

# INFORMATION SERVICES NETWORK LIMITED

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

## BALANCE SHEET (UNAUDITED)

AS AT 31st March, 2020

| PARTICULARS                                      | 31 <sup>st</sup> Mar 2020 | 30 <sup>th</sup> Jun. 2019 |
|--|---------------------------|----------------------------|
| <b>NET ASSETS:</b>                               |                           |                            |
| <b>Non-Current Assets</b>                        | <b>82,600,841</b>         | <b>82,222,424</b>          |
| Tangible Fixed Assets                            | 79,760,194                | 80,080,416                 |
| Intangible Asset                                 | 2,738,647                 | 2,040,008                  |
| Investment (at cost)                             | 102,000                   | 102,000                    |
| Deferred Expenditure                             | -                         | -                          |
| <b>Current Assets</b>                            | <b>132,523,992</b>        | <b>131,145,606</b>         |
| Accounts Receivable                              | 106,312,623               | 102,972,598                |
| Accrued Loan Interest                            | 874,568                   | 983,508                    |
| Loans, Advances and Deposits                     | 24,381,760                | 24,376,760                 |
| Cash and Cash Equivalents                        | 955,041                   | 2,812,740                  |
| <b>Total Assets:</b>                             | <b>215,124,833</b>        | <b>213,368,031</b>         |
| <b>FINANCED BY:</b>                              |                           |                            |
| <b>Shareholders Equity</b>                       | <b>142,865,329</b>        | <b>141,569,684</b>         |
| Share Capital                                    | 109,200,035               | 109,200,035                |
| Retained Earnings-As per Profit and Loss Account | 7,639,151                 | 1,673,647                  |
| General Reserve                                  | -                         | 2,000,000                  |
| Dividend Equalization Fund                       | -                         | 1,000,000                  |
| Inflation & Currency Fluctuation Fund            | -                         | 1,000,000                  |
| Revaluation Surplus                              | 26,026,140                | 26,696,002                 |
| <b>Non-Current Liabilities.</b>                  | <b>16,643,804</b>         | <b>16,910,340</b>          |
| Long Term Loan                                   | 16,301,820                | 16,427,746                 |
| Deferred Tax Liabilities                         | 341,984                   | 482,594                    |
| <b>Current Liabilities &amp; Provisions</b>      | <b>55,615,701</b>         | <b>54,888,007</b>          |
| Accrued Expenses                                 | 5,433,875                 | 3,933,875                  |
| Long Term Loan Current Portion                   | 6,940,300                 | 7,321,131                  |
| Liabilities for other Finance                    | 2,793,492                 | 2,697,820                  |
| Short Term Loan                                  | 38,863,439                | 38,783,239                 |
| Provision for Income Tax                         | 1,584,595                 | 2,151,942                  |
| <b>Total Liabilities</b>                         | <b>72,259,505</b>         | <b>71,798,347</b>          |
| <b>Total Equity &amp; Liabilities:</b>           | <b>215,124,833</b>        | <b>213,368,031</b>         |

## CASH FLOW STATEMENT (UNAUDITED)

FOR THE 3<sup>RD</sup> QUARTER ENDED 31<sup>ST</sup> MARCH, 2019-2020

| PARTICULARS                                      | Amount (in Tk.)       |                       |
|--|-----------------------|-----------------------|
|  | Jul. - Mar. 2019-2020 | Jul. - Mar. 2018-2019 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>      |                       |                       |
| Collection from Turnover and other Income        | 68,058,022            | 68,434,793            |
| Payment for Cost and Expenses                    | (51,426,866)          | (51,829,981)          |
| Interest paid                                    | (4,953,443)           | (4,514,665)           |
| Tax Paid   | -                     | (600,000)             |
| <b>Total Cash Flow from Operating Activities</b> | <b>11,677,713</b>     | <b>11,490,147</b>     |
| <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>      |                       |                       |
| Acquisition of Fixed Assets                      | (7,479,977)           | (7,316,796)           |
| Addition of Intangible Assets                    | (2,374,178)           | -                     |
| Interest Received from FDR                       | 228,940               | -                     |
| Vehicle Sales                                    | -                     | 789,170               |
| <b>Total Cash Flow from Investing Activities</b> | <b>(9,625,215)</b>    | <b>(6,527,626)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>      |                       |                       |
| Dividend Paid                                    | (2,148,328)           | (728,621)             |
| Term Loan  | (426,557)             | (3,950,077)           |
| Security money internet                          | -                     | 107,925               |
| Tax Payment                                      | (1,270,312)           | -                     |
| Advance & Deposits                               | (65,000)              | (539,856)             |
| <b>Total Cash Flow from Financing Activities</b> | <b>(3,910,197)</b>    | <b>(5,110,629)</b>    |
| Net Cash Inflow/ (Outflows) for the year (A+B+C) | (1,857,699)           | (148,108)             |
| Opening Cash and Bank Balance                    | 2,812,740             | 3,981,689             |
| <b>Closing Cash and Bank Balance Total Tk.</b>   | <b>955,041</b>        | <b>3,833,581</b>      |

## STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE 3<sup>RD</sup> QUARTER ENDED 31<sup>ST</sup> MARCH, 2020

| PARTICULARS                           | At 31 <sup>st</sup> Mar. 2020 | At 31 <sup>st</sup> Mar. 2019 |
|---------------------------------------|-------------------------------|-------------------------------|
| Share Capital                         | 109,200,035                   | 109,200,035                   |
| General Reserve                       | -                             | 2,000,000                     |
| Revaluation Surplus                   | 26,026,140                    | 26,940,515                    |
| Dividend Equalization Fund            | -                             | 1,000,000                     |
| Inflation & Currency Fluctuation Fund | -                             | 1,000,000                     |
| Retained Earnings                     | 7,639,154                     | 101,176                       |
| <b>Shareholders' Equity</b>           | <b>142,865,329</b>            | <b>140,241,726</b>            |

## PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE 3<sup>RD</sup> QUARTER ENDED 31<sup>ST</sup> MARCH, 2019-2020

| PARTICULARS                                  | July-March-2020            |                |                   |                     | January-March (3 <sup>rd</sup> quarter) |                   |
|--|----------------------------|----------------|-------------------|---------------------|---|-------------------|
|  | (Financial Year 2019-2020) |                |                   | July-Mar. 2018-2019 | 2019-2020                               | 2018-2019         |
|  | Unit-1 ISP                 | Unit-2 IPTSP   | Total             |                     |   |                   |
| Operating Revenue                            | 65,230,994                 | 1,284,271      | 66,515,265        | 64,283,191          | 21,514,539                              | 21,675,904        |
| Operating Expenses                           | (31,675,319)               | (573,081)      | (32,248,400)      | (34,592,608)        | (10,938,059)                            | (11,569,589)      |
| <b>Gross Profit</b>                          | <b>33,555,675</b>          | <b>711,191</b> | <b>34,266,865</b> | <b>29,690,583</b>   | <b>10,576,480</b>                       | <b>10,106,315</b> |
| Other Income                                 | 4,882,782                  | -              | 4,882,782         | 4,401,007           | 2,741,306                               | 1,110,348         |
|  | <b>38,438,457</b>          | <b>711,191</b> | <b>39,149,647</b> | <b>34,091,590</b>   | <b>13,317,786</b>                       | <b>11,216,663</b> |
| Other Expenses                               | (35,107,709)               | -              | (35,107,649)      | (29,986,754)        | (12,165,227)                            | (9,346,917)       |
| Administrative Expenses                      | (30,154,266)               | -              | (30,154,206)      | (25,239,370)        | (10,445,533)                            | (8,395,442)       |
| Financial Expenses                           | (4,953,443)                | -              | (4,953,443)       | (4,514,665)         | (1,719,694)                             | (951,475)         |
| Amortization of Deferred Expenditure         | -                          | -              | -                 | (232,719)           | -                                       | -                 |
| <b>Net Profit/(Loss) before Tax</b>          | <b>3,330,748</b>           | <b>711,191</b> | <b>4,041,998</b>  | <b>4,104,836</b>    | <b>1,152,559</b>                        | <b>1,869,746</b>  |
| Deferred Tax Expenses/Income                 | 140,610                    | -              | 140,610           | (187,500)           | 46,870                                  | (149,700)         |
| Provision for Income Tax                     | (702,965)                  | -              | (702,965)         | (840,500)           | (218,499)                               | (682,048)         |
| <b>Net Profit/(Loss) after Tax</b>           | <b>-</b>                   | <b>-</b>       | <b>3,479,643</b>  | <b>3,076,836</b>    | <b>980,930</b>                          | <b>1,037,998</b>  |
| Profit / (Loss) Brought Forward              | -                          | -              | -                 | (3,709,199)         | -                                       | (3,709,199)       |
| Balance Transferred to Balance Sheet         | -                          | -              | 3,479,643         | (632,363)           | 980,930                                 | (2,671,201)       |
| <b>Earning Per Share (per value Tk.10/-)</b> |                            |                | <b>0.32</b>       | <b>0.28</b>         | <b>0.09</b>                             | <b>0.09</b>       |

Abul Kalam Azad  
Head of Finance

Fakhrul Islam Bhuiyan  
Asst. Company Secretary



Al-Amin  
Independent Director

Prof. Dr. Mostafa Akbar  
Independent Director

## 1. Reporting Entity

Information Services Network Limited was incorporated in Bangladesh on August 16, 1995 as a Public Limited Company under the Companies Act, 1994. The shares of this Company are listed in the stock exchange of Dhaka and Chittagong. The main objective of the Company inter alia is to carry on all its offices in and outside of Bangladesh for providing connectivity with the World's Information super highway and disseminate knowledge and information in electronic form and to develop, deliver and maintain computer based system. It has gone into commercial operation from 6th August, 1996.

