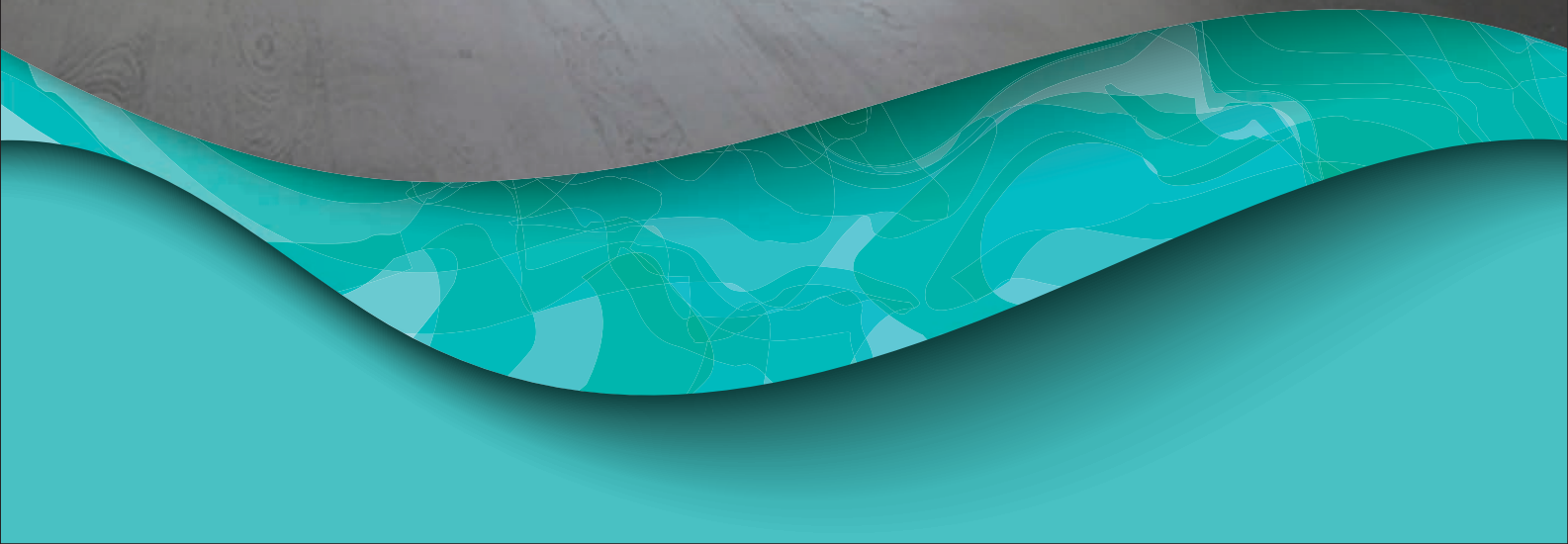




ANNUAL REPORT 2013



ANNUAL REPORT
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Plot-130, Block-A, Niketon, Dhaka

Forwarding Letter


The
Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.

Subject: **Annual Report for the year ended 31st July, 2013.**

Dear Sir(s)

We are pleased to enclose a copy of the Annual Report together with the Audited Accounts including Statement of Financial Position as at 31st July, 2013, Statement of Comprehensive Income, Changes in Equity and Cash Flows for the year ended 31st July, 2013 along with notes thereon for your record/necessary measures.

Yours sincerely



Md. Saiful Huda Anaholy
Company Secretary

This Is Eastern Housing

1964 Established in 1964 by the legendary business icon late Jahurul Islam and the first neighborhood housing project in Bangladesh in 1964 at Pallabi

1981 Pioneering the concept of Apartment in Bangladesh

1994 Listed in Dhaka Stock Exchange, the only publicly listed real estate company in the stock exchange

1996 Listed in Chittagong Stock Exchange

2012 A beginning. Rebranding of corporate logo

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Vision, Mission & Principles

VISION

To be a world class Real Estate Developer creating maximum value by providing quality homes and business

MISSION

To build and develop environment friendly Apartments, Commercial Buildings & Land Projects using the highest standards of Safety, Architecture, Engineering & Green technology.

PRINCIPLES

Integrity
Accountability
Transparency

Life of Moments



The brand new Eastern Housing Limited logo is an interpretation of the company's core values. With inspiration, innovation and quality in its DNA, EHL defies time and challenges itself with modern designs with the coming of every era.

The logo symbolizes a burst of energy with a shift into a new perspective. Green and Yellow which surrounds the logo denotes the ethics and values of the organization. The logo in Cyan is the interpretation of the new perspective.

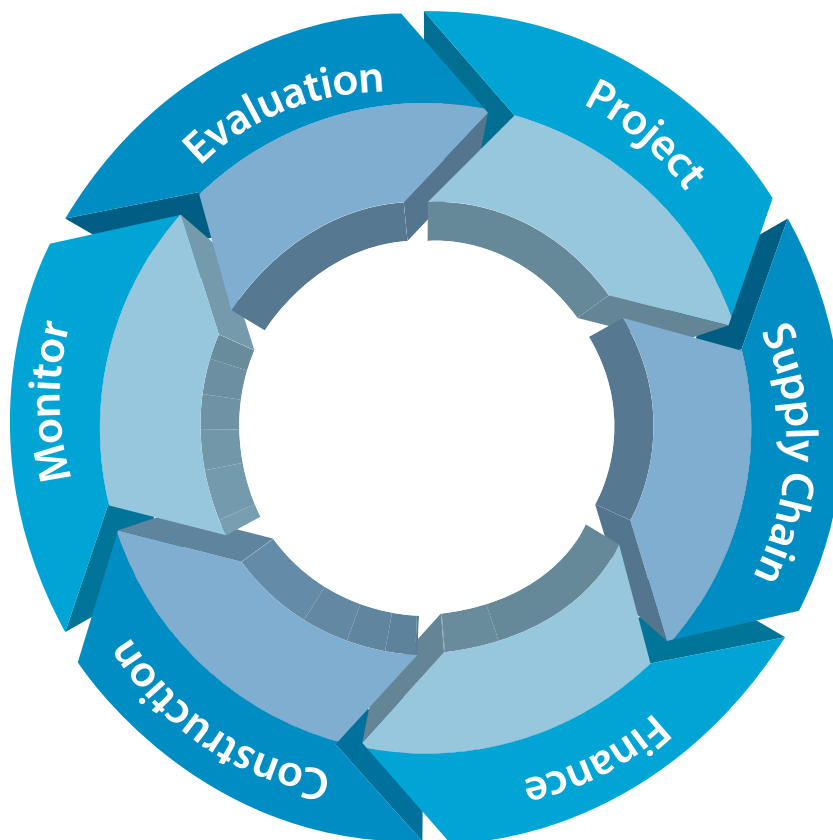
With the new look and feel, it brings 49 years of expertise together with its values in one, creating world class real estate developments to help make life of moments.

How We Measure Outcomes

Measuring the results of our work is critical to understanding how well our strategy is working and whether EHL is maximizing shareholder's wealth.

Our check and balance measurement system helps drive EHL strategy and operational decision making. It features multiple mutually reinforcing components. The model is being continuously changed to increase efficiency.

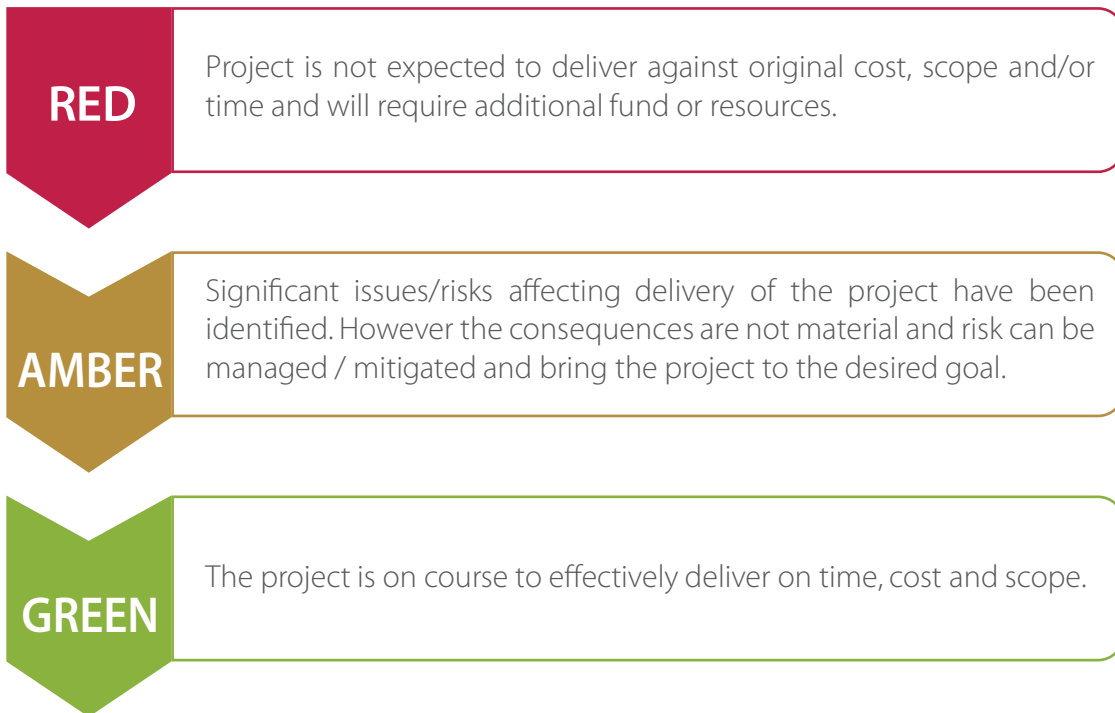
The systematic approach allows us to track progress of our projects throughout their life cycle so we can improve future goal setting and project design. It is integral to EHL's efforts to become more result focused to increase transparency and accountability.



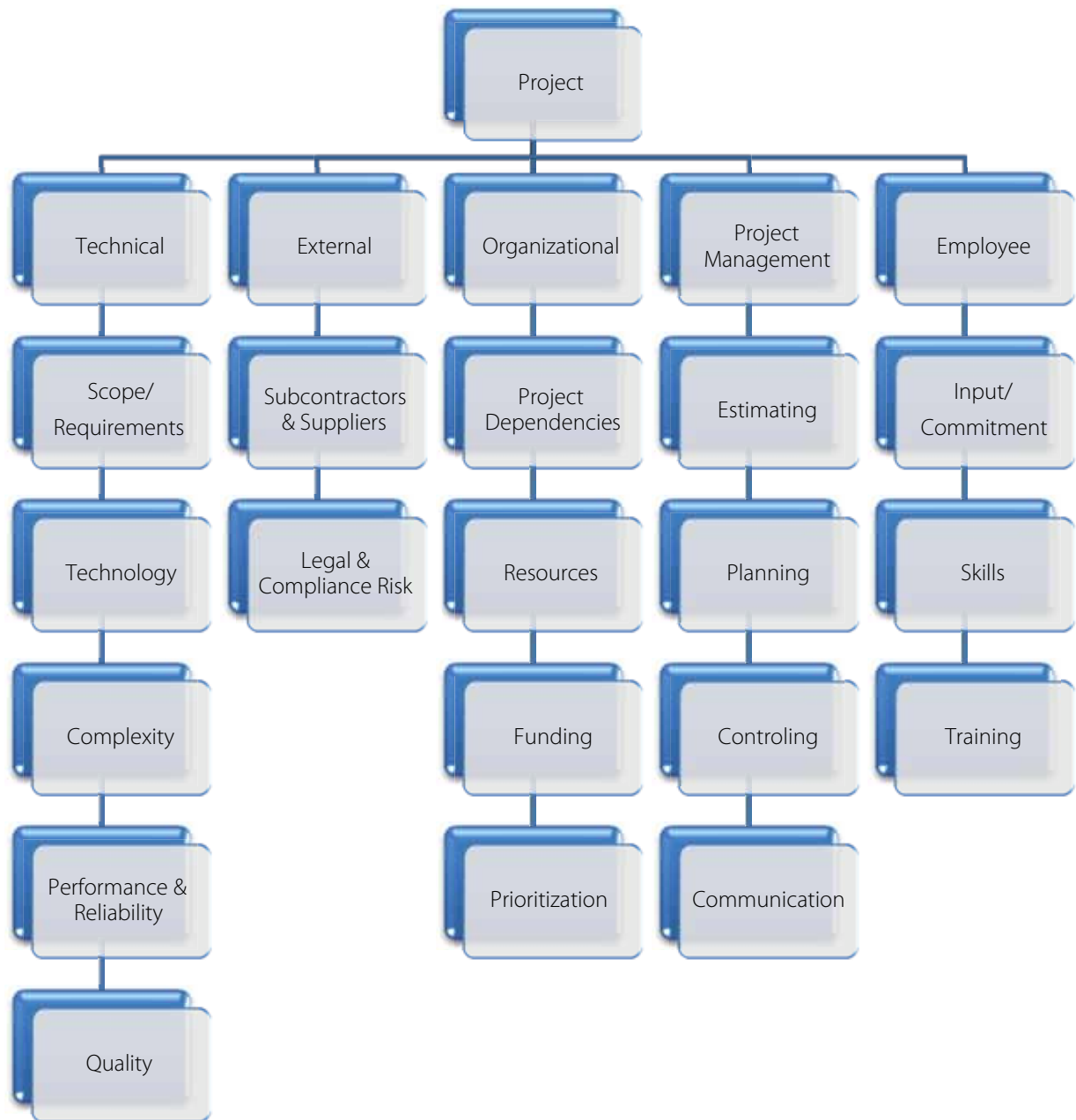
Project Reporting

Red / Amber / Green (RAG) Status Project Reporting

In order to aid the management for a better decision making with regards to visibility of the progress to plan of construction projects on a monthly basis a simple monitoring tool has been devised. The simplified reporting requires projects to be categorized as one of the following:

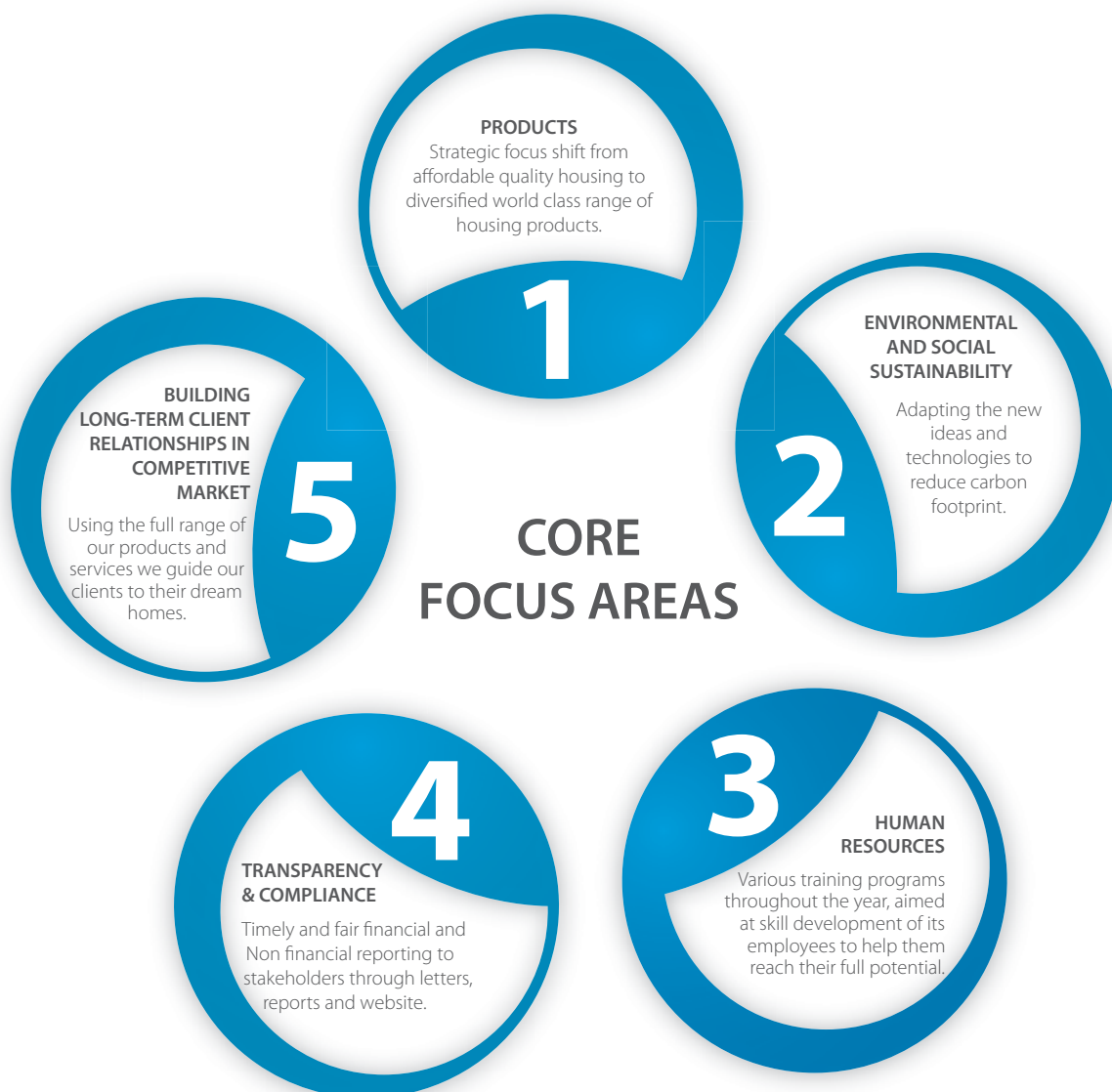


Project Risk Area



Our Focus Areas

We offer clients world class real estate to create life of moments. In order to create moments we have chalked our core focus area in order to reach our goals.





Founder Chairman
Late Jahurul Islam
1928-1995

Key Milestones

1964

- Incorporated as Private Limited Company
- First neighbourhood housing at Pallabi, Dhaka.

1981

- First apartment project of the country started in Shiddeshwary, Dhaka.

1986

- First High Rise Apartment of Dhaka at Eskaton (20 storied).

1988

- First Airconditioned Shopping Mall of the Country

1994

- Listed in Dhaka Stock Exchange

1996

- Listed in Chittagong Stock Exchange

Ongoing Projects

Apartment

- ▶ Eastern Pantha Chaya, Panthapath
- ▶ Eastern Karim, Mohammadpur
- ▶ Eastern Kamalapur, North Kamalapur
- ▶ 61, Bijoy Nagar
- ▶ 27, Nawab Khatra, Dhaka
- ▶ 5/84, Gulshan, Dhaka
- ▶ 59, Kemal Ataturk Avenue
- ▶ 2A/29, Gulshan, Dhaka
- ▶ Plot-405C, Road 27, Dhanmondi
- ▶ 80,80/B, Indira Road, Dhaka,
- ▶ Plot -7E, Road-13, Sec.03,Uttara
- ▶ Plot-18, Road-2, Sec.11, Uttara
- ▶ Plot-47, Road-16, Sec.14 Uttara
- ▶ Plot-32, Road -12, Sec.12, Uttara
- ▶ Plot-41-43,Road-14,Sector-12,Uttara
- ▶ House - 64/A, Street -5, Old DOHS
- ▶ Plot -1/1,KA, Avenue-4, Mirpur
- ▶ Plot-37, Park Road, Block-K, Baridhara
- ▶ Plot -36, Road No.100, Gulshan
- ▶ 5, Circuit House Road, Ramna

Land

- ▶ Jahurul Islam City
- ▶ Mohanagar
- ▶ Goran Chatbari (Pallabi Phase-II)
- ▶ Dehra (Savar)

Corporate Information

Company Name: **Eastern Housing Limited**

Company Registration: **2161**

Tax Registration: **269-200-0501**

VAT Registration: **9011002006**

Legal Form

Eastern Housing Limited (the “company”), was incorporated in 1964 as a Private Limited Company under the Companies Act, 1913. In 1993 the company was registered itself with RJSC&F as a Public Limited Company which is one of the largest Real Estate Company in the private sector. The company raised its capital by way of an overwhelmingly subscribed IPO of shares and debentures through a prospectus issued in July, 1994. The company is the pioneer as well as the only Public Limited Company in the country in Real Estate Business under the private sector.

Board of Directors

Chairman
Manzurul Islam

Directors

Suraiya Begum, Director, River View Limited
Nominated by River View Limited

Md. Abdul Wadud Director, Islam Brothers Properties Limited
Nominated by Islam Brother Properties Limited

Md. Mustafizur Rahman, Director, Islam Brothers Properties Limited
Nominated by Islam Brothers Properties Limited

Sarwar Boudius Salam, Director, Islam Brothers Properties Limited
Nominated by Islam Brothers Properties Limited

Independent Director
Zia U Ahmed, PhD

Management Team

Managing Director
Dhiraj Malakar

Company Secretary
Saiful Huda Anaholy

Chief Financial Officer
Md. Asadul Islam, FCA, FCS

Head of Internal Audit
Md. Moniruzzaman

Sr. Executive Director (Land)
Nazim Nowaz Chowdhury

Sr. Executive Director (Apartment)
Kazi Mohammed Zubaid

Director (Construction)
Zahanul Haq Chowdhury

Audit Committee

Chairman
Zia U Ahmed, PhD

Members

Mr. Abdul Wadud (Nominated Director)

Sarwar Boudius Salam (Nominated Director)

Md. Mustafizur Rahman (Nominated Director)

Legal Advisor

Huq & Company

Statutory Auditors

M/S A. Qasem & Co
Gulshan Pink City, Suites 01-03, Level 7, Plot 15, Road 103,
Gulshan Avenue, Dhaka-1212

Principal Bankers

Uttara Bank	IFIC Bank
Janata Bank	Prime Bank
Dhaka Bank	Standard Bank
Southeast Bank	United Commercial Bank

Registered Office

125/ A Motijheel Commercial Area, Dhaka 1000
Web: www.easternhousing.com
Phone: 9566303-5, Fax: 880-2-9566311
Email: share@easternhousing.com

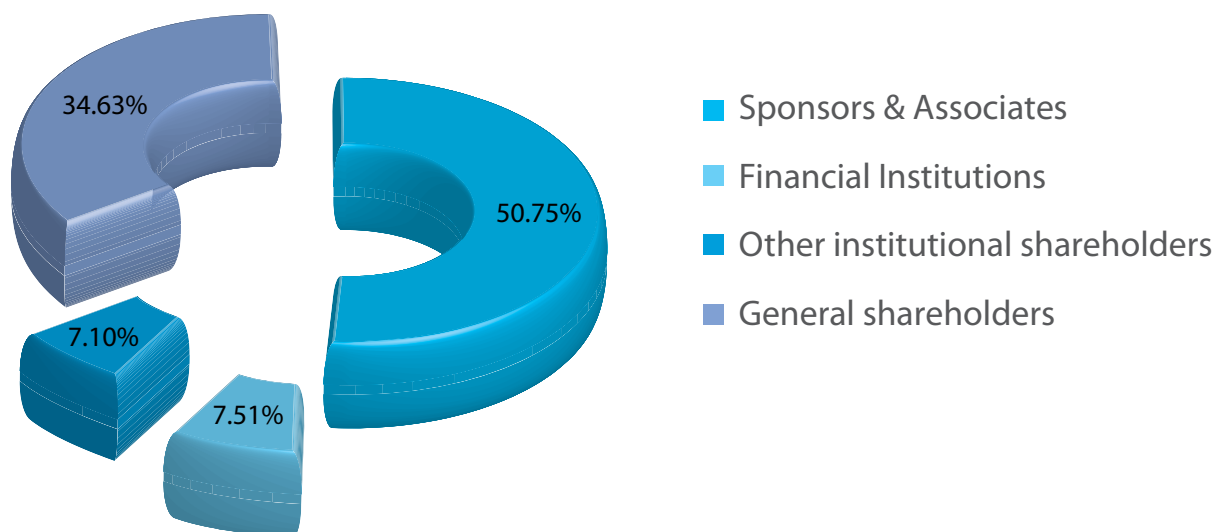
The Shareholders

The shareholding structure of EHL is diversified. The majority of the shares are held by General Public which is 34.63%. Islam Brothers Properties Limited holds 33.03 % share whilst River View Limited holds 13.70 % shares; different financial institutions hold 7.51% of shares, whereas some other institutional shareholders are holding 7.10% of shares and other sponsor shareholders are holding 4.02%.

Shareholding Position of EHL as on 31st July, 2013

	Percentage	No. of Shares
Sponsors & Associates	50.75	36,378,524
Financial Institutions	7.51	5,384,518
Other institutional shareholders	7.10	5,092,142
General shareholders	34.63	24,820,420
Total	100.00	71,675,604

Position of shareholding as at 31 July 2013



Top Twenty Shareholders as on July 31, 2013

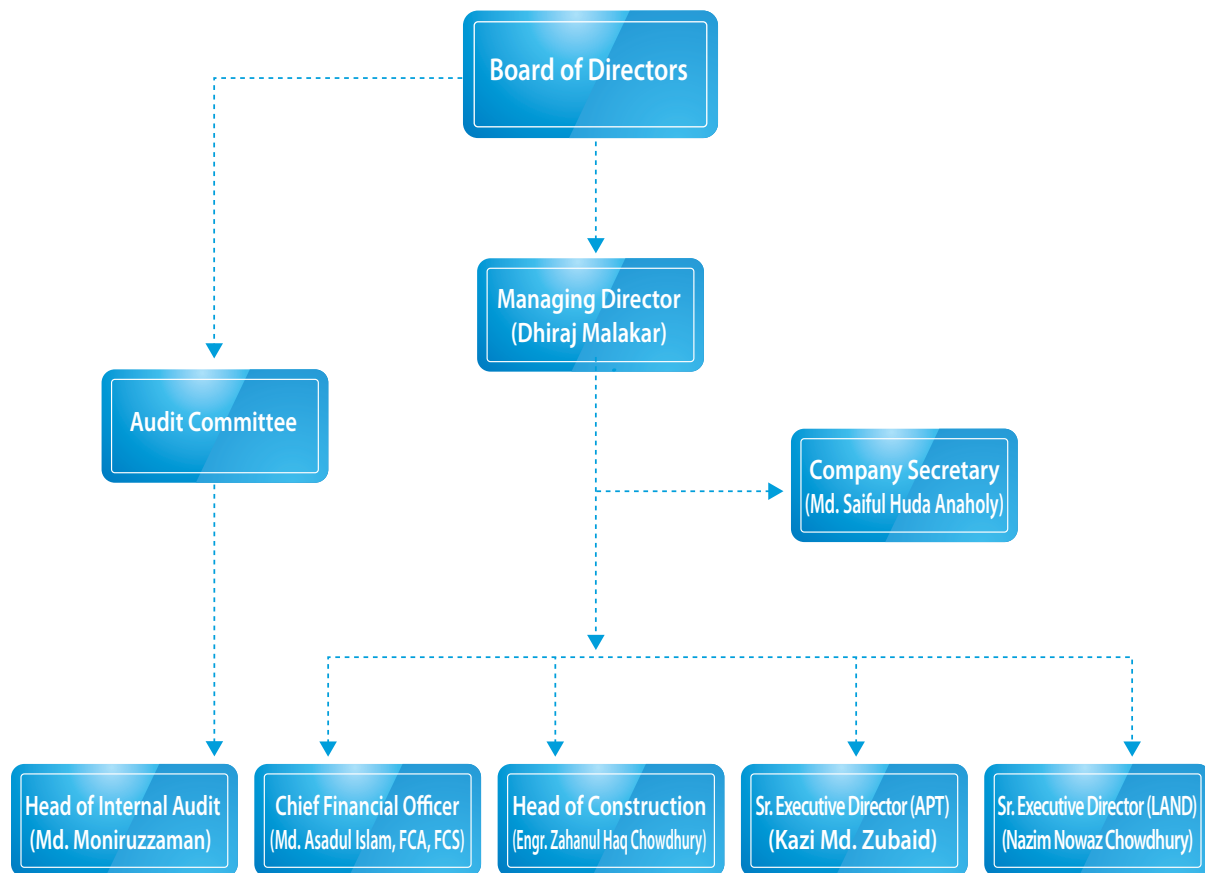
SI-No	Name of Shareholders	Number of Shares Held	Percentage
1	ISLAM BROTHERS PROPERTIES LIMITED	23,677,500	33.03%
2	RIVER VIEW LIMITED	9,817,500	13.70%
3	VENUS HOLDINGS LIMITED	2,397,087	3.34%
4	MR. MANZURUL ISLAM	2,040,667	2.85%
5	INVESTMENT CORPORATION OF BANGLADESH	2,038,623	2.84%
6	SHAHJALAL ISLAMI BANK LTD.	1,647,250	2.30%
7	IBSL STOCK DEALER ACCOUNT	781,000	1.09%
8	SIPRA SARKER	667,200	0.93%
9	ICB UNIT FUND	494,545	0.69%
10	IIDFC CAPITAL LTD	363,825	0.51%
11	BANGLADESH SHILPA RIN SANGSTHA	314,837	0.44%
12	PUBALI BANK LIMITED	256,600	0.36%
13	MR. AZHARUL ISLAM	247,181	0.34%
14	JAMES MARTIN DAS	238,000	0.33%
15	UNITED COMMERCIAL BANK LTD	214,720	0.30%
16	MRS. SURAIYA BEGUM	196,453	0.27%
17	ELECTRA INTERNATIONAL LTD	190,575	0.27%
18	UNION CAPITAL LTD INVESTOR ACC	183,168	0.26%
19	MR. WAZEDUL ISLAM	163,651	0.23%
20	MR. MANNAN	151,000	0.21%
	Total	46,081,382	64.29%

* As per CDBL records



Plot-36, Road-100, Gulshan

Organization's Structure



Directors' Profile



MANZURUL ISLAM
Chairman

Mr. Manzurul Islam was appointed to the board in 1993. He became the Chairman in 1995 and still is serving as the Chairman of Board. Mr. Islam also holds the position of Chairman in Aftab Bahumukhi Farms Limited, Aftab Feeds Limited, Aftab Hatchery Limited, Aftab GP Farms Limited, Bengal Development Corporation, Navana Pharmaceuticals Ltd, Navana Health Care Limited, Jahurul Islam Medical College, Islam Brothers Properties Limited & Lafarge Surma Cement Limited.

