

# **Information Services Network Limited**

## **Directors' Report**

**To the shareholders for the period of 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024**

### **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 29<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 2023 to 30<sup>th</sup> June 2024 with the Auditors Report for your kind consideration.

### **BOARD**

The number of members in the Board of Directors of the Company is six members.

### **INDEPENDENT DIRECTORS:**

In accordance with the BSEC's Corporate Governance Guidelines, Independent Directors actively contribute to safeguarding the company's interests. Their tenure, as mandated, spans three years, extendable for an additional term.

### **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 has initiated a strategic drive to cater to corporate clients, including banks, insurance companies, and government organizations. Workforce adjustments made in the last fiscal year reflect a strategic focus on expanding the company's reach and investing in network reliability.

## 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, **2023-2024, 2022-2023 and 2021-22** is as follows:

Particulars	2023-2024	2022-2023	2021-2022
Number of Employees	114	120	128

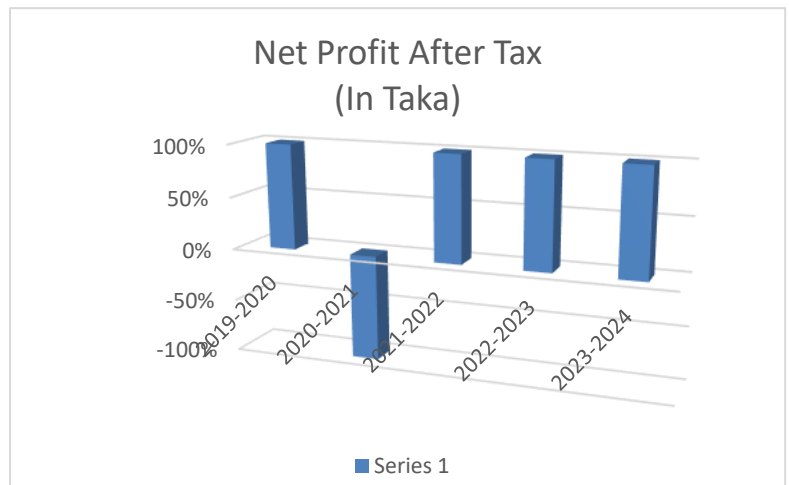
## FINANCE & ACCOUNTS

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. Our latest Financial Statements and all other price sensitive information are available in our website: <https://bangla.net/Audited-Financial-Statements>

## COMPANY'S PERFORMANCE

The company **NET PROFIT AFTER TAX** amounting Taka 1,342,255 for the period of 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024.

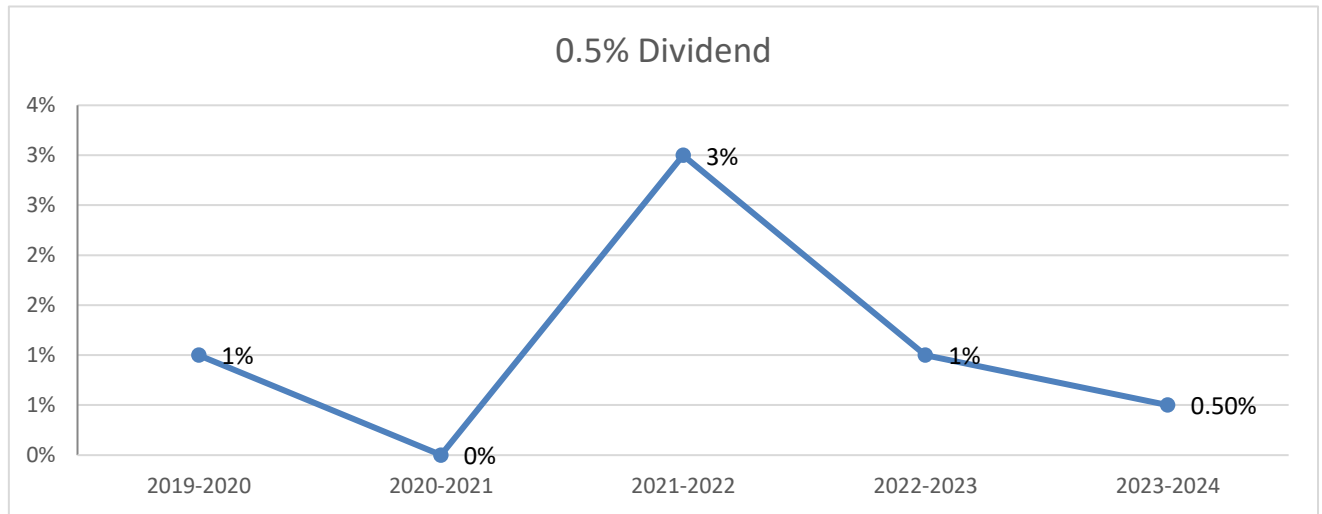
Financial Year	Net Profit After Tax (in Taka)
2019-2020	1,969,449
2020-2021	(95,888,825)
2021-2022	6,425,148
2022-2023	4,686,961
2023-2024	1,342,255



