

Directors' Report

To the shareholders for the period from 1st July 2020 to 30th June 2021

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 26th 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 1st July 2020 to 30th June 2021 with the Auditors Report for your kind consideration.

COMPANY'S OPERATION

The company was run by a group of senior employee 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.

Corona Virus related respiratory disease commonly known as COVID-19 is a global pandemic declared by World Health Organization (WHO) on 11 March 2020 and the government of Bangladesh was declared countrywide Lockdown on March 22, 2020. Since then Lockdown or restriction on movements have been imposed several times and it has been going on at regular intervals since March 22, 2020. As a result all business and economic activities are adversely affected which has also made an impact on ISN Limited as well. Being a corporate customer based entity; COVID-19 has had a significant impact on our operation. Most of corporate client's office was closed during the Lockdown or restriction on movements. Therefore, the Company could not collect bill and in the meantime, a significant amount of revenue have not been generated. Meanwhile, as per the instructions of the Government, we continued our office activities as an emergency service during the countrywide Lockdown.

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 and BUSINESS DEVELOPMENT

ISN Limited has taken a new drive to serve the corporate clients such as Bank, Insurance and Leasing companies which has multiple offices. The company has been recruited new marketing personnel and also expands its network coverage to Feni, Noakhali, Laxmipur and the Chittagong. As there is increased revenue in the last half of the year we are hopeful to do more investment for reliable service through redundancy and for more coverage of the network across the country.

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.

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 start 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.

FINANCE

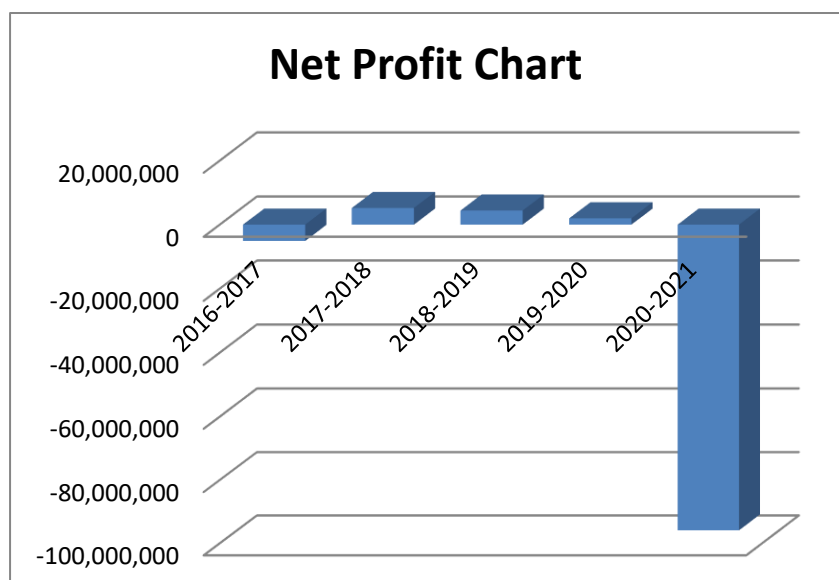
Finance department follows the International Accounting Standards (IASs) along with International Financial Reporting Standards (IFRSs) and Bangladesh Accounting Standards (BASs) together with Bangladesh Financial Reporting Standards (BFRSs) as well as the guidance of Bangladesh Securities and Exchange 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 couple of months. Our latest Financial Statements and all other price sensitive information are available in our website:

<https://www.bangla.net/investors-corner>

COMPANY PERFORMANCE

The company performs well and incurred a net profit/(Loss) before tax of Tk. (90,642,541.00) for the period 1st July 2020 to 30th June 2021.