In addition Mr. Islam was the former Chairman of IFIC Bank Ltd and Vice Chairman of Bangladesh Association of Banks.

Mr. Islam is a graduate in Economics from University of London.

He received awards as one of the best entrepreneur personalities of the country in consecutive years in 2003 and 2004 and best young entrepreneur personality of the year in 2005. Since 1998 Mr. Islam is one of Commercially Important Person (CIP) of Bangladesh.



SURAIYA BEGUM
Nominated Director by
River View Limited

Mrs. Suraiya Begum is the wife of Late Jahurul Islam, the founder chairman of Eastern Housing Limited. She has been holding the position of Director since inception of this company.

She is a Director in different concerns of Islam Group. She had also been involved in the group overseas activities in London, Abu Dhabi and Yemen.

She holds a Bachelors degree in Arts from University of Dhaka. During her career she has been involved in many construction projects in Bangladesh.



MD. ABDUL WADUD
Nominated Director by
Islam Brothers Properties Limited

Mr. Abdul Wadud was appointed to the board in 2004. In 2011 he resigned from the board of Eastern Housing Ltd. and subsequently joined the board as Nominated Director as proposed by Islam Brother Properties Limited. He is also the Director in different concerns of Islam Group.

He had been appointed as Operative director (Finance) of Eastern Housing Limited in 1991. He played vital role in the Accounts and Finance department of Eastern Housing Limited.

Prior to joining Eastern Housing Ltd. he had served as Chief Accountant in Crescent International Ltd and Bengal Development Corporation Ltd. He obtained Bachelor of Commerce in Accounting from Dhaka University and completed Group – I of Chartered Accountancy Practical Training in 1964. He had been the Chief Financial Officer of Bengal

Development Corporation Limited's 90 km Sila-Duwagin and 5000 housing project in UAE.

Mr. Md. Mostafizur Rahman was appointed to the board in 2004. He is a business professional for a period of over 40 years. In 2011 he resigned from the board of Eastern Housing Ltd. and subsequently joined the board as Nominated Director as proposed by Islam Brother Properties Limited. He is also a member of the Audit Committee.

He holds Bachelor's degree in Arts and proprietor of M/s. Mostafizur Rahman, a construction company and Hotel Shahina.



MD. MOSTAFIZUR RAHMAN
Nominated Director by
Islam Brothers Properties Ltd.

Mr. Sarwar Boudius Salam was appointed to the board of Eastern Housing Limited in 2005. He was the former independent director of Eastern Housing Limited. In 2012 he resigned from the board of Eastern Housing and subsequently joined the board as Nominated Director as proposed by Islam Brother Properties Limited. Prior to joining Eastern Housing Limited he worked in Uttara Bank and Navana Pharmaceuticals Ltd. He is a business professional and currently owns a company called Onion Ring.

He had been a director for a few years in the Board of Directors of Uttara Bank Limited. He holds a Masters Degree in Commerce from the University of Dhaka.



SARWAR BOUDIUS SALAM
Nominated Director by
Islam Brothers Properties Ltd.

Dr. Zia U. Ahmed is the Independent Director of the Board of Directors. Dr. Ahmed is the Founder and Chairman of Venture Investment Partners Bangladesh Ltd. (VIPB) which is the first private social venture capital investment company with focus on SME segment in Bangladesh. He is also the Founder and Managing Partner of SEAF Bangladesh Ventures LLC which is an alternate investment vehicle for long term capital to emerging SMEs in Bangladesh. Dr. Ahmed has over thirty years of experience in finance sector.

He holds a PhD degree in Economics from the University of Virginia, USA.



ZIA U. AHMED
Independent Director

Management Team's Profile



DHIRAJ MALAKAR
Managing Director

Mr. Dhiraj Malakar was appointed as Managing Director, EHL on 23rd November, 2010. Before joining as Managing Director, he was worked as an advisor to Eastern Housing Limited.

Mr. Malakar served 35 years in the public sector in different capacities in the field level as well as a policy level of the People's Republic of Bangladesh and last worked as Secretary to the Ministry of Food and Disaster Management.

He served as a Deputy Commissioner & Joint Secretary in different ministries such as Ministry of Industry, Sports and Youth, Ministry of Planning & Member, Planning Commission. He is well versatile in Land Management and Land Regulatory subjects through his employment in the Land Regulatory Department of the Government in different capacities.



NAZIM NOWAZ CHOWDHURY
Senior Executive Director (Land)

Born in Bhadeswar, Sylhet Mr. Nazim Nowaz Chowdhury started his career with Bengal Development Corporation (BDC), a unit of Islam Group in Abu Dhabi, UAE in Company's 5,000 independent houses construction project in 1977. Beside houses, BDC constructed an important road project in UAE connecting UAE & Saudia Arabia (Sellah-Duagin highway). Accomplishing the business in Abu Dhabi,

Mr. Nazim Nowaz Chowdhury was transferred to Iraq in 1980 to work for BDC's different projects. BDC contributed significantly in Building modern Iraq, implementing projects like Renovation of the Shrine of Hazrat Abdul Quader Gillany (R.A), Restoration of historical houses of Baghdad, Completing two full fledged township near Iraq-Syria border, Automatic brick field, Sewerage network etc.

After successfull completion of BDC's project in Iraq, Mr. Nazim Nowaz Chowdhury joined Eastern Housing Ltd. in Bangladesh in 1986. He is now looking after the Legal Department, Land Purchase and Administration of EHL in the capacity of Senior Executive Director.



KAZI MOHAMMAD ZUBAID
Senior Executive Director (Apartment)

Mr. Kazi Mohammad Zubaid appointed as Senior Executive Director for Eastern Housing Ltd in 2012. He heads the apartment unit of the company. He plays a pivotal role for development of sales, marketing and project monitoring. He actively participates in different local and international real estate fairs for and behalf of the company.

Kazi Mohammad Zubaid started his carrier with Building Technology and Ideas Ltd (bti) in 1994. He has been in the real estate sector for more than eighteen years.

Mr. MD. Saiful Huda Anaholy joined Eastern Housing Ltd. in 1998 as Company Secretary. He has been the secretary of the company since then. He previously worked in Bengal Development Corporation in a managerial role. He attended several courses and workshop organized by Institute of Chartered Secretaries of Bangladesh (ICSB). He brings to board 15 years of secretarial experience.



MOHAMMED SAIFUL HUDA ANAHOLY
Company Secretary

A Masters in Commerce (Accounting), Mr. Asadul Islam qualified Chartered Accountancy in 2001 and Chartered Secretary in 2002.

Mr. Islam joined Eastern Housing Ltd. in 2012 as Chief Financial Officer. Mr. Islam has more than 17 years' experience. He was Deputy Controller of Accounts of Quasem Group. He then joined Abdul Monem Limited as Head of Finance. Thereafter he joined Navana Group as General Manager and later promoted to Operative Director. In addition he was Chief Financial Officer (CFO) of both Aftab Automobiles Ltd. and Navana CNG Ltd.

Mr. Islam is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants of Bangladesh (ICAB) and Fellow Chartered Secretary (FCS) of the Institute of Chartered Secretaries of Bangladesh (ICSB).



MD. ASADUL ISLAM FCA, FCS
Chief Financial Officer

Mr. Chowdhury joined Eastern Housing Ltd. in 2012. He currently heads the construction department. He has over 36 years of professional experience in major Civil Engineering projects in the Gulf Countries including Saudi Arabia, Iraq, Qatar, Dubai (UAE) and Bangladesh.

He holds a Civil Engineering degree from Bangladesh University of Engineering and Technology (BUET).

Prior to joining Eastern Housing Ltd. he worked in Khatib & Alam, Consolidated Engineering Consultants in Dubai. He attended various training on Health, Safety & Environment (HSE) & Highway Survey in IRAQ & Aqua-Culture training in Singapore & Thailand.



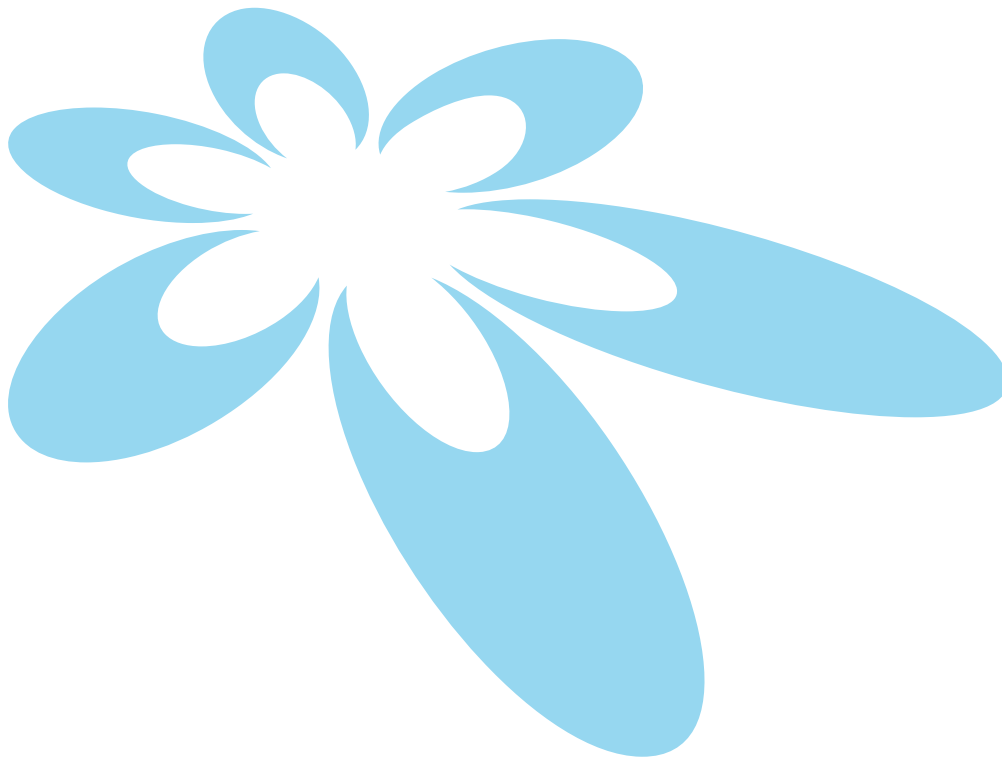
ZAHANUL HAQ CHOWDHURY
Director (Construction)



MD. MONIRUZZAMAN
Head of Internal Audit

Moniruzzaman was appointed as the Chief Internal Auditor of Eastern Housing Limited on November 01, 2012. He joined EHL as Internal Auditor in 2010. Prior to joining Eastern Housing Limited he worked in Flora Limited. He Completed three years articulated studentship on October 2007 with M/s Aziz Halim Khair Choudhury (AHKC), Chartered Accountants.

He obtained CA Professional Stage 1 (knowledge Level) from The Institute of Chartered Accountants of Bangladesh and is listed as Income Tax Practitioner (ITP) under National Board of Revenue (NBR). In addition he holds Masters in Accounting (M.Com) from the Jagannath University.





59-B, Kemal Ataturk Avenue

Message from the Chairman



Manzurul Islam

Chairman

“In order to ensure environment friendly sustainable real estate we have emphasized on the usage of environment friendly building materials, effective wastage management and efficient energy systems.”

Distinguished Shareholders,

Economic slowdown and inflated commodity price have affected Bangladesh economy in several ways. In spite of all unfavourable situation we have been able to count more growth and profitability in the year under review compared to previous year. The real estate sector faced severe problems due to ban on connection of the electricity and gas for new projects.

Significant changes have been made in our control environment and our internal controls. We have also introduced new key performance measures to ensure that our both financial and non financial indicators are considered to aid better judgment and decision making.

I am pleased to inform you that your Board has appointed a second Independent Director. The experience adds value to the company and further strengthens the Corporate Governance standards in the company.

The present market condition resulted in a downward trend in real estate sector. In spite of the prevailing market conditions our consolidated turnover was higher by 10.88% compared to previous year.

The sales revenue for Apartments was up by 93.68% but revenue for land plots dropped by 19% over the year 2012.

The main reason for this growth in Apartment unit was that we have handed over some flats from our five big projects namely Eastern Kamalapur, Eastern Pantha Chaya, Eastern Karim Cottage, Eastern Nawab Katra and Eastern Arzoo. We took a bold decision to take advantage of the drop in land prices in Dhaka by undertaking several new Apartment projects. We have taken some projects at strategic locations which will add value to the company and maximize shareholders wealth.

We are not oblivious to the need of middle income group people of the society and hence we have started a big project in Mirpur. We have started selling at very competitive price.

In order to ensure environment friendly sustainable real estate we have emphasized on the usage of environment friendly building materials, effective wastage management and efficient energy systems.

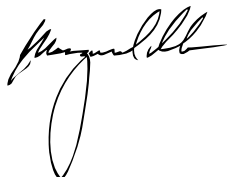
We submitted a detailed proposal for our new land projects which is still awaiting approval from RAJUK. With this approval we can start selling a good number of plots from Aftabnagar and Banasree projects. The area of the proposed projects is around 1082 acre. In addition to the above we have submitted a plan of 335.41 acres area in Goran Chatbari (Pallabi Phase II) to RAJUK for approval. Earlier we had submitted the plans in traditional format as per RAJUK requirements. Subsequently we have prepared the plans in GIS (Geographical Information system) software as required by RAJUK. We are hopeful that both the plans will be approved within 2014 Insha Allah.

You will be happy to learn that the common facilities in the land projects have been increased to around 40% of the total land area due to changes in regulations by the Government. The common facilities include educational institutions, markets, play grounds, parks, mosques, pump house, police station, bus stations, hospital, clinic, graveyard and internal roads. We are installing utility facilities such as water line, electricity line, gas line & sewage and drainage system phase by phase. For beautification of the projects we have initiated tree plantation. We have started tree plantation with Jahurul Islam City Project initially. Gradually all the projects will be covered under this tree plantation scheme.

I would like to inform you that we are trying to take a new land projects around 500 bighas outside DAP area. Moreover, we have started procuring land at Cox's Bazar with a view to develop international standard hotel and resort accommodating all the facilities. Initially we have purchased approximately 18 bighas of land and planning to purchase around 100 bighas gradually.

Our prudent and efficient management team led by the Managing Director is always a step ahead in adopting to the ever altering business environment and are ever ready to accommodate the current need of customers. Our inventory portfolio is well balanced to ensure that all market segments are catered for.

In conclusion, we believe that we have the strong fundamental and resources to continue our progress to great heights. I take this opportunity to extend my gratitude to the Employee, Customers, Suppliers, the regulatory bodies for their guidance and support to the company.



Manzurul Islam
Chairman

Message from the Managing Director



Dhiraj Malakar
Managing Director

“As the only publicly listed real estate company in Bangladesh, Eastern Housing Limited is committed to achieve high standard of transparency and accountability.”

Dear Shareholders,

The year 2013 has been a difficult year for the Real Estate sector in Bangladesh due to the slow economy and the tight liquidity situation prevailing in the country. This had a strong adverse impact directly on all real estate companies. Moreover, people were deferring their investment decision in the real estate sector due to unfavourable situation. Despite the incremental challenges we have faced, we have continued our development program as usual and achieved a growth of 10.88% compared to last year. Consequently profitability has been increased.

During the year under review we have handed over 252 flats/shops and 546 plots.

Sales revenue in the year under review was Taka 202.87 crore as compared to Taka 182.96 crore in the previous year. Profit after tax stood at Taka 22.67 crore which was 10% more than that of previous year.

Our sales for the 2013 grew by 10.88% compared to the year before. Due to our increase in operational efficiency, our GP has increased. Although finance expense has been increased by 32% we could maintain net margin of 11.17% which is 10% higher compared to previous year.

I am pleased to report that the company has been able to sustain our strong market position and our diversified product line. The company's earnings per share (EPS) increased to Tk. 3.16 in financial year 2012-2013 from Tk. 2.87 (restated) in financial year 2011-2012. Net Asset Value (NAV) per share is Tk. 20.74 compared to Tk. 18.48 (restated) in previous year.

We are currently working in developing twenty apartment and commercial projects and a total of four land development projects. There are eleven apartment projects in the pipeline. The apartment and commercial projects are located in various areas in the city of Dhaka. A new venture has been taken just along the sea beach in Cox's Bazar. We are acquiring further land in that area to turn it into a state of the art resort.

As the only publicly listed real estate company in Bangladesh, Eastern Housing Limited is committed to achieve high standard of transparency and accountability. I believe with our new external and internal changes we are well positioned for the next year.

I would like to express my deep appreciation and thanks to our board members for their continued trust and support in our management team, valued shareholders for their confidence. I also thank all our employees for their unrelenting efforts in building the confidence of our customers and help us achieve positive results.



Dhiraj Malakar
Managing Director



View of Jahurul Islam City

Corporate Governance in Eastern Housing Ltd.

Corporate governance is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and better and timely financial reporting.

The Board of Directors is responsible for proper governance which includes setting out Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to the shareholders on their stewardships.

Eastern Housing is committed to continually reviewing all corporate governance policies and practices to ensure the ongoing transparency of the company's practices and the delivery of high standards and quality information to stakeholders.

The maintenance of effective corporate governance remains a key priority of the Board of Eastern Housing Limited. To exercise clarity about directors' responsibilities towards the shareholders, corporate governance must be dynamic and remain focused on the business objectives of the Company and create a culture of openness and accountability. Keeping this in mind, clear structure and accountabilities supported by well understood policies and procedures to guide the activities of the Company's management have been instituted.

Statements of Compliance

Securities and Exchange Commission's notification on Corporate Governance.

As Eastern Housing Ltd. is listed on the Stock Exchanges in Bangladesh, we comply with the BSEC's notification on Corporate Governance SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012. For the year ended 31st July 2013, we have complied with the relevant provisions set out in Annexure 1 in this report.

Corporate Governance Framework

Good corporate governance practices are not just a matter for the Board but are at the heart of everything that we do within the Company. The Company operates within a comprehensive governance framework

Role of the Board

The Directors of the Board are appointed by the Shareholders at the Annual General Meeting (AGM) and accountable to the Shareholders. The Board is responsible for ensuring that the business activities are soundly administered and effectively controlled.

The Directors of the Board keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate control. The Board also ensures that EHL Policies & Procedures and Codes of Conduct are implemented and maintained, and the Company adheres to generally accepted principles for good governance and effective control of Company activities.

In addition to the other legal guidelines, the Board has also adopted "Code of Conduct" for ensuring better governance.

The Code on Corporate Governance of the company sets out the principles and best practices to be applied by the company in its operations towards achieving the optimal governance framework.

The Board of Directors is responsible for protecting the rights and interests of all shareholders and also accountable for the overall management of the entity. Besides its usual legal and statutory responsibilities, the Board is responsible for the following:

- Reviewing and adopting a strategic plan for the company;
- Overseeing the conduct of the company's business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation and where appropriate, replacing senior management;
- Developing and implementing an investor relations program or shareholder communications policy for the company;
- Reviewing the adequacy and the integrity of the company's internal control systems and management information systems, including systems for compliance with applicable laws, and regulations, rules, directives and guidelines;
- Approving the financial statements and accounting policies of the company;

- Approving changes in the policy;
- Recommending dividend for declaration in AGM;
- Establishing committees including the Audit Committee & Executive Committee
- Receiving and reviewing reports from committees of the Board;
- Establishing and monitoring compliance with the company's standards of business conduct and other policies of the company;
- Establishing appropriate systems of corporate governance in the company;
- Considering and approving other matters specially reserved for the attention of the Board; and
- Constantly guide and assist the company in external stakeholder management.

Board Composition

The Board in EHL is comprised of Six Directors, including the Chairman who is elected from amongst the members. In addition to Board of Directors, a separate Managing Director who is an Ex Officio is present in the Board.

In compliance with the Corporate Governance Guidelines issued by Notification No SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 the Board of Directors has appointed a new Independent Director. We are in the process of appointing another independent director subject to approval in AGM. We believe that our Board has the optimum level of knowledge, composure and technical understanding about Company's business which, combined with its diversity of culture and background stands as the perfect platform to perform and deliver.

The name of the Board of Directors:

1. Manzurul Islam, Chairman
2. Suraiya Begum, Nominated Director
3. Zia U. Ahmed Independent Director
4. Md. Abdul Wadud, Nominated Director
5. Md. Mostafizur Rahman, Nominated Director
6. Sarwar Boudius Salam, Nominated Director

Board Meetings

The meetings of the Board of Directors of Eastern Housing Ltd are generally held at the Registered Corporate Head Office of the Company. The meetings are held frequently, at least once in a quarter, to discharge its responsibilities and functions as mentioned above. Meeting is scheduled well in advance and the notice of each Board meeting is given, in writing to each director by the Company Secretary. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention.

The Eastern Housing Ltd Board met eight times during the year 2012-2013 and took decisions on key matters. The Board is responsible for the overall system of internal control for the company and for reviewing the effectiveness of these controls.

The details of Board Meeting and attendance are given in Annexure II of this report.

Retirement and Reelection on of Directors

As per the Article of Association of the company, one-third of the directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day, those to retire shall (unless they otherwise agree themselves) be determined by lot, but remains eligible for re-election.

Independent Director

As per new SEC Circular No. SEC/CMRRCD/2006-158/134/Admin/44 Zia U. Ahmed PhD has joined as a new independent director in 2012. Mr. Zahiduzzaman Faruque has been recommended to join the EHL board as the second independent director subject to approval in AGM.

Division of work for the Board and Managing Director

The roles of the Board and Managing Director are separate and delegation of responsibilities is clearly established, set out in writing and agreed by the Board to ensure transparency and better corporate governance. To that end,

EHL has also adopted “Governance Guidelines for Managing Director”. The Managing Director is the authoritative head for day-to-day management in EHL. He acts to reasonably ensure that EHL operates business as per the Articles of Association (AoA), decisions made by the Board and Shareholders, as well as according to EHL Policies and Procedures and applicable regulatory legislations.

Role of the Chairman

The Chairman leads the Board in determination of its strategy and achievement of its objectives. The Chairman is responsible for organizing the business of the Board, ensuring its effectiveness and setting its agenda. The Chairman is also responsible for ensuring that the Directors receive accurate, timely and clear information. The Chairman facilitates the effective contribution of Independent Directors and ensures that constructive relations exist amongst the Directors. Minutes of Board meeting are signed by the Chairman.

Role of the Managing Director

The Managing Director is responsible for running the business and for formulating and implementing Board strategy and policy. He also has direct charge and overall control of the Company on a day-to-day basis and is accountable to the Board for the financial and operational performance of the Company.

He is to certify to the board regarding financial statement and financial transactions of the company according to the corporate governance guidelines as issued by Bangladesh Securities and Exchange Commission (BSEC).

Role of Company Secretary

To ensure effective integration and timely flow of information required by the Board and to maintain necessary liaison with internal resources as well as external agencies, the Board has appointed a Company Secretary.

The Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) also require a listed company to appoint a fully fledged Company Secretary, as distinct from other managers of the Company. In pursuance of the same, the Board of Directors has appointed Company Secretary and defined his roles & responsibilities. In EHL, among other functions, the Company Secretary:

- Advises and assist the members of the Board with respect to their duties and responsibilities as Directors and compliance with their obligations under the Companies Act, Stock Exchange requirements and issues on corporate governance
- Acts as a channel of communication and information
- Ensures that the Board’s decisions are properly implemented and communicated by assisting in the implementation of corporate strategies and policies.
- Ensures proper compliance with all relevant statutory and regulatory requirements.
- Communicates with the stakeholders of the company

Role of Chief Financial Officer

The Chief Financial Officer is a versatile individual with the talent to meet a continually changing set of circumstances. He is responsible for accounts and treasury functions of the company. In addition he attends all board meeting and presents quarterly and periodical results.

He is to certify to the board regarding financial statement and financial transactions of the company according to the corporate governance guidelines as issued by Bangladesh Securities and Exchange Commission (BSEC).

Role of the Head of Internal Audit & Compliance

The Head of Internal Control & Compliance is responsible for reporting to the Board/ Audit Committee regarding any deviation from accounting and internal control systems of the Company. He is also responsible for ensuring regulatory compliance of the Company.

Price Sensitive Information

The Board of Eastern Housing Limited through the company secretary always ensures to inform all price sensitive information within 30 minutes of the decision or immediately upon getting such information to the BSEC and the Stock Exchanges.

The communication is done through Fax and by special messenger, and through courier service in special cases and at the same time cause publishing the same in two widely circulated daily newspapers, one in Bangla and the other in English.

Disclosure on the performance and prospect of the Company

Eastern Housing Ltd. attaches high priority on timely publication of quarterly, half-yearly and annual report with comprehensive details in excess of regulatory requirements. Mediums of publication include printed materials, newspapers and the website of the Company. Price Sensitive information is released to the regulators within half an hour of the decision. The Financial Statements are prepared in accordance with IAS and IFRS as adopted by Bangladesh Accounting Standards.

Dividend Policy

The Board of Directors has a Dividend Policy which is based on company's performance and company's long term objectives.

Board Committees

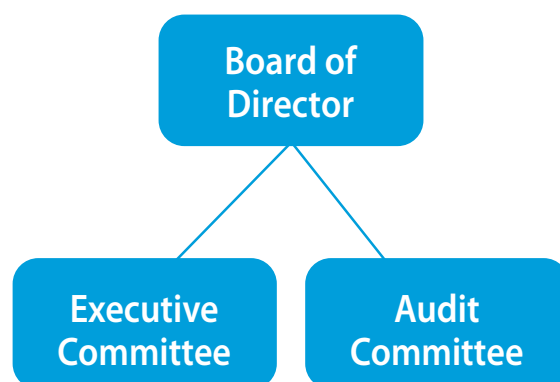
There are two committees in Eastern Housing Limited.

a) Audit Committee

The EHL Audit Committee was established in late 2008 as a sub-committee of the Board and has jurisdiction over EHL. The Audit Committee is comprised of four members of the Board including the Independent Director. The Audit Committee assists the Board in discharging its supervisory responsibilities with respect to internal control, financial reporting, risk management, auditing matters and EHL's processes of monitoring compliance with applicable legal & regulatory requirements and the Code of Conduct. The Audit Committee Charter, as approved by the Board, defines the purpose, authority, composition, meetings, duties and responsibilities of the Audit Committee.

The Audit Committee met 4 (four) times during 2012-13 and attendance of the Committee members in the meetings was as follows:

Name	Attendance
Zia U. Ahmed (Chairman)	3/4
Md. Abdul Wadud	4/4
Md. Mustafizur Rahman	4/4
Sarwar Boudius Salam	4/4



b) Executive Committee

The Executive Committee of Eastern Housing Ltd manages and run the affairs of the Company on behalf of the board. The Managing Director is the leader of the team. Executive Committee endeavors to achieve the strategic goals & mission of the Company set by the Board of Directors. The Executive Committee meets on a weekly basis to monitor the business performance of the Company.