## 2. Basis of Preparation of Financial Statements

These interim Financial statements should be read in conjunction with the Financial Statements for the year ended June 30, 2019 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information. The accounting policies used are consistent with those used in the Annual Financial Statements. The Financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, the comparatives have been reclassified or extended to take into account any presentational changes made in the Annual Financial Statements. The preparation of the Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

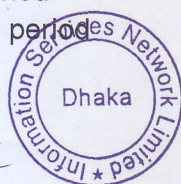
### 3.00 Fixed assets

The above amount is made up as follows

|                                     | 31.03.2020         | 30.06.2019         |
|-------------------------------------|--------------------|--------------------|
| Opening Balance at Cost             | 213,881,068        | 207,095,039        |
| Add : Re-valuation surplus          | -                  | -                  |
| Add : Addition during the period    | 7,479,977          | 10,303,359         |
| Less : Adjustment during the period |                    | (3,517,330)        |
| <b>Closing Balance at cost</b>      | <b>221,361,045</b> | <b>213,881,068</b> |
| Less: Accumulated depreciation      | 141,600,851        | 133,800,652        |
| <b>Written down value</b>           | <b>79,760,194</b>  | <b>80,080,416</b>  |

### 4.00 Intangible Assets :

|                                    | 31.03.2020       | 30.06.2019       |
|------------------------------------|------------------|------------------|
| Opening Balance                    | 2,040,008        | 2,173,070        |
| Add : Addition during the period   | 2,374,178        | 920,207          |
| Less : Amortized During the period | (1,675,539)      | (1,053,269)      |
|                                    | <b>2,738,647</b> | <b>2,040,008</b> |



**5.00 Investment (at cost) :**

The above amount is made up as follows

Investment in subsidiary  
Investment in shares

| 31.03.2020     | 30.06.2019     |
|----------------|----------------|
| 102,000        | 102,000        |
| -              | -              |
| <b>102,000</b> | <b>102,000</b> |

**6.00 Accounts receivable:**

This is arrived at as under :

Opening Balance  
Add: Addition during the period

Less : Bad & Doubtful Debt  
**Closing Balance**

| 31.03.2020         | 30.06.2019         |
|--------------------|--------------------|
| 102,972,598        | 101,591,576        |
| 3,340,025          | 1,741,022          |
| <b>106,312,623</b> | <b>103,332,598</b> |
| -                  | (360,000)          |
| <b>106,312,623</b> | <b>102,972,598</b> |

**7.00 Accrued Interest :**

Interest Receivable from GKISN  
interest Receivable On FDR  
Received During the Year

| 31.03.2020     | 30.06.2019     |
|----------------|----------------|
| 809,544        | 809,544        |
| 293,964        | 173,964        |
| (228,940)      | -              |
| <b>874,568</b> | <b>983,508</b> |

**8.00 Advances, deposits and prepayments:**

This is made up as follows :

Loan to subsidiary company (GKISN)  
Loan to Mr. mujibul huq  
Other Advance and Prepayments  
Other Receivables

| 31.03.2020        | 30.06.2019        |
|-------------------|-------------------|
| 1,635,343         | 1,635,343         |
| 2,500,000         | 2,500,000         |
| 8,031,417         | 8,026,417         |
| 12,215,000        | 12,215,000        |
| <b>24,381,760</b> | <b>24,376,760</b> |

**9.00 Accrued expenses:**

This is made up as under:

Opening Balance  
Add: Addition during the period

Less : Paid/adjustment during the period  
Closing Balance

| 31.03.2020       | 30.06.2019       |
|------------------|------------------|
| 3,933,875        | 3,537,259        |
| 1,500,000        | 396,616          |
| <b>5,433,875</b> | <b>3,933,875</b> |
| -                | -                |
| <b>5,433,875</b> | <b>3,933,875</b> |

**10.00 Liability for other finance:**

The above amount is made up as follows:

Security money (Internet)  
Dividend Payable  
Liabilities for Purchase of Vehicle



| 31.03.2020       | 30.06.2019       |
|------------------|------------------|
| 128,592          | 68,592           |
| 2,095,576        | 2,059,904        |
| 569,324          | 569,324          |
| <b>2,793,492</b> | <b>2,697,820</b> |

