Dividend Equalization Fund	Inflation and Currency Fluctuation Fund	Total Taka
<b>As at 01 July 2021</b>	<b>109,200,030</b>	<b>(103,493,969)</b>	<b>21,283,941</b>	-	-	-	<b>26,990,000</b>
Add: Deferred Tax Expense On Revaluation Reserve of Depreciable Assets	-	-	665,817	-	-	-	665,817
Add: Net profit for 1st July 2021 to 30th June 2022	-	6,425,148	-	-	-	-	6,425,148
Add / (Less): Depreciation charged on revaluation	-	838,557	(838,557)	-	-	-	-
Less: Deferred Tax Income On Depreciation of Revalued Assets	-	-	(6,620)	-	-	-	(6,620)
Dividend	-	-	-	-	-	-	-
<b>As at 30 June 2022</b>	<b>109,200,030</b>	<b>(96,230,264)</b>	<b>21,104,580</b>	-	-	-	<b>34,074,346</b>

**INFORMATION SERVICES NETWORK LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

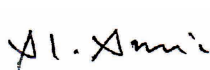
Particulars	Share capital	Retained Earnings	Revaluation Surplus	General Reserve	Dividend Equalization Fund	Inflation and Currency Fluctuation Fund	Total Taka
<b>As at 01 July 2020</b>	<b>109,200,030</b>	<b>(10,996,059)</b>	<b>25,766,853</b>	-	-	-	<b>123,970,824</b>
Less: Deferred Tax Expense On Revaluation Reserve of Depreciable Assets	-	-	(3,732,624)	-	-	-	(3,732,624)
Add: Net profit for 1st July 2020 to 30th June 2021	-	(92,288,604)	-	-	-	-	(92,288,604)
Less: Depreciation charged on revaluation	-	882,692	(882,692)	-	-	-	-
Add: Deferred Tax Income On Depreciation of Revalued Assets	-	-	132,404	-	-	-	132,404
Dividend	-	(1,092,000)	-	-	-	-	(1,092,000)
<b>As at 30 June 2021</b>	<b>109,200,030</b>	<b>(103,493,971)</b>	<b>21,283,941</b>	-	-	-	<b>26,990,000</b>



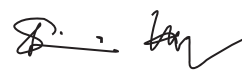
Head of Finance



Company Secretary (CC)



Director


Managing Director  
(Acting)


Vice Chairman

Signed in terms of our annexed report of even date.

Dated, Dhaka  
27 October, 2022




**Khan Wahab Shafique Rahman & Co.**  
**Chartered Accountants**

**Signed by: Faruk Ahmed FCA**  
**Partner**

**Enrolment No.: 1591**

**Firm's Registration No.: 11970 E.P.**

**DVC Code: 2210271591AS506806**

## INFORMATION SERVICES NETWORK LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022

Particulars	Notes	Amount (In Taka)	
		2021-2022	2020-2021
<b>A. Cash flows from operating activities:</b>			
Collection from turnover and other income	35	108,362,897	105,745,284
Payment for cost and expenses	36	(90,219,686)	(78,363,976)
TAX Paid		(700,000)	(500,000)
Cash recover from Advance and deposit		(58,098)	(8,108,879)
<b>Total cash flow from operating activities</b>		<b>17,385,113</b>	<b>18,772,429</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of fixed assets		(9,810,452)	(11,879,050)
Addition of intangible assets		-	(352,004)
Cash received from disposal of fixed asset		-	-
Sell of Investment			102,000
<b>Total cash flow from investing activities</b>		<b>(9,810,452)</b>	<b>(12,129,054)</b>
<b>C. Cash flows from financing activities:</b>			
Long Term loan		(3,000,000)	(5,950,000)
Dividend paid		(522,359)	(998,614)
Loan Received		2,000,000	
Libility for others Finance		(212,079)	-
Short term loan from bank / (refund)		(5,538,020)	656,594
<b>Total cash flow from financing activities</b>		<b>(7,272,458)</b>	<b>(6,292,020)</b>
<b>Net cash inflow/(outflow) for the year ( A + B + C)</b>		<b>302,203</b>	<b>351,356</b>
Cash & Cash equivalent at the beginning of the year		1,254,973	903,617
<b>Cash &amp; Cash equivalent at the end of the year</b>		<b>1,557,177</b>	<b>1,254,973</b>
<b>Net operating cash flow per share (NOCFPS)</b>	<b>32</b>	<b>1.59</b>	<b>1.72</b>

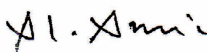
The annexed notes form an integral part of these financial statements.



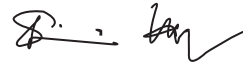
Head of finance



Company Secretary (CC)



Director


Managing Director  
(Acting)


Vice Chairman

Dated, Dhaka  
27 October, 2022



Signed in terms of our annexed report of even date.



**Khan Wahab Shafique Rahman & Co.**  
**Chartered Accountants**

**Signed by: Faruk Ahmed FCA**  
**Partner**

**Enrolment No.: 1591**

**Firm's Registration No.: 11970 E.P.**

**DVC Code: 2210271591AS506806**

**INFORMATION SERVICES NETWORK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 30 JUNE, 2022**  
**"Forming an Integral Part of the Financial Statements"**

**01.00 Background of the organization**

Information Services Network Limited was incorporated in Bangladesh under the company Act, 1994 on 16 August 1995. Vide registered No.C-29029(317)/95 as a private limited company. Subsequently it was converted into public limited company by share. It has gone into commercial operation from 6th June, 1996. The registered office of the company is located TMC building, Eskoton Road, Dhaka-1000. The Company become listed with Dhaka & Chittagong Stock Exchange in 1997 and subscription for IPO opened on April 06, 1997. Information Services Network Limited provides Bandwidth under ISP license vide No. BTRC/LL/ISP-Nationwide(1)ISN/2008-22. The company also engage in sale of software, implementation & maintenance the same.

**02.00 Significant Accounting policies and Basis of preparation**

The consolidated financial statements have been prepared in compliance with the requirement of the company Act 1994, the securities & Exchange Rules 1987, the listing regulation of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws and in accordance with the applicable international Financial Reporting Standards Board (IFRSs) including international Accounting Standards (IAS) as issued by International Accounting Standards Board (IASB) and adopted by the institute of Chartered Accountants of Bangladesh (ICAB).

**02.01 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 regulation

The income Tax ordinance 1984:

The Income Tax rules 1984:

The Value Added Tax and Supplementary Duty Act, 2012:

The Custom Act 1969:

The securities and exchange ordinance 1969:

The securities and exchange rules 1987: and

Securities and Exchange Commission Act, 1993:

**02.02 Structure content and presentation of Consolidated Financial Statements**

According to the international Accounting Standards (IAS)-1 as adopted by ICAB as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components

- i) Statement of financial position as at June 30, 2022;
- ii) Statement of profit or loss and other comprehensive income for the year ended 30 June 2022;
- iii) Statement of Changes in equity for the year ended 30 June 2022;
- iv) Statement of Cash Flows for the year ended 30 June 2022; and
- v) Notes to the financial statements, containing Significant accounting policies and other explanatory information for the year ended 30 June 2022.

**02.03 Basis for Measurement of Elements of Consolidated Financial Statements**

The Financial Statements have been prepared on the historical cost convention method following accrual basis of accounting and therefore, do not take into consideration the effects of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

**02.04 Functional and Presentation Currency**

The Financial Statements are presented in Bangladesh currency (Taka) which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest amount of Taka.





## 02.05 Preparation and presentation of the Financial Statements of the company

The Board of Directors of the company is responsible for the preparation of Financial Statements of the company in accordance with the companies Act 1994.

## 02.06 Use of Estimates and Judgments

The presentation of these Financial Statements, in conformity with IASs/IFRSs, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual amounts may differ from these estimates though the estimate has been made reliably.

Estimates and underlying assumption are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and any future periods affected.

In particulars, information about significant areas of estimation and uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included the following notes.

Property, plant & equipment (impairment) Tangible assets with finite lives has been reviewed for impairment on an ongoing basis. No indication observed during the most recent impairment review for which any impairment gain or loss has not been recognized.

Provision for income tax expenses for the current year represents managements best estimates on how much tax the company has to pay to National Board of Revenue (NBR) for profits generated in deduction allowed of disallowed through the assessment process. Once assessments are finalized by the NBR, the Company will record an adjustment to reflect the change.

## 02.07 Reporting Period

The financial period of the company covers the period from 01 July 2021 to 30 June 2022 in accordance with the requirements of the notification no. No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 of Bangladesh Securities and Exchange Commission (BSEC) and sub-section 35 of section 2 of Income Tax Ordinance for uniform income year from 1st day of July to 30th day of June.

## 02.08 Going Concern

Under the going concern basis of accounting, the financial statements are prepared on the assumption that the entity is a going concern and will continue its operations for the foreseeable future. When the use of the going concern basis that the entity will be able to realize its assets and discharge its liabilities in the normal course of business.

Those Charged with Governance/Management assessed the Going Concern Assessment. They not found any indication which causes significant effect as the Company running its operation for the foreseeable future except the current liabilities which exceeded the current assets. In their assessment they think it is not a significant threat as the Company continuing its operation smoothly since 1995. So there are no significant threat simply because current liabilities are greater than current assets where others indications are positive. So those charged with governance/Management concluded as there is no material uncertainty exists related to events or conditions that, individually or collectively, may cause significant doubt on the entity's ability to continue as a going concern.

