



ANNUAL REPORT 2015



ANNUAL REPORT | 2015





59/B, Kemal Ataturk Avenue, 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, 2015.

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, 2015, Statement of Comprehensive Income, Changes in Equity and Cash Flows for the year ended 31st July, 2015 along with notes thereon for your record/necessary measures.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Md. Saiful Huda Anaholy', is written in a cursive style.

Md. Saiful Huda Anaholy
Company Secretary



This is Eastern Housing

1964

Pallabi- Country's first private sector Real Estate project

1981

Siddheswari-Country's first apartment project

1986

Eskaton-Country's first high rise apartment (20 storied)

1988

Eastern Plaza-Country's first air- conditioned shopping mall

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

2014

Jahurul Islam City- Country's biggest approved self contained development

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Plot - 5-A, Road - 126 (43), Gulshan, Dhaka

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*



Founder Chairman
Late Jahurul Islam
1928-1995

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.

PRODUCTS

1

Strategic focus shift from affordable quality housing to diversified world class range of housing products

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

2

Adapting the new ideas and technologies to reduce carbon footprint

HUMAN RESOURCES

3

Various training programs throughout the year, aimed at skill development of its employees to help them reach their full potential

TRANSPARENCY & COMPLIANCE

4

Timely and fair financial and non financial reporting to stakeholders through letters, reports and website

BUILDING LONG TERM CLIENT RELATIONSHIPS IN COMPETITIVE MARKET

5

Using the full range of our products and services we guide our clients to their dream homes and business

Ongoing Projects

Apartment

- 5, Circuit House, Dhaka
- Plot-90, Road-23, Block A, Banani, Dhaka
- 59B, Kemal Ataturk Avenue, Dhaka
- 2A/29, Gulshan, Dhaka
- Plot-405C, Road 27, Dhanmondi, Dhaka
- 80, 80/B, Indira Road, Dhaka
- Plot-130, Block – A, Niketon, Dhaka
- Plot–CES(G)5–A, Road-126(43), Gulshan, Dhaka
- Plot-47, Road-16, Sector-14 Uttara, Dhaka
- Plot-32, Road -12, Sector-12, Uttara, Dhaka
- Plot-41-43, Road-14, Sector-12, Uttara, Dhaka
- House - 64/A, Street -5, Old DOHS, Dhaka
- Plot-37, Park Road, Block-K, Baridhara, Dhaka
- Plot -1/1, A, Avenue-4, Mirpur, Dhaka

Land

- Jahurul Islam City (Banasree New Town), Dhaka
- Goran Chatbari (Pallabi Phase-II), Dhaka
- Dehra Land Project, Savar

Corporate Information

Company Name: **Eastern Housing Limited**

Company Registration: **C-2161**

Tax Registration: **595731241169**

VAT Registration: **19011001444**

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 Registrar of Joint Stock Companies & Firms (RJSC) 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 Publicly Listed 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 Brothers Properties Limited

Md. Mostafizur 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 Directors
Zia U. Ahmed, Ph.D.
Zahiduzzaman Faruque

Management Team

Managing Director
Dhiraj Malakar

Company Secretary
Md. 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

Sr. Executive Director (Supply Chain)
Habibur Rahman (Bulbul)

Executive Director (Land Development)
Engr. S.M. Solaiman

Director (Construction)
Engr. Zahanul Haq Chowdhury

Audit Committee

Chairman
Zia U. Ahmed, Ph.D.

Members
Zahiduzzaman Faruque
Md. Abdul Wadud
Md. Mostafizur Rahman
Sarwar Boudius Salam

Legal Advisor

Huq & Company
47/1 Purana Paltan Dhaka 1000.

Statutory Auditors

M/S S.F. Ahmed & Co, Chartered Accountants
House-51 (2nd & 3rd Floors), Road-9, Block-F, Banani,
Dhaka-1213, Bangladesh.

Principal Bankers

Uttara Bank Ltd	Dhaka Bank Ltd
Standard Bank Ltd	Al Arafah Islami Bank Ltd
The City Bank Ltd	NRB Commercial Bank Ltd

Registered Office

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

The Shareholders

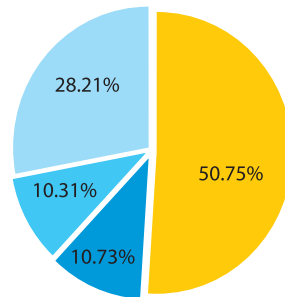
The shareholding structure of EHL is diversified. The majority of the shares are held by General Public which is 28.21 %. Sponsors and associates hold 50.75%. Financial and other institutions hold the rest 21.04%.