## DECLARATION OF DIVIDEND

As the company incurred a net profit after tax of TK. 1,342,255 and Retained Earnings is TK. (96,510,087.00) the Board of Directors recommended 0.5% Cash Dividend for the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024.

Year wise dividend declaration pattern from year 2019-20 to 2023-24 is provided here:



## UNCLAIMED DIVIDEND:

Unclaimed dividend Amount: Tk. 17, 83,159/-

## Industry outlook and possible future developments in the industry

The broadband internet connectivity market in Bangladesh is poised for significant growth due to increased demand for reliable internet services driven by digitalization, remote work, and government initiatives.

The broadband market has been growing steadily, with revenues and subscriber numbers projected to rise significantly. Growth is fueled by the increasing availability of fiber-optic infrastructure, wireless connections, and satellite-based services

Investment in fiber-optic networks and submarine cables is enhancing connectivity. The expansion of Fiber-to-the-Home (FTTH) services is also a priority, with 20 million premises targeted for upgrades.

The government is actively supporting digital transformation initiatives under the "Digital Bangladesh" vision, fostering greater access to high-speed internet and encouraging private sector participation.

Despite the progress, the sector faces challenges like uneven internet penetration in rural areas, high equipment costs, and regulatory complexities.

**Nationwide Fiber Coverage:** Greater investment in fiber optic infrastructure to connect rural areas and improve connectivity quality.

**High-speed Internet Access:** Enhanced internet speeds to support data-intensive applications like video streaming, gaming, and cloud computing.

**Subsidized Internet Plans:** Government and private sector initiatives to make broadband affordable for low-income households.

**Rural Broadband Penetration:** Targeted initiatives to bridge the digital divide and provide reliable internet access in remote areas.

**Support for Education and Healthcare:** Broadband to power e-learning platforms and telemedicine in underserved regions.

**Internet as a basic Right:** Recognition of broadband as an essential utility, leading to government-backed universal access initiatives.

**Legal and Regulatory Support:** Policies to ensure fair pricing, competition, and consumer rights.

**Secure Broadband Networks:** Investment in cyber security to protect users from threats as internet penetration grows.

**Data Protection Laws:** Introduction of regulations to safeguard user data.

**Corporate Solutions:** Tailored broadband packages for SMEs and large enterprises to support digital transformation.

**Work from Home:** Continued demand for high-speed internet due to hybrid work models.

**More Submarine Cables:** Increased undersea cable connections to enhance international bandwidth and reduce latency.

**Regional Connectivity:** Bangladesh could become a regional hub for internet traffic in South Asia.

These developments depend on supportive government policies, investments in infrastructure, and collaboration among stakeholders to ensure sustainable growth in broadband connectivity.

## **Organization 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 Tracts.
- 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 Ashulia - 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.

## **Office Environment & Employees**

The management of ISN Ltd believes that a good office environment & provide employee benefits as per needed is an important thing for any organization. In this purpose Information Services Network Limited always try to give their best for the employees.