## 02.09 Statement of Cash Flows

Statement of Cash Flows is reported in accordance with IAS-7: Statements of Cash Flows and Cash Flows from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules 1987 and considering the provision that Enterprise are Encouraged to report Cash flow from Operating Activities using Direct Method. In addition to disclosures on direct method of cash flows, a reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non operation items and for the net changes in operating accruals also been presented in separate note no. in this financial statements to comply with the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated 20 June 2018.



**02.10 Compliances with the requirement of Notifications of the Securities and Exchange Commission dated 01.06.2008 under ref # SEC/CMMMP/2008-181/53/adm/03/28**

a) Notes to the Financial Statements set out the accounting policies on all material accounting areas. These accounting policies are based on IFRS and IAS.

The following applicable IAS and IFRS (International Accounting Standards and International Financial Reporting Standards) has been adopted and is applied for the company from the IFRS and IAS issued by International Accounting Standard Board (IASB) as adopted by ICAB.

Particulars	IAS NO.	Status of Application
Presentation of Financial Statements	IAS-1	Applied
Statement of Cash Flows	IAS-7	Applied
Events After The Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied
Property, Plant and equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Related Party Disclosure	IAS-24	Applied
Earning Per Share (EPS)	IAS-33	Applied
Impairment	IAS-36	Applied
Provision, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied

**02.11 Risk and Uncertainties for use of estimates in preparation of Financial Statements**

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that effect the report, amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees, benefit plan, taxes reserves and contingencies.

**03.00 Significant accounting policies**

**03.01 Revenue Recognition**

With Compliance of IFRS 15, revenue is recognized by applying the following five steps:

1. Identify the contract with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price
5. Recognize revenue when (or as) a performance obligation is satisfied.

**03.02 Property, plant & Equipment : Recognition and measurement**

Property, plant & equipment are accounted for according IAS-16 "property, plant & Equipment" of Historical Cost less cumulative depreciation of asset. The cost of asset include expenditure that are directly attributable to the acquisition of the assets. the Cost of self-constructed assets includes the cost of materials, direct labor and any other cost directly attribute to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

**03.03 Accounts Receivables**

Accounts Receivable are initially recognized at cost which is the fair value of the consideration given for them. After initial recognition these are carried at cost, impairment losses due to uncollectible of any amount so recognized is written off, firstly against any provision available and then to the statement of Profit or loss and other Comprehensive Income. Subsequent recoveries of amounts previously provided for credited to the statement of Profit or Loss and Other Comprehensive Income. Expected credit loss has been charged @ 0.50% on Revenue from Sales and Services during the year as per IFRS-9.

**03.04 Borrowing Costs**

Interest and other expenses incurred by the Company in respect of borrowing of fund are recognized as expenses in the year in which they are incurred unless the activities are necessary to prepare the qualifying assets for its intended use are in progress considering the requirement of IAS 23: Borrowing Costs. No addition was made during the year.

**03.05 Depreciation**

Depreciation is charged to allocate the cost of property ,plant & equipment less any residual value, over the year of their expected useful lives. In accordance with the provision of IAS-16 "property, plant & Equipment". Depreciation on addition has been calculated when available for use. Depreciation is calculated at the following rates on reducing balance.

Particulars	Rate
Internet equipment	15%
Office equipment	15%
Telephone installation and intercom	5%
Vehicles	15%
Furniture and fixture	15%
Building (Floor Space)	5%
Sundry assets	15%
Switch (Cisco)	15%
Online UPS	15%
Server	15%
Computer	15%
VOIP Switch	15%
Media converter	15%
Linksys (ATA)	15%
Digium	15%
Musk and hub	15%
Modem	15%
Video IP phone	15%
Scanner	15%
Office equipment	15%

The Company re-valued office floor space details of which are as follows:

- Effective date of Re-valuation :- 31.12.17**
- Independent Valuer:- ATA KHAN & CO. (Chartered Accountants)**
- Class of Property, Plant & Equipment Re-Valued:- Office floor space**
- Written down value before Re-valuation:- Tk. 53,830,364.00**
- Revalued amount after Revaluation:- Tk. 29,982,900.00**
- Changes in Revaluation Surplus:- Tk. 23,847,465.00**
- Revaluation report has been attached with the financial statements on that year.**



**Note:** To comply with the notification of BSEC # SEC/CMRRC/2009-193/150/admin/51 dated August 18, 2013, no dividend has been declared from the amount of revaluation surplus.

**03.06 Impairment**

Tangible assets are amortized over their corresponding useful economic lives and assessed for impairment whenever there is an indication that the assets may be impaired. Intangible assets that are not yet available for use are not amortized. But are tested for impairment annually, either individually or at the cash generating unit (CGU) level if any such indication exist, During the year no such indication observed.

### 03.07 Intangible Assets

Intangible assets comprise the value of computer software . Intangible assets acquired separately are measured on initial recognition at the cost and carried at the cost less amortization and impairment loss if any. Amortization is calculated using the Straight Line Method at 20% of the cost of intangible assets.

### 03.08 Disposal of Fixed Assets

On Disposal of Fixed Assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Statement of Profit or Loss & Other Comprehensive Income, which is determined with reference to the book Value of the assets and net sales proceeds.

### 03.09 Financial Instrument

A Financial Instrument is any contract that gives rise to a financial assets of one entity and a financial liability or equity of another entity.

#### (a) Financial Assets

Financial Assets of the company include cash and cash equivalents, accounts receivable, other receivables and advances, deposits and prepayments. The Company is initially recognized financial assets on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial assets when, and only when, the contractual right of probabilities of receiving the cash flows from the asset expire and it transfers the right to receive the contractual cash flows from the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

#### (b) Financial Liabilities

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Financial liability include payable for expenses, liability for capital expenditure and other current liabilities.

### 03.10 Provisions

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

### 03.11 Taxation

Income tax expense is recognized in statements of profit or loss & other comprehensive income and accounted for in accordance with the requirement of IAS 12: Income Taxes.

#### a) Current Tax

Current tax has been calculated in accordance with requirement of Income tax Ordinance 1984 and recognized provision for income tax.



**b) Deferred Tax**

Deferred tax arises due to temporary difference deducted or taxable for the events or transaction which is recognized in the statement of Profit or Loss and Other Comprehensive Income. A temporary difference is the difference between the tax base of an asset or Liabilities and its carrying amount/ reported amount in the Statements of Financial Position. Deferred tax assets or liability is the amount of income tax recoverable or payable in future periods recognized in the current period. Deferred tax has been calculated and recognized in accordance with balance sheet method with the requirement of IAS 12 "income tax".

Deferred Tax on Revaluation Reserve of Depreciable Non Current Assets and Deferred Tax on depreciation of Revalued Assets have been recognised this year.

**03.12 Employee Benefits**

However the company has defined contributory plan for "Provident Fund". the recognition of the provident fund is under process.

**03.13 Implication of IFRS-16 Leases**

The company currently has lease agreements in connection with the rent of the branch offices. The leases are short term leases (within 01 Year) with different tenure and cancellable contract. As such, the leases are not treated as Right of Use Assets (ROU). However, the effect of IFRS 16 is very immaterial compared to the volume of whole financial statements. Our all contracts are cancellable contract and the effect of lease is not material.

**03.14 Accrued Expenses and other payable**

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

**03.15 Earning Per Share (EPS)**

The Company calculates Earnings per share (EPS) in accordance with (IAS-33) : Earning Per Share (EPS) , which has been shown at the bottom of the statement of Profit or Loss and other comprehensive Income.

**Basic Earning (Numerator)**

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

**Weighted Average Number of Ordinary Shares outstanding during the period (denominator)**

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

**03.16 Segment Reporting**

Segment reporting is applicable for the company as required by "IFRS-8:' Operating Segments 'as the company operates in two revenue generating activities. only nature wise segment reporting is presented in the financial statements.

**03.17 Related Party Disclosures**

The Company has no Related Party Transaction in the financial year. Therefore, no information as required by IAS -24 .



### 03.18 Cash and Cash Equivalents

Cash and Cash equivalents comprise cash in hand and demand deposits, together with highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value. The company's Cash & Cash Equivalents comprises of Cash in Hand, Cash at Bank and Short term fixed deposit.

### 03.19 Share Capital

Proceeds from issuance of ordinary shares are recognized as share capital in equity when there is no contractual obligation to transfer cash or other financial assets.

### 3.20 Events after the Reporting Period

In compliance with the requirement of IAS -10 : "Events after the Reporting Period" additional information about the company's position after the reporting date that are not adjusting events, are disclosed in the notes when considered material. There is no events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

Adjusting Events: - those that provide evidence of conditions that existed at the end of the reporting period.

Non adjusting Events: - those that are indicative of conditions that arose after the reporting period.

### 03.21 Contingent Liabilities

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measure with sufficient reliability.

There is no contingent liabilities of the company during the year.

### 03.22 Comparative Information and General

Comparative figures have been shown to ensure better comparability with the current period.



**4.00 Property, Plant & Equipment****Opening Balance at Cost**

Add: Addition during the year

Less: Adjustment during the year

**Closing Balance**

Less: Accumulated depreciation up to 30.06.2021

**Written down value as on 30.06.2021**

Details have been shown in "Annexure-A and Annexure -B".