Shareholding position of EHL as on 31 July, 2015

Type of Shareholder	Percentage (%)	Number of Shares	Number of shareholders
Sponsors & Associates	50.75	42,972,123	12
Financial Institutions	10.73	9,082,572	38
Other institutional shareholders	10.31	8,730,938	229
General shareholders	28.21	23,881,173	17,755
Total	100.00	84,666,806	18,034

Position of shareholding: Percentage

- Sponsors & Associates
- Financial Institutions
- Other institutional shareholders
- General shareholders



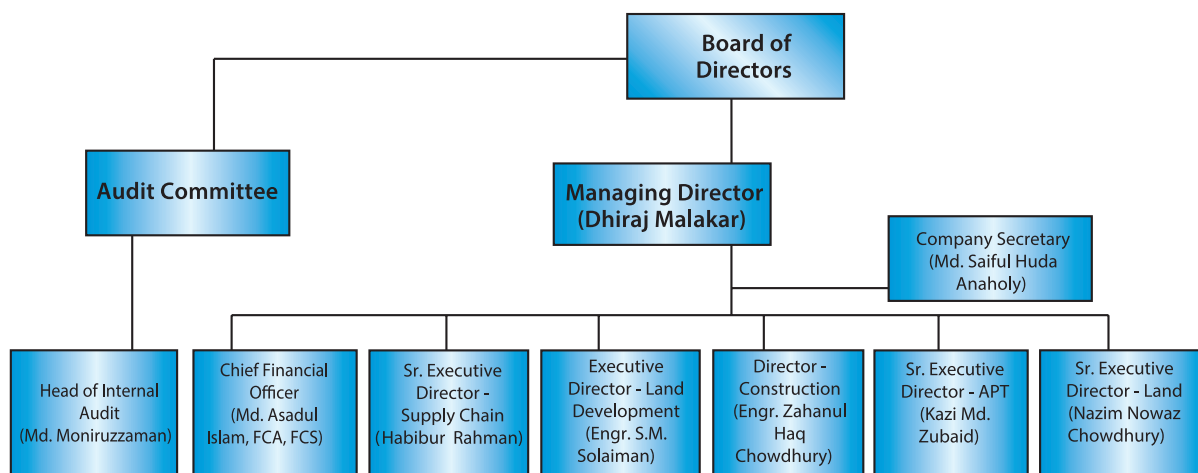
Top Twenty Shareholders as on 31 July, 2015

Sl- No	Name of Shareholder	Number of Shares Held	Percentage
1	ISLAM BROTHERS PROPERTIES LIMITED	27,969,046	33.03%
2	RIVER VIEW LIMITED	11,596,921	13.70%
3	INVESTMENT CORPORATION OF BANGLADESH	3,619,773	4.28%
4	VENUS HOLDINGS LIMITED	2,831,558	3.34%
5	BANGLADESH SHILPA BANK	2,570,628	3.04%
6	MR. MANZURUL ISLAM	2,410,537	2.85%
7	SHAHJALAL ISLAMI BANK LTD.	1,945,813	2.30%
8	SSBT F SSB LX A/C PDF-FM	760,422	0.90%
9	AGRANI EQUITY & INVEST. LTD.	733,372	0.87%
10	EIIL	459,100	0.54%
11	SHAHRIYAR SAYEED HUSSAIN	443,700	0.52%
12	IMTIAZ MAHMUD	441,420	0.52%
13	MOSTAQUE AHMED SADEQUE	368,340	0.44%
14	MRS. JAKIA CHOWDHURY	352,570	0.42%
15	IIDFC CAPITAL LTD Z00307	336,000	0.40%
16	FARZANA AHMED	335,900	0.40%
17	UTTARA FINANCE AND INVESTMENTS	320,000	0.38%
18	MR. AZHARUL ISLAM	291,981	0.34%
19	NATIONAL LIFE INSURANCE CO. LTD	278,250	0.33%
20	MRS. SURAIYA BEGUM	232,059	0.27%
	Total:	58,297,390	68.87%



Main Gate of Jahurul Islam City, Dhaka

Organization's Structure



Directors' Profile

Mr. Manzurul Islam was appointed to the board in 1993. He became the Chairman in 1995 and still serving as the Chairman of the Board. Mr. Islam also holds the position of Chairman in Aftab Bahumukhi Farms Limited, Aftab Feed Products Limited, Aftab Hatchery Limited, Aftab GP Farms Limited, Bengal Development Corporation Ltd, Navana Pharmaceuticals Ltd, Navana Health Care Limited, Jahurul Islam Medical College, Islam Brothers Properties Limited and Director of Lafarge Surma Cement Limited. He is also Member of the Executive Committee of Bangladesh Association Publicly Listed Companies (BAPLC). He is currently the President of France Bangladesh Chamber of Commerce & Industry (CCIFB).

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.



MANZURUL ISLAM
Chairman



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 Bachelor's degree in Arts from University of Dhaka. During her career she has been involved in many construction projects in Bangladesh.

Directors' Profile

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 Brothers Properties Limited. He is also the Director in different concerns of Islam Group and also member of the Audit Committee.