- Avoid and discourage discrimination and provide equal opportunity and respect diversity.
- Ensure frequent interaction between employees and senior Management for constructive development in systems & procedure.
- Support employee efforts to achieve a healthy work-life balance.
- Organizing Training & Seminar for employee development
- Ensuring best HR practices
- An empowering Management style that develops employee and encourages performance.

## **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. ISN continues to offer a diverse range of products and services, encompassing Broadband Internet, Software, Virtual Private Network (VPN) Services, Web Solutions, Networking Services, Data Services, Server Co-location, and IP Telephony.

In conclusion, we express our gratitude for your trust and support. The future holds promising opportunities as we diligently work towards fortifying ISN's position in the market, delivering heightened value to our esteemed shareholders.

### **Quality Policy and Control:**

Ensuring and enhancing service quality is a paramount concern for ISN LTD and its Board of Directors. Stringent control measures, adherence to standardized qualities, utilization of modern equipment, and the recruitment of competent and dedicated personnel collectively contribute to maintaining high-quality services and products.

### **Future Orientation**

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, by 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 to reach out to new customers in new geographical locations, including at the district level, to expand the business while maintaining the true objective of retail client expansion.

.The board also expects the government to place more emphasis on sharing infrastructure across the country for much lower costs and we will aim to transform ISN Limited into a service provider for enterprise and individual clients, delivering edge-to-edge services by connecting individuals nationwide.

### **Directors' responsibilities of preparation of Financial Statements**

The Directors are of the view that the Annual Report and Company's financial statements have been prepared in accordance with applicable laws and regulations and as per requirement of regulatory authorities.

### **Declaration of Financial Statements prepared**

Management of the company prepared and checks The Financial Statements. The statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

### **SEGMENT WISE PERFORMANCE:**

ISN Ltd is a nationwide internet service provider company and besides also provides software and IT Solution. The company's revenue has mainly five segments; Internet Bandwidth, Data Connectivity, Hardware Sale and Software Solution.

The breakup of consolidated sales figure/Operating Revenue, Gross Profit and the Net Profit is as described here.

<b>Year</b>	<b>Operating Revenue</b>	<b>Other Income</b>	<b>Gross Profit</b>	<b>Net Profit</b>
2023-24	120,698,923	1,194,647	54,066,422	1,342,255
2022-23	111,905,429	4,898,995	55,751,064	4,686,961

## **RISKS AND CONCERNS**

The inherent risks associated with the business, such as industry, liquidity, market, operational, interest rate, and policy-related risks, are recognized by ISN Limited. Despite the flourishing IT sector in Bangladesh, the company acknowledges the need for robust risk management policies. Periodic monitoring mechanisms have been instituted to mitigate the diverse risks that the business encounters in its day-to-day operations and strategic initiatives.

## **RISKS AND CONCERNS ISSUES RELATED TO THE FINANCIAL STATEMENTS**

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:** Managed through a controlled credit policy, nearly all receivables as of 30 June 2023 are related to services with insignificant credit risk.

**Liquidity Risk:** Vigilant management ensures the company can meet its financial obligations as they arise, eliminating liquidity risk concerns.

**Market Risk:** Management is proactively addressing potential market changes, such as technological shifts or unhealthy competition, to safeguard the company's earnings.

**ISN Limited** maintains a forward-looking approach to financial risk management to sustain its financial stability in the dynamic business environment.

## **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 2024 (July 2023 to June 2024) is Tk. 66.63 million against Tk. 56.15 million for the same period of last financial year. Gross Profit for the period ended 30<sup>th</sup> June 2024 is Tk. 54.06 million against Tk. 55.75 million for the same period of last financial year. Net Profit after tax for the period ended 30<sup>th</sup> June 2024 is Tk. 1.34 million against Tk. 4.69 million for the same period of last financial year.

### **Disclosure on Discussion on COGS, GPM, NPM:**

The Board meticulously discussed the Cost of Goods Sold/Operating Expense, Gross Profit Margin, and Net Profit Margin to ensure a comprehensive understanding of the financial dynamics. The in-depth analysis contributes to inform decision-making and strategic planning.

**Disclosure Regarding Extraordinary Gain or Loss:**

The fiscal year 2023-24 witnessed no extraordinary gains or losses, indicating stability and consistency in the company's financial performance.