Standards of Business Conduct:

Eastern Housing Limited is committed to achieving high standards of integrity in public life and in all of its business practices. This commitment is set out in the standards of business conduct adopted by the company in order to conduct the company's business with honesty, integrity and transparently.

Standards of Business Conduct are a fundamental policy of the company that everyone working in Eastern Housing Limited must follow, whilst also providing support and guidance to assist the people to ensure that their conduct meets the high standards expected to them and comply with the laws and regulations applicable to the company's business and that they act with high standards of business integrity. The standards are an integral part of the principles of corporate governance in Eastern Housing Limited and are designed to:

- Ensure that decision and judgments made by the employees are lawful and comply with the ethical standards expected of a leading public limited company;
- Set a tone and culture for the organization which will enable it to be regarded as a good corporate citizen;
- Help employees who are faced with making relevant judgments in the course of doing their work;
- Assist managers in considering disciplinary matters where appropriate, give reassurance to Eastern Housing Limited's shareholders, customers and suppliers, to government and to other third parties with whom Eastern

Housing Limited comes into business contact and;

- Seek to protect Eastern Housing Limited from being subject to loss as a consequence of extortion, fraud, theft, bribery and corruption, insider dealing and anti-terrorism or other dishonesty.

The Standards of Business Conduct are reviewed from time to time and updated to reflect what we see as developments and issues affecting corporate conduct and values, and the standards expected.

Statement of Internal Control

The internal control system of Eastern Housing Limited is designed to manage risks that may impede the achievement of the company's business objectives rather than eliminates these risks. The ultimate facilitator of the internal control system is the Board of Directors in order to ensure that the importance of internal controls is understood across the company and that adequate resource allocations are available. Internal control is the process by which the company's directors, management and staff obtain reasonable assurance as to the achievement of specified objectives including:-

- Efficiency and effectiveness of operations,
- maintenance of assets,
- reliability of financial and other management information,
- the prevention of fraud,
- Compliance with relevant national laws and Companies Act, BSEC Rules, Stock Exchanges Rules and Regulations.

Eastern Housing Limited continues to ensure the presence of the following components that would create an effective internal control system.

Control Environment

The Board of Directors sets the tone for an effective control environment through regular exchange views and reviews of the processes for identifying, evaluating and managing the significant risks. An effective control environment is set by top management that cascades across all business functions. Before selecting a site for land or apartment projects utmost attention and arrangement is ensured for environment.

Risk Assessment

The company has an ongoing risk management process to identify key business risks. Process risks are also assessed at the planning stages whereby objectives are reviewed along with the associated risks that may potentially affect the achievement of objectives. Appropriate risk responses are articulated to enable the company to achieve its objectives effectively.

In Eastern Housing risks can come from uncertainty in form of project failures (at any phase in design, development, material cost), legal liabilities, credit risk, accidents, natural causes and disasters as well as deliberate attack from an adversary, or events of uncertain or unpredictable root-cause. Further to address & manage risk, the Company also works on ensuring:

- Implementation & good practice of required policies & procedures
- Controls on different functions of Revenue Assurance & Fraud Management

Control Activities

Control activities are the policies and the procedure to help ensure that management directives are carried out, and the necessary actions are taken to minimize the risks of failing to meet objectives. Policies and procedures are effectively established within the company and continuously reviewed for compliance, adequacy and improvement.

Information and Communication

The company ensures the effective flow of information on internal activities and external factors across the management levels. All individuals receive a clear message from senior management that control responsibilities must be taken seriously.

Monitoring

The system of internal control is monitored regularly through both ongoing activities and separate evaluations. Ongoing monitoring activities are conducted through regular management activities. An Internal Audit Team



has been setup with five members during the year under review. The internal audit function is responsible for providing an objective and independent view of the effectiveness of operational and financial controls and procedures, as well as management action in dealing with issues of control. The internal audit function monitors the presence of the components of internal control system and reports to the audit committee.

Development of Awareness

The Board through the Audit Committee ensures that an awareness of internal control is enhanced throughout the company. This occurs through management self assessment of controls, discussion of internal control issues at management meetings, off the job education on internal control and through creating an environment and control attitude within the company that is challenging, proactive, and considers the worst case scenarios to gauge the appropriateness of controls.

The Board has delegated the process of reviewing the effectiveness of internal controls to the Audit Committee. The committee monitored and reviewed independent assessment of business process within the company.

Accountability and Audit

In implementing and ensuring the right Governance in EHL, the Board and Executive Committee ensure the following:

Financial Reporting

EHL has strong financial reporting procedures in line with the requirements of International Financial Reporting Standard (IFRS), Bangladesh Accounting Standard (BAS) and other related local legislations.

Going Concern

The company has at the date of the report, sufficient resources available for its estimated requirements for the next 12 months.

Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The Company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting Standard 24: "Related Party Disclosures." Details of these transactions are set out under Notes to the Financial Statements.

Business Review and Financial Review

Business Review and Financial Review are conducted quarterly. The purpose of Business Review is to ensure strategic control and follow-up of results based on the prevailing strategic objectives and value drivers and key changes to risk exposure. Financial Review provides the internal quarterly results follow-up for the Company. The purpose is to provide an analysis of the economic and financial situations, which will then form the basis for external reporting and presentations, and to provide quality assurance for the financial reporting. In addition, internal review on monthly financial results is conducted by Managing Director on a monthly basis.

Statutory Audit

Statutory Audit of the Company is governed by the Companies Act, 1994 and Securities and Exchange Rules 1987. As per these regulations, auditors are appointed at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the AGM. Appropriate structure is in place as per corporate governance best practices to ensure independence of statutory auditors.

Internal Audit

The Internal Audit department is independent of business operations. It undertakes a programme to address internal control and risk management processes with particular reference to the EHL Audit Charter.

It operates a risk-based methodology, ensuring that the Company's key risks receive appropriate regular examination. Its responsibilities include reviewing and reporting on the effectiveness of risk management systems and internal control with the Executive Committee, the Audit Committee and ultimately to the Board. Internal Audit facilitates oversight of risk and control systems across the company. The Head of Internal Audit also attends all Audit Committee meetings.

Compliance with Rules & Regulations

In this context, the Company provides complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), Stock Exchanges, National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE). The Acting CFO and Company Secretary always accommodate any queries that are raised by regulators of the country

Employees

Employees' remuneration:

The objective of the Company's remuneration policy is to attract, motivate, reward and retain quality staff. The Board ensures that the remuneration policies are in line with the strategic objectives and corporate values of the Company, and do not give rise to conflicts between the objectives of the Company and the interests of individual Directors and key executives. The total compensation package for employees comprises salary, contributory provident fund, gratuity scheme, and other benefits plans such as maternity benefits etc.

In determining the composition of the package, the nature of the role performed and market practice are taken into consideration. To ensure that its remuneration package is competitive, the Company regularly reviews its base salary ranges and benefits package based on market data.

Codes of Conduct:

In accordance with approved and agreed Code of Conduct, Eastern Housing employees are expected to avoid personal activities and financial interests which could conflict with their responsibilities to the company. Eastern Housing employees must not seek gain for themselves or others through misuse of their positions.

Restrictions on dealings in EHL Shares by Insiders

The Company has established policy relating to trading of EHL shares by Directors, Employees and other Insiders. The securities laws also impose restrictions on similar transactions. All the Insiders are prohibited from trading in the EHL shares, while in possession of unpublished price sensitive information in relation to the Company during prescribed restricted trading period. Directors and Employees are also required to notify their intention to trade in the EHL shares prior to initiating the same.

Relationship with Shareholders:

Good corporate governance encourages dialogue with shareholders

Communications with Shareholders

EHL is continuously striving to improve relations with its shareholders.

The quarterly financial results and all other information are published in widely circulated dailies in both Bengali and English newspaper. The information is also made available in the company website.

Half yearly and Annual Reports are sent to shareholders are sent by post. The information is also made available in the company website.

Event based disclosure when required is disclosed through press releases and stock exchanges.

All information provided to the BSEC and Stock Exchanges are immediately made available to Shareholders on our company website: www.easternhousing.com

General Meeting

The Company requires its Board and auditors to attend each Annual General Meeting (AGM) so as to be available to answer Shareholders queries on the results of the Company.

Website

All financial results are posted on the Investor Relations section of the Company's website: www.easternhousing.com

Shareholders Queries

EHL has set up a separate share division in ground floor of the registered office of EHL. In addition we have special queries telephone lines and an email address. Shareholders can contact 95566303-5 Ext- 196 or mail to EHL Share Office: share@easternhousing.com for any queries and/or grievances.

Value Added Statement

The value added statement provides a detailed account of total value addition and the distribution of the value created by the organization. Eastern Housing contributes positively to socio-economic development by empowering employees through the payment of salaries and allowances; by paying consistent dividend to the providers of capital; by assisting the regulatory capacities through paying taxes and of course keeping in mind company's continuous expansion and growth.

	<u>2013</u>	<u>2012</u>
Sales	2,028,721,932	1,829,635,100
Other Income	58,473,590	195,695,490
Less - Cost of Sales	(1,339,763,289)	(1,354,648,200)
Available for distribution	<u>747,432,233</u>	<u>670,682,390</u>

Distribution:

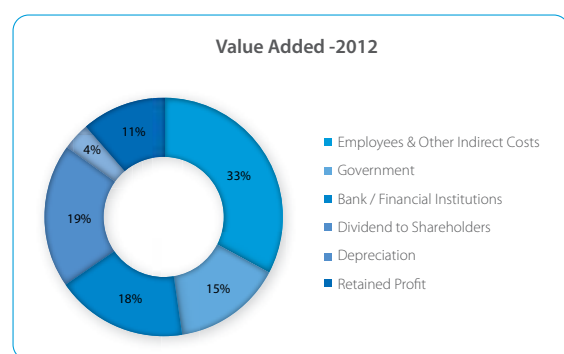
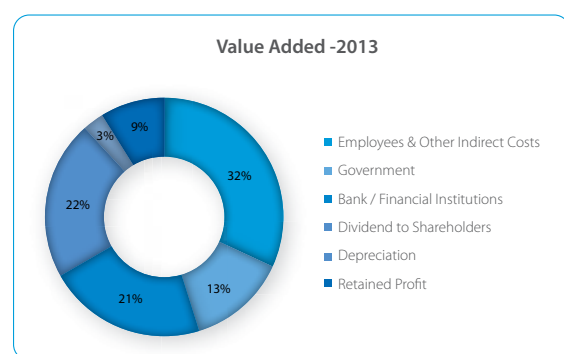
Employees & Other Indirect Costs	239,588,035	218,881,313
Government	99,143,092	99,863,618

Provider of Finance:

Bank / Financial Institutions	159,934,566	120,439,261
Dividend to Shareholders	161,270,109	130,319,280

Value Reinvested and Retained

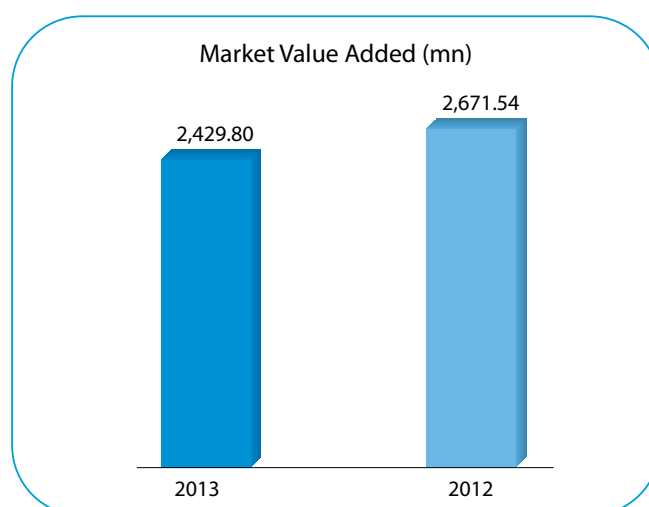
Depreciation	22,070,011	25,463,124
Retained Profit	65,426,420	75,715,794
	<u>747,432,233</u>	<u>670,682,390</u>



Market Value Added Statement

Market Value Added (MVA) is a measure of external performance that indicate how the market has evaluated the company's performance in terms of market value of shares compared to book value of shares. MVA is the difference between the market value of equity of a company and the book value of equity invested in the company. A positive MVA indicates that the company could add value to shareholders wealth. The following statement indicates the MVA at the year ended on 31 July 2013 and 2012:

(in million Taka)	2013	2012
Market value of shares outstanding	3,146.56	3,323.14
Book value of shares outstanding	716.76	651.60
Market value added	2,429.80	2,671.54

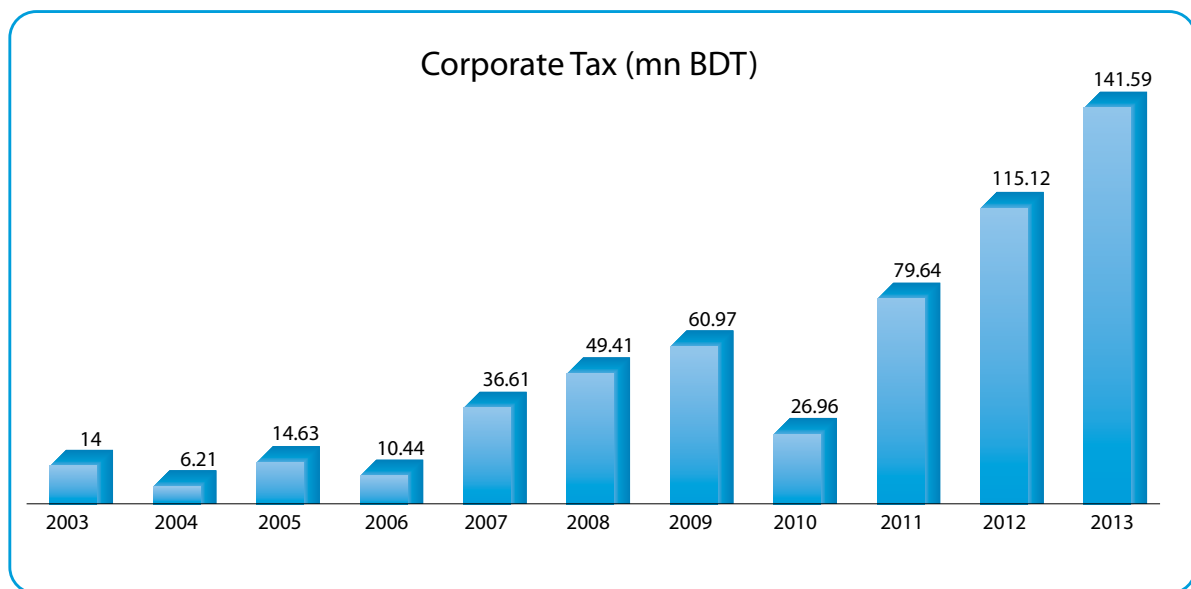


- a) Here we consider the closing price of EHL at 31st July for the year 2013 & 2012.
- b) Book value of shares outstanding = No. of shares * 10
- c) Market Value of shares outstanding = No. of shares * Market price per share mentioned at (a)

Contribution to National Exchequer

Eastern Housing Ltd is one of the largest corporate taxpayer in real estate sector of the country. Its contribution to the national treasure has been increasing significantly in the last few years. The contribution to the National Exchequer in 2012-13 is BDT 141.6 mn compared to BDT 115.1 mn in 2011-12.

With the payment of taxes and the investment in the real estate and development sector, Eastern Housing Ltd is making a significant contribution to the country's development and growth.



Financial Review (FY 2012-13)

During the financial year ended 31st July, 2013, Eastern Housing Limited achieved net sales of Tk. 2,028.72 million as against Tk. 1,829.64 million in the previous year registering a sales growth of 10.88%. Land unit of the company accounted a negative growth of 19.00% and Apartment unit accounted 93.68% growth in sales.

The Net Asset Value per share (NAV) is increased to Tk. 20.74 in FY2012-13 from Tk. 18.48 in FY2011-12 shows 12.23% growth.

The company accounted gross profit of Tk. 683.96 million in FY2012-13 from Tk. 453.77 million in FY2011-12 registering a growth of 50.73%. Whereas gross profit margin increased to 33.71% in FY2012-13 from 24.80% in FY2011-12.

Operating profit has increased to Tk.439.03 million in FY2012-13 from Tk. 239.83 million in FY2011-12 registering a growth of 83.05%. Operating profit margin increased to 21.64% in FY2012-13 from 13.11% in FY2011-12.

Financial income has decreased to TK. 46.75 million in FY2012-13 from Tk. 186.50 million in FY 2011-12. Company's administrative and selling expense has increased to Tk. 256.66 million in FY2012-13 from Tk. 223.13 million in to FY2011-12.

Net profit after tax increased to Tk. 226.70 million in FY2012-13 from Tk. 206.04 million in FY2011-12 registering a growth of 10.03%. The net profit margin after tax slightly decreased to 11.17% in FY2012-13 from 11.26% in FY2011-12 as there is a negative growth of tax expense was 0.72%. Tax figure has decreased to Tk. 99.14 million in FY2012-13 from Tk. 99.86 million in FY2011-12.

Since the company accounted a growth in net profit compared to previous year, company's earnings per share (EPS) increased to Tk. 3.16 in FY2012-13 from Tk. 2.87 (restated) in FY2011-12.

During the year under review net working capital increased to Tk. 1,548.39 million from Tk. 1,501.32 million. On the other hand, company's cash flow from operating activities accounted negative Tk. 556.96 million since cash paid to employees/suppliers was higher than cash receive from customer and others during the year.

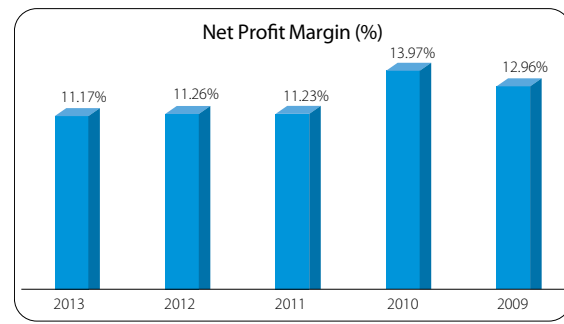
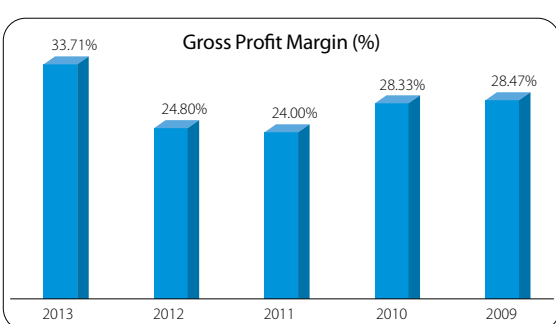
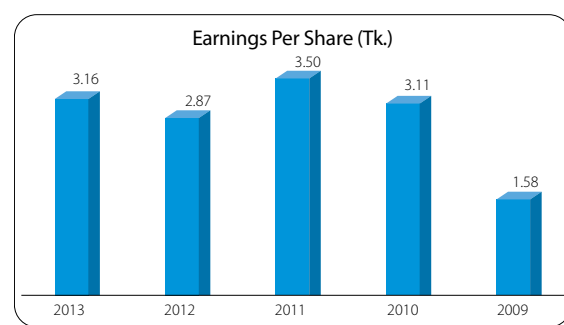
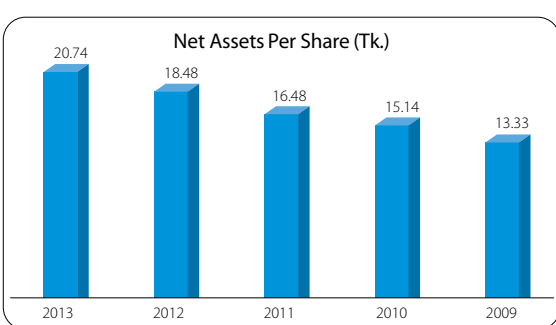
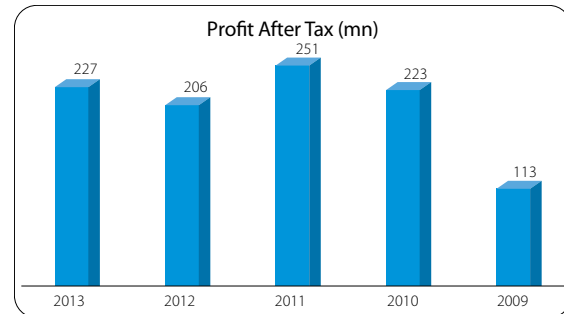
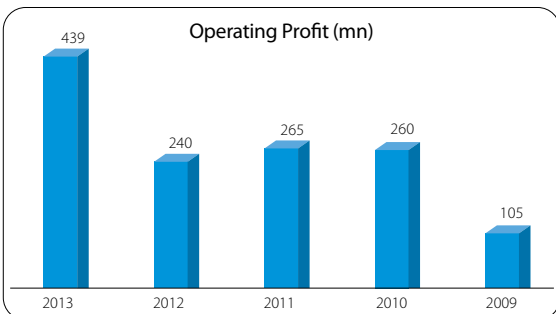
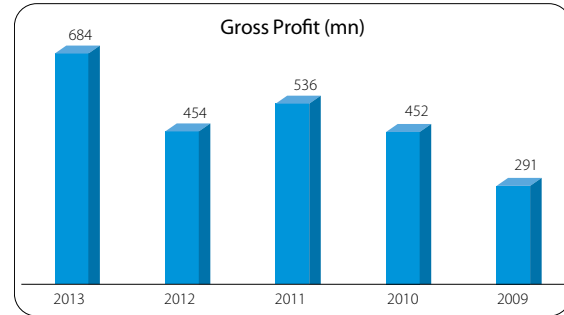
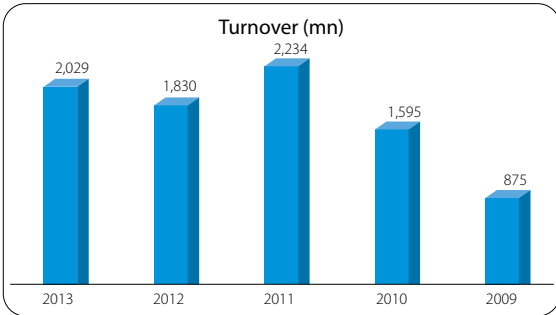
The company becomes more levered in FY2012-13 than FY2011-12 as the total bank loan increased to Tk. 1,028.16 million from Tk. 848.82 million which is an increase of 21.13%.

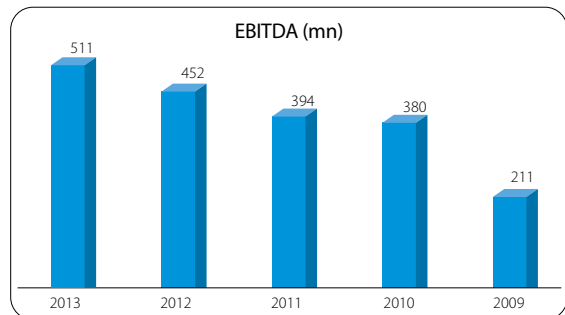
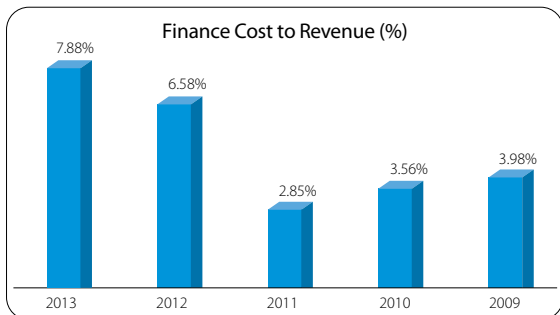
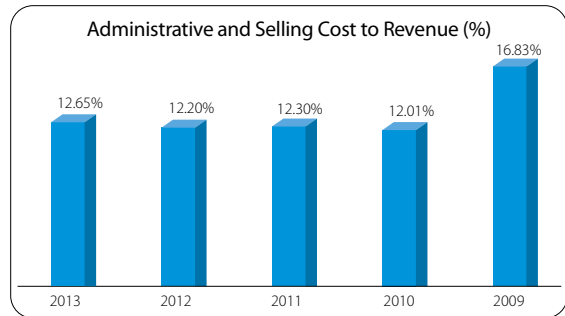
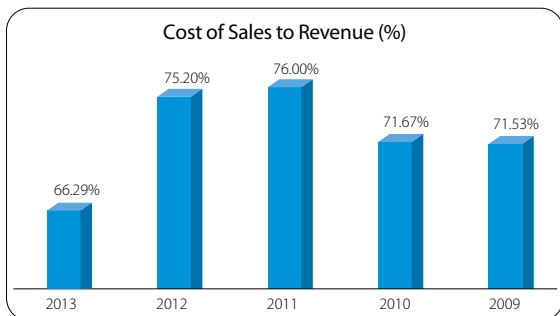
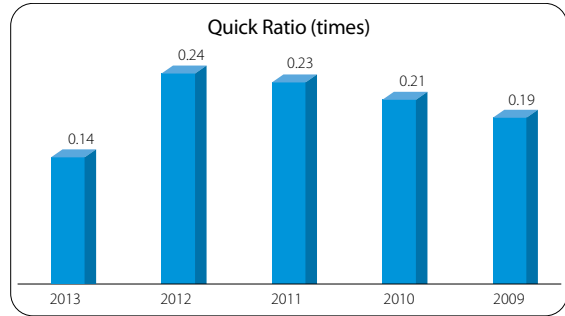
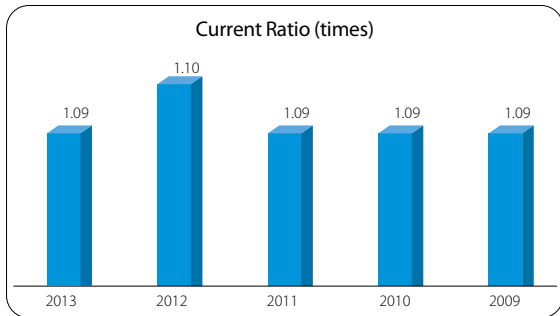
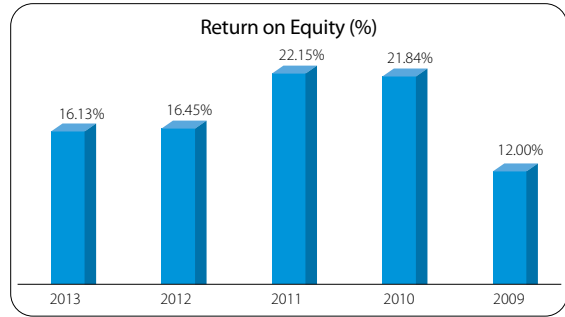
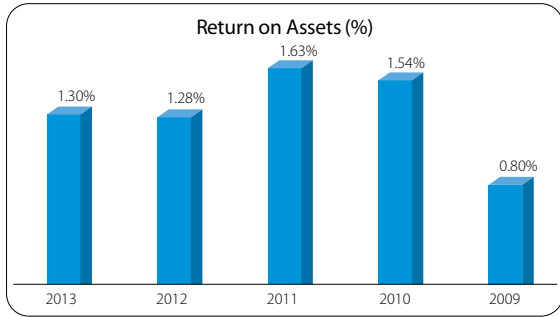
Five-year financial summary