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 highway and 5000 housing project in UAE.



MD. ABDUL WADUD
Nominated Director by
Islam Brothers Properties Limited



MD. MOSTAFIZUR RAHMAN
Nominated Director by
Islam Brothers Properties Limited

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 Brothers 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.



SARWAR BOUDIUS SALAM
Nominated Director by
Islam Brothers Properties Limited

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 Ltd and subsequently joined the board as Nominated Director as proposed by Islam Brothers 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. He is also a member of the Audit Committee.

Directors' Profile

Mr. Zia U. Ahmed, Ph.D. is the Chairman of Audit Committee and also an independent director. Mr. Zia U. Ahmed, Ph.D. 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. He has over thirty years of experience in finance sector.

He holds a Ph.D. degree in Economics from the University of Virginia, USA. He is also a member of the Audit Committee.



ZIA U. AHMED, Ph.D.
Independent Director



ZAHIDUZZAMAN FARUQUE
Independent Director

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 Bangladesh Securities & Exchange Commission. He is at present the Bangladesh Correspondent of Japanese news agency Kyodo News. He is also a member of the Audit Committee.



Plot - 311, Road - 12, Block - C, Bashundhara, Dhaka

Management Team's Profile

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 more than 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 Former Secretary, Ministry of Food and Disaster Management.

He served as a Deputy Commissioner and 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.



DHIRAJ MALAKAR
Managing Director



NAZIM NOWAZ CHOWDHURY
Senior Executive Director (Land)

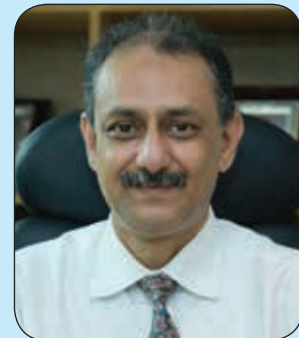
Born in Bhadeswar, Sylhet Mr. Nazim Nowaz Chowdhury started his career with Bengal Development Corporation (BDC), a unit of Islam Group in Abu Dhabi, UAE in Company's 5,000 independent houses construction project in 1977. Beside houses, BDC constructed an important road project in UAE connecting UAE and 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 successful 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.

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.



KAZI MOHAMMAD ZUBAID
Senior Executive Director (Apt)

Management Team's Profile

Mr. Habibur Rahman (Bulbul) graduated from Dhaka University in 1971. He joined Crescent International in 1974, a jute exporting company of Islam Group in a managerial role. In 1980 he was promoted as a Director of the company. He worked in the jute sector for 22 years before joining Eastern Housing Ltd. In 2012 he was appointed as Head of supply chain in the rank of Sr. Executive Director and is responsible for supply chain functions of the company for both land and apartment units.



HABIBUR RAHMAN (BULBUL)
Sr. Executive Director (Supply Chain)



ENGR. S.M. SOLAIMAN
Executive Director
(Land Development)

Mr. S.M. Solaiman joined Islam Group in 1977. He currently heads the Land Development Department and also work in supply chain department in the capacity of Executive Director. He has over 39 years of professional experience in major Civil Engineering. He graduated in Civil Engineering in 1975. Prior to joining Eastern Housing Ltd. he worked in M/S The Engineer's Limited in Feni By-Pass project under Roads and Highways Departments and Bengal Development Corporation. He worked in various projects in sewage project and industrial prefabricated houses in Abu Dhabi, Heritage housing projects in Iraq and Project Manger in Preventative Maintenance centre under Bangladesh Railways. He also worked in various projects of Bangladesh Power Development Board, Local Government Engineering Development (LGED), BUET Civil Work, BMET and Grameen Bank.

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 18 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

Management Team's Profile

Engr. Zahanul Haq Chowdhury joined Eastern Housing Limited in 2012. He currently heads the construction department. He worked with International famed organization Heurtey Industries (France), Sumitomo Corporation (Japan), Binan Setegap Berhad of Malaysia in ADB and World Bank finance project in Bangladesh. He also worked in IRAQ (Ministry of Housing and Construction), Saudi Arabia (Ministry of Communication) and Qatar (Public Works Authority).

Prior to joining Eastern Housing Limited, he worked with Khatib & Alami in "The Tiger Woods Dubai" 5 Star Golf Resort Project in Dubai, UAE.

He attended many training programme on Health, Safety and Environment (HSE), Highway Survey, Pre-stressing of Flyover / Bridge, Sound Resonance test for Concrete Structure integrity and Schmidt Hammer test for concrete strength evaluation.

He holds a Civil Engineering degree from Bangladesh University of Engineering & Technology (BUET 74 Batch).



ENGR. ZAHANUL HAQ CHOWDHURY
Director (Construction)



MD. SAIFUL HUDA ANAHOLY
Company Secretary

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.