**Disclosure Regarding Related Party Transactions:**

In adherence to IAS 24, the Board thoroughly examined related party transactions within the ordinary course of business. No significant related party transactions were identified during this period. A detailed statement on related party transactions has been duly disclosed under Schedule XI in the notes to the financial statements.

**Explanation/Disclosure Regarding Utilization of Proceeds from Public Issues, Rights Issues, and/or Any Other Instruments:**

ISN LTD did not engage in any public offerings, rights issues, or similar financial instruments to raise funds after its initial public offering (IPO) in 2002. Therefore, there is no requirement for an explanation in this context.

**Disclosure Regarding Variance between Quarterly Financial Performance and Annual Financial Statements:**

While some variances occurred in financial results on a quarterly basis, there is no significant variance between in 1st quarter and in the 2nd quarter. Other hand 3rd quarter and year ended statement showing negative impact compare to the Q1 and Q2. Those changes occurred because of increasing of some expenditure. And also due to the decrease of the Internet Bandwidth price the company has to offer more bandwidth with the same price. The cost of carrying bandwidth through NTTN connectivity contributes to the increased expenditure.

**Disclosure on Remuneration of the Directors:**

Directors, including Independent Directors, are remunerated solely through Meeting Attendance Fees. For the fiscal year 2023-24, a total amount of Tk. 88, 896 was disbursed, consistent with the preceding fiscal year. The detailed breakdown is provided under Schedule XI in the notes to the financial statements.

**Disclosure on Financial Statement and Proper Books of Account:**

ISN LTD has diligently maintained proper books of accounts as required by law including the companies act 1994. The financial statements, including the statement of financial position and statement of profit or loss and other comprehensive income, align accurately with the books of accounts and returns.

**Disclosure on Appropriate Accounting Policies:**

The Board consistently applied appropriate accounting policies in the preparation of financial statements. Detailed notes on these accounting policies are provided under Policy Note no. 01 to 03.22 in the notes to the financial statements.

**Disclosure on IASs or IFRSs:**

The company followed applicable IASs and IFRSs issued by the International Accounting Standard Board (IASB) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). No departure was observed with IASS or IFRS. A comprehensive note on the adoption of these standards is provided in note no. 02.10 in policy notes.



**Disclosure on Internal Control System:**

The Board affirms its ultimate responsibility for establishing effective internal control systems. A robust internal audit department has been in place since the company's inception, ensuring sound internal controls for risk management, financial control, and legislative compliance.

**Protection of Non-Controlling Shareholders:**

The Board provides assurance that non-controlling shareholders are safeguarded from any abusive actions by, or in the interest of, controlling shareholders. Effective means of redress are available to ensure fair treatment.

**Company's Ability to Continue as Going Concern:**

The Directors confidently state that there are no significant doubts about the company's ability to continue as a going concern. The 'Going Concern' description is detailed in policy note No. 2.08 of the notes to the financial statements.

**Explanation of Significant Deviation from the Operating Results of Last Year:**

Earnings per share (EPS) decreased compared to the previous year, due to increasing of some expenditure and the decrease of the Internet Bandwidth price the company has to offer more bandwidth with the same price. The cost of carrying bandwidth through NTTN connectivity contributes to the increased expenditure.

**COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE AND POSITION AS WELL AS CASH FLOWS WITH IMMEDIATE PRECEDING FIVE YEARS (2019-20 to 2023-24):**

Particulars	2023-2024 (July-June)	2022-2023 (July-June)	2021-2022 (July-June)	2020-2021 (July-June)	2019-2020 (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.)	32,360,817	32,005,166	34,074,346	26,990,001	141,355,133
Total Assets (Tk.)	130,587,178	123,244,882	119,035,802	115,595,371	212,181,050
Total Liabilities (Tk.)	98,226,361	91,239,716	84,961,456	88,605,370	70,825,918
Reserve & Surplus (Tk.)	19,670,875	20,322,277	21,104,580	21,283,941	25,766,853
Net Sales	120,698,923	111,905,429	109,030,292	103,796,791	90,565,283
Profit Before Tax (Tk.)	4,488,260	7,385,545	6,316,491	(90,642,54)	2,286,816
Net Profit After Tax (Tk.)	1,342,255	4,686,961	6,425,148	(95,888,82)	1,969,448
Book Value Per Share	10.00	10.00	10.00	10.00	10.00
Cash flow from operating activities	16,054,889	16,904,765	17,385,113	18,772,429	18,826,164
Cash & Cash equivalent at the end of the year	6,070,408	1,610,805	1,557,177	1,254,973	953,310