**5.00 Intangible Asset (Software)****Opening Balance at Cost**

Addition During the Year

**Closing Balance****Less: Total Amortization**

Opening Balance

Charged during this year

**Balance as on 30.06.2022****7.00 Accounts receivable****Balance as on 01.07.2021**

Add: Addition during the year

Less : Received during the year

Less: Accounts Receivable written off during the year

Less: Bad debt Expenses during the year

**Balance as on 30.06.2022****8.00 Accrued interest**

Interest receivable on FDR

**Total**

Details of Interest receivable on FDR have been shown in "Annexure-C &amp; D".

**9.00 Advances, deposits and prepayments**

Loan to Mr. Mujibul Huq

Advance and Prepayments (Others) (Note 9.02)

Other Receivables (Note 9.03)

**Total****9.02 Other advances and Prepayments****Balance as on 01.07.2021**

Add : Addition during the period

Less : Recovered during the period

**Balance as on 30.06.2022****Details of the above amount:**

Advances &amp; Prepayments (A)

Earnest Money (B)

**Details are as under:****A. Advance & Prepayments:**

Seba House

Chattogram Office

Ms.Sabera

Advance VAT

Songjog ISP Association

Staff Advance (Salary)

POP Rent-mirpur

POP Rent

**B. Earnest Money**

Others ( DNCC &amp; PWD)

**Grand Total (A+B)**

Amount In Taka	
30.06.2022	30.06.2021
234,599,222	222,720,172
9,810,452	11,879,050
-	-
<b>244,409,674</b>	<b>234,599,222</b>
163,937,838	153,602,979
<b>80,471,836</b>	<b>80,996,243</b>
5,526,855	5,174,851
-	352,004
<b>5,526,855</b>	<b>5,526,855</b>
<b>4,298,981</b>	<b>3,193,610</b>
3,193,610	2,088,239
1,105,371	1,105,371
<b>1,227,874</b>	<b>2,333,245</b>
13,132,804	104,284,833
7,186,285	4,555,922
<b>20,319,089</b>	<b>108,840,755</b>
3,116,606	2,760,678
<b>17,202,483</b>	<b>106,080,077</b>
-	92,947,273
<b>17,202,483</b>	<b>13,132,804</b>
-	-
<b>17,202,483</b>	<b>13,132,804</b>
32,291	29,062
<b>32,291</b>	<b>29,062</b>
2,500,000	2,500,000
1,520,447	1,481,574
12,234,225	12,215,000
<b>16,254,672</b>	<b>16,196,574</b>
1,481,574	434,480
<b>1,481,574</b>	<b>434,480</b>
3,436,673	1,822,351
<b>4,918,247</b>	<b>2,256,831</b>
3,397,800	775,257
<b>1,520,447</b>	<b>1,481,574</b>
1,024,311	1,195,590
496,136	285,984
<b>1,520,447</b>	<b>1,481,574</b>
1,024,311	1,195,590
159,383	348,723
39,000	
17,000	17,000
45,828	86,267
100,000	100,000
133,600	31,600
13,500	
516,000	612,000
<b>496,136</b>	<b>285,984</b>
496,136	285,984
<b>1,520,447</b>	<b>1,481,574</b>



## Annual Report 2021-2022

### 9.03 Other Receivable

Mrs. Zakia Huq against 2521 (Sft) Floor Space

Others Receivable - VAT

**Closing Balance as of 30.06.2022**

### 10.00 Advance Income Tax

**Opening balance as on 01.07.2021**

Add : Addition during the year

Less: Adjustment during the year

**Balance as on 30.06.2021**

### 11.00 Cash and cash equivalents

Cash in hand

Cash At Bank (11.01)

**Total**

### 11.01 Cash at Bank

Social Islami Bank Ltd.

AB Bank Ltd

NCC Bank Ltd

Eastern Bank Ltd.

Mercantile Bank Ltd

Export Import Bank

CDBL

Mutual Trust Bank

Bangladesh Development Bank Limited

Pubali Bank Ltd.

Dhaka Bank Ltd

FDR

**Details are as under:**

**Social Islami Bank Ltd.**

(AC.No.551330001649)

**AB Bank Ltd**

AC.No.4006281727000

AC.No.4006281727001

**NCC Bank Ltd**

AC.No.00110210010537

AC.No.00020210003420

AC.No.0280210005295

AC.No.0100210001413

AC.No.0120210001153

AC.No.0270210000960

AC.No.0130210001205

AC.No.220210006629

AC.No.0621001562

**Eastern Bank Ltd.**

AC. No.1051070004202

AC. No. 2001070116130

**Mercantile Bank Ltd**

AC. No.013411100002378

AC. No.00870210001494

**Export Import Bank**

AC.NO. 01411100175056

**Mutual Trust Bank**

AC.NO. 00870210001494

**Bangladesh Development Bank Limited**

AC.No.520200000399

**Pubali Bank Ltd.**

AC.No. 277590102765

**Dhaka Bank Ltd**

AC.NO1051000002438

Amount In Taka	
30.06.2022	30.06.2021
12,215,000	12,215,000
19,225.00	-
<b>12,234,225</b>	<b>12,215,000</b>

1,652,470	-
2,289,469	1,652,470
<b>3,941,939</b>	<b>1,652,470</b>
1,652,470	-
<b>2,289,469</b>	<b>1,652,470</b>

379,058	347,926
1,178,119	907,047
<b>1,557,177</b>	<b>1,254,973</b>

23,318	139,020
144,525	145,905
355,510	279,299
6,345	7,184
(499,017)	(1,084,270)
6,102	7,022
-	20,324
16,222	14,357
(119,188)	55,551
263,047	383,934
34,727	31,727
946,528	906,994
<b>1,178,119</b>	<b>907,047</b>

<b>23,318</b>	<b>139,020</b>
---------------	----------------

<b>144,525</b>	<b>145,905</b>
----------------	----------------

79,647	80,337
64,878	65,568

<b>355,510</b>	<b>279,299</b>
----------------	----------------

26,943	27,087
20,096	20,240
25,573	25,717
216,501	139,140
35,006	35,150
1,807	1,950
9,755	9,898
10,516	10,660
9,313	9,457

<b>6,345</b>	<b>7,184</b>
--------------	--------------

6,189	6,878
156	306

<b>(499,017)</b>	<b>(1,084,270)</b>
------------------	--------------------

(771,081)	(1,183,396)
272,064	99,126

<b>6,102</b>	<b>7,022</b>
--------------	--------------

<b>16,222</b>	<b>14,357</b>
---------------	---------------

<b>(119,188)</b>	<b>55,551</b>
------------------	---------------

<b>263,047</b>	<b>383,934</b>
----------------	----------------

<b>34,727</b>	<b>31,727</b>
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CDBL

-	20,324
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FDR

946,528 906,994

FDR One Bank

470,250	450,000
117,071	112,514
359,207	344,480

FDR One Bank

FDR One Bank

Total Cash At Bank

1,178,119 907,047

## 12.00 Shareholders equity

### 12.01 Authorized capital

500,000,000 500,000,000

The Company has an authorized capital Tk. 500,000,000 divided into 50,000,000 Ordinary Shares of Tk. 10 each.

### 13.00 Paid-up capital

109,200,030 109,200,030

### 13.01 Issued, subscribed and paid-up capital

Paid up Capital balance as on 01.07.2021

109,200,030	109,200,030
-	-

Addition during the period

Paid up capital balance as on 30.06.2022

109,200,030 109,200,030

### 13.02 Market Price of Shares

The shares are listed with both the DSE Ltd & CSE PLC, quoted at Tk. 54 (Face Value Tk. 10) on 30 June 2022 and Tk. 37.9 (Face Value Tk. 10) on 30 June 2021.

### 13.03 The Percentage of shareholding by different categories of shareholders are as follows

No. of Holders	No. of Shares		Categories of Share Number	
1,161	183,740			500
876	1,568,339	501		5,000
119	882,140	5,001		10,000
95	1,350,932	10,001		20,000
30	704,899	20,001		30,000
16	554,795	30,001		40,000
14	669,385	40,001		50,000
4	216,367	50,001		60,000
1	64,750	60,001		70,000
3	230,195	70,001		80,000
-	-	80,001		90,000
1	99,717	90,001		100,000
17	4,230,744	100,001		Above
2,337	10,756,003			
Paper Shares	164,000			
Total	10,920,003			

SL No.	Particulars	No. of Shares	Face Value		


# Annual Report 2021-2022

## 15.00 Revaluation Surplus

### Opening Balance

Less: Deferred Tax Expense on Revaluation Reserve of Depreciable Assets

Less: Depreciation on Revaluation

Add: Deferred Tax Income on Depreciation of Revalued Assets

### Closing Balance

## 16.00 Long Term Loan (Non-current portion):

### Opening Balance

Add: Addition / (Adjustment) during the year/Interest Charge

### Total Outstanding

Less: Current portion (Note - 17.00)

### Non-current Portion

## 17.00 Long Term Loan (Current portion):

Current Portion of long term loan during the year

### Closing Balance

## 18.00 Deferred tax liabilities

### Opening Balance

### Add: Deferred Tax Expenses / (Income) During the Year

Less: Deferred Tax Income on Historical Cost Assets (Through Profit or Loss Accounts) (Note-29.01)

Add: Deferred Tax Expense on Revaluation Reserve of Depreciable Assets (Through OCI) (Note-29.02)

Less: Deferred Tax Income on Depreciation of Revalued Asset (Through OCI) (Note-29.03)

### Balance as on 30.06.2022

## 19.00 Accrued expenses

### Balance as on 01.07.2020

Add: Addition during the period

Less: Paid / adjustment during the period

### Balance as on 30.06.2021

### Detailed break-up is as follows:

Salary and remuneration

Employee PF Contribution

Consultancy fees

POP Rent Sponsors/Directors

Electricity 2 Institutions

Mobile phone 3 General Holders

Bandwidth charge

Data connectivity exp.

