



**Image Systems Marketing (Pvt) Ltd.**  
(an wholly owned subsidiary of NIFT-  
National Institutional Facilitation  
Technologies (Pvt.) Ltd.)  
5th Floor, AWT Plaza,  
I.I.Chundrigar Road,  
Karachi-74200, Pakistan  
UAN : (92-21) 111-112-222  
Fax : (92-21) 32638465  
e-mail : ism@nift.com.pk

## 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 30<sup>th</sup>, 2023 together with the Auditors' report thereon.

### Profit and Loss Appropriations

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

	<b>2022- 23</b>	<b>2021- 22</b>
	<i>Rupees</i>	
Profit before Tax	8,033,799	35,252,851
Other Comprehensive Income	(257,897)	(756,607)
Taxation	-	-
Total Comprehensive Income	7,775,902	34,496,244
Un-appropriated Profit as at July 1st, 2022 / 2021	<u>213,054,734</u>	<u>278,558,490</u>
Un-appropriated Profit as at June 30th, 2023 / 2022	220,830,636	313,054,734
<b>Appropriation during the year</b>		
- 1 <sup>st</sup> Interim Cash Dividend for the year 2022-23 (2021-22 @ 1000%)	100,000,000	100,000,000
- 2 <sup>nd</sup> Interim Cash Dividend for the year 2022-23 (2021-22 Nil)	100,000,000	-
Balance as at June 30th, 2023/ 2022	<u><u>20,830,636</u></u>	<u><u>213,054,734</u></u>

### Subsequent Effects

	<b>2022 - 23</b>	<b>2021 - 22</b>
The Board of Directors of the Company in their meeting held on January 26 <sup>th</sup> 2024, did not propose any dividend:		
- Final Cash Dividend @ nil (2021-22 : NIL)	-	-
- 1 <sup>st</sup> Interim Cash Dividend @1000% (2021-22 @ 1000%)	100,000,000	100,000,000
- 2 <sup>nd</sup> Interim Cash Dividend @1000% (2021-22 Nil)	100,000,000	-
	<u><u>200,000,000</u></u>	<u><u>100,000,000</u></u>

## **Financial Results**

The revenue for the year increased by 2.46 % to Rs.119.0 million as compared to Rs.116.1 million of previous year. Profit before tax reduced to Rs. 8.03 million as compared to profit before tax of last year of Rs. 35.3 million due to increase in cost of services.

The increase in the cost of services is primarily attributed to consumable expenses arising from a new arrangement with third party responsible to conduct batch printing for Haleeb Food Limited. Other factors contributed in rising cost includes repair & maintenance of clearing equipment as well as provisions made for slow-moving and obsolete spares and stocks.

Administrative cost during the year slightly increased due to regular salary increase and legal expenses.

Other Income of Rs. 0.1 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. 1.30 million. At the end of the year, the Company had a net position comprising positive cash and cash equivalent amounting to Rs. 1.81 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 28<sup>th</sup> October 2022, there is no change in the composition of the board.

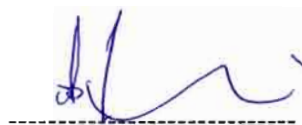
**Auditors**

The auditors A. F. Ferguson & Company, Chartered Accountants will retire after audit of 2022-23. Being eligible, they have offered themselves for reappointment as external auditors for 2023-24. Board of Directors have recommended appointment of M/s. A.F. Ferguson & Company Chartered Accountants as external auditors for the year ending June 30<sup>th</sup>, 2024.

On behalf of the Board



**Chief Executive**



**Director**