Mr. 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.



MD. MONIRUZZAMAN
Head of Internal Audit



Plot - 130, Block - A, Niketon, Dhaka



Manzurul Islam
Chairman

“Despite a challenging environment for the real estate sector in the year under review our performance in respect of turnover was well”

Message from the Chairman

Distinguished Shareholders,

The journey of EHL has been really a story of satisfaction as it makes its journey to its 51st year. I am delighted to present before you the annual report of Eastern Housing Limited for the year ended on 31 July, 2015.

EHL has completed one of Dhaka's biggest apartment project named 'Eastern Panthachaya' which is built on 110 kathas of Land consisting of 260 apartments at Panthapath. The project has been the biggest in number of apartments in the history of company's 50 years journey. In the last financial year, EHL has started its new project located at 126, South Avenue Gulshan which will become one of the finest office complexes in the Dhaka city and a residential project in Plot-130 Block-A Niketon.

The lengthy process of project approval, lack of utility connections, increase of registration charges, higher taxes in City Corporation etc. have become the prevalent issues in the industry. You are well aware of the slowdown in the demand for real estate business in Bangladesh. Many ready flats still remain unsold. Most projects are taken by the developers are kept undeveloped for long time because of lacklustre demand in this sector. Although consumer demand level in the real estate sector remains unchanged during the year 2014-15, we are confident that the economic cycle will turn upwards in the upcoming years.

This year we have extensively focused on Research and Development (R & D) on the apartment sector. We have checked feasibility of different types, volumes and categorical projects in and outskirts of Dhaka city. We hope to deliver more suitable projects for the city dwellers in near future.

Last year I informed you about the RAJUK approval of our two land projects namely Jahurul Islam City and Pallabi Phase II. With this approval we have been able to create new plots in the project. We have taken necessary steps to complete other formalities to make the identified land ready for sale. We have already submitted layout plan for approval to the authorities.

We are not oblivious to the housing need of the low or middle income group. We have identified some lands in Jahurul Islam City to build apartments for persons who cannot afford. We have conducted a survey to assess the demand for this type of apartments. The apartment size will be 1000-1100 sq. ft. (approx.). We shall let you know the detail of the projects in due course. Although per unit profit may be less but the accumulated profit of a large number of the flats will be substantial and obviously it will contribute to the maximization of shareholders' wealth.

Despite a challenging environment for the real estate sector in the year under review our performance in respect of turnover was well. However, we could not make more profit than previous year. The main reason of decreasing profit was high finance cost. However, because of our strong negotiation it has been possible to reduce the interest rate significantly which will reduce finance cost in the next year insha Allah.

The board of Directors of Eastern Housing continues to be committed towards developing a high performing organization and I would like to take this opportunity on behalf of all board members to extend my gratitude and thanks to the Employee, Customers, Suppliers and the regulatory bodies for their guidance and support to the company.

A handwritten signature in black ink, appearing to read 'Manzurul Islam', is written over a white background.

Manzurul Islam
Chairman



Plot - 37, Block - K, Park Road, Baridhara, Dhaka

Message from the Managing Director



Dhiraj Malakar
Managing Director

Dear Shareholders,

Operating conditions continue to be challenging as a result of ongoing global economic uncertainty. This uncertainty has contributed to subdued demand for the real estate sector. We are working on new strategies to ensure that the company remains in a solid position in the near future.

A year of adding value and delivering performance, the year 2014-15 was a productive year for Eastern Housing Limited. The company maintained positive momentum across all parts of the business and delivered a satisfactory operational result. Real Estate is a long term business and thus we have taken initiatives to ensure that our company maintained a steady cashflow throughout the year. This was done in order to ensure ongoing projects are completed on time. This is reflected in the borrowing costs of the company and which had a significant impact on the overall net profit margin. We are focusing on capital management and our key focus will be to reduce the overall debt of the company in the upcoming years and the goal would be to reduce borrowing costs.

Sales revenue in the year under review was Taka 263.16 crore as compared to Taka 233.30 crore in the previous year. Profit after tax stood at Taka 21.10 crore which is 15 % less than that of previous

year. The margin was affected mainly due to our borrowing costs which has risen significantly. We are taking steps to ensure to reduce finance cost by reducing the overall debt of the company. Our sales for the 2014 – 2015 grew by 12.78 % compared to the year before. We have kept a constant GP margin throughout the year at 34%. The net profit margin stood at 8% which compared to 11% in the previous fiscal year. The company has Net Asset of Tk. 5950 million and Net Asset Value per share (NAV) is increased to Tk. 70.28 in FY 2014-2015 from Tk. 69.22 (re-stated) in FY 2013-2014. The company's earnings per share (EPS) decreased to Tk. 2.49 in FY 2014-2015 from Tk. 2.94 (restated) in FY 2013-2014.