As at 31 July

Results of operations	2013	2012	2011	2010	2009
Turnover (Net)	2,028,721,932	1,829,635,067	2,234,047,200	1,595,086,400	875,072,000
Gross Profit	683,961,215	453,767,597	536,236,200	451,951,100	291,051,400
Operating Profit	439,027,152	239,834,880	265,478,800	260,390,300	105,046,400
Profit Before Tax	325,839,621	305,898,691	314,315,200	307,279,300	167,242,400
Profit After Tax	226,696,529	206,035,073	250,909,800	222,777,500	113,437,800
Balance sheet					
Authorized Capital	2,000,000,000	2,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Issued & Paid up capital	716,756,040	651,596,400	620,568,000	620,568,000	620,568,000
Shareholders Equity	1,486,383,763	1,324,846,873	1,180,868,600	1,085,100,800	955,408,500
Total Assets	18,291,412,654	16,585,460,371	15,639,874,500	15,070,078,700	13,862,669,900
Current Assets	18,134,961,158	16,423,596,877	15,516,219,300	14,963,538,700	13,802,087,600
Ordinary share information (Comparatives Restated)					
Number of Shares Outstanding	71,675,604	65,159,640	62,056,800	62,056,800	62,056,800
Cash Dividend (Tk.)*	71,675,604	65,159,640	62,056,800	155,142,000	93,085,200
Net Assets per Share (Tk.)	20.74	18.48	16.48	15.14	13.33
Market price per share (Tk.)	43.90	51.00	98.35	75.70	62.57
NOCFPS	(11.98)	(11.87)	4.04	7.20	1.79
Earnings per Share (Tk.)	3.16	2.87	3.50	3.11	1.58
Stock Dividend*	12.5%	10%	5%	-	-
Financial ratios					
Gross Profit Margin	33.71%	24.80%	24.00%	28.33%	28.47%
Operating Profit Margin	21.64%	13.11%	11.88%	16.32%	12.00%
Net Profit Margin	11.17%	11.26%	11.23%	13.97%	12.96%
Return on Assets	1.30%	1.28%	1.63%	1.54%	0.80%
Return on Equity	16.13%	16.45%	22.15%	21.84%	12.00%
Current Ratio (Times)	1.09	1.10	1.09	1.09	1.09
Quick Ratio (Times)	0.14	0.24	0.23	0.21	0.19
Internal Capital Generation	15.25%	15.55%	21.25%	20.53%	11.87%
Cost of Sales to Revenue Ratio	66.29%	75.20%	76.00%	71.67%	71.53%
Administrative & Selling Cost to Revenue Ratio	12.65%	12.20%	12.30%	12.01%	16.83%
Finance Cost to Revenue Ratio	7.88%	6.58%	2.85%	3.56%	3.98%
Inventory Turnover (Times)	0.09	0.11	0.14	0.10	0.06
Payables Turnover (Times)	0.40	0.53	0.72	0.77	0.75
Others					
Number of employees	693	715	2,053	2,068	2,115
EBITDA	511,311,585	451,801,077	394,099,700	380,145,600	210,676,835

*Cash & Bonus Dividend proposed for 2012-2013







37, Park Road, Baridhara



Creating a Strong Bond

পরিচালকমন্ডলীর প্রতিবেদন

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

ইস্টার্ন হাউজিং লিমিটেডের পরিচালকমন্ডলীর পক্ষ থেকে আমি আপনাদেরকে কোম্পানীর ৪৯তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি। আমি আপনাদের সামনে কোম্পানীর কার্যাবলী এবং ৩১ জুলাই ২০১৩ তারিখে সমাপ্ত বছরের কোম্পানীর আর্থিক বিবরণী ও আর্থিক বিবরণীর উপর নিরীক্ষকের প্রতিবেদন উপস্থাপন করছি।

শুরুতেই পরিচালনা পর্ষদের পক্ষ থেকে বিগত বছরগুলোতে নিরবিচ্ছিন্ন সমর্থন ও আস্থা রেখে সাহায্যের হাত বাড়িয়ে দেয়ার জন্য সকল সম্মানিত শেয়ারহোল্ডারদেরকে গভীর কৃতজ্ঞতা ও ধন্যবাদ জানাচ্ছি।

পরিচালকমন্ডলীর পক্ষ থেকে অত্যন্ত আনন্দের সঙ্গে ৩১ জুলাই ২০১৩ তারিখের সমাপ্ত বছরের নিরীক্ষিত আর্থিক বিবরণী সম্মানিত সদস্যদের নিকট উপস্থাপন করছি। উক্ত প্রতিবেদনটি ১৯৯৪ সালের কোম্পানী আইনের ধারা ১৮৪ এবং বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ০৭ আগস্ট ২০১২ তারিখের প্রজ্ঞাপন নং: SEC/CMRRCD/2006-158/134/Admin/44 অনুসারে পেশ করা হল।

আবাসন শিল্পের সার্বিক অবস্থা

গ্যাস ও বিদ্যুৎ সংযোগের উপর নিষেধাজ্ঞার প্রেক্ষিতে আবাসন শিল্প খাতে সাময়িক স্থবিরতা বিরাজ করছে। অনেকগুলো প্রকল্পের নির্মাণ কাজ সম্পন্ন হলেও গ্রাহকদের নিকট হস্তান্তর করা সম্ভবপর হচ্ছে না। এছাড়া বছরজুড়ে হরতাল, অবরোধ ও রাজনৈতিক অস্থিরতার কারণে আবাসন শিল্প খাতে অর্ধবছর প্রতিকূল পরিস্থিতির কারণ হয়েছে। আমাদের সংরক্ষিত বিক্রয় ছিল ধীরগতি সম্পন্ন এবং অনাদায়ী আদায় ছিল হতাশাজনক।

প্রতিযোগিতামূলক বাজার পরিস্থিতি

বছরজুড়ে ক্রমবর্ধমান প্রতিযোগিতামূলক পরিস্থিতি বিরাজ করেছে। অনেক প্রতিযোগী প্রতিষ্ঠানের নিম্নমুখী বিক্রয়মূল্য নির্মাণ কাজের গুণগত মানে প্রভাব ফেলে; যেটা আমাদের নীতির পরিপন্থী। মানসম্পন্ন কাজের স্পৃহাই প্রকাশ করে ইস্টার্ন হাউজিং লিমিটেড-এর উপরিব্যয় অন্যান্য প্রতিষ্ঠানের তুলনায় বেশি। এতসব প্রতিযোগিতা সত্ত্বেও মানসম্পন্ন নির্মাণ কাজ, ন্যূনপরায়ণতা ও দায়বদ্ধতার কারণে আমরা এই শিল্পের শীর্ষস্থান উপভোগ করছি। আমরা আমাদের কাজের মানদণ্ড আবাসন খাতের আন্তর্জাতিক মানের সাথে সামঞ্জস্যপূর্ণ করার চেষ্টা চালিয়ে যাচ্ছি। এই লক্ষ্য অর্জনের নিরিখে, প্রকল্পের নকশা প্রণয়ন এবং নির্মাণে আমরা কিছু বিদেশী পরামর্শক নিয়োগ করেছি।

ব্যবসায়িক পর্যালোচনা

অনুন্নত ভূমি ক্রয় এবং উন্নয়ন করে জমি এবং অ্যাপার্টমেন্ট বিক্রয় কোম্পানির প্রধান কাজ।

বছরজুড়ে কোম্পানির কার্যক্রম এবং গুরুত্বপূর্ণ ঘটনাবলীর সংক্ষিপ্ত বিবরণ চেয়ারম্যানের বাণী এবং ব্যবস্থাপনা পরিচালকের পর্যালোচনা যথাক্রমে পৃষ্ঠা নং ২৬ এবং ২৮ তে উল্লেখ করা হলো। কোম্পানির বিস্তারিত আর্থিক ফলাফল ৪১ নং পৃষ্ঠার আর্থিক পর্যালোচনায় বর্ণনা করা হয়েছে। এই প্রতিবেদনগুলো পরিচালকমন্ডলী প্রতিবেদনের অবিচ্ছেদ্য অংশ।

আর্থিক বিবরণী সম্পর্কিত পরিচালকবৃন্দের দায়িত্ব

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের ০৭ আগস্ট ২০১২ তারিখের প্রজ্ঞাপন নং : SEC/CMRRCD/2006-158/134/Admin/44-এর প্রাতিষ্ঠানিক এবং আর্থিক প্রতিবেদনের কাঠামো অনুসারে পৃষ্ঠা নং ৮১ এ আর্থিক বিবরণী সম্পর্কিত পরিচালকবৃন্দের দায়িত্ব বিস্তারিত প্রদান করা হয়েছে।

শিল্পের ভবিষ্যৎ

নিত্য প্রয়োজনীয় জিনিসপত্র এবং খাদ্যদ্রব্যের উচ্চমূল্য, ২০১৩ সালে অর্থনীতিতে মুদ্রাস্ফীতির চাপ সৃষ্টি করে। বর্তমান বাজার বিবেচনায় সফলভাবে আমরা আমাদের অ্যাপার্টমেন্ট ও জমির চাহিদা সৃষ্টিতে সক্ষম হয়েছি।

দেশের সবচেয়ে বড় তালিকাভুক্ত কোম্পানি হিসেবে আমরা জমি এবং অ্যাপার্টমেন্ট বিক্রি করে নিজেদের সফল অবস্থান ধরে রেখেছি। দেশের প্রায় প্রতিটি এলাকায় আমাদের কার্যক্রম বিদ্যমান থাকায় আমাদের বিশ্বাস আমরা সুবিধাজনক অবস্থানে আছি। ২০১৩ সালে আবাসন শিল্পে কিছু ইতিবাচক পরিবর্তন হয়েছে, যার প্রভাব সামনের বছরগুলোতে প্রতিফলিত হবে। বিদ্যুৎ এবং গ্যাস সংযোগের উপর নিষেধাজ্ঞা প্রত্যাহার করা হয়েছে। অ্যাপার্টমেন্টে বিনিয়োগের ক্ষেত্রে বিশেষ কর সুবিধার ধারা আয়কর অধ্যাদেশে সংযোগ করা হয়েছে। অ্যাপার্টমেন্ট নিবন্ধনের ক্ষেত্রে উৎসে কর কর্তন কমানো হয়েছে। এই সমস্ত ইতিবাচক পদক্ষেপ সম্মিলিতভাবে ক্রেতাদেরকে আবাসন খাতে বিনিয়োগে উৎসাহিত করবে। যার ফলশ্রুতিতে আবাসন শিল্প বিগত কয়েক বছরের ন্যায় হতাশাজনক পরিস্থিতি থেকে মুক্তি পাবে।

বিভাজিত তথ্য

আর্থিক বিবরণীর ৩৯ নং নোটে কোম্পানির বিভাজিত তথ্য উপস্থাপন করা হয়েছে।

বিক্রয়

আলোচ্য বছরে গত বছরের ৫৪৪ টি প্লটের তুলনায় ৯২৯ টি প্লট বিক্রয় হয় এবং ২৫২ টি অ্যাপার্টমেন্টের তুলনায় ৪১২ টি অ্যাপার্টমেন্ট বিক্রয় হয়। বিক্রয়মূল্য ১৮২৯.৬ মিলিয়ন টাকা থেকে বেড়ে ২০২৮.৭ মিলিয়ন টাকায় আসে। বিক্রয়ের তুলনামূলক চিত্র নীচে দেওয়া হলো:

(মিলিয়ন টাকায়)

বিক্রয়	৩১ জুলাই ২০১৩	৩১ জুলাই ২০১২
জমি	১০৮৯.১	১৩৪৩.৫
অ্যাপার্টমেন্ট	৯৩৯.৫	৪৮৫.১
মোট :	২০২৮.৭	১৮২৯.৬

মুনাফা

(মিলিয়ন টাকায়)

বিবরণী	৩১ জুলাই ২০১৩	৩১ জুলাই ২০১২
মোট ব্যবসায়িক মুনাফা	৬৮৩.৯	৪৫৩.৭
ব্যবস্থাপনা ও সুদ বাবদ ব্যয়	(৪১৬.৬)	(৩৪৩.৫)
নীট ব্যবসায়িক আয়	২৬৭.৩	১১০.২
অন্যান্য আয়	৫৮.৫	১৯৫.৬
আয়করপূর্ব মুনাফা	৩২৫.৮	৩০৫.৮
আয়কর	(৯৯.১)	(৯৯.৮)
করের পরবর্তী মুনাফা	২২৬.৬	২০৬.০

জমি খাত

ইস্টার্ন হাউজিং লিমিটেড এর চারটি বৃহৎ চলমান ভূমি উন্নয়ন প্রকল্প হচ্ছে ঢাকায় ‘জহুরুল ইসলাম সিটি’, ‘পল্লবী’, ‘মহানগর’ এবং সাভারে ‘দেহারা’ যেখানে জমি ক্রয়ের কাজ চলছে। জমির বর্তমান অবস্থা নিম্নরূপ:

(মিলিয়ন টাকায়)

বিবরণ	৩১ জুলাই ২০১৩	৩১ জুলাই ২০১২
অনুল্লত জমি	১০৮২.৪	১২২৮.৬
উন্নত জমি	৩৭৬৬.৫	২৮৯০.৪
প্রক্রিয়াধীন জমি	২৪৫.৭	৬০৯.৯
মোট :	৫০৯৪.৭	৪৭২৮.৯

মায়াকানন

আপনারা অবগত আছেন যে, এই প্রকল্পের ১২০০ বিঘা জমি ডিএপি (ড্যাপ)-এর আওতাধীন। যদিও আমরা গ্রাহকদের নিকট বিক্রয় শুরু করেছিলাম, পরবর্তীতে সরকারের সিদ্ধান্ত মোতাবেক উন্নয়ন কাজ বন্ধ করা হয়েছে। এটি ইস্টার্ন হাউজিং লিমিটেড এর সম্ভাবনাময় জমির মজুদ।

প্রকল্পটি অবমুক্ত করার জন্য আমরা বিভিন্ন পদক্ষেপ নিয়েছি। আমরা আপনাদেরকে এর অগ্রগতি সম্পর্কে প্রতিনিয়ত অবহিত করবো। বর্তমান পরিস্থিতির কারণে ক্রেতাদের কিস্তির টাকা ফেরত দিতে বাধ্য হচ্ছি।

মায়াকুঞ্জ

গত বছরের ঘটনাবলীর পুনরাবৃত্তি করতে হচ্ছে এই প্রকল্প নিয়ে। কারণ সরকারের সাথে ক্ষতিপূরণের দাবির বিষয়টি সুরাহা হয়নি। যার ফলশ্রুতিতে এই ক্ষতিপূরণটি রাজস্ব হিসাবে দেখাতে পারিনি। আমরা এই প্রকল্পটি থেকে ভালো মুনাফা করতে পারতাম। অথচ গ্রাহকদেরকে কাছ থেকে সংগৃহীত টাকা এখন ফেরত দিতে হচ্ছে যা নগদ টাকার প্রবাহে নেতিবাচক প্রভাব ফেলছে।

জহুরুল ইসলাম সিটি

আমরা রাজধানী উন্নয়ন কর্তৃপক্ষ (রাজউক) এর নিকট এই প্রকল্পের বর্ধিত অংশের অনুমতি লাভের জন্য আবেদন করেছি। মোট প্রস্তাবিত জমির পরিমাণ ১০৮২ একর (আনুমানিক)। ২০১৪ সালের মধ্যে অনুমতি লাভ করবো বলে আশা করছি। অনুমতি লাভ করলে বেশ কিছু সংখ্যক জমি বিক্রয়ের জন্য প্রস্তুত করতে পারব।

পল্লবী-২

আমরা এই প্রকল্পেরও বর্ধিত অংশের অনুমতি লাভের জন্য রাজউক এর নিকট আবেদন করেছি। মোট প্রস্তাবিত জমির পরিমাণ ৩৩৫.৪১ একর (আনুমানিক)। ২০১৪ সালের মধ্যে অনুমতি লাভ করবো বলে আশা করছি। অনুমতি লাভ করলে বেশ কিছু সংখ্যক জমি বিক্রয়ের জন্য প্রস্তুত করতে পারব।

অ্যাপার্টমেন্ট খাত

আমাদের ২০টি চলমান প্রকল্প আছে অ্যাপার্টমেন্ট খাতে। উচ্চ মুদ্রাস্ফিতির দরুণ নির্মাণ সামগ্রীর মূল্য বৃদ্ধির কারণে অ্যাপার্টমেন্ট খাত নানাবিধ সমস্যার সম্মুখীন হচ্ছে। ২০টি প্রকল্পের তালিকা কাজের অগ্রগতি সহকারে প্রদান করা হলো।

ক্রমিক নং	প্রকল্পের নাম/অবস্থান	প্রকল্পের ধরন	কাজের অগ্রগতি (%)
১.	ইস্টার্ন পাছুয়ায়া, পাছুপথ	১৫ তলা আবাসিক ভবন + ১টি বেইজমেন্ট	৯০.৫০
২.	ইস্টার্ন করিম, মোহাম্মদপুর	১৪ তলা আবাসিক ভবন + ২টি বেইজমেন্ট	১০০.০০
৩.	ইস্টার্ন কমলাপুর, নর্থ কমলাপুর	১৮ তলা বাণিজ্যিক ও আবাসিক ভবন + ২টি বেইজমেন্ট	৯৯.৫০
৪.	৬১, বিজয়নগর	১৮ তলা বাণিজ্যিক ভবন + ২টি বেইজমেন্ট	৯১.৩৮
৫.	২৭, নবাব কান্টরা, ঢাকা	১০ তলা আবাসিক ভবন + ১টি বেইজমেন্ট	৯৮.০০
৬.	৫/৮৪, গুলশান, ঢাকা	৯ তলা আবাসিক ভবন + ২টি বেইজমেন্ট	১০০.০০
৭.	৫৯, কামাল আতাতুর্ক এভিনিউ, বনানী	১৪ তলা বাণিজ্যিক ভবন + ৩টি বেইজমেন্ট	২৭.২২
৮.	২/এ, রোড # ২৯, গুলশান, ঢাকা	৯ তলা আবাসিক ভবন + ২টি বেইজমেন্ট	২৭.৭৪
৯.	প্লট # ৪০৫ সি, রোড # ২৭, ধানমন্ডি	১৪ তলা আবাসিক ভবন + ২টি বেইজমেন্ট	৪৪.৫০
১০.	৮০, ৮০/বি, ইন্দিরা রোড, ঢাকা	৯ তলা আবাসিক ভবন + ১টি বেইজমেন্ট	৩৭.১১
১১.	প্লট # ৭/ই, রোড # ১৩, সেক্টর # ৩, উত্তরা, ঢাকা	৮ তলা আবাসিক ভবন	৫৪.৪৬
১২.	প্লট # ১৮, রোড # ২, সেক্টর # ১১, উত্তরা, ঢাকা	৭ তলা আবাসিক ভবন	৪২.৯৫
১৩.	প্লট # ৪৭, রোড # ১৬, সেক্টর # ১৪, উত্তরা, ঢাকা	৭ তলা আবাসিক ভবন	৪৫.০৬
১৪.	প্লট # ৩২, রোড # ১২, সেক্টর # ১২, উত্তরা, ঢাকা	৭ তলা আবাসিক ভবন	৫৪.৮৭
১৫.	প্লট # ৪১-৪৩, রোড # ১৪, সেক্টর # ১২, উত্তরা, ঢাকা	৮ তলা আবাসিক ভবন	৩৭.০০
১৬.	বাড়ি # ৬৪/এ, সড়ক # ৫, পুরাতন ডিওএইচএস	৭ তলা আবাসিক ভবন	২৭.০৯

১৭.	প্লট # ১/১-ক, এভিনিউ-৪, মিরপুর, ঢাকা	১৩ তলা বাণিজ্যিক ও আবাসিক ভবন	৭.৬১
১৮.	প্লট # ৩৭, পার্ক রোড, ব্লক # কে, বারিধারা, ঢাকা	১০ তলা আবাসিক ভবন	২৪.৪৯
১৯.	প্লট # ৩৬, রোড # ১০০, গুলশান, ঢাকা	১৩ তলা আবাসিক ভবন+ ২টি বেইজমেন্ট	২১.৫৫
২০.	৫, সার্কিট হাউজ রোড, রমনা	১০ তলা আবাসিক ভবন+ ১টি বেইজমেন্ট	০.০৩

আমরা অ্যাপার্টমেন্ট খাতে পরিবেশ বান্ধব প্রযুক্তির ব্যবহার শুরু করেছি। আমাদের নতুন প্রকল্পগুলোতে একটা নির্দিষ্ট পরিমাণ জায়গা গাছ এবং বাগানের জন্য সংরক্ষিত রাখি। নতুন প্রকল্পগুলোতে সৌরবিদ্যুৎ এর প্যানেল স্থাপন অত্যাবশ্যকীয়। হাতে নেওয়া নতুন ১১টি প্রকল্পের তালিকা নিম্নে দেওয়া হলো:

ক্রমিক নং	প্রকল্পের অবস্থান	ধরণ
১.	১/৪, ময়মনসিংহ রোড, পরীবাগ	আবাসিক
২.	প্লট-সিইএস (জি) ৫/এ, সড়ক # ১২৬, গুলশান	বাণিজ্যিক
৩.	প্লট # ৯, সড়ক # ১৭, ব্লক-ডি, বনানী	আবাসিক
৪.	প্লট-এসডব্লিউ (ডি) ৩, সড়ক # ১৩, গুলশান	আবাসিক
৫.	প্লট # ৯০, সড়ক # ২৩, ব্লক-এ, বনানী	আবাসিক
৬.	প্লট # ৩, সড়ক # ৩, ব্লক-কে, বারিধারা	আবাসিক
৭.	প্লট # ১৩০, ব্লক-এ, নিকেতন	আবাসিক
৮.	প্লট # ১২, হাতিরঝিল, মগবাজার	আবাসিক
৯.	প্লট # ৩, মেরিন ড্রাইভ রোড, কক্সবাজার	বাণিজ্যিক
১০.	৭, সার্কিট হাউজ রোড, রমনা	আবাসিক
১১.	প্লট # ৩১১, সড়ক # ১২, ব্লক-সি, বসুন্ধরা	আবাসিক

ঝুঁকি এবং উদ্বেগ

ঝুঁকি অনুসন্ধান ও বিশেষণের একটি প্রক্রিয়া হিসেবে ব্যবসায় ঝুঁকি ব্যবস্থাপনাকে আমরা অগ্রাধিকার দিয়ে থাকি এবং ঝুঁকি সংঘটিত হওয়ার সম্ভাব্য কারণ নিরূপণ করে তার জন্য যথাযথ ব্যবস্থা নিয়ে থাকি। এই প্রক্রিয়ায় ঝুঁকি চিহ্নিতকরণ, বৈশিষ্ট্য নিরূপণ, সম্ভাব্য আশঙ্কা যাচাই, পূর্ব সতর্কতামূলক ব্যবস্থা গ্রহণ এবং বিদ্যমান খরচকে না বাড়িয়ে একটি সমন্বিত ঝুঁকি ব্যবস্থাপনা কৌশল গ্রহণ এবং নিরূপণ করা যা ঝুঁকিকে সহনীয় পর্যায়ে রাখতে সাহায্য করে। আমরা ব্যবসায় ঝুঁকি ব্যবস্থাপনার জন্য বলিষ্ঠ ব্যবস্থা গ্রহণ করেছি। ঝুঁকি নির্ধারণের জন্য পৃথক আইন এবং আভ্যন্তরীণ নিয়ন্ত্রণ বিভাগ রয়েছে। জটিলতা থাকলে আমরা বাইরের বিশেষজ্ঞের আইনী পরামর্শ নিয়ে থাকি।

বিক্রিত পণ্যের খরচ, মোট/নীট প্রান্তিক আয়ের বিশেষণ

আবাসন ব্যবসায় একটি বড় চ্যালেঞ্জ হলো নির্মাণ সামগ্রীর উর্ধ্বমুখী প্রবণতা এবং যৌথ উদ্যোগে নেয়া জমির মূল্য বেড়ে যাওয়া। যার জন্য উৎপাদনশীলতা ব্যহত হচ্ছে এবং খরচ বেড়ে যাচ্ছে। এসবের প্রভাব সত্ত্বেও আমাদের প্রতিষ্ঠান অত্যাধুনিক নির্মাণ প্রযুক্তি ও পদ্ধতি ব্যবহারের মাধ্যমে ২০১২-১৩ সালে প্রত্যাশা অনুসারে খরচ নিয়ন্ত্রণে রেখেছে।

আলোচ্য বছরে প্রতিষ্ঠানটির বিক্রিত পণ্যের খরচ ১৩৪৪.৭৬ মিলিয়ন টাকা যা গত বছরে ১৩৭৫.৮৬ মিলিয়ন টাকা ছিল। বিক্রিত পণ্যের খরচ এ বছরে ২.২৬% কম ছিল গত বছরের তুলনায় যা আয়কে ১০.৮৮% বাড়িয়েছে। আমাদের মোট মুনাফা ২০১২-১৩ সালে হয়েছে ৬৮৩ মিলিয়ন টাকা যা ২০১১-১২ সালে ৪৫৩ মিলিয়ন টাকা ছিল। নীট প্রান্তিক আয়ের হার ২০১২-১৩ সালে ১১.১৭% যা ২০১১-১২ সালে ১১.২৬% টাকা ছিল।

অস্বাভাবিক লাভ ও ক্ষতি

আলোচ্য বছরে কোন ধরনের অস্বাভাবিক লাভ বা ক্ষতির কোন ঘটনা পরিলক্ষিত হয়নি। যার জন্য এই প্রতিবেদনে কোন প্রকার সমন্বয় অথবা তথ্য প্রকাশ করা হয়নি।

সমগোত্রীয় কোম্পানির লেনদেন

যখন একটি কোম্পানি অন্য একটি কোম্পানির দৈনন্দিন আর্থিক এবং পরিচালন কার্যক্রমে অর্থবহ প্রভাব বিস্তার করতে পারে তখন তাদেরকে সমগোত্রীয় কোম্পানি হিসাবে বিবেচনা করা হয়। এর মধ্যে একই পরিচালক এবং প্রধান ব্যবস্থাপকের পদবীগুলো ছাড়াও সহযোগী প্রতিষ্ঠানগুলো বিবেচনায় আসবে। বাংলাদেশ হিসাব বিজ্ঞান নীতিমালা ২৪ (সমগোত্রীয় কোম্পানির কার্যক্রমের প্রতিবেদন) অনুসারে ইস্টার্ন হাউজিং লিমিটেড সমগোত্রীয় কোম্পানীসমূহের সাথে সাধারণ ব্যবসায়িক লেনদেনে জড়িত হয়েছে। এই লেনদেনসমূহের বিস্তারিত বিবরণ আর্থিক বিবরণীর ৩২ নং নোটে প্রকাশ করা হলো।

গণপ্রস্তাবের মাধ্যমে সংগৃহীত অর্থের ব্যবহার

গণপ্রস্তাবের মাধ্যমে কোম্পানি কোন অর্থ সংগ্রহ করেনি যার ফলে এই প্রতিবেদনে কোন ধরনের সমন্বয় অথবা তথ্য প্রকাশের প্রয়োজন আছে।

গণপ্রস্তাবের পরে আর্থিক ফলাফলের তারতম্য

এই বিষয়টি ইস্টার্ন হাউজিং লিমিটেড এর জন্য প্রযোজ্য নয়। ইস্টার্ন হাউজিং লিমিটেড ১৯৯৪ সালে প্রাথমিক গণপ্রস্তাব করে। এরপরে ইস্টার্ন হাউজিং লিমিটেড আর কোন প্রকারের প্রস্তাব আহ্বান করেনি।

ত্রৈমাসিক এবং বার্ষিক আর্থিক বিবরণীর মধ্যে তারতম্য

বছরজুড়ে প্রকাশকৃত প্রতিবেদনগুলোর মধ্যে এমন কোন ঘটনা নেই, যার ফলশ্রুতিতে ত্রৈমাসিক আর্থিক কার্যাবলিতে বিশেষ তারতম্য পরিলক্ষিত হয়।

পরিচালক এবং স্বাধীন পরিচালকদের সম্মানী

পরিচালকবৃন্দ পরিচালনা পর্ষদের এবং নিরীক্ষক পরিষদের সভার উপস্থিতির জন্য সম্মানী উত্তোলন করেছেন। বছরজুড়ে পরিচালনা পর্ষদের সভার উপস্থিতি বাবদ মোট ৯০,৫০০ টাকা এবং নিরীক্ষক পরিষদের সভার উপস্থিতি বাবদ মোট ৩৬,০০০ টাকা খরচ হয়েছে।

হিসাব বিবরণীর ন্যয়পরায়ণতা

হিসাব বিবরণী এবং হিসাব বিবরণীর নোট বাংলাদেশ হিসাববিজ্ঞান নীতিমালা/বাংলাদেশ আর্থিক প্রতিবেদনের নীতিমালা, কোম্পানী আইন ১৯৯৪ এবং সিকিউরিটি এন্ড এক্সচেঞ্জের বিধিমালা ১৯৮৭ অনুসারে তৈরি করা হয়েছে। এই বিবরণীগুলো ন্যয়পরায়ণভাবে কোম্পানীর কার্যাবলী, কার্যক্রমের ফলাফল, নগদ প্রবাহ এবং মূলধনের পরিবর্তন প্রকাশ করেছে।

আর্থিক হিসাবের দলিলাদি

কোম্পানীর আর্থিক হিসাবের দলিলাদি সঠিকভাবে সংরক্ষণ করা হচ্ছে।

হিসাববিজ্ঞানের উপযুক্ত নীতিমালা ও আয়ব্যয়কের সংযোজন

হিসাববিজ্ঞানের উপযুক্ত নীতিমালা ধারাবাহিকভাবে হিসাব বিবরণী প্রস্তুতে অনুসরণ করা হয়েছে এবং হিসাববিজ্ঞানের আয়ব্যয়কসমূহ যুক্তিসঙ্গত ও বিচক্ষণতার সহিত বাছাই করা হয়েছে।