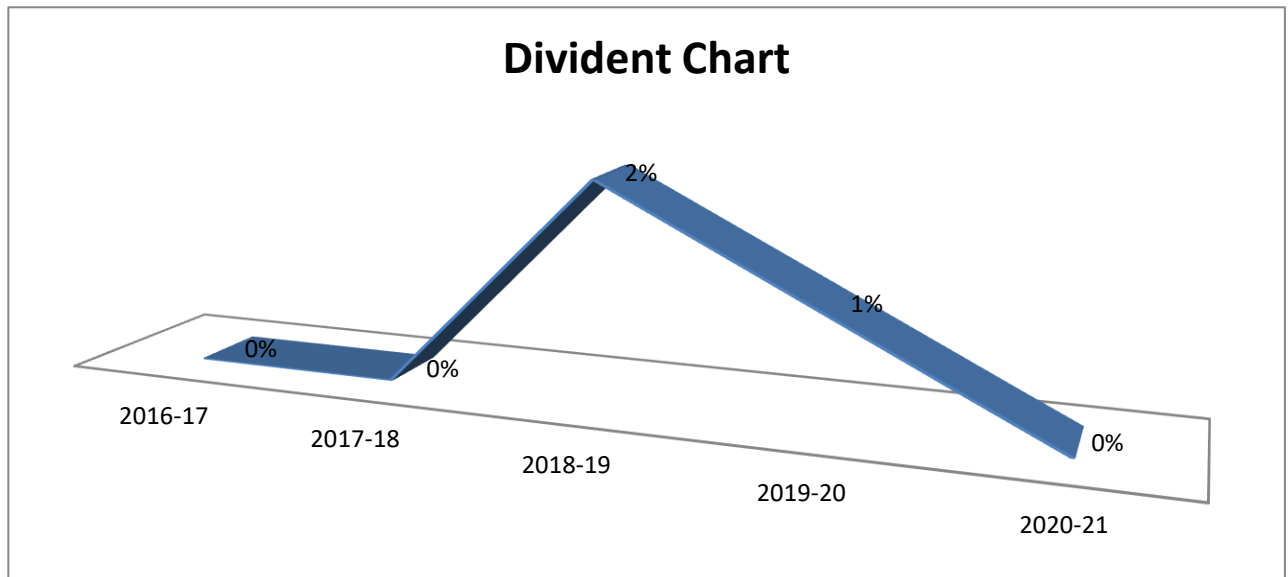
Year (July to June)	Net Profit After Tax (in Taka)
2016-2017	(5,102,202)
2017-2018	5,190,900
2018-2019	4,404,794
2019-2020	1,969,449
2020-2021	(95,888,825)



DECLARATION OF DIVIDEND

As the company incurred a net profit/(Loss) after tax of TK. (95,888,825.00) and Retained Earnings is TK. (103,493,970.00) the Board of Directors recommended NO Dividend for the period 1st July 2020 to 30th June 2021.

Year wise dividend declaration pattern from year 2016-17 to 2020-21 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 offices in the district of Feni and Cox's Bazar.
- Expansion of the network in 19 greater districts of the country except Chittagong Hill Tracts.
- 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 have a IIG with a partner so that ISN can purchase bandwidth in cheaper price
- 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.
- **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 3rd 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 clients to place their server ISN office for better security, safety, data speed in the state-of-the-art data center.
- **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.
- **BTEL** is a fully managed business phone system solution that provides everything a business needs - equipment, installation, maintenance, support, updates and more. It also provides a converged communication solution that combines voice services and Internet over a single IP connection utilizing a customer's existing Internet system, therefore, eliminating the expense of purchasing new equipment

With BTEL IP Phone provides advantages over any other options and one can record any call one make or receive - or one can record all calls all the time. One can play, pause and rewind recordings anytime from our website or download and store them forever on PC or server. Call recording used to be very expensive and difficult but with BTEL IP Phone we have made it extremely simple and very affordable in fact, just a few paisa per recording.

Voicemail is the digital answering machine, but unlike a normal answering machine one can get messages from almost anywhere using BTEL IP Phone, on mobile phone from the Internet and even by email. One can record personal message directly by using the pre-programmed message that we provide.

Future Outlook, Plan or Projection

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 Limited itself is operating its business in a single economic segment. 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
2020-21	103,796,791	5,409,380	51,518,049	(95,888,825)
2019-20	86,760,686	3,804,597	43,921,884	1,969,449

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 30th June 2021 (July 2020 to June 2021) is Tk. 52.28 Millions against Tk.42.84 millions for the same period of last financial year. Gross Profit for the period ended 30th June 2021 (July 2020 to June 2021) is Tk.51.52 millions against Tk. 43.92 millions for the same period of last financial year. Net Profit after tax for the period ended 30th June 2021 (July 2020 to June 2021) is Tk. (95.89) millions against Tk.1.97 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.