The vision to ensure quality living homes and business continues. We are in the process of diversifying our portfolio of products. We have added approximately 62.57 bigha of land to our inventory and we are in the process of procurement of large amount of land at our project in Aftabnagar. In apartment sector there are five projects which got approval from regulatory authorities and we are hopeful to start construction in the following areas: Baridhara, Bashundhara, Ramna, Segunbagicha and Lalmatia in the next fiscal year.

Furthermore, we have already engaged a monitoring and investigation team namely "Construction Vigilance Team" for supervising building construction. The team is working to ensure rules and regulations of RAJUK during building construction. EHL has already taken steps to ensure the growth and construction of buildings at Jahurul Islam City (Aftabnagar) are strictly maintained as per latest construction regulations of RAJUK. We have taken several schemes to construct major roads, drains and sewerage line in the upcoming years to ensure better living conditions in Jahurul Islam City (Aftabnagar).

The prospect of an improved economy is expected to have a positive impact on real estate sector and thus the medium to long-term market outlook remains promising. I would like to conclude by thanking all of our valuable customers and stakeholders who have kept faith and trust on us over the years towards building a successful company.



Dhiraj Malakar
Managing Director



Plot-405C, Road-27, Dhanmondi, Dhaka

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

Bangladesh 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 2015, 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 and 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;

Corporate Governance in Eastern Housing Ltd.

- 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 and 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 seven 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 two Independent Directors. 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, Ph.D., Independent Director
4. Zahiduzzaman Faruque, Independent Director
5. Md. Abdul Wadud, Nominated Director
6. Md. Mostafizur Rahman, Nominated Director
7. 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 six times during the year 2014-2015 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 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

Eastern Housing has two independent directors namely Dr. Zia U. Ahmed and Mr. Zahiduzzaman Faruque.

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

Corporate Governance in Eastern Housing Ltd.

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 statements 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 and 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 and 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

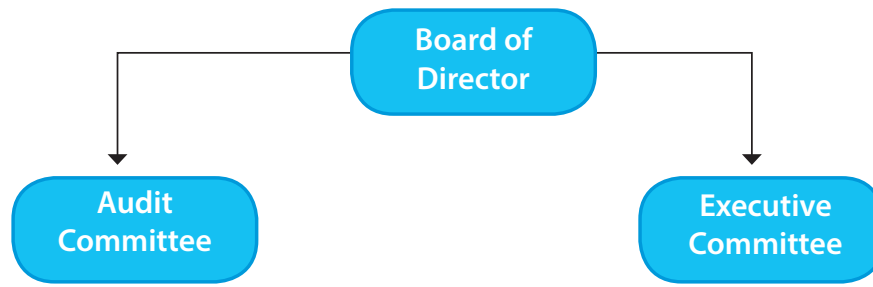
Eastern Housing Ltd. attaches high priority on timely publication of quarterly, half-yearly and annual report with comprehensive details in excess of regulatory requirements. Mediums of publication include printed materials, newspapers and the website of the Company. Price Sensitive information is released 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 five 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 and 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 four times during 2014-2015 and attendance of the Committee members in the meetings was as follows:

Zia U. Ahmed, Ph.D. (Chairman)	2/4
Zahiduzzaman Faruque	4/4
Md. Abdul Wadud	3/4
Md. Mostafizur Rahman	4/4
Sarwar Boudius Salam	3/4

Corporate Governance in Eastern Housing Ltd.

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 and mission of the Company set by the Board of Directors.

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.

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.



Corporate Governance in Eastern Housing Ltd.

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 Bangladesh Financial Reporting Standard (BFRS), 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.

Compliance with Rules and Regulations

In this context, the Company provides complete set of financial statements and relevant documents to the Bangladesh Securities and Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL),

Corporate Governance in Eastern Housing Ltd.

National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE). The Chief Financial Officer 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 by post. The information is also made available in the company website.

Event based disclosure when required is disclosed through press release 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

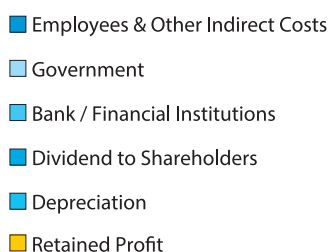
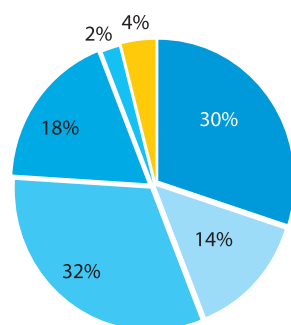
EHL has set up a separate share division in ground floor of the registered office of EHL. In addition we have special queries telephone lines and an email address. Shareholders can contact 95566303-5 Ext- 196 or mail to EHL Share Office: share@easternhousing.com for any queries and/or grievances.