<b>% of Dividend</b>	<b>0.5% Cash</b>	<b>1% Cash</b>	<b>3% Cash</b>	<b>-</b>	<b>1% Cash</b>
<b>Current Ratio</b>	<b>1: 1.64</b>	<b>1: 1.26</b>	<b>1:52</b>	<b>1:46</b>	<b>1:2.34</b>
<b>Operating Ratio</b>	<b>100: 55.10</b>	<b>1: 50.19</b>	<b>100:50.28</b>	<b>100:50.37</b>	<b>100:47.30</b>
<b>EPS</b>	<b>TK. 0.12</b>	<b>Tk. 0.43</b>	<b>Tk. 0.59</b>	<b>Tk. (8.45)</b>	<b>Tk. 0.18</b>
<b>NOCPS</b>	<b>TK. 1.47</b>	<b>Tk. 1.55</b>	<b>Tk. 1.59</b>	<b>Tk. 1.72</b>	<b>Tk. 1.72</b>
<b>NAVPS</b>	<b>TK. 2.96</b>	<b>Tk. 2.93</b>	<b>Tk. 3.12</b>	<b>Tk. 2.47</b>	<b>Tk. 12.94</b>

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:

<b>Particulars</b>	<b>COMPARISON WITH PEER INDUSTRY SCENARIO</b>				
	<b>ISN LTD</b>	<b>AAMRA TECH</b>	<b>AGNISYSL (9 Months)</b>	<b>ADNTEL (9 Months)</b>	<b>BDCOM (9 Months)</b>
Revenue (BDT in Millions)	120.70	636.56	510.09	1025.94	573.90
Gross Profit (BDT in Millions)	54.07	127.22	165.62	418.23	309.53
Net Profit Before Tax (BDT in Millions)	4.23	(7.30)	73.26	146.40	72.87
Net Profit After Tax (BDT in Millions)	13.42	(7.90)	64.96	115.55	36.25
Total Current Assets (BDT in Millions)	51.15	1988.55	768.09	1706.02	771.76
Total Assets (BDT in Millions)	130.59	2772.30	1394.78	3222.75	1249.14
Total Equity (BDT in Millions)	32.36	1406.22	1187.79	1994.60	896.02
Total Current Liabilities (BDT in Millions)	98.23	1000.51	167.62	917.42	318.96
Net Asset Value per share BDT (NAV)	2.96	21.73	16.37	30.85	15.70
EPS (BDT)	0.12	(0.12)	0.90	1.79	0.64
NOCFPS (BDT)	1.47	4.21	1.15	1.82	1.08

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

#### Explanations on Modified Audit Report:

The Auditor has identified three findings in the qualified opinion. Below are the responses from the Board based on the Auditor's opinions:

**Modified Opinion No. 01:** The Sponsors/Directors hold 21.62% of the company's shares, falling short of the required 30% holding as per BSEC notification no. BSEC/CMRRCD/2009-193/217/Admin/90.

**Management Response:** The Company is actively working towards fulfilling this condition and has engaged in discussions with the Bangladesh Securities & Exchange

Commission (BSEC) to meet the requirement of jointly holding a minimum of 30% shareholding by the Sponsors & Directors.

**Modified Opinion No. 02:** As referred note no. 8.00 “Advance, deposits and Prepayments” of the financial statements amount Tk. 2,500,000 and Tk. 12,215,000 respectively shown under two sub head mainly Loan to Mr. Mujibur Huq & Other Receivable (Mrs. Zakia Huq) the figure has been carrying forward for a long period without making any adjustment. The Company filed cases against them, bearing CR Case No. 18 of 2019 and CR 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 collection with the matter.