Office rent

Audit fees

Maintenance (Office)

Printing

Add: Net profit during the year

House Rent

Add: Depreciation on revaluation

Membership Fee

Less: Dividend

Meeting Attendance Fee (Directors)

Calling Carrying Charge (IPTSP)

### Grand Total

Amount in Taka		
30.06.2022	30.06.2021	
21,283,941	25,766,853	
665,817	(3,732,624)	
(838,557)	(882,692)	
(6,620)	132,404	
<b>21,104,580</b>	<b>21,283,941</b>	
19,932,809	22,190,837	
(832,522)	(2,258,028)	
<b>19,100,287</b>	<b>19,932,809</b>	
6,060,000	6,060,000	
<b>13,040,287</b>	<b>13,872,809</b>	
6,060,000	6,060,000	
<b>6,060,000</b>	<b>6,060,000</b>	
4,012,879	419,065	
(3,373,147)	3,593,814	
(2,713,951)	(6,406)	
(665,817)	3,732,624	
6,620	(132,404)	
<b>639,732</b>	<b>4,012,879</b>	
16,666,918	15,879,306	
<b>16,666,918</b>	<b>15,879,306</b>	
3,342,651	4,548,951	
<b>20,009,569</b>	<b>20,428,257</b>	
2,482,543	3,761,339	
<b>17,527,026</b>	<b>16,666,918</b>	
2,507,404	2,289,558	
17,575	111,872	
Shares 75,000	75,000	
23,608,259	24,619	
21,190,510	19,405	
230,204	20,204	
64,400,570	58,974	
6,758	6,758	
<b>109,200,030</b>	<b>100</b>	
8,051,860	8,028,297	
1,494,661	1,403,107	
375,644	375,644	
117,555	90,000	
199,887	199,887	
(103,493,969)	(10,996,057)	
77,100	77,100	
6,425,148	(92,288,605)	
4,000	4,000	
175,000	175,000	
3,589,726	3,009,200	
<b>(96,230,264)</b>	<b>(103,493,970)</b>	
259,890	259,890	
<b>17,527,026</b>	<b>16,666,918</b>	





**20.00 Liabilities for other finance**

Security money (Internet)  
Dividend Payable  
Liabilities for purchase of vehicle  
Provision for Expected Credit Loss  
Liabilities for VDS  
Liabilities for TDS  
**Total**

Amount In Taka	
30.06.2022	30.06.2021
128,592	128,592
245,613	245,979
1,990	101,665
545,151	-
1,690	15,254
78,840	177,313
<b>1,001,876</b>	<b>668,803</b>

Security money has been taken from the subscriber against Internet connection.

**21.00 Unclaimed Dividend Account**

**Opening Balance**  
Add: Addition during the year  
Less: Adjustment during the year  
**Closing Balance**

2,059,904	2,059,904
-	-
522,359	-
<b>1,537,545</b>	<b>2,059,904</b>

This note is given pursuant to Bangladesh Securities & Exchange Commission letter No. BSEC/SRMIC/2021-198/254 dated 19th October, 2021 ISN Limited has given notice to the shareholders according to BSEC Directive No. BSEC/CMRRCD/2021-.386/03 date 14th January 2021 & BSEC (CMSF) Rules 2021. Pursuant to the said BSEC Rules, the detail of the concerned shareholders/Investors whose unpaid/unclaimed/unsettled money were enlisted to transfer to 'Capital Market Stabilization Fund'(CMSF) uploaded in the 'Investment corner' sections of the company's website: <https://www.bangla.net>. It is mentioned that the amount of unclaimed dividend amounting Tk. 2,059,904 is related to financial year 2011. This is the aggregated balance of a vast classes of shareholders / Investors.

**22.00 Short Term loan**

CC(Hypo) Loan (Farmers Bank)\*  
Loan from other parties  
Loan from Mr. Habibul Alam  
HRC Shipping  
Loan from Directors(GP Project)  
Loan from PF

23,831,561	23,251,431
8,750,003	8,828,023
4,579,109	4,579,109
2,500,000	2,500,000
-	2,000,000
3,416,000	2,280,000
<b>43,076,673</b>	<b>43,438,563</b>

\*The above Bank Loan taken from **Padma Bank Ltd. (Ex Farmers Bank Ltd.) Gulshan Br. Dhaka** as CC(Hypo) loan , bearing Sanction Advise No: FBL/GCB/CR/2015 dated 12-11-2015.

**23.00 Liabilities for income tax**

Opening balance as on 01-07-2021  
Add : Provision made for the year (24.00)  
  
Less: Adjustment during the year  
**Balance as on 30.06.2022**

1,825,493	673,023
2,289,469	1,652,470
<b>4,114,962</b>	<b>2,325,493</b>
2,352,470	500,000
<b>1,762,492</b>	<b>1,825,493</b>



	Amount in Tk	
	2021-2022	2020-2021
<b>24.00 Provision for Income Tax</b>		
Current Tax Provision for the year	<b>2,289,469</b>	<b>1,652,470</b>

**(i) Computation of Taxable Profit and Current Tax**

Particular	Internet & other	Software	Total
Operational revenue	54,364,926	54,665,373	109,030,299
Other Income	5,694,975	-	5,694,975
<b>Total Revenue</b>	<b>60,059,901</b>	<b>54,665,373</b>	<b>114,725,274</b>
Total expenses	54,770,299	53,638,484	108,408,783
<b>Profit before tax</b>	<b>5,289,602</b>	<b>1,026,889</b>	<b>6,316,491</b>
Add: Accounting Depreciation	10,334,859	-	10,334,859
	<b>15,624,460</b>	<b>1,026,889</b>	<b>16,651,349</b>
Less: Tax Depreciation	12,250,299	-	12,250,299
<b>Taxable profit</b>	<b>3,374,161</b>	<b>1,026,889</b>	<b>4,401,050</b>
Tax Rate	22.50%	Exempted	N/A
<b>Tax Provision as per 3rd Schedule</b>	<b>759,186</b>	<b>-</b>	<b>759,186</b>

Here, Tax Liability.

**Or,****(ii) Advance Income Tax (AIT) paid during the year Tk 2,289,469****Or,****(iii) Calculation of Minimum Tax as per 82C**

Revenue from sales and services	109,030,299
Other Operating Income	5,694,975
<b>Total Receipt</b>	<b>114,725,274</b>
Minimum Tax rate	0.6%
<b>Minimum Tax</b>	<b>688,352</b>



Whichever is higher (i, ii, iii) will be recognised as current year income Tax. Here, Advance Income Tax figure is higher than others

**25.00 Revenue from Sales and Services**

Particular	Amount in Tk.			2020-2021
	2021-2022			
	Unit-1 (ISP)	Unit-2 (IPTSP)	Total	
Internet bill (D/U)	57,090	-	57,090	157,525
Internet bill (DSL)	39,395,390	-	39,395,390	61,115,186
Data Service Bill	15,263,000	-	15,263,000	2,723,539
Hardware Sale	1,144,657	-	1,144,657	1,415,052
IP Phone Bill	-	530,845	530,845	934,653
	55,860,137	530,845	56,390,982	66,345,955
Less : VAT	2,754,586	-	2,754,586	3,272,772
Net sales after VAT	53,105,551	530,845	53,636,396	63,073,183
Sales of software	54,665,373	-	54,665,373	40,086,432
Networking and IT solutions	728,530	-	728,530	637,176
Total	108,499,454	530,845	109,030,299	103,796,791
	108,499,454	530,845	109,030,299	103,796,791

## 26.00 Operating expenses

Particular	2021-2022			2020-2021
	Unit-1 (ISP)	Unit-2 (IPTSP)	Total	
Bandwidth charge	20,726,068		20,726,068	15,372,060
Data Connectivity Exp	12,110,200		12,110,200	15,093,082
IP address	161,030		161,030	152,000
Salary & Allowance	13,688,785		13,688,785	13,402,659
Depreciation	7,346,669		7,346,669	7,574,380
Call Carrying Charge		467,312	467,312	684,561
Domain Registration Exp.	322,523		322,523	-
	<b>54,355,275</b>	<b>467,312</b>	<b>54,822,587</b>	<b>52,278,742</b>