Value Added Statement

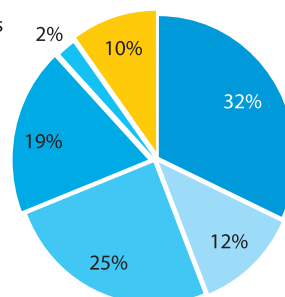
The value added statement provides a detailed account of total value addition and the distribution of the value created by the organization. Eastern Housing contributes positively to socio-economic development by empowering employees through the payment of salaries and allowances; by paying consistent 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.

	2015		2014	
Sales	2,631,165,794		2,333,019,487	
Other Income	32,123,670		38,712,092	
Less - Cost of Sales	(1,719,400,941)		(1,525,088,280)	
Available for distribution	943,888,523		846,643,299	
Distribution:				
Employees & Other Indirect Costs	284,352,420	30%	266,732,915	32%
Government	133,050,559	14%	97,600,069	12%
Provider of Finance:				
Bank / Financial Institutions	297,624,010	32%	213,965,389	25%
Dividend to Shareholders	169,333,612	18%	161,270,108	19%
Value Reinvested and Retained				
Depreciation	17,770,226	2%	19,701,385	2%
Retained Profit	41,757,696	4%	87,373,433	10%
	943,888,523		846,643,299	

Value Added - 2015



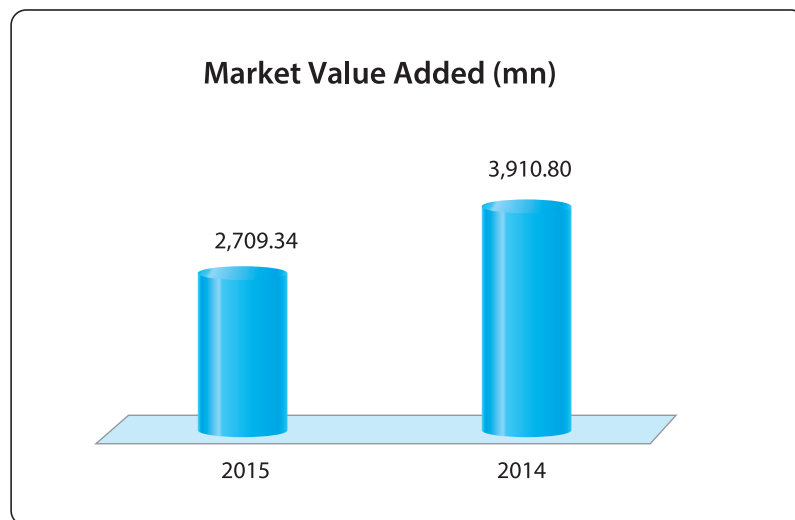
Value Added - 2014



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 2015 and 2014 (in million Taka):

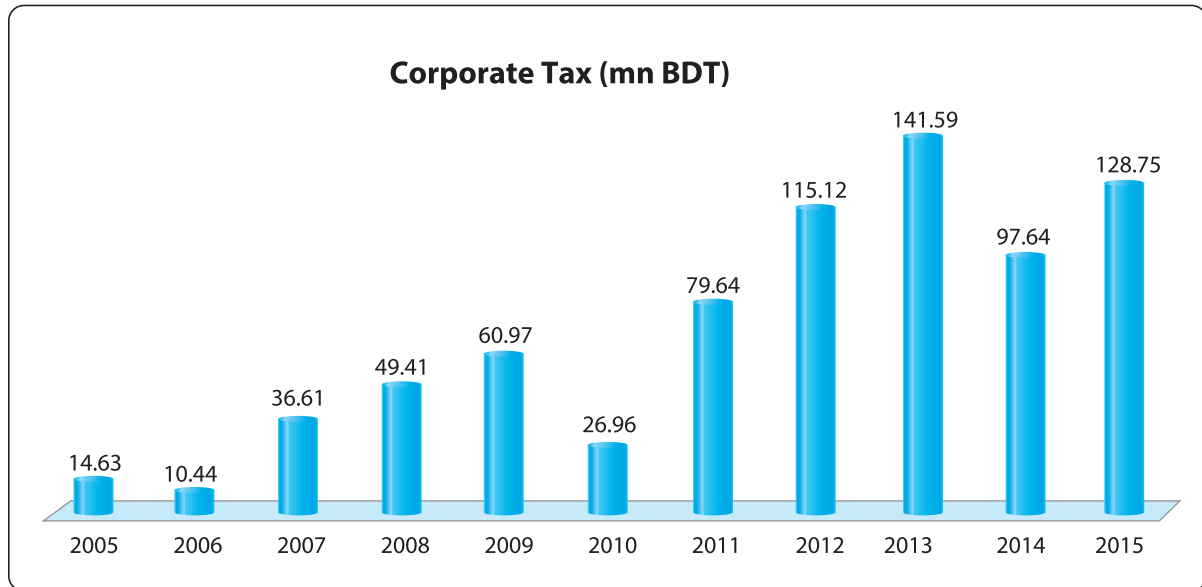
(in million Taka)	2015	2014
Market value of shares outstanding	3,556.01	4,717.15
Book value of shares outstanding	846.67	806.35
Market value added	2,709.34	3,910.80



- Here we consider the closing price of EHL at 31st July for the year 2015 and 2014
- Book value of shares outstanding = No. of shares * 10
- 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 2014-15 is BDT 128.75 mn compared to BDT 97.64 mn in 2013-14.