আইএএস/বিএএস/আইএফআরএস/বিএফআরএস-এর প্রয়োগ

আন্তর্জাতিক হিসাববিজ্ঞান নীতিমালা (আইএএস)/বাংলাদেশ হিসাববিজ্ঞান নীতিমালা (বিএএস)/আন্তর্জাতিক আর্থিক প্রতিবেদনের নীতিমালা (আইএফআরএস)/বাংলাদেশ আর্থিক প্রতিবেদনের নীতিমালা (বিএফআরএস) যথাযথভাবে আর্থিক বিবরণী প্রস্তুতের সময় অনুসরণ করা হয়েছে এবং যদি কোন ধরনের বিচ্যুতি হয়ে থাকে সেটাও প্রকাশ করা হয়েছে। প্রতিপালিত বিএএস/বিএফআরএস এর একটি তালিকা নিরীক্ষিত হিসাবের ০১ নং নোটে প্রদান করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানী যুক্তিসঙ্গত প্রতিশ্রুতি প্রদানকারী অভ্যন্তরীণ নির্ভরযোগ্য নিয়ন্ত্রণ ব্যবস্থা বজায় রেখেছে যেটা কিনা যে কোন বড় ধরনের তথ্য বিকৃতির ফলে ক্ষতিসাধন থেকে রক্ষায় সামর্থ্য বহন করে। অভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা নিরীক্ষক পরিষদ তাদের প্রত্যেক সভায় এবং কোম্পানী ব্যবস্থাপনা পরিষদ ত্রৈমাসিক ভিত্তিতে পর্যবেক্ষণ করে।

চলমান ব্যবসায়/ভবিষ্যৎ বাণী

প্রাপ্য তথ্যের ভিত্তিতে পরিচালকমন্ডলী মনে করে কোম্পানীর সফলতার সাথে ঝুঁকি মোকাবেলা করার মত পরিকল্পনা এবং ব্যবহারযোগ্য সম্পদ আছে। কারণ কোম্পানীর নানাবিধ ব্যবসায় আছে এবং এটি আর্থিকভাবে সচ্ছল।

যথাযথ অনুসন্ধানের পর পরিচালকমন্ডলীর যুক্তিযুক্ত প্রত্যাশা, আজীবন কার্যক্রম চালানোর মত কোম্পানীর পর্যাপ্ত ব্যবহারযোগ্য সম্পদ আছে।

বিগত বছরের পরিচালন ফলাফলের সাথে তারতম্য

বিগত বছরের পরিচালন ফলাফলের সাথে উলেখযোগ্য কোন তারতম্য বিদ্যমান নেই।

মূল চালিকা এবং অর্থনৈতিক তথ্য

পাঁচ বছরের সংক্ষেপকৃত মূল চালিকা এবং অর্থনৈতিক তথ্য বার্ষিক প্রতিবেদনে সংযুক্ত করা হয়েছে।

লভ্যাংশ

পরিচালকমন্ডলী ৩১ জুলাই ২০১৩ সমাপ্ত বছরে ১০% নগদ লভ্যাংশ ও ১২.৫% শেয়ার লভ্যাংশ এর সুপারিশ করেছেন, যেসব শেয়ারহোল্ডারের নাম নিবন্ধনগ্রন্থে রেকর্ড ডেটে লিপিবদ্ধ থাকবে তাদের জন্য।

পরিচালক পর্ষদ ও পর্ষদ সভা

২০১২-২০১৩ আলোচ্য বছরে মোট ৮টি পর্ষদ সভা অনুষ্ঠিত হয়েছে। পর্ষদ সভার বিস্তারিত তথ্যাদি বার্ষিক প্রতিবেদনের অনুচ্ছেদ-০২ এ দেওয়া হয়েছে। সব পর্ষদ সভায় কোম্পানির ব্যবস্থাপনা পরিচালক, যিনি একজন এক্স-অফিসিও, প্রধান আর্থিক কর্মকর্তা ও কোম্পানি সচিব উপস্থিত ছিলেন।

শেয়ারহোল্ডিং তথ্য

৩১ জুলাই ২০১৩ তারিখের শেয়ারহোল্ডিং তথ্য এবং অন্যান্য আনুষঙ্গিক তথ্য বার্ষিক প্রতিবেদনের তৃতীয় অধ্যায়ে অন্তর্ভুক্ত হয়েছে।

প্রাতিষ্ঠানিক পরিচালন প্রক্রিয়ার প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জ কমিশনের আদেশ মোতাবেক প্রাতিষ্ঠানিক পরিচালন প্রক্রিয়ার প্রতিবেদন বার্ষিক প্রতিবেদনের অনুচ্ছেদ-০১ এ দেওয়া হয়েছে।

লভ্যাংশ সমতাকারী তহবিল ও সাধারণ সঞ্চিতি

পরিচালকমন্ডলী লভ্যাংশ সমতাকারী তহবিলে ২ কোটি এবং সাধারণ সঞ্চিতিতে ২ কোটি টাকা স্থানান্তরের সুপারিশ করেছেন। এ বছরের লাভের বাকী অংশ আগামী বছরে টানা হবে।

ঋণমান

কোম্পানি দীর্ঘমেয়াদে “AA” এবং স্বল্প মেয়াদে “ST-1” ধরে রেখেছে, যেটা কিনা দৃঢ় ভবিষ্যতের ইস্তিত করে ন্যাশনাল ক্রেডিট রেটিং লিমিটেড এর মতে। ঋণমান এর বিস্তারিত প্রতিবেদন ৭৭ নং পৃষ্ঠায় দেওয়া হয়েছে।

সরকারি কোষাগারে অবদান

বাংলাদেশের আবাসন খাতে ইস্টার্ন হাউজিং লিমিটেড সবচেয়ে বড় প্রাতিষ্ঠানিক করদাতার মধ্যে অন্যতম। প্রতি বছর এ কোম্পানি শুল্ক ও করের মাধ্যমে বিশাল পরিমাণ অর্থ সরকারি কোষাগারে প্রদান করে। ২০১২-২০১৩ সালে ইস্টার্ন হাউজিং লিমিটেড সরকারি কোষাগারে ১৪১.৬ মিলিয়ন টাকা দিয়েছে।

পরিচালকমন্ডলীর নির্বাচন ও পুনর্নিয়োগ

কোম্পানির সংজ্ঞাবিধির ১৩৮ ধারা অনুযায়ী প্রতি বার্ষিক সাধারণ সভায় এক তৃতীয়াংশ পরিচালককে অবসর নিতে হবে। ১৩৯ ধারা অনুযায়ী যারা আগের বছরের নির্বাচনের পর থেকে বোর্ডে আছেন তারা পর্যায়ক্রমে অবসর গ্রহণ করবেন। এর ভিত্তিতে পরিচালকমন্ডলীর মিসেস সুরাইয়া বেগম এবং জনাব সারওয়ার বদিউস সালাম যারা নিয়োগের পর দীর্ঘকাল দায়িত্বে ছিলেন তারা অবসর নেবেন। ১৪০ ধারা অনুযায়ী যেহেতু তাদের যোগ্যতা রয়েছে তাই তারা নিজেদেরকে পুনর্নিয়োগের জন্য আবেদন করেছেন। পরিচালকমন্ডলীর সংক্ষিপ্ত জীবন বৃত্তান্ত ২০ নং পৃষ্ঠায় প্রদান করা হয়েছে।

উক্ত পরিচালকবৃন্দের অন্যান্য যেসব কোম্পানিতে পরিচালক এবং পরিষদ সদস্য হিসাবে আছেন তার তালিকা দেওয়া হলো।

অন্যান্য যে সব প্রতিষ্ঠানে মিসেস সুরাইয়া বেগম পরিচালক হিসেবে কর্মরত রয়েছেন:

অন্যান্য কোম্পানি	পদবী
বেঙ্গল ডেভেলপমেন্ট কর্পোরেশন লিমিটেড	পরিচালক
নাভানা ফার্মাসিটিক্যালস লিমিটেড	পরিচালক
রিভারভিউ লিমিটেড	পরিচালক

অন্য কোম্পানীর বোর্ডের কোন কমিটিতে অন্তর্ভুক্তি নাই।

অন্যান্য যে সব প্রতিষ্ঠানে মোঃ সারোয়ার বদিউস সালাম পরিচালক হিসেবে কর্মরত রয়েছেন:

অন্যান্য কোম্পানি	পদবী
ইসলাম ব্রাদার্স প্রোপ্রার্টিজ লিমিটেড	পরিচালক

অন্য কোম্পানীর বোর্ডের কোন কমিটিতে অন্তর্ভুক্তি নাই।

আমরা বার্ষিক সাধারণ সভার অনুমোদন সাপেক্ষে স্বাধীন পরিচালক হিসাবে জনাব জাহিদুজ্জামান ফারুক এর নাম প্রস্তাব করছি। জনাব ফারুক ঢাকা বিশ্ববিদ্যালয় থেকে অর্থনীতিতে বিএ এবং এমএ পাশ করেছেন। তিনি বিগত ৩৫ বছর যাবৎ সাংবাদিকতা করছেন। তিনি বাংলা অর্থনীতি বিষয়ক সংবাদপত্র ‘দৈনিক অর্থনীতি’ এবং এর পূর্বে দৈনিক ইত্তেফাকের অর্থনীতি পাতার সম্পাদক ছিলেন। তিনি সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের উপদেষ্টা পরিষদের সদস্য ছিলেন। বর্তমানে তিনি জাপানী সংবাদ সংস্থা ‘কোয়ডো নিউজ’ এর বাংলাদেশী পত্রপ্রেরক।

আইনি পরামর্শক

ড.এম জহিরের মৃত্যুর পরিপ্রেক্ষিতে বিশিষ্ট আইনজীবী রফিউ-উল-হক (বার-এট-ল) পরিচালিত হক এন্ড কোম্পানীকে আইনি পরামর্শক হিসাবে নিয়োগ করা হয়েছে।

লোকবল

এ বছরে ইস্টার্ন হাউজিং লিমিটেড এর কর্মচারী ছিল ৬৯৩ জন। ইস্টার্ন হাউজিং লিমিটেড বিশ্বাস করে যে দৃঢ়, দক্ষ ও নিবেদিত লোকবল কোম্পানির সফলতার ক্ষেত্রে প্রধান উপাদান। আমাদের প্রবৃদ্ধির উচ্চাকাঙ্ক্ষার পিছনে আমাদের কর্মচারীদের ক্রমাগত উন্নতি কাজ করছে।

ইস্টার্ন হাউজিং লিমিটেড প্রত্যেক কর্মচারীকে ব্যক্তিগত ও পেশাগত উন্নয়নের দিক দিয়ে সমান সুযোগ দিতে চায়। মানব সম্পদ উন্নয়নের সমস্ত ক্ষেত্রে বৈষম্য কঠোরভাবে নিষিদ্ধ করা হয়েছে।

ইস্টার্ন হাউজিং লিমিটেড বছর জুড়ে বিভিন্ন প্রশিক্ষণ দিয়ে থাকে যাতে কর্মচারীরা আরও বেশি দক্ষ হয়ে তাদের সম্ভাবনা সম্পূর্ণভাবে কাজে লাগাতে পারে।

স্বাস্থ্য এবং নিরাপত্তা

ইস্টার্ন হাউজিং লিমিটেড এর কর্মচারী, ক্রেতা, ঠিকাদার, সরবরাহকারী ও আগন্তুকদের জন্য পরিচ্ছন্ন ও ঝুঁকিহীন পরিবেশ প্রদান করে। আমাদের উদ্দেশ্য ‘নিরাপত্তাই প্রথম’। আমরা আমাদের প্রত্যেকটি প্রকল্পে নিরাপত্তার স্বার্থে হেলমেট, বেল্ট, জাল, অগ্নি নির্বাপক যন্ত্র, অক্সিজেন সিলিন্ডার, মুখোশ ইত্যাদি জিনিস বাধ্যতামূলক করেছি।

নৈতিক নীতিমালা

সততার সাথে দায়িত্ব পালন ইস্টার্ন হাউজিং লিমিটেড এর পরিচালকমন্ডলীর মূলমন্ত্র। তারা একটি নৈতিক নীতিমালা মেনে চলেন যা কর্মচারীদেরকে জানানো হয়। প্রতিটি কর্মচারীকে ব্যবসা এবং নিয়ম কানূনের ক্ষেত্রে এ নীতিমালা মেনে চলতে হয়।

নিরীক্ষক

কোম্পানি আইন ১৯৯৪ এর ধারা ২১০ মোতাবেক বর্তমানে কর্মরত সংবিধিবদ্ধ নিরীক্ষক মেসার্স এ কাশেম এ্যান্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস অবসর গ্রহণ করবেন। প্রজ্ঞাপন নং : SEC/CMRRCD/2009-193/104/Admin অনুসারে পুনঃনিয়োগের যোগ্য বিবেচিত হবেন এবং তারা ২০১৩-১৪ সালের নিরীক্ষক হিসাবে পুনঃনিয়োগের জন্য আগ্রহ প্রকাশ করেছে।

নিরীক্ষক পরিষদ মেসার্স এ কাশেম এ্যান্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টসকে ২০১৩-১৪ সালের নিরীক্ষক হিসাবে পুনঃনিয়োগের জন্য সুপারিশ করেছে। পরিচালকমন্ডলী নিরীক্ষক পরিষদের সুপারিশ নামায় দস্তখত করেছে ২০১৩-১৪ সালের জন্য নিরীক্ষক হিসাবে পুনঃনিয়োগের জন্য বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে।

কৃতজ্ঞতা স্বীকার

প্রতিষ্ঠানের সাফল্যসমূহে বিশেষ সহায়ক হিসেবে সার্বক্ষণিক সহযোগিতা এবং উপযোগী নির্দেশনার জন্য সম্মানিত শেয়ারহোল্ডার এবং অন্যান্য স্বার্থসংশ্লিষ্ট পক্ষকে পরিচালনা পর্ষদের সদস্যবৃন্দ জানাচ্ছে বিশেষ সম্মান এবং কৃতজ্ঞতা। পরিচালনা পর্ষদের পক্ষ থেকে গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, জাতীয় রাজস্ব বোর্ড (এনবিআর), বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি), ঢাকা স্টক এক্সচেঞ্জ (ডিএসই), চট্টগ্রাম স্টক এক্সচেঞ্জ (সিএসই), সেন্ট্রাল ডিপোজিটরি বাংলাদেশ লিমিটেড (সিডিবিএল) এবং কোম্পানির ব্যাংকার এবং অন্যান্য ব্যবসায়ী সহযোগীদের সহযোগিতা, সমর্থন ও সাহায্যের জন্য তাদেরকে জানাচ্ছি আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা।

ইস্টার্ন হাউজিং লিমিটেডে সকল সময়ের শুভাকাঙ্ক্ষি হওয়ার জন্য আমাদের প্রত্যেক গ্রাহক এবং শুভানুধ্যায়ীদের ধন্যবাদ জ্ঞাপন করছি। আমরা আমাদের ত্যাগী এবং পরিশ্রমী কর্মীদেরও সাধুবাদ জানাচ্ছি, যাদের কারণে আজ কোম্পানি সামনের দিকে এগিয়ে যাচ্ছে।

আগামীর যে কোন প্রতিদ্বন্দ্বিতা মোকাবিলায় আমাদের চেষ্টা অব্যাহত রাখার প্রত্যয় ব্যক্ত করছি। ২০১৪ সাল এবং আগত দিনে আপনাদের সহায়তা কামনা করছি।

সবাইকে অসংখ্য ধন্যবাদ এবং শুভ কামনা।

ইস্টার্ন হাউজিং লিমিটেড এর পরিচালনা পর্ষদের পক্ষ থেকে,



মনজুরুল ইসলাম
চেয়ারম্যান

Directors' Report

Honorable Shareholders,

On behalf of the Board of Directors of "Eastern Housing Limited" I would like to take the opportunity to welcome you all to the 49th Annual General Meeting of the company and to place herewith the report on the statement of your company's affairs and the financial statements of the company for the year ended July 31, 2013 along with the Auditors Report on the Financial Statements for the year ended July 31, 2013.

At the very outset the Board of Directors' of the company with deep appreciation and gratitude would like to thank all the honorable shareholders of the company for their continued un-equivocal support, confidence and cooperation all through the years.

The Directors have the pleasure in presenting to the members their Report together with the audited financial statements of the Company for the year ended July 31, 2013. This report has been prepared in compliance with section 184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012.

Scenario of Real Estate Sector

Ban on connection of gas and electricity has halted the real estate sector. Many projects could not be handed over even after completion of construction work. Moreover, hartals & striker had significant adverse impact on the real estate sector throughout the year. Our booking sales were very dull and collection was not up to our expectation.

Market Competition

Competition has intensified over the years. The low balling of many developers led to compromise with the quality which is completely impossible for us. This pursuit for quality meant overhead cost is higher in EHL compared to other company's overhead. In spite of all these competitions we are enjoying market leadership because of our quality construction, integrity and commitment. We try to benchmark our quality with the international real estate development standard. In order to attain at this level we already have engaged some foreign real estate consultants for design and construction.

Review of Business

The principal activities of the Company continue to develop and sell of lands and apartments.

The Chairman's Message on page 26 and the MD's review on pages 28 state the Company's affairs and highlight important events that occurred during the year. The Financial Review on pages 41 elaborates the financial results of the Company. These reports form an integral part of the Directors' Report.

Directors' Responsibilities for Financial Statements

The Statement of the Directors' Responsibilities for financial statements is given on page 81 of this report in accordance with the Corporate and Financial Reporting Framework In accordance with the Bangladesh Securities and Exchange Commission's Notification SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012.

Industry Outlook

In the year 2013, economy faced inflationary pressures due to high commodity prices and food inflation. Considering the market, we were successful in creating demand for our products. We were successful in both our core businesses.

We remained the country's largest listed real estate company selling land and apartments. We believe we are well positioned to benefit from wide presence in almost every corner of the country.

Some positive developments have evolved in the real estate sector in 2013 the impact of which will be prevalent in the coming years. Ban on electricity and gas connection on residential consumers has been withdrawn. New clause

has been inserted in the Income Tax Ordinance regarding special tax treatment on the investment in Apartment Projects. Source tax has been reduced on registration of Apartment Projects. The cumulative effects of these developments will obviously encourage the customers to invest in the real estate. This will aid the real estate industry to overcome the gloomy picture of the industry which was experienced in the recent past.

Segment Information

Segment information is presented in note 39 to the financial statements of this report.

Sales:

During the year under review **544** plots were sold against **929** plots in previous year and apartment sale decreased to **252** against **412** nos of last year. In terms of value our turnover increased from Tk. **1,829.6** million to Tk. **2,028.7** million. The comparative sales figures are tabulated below:

(Amount in Taka, Million)

Sales	31.07.2013	31.07.2012
Land	1,089.1	1,343.5
Apartment	939.5	485.1
Total:	2,028.7	1,829.6

Profit:

(Amount in Taka, Million)

Particulars	Position as on 31.07.2013	Position as on 31.07.2012
Operating Gross Profit	683.9	453.7
Overhead Expenses	(416.6)	(343.5)
Operating Income	267.3	110.2
Non-Operating Income	58.5	195.6
Profit before Taxation	325.8	305.8
Income Tax	(99.1)	(99.8)
Profit After Tax	226.6	206.0

Land Project:

There are four major running land development projects of Eastern Housing Limited, namely "Jahurul Islam City" (Aftabnagar), "Pallabi-II", "Mohanagar" in Dhaka and "Dehara" at Savar, where the land procurement is going on.

(Amount in Taka, Million)

Particulars	31.07.2013	31.07.2012
Undeveloped land	1,082.4	1,228.6
Developed land	3,766.5	2,890.4
Land in process	245.7	609.9
Total :	5,094.7	4,728.9

Mayakanon

You are aware that this project amounting to 1,200 bighas has been fell into DAP. According to the Government decision we had to stop development work. This is a potential land bank of EHL. Various initiatives are being taken to release the project. We shall let you know the progress time to time. We are to refund the installment amount to the customers because of this present situation.

Mayakunja

We are to recast the same story as it was in the last year because we could not finalize the claim with the Government and thereby could not recognize the compensation as income. We could make a substantial profit from this project. Instead we are to refund the money we took from our customers which impacts negatively on the cash flow.

Jahurul Islam City

We have submitted a plan for extension projects of Jahurul Islam City to RAJUK for approval. The total area of the proposed land is 1082 acre (approx). We expect approval by 2014. With the approval of this project we may prepare a good number of plots for new sale.

Pallabi II

We have also submitted a plan for extension projects of Pallabi Phase II to RAJUK for approval. The total area of the proposed land is 335.41 acre (approx). We expect approval by 2014. With the approval of this project we may prepare a good number of plots for new sale.

Apartment Project:

We have 20 ongoing projects in Apartment sector. Apartment sector is facing problems with price escalation of construction materials due to high inflation in the economy. List of 19 projects is given herewith with progress of work.

Sl. No	Name of the Project	Size	Total Progress (in %)
1.	Eastern Pantha Chaya, Panthapath	15 Storied Residential Complex + 1 Basement	90.50%
2.	Eastern Karim, Mohammadpur	14 Storied Residential Complex + 2 Basement	100.00%
3.	Eastern Kamalapur, North Kamalapur	18 Storied Commercial & Residential Complex + 2 Basement	99.50%
4.	61, Bijoy Nagar	18 Storied Commercial Complex + 2 Basement	91.38%
5.	27, Nawab Khatra, Dhaka	10 Storied Residential Complex + 1 Basement	98.00%
6.	5/84, Gulshan, Dhaka	9 Storied Residential Complex + 2 Basement	100.00%
7.	59, Kemal Ataturk Avenue	14 Storied Commercial Complex + 3 Basement	27.22%
8.	2A/29, Gulshan, Dhaka	9 Storied Residential Complex + 2 Basement	27.74%
9.	Plot-405C, Road 27, Dhanmondi	14 Storied Residential Complex + 2 Basement	44.50%
10.	80,80/B, Indira Road, Dhaka,	9 Storied Residential Complex + 1 Basement	37.11%
11.	Plot -7E, Road-13, Sec.03, Uttara	8 Storied Residential Complex	54.46%
12.	Plot-18, Road-2, Sec.11, Uttara	7 Storied Residential Complex	42.95%
13.	Plot-47, Road-16, Sec.14 Uttara	7 Storied Residential Complex	45.06%
14.	Plot-32, Road -12, Sec.12, Uttara	7 Storied Residential Complex	54.87%
15.	Plot-41-43, Road-14, Sector-12, Uttara	8 Storied Residential Complex	37.00%
16.	House - 64/A, Street -5, Old DOHS	7 Storied Residential Complex	27.09%
17.	Plot -1/1, KA, Avenue-4, Mirpur	13 Storied Commercial & Residential Complex	7.61%
18.	Plot-37, Park Road, Block-K, Baridhara	10 Storied Residential Complex	24.49%
19.	Plot -36, Road No.100, Gulshan	13 Storied Residential Complex + 2 Basement	21.55%
20.	5, Circuit House Road, Ramna	10 Storied Residential Complex + 1 Basement	0.03%

We have introduced the concept of green technology in the apartment sector. We dedicate a certain area of our new projects to trees and plantations. Solar panels are compulsory for all new projects. List of eleven new projects which are in pipeline is given hereunder:

SI #	Project Location	Type
1.	1/4, Mymenshingh Road, Paribagh	Residential
2.	Plot - CES(G) 5A, Road # 126, Gulshan	Commercial
3.	Plot - 09, Road # 17, Block- D, Banani	Residential
4.	Plot - SW(D) 3, Road # 13, Gulshan	Residential
5.	Plot - 90, Road # 23, Block- A, Banani	Residential
6.	Plot - 03, Road # 03, Block- K, Baridhara	Residential
7.	Plot - 130, Block- A, Niketon	Residential
8.	Plot - 12, Hatirjheel, Moghbazar	Residential
9.	Plot- 03, Marine Drive Road, Cox's Bazar	Commercial
10.	7, Circuit House Road, Ramna	Residential
11.	Plot -311, Road #12, Block C, Bashundhara	Residential

Risk and Concern

Risk management is the prioritized process of analyzing exposure to risk and probability of risks occurring as well as determining how best to handle such exposures. This involves identifying and characterizing the risks involved, assessing the threat from each, assessing mitigatory precautions and ways for cost effectiveness and devising a comprehensive risk management strategy to reduce those risks. We have a robust system of managing business risk. We have a separate Legal department and an Internal Control & Compliance department to identify different risk the business may face. In case of complexities we consult outside expert/ legal adviser.

COGS, Gross/ Net Profit Margin Analysis

The biggest challenge in real estate sector is the upward pressure of price of construction material and the increase in the price of joint venture land. The area of productivity was also affected for these upward pressures and resulted in a significant upward pressure on the cost base. However, the Company was able to alleviate this through the use of updated technology and methods in construction of structure as well as applying a strong drive to identify and deliver a number of initiatives that resulted in an exceptional cost savings in 2012-13.

COGS of the company was Tk. 1,344.76 million in the current year compared to Tk. 1,375.86 million in previous year. It was lower by 2.26% over the previous year's COGS, the revenue also increased by 10.88% Gross Profit stood at Tk. 683 million compared to Tk. 453 million in previous year. Net Profit margin was 11.17% in 2012-13 compared to 11.26% in previous year.

Extraordinary Gain or Loss

No events of extra ordinary gain or loss occurred during the reporting period which would require adjustment or disclosure in the financial statements.

Related Party Transaction

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The Company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting Standard 24: "Related Party Disclosures." Details of these transactions are set out under Notes to the Financial Statements. Related Party Transactions are disclosed in the notes 32 of the notes to the financial statements.

Utilization of Proceeds from Public Issue

This is not applicable for EHL as no such event of collecting fund from public issues took place which would require adjustment or disclosure in the annual report.

Financial Result Deterioration after the Public Issue

This is not applicable for EHL. EHL went for Initial Public Offering (IPO) in 1994. Consequently EHL didn't go for any sort of offering since then.

Variance within the Quarterly Financial Statement and Annual Financial Statements

There was no event of significant variance between quarterly financial performances during the year under reporting.

Remuneration to Directors including Independent Director

Directors draw Board & Audit Committee Meeting attendance fees. During the year under review the total Board Meeting attendance fee incurred during the year was Tk. 90,500 & Audit Committee meeting attendance fee was Tk. 36,000.

Fairness of Financial Statements

The financial statements together with the notes thereon have been drawn up in conformity with the Bangladesh Accounting Standard/Bangladesh Financial Reporting Standard, Companies Act 1994 and Securities and Exchange Rules 1987. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.

Proper Books of Accounts

Proper books of accounts of the Company have been maintained.

Adaptation of Proper Accounting Policies and Estimates

Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

IAS/BAS/IFRS/BFRS Application

International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed. The list of BAS/BFRS complied is listed on Note 1 of the audited accounts.

Internal Control

The company maintains a sound internal control system which gives reasonable assurance against any material misstatement of loss. The internal control system is regularly monitored by the Audit Committee in each meeting and by the company Executive committee on quarterly basis.

Going Concern/Forward Looking Statement

Based on the available information on the future, the directors consider that the company has the plans and resources to manage its business risks successfully, as it has a diverse range of businesses and remains financially strong.

After making enquiries, the directors have a reasonable expectation that the Company have adequate resources to continue their operations for the foreseeable future.

Significant deviation from last year's operating result

There was no significant deviation from last year's result.

Key Operating and Financial Data

The summarized key operating and financial data for the five years is set out in the Annual Report.

Dividend

The Board of Directors has recommended for The Board of Directors has recommended for declaration of payment of dividend @ 10% cash and 12.5% stock dividend for the year ended 31 July 2013 to the shareholders whose name shall appear on the register of members on record date.

Board and Committee Meetings and Attendance

During the year 2012-13 total eight board meetings were held. Detail of Board meetings are shown in annexure II of the annual report. The Managing Director who is an Ex-Officio, CFO and Company Secretary were present in all board meetings.

Pattern of Shareholding and Name wise details

The shareholding information as at July 31, 2013 and other related information are provided in Annexure III of the annual report.

Corporate Governance Compliance Report

In accordance with the requirement of SEC order Corporate Governance Compliance Report is shown Annexure-I of the Annual Report.

Dividend Equalization Fund and General Reserve

The directors are pleased to report the following financial results for the year 2013 and recommend for transfer of Tk. 2 crore to Dividend Equalization Fund and Tk.2 crore to General Reserve leaving a Balance of this year's profit to carry forward.