## 27.00 Administrative expenses

Particular	2021-2022			2020-2021
	Unit-1 (ISP)	Unit-2 (IPTSP)	Total	
Advertisement	158,178	-	158,178	127,472
AGM Expenses	52,000	-	52,000	-
Bank charge	56,853	-	56,853	52,706
Books and paper	19,820	-	19,820	22,920
Bandwidth charges	1,374,524	-	1,374,524	1,492,378
Consultant fee	75,000	-	75,000	222,000
Conveyance	1,059,973	-	1,059,973	1,010,640
Depreciation	2,988,190	-	2,988,190	2,440,374
Domain registration	-	-	-	108,086
CAR Rent	480,000	-	480,000	520,000
Electricity	2,384,498	-	2,384,498	2,290,271
A/R written off	-	-	-	92,947,273
Expected Credit Loss	542,497	2,654	545,151	-
Cost of Proposal	22,760	-	22,760	43,580
Eid Boksis	-	-	-	12,850
Enlistment Fee	3,000	-	3,000	7,000
Entertainment	470,939	-	470,939	462,142
Fuel & lubricant	377,945	-	377,945	338,849
Fine & Penalty	11,340	-	11,340	-
IP Phone exp	1,271,444	-	1,271,444	1,414,146
Donation / Subscription	31,948	-	31,948	9,000
Interest on PF Loan	296,000	-	296,000	-
Festival Bonus	2,208,876	-	2,208,876	2,116,101
Light, heat and power	39,975	-	39,975	36,075
Listing fees	109,200	-	109,200	109,200
Licence Fee	-	929,858	929,858	500,000
Fuel for Generator	-	-	-	30,930
Maintenance	1,770,336	-	1,770,336	1,702,733
Membership fees	457,480	-	457,480	469,750
Meeting Attendance Fee (Directors)	172,236	-	172,236	127,780
Networking	4,990,595	-	4,990,595	4,708,132
Office rent	2,028,099	-	2,028,099	2,333,324
Overtime	-	-	-	132,228
Postage	43,224	-	43,224	44,958
Printing (General)	170,321	-	170,321	358,745
Trade License	-	-	-	-
Employee PF	1,374,281	-	1,374,281	1,265,288
Registration & renewal	140,377	-	140,377	45,282
Revenue Stamp	12,000	-	12,000	9,200
Revenue Sharing	-	311,135	311,135	-
Loan to GKISN (Written off)	-	-	-	1,635,343
Interest Receivable from GKISN (Written off)	-	-	-	809,544
Salary and Allowance	148,295,516	-	148,295,516	13,462,082
Stationery	143,638	-	143,638	131,691
Scrutinizer Fee	25,555	-	25,555	-
Night allowance	477,438	-	477,438	389,000
<b>Sub Total</b>	<b>40,670,056</b>	<b>1,243,647</b>	<b>41,913,703</b>	<b>133,939,073</b>



Particular	2021-2022			2020-2021
	Unit-1 (ISP)	Unit-2 (IPTSP)	Total	
TA & DA		-	-	18,760
Training Fees		-	-	3,334
Mobile Bill	509,021	-	509,021	531,212
Legal Fee	16,211	-	16,211	77,778
Telephone (T & T)	22,912	-	22,912	23,069
Garage Rent	28,000	-	28,000	24,000
Other Expenses	1,150	-	1,150	8,650
House rent	312,636	-	312,636	334,401
Audit fees	145,110	-	145,110	141,232
Water supply`	318,729	-	318,729	294,453
Insurance	5,155	-	5,155	5,892
POP rent	1,537,145	-	1,537,145	1,438,488
Depreciation of Intangible asset	1,105,371	-	1,105,371	1,105,370
Internet Bill Refund	2,623,445	-	2,623,445	2,501,204
<b>Sub Total</b>	<b>6,624,885</b>	<b>-</b>	<b>6,624,885</b>	<b>6,507,843</b>
<b>Grand Total</b>	<b>47,294,941</b>	<b>1,243,647</b>	<b>48,538,588</b>	<b>140,446,916</b>

**28.00 Other Operating Income**

Particular	2021-2022			2020-2021
	Unit-1 (ISP)	Unit-2 (IPTSP)	Total	
Connectivity	403,180	-	403,180	478,940
Web hosting & development	1,253,714	-	1,253,714	1,193,644
Re-installation and servicing	463,891	-	463,891	6,500
Investment Income	-	-	-	-
E-mail forwarding	1,201,610	-	1,201,610	1,701,800
Domain registration	542,961	-	542,961	489,851
Office rent (Rev.)	515,385	-	515,385	600,700
Miscellaneous	-	-	-	-
Connectivity Charge DSL	506,521	-	506,521	463,268
VPN Charge	747,899	-	747,899	387,939
Interest income	47,154	-	47,154	76,238
Service charge Cr.	12,660	-	12,660	-
Spamwall Income	-	-	-	10,500
Interest on FDR	-	-	-	-
<b>Total</b>	<b>5,694,975</b>	<b>-</b>	<b>5,694,975</b>	<b>5,409,380</b>

**29.00 Deferred Tax Income / (Expense)**

On Historical Cost Assets (Note-29.01)

**Deferred Tax Income / (Expense) Through Profit & Loss Accounts**

On Revaluation Reserve of Depreciable Assets (Note-29.02)

On Depreciation of Revalued Asset (Note-29.03)

**Deferred Tax Income / (Expense) Through Other Comprehensive Income**

Amount In Taka	
2021-2022	2020-2021
2,713,951	6,406
<b>2,713,951</b>	<b>6,406</b>
665,817	(3,732,624)
(6,620)	132,404
<b>659,196</b>	<b>(3,600,220)</b>



**29.01 Deferred Tax Income / (Expense) on Historical Cost**

Amount In Taka		
	2021-2022	2020-2021
Written Down Value of Accounting Base as on 30.06.2022 (with revaluation)	80,471,836	80,996,243
Less: Revaluation Surplus	20,445,384	24,884,161
	<b>60,026,452</b>	<b>56,112,082</b>
(i) Written Down Value of Accounting Base as on 30.06.2022 (without revaluation)		
(ii) Written Down Value of Tax Base as on 30.06.2022 (Annexure-E)	<b>70,254,417</b>	<b>54,278,043</b>
<b>Taxable Temporary Difference (i - ii)</b>	<b>(10,227,965)</b>	<b>1,834,039</b>
<b>Effective Tax Rate</b>	<b>22.5%</b>	<b>22.5%</b>
Closing Deferred Tax Liability	(2,301,292)	412,659
Opening Deferred Tax Liability	412,659	419,065
<b>Deferred Tax (Expenses) / Income to be recognised in P/L</b>	<b>2,713,951</b>	<b>6,406</b>

Tax Based schedule of fixed Assets has been shown in "Annexure-E".

**29.02 Deferred Tax Income / (Expense) on Revaluation Reserve of Depreciable Non-Current Assets**

Amount in Tk		
	2021-2022	2020-2021
(i) Written Down Value of Accounting Base as on 30.06.2022 (Revaluation)	20,445,384	24,884,161
(ii) Written Down Value of Tax Base as on 30.06.2022 (Revaluation)	-	-
<b>Taxable Temporary Difference (i - ii)</b>	<b>20,445,384</b>	<b>24,884,161</b>
<b>Effective Tax Rate</b>	<b>15%</b>	<b>15%</b>
Closing Deferred Tax Liability	3,066,808	3,732,624
Opening Deferred Tax Liability	3,732,624	-
<b>Deferred Tax (Expenses) / Income to be recognised in OCI</b>	<b>665,817</b>	<b>(3,732,624)</b>

**29.03 Deferred Tax Income / (Expense) On Depreciation of Revalued Assets**

(i) Depreciation Charged as per Accounting Base as on 30.06.2022 (Revaluation)	(838,557)	(882,692)
(ii) Depreciation Charged as per Tax Base as on 30.06.2022 (Revaluation)	-	-
<b>Taxable Temporary Difference (i - ii)</b>	<b>(838,557)</b>	<b>(882,692)</b>
<b>Effective Tax Rate</b>	<b>15%</b>	<b>15%</b>
Closing Deferred Tax Liability	(125,784)	(132,404)
Opening Deferred Tax Liability	(132,404)	-
<b>Deferred Tax (Expenses) / Income to be recognised in OCI</b>	<b>(6,620)</b>	<b>132,404</b>

**30.00 Net Asset value par share (NAVPS)**

The computation of NAVPS is given below:

Total Assets	119,035,802	115,595,371
Total External Liabilities	84,961,456	88,605,370
Net Assets	<b>34,074,346</b>	<b>26,990,001</b>
Number of ordinary shares	<b>10,920,003</b>	<b>10,920,003</b>
<b>NAVPS</b>	<b>3.12</b>	<b>2.47</b>

**31.00 Earnings Per Share**

The computation of EPS is given below:

Earnings attributable to the ordinary shareholders (net profit after tax)	6,425,148	(92,288,604)
Number of ordinary shares	10,920,003	10,920,003
<b>EPS</b>	<b>0.59</b>	<b>(8.45)</b>



As compared to last years Financial Statements, EPS has increased a lot this year. The main reason is that there was an adjustment in last year's Financial Statements namely 'write off Accounts Receivable' at the amount of Tk. 92,947,272/-. Which resulted in a huge loss and that 'Write Off' effect was solely responsible for such adjustment that year, so that no impact on the EPS in this reporting period of 1st July 2021 to 30th June 2022. On the other hand the income has increased and some head of expenses have decreased as compared to last year. This also assists to get a positive EPS.