Board of Directors in 50th Annual General Meeting



Shareholders in 50th Annual General Meeting



Meeting of Board of Directors

Financial Review (FY 2014-15)

Eastern Housing Limited accounted Gross profit of Tk. 907.59 million during the financial year ended 31st July, 2015 demonstrating a growth of approximately 12.98% than the accounted gross profit of FY 2013-2014. The boost in gross profit was backed by net sales of Tk. 2,631.17 million as against Tk. 2,333.02 million in the previous year registering a sales growth of 12.78%.

It is pertinent to be mentioned that due to high inflation, in 2014 approximately 7.2%, in the business environment the Company's administrative and selling expense has increased to Tk. 279.83 million in FY 2014-2015 from Tk. 263.62 million during FY 2013-2014. However, despite having adverse business and political environment the Operating profit has achieved Tk. 642.50 million in current year registering a growth of 15.26% from previous year. Moreover, the Operating profit margin increased to 24.42% in FY 2014-2015 from 23.89% in FY 2013-2014.

Profit before tax slightly fell during the year due to increase in financial charges and decrease in financial income. Consequently, Net profit after tax decreased to Tk. 211.09 million in FY 2014-2015 from Tk. 248.64 million in FY 2013-2014.

The company has Net Asset of Tk. 5950 million and Net Asset Value per share (NAV) is increased to Tk. 70.28 in FY 2014-2015 from Tk. 69.22 (re-stated) in FY 2013-2014 indicating a growth of approximately 1.54%.

Since the company accounted lower net profit compared to previous year, company's earnings per share (EPS) decreased to Tk. 2.49 in FY 2014-2015 from Tk. 2.94 (restated) in FY 2013-2014.

The Net Operating Cash Flow per Share (NOCFPS) was Tk. 3.21 in FY 2014-2015 compared to Tk. (7.56) (restated) in FY 2013-2014.

পরিচালকমন্ডলীর প্রতিবেদন

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আমি অত্যন্ত আনন্দের সহিত ইস্টার্ন হাউজিং লিমিটেডের পরিচালকমন্ডলীর পক্ষ থেকে আপনাদেরকে কোম্পানির ৫১তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি। আপনাদের সামনে কোম্পানির কার্যাবলী এবং ৩১ জুলাই ২০১৫ তারিখে সমাপ্ত বছরের কোম্পানির আর্থিক বিবরণী ও আর্থিক বিবরণীর উপর নিরীক্ষকের প্রতিবেদন উপস্থাপন করছি।

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

পরিচালকমন্ডলীর পক্ষ থেকে অত্যন্ত আনন্দের সঙ্গে ৩১ জুলাই ২০১৫ তারিখের সমাপ্ত বছরের নিরীক্ষিত আর্থিক বিবরণী সম্মানিত সদস্যদের নিকট উপস্থাপন করছি। এই প্রতিবেদনটি ১৯৯৪ সালের কোম্পানি 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।

ব্যবসায়িক পর্যালোচনা

চলমান বাজার পরিস্থিতির সাথে সামঞ্জস্যতার জন্য আমরা ফ্ল্যাট ও প্লটের বিক্রয়মূল্য সমন্বয় করেছি। আগের বছরের তুলনায় ঋণের সুদ বৃদ্ধি পেয়েছে। ব্যবস্থাপনা পরিষদ পরবর্তী বছর ঋণের সুদ কমানোর উদ্যোগ গ্রহণ করেছে। উচ্চ ঋণের সুদের কারণে প্রান্তিক মুনাফার হারের উপর বিরূপ প্রভাব পড়েছে। অনুন্নত ভূমি ক্রয় এবং উন্নয়ন করে জমি এবং অ্যাপার্টমেন্ট বিক্রয় কোম্পানির এই প্রধান কাজগুলো চলমান থাকবে।

বছরজুড়ে কোম্পানির কার্যক্রম এবং গুরুত্বপূর্ণ ঘটনাবলীর সংক্ষিপ্ত বিবরণ চেয়ারম্যানের বাণী এবং ব্যবস্থাপনা পরিচালকের পর্যালোচনা যথাক্রমে পৃষ্ঠা নং ২৫ এবং ২৭ এ উল্লেখ করা হলো। কোম্পানির বিস্তারিত আর্থিক ফলাফল ৪১ নং পৃষ্ঠার আর্থিক পর্যালোচনায় বর্ণনা করা হয়েছে। এই প্রতিবেদনগুলো পরিচালকমন্ডলীর প্রতিবেদনের অবিচ্ছেদ্য অংশ।