Credit Rating

The Company continues to have "AA" rating in long term and "ST-1" for short term with a stable outlook from National Credit Rating Limited. Details of credit rating report are given on page 77.

Contribution to National Exchequer

Eastern Housing Ltd is one of the largest corporate taxpayer in real estate sector of the country. Every year the company contributes a good amount to the national exchequer in the form of duties and taxes. During the year 2012-13 EHL contributed to the government exchequer a sum of TK. 141.6 million.

Directors Election and Re-appointment

As per Article 138 of the Articles of Association of the Company one third of the Directors for the time being shall retire at the every Annual General Meeting of the company. In pursuance of Article- 139 of the Articles of Association of the Company those who have been longest in the office since their last re-election are to retire by rotation. Accordingly Mrs. Suraiya Begum and Mr. Md. Sarwar Boudius Salam will retire at this Annual General Meeting being longest in the office since their appointment. Being eligible as per Article- 140 they offer themselves for re-appointment. The brief profile of the Director is given on page 20 of the annual report.

The names of companies in which the respective director also holds the directorship and the membership of committees of the board are given below:

Names of companies in which Mrs. Suraiya Begum also holds directorship:

Interests in other company	Designation
Bengal Development Corporation Limited	Director
Navana Pharmaceuticals Limited	Director
River View Limited	Director

Membership of committees of the board in other companies- None.

Names of companies in which Mr. Md.Sarwar Boudius Salam also holds directorship:

Interests in other company	Designation
Islam Brothers Properties Limited	Director

Membership of committees of the board in other companies- None.

We are recommending Mr. Zahiduzzaman Faruque as the second Independent Director of the Board of Directors subject approval in Annual General Meeting (AGM). Mr.Faruque has a BA and MA (Economics) from Dhaka University. He has been working as a professional journalist for last 35 years. He is the editor of first Bengali economic newspaper Dainik Arthaneeti and was the former Economic page editor of Daily Ittefaq. He was also former Member of Advisory Board of the Securities & Exchange Commission. He is at present the Bangladesh Correspondent of Japanese news agency Kyodo News.

Legal Advisor

Consequent upon the death of Dr. M. Zahir, legal advisor we have appointed Huq and Company led by eminent lawyer Mr. Rafique-ul-Huq, Bar-at-Law as the new legal advisor of the company.

Employees

The total strength of EHL employees stood 693 at the end of the year. EHL believes that a strong, skilled and dedicated workforce is the key ingredient to success. The continued development of our people is a crucial element in driving our growth ambitions.

EHL aims to ensure equal opportunities for all its employees in terms of both their personal and professional development. Discrimination at all spheres of human resource management is strictly prohibited.

EHL also offers various training programs throughout the year, aimed at skill development of its employees to help them reach their full potential.

Health and Safety

EHL is committed to provide a healthy and risk-free environment for its employees, customers, contractors, suppliers, visitors, etc. Our site motto is "Safety First". We have made it compulsory that all sites must maintain safety helmet, safety belts, safety nets, fire extinguisher, oxygen cylinder mask, first aid box etc. to be present in all sites.

Ethical Code of Conduct

Performance with integrity is central to operating at EHL. The Board of Directors of the company has adopted a statement of ethical code of conduct which was circulated among the employees. All employees are required to abide by the ethical code of conduct in relation to business and regulations.

Auditors

As per section 210 of the Companies Act 1994, the Company's statutory Auditors Messrs. A. Qasem & Co., Chartered Accountants retires at the 49th Annual General Meeting as auditors of the Company. Being eligible as per No. SEC/CMRRCD/2009-193/104/Admin/they have expressed their willingness to be re-appointed for the year 2013-14.

The Audit Committee recommends appointment of Messer's A. Qasem & Co., Chartered Accountants as the auditors of the Company for the year 2013- 2014.The Directors endorsed the recommendation of the Audit Committee for re-appointment of the auditors for the year 2013-14 subject to approval in the Annual General Meeting.

Acknowledgements

The Company & its Board of Directors would like to extend its foremost regard and appreciation to the valued Shareholders and other stakeholders of the Company for their persistent support and guidance to the company that led to the cumulative achievements. The Board also expresses their gratitude to the Government of Peoples Republic of Bangladesh, National Board of Revenue (NBR), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), the Company's bankers, and other business partners for their the cooperation, positive support, and guidance.

We would like to thank each and every client for their continued support. We also extend our well wishes to our employees whose dedication and hard work bring the benefits for the company. We promise that we will continue our journey towards a bright future. We look forward to your continued support in 2014 and the days ahead.

Thanking you all and with best regards.

For and on behalf of the Board of Directors of Eastern Housing Limited,



Manzurul Islam
Chairman

Certificate on Corporate Governance Compliance



Rahman Mostafa Alam & Co.
Chartered Accountants



Certificate on compliance of conditions of corporate governance guidelines to the shareholders of Eastern Housing Ltd. (EHL)

We have examined the compliance of conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by Eastern Housing Ltd. for the year ended on July 31, 2013 as stipulated in clause 7(i) of the BSEC notification no SEC/CMRRECD/2006-158/134/Admin/44 dated August 07, 2012.

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of EHL. Our examination for the purpose of issuing this certification was limited to the checking of procedure and implementation thereof, adopted by EHL ensuring the compliance of conditions of corporate governance.

To the best of our information and according the explanations given to us we certify that EHL has complied with the conditions of Corporate Governance Guidelines as stipulated in the above mentioned BSEC notification dated 07 August 2012.

Dated: Dhaka
November 04, 2013


Rahman Mostafa Alam & Co.
Chartered Accountants

Corporate Governance Compliance Status

Annexure - I

The Compliance of notification of Bangladesh Securities and Exchange Commission

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1	Board of Directors (BoD)			
1.1	Board's Size (number of Board members – minimum 5 and Maximum 20)	✓		
1.2	Independent Directors			
1.2 (i)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	✓		
1.2 (ii)	Independent Director means a director:			
1.2 (ii) (a)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2 (ii) (b)	who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid -up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company	✓		
1.2 (ii) (c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	✓		
1.2 (ii) (d)	who is not a member, director or officer of any stock exchange	✓		
1.2 (ii) (e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	✓		
1.2 (ii) (f)	who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm	✓		
1.2 (ii) (g)	who shall not be an independent director in more than 3 (three) listed companies	✓		
1.2 (ii) (h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non -Bank Financial Institution (NBFI)	✓		

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1.2 (ii) (i)	who has not been convicted for a criminal offence involving moral turpitude	✓		
1.2 (iii)	Independent Director(s) shall be appointed by BoD approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days	None		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	✓		
1.2 (ii) (e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	✓		
1.2 (ii) (f)	who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm	✓		
1.2 (ii) (g)	who shall not be an independent director in more than 3 (three) listed companies	✓		
1.2 (ii) (h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non -Bank Financial Institution (NBFI)	✓		
1.2 (ii) (i)	who has not been convicted for a criminal offence involving moral turpitude	✓		
1.2 (iii)	Independent Director(s) shall be appointed by BoD approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days	None		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	✓		
1.2 (vi)	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	✓		
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1.3 (ii)	Independent Director should be a Business Leader/Corporate leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences	✓		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of Commission	None		
1.4	The Chairman of the Board and the Chief Executive Officer (CEO) shall be different individuals. The Chairman shall be elected from among the directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO	✓		
1.5	The Director's Report shall include the following additional statements:			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5 (iii)	Risks and concerns	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		
1.5(v)	Discussion on continuity of any Extra - Ordinary gain or loss	✓		
1.5(vi)	Basis for related party transactions -a statement of all related party transactions should be disclosed in the annual report	✓		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any other instrument	✓		
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO)	None		
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance	None		
1.5(x)	Remuneration to directors including independent directors	✓		

Condition No.	Title	Compliance Status (' ✓ ' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1.5(xi)	The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
1.5(xii)	Proper books of account have been maintained	✓		
1.5(xiii)	Adaptation of appropriate accounting policies & estimates	✓		
1.5(xiv)	IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed and adequate disclosure for any departure	✓		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5(xvi)	Going Concern (ability to continue as a going concern)	✓		
1.5(xvii)	Highlight and explain significant deviations from the last year's operating results	✓		
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		
1.5(ix)	Reason for non declaration of Dividend	None		
1.5 (xx)	The number of Board meetings held during the year and attendance by each director	✓		
1.5 (xxi)	Pattern of shareholding and name wise details (disclosing aggregate)			
1.5 (xxi) (a)	Parent/Subsidiary/Associated Companies and other related parties number of shares):	✓		
1.5 (xxi) (b)	Directors, Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Audit (HIA) and their spouses and minor children	✓		
1.5 (xxi) (c)	Executives	✓		
1.5 (xxi) (d)	Shareholders holding ten percent (10%) or more voting interest in the company	✓		

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
1.5 (xxii)	In case of the appointment/re-appointment of a director, disclose:			
1.5 (xxii) (a)	a brief resume of the director	✓		
1.5 (xxii)(b)	nature of his/her expertise in specific functional areas	✓		
1.5 (xxii) (c)	names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
2.1	Appointment of CFO, HIA and CS and defining their respective roles, responsibilities & duties	✓		
2.2	The CFO and the CS shall attend the meetings of the Board of Directors	✓		
3	Audit Committee			
3(i)	The company shall have an Audit Committee as a sub-committee of the BoD	✓		
3 (ii)	The Audit Committee shall assist the BoD in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	✓		
3 (iii)	The Audit Committee shall be responsible to the BoD. The duties of the Audit Committee shall be clearly set forth in writing	✓		
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members	✓		
3.1 (ii)	The BoD shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) Independent Director	✓		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience	✓		
3.1 (iv)	Expiration of the term of service of Audit Committee members making the number lower than 3 (three) and fill up the vacancy (ies) by the Board not later than 1 (one) month from the date of vacancy(ies)	None		

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
3.1 (v)	The Company Secretary shall act as the secretary of the Audit Committee	✓		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓		
3.2 (i)	The BoD shall select the Chairman of the Audit Committee, who shall be an Independent Director	✓		
3.2 (ii)	Chairman of the audit committee shall remain present in the AGM	✓		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process	✓		
3.3 (ii)	Monitor choice of accounting policies and principles	✓		
3.3 (iii)	Monitor Internal Control Risk management process	✓		
3.3 (iv)	Oversee hiring and performance of external auditors	✓		
3.3 (v)	Review the annual financial statements before submission to the board for approval	✓		
3.3 (vi)	Review the quarterly and half yearly financial statements before submission to the board for approval	✓		
3.3 (vii)	Review the adequacy of internal audit function	✓		
3.3 (viii)	Review statement of significant related party transactions submitted by the management	✓		
3.3 (ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors	✓		
3.3 (x)	Disclosure to the Audit Committee about the uses/applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, shall prepare a statement of funds utilized for the purposes other than those stated in the prospectus	None		

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
3.4.1 (i)	Reporting to BoD on the activities of the Audit Committee	✓		
3.4.1 (ii) (a)	Reporting to BoD on conflicts of interests	None		
3.4.1 (ii) (b)	Reporting to BoD on any fraud or irregularity or material defect in the internal control system	None		
3.4.1 (ii) (c)	Reporting to BoD on suspected infringement of laws	None		
3.4.1 (ii) (d)	Reporting to BoD on any other matter	None		
3.4.2	Reporting to BSEC (if any material impact on the financial condition & results of operation, unreasonably ignored by the management)	None		
3.5	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	✓		
4.00	External / Statutory Auditors			
4.00 (i)	Non-engagement in appraisal or valuation services or fairness opinions	✓		
4.00 (ii)	Non-engagement in designing and implementation of Financial Information System	✓		
4.00 (iii)	Non-engagement in Book Keeping or other services related to the accounting records or financial statements	✓		
4.00 (iv)	Non-engagement in Broker-Dealer services	✓		
4.00 (v)	Non-engagement in Actuarial services	✓		
4.00 (vi)	Non-engagement in Internal Audit services	✓		
4.00 (vii)	Non- engagement in any other services that the Audit Committee Determines	✓		
4.00 (viii)	No partner or employees of the external audit firms shall possess any share of the company during the tenure of their assignment	✓		
5	Subsidiary Company			
5(i)	Provisions relating to the composition of the BoD of the holding company shall be made applicable to the composition of the BoD of the subsidiary company	✓		

Condition No.	Title	Compliance Status ('✓' has been put in the appropriate column)		Remarks (If any)
		Complied	Not complied	
5(ii)	At least 1 (one) Independent Director on the BoD of the holding company shall be a director on the BoD of the subsidiary company.	✓		
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	✓		
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	✓		
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	✓		
6	The CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
6(i) (a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
6 (i) (b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	✓		
6 (ii)	there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	✓		
7 (i)	Obtaining certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC and include in the Annual Report	✓		
7 (ii)	Directors statement in the directors' report whether the company has complied with these conditions	✓		

Annexure - II

Meeting attended by the directors during 2012-13

Name of Director	Board of Directors Meeting				Audit Committee Meeting			
	Total BOD meeting held during director's tenure	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting	Total AC meeting held during director's tenure	Meeting Attended	Attendance as % of total meeting held	paid for attending the meeting
				(Taka)				(Taka)
Manzurul Islam	8	6	75	13,500				
Suraiya Begum	8	7	88	16,500				
Md. Mostafizur Rahman	8	8	100	18,500	4	4	100	9,500
Md. Abdul Wadud	8	8	100	18,500	4	4	100	9,500
Sarwar Boudius Salam	8	8	100	18,500	4	4	100	9,500
Dr. Zia U. Ahmed, Independent Director	6	2	33	5,000	3	3	100	7,500
Total Remuneration Paid				90,500				36,000

Annexure III

The pattern of shareholdings as on 31.07.2013 is given below:

a) Parent/Subsidiary/Associated Companies and other related parties

Name of the Company	No. of Share	Percentage
Islam Brothers Properties Limited	23,677,500	33.03%
River View Limited	9,817,500	13.70%

b) The shareholding status of the Directors, Chief Executive Officer/Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit, and their spouses and minor children as on 31.07.2013 are as follows.

Name	Designation	No. of Share	Percentage Holding
Manzurul Islam	Chairman	2,040,667	2.847%
Suraiya Begum	Director	196,453	0.274%
Md. Abdul Wadud	Director	1,155	0.002%
Sarwar Boudius Salam	Director	1,155	0.002%
Md. Mustafizur Rahman	Director	1,155	0.002%
Dr. Zia U. Ahmed	Independent Director	Nil	Nil
Dhiraj Malakar	Managing Director	Nil	Nil
Saiful Huda Anaholy	Company Secretary	Nil	Nil
Asadul Islam FCA, FCS	Chief Financial Officer	Nil	Nil
Md. Moniruzzaman	Head of Internal Audit	Nil	Nil

c) Executives (as explained in the SEC/CMRRCD/2006-158/134/Admin/44 dated 7 July, 2012)- Nil

d) Shareholders holding ten percent (10%) or more voting interest in the company name wise details:

Name of the Company	No. of Share	Percentage
River View Limited	9,817,500	13.70%
Islam Brothers Properties Limited	23,677,500	33.03%



View of the 48th Annual General Meeting



Audit Committee

Introduction

The Audit Committee of Eastern Housing Limited is a sub-committee of the Board of Directors' and is appointed and authorized by the Board in pursuance of BSEC Circular to review the activities of business. The role of the Audit Committee is to monitor the integrity of the financial statements of the company and review when appropriate, make recommendations to the Main Board on business risks, internal controls, governance issues and compliance. The committee satisfies itself by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the company's business is conducted in a proper and prudent manner.

Membership and Meetings

The Audit Committee comprises of four members and out of them, one is independent director. The directors for 2013 were:

1. Dr. Zia U. Ahmed, Chairman
2. Md. Abdul Wadud, Member, Audit Committee
3. Sarwar Boudius Salam, Member, Audit Committee and
4. Md. Mostafizur Rahman, Member, Audit Committee.

The committee met 4 times during 2012-2013. Invitees to the meeting are the Managing Director, CFO, & Head of Internal Audit, who regularly attended all the meeting of the year. The Company Secretary is also Secretary to the Audit Committee prepares all minutes and documents for circulation and is responsible to provide feedback on effective implementation of action plans arising from the meetings.

Responsibilities and Objectives

The operating procedure of the Audit Committee is governed by a Terms of Reference which is reviewed by the committee and ratified by the Board. The major responsibilities of the Audit Committee are:

1. Monitor the integrity of the financial statements of the company and any formal announcements relating to the company's performance, reviewing significant financial reporting judgments before their submission to the Board of Directors for approval.
2. Review the effectiveness of the accounting policies, internal control and business risk management systems of the company.
3. Monitor and review the effectiveness of the company's internal audit function.
4. Consider and discuss with the external auditors of the company the scope of their audit prior to its commencement and, subsequently the results, and review the effectiveness of the process, taking into consideration relevant professional and regulatory requirements;

Activities of the Audit Committee

In the year ended July 31, 2013, the Audit Committee carried out the following activities:

1. Reviewed the financial statements and related schedules to ensure that these reflect a true and fair view of the company's state of affairs for the year 2012-13.
2. Approved the Internal Audit Plan and reviewed all independent assessments carried out by the internal audit function.
3. Reviewed the risk management process adopted by the company and the major risks facing the business along with related mitigation plans.
4. Reviewed and approved the External Auditor's Strategy Memorandum, i.e. the scope of their work, reporting schedule and the resources for the audit.
5. Reviewed all management findings from the external audit and the effectiveness evaluation of the services of the external audit.
6. Reviewed the Audit Committee Terms of Reference.
7. Reviewed the management of self-assessment of the key controls of the business and the actions plan put forward to address any issues.
8. Reviewed the Confirmation Statement on the Standard of Internal Control and the Standards of Business Conduct signed by the Managing Director and the Chief Financial Officer.
9. Reviewed issues within the following areas. However no such occurrences were reported to the Board of Directors:
 - a. Report on conflicts of interests;
 - b. Suspected or presumed fraud or irregularity or material defect in the internal control system;
 - c. Suspected infringement of laws, including security related laws, rules and regulations.

Audit Committee Report for the Year ended July 31, 2013

The terms of reference of the Audit Committee has been determined by the Board of Directors in accordance with the Code of Corporate Governance. The Committee is appointed and responsible to the Board of Directors. Audit Committee consists of 4 members of the Board one of them is independent director. They are Dr. Zia U. Ahmed, Independent Director & Chairman of the Audit Committee, Mr. Abdul Wadud, Member, Mr. Md. Mostafizur Rahman, Member, and Mr. Sarwar Boudius Salam, Member of the Audit Committee.

Audit Committee met 4 (four) times during the year and all the members of the Committee and invitees attended the meeting.

Activities carried out during the year:

In 2012-2013 the committee worked on follows:

1. Checked and verified the construction schedules and earth filling activities.
2. Checked the purchase proposal, proposals of construction materials and capital expenditure.
3. Verified the Quarterly and Final Accounts of the company.
4. Reviewed the effectiveness of internal financial control and also reviewed audit objection of Chief Internal Auditor.
5. Reviewed points or suggestions and amendments by the Internal Auditor.
6. Notified the adequacy of corporate governance.
7. Finally reported the irregularities detected to the Board.
8. Met the members of the external auditors and had discussion on financial statements.

The committee is of the opinion that adequate controls and procedures are there to provide reasonable assurance that the company's assets are safeguarded, the liabilities are properly accounted for and financial position of the company is well and adequately managed.

On behalf of the Audit Committee.



Dr. Zia U. Ahmed
Chairman
Audit Committee
Dated:

Credit Rating Report



01.10.2013

NCRL/RATING/2013/1217

Mr. Dhiraj Malakar
Managing Director
Eastern Housing Limited
Islam Chamber
125/A, Motijheel C/A
Dhaka-1000

Sub: **FINAL CREDIT RATING REPORT ON “EASTERN HOUSING LIMITED”**

Dear Sir,

Enclosed herewith, please find, the final copy of the credit rating report on “Eastern Housing Limited”. The Rating Committee Meeting held on 30th September, 2013 at 03.30 PM assigned the following ratings to Eastern Housing Limited:

SURVEILLANCE ENTITY RATING		
Date of Rating Declaration	Long Term	Short Time
30.09.2013	AA (Double A)	ST-1
Valid Till	29.09.2014	29.03.2014
Outlook	<i>Stable</i>	
PREVIOUS ENTITY RATING		
Date of Rating Declaration	Long Term	Short Term
07.11.2012	AA (Double A)	ST-1
Valid Till	06.11.2013	06.05.2013
BANK LOAN RATINGS		
Name of The Bank	Nature of Facility	BLR ^a
Prime Bank Ltd.	Term Loan	AA+
Shahjalal Islami Bank Ltd.	Bai-Muajjal (Real Estate)	AA+
United Commercial Bank Ltd.	Over Draft	AA+
	HBL (G)	
Southeast Bank Ltd.	Over Draft	AA+
	LC	
	LRT	
Standard Bank Ltd.	Over Draft	AA+
Dhaka Bank Ltd.	Over Draft	AA+
NCC Bank Ltd.	SOD (G)	AA+
Al Arafah Islami Bank Ltd.	Bai-Muajjal	AA+

We would appreciate, if you give your consent within fifteen days from the issue date to make the report public through our website. In case of your silence or no objection we shall assume that you have consented to make the report public.

Thanking you,

Your sincerely,

(Md. Mominullah Patwary, B.P.)
Managing Director & CEO

Enclosed as above.



A view from Jahurul Islam City

EHL Share Performance during 2012-2013

Dhaka Stock Exchange

Month	Open (BDT)	High (BDT)	Low (BDT)	Close (BDT)	Total Volume (Million)
August'12	58.70	69.90	57.00	64.70	3.87
September'12	66.90	76.40	63.70	71.40	15.46
October'12	71.50	74.80	61.00	61.10	5.05
November'12	62.00	63.90	44.10	47.60	3.81
December'12	47.90	49.00	42.50	44.00	2.16
January'13	44.10	44.90	40.90	42.50	1.86
February'13	42.50	46.20	40.70	44.10	3.60
March'13	42.20	43.30	37.90	38.80	1.57
April'13	38.00	40.40	34.00	36.50	1.30
May'13	36.40	47.00	36.10	44.60	5.56
June'13	45.80	65.00	45.50	56.90	16.97
July'13	56.90	61.00	43.60	43.90	8.38
During 2012-2013		76.40	34.00		69.59

Chittagong Stock Exchange

Month	Open (BDT)	High (BDT)	Low (BDT)	Close (BDT)	Total Volume (Million)
August'12	59.20	69.70	56.80	64.60	0.55
September'12	64.40	77.50	62.00	71.50	1.75
October'12	71.50	74.90	58.00	61.60	0.52
November'12	61.60	64.00	43.80	47.70	0.55
December'12	47.70	48.60	38.20	43.50	0.35
January'13	43.50	44.50	38.00	42.30	0.16
February'13	42.30	46.30	39.60	43.40	0.31
March'13	43.40	43.00	34.90	38.40	0.13
April'13	38.40	40.80	32.50	36.50	0.18
May'13	36.50	48.50	33.90	44.60	0.58
June'13	44.60	65.00	45.00	56.90	1.72
July'13	56.90	62.00	43.00	43.90	0.95
During 2012-2013		77.50	32.50		7.75

Quarterly High-Low price history of the company's Share during August 2012 - July 2013

Quarter	DSE		CSE	
	High (BDT)	Low (BDT)	High (BDT)	Low (BDT)
August 2012 to October 2012	76.40	57.00	77.50	56.80
November 2012 to January 2013	63.90	40.90	64.00	38.00
February 2013 to April 2013	46.20	34.00	46.30	32.50
May 2013 to July 2013	65.00	36.10	65.00	33.90



Plot-02, Road-29, Gulshan

Directors' Statement of Responsibility for The Financial Statements

The Directors are:

- Responsible for ensuring the maintenance of proper accounting records, which disclose with reasonable accuracy the financial position of the Company at any time and from which financial statements can be prepared to comply with the Companies act 1994, Securities and Exchange Rules 1987 and the Listing Regulations of the Dhaka Stock Exchange Limited 1996:
- Required by law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that period;
- Responsible also for ensuring the operation of systems of internal control and for taking reasonable steps to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;

The financial statements for the year ended 31 July 2013, comprising principal statements and supporting notes are set out in this report. The Directors confirm that suitable accounting policies have been consistently applied in the preparation of financial statements, supported by reasonable and prudent judgments and estimates as necessary; applicable accounting standards have been followed, and the financial statements have been prepared on the going concern basis.

The responsibilities of the auditors in relation to the financial statements are set out in the independent report signed by the auditor and included in this report.

The financial statements for the year ended 31 July 2013 are included in the Annual Report 2013, which is published by the Company in hard-copy printed form & electric form.

Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Internal control

The board, through the audit Committee, has reviewed the assessments of risks and internal control framework that operates in Eastern Housing Limited and has considered the effectiveness of the system of internal control in operation in the Company for the year covered by this report and upto the date of its approval by the Board of Directors.

Annual Report

The Annual Report for the year ended 31 July 2013, comprising the Report of Directors and the Financial Statements, has been approved by the Board of Directors.

***Auditors' report
and
Audited financial statements
of
Eastern Housing Limited
For the year ended 31 July 2013***

Independent Auditors' Report



A. Qasem & Co.

Chartered Accountants

Gulshan Pink City
Suites # 01-03, Level: 7
Plot # 15, Road # 103,
Gulshan Avenue
Dhaka - 1212, Bangladesh.
Phone : 880-2-8881824-6
Fax : 880-2-8881822
E-mail : aqasem@aqcbd.com

Independent Auditors' Report

To the shareholders of Eastern Housing Limited

We have audited the accompanying financial statements of Eastern Housing Limited, which comprise the Statement of Financial Position as at 31 July 2013, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on

the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 31 July 2013 and of the results of its operations and cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987, the Real Estate Act 2010 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (c) the statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- (d) the expenditures incurred were for the purpose of the company's business.

