



Image Systems Marketing (Pvt) Ltd.
(an wholly owned subsidiary of NIFT-
National Institutional Facilitation
Technologies (Pvt.) Ltd.)
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ISM DIRECTORS' REPORT

Your Directors are pleased to present the Annual Report and the Audited Financial Statements of the Company for the year ended June 30th, 2022 together with the Auditors' report thereon.

Profit and Loss Appropriations

The Directors propose following appropriations out of the profit for the current year:

	2021- 22	2020- 21
	Rupees	
Profit before Tax	35,252,851	38,750,857
Other Comprehensive Income	(756,607)	46,754
Taxation	-	-
Total Comprehensive Income	34,496,244	38,797,611
Un-appropriated Profit as at July 1st, 2021 / 2020	278,558,490	239,760,879
Un-appropriated Profit as at June 30th, 2022 / 2021	313,054,734	278,558,490
Appropriation during the year		
- Interim Cash Dividend for the year 2022-21 (2020-21: nil)	100,000,000	-
Balance as at June 30th, 2022/ 2021	<u>213,054,734</u>	<u>278,558,490</u>

Subsequent Effects

	2021 - 22	2020 - 21
The Board of Directors of the Company in their meeting held on October 06 th 2022, did not propose any dividend:		
- Final Cash Dividend @ nil (2020-21 : nil)	-	-
- Interim Cash Dividend @ 1000% (2020-21 : nil)	100,000,000	-
	<u>100,000,000</u>	<u>-</u>

Financial Results

Sales revenue maintained at Rs.116.1million as compared to corresponding period. Profit before tax reduced to Rs. 35.2 million as compared to profit before tax of last year of Rs. 38.7 million due to increase in administrative cost.

Cost of Services during the year remained at the same level as compared to last year.

The increase in administrative cost was mainly on account of payment of CEO performance bonus & increment arrear.

Other Income of Rs. 0.019 million was earned mainly on account of profit on bank deposits.

Liquidity Management and Cash Flow Strategy

Current cash requirements are adequately financed through internal cash generation and also with recourse to financing by Parent Company. Borrowing capacity of the company is limited to lease financing arrangements and short term financing by Parent Company.

The cash position of the company was stable position during the reporting year. During the year company's cash and cash equivalents were increased by Rs. 0.28 million. At the end of the year, the Company had a net position comprising positive cash and cash equivalent amounting to Rs. 0.51 million.

Significant Events**Check Truncation / Desktop Scanners**

Distributor agreement signed with Digital Check of USA for Desktop Scanners is continuing. Digital Check is world renowned company for desktop scanners. As a result of aggressive marketing campaign, company sold 14 licenses of troy printers/scanners during the period and earned a revenue of Rs. 2.1 million. At the close of the year, the company has stock valuing Rs. 2.9 million (2020-21: 2.9 million).

Future Prospects

There are prospects for archiving, digitization and scanning businesses for which aggressive marketing strategy will be followed.

After the introduction of Image based clearing services ISM will play its role in marketing its products and services to bank branches.

Industrial Relations

Generally normal working industrial relations prevailed at all locations of the Company.