DISCLSURE 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 2020-21.

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 on the related party transactions has been disclosed under Schedule XI of the notes to the financial statements.

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

ISN Limited 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, 2021. 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. Moreover, there has been some deviation due to the Corona epidemic and there are an adjustment regarding Accounting Receivable/Written off Accounts Receivable. Except it (Bad debt expense) they are not very significant or material in nature.

DISCLOSURE ON REMUNERATION OF THE DIRECTORS:

The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee. During the year 2020-21, a total amount of Tk. 127,780 was given to the Directors as Meeting Attendance Fee. However, in 2019-20 the amount was Tk. 40, 000.

DISCLSURE 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 of the notes to the financial statements.

DISCLOSURE ON INTERNAL CONTROL SYSTEM

The Board states that the systems of internal control 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.

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

During the year, significant deviation has occurred from the operating results of last year of the company. COVID-19 was declared a global pandemic on the 11th March of the last year by World Health Organization (WHO). The government of Bangladesh was declared countrywide Lockdown on March 22, 2020. Since then Lockdown or restriction on movements have been imposed several times. Being a corporate customer based entity; COVID-19 has had a significant impact on ISN Ltd. Most of corporate client's office was closed during the Lockdown. The company could not generate large amount of bill. Therefore, Earnings per share decreased and also it has a biggest effect from written off a large amount of Accounts Receivable.

COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE AND POSITION AS WELL AS CASH FLOWS WITH IMMEDIATE PRECEDING FIVE YEARS (2016-17 to 2020-21):

Particulars	2020-2021 (1 st July 2020 to 30 th June 2021)	2019-2020 (1 st July 2019 to 30 th June 2020)	2018-2019 (1 st July 2018 to 30 th June 2019)	2017-2018 (1 st July 2017 to 30 th June 2018)	2016-2017 (1 st July 2016 to 30 th June 2017)
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.)	26,990,001	141,355,133	141,569,684	137,164,890	155,025,612
Total Assets (Tk.)	115,595,371	212,181,050	213,368,031	214,193,974	236,526,682
Total Liabilities (Tk.)	88,605,370	70,825,918	71,798,347	77,029,084	81,501,070
Reserve & Surplus (Tk.)	21,283,941	25,766,853	26,696,002	27,964,855	45,825,577
Net Sales/Net Income(Tk.)	103,796,791	90,565,283	91,427,690	95,067,597	74,369,329
Profit Before Tax (Tk.)	(90,642,541)	2,286,816	5,112,097	6,597,365	(5,102,202)
Net Profit After Tax (Tk.)	(95,888,825)	1,969,448	4,404,794	5,190,900	(5,650,036)
Book Value Per Share	10.00	10.00	10.00	10.00	10.00
% of Dividend	-	1% Cash	2% Cash	-	-
Current Ratio	0.46:1.00	2.34:1.00	2.39:1.00	2.70:1.00	0.42:1.00
Operating Ratio	100:50.37	100:47.30	100:47.23	100:45.38	100:44.79
EPS	Tk. (8.45)	Tk. 0.18	Tk. 0.40	Tk. 0.48	Tk. (0.52)
NOCPs	TK. 1.72	TK. 1.72	TK. 1.23	TK. 1.41	TK. 1.03

NAVPS	Tk. 2.47	Tk. 12.94	Tk. 12.96	Tk. 12.56	Tk. 14.27
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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:

Details	ISN Limited (Audited till 30th June 2021)	INTECH Ltd. (Un-Audited 31st December, 2021)	DAFFODIL Computers Ltd. (Un-audited 31st March 2021)	AGNISYST EM Ltd. (Un-audited 31st March 2021)	BDCOM Ltd. (Un-audited 31st March 2021)
	12 Months	6 Months	9 Months	9 Months	9 Months
Revenue (BDT in Millions)	109.21	49.24	272.22	227.44	179.56
Gross Profit (BDT in Millions)	51.52	26.77	61.23	71.53	96.63
Net Profit Before Tax (BDT in Mill.)	(90.64)	5.06	28.95	37.44	19.36
Net Profit After Tax (BDT in Millions)	(95.89)	5.05	24.52	34.98	15.83
Total Current Assets (BDT in Millions)	32.27	175.11	179.57	637.42	718.92
Total Assets (BDT in Millions)	115.60	194.36	768.40	1177.99	1,212.49
Total Equity (BDT in Millions)	26.99	340.68	695.09	1054.22	862.23
Total Current Liabilities (BDT in Mill.)	70.72	22.25	73.30	111.42	291.67
Net Operating Cash Flow(BDT in Mill)	18.77	15.39	95.43	33.43	84.26
Net Asset Value per share BDT (NAV)	2.47	10.88	13.93	14.53	15.86
EPS (BDT)	(8.45)	0.18	.49	0.48	0.70
NOCFPS (BDT)	1.72	0.49	1.91	0.32	0.29

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

EXPLANATIONS ON MIDIFIED AUDIT REPORT:

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

1. ISN Limited filled cases against namely Mojibul Huq & others, bearing case numbers C.R. Case No. 18 of 2019 & 19 of 2019. The Board asked the management to review the progress of case through regular communication with the assigned lawyer.
2. The Board has not yet met the requirement of jointly hold minimum 30% (thirty percent) Shares of the paid-up capital. The management presented the recent holding report from CDBL. As there is nobody in the list with 2% or more shares, the Board did not found

anybody suitable as a new director of the company. But the Board is concerned about this requirement and sincerely looking for a way to comply with this condition.

DECLARATION OF DIVIDEND

The Board of Directors Recommended **NO Dividend** for the period 1st July 2020 to 30th June 2021.

EXPLANATION/DISCLOSURE REGARDING RECOMMENDATION OF NO DIVIDEND

As per Bangladesh Securities & Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 and ‘BSEC’ press release dated October 02, 2019- ISN Limited is not eligible to declared Cash Dividend in this year and so we could not declare dividend. We are also not able to declare Stock Dividend for the same reason.

DISCLOSURE REGARDING BONUS OR STOCK DIVIDEND:

During the year 2020-21, no bonus share or stock dividend has been declared as interim dividend.

NUMBER OF BOARD MEETING HELD AND ATTENDANCE BY:

The Directors of ISN Limited meet on a regular basis. The number of Board Meeting and the attendance of Directors during the year 2020-21 were as follows:

SL. No.	Name of the Directors	Position	Number of meetings held	Number of meetings attended	Attendance in the last AGM
1	Mr. Sayeed Hossain Chowdhury	Chairman	7	5	Yes
2	Mrs. Shirin Huq	Vice-Chairman	”	5	Yes
3	Mr. Suman Celine Huq	Sponsor Director	”	0	NO
4	Mr. Sajedur Seraj	Shareholder Director	”	7	Yes
5	Dr. Md. Mostofa Akbar	Independent Director	”	7	Yes
6	Dr. Kaisar Ali Talukder	Independent Director	”	7	Yes
7	Mr. Al - Amin	Independent Director	”	7	Yes
8	Mr. Md. Jahangir Alam	Managing Director (Acting)	7	6	Yes

RPORT ON THE PATTERN OF SHAREHOLDING AS ON 30.06.2021

Name of the Shareholder	Position/Designation	No. of Shares
1. Parent/Subsidiary/Associate companies and other related parties:		NIL
2. Directors, Sponsors, CEO, CS, CFO, HIA, Executives and their spouses and minor children:		
2 (a). Directors and sponsors:		
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	Sponsor Director	239,403
Mr. Habibul Alam, BP	Sponsor	164,490
Mr. Mirza Ali Behrouze Ispahani	Sponsor	99,717
Mr. Abdullh Hel Mostafa	Sponsor	2,668
Ms. Najma Enaytullah Khan	Sponsor	20,131
Mr. Anwar Hossain	Sponsor	151,878
Prof. Md. Moftofa Akbar	Independent Director	10,867
Dr. Kaiser Ali Talukder	Independent Director	4,601
Mr. Al - Amin	Independent Director	Nil
2 (b). CS, CFO, HIAC:		
Mr. Fakhurul Islam Bhuiyan	Company Secretary (CC)	Nil
Mr. Abul Kalam Azad	Head of Finance	Nil
Mr. Debbrata Ghosh	Head of Internal Audit	Nil
2 (c). Executives (top 5 salaried persons other than Directors/CEO/CS/CFO/HIA):		
Mr. Md. Jahangir Alam	GM (Operation)	Nil
Mr. Mohibur Rahman	Sr. System Administrator	Nil
Mr. Mangurl Islam	Sr. Manager, Network & Operation	Nil
Mr. Md. Shariful Hoque	Sr. Manager, Sales & Marketing	Nil
Mr. Emtiajul Huq	Sr. Manager Support & Call Centre	Nil
2 (d). Spouses and minor children		N/A
3. Shareholding 10% or more voting right		N/A