**32.00 Net Operating Cash Flow per Share (NOCPS)**

The computation of NOCPS is given below:

Net Operating Cash Flow

Number of ordinary shares

Basic EPS

Amount in Tk	
2021-2022	2020-2021
17,385,113	18,772,429
10,920,003	10,920,003
<b>1.59</b>	<b>1.72</b>

**33.00 Tax Assessment Status**

Accounting Year	Assessment Year	Provision for Income Tax	Status
2014	2015-2016	252,003	Finalized
2015-2016	2016-2017	247,710	Finalized
2016-2017	2017-2018	372,263	Finalized
2017-2018	2018-2019	1,542,740	Finalized
2018-2019	2019-2020	884,343	Finalized
2019-2020	2020-2021	380,896	Finalized
2020-2021	2021-2022	1,652,470	Finalized

**34.00 Reconciliation of Cash flows form operating activities in addition to disclosure of Direct method of cash flows from operating activities in accordance with BSEC circular no. BSEC/CMRRCD/2006-158/208/Admin/81 Dated 20 June 2018.**

Particulars	Amount in Taka 2021-2022	Amount in Taka 2020-2021
<b>Operating activities</b>		
Net profit after tax	6,425,148	(92,288,604)
<b>Adjustment of non-cash item</b>		
Depreciation	10,334,859	10,014,754
Amortization of intangible assets	1,105,371	1,105,371
Expected Credit Loss	545,151	
Interest on PF Loan	296,000	
Provision for Expected Credit Loss		2,444,887
Advances, deposit and prepayments Adjustment	-	7,061,785
Dividend paid		-
	<b>18,706,529</b>	<b>(71,661,807)</b>
(Increase)/Decrease of Account receivable	(4,069,679)	91,152,029
(Increase)/Decrease of Accrued interest	(3,229)	(13,173)
(Increase)/Decrease of Advance deposit prepayments	(58,098)	(8,108,879)
Increase/(Decrease) of Accrued Expenses	860,108	787,612
Increase/(Decrease) of Financial Expense	5,047,608	7,123,054
Increase/Decrease of tax	(700,000)	(500,000)
WPPF & WF	315,825	-
Increase/Decrease of deferred tax	(2,713,951)	(6,407)
<b>Net cash flow from operating activities</b>	<b>17,385,113</b>	<b>18,772,429</b>

**35.00 Collection from turnover and other income**

Revenue from sales and services

Other Operating Income

**Total Revenue**

Less: Receivable Addition during the year

Add: Cash Received during the year

Add: Interest received during the year

Less: Interest Accrued during the year



109,030,299	103,796,791
5,694,975	5,409,380
<b>114,725,274</b>	<b>109,206,171</b>
(7,186,285)	(4,555,922)
827,137	1,108,208
43,925	15,889
(47,154)	(29,062)
<b>108,362,897</b>	<b>105,745,284</b>

Amount in Tk	
2021-2022	2020-2021
<b>36.00 Payment for cost and expenses</b>	
Operating Expenses	54,822,587
Administrative Expenses	52,278,742
<b>Total Expenses</b>	<b>103,361,175</b>
Depreciation Expense	140,446,916
Depreciation of Intangible asset	(10,334,859)
Add: Payable Paid /adjustment during the period	(1,105,371)
Less: Payable Addition during the period	(1,105,371)
Expected Credit Loss	2,482,543
Bad & Doubtful Debt	(3,638,651)
Loan to GKISN (Written off)	(4,548,951)
Interest Receivable from GKISN (Written off)	(545,151)
	(7,061,785)
	(92,947,273)
	(1,635,343)
	(809,544)
	<b>90,219,686</b>
	<b>78,363,976</b>

**37.00 Subsequent Event:**

There has been no other significant event that has occurred between the Statement of Financial Position date and the date when the financial statement were authorized for issue by the Board of Directors

**38 Events after the reporting period:**

The Board of Directors recommended 3% Cash Dividend to the shareholders for the year ended on 30th June 2022 in their meeting held on 27 October 2022 which will be considered for approval by the shareholders at the next Annual General Meeting (AGM).



**INFORMATION SERVICES NETWORK LIMITED**  
**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT**  
**AS ON 30TH JUNE, 2022**

Annexure - A

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as on 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Adjustment during the year	Balance as on 30.06.2022		Balance as on 01.07.2021	Charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Internet equipment	163,408,688	942,250	-	164,350,938	15%	115,647,536	7,262,029	-	122,909,565	41,441,373
Network Equipment	-	7,952,912	-	7,952,912	15%	-	591,955	-	591,955	7,360,957
Office equipment	20,805,092	732,215	-	21,537,307	15%	17,000,660	615,783	-	17,616,443	3,920,864
Telephone installation and intercom	5,197,407	6,960	-	5,204,367	5%	4,629,210	28,451	-	4,657,661	546,706
Vehicles	5,020,408	71,108	-	5,091,516	15%	3,791,158	190,614	-	3,981,772	1,109,744
Furniture and fixture	2,967,332	105,007	-	3,072,339	15%	2,318,976	104,691	-	2,423,667	648,672
Building Flat (With revaluation)	29,982,900	-	-	29,982,900	5%	4,918,976	1,253,196	-	6,172,172	23,810,728
Sundry assets	2,291,282	-	-	2,291,282	15%	1,343,221	142,209	-	1,485,430	805,852
<b>Total as on 30.06.2022</b>	<b>229,673,109</b>	<b>9,810,452</b>	<b>-</b>	<b>239,483,561</b>		<b>149,649,737</b>	<b>10,188,928</b>	<b>-</b>	<b>159,838,665</b>	<b>79,644,896</b>
<b>Total as on 30.06.2021</b>	<b>217,794,059</b>	<b>11,879,050</b>	<b>-</b>	<b>229,673,109</b>		<b>139,806,666</b>	<b>9,843,071</b>	<b>-</b>	<b>149,649,737</b>	<b>80,023,372</b>

**Allocation of depreciation:**

Cost of service	7,262,029
Administrative Expense	2,926,899
<b>Total</b>	<b>10,188,928</b>



**INFORMATION SERVICES NETWORK LIMITED**  
**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT**  
**AS ON 30TH JUNE, 2021**

Annexure - A

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as on 30.06.2021
	Balance as on 01.07.2020	Addition during the year	Adjustment during the year	Balance as on 30.06.2021		Balance as on 01.07.2020	Charged during the year	Adjustment during the year	Balance as on 30.06.2021	
Internet equipment	152,947,969	10,460,719	-	163,408,688	15%	108,172,732	7,474,804	-	115,647,536	47,761,152
Office equipment	19,784,444	1,020,648	-	20,805,092	15%	16,439,862	560,798	-	17,000,660	3,804,432
Telephone installation and intercom	5,191,442	5,965	-	5,197,407	5%	4,599,567	29,643	-	4,629,210	568,197
Vehicles	5,020,408	-	-	5,020,408	15%	3,574,232	216,926	-	3,791,158	1,229,250
Furniture and fixture	2,782,512	184,820	-	2,967,332	15%	2,223,821	95,155	-	2,318,976	648,356
Building Flat (With revaluation)	29,982,900	-	-	29,982,900	5%	3,599,822	1,319,154	-	4,918,976	25,063,924
Sundry assets	2,084,384	206,898	-	2,291,282	15%	1,196,630	146,591	-	1,343,221	948,061
<b>Total as on 30.06.2021</b>	<b>217,794,059</b>	<b>11,879,050</b>	<b>-</b>	<b>229,673,109</b>		<b>139,806,666</b>	<b>9,843,071</b>	<b>-</b>	<b>149,649,737</b>	<b>80,023,372</b>
<b>Total as on 30.06.2020</b>	<b>208,954,955</b>	<b>8,839,104</b>	<b>-</b>	<b>217,794,059</b>		<b>130,221,073</b>	<b>9,585,594</b>	<b>-</b>	<b>139,806,666</b>	<b>77,987,393</b>

**Allocation of depreciation:**

Cost of service	7,474,804
Administrative Expense	2,368,267
<b>Total</b>	<b>9,843,071</b>



**INFORMATION SERVICES NETWORK LIMITED**  
**FIXED ASSET SCHEDULE OF PROJECT- IPTSP**  
**AS ON 30TH JUNE, 2022**

Annexure-B

Particulars	Cost			Rate of Dep.	Depreciation			Written down value as on 30.06.2022
	Opening balance as on 01.07.2021	Addition during the Year	Closing balance as on 30.06.2022		Opening balance as on 01.07.2021	Charged during the Year	Closing balance as on 30.06.2022	
Switch (Cisco)	54,000	-	54,000	15%	44,166	1,475	45,641	8,359
Online UPS	412,000	-	412,000	15%	336,971	11,254	348,225	63,775
Server	1,993,527	-	1,993,527	15%	1,601,559	58,795	1,660,354	333,173
Computer	363,750	-	363,750	15%	256,788	16,044	272,832	90,918
VOIP Switch	454,738	-	454,738	15%	371,926	12,422	384,348	70,390
Media converter	9,000	-	9,000	15%	7,360	246	7,606	1,394
Linksys (ATA)	416,541	-	416,541	15%	334,553	12,298	346,851	69,690
Digium	588,436	-	588,436	15%	481,276	16,074	497,350	91,086
Musk and hub	580,511	-	580,511	15%	474,796	15,857	490,653	89,858
Modem	5,000	-	5,000	15%	4,090	137	4,227	774
Video IP phone	43,600	-	43,600	15%	35,660	1,191	36,851	6,749
Scanner	3,500	-	3,500	15%	2,862	96	2,958	542
Office equipment	1,510	-	1,510	15%	1,235	41	1,276	234
<b>Total as on 30.06.2022</b>	<b>4,926,113</b>	<b>-</b>	<b>4,926,113</b>		<b>3,953,242</b>	<b>145,931</b>	<b>4,099,173</b>	<b>826,940</b>

<b>Total as on 30.06.2021</b>	<b>4,926,113</b>	<b>-</b>	<b>4,926,113</b>	<b>-</b>	<b>3,781,559</b>	<b>171,683</b>	<b>3,953,242</b>	<b>972,871</b>
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**Allocation of depreciation:**