**Management Response:** As said Legal cases have been initiated against Mr. Mujibur Huq and Mrs. Zakia Huq, with case numbers C.R Case No. 18 of 2019 & C.R Case No. 19 of 2019. The company is diligently pursuing these cases, and hearings is ongoing.

**Modified Opinion No. 03:** As referred note no. 19. 00 “Unclaimed Dividend” shown amount Tk. 1,783,153 in the statement of financial position where unclaimed dividend was not settled more than 3 years which have to transfer to Capital Market Stabilization Fund (CMSF) as per ‘BSEC’ Directive No. BSEC/CMRRCD/2021-386/03 dated: January 14, 2021.

The management is optimistic that we will be able to take effective measures to disburse unclaimed dividends.

**Declaration of Dividend:** The Board of Directors recommends a 0.5% Cash Dividend for the period of 1st July 2023 to 30th June 2024.

**Disclosure Regarding Bonus or Stock Dividend:** No bonus shares or stock dividends were declared during the fiscal year 2023-24, and the company has not declared any in the past decade as interim dividend.

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

<b>SL</b>	<b>Name of the Directors</b>	<b>Position</b>	<b>No. of meetings held</b>	<b>Number of meetings attended</b>	<b>Attendance in the last AGM</b>
1	Mr. Sayeed Hossain Chowdhury	Chairman & Sponsor	4	4	Yes
2	Ms. Shirin Huq	Vice-Chairman & Sponsor	4	3	Yes

3	Mr. Suman Celine Huq	Shareholder Director	4	Nil	Yes
4	Mr. Sajedur Seraj	Shareholder Director	4	1	Yes
5	Mr. Al - Amin	Independent Director	4	4	Yes
6	Mr. Md. Jahangir Alam	Managing Director (Acting)	4	4	Yes

**Subsidiary Operations:** ISN has no subsidiary company.

#### REPORT ON THE PATTERN OF SHAREHOLDING AS ON 30.06.2024

Name of the Shareholder	Position/Designation	No. of Shares
<b>1. Parent/Subsidiary/Associate companies and other related parties:</b>	-	NIL
<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
Mr. Al - Amin	Independent Director	NIL
<b>2 (b). MD, CS, CFO, HIAC:</b>		
Mr. Md. Jahangir Alam	Managing Director (Acting)	
Mr. Md. Shariya Khan	Company Secretary (CC)	NIL
Mr. Abul Kalam Azad	AGM & 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. Abul Kalam Azad (Shuvo)	AGM & Head of Accounts & Finance	
Mr. Mangurul Islam	AGM, Network Operation	
Mr. Emtiajul Huq	AGM, Support & Business Development	
<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:**

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

#### **BRIEF PROFILE:**

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

Mr. Sayeed Hossain Chowdhury completed his higher education in London – UK. He is the founder of “HRC Group”. 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 ‘Jai Jai 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.

##### **2. 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.

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

He holds a bachelor degree (Honors) from University of Manchester and HND in business and finance from Westminster University. 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 was 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 is the Vice Chairman of Thyrocare Bangladesh Limited and Managing Director of Imam Network Limited (ICX).

#### **4. Mr. Suman Celine Huq (Sponsor Director)**

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).

#### **5. Mr. Al – Amin (Independent Director)**

He graduated with an MBA from the Department of Accounting & Information Systems, University of Dhaka. 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.

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

Mr. Alam obtained with his Master's in Business Administration in 2007 from the University of South Asia. He has more than 26 years of experience in business development & operation of ISP Sector. He is the Chairman of Genuine Homes Limited (A Building Construction and Developer Company).

**Disclosure Regarding Changes in Accounting Policies and Estimation:** During the year 2023-24, there were no changes in accounting policies and estimation for financial statements.

**Disclosure of Management's Discussion and Analysis:** The Management discussed and analyzed the company's position, operations, and changes in the financial statements.