Dated: Dhaka
04 November 2013


A. Qasem & Co.
Chartered Accountants

Statement of Financial Position

Eastern Housing Limited Statement of Financial Position As at 31 July 2013

ASSETS	Notes	Amount in Taka As at 31 July	
		2013	2012
Non-current assets			
Property, plant and equipment	04	152,693,260	158,664,324
Deferred tax	05	3,758,236	3,199,170
		<u>156,451,496</u>	<u>161,863,494</u>
Current assets			
Inventories	06	15,746,055,177	12,893,716,475
Advance, deposits and prepayments	07	1,834,050,300	2,158,333,165
Interest receivable	08	12,622,672	55,625,300
Deposit into Bangladesh Bank under duress	09	350,000,000	350,000,000
Investments	10	152,300,730	865,834,130
Cash and cash equivalents	11	39,932,279	100,087,807
		<u>18,134,961,158</u>	<u>16,423,596,877</u>
TOTAL ASSETS		<u>18,291,412,654</u>	<u>16,585,460,371</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the company			
Share capital	12	716,756,040	651,596,400
General reserve		254,500,000	234,500,000
Dividend equalization reserve		125,000,000	105,000,000
Retained earnings	13	390,127,723	333,750,474
		<u>1,486,383,763</u>	<u>1,324,846,874</u>
Liabilities			
Non-current liabilities			
Long term loan - secured	14	15,962,574	125,185,830
Sponsors' loan	15	202,500,000	202,500,000
Finance lease	16	-	10,646,939
		<u>218,462,574</u>	<u>338,332,769</u>
Current liabilities			
Long term loan - secured - current maturity	17	151,340,940	180,383,578
Lease - current maturity	18	10,388,984	9,562,069
Bank overdraft	19	860,854,321	543,251,562
Advance received against allotment	20	11,359,050,106	11,602,279,628
Creditors	21	4,190,251,180	2,562,735,670
Provision for taxation	22	14,680,786	24,068,221
		<u>16,586,566,317</u>	<u>14,922,280,728</u>
Total liabilities		<u>16,805,028,891</u>	<u>15,260,613,497</u>
TOTAL EQUITY AND LIABILITIES		<u>18,291,412,654</u>	<u>16,585,460,371</u>

FOOTNOTES:

1. Auditors' Report - Page 1.
2. The accompanying notes form an integral part of these financial statements.


Md. Saiful Huda Anaholy
Company Secretary


Dhiraj Malakar
Managing Director


Md. Abdúl Wadud
Director


Suraiya Begum
Director

Dated: Dhaka
04 November 2013


A. Qasem & Co.
Chartered Accountants

Statement of Comprehensive Income

Eastern Housing Limited
Statement of Comprehensive Income
For the Year Ended 31 July 2013

	Notes	Amount in Taka For the year ended 31 July	
		2013	2012
Revenue	23	2,028,721,932	1,829,635,100
Cost of sales	24	(1,344,760,717)	(1,375,867,470)
Gross profit		683,961,215	453,767,630
Other income	25	11,726,555	9,192,451
Administrative expenses	26	(256,660,618)	(223,125,167)
Operating profit		439,027,152	239,834,914
Finance income	27	46,747,035	186,503,039
Finance charges	28	(159,934,566)	(120,439,261)
Profit before income tax		325,839,621	305,898,692
Income tax expenses	29	(99,143,092)	(99,863,618)
Profit for the Year		226,696,529	206,035,074
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		226,696,529	206,035,074
Total comprehensive income attributable to owners of the company		226,696,529	206,035,074
Earnings per share : Basic	30	3.16	2.87

FOOTNOTES:

1. Auditors' Report - Page 1.
2. The accompanying notes form an integral part of these financial statements.


Md. Saiful Huda Anaholy
Company Secretary


Dhiraj Malakar
Managing Director


Md. Abdul Wadud
Director


Suraiya Begum
Director

Dated: Dhaka
04 November 2013


A. Qasem & Co.
Chartered Accountants

Statement of Changes in Equity

Eastern Housing Limited Statement of Changes in Equity For the Year Ended 31 July 2013

	Share capital	General reserve	Dividend equalization reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka
Balance as at 01 August 2011	620,568,000	234,500,000	105,000,000	220,800,600	1,180,868,600
Profit for the year	-	-	-	206,035,074	206,035,074
Dividend equalization reserve	-	-	-	-	-
Appropriation to general reserve	-	-	-	-	-
Issue of bonus shares	31,028,400	-	-	(31,028,400)	-
Payment of dividend	-	-	-	(62,056,800)	(62,056,800)
Balance as at 01 August 2012	651,596,400	234,500,000	105,000,000	333,750,474	1,324,846,874
Profit for the year	-	-	-	226,696,529	226,696,529
Dividend equalization reserve	-	-	20,000,000	(20,000,000)	-
Appropriation to general reserve	-	20,000,000	-	(20,000,000)	-
Issue of bonus shares	65,159,640	-	-	(65,159,640)	-
Payment of dividend	-	-	-	(65,159,640)	(65,159,640)
Balance as at 31 July 2013	716,756,040	254,500,000	125,000,000	390,127,723	1,486,383,763

FOOTNOTES:

1. Auditors' Report - Page 1.
2. The accompanying notes form an integral part of these financial statements.


Md. Saiful Huda Anaholy
Company Secretary


Dhiraj Malakar
Managing Director


Md. Abdúl Wadud
Director


Suraiya Begum
Director

Dated: Dhaka
04 November 2013


A. Qasem & Co.
Chartered Accountants

Statement of Cash Flows

Eastern Housing Limited
Statement of Cash Flows
For the Year Ended 31 July 2013

	Amount in Taka	
	For the year ended 31 July	
	2013	2012
Cash flow from operating activities		
Cash received from customers and others	1,886,968,628	2,465,323,054
Cash paid to employees/suppliers	(2,443,924,264)	(3,080,694,584)
Cash flow from operating activities	(556,955,636)	(615,371,530)
Interest paid	(159,934,566)	(120,439,261)
Income tax paid	(141,589,593)	(115,118,167)
<i>Net cash flow from operating activities</i>	(858,479,795)	(850,928,959)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(19,581,334)	(65,836,584)
Sale of property, plant and equipment	15,000	8,409,000
(Increase) / decrease in fixed deposit reserve	713,533,400	286,773,370
<i>Net cash flow from investing activities</i>	693,967,066	229,345,786
Cash flow from financing activities		
Increase / (decrease) in long term borrowings	(119,870,195)	163,910,118
Increase / (decrease) in short term borrowings	289,387,036	252,725,862
Dividend paid	(65,159,640)	(62,056,800)
<i>Net cash flow from financing activities</i>	104,357,201	354,579,180
Increase / (decrease) in cash and cash equivalents	(60,155,528)	(267,003,993)
Cash and cash equivalents at the beginning of the year	100,087,807	367,091,800
Cash and cash equivalents at the end of the year	39,932,279	100,087,807

FOOTNOTES:

1. Auditors' Report - Page 1.
2. The accompanying notes form an integral part of these financial statements.


Md. Saiful Huda Anaholy
Company Secretary


Dhiraj Malakar
Managing Director


Md. Abdúl Wadud
Director


Suraiya Begum
Director

Dated: Dhaka
04 November 2013


A. Qasem & Co.
Chartered Accountants

Notes to the financial statements

Eastern Housing Limited Notes to the financial statements as at and for the year ended 31 July 2013

1. Corporate Information

Eastern Housing Limited (the “Company”) was incorporated in 1964 as a private limited company under the Companies Act 1913. In 1993 the company registered itself with the Register of Joint Stock Companies & Firms (RJSC&F) as a public limited company. The company raised its capital by subscribed IPO of shares and debentures through a prospectus issued in July 1994. The company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in the year 1994 and 1996 respectively.

The registered office of the company is located at “Islam Chamber”, 125/A, Motijheel C/A, Dhaka-1000.

The main activity of the company is to purchase land to develop the same for urban housing. The company also purchases land for construction of multi-storied apartment buildings, shopping malls and office space; the company constructs multi-storied buildings on sharing basis by virtue of agreement with the owners of land.

2. Basis of preparation

a) Statement of compliance

These financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) which includes Bangladesh Accounting Standard (BAS) and Interpretations (BFRI— Bangladesh Financial Reporting Interpretation; and BASI—Bangladesh Accounting Standard Interpretation) relevant with BFRS/BAS.

The Company’s compliance with BFRS is stated below

BAS/ BFRS No:	Title of BAS/ BFRS	Compliance Status
BAS 1	Presentation of Financial Statements	Complied
BAS 2	Inventories	Complied
BAS 7	Statement of Cash Flows	Complied
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
BAS 10	Events After the Reporting Period	Complied
BAS 11	Construction Contracts	Not Applicable
BAS 12	Income Taxes	Complied
BAS 16	Property, Plant and Equipment	Complied
BAS 17	Leases	Complied
BAS 18	Revenue	Complied
BAS 19	Employee Benefits	Complied
BAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
BAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
BAS 23	Borrowing Costs	Complied
BAS 24	Related Party Disclosures	Complied
BAS 26	Accounting and Reporting by Retirement Benefit Plans	Not Applicable
BAS 27	Consolidated and Separate Financial Statements	Not Applicable
BAS 28	Investments in Associates	Not Applicable

BAS/ BFRS No:	Title of BAS/ BFRS	Compliance Status
BAS 29	Financial Reporting in Hyperinflationary Economies	Not yet adopted as BFRS
BAS 31	Interests in Joint Ventures	Not Applicable
BAS 32	Financial Instruments: Presentation	Complied
BAS 33	Earnings per Share	Complied
BAS 34	Interim Financial Reporting	Complied
BAS 36	Impairment of Assets	Complied
BAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
BAS 38	Intangible Assets	Not Applicable
BAS 39	Financial Instruments: Recognition and Measurement	Complied
BAS 40	Investment Property	Not Applicable
BAS 41	Agriculture	Not Applicable
BFRS 1	First-time Adoption of International Financial Reporting Standards	Complied
BFRS 2	Share Based Payment	Not Applicable
BFRS 3	Business Combinations	Not Applicable
BFRS 4	Insurance Contracts	Not Applicable
BFRS 5	Non-Current Assets held for Sale and Discontinued Operations	Not Applicable
BFRS 6	Exploration for and Evaluation of Mineral Resources	Not Applicable
BFRS 7	Financial Instruments: Disclosures	Not Applicable
BFRS 8	Operating Segments	Complied
BFRS 9	Financial Instruments	Not yet adopted as BFRS
BFRS 10	Consolidated Financial Statements	Not Applicable
BFRS 11	Joint Arrangements	Not Applicable
BFRS 12	Disclosure of Interests in Other Entities	Not Applicable
BFRS 13	Fair Value Measurement	Not Applicable
BFRI 4	Determining Whether an Arrangement Contains a Lease	Not Applicable
BFRI 12	Service Concession Arrangements	Not Applicable
BFRI 15	Agreements for the Construction of Real Estate	Complied
BFRI 17	Distributions of Non-cash Assets to Owners	Not Applicable
BFRI 18	Transfers of Assets from Customers	Not Applicable
BFRI 19	Extinguishing Financial Liabilities with Equity Instruments	Not Applicable
BASI 12	Consolidation – Special Purpose Entities	Not Applicable
BASI 27	Evaluating the Substance of Transactions involving the Legal Form of a Lease	Not Applicable
BASI 29	Service Concession Arrangements: Disclosure	Not Applicable
BASI 32	Intangible Assets – Web Site Costs	Not Applicable

The company is also required to comply with the Companies Act, 1994 and other applicable laws and regulations such as:

- The Securities and Exchange Rules, 1987;
- The Securities and Exchange Ordinance, 1969;
- The Securities and Exchange Commission Act, 1993;
- The Securities and Exchange (Public Issues) Rules, 2006;
- Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE)
- Central Depository of Bangladesh Limited (CDBL) rules and regulations;
- The Real Estate Development and Management Act 2010
- Dhaka Imarat Nirman Bidhimala, 2008
- The Income Tax Ordinance, 1984
- The Income Tax Rules 1984
- The Value Added Tax (VAT) Act, 1991
- The Value Added Tax (VAT) Rules, 1991

b) Authorisation for issue

These financial statements have been authorized for issue by the Board of Directors of the company on 04 November 2013.

c) Basis of measurement

These financial statements have been prepared on historical cost convention modified by the revaluation of financial assets and financial liabilities at the fair value through profit or loss.

d) Functional and presentation currency and level of precision

These financial statements are prepared in Bangladesh Taka (BDT) currency, which is the functional currency of the company. All financial information presented in BDT has been rounded off to the nearest integer.

e) Reporting period

The financial statements of the company are consistently prepared following the calendar year as reporting period. These financial statements cover one year from 1 August 2012 to 31 July 2013.

f) Use of estimates and judgments

The preparation of financial statements requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of its assets, liabilities, income and expenses and disclosure of the contingent assets and liabilities at the date of the

financial statements during the reported year. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have effects on the amounts recognized in the financial statements is included in the following notes:

- Note- 4 : Useful life of assets
- Note- 5 : Deferred tax
- Note-20: Provision for gratuity
- Note-20: Accruals and other payables
- Note-20: Advance received against allotment
- Note- 21: Provision for warranty
- Note-22: Provision for income tax

3. Significant accounting policies

The accounting policies set out below have been applied consistently. Certain comparative amounts have been reclassified to conform to current year's presentation.

There are some standards that all entity shall apply where applicable from 1 January 2010. These standards as related to FDR of the entity are:

- Financial Instruments: Presentation- BAS-32,
- Recognition and Measurement-BAS-39
- Financial Instruments: Disclosure-BFRS-7

Since the standards are applicable to Eastern Housing Limited, the management of the entity has decided to comply with the related standards to account for FDR interest on amortised cost basis instead of cash basis of accounting as was practiced previously.

The principal accounting policies set out below have been adopted and applied consistently to all periods presented in the financial statements:

a) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the assets. The cost of self constructed asset includes the following: the cost of materials and direct labour; any other costs directly attributable to bringing the assets to a working

condition for their intended use; and when the company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

When the part of an item of property, plant and equipment has different useful lives, they are accounted for as separate items of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceed from disposal and the carrying amount of the item) is recognized in profit or loss.

Subsequent cost

The cost of replacing part of an item of property and

	2012-13	2011-12
Plant and machinery	10%	10%
Site project office	10%	10%
Internal decoration	10%	10%
Office equipment	20%	20%
Furniture and fixtures	10%	10%
Vehicles	20%	20%
Cookery and sundry assets	25%	25%

Impairment

The carrying value of the company's assets, other than inventories, is reviewed at each date of the Statement of Financial Position to determine whether there is an indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

An impairment loss, if any, is recognized in the Statement of Comprehensive Income whenever the carrying amount of the asset or its cash generating units exceeds its recoverable amount.

b) Borrowing costs

In compliance with the requirements of BAS-23, "Borrowing costs" are recognized as revenue expenses in the period in which they incurred.

c) Lease

The company had several motor vehicles under finance lease obligation as at 31 July 2013.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the

equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property and equipment are recognized in the profit and loss account as incurred.

Depreciation

Depreciation is recognised in the statement of comprehensive income on a reducing balance method over the estimated useful lives of each part of an item of property and equipment.

The depreciation rates on the basis of the estimated useful lives of the assets for the current and comparative period are as follows:

arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Leases are classified as finance leases whenever the terms of lease transfer substantially all the risk and rewards of the ownership to the lessee. All other leases are classified as operating leases.

• Finance Lease

Asset held under finance leases are initially recognized as asset of the company at their fair value at the inception of the lease or, if lower, at the present value of minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of lease obligation so as to achieve a constant rate of interest on the remaining balance of liability. Finance expenses are immediately recognized in the statement of comprehensive income, unless they are directly attributable to qualifying assets, in which case they are capitalized.

• Operating Lease

Operating lease payments are recognized as an expense on straight line basis over the lease term, except where another systemic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they incurred.

The company did not have any operating lease arrangements as at 31 July 2013.

d) Inventories

Inventories represents, stock of land, apartment, shops and office space held for sale in the ordinary course of business within the company's normal operating cycle which is more than a calendar year. Therefore, the company complies with the principles of BAS 2- Inventories and recognise inventories at cost using average cost formula and measure the same at reporting date at lower of Cost and Net Realisable Value.

- Accordingly, inventory of undeveloped land has been valued where cost includes the purchase consideration, and other direct costs which are related to purchase of the inventory.
- Inventory of developed land has been valued at cost. Cost includes the purchase consideration, and other costs such as land filling, wages and other direct expenses related to development.
- Cost of finished apartments valued at cost.
- Valuation of work in progress is made on following basis
 - a) Land at cent percent;
 - b) Material and conversion at actual basis.
- Stock of construction materials has been valued at cost.
- Other material and stock have been valued at cost.

e) Financial instruments and its disclosures, presentation, recognition and measurement

As per BFRS-7 all financial instruments should be presented in a way so that users are enabled to evaluate the significance and nature and extent of risks arising from financial instruments to which the entity is exposed during the period and how the entity manages those risks.

f) Non derivative financial instruments

Non derivative financial instruments comprise investments in equity and debt securities, trade and

other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. The non derivative financial instruments of Eastern Housing Limited are some financial assets such as trade and other receivables, cash and cash equivalents, and some financial liabilities like bank loan and trade and other payables.

Trade and other receivables

Trade and other receivables are recognized initially at fair value. Subsequent to initial recognition they are measured at amortized cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognized initially at fair value. Subsequent to initial recognition they are measured at amortized cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and deposits held at call with banks. Bank overdrafts, if any, are shown within borrowings in current liabilities in the statement of financial position.

The net cash flow from operating activities is determined under the direct method as per BAS-7, "Statement of Cash Flows".

Interest bearing borrowings

Interest bearing borrowings are recognized initially at fair value less related transaction costs. Loan from Dhaka Bank Limited, Standard Bank, Southeast Bank Limited, Al-Arafah Islami Bank Limited, Phoenix Finance and Investments Limited, NCC Bank and United Commercial Bank Limited are stated at the amount received as reduced by the amount paid thereof.

g) Share capital

Ordinary shares are classified as equity. Mandatorily redeemable cumulative preference shares, if any, are classified as debt instruments and hence are reported as liabilities.

h) Current assets

The company has recognised current assets when:

- It expects to realise the assets, or intends to sell or consume it, in its normal operating cycle.
- It holds the asset primarily for the purpose of trading.
- It expects to realise asset within twelve months after the reporting year.

All other assets are classified as non-current.

i) Current liabilities

The company has recognised current liabilities when:

- It expects to settle the liability in its normal operating cycle.
- It holds the liability primarily for the purpose of trading.
- The liability is due to be settled within twelve months after the reporting year.

All other liabilities are classified as non-current.

j) Employee benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan (provident fund) under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in the statement of comprehensive income when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan (gratuity fund) other than a defined contribution plan. The company operates an unfunded gratuity scheme, provision in respect of which is made annually covering all its permanent eligible employees. No Actuarial valuation of gratuity scheme has been made to assess the adequacy of the liabilities provided for the scheme as per BAS-19 "Employee Benefits".

k) Provisions

Provisions are recognized in the balance sheet when the company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate thereof can be made.

l) Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS-37 provisions, contingent liabilities and contingent assets are disclosed in the financial statements.

m) Revenue

When the outcome of a transaction involving sales of goods, revenue associated with the transaction shall be recognized at the end of the reporting period when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the future economic benefits associated with the transaction will flow to the entity;
- Significant risks and rewards have been transferred to the buyer; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In compliance with the requirements of BAS 18—Revenue and BFRI 15—Agreements for the Construction of Real Estate, revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding VAT, discounts, commission, rebates, and other sales taxes where applicable.

Company, in line with industry practice, makes allotment of the plots of land and apartments ahead of commencement of land reclamations, development and construction of apartments. The company also receives money against such allotments on instalments basis during the span of two to six years. The amount is booked under advance on allotment at the time of receipt and treated as sale only when the allotted plots of land and the apartment are registered or handed over. Sales are recognised mainly on hand-over basis since registration process takes time in Bangladesh due to procedures and customers' delayed initiatives to register the property in own name(s).

n) Expenditure recognition

Expenses are recognized in the statement of comprehensive income on the basis of a direct association between the cost incurred and the earnings of specific items of income. All expenditures incurred in the running of the business and in maintaining the property, plant and equipments in a state of efficiency has been charged to income in arriving at the profit for the year.

o) Finance income and finance cost

Finance income comprises interest income on funds invested in FDR, STDs & dividend income from CDBL shares and is recognized on time cost (amortised cost) basis in the statement of comprehensive income.

Finance costs comprise interest expense on borrowings, overdrafts, etc. All borrowing costs are recognized in the statement of comprehensive income using the effective interest method.

p) Other income

Gain on sale of vehicles and unused materials are determined by comparing the proceeds from disposal with the carrying amounts and are recognized net with other income in the statement of comprehensive income.

q) Income tax

Income taxes comprise both current tax and deferred tax expense.

Provision for income tax has been made as per provision of the Income Tax Ordinance 1984 at prevailing corporate tax rate @27.5%. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using the tax rates enacted at the reporting date and any adjustment to tax payable in respect of previous years.

r) Deferred Tax

Deferred tax is recognised in compliance with BAS 12: Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each date of statement of financial position and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

s) Going concern

The directors have made an assessment of the company's ability to continue as a going concern and they do not intend either to liquidate or to cease trading. Since, there is no material uncertainties related to events or conditions at reporting date which may cast significant doubt upon the company's ability to continue as a going concern, the financial statements of the company are prepared on a going concern basis.

t) Foreign currency

Transactions in foreign currencies are translated into Bangladesh Taka (BDT) and recorded at rates of exchange ruling on the date of transaction.

u) Earnings per share

The company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the comprehensive income/net profit after tax attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at year end. For bonus issue without consideration, the comparative EPS is restated as if the bonus shares were issued before the beginnings of the earliest period presented. The detail calculation is shown in note 30 to the financial statements.

Diluted earnings per share: No diluted earnings per share are required to be calculated for the year as there was no scope for dilution during the year under review.

v) Events after the reporting period

Events after the reporting date that provide additional information about the company's position at the reporting date are reflected in the financial statements. Events after the reporting period that are non-adjusting events are disclosed in the notes when material.

04.00 Property, plant, and equipment

	Plant and Machinery	Site Project Office	Internal Decoration	Office Equipments	Furniture and Fixture	Motor Vehicles	Crockeries and Sundry Assets	Total
(Amount in Taka)								
Freehold Assets								
Original cost as at 01 August 2012	70,321,900	30,766,300	49,426,599	35,275,725	31,758,960	86,662,000	2,263,300	306,474,784
Addition during the Year	1,739,700	-	6,912,466	1,081,317	287,851	9,560,000	-	19,581,334
Disposal during the Year	-	-	-	(8,349,459)	-	(3,292,725)	(2,263,300)	(43,535,484)
Leasehold Assets								
Original cost as at 01 August 2012	-	-	-	-	-	27,000,000	-	27,000,000
Addition during the Year	-	-	-	-	-	-	-	-
Disposal during the Year	-	-	-	-	-	-	-	-
Total as at 31 July 2013	72,061,600	30,766,300	56,339,065	28,007,583	32,046,811	90,299,275	-	309,520,634
Freehold Assets								
Depreciation up to 01 August 2012	35,040,100	15,158,680	6,441,070	26,710,905	23,301,606	60,613,149	2,144,950	169,410,460
Charged during the Year	3,474,351	1,491,179	4,618,618	1,686,823	828,415	6,025,429	-	18,124,815
Accumulated depreciation of disposed assets	-	-	-	(7,410,363)	-	(30,497,784)	(2,144,950)	(40,053,097)
Leasehold Assets								
Depreciation up to 01 August 2012	-	-	-	-	-	5,400,000	-	5,400,000
Charged during the Year	-	-	-	-	-	3,945,196	-	3,945,196
Accumulated depreciation of disposed assets	-	-	-	-	-	-	-	-
Total as at 31 July 2013	38,514,451	16,649,859	11,059,688	20,987,365	24,130,021	45,485,990	-	156,827,374
WDV as at 31 July 2013	33,547,149	14,116,441	45,279,377	7,020,218	7,916,790	44,813,285	-	152,693,260
WDV as at 31 July 2012	35,281,800	15,607,620	42,985,529	8,564,820	8,457,354	47,648,851	118,350	158,664,324
Rate of depreciation	10%	10%	10%	20%	10%	20%	25%	
Chargeable to								
Direct expenses 4,997,428								
Administrative expenses 17,072,583								
22,070,011								

		Amount in Taka	
		As at 31 July	
		2013	2012
05.00	Deferred tax		
	Opening balance	(3,199,170)	4,994,500
	Deferred tax expense / (income)	(559,066)	(8,193,670)
	Deferred tax liability / (asset)	(3,758,236)	(3,199,170)
05.01	Calculation of deferred tax		
		Carrying Amount	Tax Base
			Temporary Difference
	Provision for gratuity	(16,344,105)	-
	Fixed asset	152,693,260	143,676,169
	Provision for warranty	(6,339,300)	-
	Total temporary difference	130,009,855	143,676,169
	Applicable tax rate		27.50%
	Deferred tax liability / (asset)		(3,758,236)
06.00	Inventories		
	Raw land	1,704,238,793	1,710,778,594
	Work in progress	7,445,223,699	5,227,158,530
	Developed stock	6,563,791,685	5,888,902,788
	Construction materials	32,801,000	66,798,000
	Common stores	-	78,563
		15,746,055,177	12,893,716,475
07.00	Advances, Deposits, and Prepayments		
	Advance against purchase (Note-07.01)	1,259,320,950	1,318,121,821
	Advance payment of income tax (Note-07.02)	216,688,500	184,188,500
	Advance against work done	354,436,970	654,412,794
	Advance against salary and wages	2,930,680	936,850
	Deposits against utility services	673,200	673,200
		1,834,050,300	2,158,333,165
07.01	Advance against purchase		
	For purchase of land	1,112,263,390	1,183,920,924
	For purchase of materials and others	147,057,560	134,200,897
		1,259,320,950	1,318,121,821
07.02	Advance payment of income tax		
	Opening balance	184,188,500	158,188,500
	Paid / adjusted during the period	32,500,000	26,000,000
		216,688,500	184,188,500
08.00	Interest receivable	12,622,672	55,625,300
		12,622,672	55,625,300
09.00	Deposit into Bangladesh Bank under duress	350,000,000	350,000,000
		350,000,000	350,000,000

During 01/11 the Caretaker Government collected Tk. 35.00 crore from Eastern Housing Limited. The management has subsequently filed writ petition in the High Court in order to recover the money. The matter is sub-judice now and pending hearing.

		Amount in Taka	
		As at 31 July	
		2013	2012
10.00	Investment		
	FDR with Southeast Bank Ltd.	-	218,683,196
	FDR with Union Capital	5,000,000	155,977,028
	FDR with United Commercial Bank Ltd.	-	96,125,307
	FDR with Standard Bank Ltd.	145,731,280	280,148,097
	FDR with Al-Arafah Islami Bank Ltd.	-	113,331,052
	Investment in CDBL shares	1,569,450	1,569,450
		152,300,730	865,834,130
11.00	Cash and cash equivalents		
	Cash in hand (Note-11.01)	4,015,815	6,237,290
	Cash at bank (Note-11.02)	35,916,464	93,850,517
		39,932,279	100,087,807
11.01	Cash in hand		
	Land unit - Motijheel office	503,079	1,310,858
	Apartment unit - Motijheel office	122,862	44,767
	Apartment unit - Site office imprest	3,389,874	4,861,665
	Imprest with share division	-	20,000
		4,015,815	6,237,290
11.02	Cash at bank		
	Land unit		
	IFIC Bank Ltd C/A-1001-112525-001	16,316	518,427
	IFIC Bank Ltd.STD.A/C.-121133-041	748,283	7,887,322
	Janata Bank Ltd. C/A - 010233005419	538	500
	Janata Bank Ltd. C/A - 001021044	50,496	55,589
	NCC Bank Ltd.A/C -04000134	29,024	28,647
	Sonali Bank Ltd. C/A-4521	18,580	18,600
	Sonali Bank Ltd. C/A-33045408	2,867	3,470
	Al-Arafah Islami Bank Ltd. A/C-33019398	2,339,955	309,137
	Al-Arafah Islami Bank Ltd. STD A/c.No.36002321	5,635,248	10,757,521
	Uttara Bank Ltd.CA-21-1915	1,835	713,950
	Uttara Bank Ltd. CA - 21-2273	821	94,950
	Uttara Bank Ltd. STD -130	4,880	108,877
	Uttara Bank Ltd. STD -131	7,005	222,236
	Uttara Bank Ltd. STD-335	145,368	11,978,581
	Uttara Bank Ltd. STD-336	10,349	2,588,831
	Uttara Bank Ltd. STD-337	15,247	11,294,761
	Uttara Bank Ltd. STD-338	54,214	2,339,704
	Uttara Bank Ltd. STD-773	5,261	3,105,888
	Uttara Bank Ltd. STD-774	4,680	917,256
	Uttara Bank Ltd. STD.A/c.-41-286-7	4,588,247	24,286,455
	Pubali Bank Ltd.CD-32142	41,516	41,945
		13,720,730	77,272,647

	Amount in Taka	
	As at 31 July	
	2013	2012
Apartment unit		
NCC Bank Ltd. STD A/c.-008	119,926	114,522
NCC Bank Ltd. CA-00020210027235	91,587	-
IFIC Bank Ltd.STD A/c.-1001-121131-041	786,076	53,554
Eastern Bank Ltd. STD A/c-01011040000249	10,600	375,769
Standard Bank Ltd. A/C - CA-33011312	17,794	37,575
Shahjalal Islami Bank Ltd.A/c.No. 01925	74,823	10,381
Prime Bank Ltd.STD-70002330	86,422	178,700
Uttara Bank Ltd. CD A/c.-13177	1,080,027	183,452
Uttara Bank Ltd.STD A/C.-34	50,670	54,989
Uttara Bank Ltd. C/D A/c.-37	55,742	57,030
Utara Bank Ltd. C/A 4046	222,273	494,922
Uttara Bank Ltd. C/A 1914	1,329	152,850
Uttara Bank Ltd. C/A 334	63,677	2,299,813
Uttara Bank Ltd. C/A 243	121,150	184,000
Bank Al-Falah Ltd. C/A 12040125	-	50
Dhaka Bank Ltd.-A/c 21438	368,205	163,020
United Commercial Bank Ltd. A/c -5414	4,488	92,925
Uttara Bank Ltd.A/C No. 4601	1,908	4,058
Al-Arafah Islami Bank Ltd. CD A/c.1002	50,830	-
	<u>3,207,527</u>	<u>4,457,610</u>
Dividend payment accounts		
Uttara Bank Ltd. STD A/c. - 339	18,985,571	12,118,560
IFIC Bank Ltd. STD A/C -1001-1211206-041	2,636	1,700
	<u>18,988,207</u>	<u>12,120,260</u>
12.00 Share capital		
12.01 Authorized share capital:		
Balance at 01 August		
200,000,000 ordinary shares of Tk.10 each	2,000,000,000	1,000,000,000
Increase in Share capital	-	1,000,000,000
Balance as at 31 July	<u>2,000,000,000</u>	<u>2,000,000,000</u>
200,000,000 ordinary shares of Tk.10 each		
12.02 Issued, Subscribed and Paid up		
60,000,000 Ordinary shares of Tk.10 each fully paid up	600,000,000	600,000,000
Conversion of debenture into 2,056,800 Ordinary shares of Tk.10 each	20,568,000	20,568,000
Bonus share issued at 9,618,804 Ordinary shares of Tk.10 each	96,188,040	31,028,400
	<u>716,756,040</u>	<u>651,596,400</u>