Cost of service	84,640
Administrative Expense	61,291
<b>Total</b>	<b>145,931</b>

**INFORMATION SERVICES NETWORK LIMITED**  
**FIXED ASSET SCHEDULE OF PROJECT- IPTSP**  
**AS ON 30TH JUNE, 2021**

Annexure-B

Particulars	Cost			Rate of Dep.	Depreciation			Written down value as on 30.06.2021
	Opening balance as on 01.07.2020	Addition during the Year	Closing balance as on 30.06.2021		Opening balance as on 01.07.2020	Charged during the Year	Closing balance as on 30.06.2021	
Switch (Cisco)	54,000	-	54,000	15%	42,431	1,735	44,166	9,834
Online UPS	412,000	-	412,000	15%	323,731	13,240	336,971	75,029
Server	1,993,527	-	1,993,527	15%	1,532,388	69,171	1,601,559	391,968
Computer	363,750	-	363,750	15%	237,912	18,876	256,788	106,962
VOIP Switch	454,738	-	454,738	15%	357,312	14,614	371,926	82,812
Media converter	9,000	-	9,000	15%	7,071	289	7,360	1,640
Linksys (ATA)	416,541	-	416,541	15%	320,084	14,469	334,553	81,988
Digium	588,436	-	588,436	15%	462,366	18,910	481,276	107,160
Musk and hub	580,511	-	580,511	15%	456,140	18,656	474,796	105,715
Modem	5,000	-	5,000	15%	3,929	161	4,090	910
Video IP phone	43,600	-	43,600	15%	34,259	1,401	35,660	7,940
Scanner	3,500	-	3,500	15%	2,750	112	2,862	638
Office equipment	1,510	-	1,510	15%	1,186	49	1,235	275
<b>Total as on 30.06.2021</b>	<b>4,926,113</b>	<b>-</b>	<b>4,926,113</b>		<b>3,781,559</b>	<b>171,683</b>	<b>3,953,242</b>	<b>972,871</b>

<b>Total as on 30.06.2020</b>	<b>4,926,113</b>	<b>-</b>	<b>4,926,113</b>	<b>-</b>	<b>3,579,579</b>	<b>201,980</b>	<b>3,781,559</b>	<b>1,144,554</b>
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**Allocation of depreciation:**

Cost of service	99,576
Administrative Expense	72,107
<b>Total</b>	<b>171,683</b>





Required applicable disclosure under schedule XI of the Companies ACT 1994.

#### Directors Interest in other Companies:

Name	Design with ISNL	Entities where they have Interest	Position
Mr. Sayeed Hossain Chowdhury	Chairman	HRC Group	Chairman
Mr. Sajedur Seraj	Director	Elite Group	Director
Mrs. Shirin Huq	Director	Optimax Communication Limited	Director

No related party transaction has occurred during the period.

#### Credit Facility

No credit facility availed by the company under any contract other than bank credit facility and trade credit which are in the ordinary course of the business.

#### Capital Expenditure Commitment

- No capital expenditure contracted or incurred provided for as at 30 June, 2022.
- There was no material capital expenditure authorized by the Board or contracted for as at 30 June, 2022.

#### Claim acknowledgement

There was no claim against the Company not acknowledged as debt as on June 30, 2022.

#### Contingent Liability

There is no contingent liability of the company as on June 30, 2022.

#### Disclosers under Para 3 of Schedule XI, Part II of the Companies Act. 1994

Salary Range (Monthly)	Officer & Staff		Workers'	Total Employee's
	Head Office	Branch Office		
Below Tk. 3,000/-	N/A	N/A	N/A	N/A
Above Tk. 3,000/-	49	79	-	128

#### Disclosure as per requirement of Schedule XI, Part II, Para 3 of the Companies Act 1994

Requirements under condition No.	Compliance status of Disclosure Schedule XI, Part II, Para 3
3(i)(a) The turnover	114,725,274
3(i)(b) Commission paid to selling agents	Nil
3(i)(c) Brokerage and discount of sales, other than the usual trade discount	Nil
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	N/A
3(i)(d)(ii) The opening and closing stocks of goods produced	N/A
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	N/A
3(i)(f) In the case of Companies rendering or supplying services, the gross income derived from services rendered or supplied	109,030,299
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and	N/A
3(i)(h) In the case of other companies, the gross income derived under different heads	N/A
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Nil
3(i)(l) Charge for income tax and other taxation on profits	2,289,469
3(i)(m) Reserved for repayment of share capital and repayment of loans	Nil
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, known to exist at the date as at which the balance sheet is made up.	Nil
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Nil



3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Nil
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.	Nil
3(i)(p) Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	Applicable expense are disclosed under administrative expenses

**Disclosers under Para 4 of Schedule XI, Part II of the Companies Act. 1994**

Name of Directors	Designation	Meeting Attendance Fee	Tax Deduction	Net Payment
Mr. Sayeed Hossain Chowdhury	Chairman	5,556	556	5,000
Mrs. Shirin Huq	Director	22,224	2,224	20,000
Mr. Suman Celine Huq	Director	16,668	1,668	15,000
Mr. Sajedur Seraj	Director	16,668	1,668	15,000
Dr. Mostafa Akbar	Director	27,780	2,780	25,000
Dr. Kaiser Ali Talukdar	Director	27,780	2,780	25,000
Mr. Al-Amin	Director	27,780	2,780	25,000
Mr. Md. Jahangir Alam	Managing Director (Acting)	27,780	2,780	25,000
<b>Total</b>		<b>172,236</b>	<b>17,236</b>	<b>155,000</b>

**Disclosers under Para 7 of Schedule XI, Part II of the Companies Act. 1994**

- During the period Capacity Utilization of the Company as.

Description of Product	Installed Capacity (Unit)		Actual Production (Unit)		Capacity Utilize (In %)	
	2022	2021	2022	2021	2022	2021
Service	N/A	N/A	N/A	N/A	N/A	N/A

**Disclosures for Managerial Salary:**

- Managerial salaries paid to top five officials of ISN Ltd. in last financial year are shown below:

Name	Designation	2022	2021
		Tk.	Tk.
Mr. Md. Jahangir Alam	GM Operation	100,000	95,000
Mr. Mohibur Rahman	Senior System Administrator	75,500	71,500
Mr. Md. Mangurul Islam	Senior manager network	66,500	63,500
Mr. Md. Imtiajul Huq	Senior manager support	66,500	62,000
Mr. Md. Shariful Hoque	Senior manager sales & marketing	64,000	60,000

- Amount paid to all directors and all officials of ISNL in last financial year are shown below:

Particular	Nature of payment	2022	2021
		Tk.	Tk.
Directors	Board Meeting Attendance Fees	172,236	127,780
Directors	Remuneration	-	-
Officers	Salary & Other Allowances	28,518,301	26,864,741



**Disclosure of Advance, Deposit and Prepayment of Schedule XI of Companies Act 1994**

The details breakup of Advance, Deposit and Prepayments as per requirement of Schedule XI of the Companies Act.

Particulars	30.06.2022 (Taka)	30.06.2021 (Taka)
Advance, Deposit and Prepayments exceeding 6 months	48,198	192,472
Advance, Deposit and Prepayments not exceeding 6 months	-	-
Other Advance, Deposits & Prepayments less provision	-	-
Advance, Deposits and Prepayments considered Good and Secured	-	-
Advance, Deposits and Prepayments considered Good without Security	16,206,474	16,004,102
Advance, Deposits and Prepayments considered Doubtful or Bad	-	-
Advance, Deposits and Prepayments due by Directors	-	-
Advance, Deposits and Prepayments due by Other Officers (against Salary)	-	-
Advance, Deposits and Prepayments due from Companies under same management	-	-
Maximum Advance, Deposits & Prepayments due by Directors	-	-
Maximum Advance, Deposits & Prepayments due by Officers at any time	-	-

**Details of Lease Agreement**

Product Name	Lease From	Finance Amount (Taka)	Installment	Monthly Rental (Taka)	Rental Paid (Taka)	Future Payment (Taka)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Disclosure as per requirement of schedule XI, Part - I (A. Horizontal Form) of Companies Act 1994****Accounts Receivable**

In regard to sundry debtors the following particulars' shall be given separately:-

**(i) Debt considered good in respect of which the company is fully secured**

The debtors occurred in the ordinary course of business are considered good other than the amount disclosed in serial no. (iii) but no security taken from the parties.

**(ii) Debt considered good for which the company hold no security other than the debtors personal security**

Amount of such debt is BDT 17,202,483 as on 30 June 2022.

**(iii) Debt due by directors of the company**

There is no such debt in this respect as on 30 June 2022.