*(Handwritten signatures and initials)*

### 11.00 Short Term Loan :

The above amount is made up as follows:

|                                  | 31.03.2020        | 30.06.2019        |
|----------------------------------|-------------------|-------------------|
| CC(Hypo.) - FBL                  | 21,534,330        | 21,454,130        |
| Loan from Others parties         | 8,750,000         | 8,750,000         |
| Loan from Managing Director      | 4,579,109         | 4,579,109         |
| HRC Shipping                     | 2,500,000         | 2,500,000         |
| Loan from Directors (GP Project) | 1,500,000         | 1,500,000         |
|                                  | <b>38,863,439</b> | <b>38,783,239</b> |

### 12.00 Operating revenue:

This is made up as following

|                              | Amount (Tk.)      | 31.03.2019        |
|------------------------------|-------------------|-------------------|
| Internet bill (D/U)          | 146,965           | 155,280           |
| Internet bill (DSL/UUCP A/C) | 42,785,316        | 38,169,858        |
| Data Service bill            | 2,285,182         | 2,768,784         |
| Hardware sale                | -                 | -                 |
| IP Phone Bill                | 1,284,271         | 728,862           |
|                              | <b>46,501,734</b> | <b>41,822,784</b> |
| Less : VAT                   | 2,454,776         | (2,083,023)       |
| <b>Net sales after VAT</b>   | <b>44,046,958</b> | <b>39,739,761</b> |
| Sales of software            | 4,193,807         | 23,384,792        |
| Networking and IT solutions  | 18,274,500        | 1,158,638         |
| <b>Total</b>                 | <b>66,515,265</b> | <b>64,283,191</b> |

### 13.00 Operating expenses:

This consists of as follows :

|                        | Amount (Tk.)      | 31.03.2019        |
|------------------------|-------------------|-------------------|
| Bandwidth charge       | 8,877,635         | 9,561,597         |
| Data Connectivity Exp. | 7,776,527         | 7,764,754         |
| Telephone line rental  | 16,837            | 3,050             |
| Call carrying charge   | 573,080           | 456,546           |
| Salary & Allowance     | 9,269,196         | 10,088,282        |
| Data Service Bill      | -                 | 966,710           |
| VPN Charge             | -                 | 176,850           |
| Depreciation           | 5,735,125         | 5,574,819         |
|                        | <b>32,248,400</b> | <b>34,592,608</b> |

### 14.00 Adjustment

An Adjustment has been made on Retain Earnings of its portion which had to be reserved separately on the Owners Equity Statement.



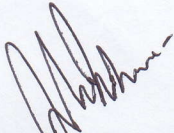
**15.00 Other income:**

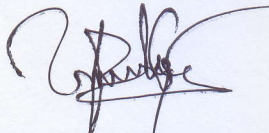
This consists of as follows :

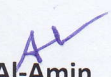
|                               | Amount (Tk.)     | 31.03.2019       |
|-------------------------------|------------------|------------------|
| Connectivity                  | 267,287          | 512,115          |
| Web Hosting & Development     | 629,782          | 755,739          |
| SMS Service                   | 256,000          | -                |
| Re-installation & Servicing   | 656,482          | -                |
| Domain Registration           | 242,807          | 269,553          |
| Miscellaneous                 | -                | 44,571           |
| Email Forward                 | 1,297,736        | 1,286,670        |
| Hardware sale                 | 894,292          | 901,318          |
| Revenue from office rent      | 296,000          | 308,416          |
| Spamwall Income               | 31,500           | 31,500           |
| VPN Charge                    | 178,396          | 186,795          |
| IP Service Bill               | 12,500           | 3,500            |
| Interest received from FDR    | 120,000          | -                |
| Gain from disposal of Vehicle | -                | 100,830          |
|                               | <b>4,882,782</b> | <b>4,401,007</b> |

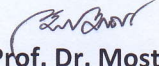
| SL   | Particulars                                | 31.03.2020 | 31.03.2019 |
|------|--|------------|------------|
| 1.00 | Earnings Per Share (EPS)                   | 0.32       | 0.28       |
| 2.00 | Net Operating Cash Flow Per Share (NOCFPS) | 0.95       | 1.05       |
| SL   | Particulars                                | 31.03.2020 | 30.06.2019 |
| 1.00 | Net Assets Value Per Share (NAVPS)         | 13.08      | 12.96      |



  
Abul Kalam Azad  
Head of Finance

  
Fakhru Islam Bhuiyan  
Asst. Company Secretary

  
Al-Amin  
Independent Director

  
Prof. Dr. Mostafa Akbar  
Independent Director