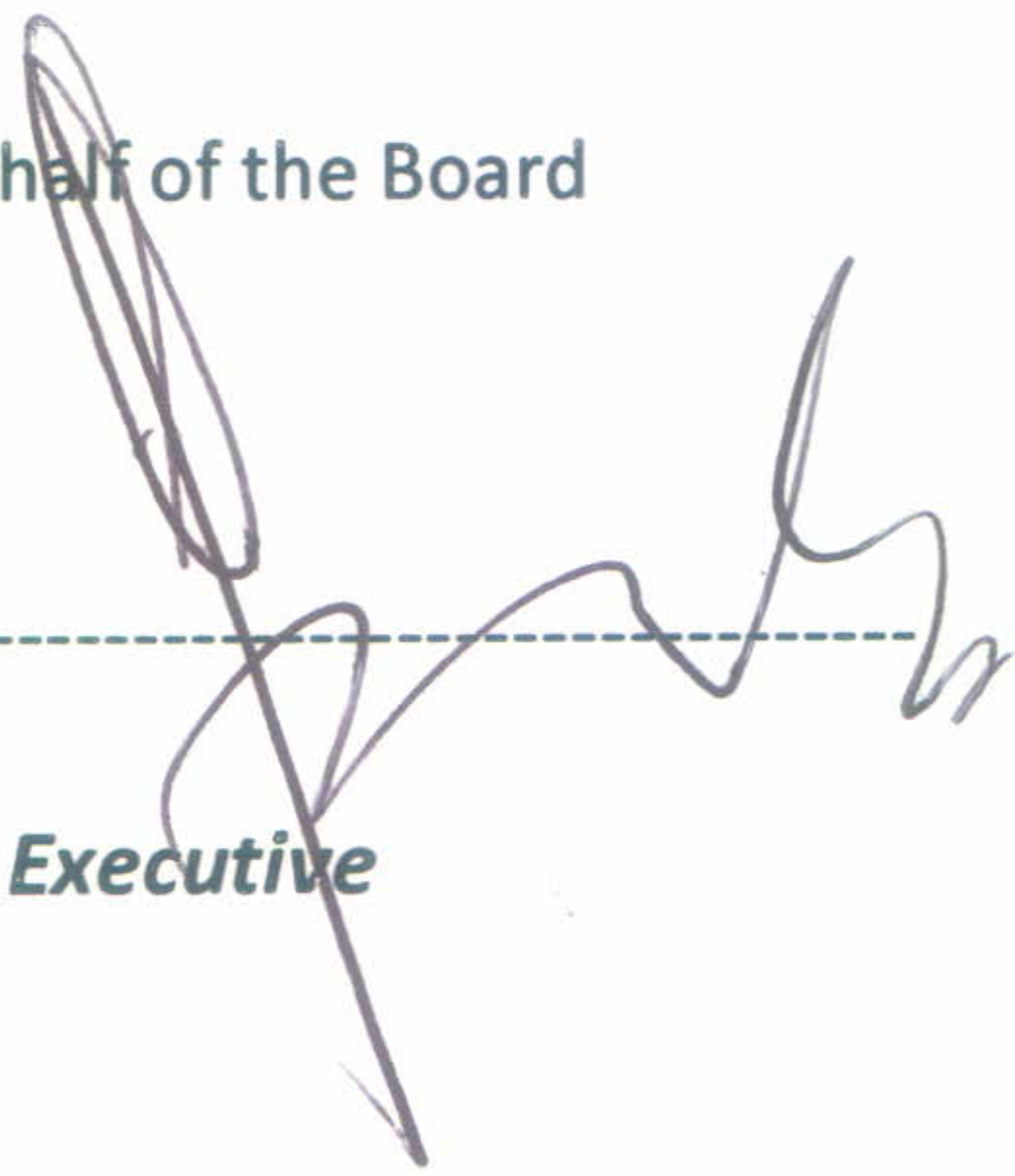
Directors

Since the last Annual General Meeting held on 25th October 2021, one new Director Mr. Muhammad Muzaffar Khan has joined the Board. During the same period Mr. Muhammad Amin has resigned from the Board.

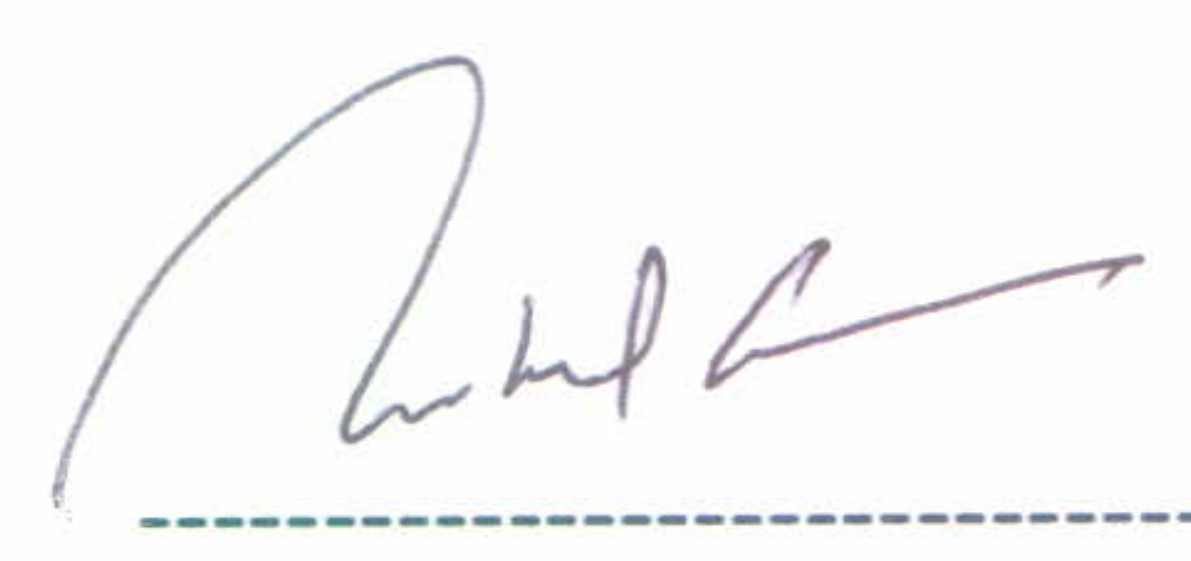
Auditors

The auditors A. F. Ferguson & Company, Chartered Accountants will retire after audit of 2021-22. Being eligible, they have offered themselves for reappointment as external auditors for 2022-23. Board of Directors have recommended appointment of M/s. A.F. Ferguson & Company Chartered Accountants as external auditors for the year ending June 30th, 2023.

On behalf of the Board



Chief Executive



Director