**INFORMATION SERVICES NETWORK LIMITED**  
**Statement of Fixed Deposit**  
**For the year ended 30 June 2022**

Sl No.	Name of Bank/ Institution	Period	Rate of Interest	Date of Issue	Date of Maturity	Principal Amount	Opening Balance	Interest received during the year	10% Tax	Closing Balance	Interest receivable during the year
1	One Bank Limited	1 Year	8.50%	08.12.19	08.12.21	320,000	344,480	16,362	1,636	359,206	12,996
2	One Bank Limited	1 Year	7.50%	11.04.19	11.04.21	100,000	112,514	5,063	506	117,071	1,850
3	One Bank Limited	1 Year	5.00%	20.09.20	20.09.21	450,000	450,000	22,500	2,250	470,250	17,445
<b>Sub Total</b>						<b>870,000</b>	<b>906,994</b>	<b>43,925</b>	<b>4,393</b>	<b>946,527</b>	<b>32,291</b>

Annexure-C

**INFORMATION SERVICES NETWORK LIMITED**  
**Statement of Fixed Deposit**  
**For the year ended 30 June 2021**

Sl No.	Name of Bank/ Institution	Period	Rate of Interest	Date of Issue	Date of Maturity	Principal Amount	Opening Balance	Interest received during the year	10% Tax	Closing Balance	Interest receivable during the year
1	One Bank Limited	1 Year	8.50%	08.12.19	08.12.20	320,000	-	-	-	12,996	24,880
2	One Bank Limited	1 Year	7.50%	11.04.19	11.04.20	100,000	-	-	-	1,850	5,764
3	One Bank Limited	1 Year	5.00%	20.09.20	20.09.21	420,000	-	-	-	17,445	-
4	MBL (Closed)	1 Year	6.00%	14.06.20	14.06.21	201,000	-	-	-	-	32,421
<b>Sub Total</b>						<b>1,041,000</b>				<b>32,291</b>	<b>63,065</b>

Annexure-C



## INFORMATION SERVICES NETWORK LIMITED

Statement of Fixed Deposit  
For the year ended 30 June 2022

Sl No.	FDR NO	ISSUE DATE	Amount	Renewed Rate Of interest	Duration	Days	Interest Receivable
1	One Bank Limited A/c. No.053414001292	08.12.19	344,480	8.50%	08.12.20-30.06.21	162	12,996
2	One Bank Limited A/c. No.0534140000992	11.04.19	112,514	7.50%	11.04.20-30.06.20	80	1,850
3	One Bank Limited A/c. No.0534140001452	20.09.20	450,000	5.00%	20.09.20-30.06.21	283	17,445
<b>Total</b>			<b>906,994</b>				<b>32,291</b>

Annexure-D

## INFORMATION SERVICES NETWORK LIMITED

Statement of Fixed Deposit  
For the year ended 30 June 2021

Sl No.	FDR NO	ISSUE DATE	Amount	Renewed Rate Of interest	Duration	Days	Interest Receivable
1	One Bank Limited A/c. No.053414001292	08.12.20	344,480	8.50%	08.12.19-30.06.20	162	12,996
2	One Bank Limited A/c. No.0534140000992	11.04.19	112,514	7.50%	11.04.20-30.06.20	80	1,850
3	One Bank Limited A/c. No.0534140001452	20.09.20	450,000	5.00%	20.09.20-30.06.21	283	17,445
<b>Total</b>			<b>906,994</b>				<b>32,291</b>

Annexure-D

## Annexure-F

Particulars	Amount (In Taka)	
	2021-2022	
	Below six months	Over six Months
Internet Bill (DSL)	4,501,114	1,934,000
Internet Bill (D/U)	180,155	280,100
Software Sales	5,391,420	1,967,501
Networking & IT Solutions	508,100	187,300
IP Phone Bill	330,312	184,400
Data Service Bill	1,206,179	78,600
Web Hosting & Development	213,202	240,100
	<b>12,330,482</b>	<b>4,872,001</b>
Less: Bad debt Expenses	-	-
<b>Total</b>	<b>12,330,482</b>	<b>4,872,001</b>
		<b>17,202,483</b>





**INFORMATION SERVICES NETWORK LIMITED**  
**TAX BASE SCHEDULE OF PROPERTY, PLANT & EQUIPMENT**  
**AS ON 30TH JUNE, 2022**

Items	WDV as on 01.07.2021	Addition during the year	Total Depreciable amounts as on 30.06.2022	Tax Rate as per 3rd Schedule	Charged during the year	WDV as on 30.06.2022
<b>Unit -1</b>						
Internet equipment	57,918,595	942,250	58,860,845	15%	8,829,127	50,031,718
Network equipment	-	7,952,912	7,952,912	15%	1,192,937	6,759,975
Office equipment	5,445,658	732,215	6,177,873	10%	617,787	5,560,086
Telephone installation and intercom	369,431	6,960	376,391	20%	75,278	301,113
Vehicles	1,229,394	71,108	1,300,502	20%	260,100	1,040,402
Furniture and fixture	723,329	105,007	828,336	10%	82,834	745,502
Building Flat (With revaluation)	4,827,346	-	4,827,346	20%	965,469	3,861,877
Sundry assets	1,055,762	-	1,055,762	10%	105,576	950,186
<b>Sunb Total</b>	<b>71,569,515</b>	<b>9,810,452</b>	<b>81,379,967</b>		<b>12,129,108</b>	<b>69,250,859</b>
<b>Unit -2</b>						
Switch (Cisco)	12,733	-	12,733	10%	1,273	11,460
Online UPS	97,151	-	97,151	10%	9,715	87,436
Server	507,539	-	507,539	10%	50,754	456,785
Computer	87,158	-	87,158	20%	17,432	69,726
VOIP Switch	10,759	-	10,759	10%	1,076	9,683
Media converter	2,122	-	2,122	10%	212	1,910
Linksys (ATA)	119,005	-	119,005	10%	11,901	107,105
Digium	138,756	-	138,756	10%	13,876	124,880
Musk and hub	136,887	-	136,887	10%	13,689	123,198
Modem	1,178	-	1,178	10%	118	1,060
Video IP phone	10,282	-	10,282	10%	1,028	9,254
Scanner	823	-	823	10%	82	741
Office equipment	356	-	356	10%	36	320
<b>Sunb Total</b>	<b>1,124,749</b>	<b>-</b>	<b>1,124,749</b>		<b>121,191</b>	<b>1,003,558</b>
<b>Total as on 30.06.2022</b>	<b>72,694,264</b>	<b>9,810,452</b>	<b>82,504,716</b>		<b>12,250,299</b>	<b>70,254,417</b>

Annexure - E



## Proxy Form

I/We .....

Of.....  
being shareholder (s) of **Information Services Network Limited** and entitled to vote hereby appoint Mr./Ms. ....as my/our proxy to attend and votes for me/us and on my/our behalf at the **27<sup>th</sup> Annual General Meeting (AGM)** of the Company to be held on **Monday, 06<sup>th</sup> February, 2023** and any adjournment thereof and the poll as witness my/our hand signed this ..... day of ..... 2023.

Signature of Shareholder (s) .....

Folio/Bo ID No.: .....

Signature of Proxy

No. of Shares held .....

Signature of witness

(Signature of Sharer (s) must in accordance with specimen signature with the Company)

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## ATTENDANCE

I hereby record my/our presence at the 27<sup>th</sup> Annual General Meeting (AGM) of Information Services Network Limited (ISN) on **Monday, 06<sup>th</sup> February, 2023** at 11:30 a.m. through the Link <https://isn.virtualagmbd.com> .

Full Name of the Shareholder/Proxy .....  
(In block Letter)

Register Folio/BO ID No.: ..... Holding of  
..... Ordinary Shares of Information services Network Limited (ISN).

Signature of Shareholders (s)/Proxy

(Shareholders are requested to send scanned copy of the proxy form, duly signed and stamped shall be sent through email at [secretary.isn@bangla.net.bd](mailto:secretary.isn@bangla.net.bd) 48 (forty-eight) hours before the meeting.)

## ISN Branches

- 
-  **Head Office :** TMC Building (4th floor)  
52, New Eskaton Road, Dhaka-1000  
Bangladesh, Tel: 0960200001-3  
880 2 848322785-8  
Fax : 880 2 9345460, URL : [www.bangla.net](http://www.bangla.net)
-  **Khulna Office :**  
Bangladesh Development Bank Bhaban  
(BDBL) , 5th floor, 25-26 KDA C/A  
Upper Jessore Road, Khulna  
Tel : 09602000026, (041) 732761
-  **Gulshan Office :**  
SHEBA House (6th floor)  
Golden Plaza Shopping Complex, Plot # 34  
Road # 46, Gulshan-2, Dhaka-1212  
Tel : 09602000014  
880 2 9887945, 880 2 9885470
-  **Chattogram Office 01 :**  
HRC Bhaban, 64-66, Agrabad C/A  
Chittagong, Phone : 09602 000009
-  **Motijheel Office :**  
Baitul Hossain Building  
Room No.-607 (5th floor), 27 Dilkusha  
Dhaka-1000, Tel: 09602000010, 09602000013
-  **Uttara Office :**  
House: 01(3rd floor), Road: 35, Sector: 07  
Uttara, Dhaka-1230  
Tel : 09602000018, Cell : 01919652666
-  **Chattogram Office 02 :**  
Dhormo Pukur Par  
Mazar Gate, Wahaba Tower  
Agrabad, Chattogram  
Tel : 0960200009, Cell : 01919652762
-  **Mirpur Office :**  
House # 30, Road # 7  
Block # H, Section # 2  
Mirpur, Dhaka-1216  
Cell : 01677798616
-  **Tangail Office :**  
BAF Base  
Pahar Kanchanpur, Tangail  
Cell : 01404425336
-  **Feni Office :**  
Munni Mansion, 1st Floor  
College Road, Chhagalnaiya, Feni
-  **Narayanganj Office :**  
NS Tower(Top Floor)  
Masdair (1 no Ser-E-Bangla Road)  
Near Govt Girls School, Fatulla  
Narayanganj-1400  
Tel: 09602000022, Cell: 01919658930
-  **Gazipur Office :**  
Mofiz Uddin Sarker Bhabon  
(2nd floor), Tangail Road  
Chandona Chowrasta, Gazipur-1700  
Tel : 09602000055, Cell : 01919652712

**Hot Line :**

**01937-999998  
0960200001-3**