12.03 Position of Shareholding:

	Percentage (%)	No. of Shares	No. of Shareholders		Amount in Taka	
			31/Jul/13	31/Jul/12	31/Jul/13	31/Jul/12
Sponsors and associates	50.75%	36,378,524	12	12	363,785,240	330,713,880
Financial institutions	7.51%	5,384,518	48	45	53,845,180	18,826,200
Other institutional shareholders	7.11%	5,092,142	219	123	50,921,420	60,473,730
General shareholders	34.63%	24,820,420	21,324	19,576	248,204,200	241,582,590
Total	100.00%	71,675,604	21,603	19,756	716,756,040	651,596,400

12.04 Classification of shares by number of shares held:

	Number of Shareholders	Number of Shares	Total Holding (%)
Less than 500 Shares	14,347	2,695,761	3.76
501 to 5,000 Shares	6,367	10,028,961	13.99
5,001 to 10,000 Shares	492	3,442,478	4.80
10,001 to 20,000 Shares	230	3,183,727	4.44
20,001 to 30,000 Shares	67	1,606,206	2.24
30,001 to 40,000 Shares	25	865,849	1.21
40,001 to 50,000 Shares	17	753,180	1.05
50,001 to 100,000 Shares	29	1,955,006	2.73
100,001 to 1,000,000 Shares	23	5,525,809	7.71
Over 1,000,000 Shares	6	41,618,627	58.07
Total	21,603	71,675,604	100.00

Amount in Taka

As at 31 July

2013 2012

13.00 Retained earnings and other components of equity

General reserve (Note-13.01)	254,500,000	234,500,000
Dividend equalization reserve (Note-13.02)	125,000,000	105,000,000
Retained earnings (Note-13.03)	390,127,723	333,750,474
	769,627,723	673,250,474

13.01 General reserve

Opening balance	234,500,000	234,500,000
During the year	20,000,000	-
	254,500,000	234,500,000

13.02 Dividend equalization reserve

Opening balance	105,000,000	105,000,000
During the year	20,000,000	-
	125,000,000	105,000,000

		Amount in Taka	
		As at 31 July	
		2013	2012
13.03	Retained earnings		
	Opening balance	333,750,474	220,800,600
	Profit for the year	226,696,529	206,035,074
		<u>560,447,003</u>	<u>426,835,674</u>
	General reserve	(20,000,000)	-
	Dividend equalization reserve	(20,000,000)	-
	Bonus shares issued	(65,159,640)	(31,028,400)
	Dividend paid	(65,159,640)	(62,056,800)
		<u>390,127,723</u>	<u>333,750,474</u>
14.00	Long term loan - Secured		
	Shahjalal Bank Ltd.	15,962,574	95,775,572
	Prime Bank Ltd.	-	29,410,258
		<u>15,962,574</u>	<u>125,185,830</u>
	Security:		
	These loans are secured by equitable mortgage of land and will be due for payment after one year or more from the reporting date.		
	Terms of repayment:		
	Loans are being repaid in monthly installment following the repayment schedule.		
15.00	Sponsors' loan	<u>202,500,000</u>	<u>202,500,000</u>
		<u>202,500,000</u>	<u>202,500,000</u>
16.00	Finance lease		
	Phoenix Finance and Investment Ltd.	-	10,646,939
		<u>-</u>	<u>10,646,939</u>
17.00	Long term loan - secured - current maturity		
	Shahjalal Bank Ltd.	103,284,000	103,284,000
	Prime Bank Ltd.	40,588,239	66,120,000
	United Commercial Bank Ltd.	7,468,701	10,979,578
		<u>151,340,940</u>	<u>180,383,578</u>
18.00	Lease - current maturity		
	Phoenix Finance and Investment Ltd	10,388,984	9,174,591
	Standard Bank Ltd.	-	387,478
		<u>10,388,984</u>	<u>9,562,069</u>

		Amount in Taka	
		As at 31 July	
		2013	2012
19.00	Bank overdraft		
	Dhaka Bank Ltd	235,421,127	213,563,023
	Standard Bank Ltd	69,404,276	81,567,510
	United Commercial Bank Ltd	39,836,880	38,528,173
	Southeast Bank Ltd	148,780,828	148,913,868
	Al-Arafah Islami Bank Ltd	309,630,000	60,678,988
	NCC Bank Ltd	57,781,210	-
		860,854,321	543,251,562
	These overdraft are secured against equitable mortgage of land.		
20.00	Advance received against allotment		
	Land Unit- plot	7,616,082,544	7,917,797,832
	Apartment Unit - flat/commercial space	3,742,967,562	3,684,481,796
		11,359,050,106	11,602,279,628
21.00	Creditors		
	Creditors for expense (Note-21.01)	20,485,817	9,027,447
	Creditors for supply / material purchase	103,975,147	122,004,672
	Liabilities against land purchase	3,908,951,432	2,274,660,049
	Liabilities for work done	67,084,472	67,603,958
	Liabilities for other finance (Note-21.02)	70,759,791	77,318,184
	Un-claimed dividend warrants (Note-21.03)	18,994,521	12,121,360
		4,190,251,180	2,562,735,670
21.01	Creditors for expense		
	Salary payable	13,956,093	5,763,205
	Audit fees	632,500	575,000
	Legal, professional and membership fees	75,000	75,000
	Electric bill and office rent	5,176,724	1,968,742
	Postage, telephone, e-mail and fax	645,500	645,500
		20,485,817	9,027,447
21.02	Liabilities for other finance		
	Provision for leave pay and gratuity (Note-21.02.01)	16,344,105	32,336,782
	Liability for Co-operative society	28,390,498	24,178,897
	Liability against security deposits and others	19,685,888	14,802,505
	Warranty provision	6,339,300	6,000,000
		70,759,791	77,318,184
21.02.01	Provision for leave pay and gratuity		
	Opening balance	32,336,782	72,800,400
	Provision during the Year	16,335,757	8,618,800
		48,672,539	81,419,200
	Paid during the Year	(32,328,434)	(49,082,418)
		16,344,105	32,336,782

		Amount in Taka	
		As at 31 July	
		2013	2012
21.03	Un-claimed dividend warrants		
	Opening Balance	12,121,360	19,980,200
	Dividend declared and warrant issued	54,969,796	62,056,800
		67,091,156	82,037,000
	Warrant encashment from 01.08.2012 to 31.07.2013	(48,096,635)	(69,915,640)
		18,994,521	12,121,360

These are being paid gradually on presentation of warrants on revalidation of expiry date. A significant part of the amount remains unclaimed attributable to shareholders residing abroad.

22.00 Provision for Tax

Opening Balance	24,068,221	31,129,100
Provision made during the year	11,730,145	35,085,990
Paid/Adjusted during the year	(21,117,580)	(42,146,869)
	14,680,786	24,068,221

		Amount in Taka	
		For the Year Ended 31 July	
		2013	2012
23.00	Revenue		
	Land (Note-23.01)	1,089,126,053	1,344,518,800
	Apartment (Note-23.02)	939,595,879	485,116,300
		2,028,721,932	1,829,635,100

23.01 Revenue - Land

Sl. No.	Project	No. of Plot	Amount (Taka)
1	Aftabnagar	196	589,432,374
2	Aram Bagh	1	1,000,000
3	Banasree	41	90,947,622
4	Bara Ranga Matia	3	262,250
5	Basaid	2	244,040
6	Daikhali	11	11,642,707
7	Dehara	47	13,375,670
8	Demra	5	11,528,000
9	Dhaksin Krishnapur	9	3,628,460
10	Ghanak Bari	1	525,000
11	Gobindabari	9	1,247,500
12	Khagan	1	225,000
13	Mohanogor	38	77,843,000
14	Niketan	1	1,800,000
15	Palash Bari	1	125,000
16	Pallabi	119	147,838,300
17	Paradogar	5	2,611,962
18	Patalia	5	2,778,680
19	Savar Lot Sale	30	122,483,218
20	Tayubpur	19	9,587,270
	Total	544	1,089,126,053

23.02 Revenue - Apartment

Sl. No.	Project	No. of Flat/Shop	Amount (Taka)
1	Eastern Irteza	2	8,750,000
2	Eastern Antik	2	9,650,000
3	Eastern Erzoo	2	18,355,000
4	Eastern Yakub Plaza, Comilla	1	590,000
5	Eastern Kamalapur	58	255,165,000
6	Eastern Karim Cottage	26	262,007,000
7	Eastern Mollika	66	70,082,818
8	Eastern Nawabkatra	5	38,625,000
9	Eastern Panthachaya	23	195,635,000
10	Eastern Plus	41	44,243,925
11	Banakunja Apt - 1	11	12,467,136
12	Banakunja Apt-2	15	24,025,000
Total		252	939,595,879

Amount in Taka	
For the Year Ended 31 July	
2013	2012

24.00 Cost of sales

Opening stock of raw land	1,710,778,594	1,613,304,500
Purchase during the year (Note-24.01)	2,524,630,432	677,981,653
Ending stock of raw land	(1,704,238,793)	(1,710,778,594)
Consumption of land during the year	2,531,170,233	580,507,559
Opening stock of construction materials	66,798,000	49,778,000
Purchase during the year (Note-24.02)	1,373,656,013	1,029,959,330
Closing stock of construction materials	(32,801,000)	(66,798,000)
Material consumption during the year	1,407,653,013	1,012,939,330
Direct expenses (Note-24.03)	298,891,537	277,996,199
Total development cost during the year	4,237,714,783	1,871,443,088
Opening work in process	5,227,158,530	3,797,132,700
Closing work in process	(7,445,223,699)	(5,227,158,530)
Transferred to finished stock	2,019,649,614	441,417,258
Opening finished stock	5,888,902,788	6,823,353,000
Finished stock available for sale	7,908,552,402	7,264,770,258
Closing finished stock	(6,563,791,685)	(5,888,902,788)
	1,344,760,717	1,375,867,470

		Amount in Taka	
		For the Year Ended 31 July	
		2013	2012
24.01	Purchase of undeveloped land		
	Land purchase	2,451,395,653	618,913,568
	Registration, legal and stamp cost	43,494,151	27,112,085
	Mutation	18,280,687	17,584,192
	Deed collection	2,439,261	1,893,765
	Brokerage and others	9,020,680	12,478,043
		<u>2,524,630,432</u>	<u>677,981,653</u>
24.02	Development and material expense		
	Earth filling and development work	615,478,993	331,125,256
	Roads	14,725,115	52,815,226
	Social & surrounding development	11,760,543	1,241,345
	Labour expense	308,225	1,780,837
	Land rent / khajna	16,144,635	13,320,763
	Material cost	7,043,910	4,970,927
	Electrical materials	208,689,078	114,380,660
	Rod and sheets	131,592,463	159,085,127
	Cement, sand, stone and concrete	129,685,031	214,212,726
	Decoration works	74,580,834	38,183,285
	Sanitary, pipe and hardware materials	137,527,682	92,479,374
	Quality testing and other works	26,119,504	6,363,804
		<u>1,373,656,013</u>	<u>1,029,959,330</u>
24.03	Direct expenses		
	Salary and wages	102,290,619	96,893,001
	Festival bonus	8,534,111	9,936,047
	Overtime	3,327,703	4,274,991
	Daily labour	96,804,432	101,768,219
	Gratuity and leave pay	6,662,597	4,320,078
	Employee provident fund contribution	2,791,859	3,103,285
	Repair and maintenance	2,714,059	5,855,664
	Communication expenses	4,136,080	3,836,461
	Printing and stationery	2,062,739	4,611,107
	Power and fuel	24,434,200	12,909,457
	Entertainment	4,294,714	3,709,029
	Depreciation	4,997,428	21,219,270
	Fees and professional charge	35,840,996	5,559,592
		<u>298,891,537</u>	<u>277,996,199</u>
25.00	Other income		
	Sale proceeds of unusable materials and others	11,726,555	6,147,787
	Gain on sale of fixed asset	-	3,044,664
		<u>11,726,555</u>	<u>9,192,451</u>

	Amount in Taka	
	For the Year Ended 31 July	
	2013	2012
26.00 Administrative expenses		
Salary and allowances	106,363,193	96,893,000
Employees provident fund contribution	2,353,851	3,103,285
Festival bonus	17,293,504	9,936,047
Gratuity and leave pay	12,694,346	4,298,722
Selling & marketing expenses	22,598,801	20,841,650
Printing and stationery	7,214,843	6,668,058
Power and fuel	6,751,454	7,799,275
Communication expenses	4,724,767	3,836,461
Entertainment	3,435,133	3,709,029
Rent, rates and taxes	25,175,923	25,085,311
Repairs and maintenance	3,212,371	5,855,664
Legal, professional, membership and other fees	16,994,875	17,146,103
Insurance premium	1,108,103	1,984,258
Audit fees	632,500	575,000
Software development	467,000	1,151,600
AGM expenses	4,099,984	3,997,850
Depreciation	17,072,583	4,243,854
Warranty expense	1,000,000	6,000,000
Loss on sale / write off of fixed assets	3,467,387	-
	256,660,618	223,125,167
27.00 Finance income		
Interest income	45,033,492	186,046,094
Dividend received	1,713,543	456,945
	46,747,035	186,503,039
28.00 Finance charges		
Interest on long term loan:		
Shahjalal Bank Ltd.	23,471,002	24,880,572
Prime Bank Ltd.	11,339,629	21,724,466
	34,810,631	46,605,038
Interest on overdraft	121,762,402	66,891,819
Interest on lease	2,790,312	4,356,741
	159,363,345	117,853,598
Bank charges and commission	571,221	2,585,663
	159,934,566	120,439,261

	Amount in Taka	
	For the Year Ended 31 July	
	2013	2012
29.00 Income Tax		
Tax paid at the time of sale of registration	79,298,038	58,302,835
Tax paid at the time of purchase of land	-	2,174,630
Tax deduction at sources on non operating income	8,673,975	12,493,833
Deferred tax (Note-05)	(559,066)	(8,193,670)
Provision on non-operating income	11,730,145	35,085,990
	99,143,092	99,863,618
30.00 Earnings per share: Basic		
Total comprehensive income attributable to shareholders	226,696,529	206,035,074
Total number of shares	71,675,604	71,675,604
Earnings per share : Basic	3.16	2.87

The number of paid up ordinary shares has been increased from 65,159,640 to 71,675,604 by the issue of bonus @ 10% in the FY 2011-12. Because the bonus issue was without consideration, it is treated as if it had occurred before the beginning of 2011-12, the earliest period presented.

31.00 Financial risk management

Financial risk factors

Exposure to interest rate and liquidity risk arises in the normal course of the company's business. The nature of these risks and the company's approach in managing the risks are summarized below:

Credit risk

The company's primary exposure to credit risk arises through its trade and other receivables. At the statement of financial position date, there was no significant concentration of credit risk.

Liquidity risk

The company monitors its short-term liquidity risk at operation level. The company is in the process of implementing an annual budgeting, forecasting and monthly rolling forecasting.

Closing balance for the period

The table below analyses the company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant:

At 31 July 2013	Less than 1 year	1-2 years	2+ years
Loan from Banks (Overdraft and term loan)	1,012,195,261	15,962,574	-
Sponsor and associates	-	-	202,500,000
Lease	10,388,984	-	-
Trade and other payables	4,204,931,966	-	-

Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The company faces only interest risk. The only interest bearing financial instrument for the company is the short term overdraft account maintained by the company with its banks. Historically, interest rates for such instruments show little fluctuation. Interest rate risk for the company is therefore insignificant.

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The company's gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total long term borrowings, as shown in the statement of financial position less cash and cash equivalents. Total capital is calculated as equity, as shown in the statement of financial position, plus net debt.

The gearing ratios at July 31, 2013 and July 31, 2012 were as follows:

	For the Year Ended 31 July	
	2013	2012
Total borrowings (Long term loan and lease)	15,962,574	135,832,769
Less: Cash and cash equivalents (Note-11.0)	(39,932,279)	(100,087,807)
Net debt	(23,969,705)	35,744,962
Total equity	1,486,383,763	1,324,846,873
Total capital	1,462,414,058	1,360,591,835
Gearing ratio (Net debt / total capital)	(0.02)	0.03

32.00 Related parties

The company in normal course of business carried out transactions with following related parties:

Name of the related party	Relationship	Nature of transaction	31 July 2013	31 July 2012
Islam Brothers Properties Ltd	Common Board Member	Office rent	17,917,240	18,104,100
Bengal Development Corporation Ltd	Common Board Member	Advance against construction work of Aftabnagar	23,134,789	40,000,000
Bengal Development Corporation Ltd	Common Board Member	Readymix concrete supply	42,834,127	53,017,927
Bengal Development Corporation Ltd	Common Board Member	Construction of Mirpur project	6,325,620	-
Lafarge Surma Cement Ltd.	Common Board Member	Procurement of cement	14,661,975	28,261,635
			104,873,751	139,383,662

33.00 Contingent assets

There was no contingent assets as at 31 July 2013.

34.00 Contingent liabilities

Potential sources of contingent liabilities are:

Total number of cases in different land projects of Eastern Housing Limited are about 260. Out of those cases, 105 cases filed by Eastern Housing Limited and 155 cases filed by personnel against Eastern Housing Ltd.

Most of the cases are regarding land dispute. Total land in suit is 330 acre. Out of that land in suit, 87 acre in Urban area and 243 acre in Savar Gazipur area. Value of the land under legal suit is approximately Tk. 75 crore.

35.00 Claim against the company

There was no claim against the company which is to be acknowledged as debt as at 31 July 2013.

36.00 Events after balance sheet date

- a) We are at final stage of understanding with government in respect of land acquired by the Government regarding Maykunjo, and the payment of compensation by government has been commenced.
- b) The Board of Directors has recommended for declaration of payment of dividend @ 10% cash and 12.5% stock dividend for the year ended 31 July 2013 to the shareholders whose name shall appear on the register of members on record date.
- c) The directors recommended for transfer of Tk 2 crore to dividend equalization fund and Tk. 2 crore to general reserve.

37.00 Number of employees and top management remuneration

- a) The company employed 693 (2011-2012: 715) permanent employees and varying number of contract employees during the year 2012-2013.

b) Key management personnel compensation comprises	2013	2012
Short term benefits (Salary & other allowances)	56,184,111	63,370,570
Post employment benefits (Provident fund)	394,455	1,315,101
Share based payment	-	-
Long term benefits	-	-
Total	56,578,566	64,685,671

*Key management personnel includes employees of the rank of Deputy General Manager and above.

- c) Board attendance and fees

Eight board meetings and four audit committee meetings were held in the financial year 2012-2013. Board and audit committee attendance fees were Tk 2,500 per member per meeting. Details of board and audit committee meeting and remuneration paid during the year is mentioned in the corporate governance report.

38.00 Comparatives

Previous year's figure and account titles in the financial statements have been rearranged and reclassified, wherever necessary for the purpose of comparison, without creating any impact on the profit and value of assets and liabilities as reported in the financial statements for the current and preceding year.

39.00 Details of productwise segment reporting

	Land		Apartment		Total	
	Amount in Taka		Amount in Taka		Amount in Taka	
	As at 31 July		As at 31 July		As at 31 July	
	2012-2013	2011-2012	2012-2013	2011-2012	2012-2013	2011-2012
Segment revenue						
Net Sales	1,089,126,053	1,344,518,800	939,595,879	485,116,300	2,028,721,932	1,829,635,100
Segment assets						
PPE (NBV)	102,349,095	105,352,583	50,344,165	53,311,741	152,693,260	158,664,324
Cash & bank	33,212,016	90,723,765	6,720,263	9,364,042	39,932,279	100,087,807
Other assets	6,817,244,204	7,205,653,697	11,281,542,911	9,121,054,543	18,098,787,115	16,326,708,240
Total assets	6,952,805,315	7,401,730,045	11,338,607,339	9,183,730,326	18,291,412,654	16,585,460,371
Segment liabilities						
Loan	-	-	1,028,157,835	848,820,970	1,028,157,835	848,820,970
Creditors	948,129,617	915,043,322	3,242,121,562	1,647,692,348	4,190,251,179	2,562,735,670
Other liabilities	7,843,652,315	8,164,187,583	3,742,967,562	3,684,869,274	11,586,619,877	11,849,056,857
Total Liabilities	8,791,781,932	9,079,230,905	8,013,246,959	6,181,382,592	16,805,028,891	15,260,613,497

40.00 General

Key investor ratios:

- a) Net Asset Value (NAV) per share
 Net Assets (Total Assets- Liabilities)
 Number of Ordinary Shares Outstanding
 Net Asset Value (NAV) Per Share

Restated:

- Net Assets (Total Assets- Liabilities)
 Number of Ordinary Shares Outstanding
 Net Asset Value (NAV) Per Share

- b) Earnings Per Share (EPS)

- Net Profit After Tax
 Number of Ordinary Shares Outstanding
 Earnings Per Share (EPS)

Restated:

- Net Profit After Tax
 Number of Ordinary Shares Outstanding
 Earnings Per Share (EPS)

- c) Net Operating Cash Flows Per Share (NOCFPS)

- Net Operating Cash Flows
 Number of Ordinary Shares Outstanding
 Net Operating Cash Flows Per Share (NOCFPS)

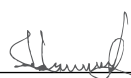
Restated:

- Net Operating Cash Flows
 Number of Ordinary Shares Outstanding
 Net Operating Cash Flows Per Share (NOCFPS)

For the Year Ended 31 July

	2013	2012
Net Assets (Total Assets- Liabilities)	1,486,383,763	1,324,846,874
Number of Ordinary Shares Outstanding	71,675,604	65,159,640
Net Asset Value (NAV) Per Share	20.74	20.33
Restated: Net Assets (Total Assets- Liabilities)		1,324,846,874
Number of Ordinary Shares Outstanding		71,675,604
Net Asset Value (NAV) Per Share		18.48
Net Profit After Tax	226,696,529	206,035,074
Number of Ordinary Shares Outstanding	71,675,604	65,159,640
Earnings Per Share (EPS)	3.16	3.16
Restated: Net Profit After Tax		206,035,074
Number of Ordinary Shares Outstanding		71,675,604
Earnings Per Share (EPS)		2.87
Net Operating Cash Flows	(858,479,795)	(850,928,959)
Number of Ordinary Shares Outstanding	71,675,604	65,159,640
Net Operating Cash Flows Per Share (NOCFPS)	(11.98)	(13.06)
Restated: Net Operating Cash Flows		(850,928,959)
Number of Ordinary Shares Outstanding		71,675,604
Net Operating Cash Flows Per Share (NOCFPS)		(11.87)

The comparative figures were restated because the number of paid up ordinary shares has been increased from 65,159,640 to 71,675,604 by the rise of bonus @ 10 % in the FY 2011-12. Because the bonus issue was without consideration, it is treated as if it had occurred before the beginnings of 2011-12, the earliest period presented.



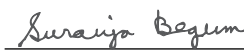
Md. Saiful Huda Anaholy
Company Secretary



Dhiraj Malakar
Managing Director



Md. Abdúl Wadud
Director



Suraiya Begum
Director



A view of the work





Aerial view of Jahurul Islam City

Notice of the 49th Annual General Meeting

Notice is hereby given that the 49th Annual General Meeting of the Shareholders of Eastern Housing Limited will be held at **Officers Club, 26, Baily Road, Dhaka on Wednesday, December 11, 2013 at 11:00 AM** to transact the following business:

AGENDA

1. Consideration and adoption of the Directors' Report and the Audited Financial Statements of the company for the year ended July 31, 2013 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended July 31, 2013 as recommended by the Board of Directors.
3. Election/Re-election of Directors.
4. Appointment of Auditors and fixation of their remuneration.
5. To transact any other business with the permission of the chair.

Dated: November 04, 2013, Dhaka

By order of the Board

Sd/-

(Md. Saiful Huda Anaholy)
Company Secretary

Note :

1. The shareholders whose name appeared in the share register of the company or in the CDBL Depository Register on November 18, 2013 the Record/Book Closure Date will be entitled to attend the meeting, vote thereat and receive dividend.
2. A member entitled to attend and vote at the 49th Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form, duly filled and stamped (Tk.20/-) and signed by the member must be deposited at the registered office of the company, Islam Chamber, 125/A, Motijheel Commercial Area, Dhaka-1000 not later than 48 hours before the commencement of AGM.
3. Members are also requested to notify change of address, if any not later than 72 hours before the commencement of AGM.
4. Admission in the Venue of the Meeting will be strictly on production of attendance slip sent with the notice.

For the convenience of the shareholders registration of attendance will commence from 7:30 am and will be closed at 11:00 am.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, Bangladesh Securities and Exchange Commission এর বিধি-নিষেধ থাকায় আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/থাবার প্রদানের ব্যবস্থা থাকবে না।

EASTERN HOUSING LIMITED

Registered Office: Islam Chamber,
125/A, Motijheel Commercial Area, Dhaka-1000.

PROXY FORM

I/We _____ of _____ being a member of EASTERN HOUSING LIMITED hereby appoint Mr./Mrs./Miss _____ of _____ as my proxy to attend and vote for me on my behalf at the **49th ANNUAL GENERAL MEETING** of the Company to be held **on Wednesday, December 11, 2013 at 11:00 am, at Officers Club, 26, Baily Road, Dhaka.**

As witness my hand this _____ day of **December, 2013.** Signed by the said in presence of _____

Revenue
Stamp
Tk.20/=

(Signature of the Proxy)

Date _____

(Signature of the Shareholder)

Register BO/Folio No _____

(Signature of Witness)

Dated _____

Note : A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature verified

Authorized Signatory



EASTERN HOUSING LIMITED

Registered Office : Islam Chamber,
125/A, Motijheel Commercial Area, Dhaka-1000.

SHAREHOLDER'S ATTENDANCE SLIP

I hereby record my attendance at the **49th ANNUAL GENERAL MEETING** being held on **Wednesday, December 11, 2013 at 11:00 am, at Officers Club, 26, Baily Road, Dhaka.**

Name of Member _____ Name of Proxy _____

Signature of Proxy _____

Folio #

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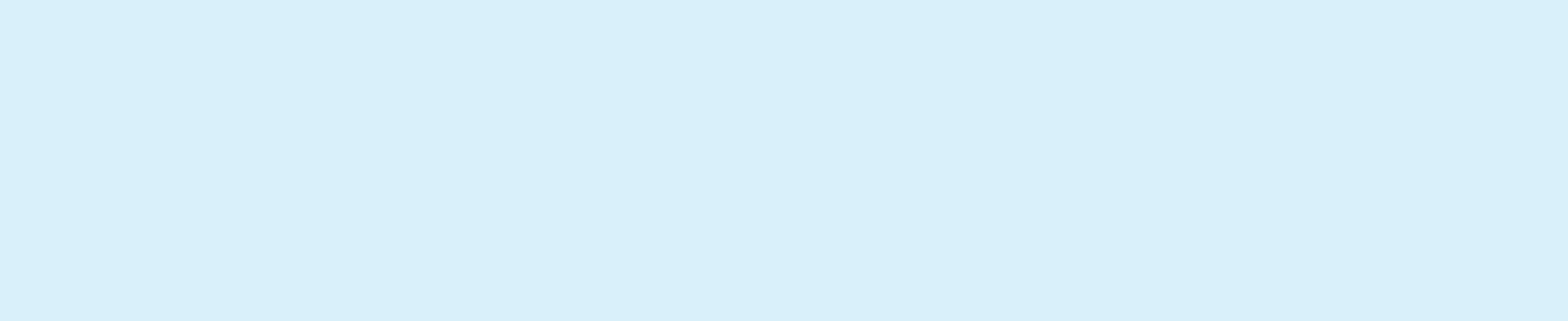
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Signature of Shareholder(s)

- N.B. 1. Please note that **49th ANNUAL GENERAL MEETING** can only be attended by the honorable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honorable shareholder or Proxy cannot be allowed into the meeting.
- 2. Please present this slip at the Registration Desk. Signature must match with your recorded signature.





Islam Chamber, 125/A Motijheel C/A, Dhaka-1000, Bangladesh
www.easternhousing.com