**Financial and Economic Scenario of the Country and the Globe:** Despite the unstable global economy due to Russia-Ukraine war & high inflation in the Bangladesh, and fluctuating IT market, ISN Limited has maintained a comparatively positive financial position. The company has successfully retained its market reputation and remains focused on making technology accessible to every part of the country.

**Declaration or Certification by the CEO and CFO to the Board:** Details of the declaration by the Chairman/CEO and Finance Controller/Head of Finance are

appended separately in Annexure-A. The report and certificate regarding compliance with conditions are in Annexure-B and Annexure-C.

#### **DIRECTORS INTEREST IN OTHER COMPANIES:**

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

**Maintaining a Website:** ISN Limited maintains an official website ([www.bangla.net](http://www.bangla.net)) with a dedicated section for investors. It provides comprehensive information, including details about the Board of Directors, share information, PSI, investor relations, compliance status, and financial statements.

**Consolidation of Accounts:** As there is no subsidiary company, no consolidation is applicable for preparing financial statements.

**Corporate Social Responsibility:** The Directors are committed to discharging corporate responsibilities to society. ISN Limited always try to sponsors various welfare activities and patronizes cultural activities in the country.

#### **Management Discussion & Analysis on the Company's Position and Operation:**

Business Plan for 2023-24: Considering the unstable economic world due to the war between Ukraine and Russia, ISN Limited has revised its business plan for survival and growth. The company aims to transform ISN into a comprehensive solution provider catering to enterprise and individual clients and to remain true objective of the Retail Client Expansion.

**Code of Conduct:** The code of conduct for the Chairperson, other Board members, and the Chief Executive Officer is available on the company's website.

**Human Resource Practices:** ISN Limited is committed to providing equal opportunities to all employees, emphasizing diversity and inclusion.

**Corporate Governance:** ISN practices corporate governance in alignment with the guidelines issued by the Bangladesh Securities and Exchange Commission. The company complies with the conditions mentioned in the Corporate Governance Guidelines.

#### **AUDIT COMMITTEE:**

(i) **Audit Committee; and**



SL	Name of Members	Designation	Committee Status	Meeting held	Attended
01	Mr. Al – Amin	Chairman	Active	4	4
02	Ms. Shirin Huq	Member		4	4
03	Mr. Sajedur Seraj	Member		4	4

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

SL	Name of Members	Designation	Committee Status	Meeting held	Attended
01.	Ms. Shirin Huq	Chairman	Active	1	1
02.	Mr. Sajedur Seraj	Member		1	1
03.	Mr. Al – Amin	Member		1	1

**Additional Disclosures: Corporate & Financial Reporting:**

The Directors confirm the following:

- Financial statements comply with the Companies Act, 1994, and Bangladesh Securities and Exchange Rules 1987.
- Proper books of accounts have been maintained.
- Consistent application of appropriate accounting policies.
- Financial statements prepared in accordance with International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS).
- Sound system of internal control.

**Appointment of Statutory Auditors:** M/S Islam Kuazi Shafique & Co., Chartered Accountants, is recommended for reappointment as Statutory Auditors for the year ending on June 30, 2025.

**Appointment of Corporate Governance Auditor:** M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants, is recommended for appointment as Corporate Governance Code Compliance Auditor for the year ending on June 30, 2025.

**Appointment of Independent Scrutinizer:** M/s ATA KHAN & Co., Chartered Accountants, is appointed as an Independent Scrutinizer for observing the election and reporting voting results at the 29th Annual General Meeting.

**Appointment of Credit Rating Company:** Credit Rating & Information Services Limited (CRISL) is appointed as the Credit Rating Company for the year 2024-25.

**Management Appreciation:** The Board appreciates and expresses its sincere appreciation to the esteemed shareholders of the company for their unwavering support. The board extends its gratitude to the 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 and Regulatory Agencies for their invaluable guidance and continued support. The board of Directors is also thankful to the esteemed clients, stakeholders, business partners, and the public at large for their exceptional help and support.

The board of Directors takes this opportunity to record its deep appreciation for the commitment, sense of involvement, and dedication exhibited by all the staff members towards the company. The board looks forward to their continued support and whole-hearted cooperation for the 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)**