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

SL. No.	Directors/Executives	No. of shares hold	Percentage of share holding position	Comments
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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:

01. Mr. Sayeed Hossain Chowdhury
02. Mr. Sumon Celine Huq

BRIEF PROFILE:

1. **Mr. Sayeed Hossain Chowdhury:** 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. 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.
1. **Mr. Suman Celine Huq:** He 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).

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.

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 REGARDIGN CHANGES IN ACCOUNTING POLICIES AND ESTIMATION: During the year 2020-21, there are no changes in Accounting policies and Estimation.

THE FINANCIAL AND ECONOMIC SCENARIO OT THE COUNTRY AND THE GLOB.

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 county 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 albeit with limited resources. If do not consider the adjustment of receivable 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

A note regarding the subsidiary has been disclosed under Note no. 2.12 of the notes to the financial statements. It is worth mentioning that it was not in operation since many years.

MAINTAINING A WEBSITE:

ISN Limited maintains an official website and the website address is www.bnagla.net. The company's website has riches of information and 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 at the same of company's website to keep all the stakeholders informed about the company's financial results.

CONSOLIDATION OF ACCOUNTS:

It is worth mentioning that as per the decision of the 103rd Board Meeting and the subsequent approval of the shareholders in its 25th Annual General Meeting (AGM), ISN Limited has sold the full portion of the shares invested in GK ISN (pvt.) Limited. This is because we have not prepared Consolidated Financial Statements and there have been no consolidation in this year.

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 2021-22

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.

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 gadget 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 30th June, 2021 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 2020-21.

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 2020-21.

(i) Audit Committee; and

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

(ii) Nomination and Remuneration Committee:

Sl. No.	Name of Members	Designation	Committee Status	Meeting held	Attended	Remarks
01.	Dr. Kaisar Ali Talukder	Chairman	Active	2	2	-
02.	Dr. Md. Mostafa Akbar	Member	Active	2	2	-
03.	Mr. Sajedur Seraj	Member	Active	2	2	-

ADDITIONAL DISCLOSURES: CORPORATE & FINANCIAL REPORTING;

The Directors are pleased to conform the following:

- The financial statements of the company present true and fair view of its state of affairs, the result of its operation, cash flows and changes of 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 AUDITORS

The existing auditor's M/s. Khan Wahab Shafiq Rahman & Co. Chartered Accountants shall retire in this AGM. The firms being eligible for re-appointment have offered their willingness to act as the auditors of the company for the year to be ended on 30th June 2022.

The Board of Directors recommended the re-appointment of M/s. Khan Wahab Shafiq Rahman & Co. Chartered Accountants; as auditor for the year to be ended on 30th June 2022 at a fee to be decided in this AGM.

Also the existing Corporate Governance auditor's M/s. Shafiq Basak & Co. Chartered Accountants shall retire in this AGM. The firms being eligible for re-appointment have offered their willingness to act as the Corporate Governance auditor's of the company for the year to be ended on 30th June 2022.

The Board of Directors recommended the re-appointment of M/s. Shafiq Basak & Co., Chartered Accountants; as Corporate Governance auditor for the year to be ended on 30th June 2022 at a fee to be decided in this AGM.

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.

For and on behalf of the Board of Directors of Information Services Network Ltd.

(Mr. Jahangir Alam)
Managing Director(Acting)

(Mr. Sayeed Hossain Chowdhury)
(Chairman)