আর্থিক বিবরণী সম্পর্কিত পরিচালকবৃন্দের দায়িত্ব

পৃষ্ঠা নং ৬৭ এ আর্থিক বিবরণী সম্পর্কিত পরিচালকবৃন্দের দায়িত্ব বিস্তারিত প্রদান করা হয়েছে।

শিল্পের ভবিষ্যৎ

উন্নত জীবন যাত্রার আশায় মানুষের গ্রাম থেকে শহরমুখী প্রবণতার কারণে রিয়েল এস্টেট খাতের চাহিদার উচ্চহার বিদ্যমান। অস্থিতিশীলতা, অনিশ্চয়তা এবং প্রতিকূল পরিবেশের কারণে এই খাতের বিনিয়োগে ধ্বস নেমেছে। উচ্চ সুদের হার এবং ঋণ অনুমোদনে প্রতিবন্ধকতা এই খাতের উন্নয়নে বিরূপ প্রভাব সৃষ্টি করেছে। এই সকল প্রতিকূলতার প্রভাব বার্ষিক আর্থিক প্রতিবেদনে প্রতিফলিত হয়েছে। আমাদের নীট লাভ বিগত বছরের তুলনায় কমেছে।

বিভাজিত তথ্য

আর্থিক বিবরণীর ৪২ নং নোটে কোম্পানি বিভাজিত তথ্য উপস্থাপন করা হয়েছে।

পরিচালকমন্ডলীর প্রতিবেদন

বিক্রয়

আলোচ্য বছরে গত বছরের ৪৬১ টি প্লটের তুলনায় ৩৮৯ টি প্লট বিক্রয় হয় এবং ২০২ টি অ্যাপার্টমেন্টের তুলনায় ১৭৪ টি অ্যাপার্টমেন্ট বিক্রয় হয়। বিক্রয়মূল্য ২,৩৩৩ মিলিয়ন টাকা থেকে বেড়ে ২,৬৩১ মিলিয়ন টাকায় আসে। বিক্রয়ের তুলনামূলক চিত্র নীচে দেওয়া হলো:

(মিলিয়ন টাকায়)

বিক্রয়	২০১৪-১৫	২০১৩-১৪
জমি	৮৮৪	৮৬৮
অ্যাপার্টমেন্ট	১,৭৪৭	১,৪৬৫
মোট:	২,৬৩১	২,৩৩৩

মুনাফা

(মিলিয়ন টাকায়)

বিবরণী	২০১৪-১৫	২০১৩-১৪
মোট ব্যবসায়িক মুনাফা	৯০৮	৮০৩
ব্যবস্থাপনা ও সুদ বাবদ ব্যয়	(৫৭৮)	(৪৭৭)
নীট ব্যবসায়িক আয়	৩৩০	৩২৬
অন্যান্য আয়	৩২	৩৯
আয়করপূর্ব মুনাফা	৩৬২	৩৬৫
শ্রমিক মুনাফা অংশগ্রহণ তহবিল	(১৮)	(১৮)
আয়কর	(১৩৩)	(৯৮)
কর পরবর্তী মুনাফা	২১১	২৪৯

ঝুঁকি এবং উদ্বেগ

ঝুঁকি অনুসন্ধান ও বিশ্লেষণের 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 অভ্যন্তরীণ নিয়ন্ত্রণ বিভাগ রয়েছে। জটিলতা থাকলে আমরা বাইরের বিশেষজ্ঞের আইনী পরামর্শ নিয়ে থাকি।

বিক্রিত পণ্যের খরচ, মোট/নীট প্রান্তিক আয়ের বিশ্লেষণ

আলোচ্য বছরে প্রতিষ্ঠানটির বিক্রিত পণ্যের খরচ ১,৭২৪ মিলিয়ন টাকা যা গত বছরে ১,৫৩০ মিলিয়ন টাকা ছিল। বিক্রিত পণ্যের খরচের হার চলতি বছর মোট বিক্রয়ের ৬৬%। আমাদের মোট মুনাফা ২০১৪-১৫ সালে হয়েছে ৯০৮ মিলিয়ন টাকা যা ২০১৩-১৪ সালে ৮০৩ মিলিয়ন টাকা ছিল। নীট প্রান্তিক আয়ের হার ২০১৪-১৫ সালে ৮.০২% যা ২০১৩-১৪ সালে ১০.৬৬% ছিল।

অব্যবসায়িক লাভ ও ক্ষতি

আলোচ্য বছরে কোন ধরনের অব্যবসায়িক লাভ বা ক্ষতির কোন ঘটনা পরিলক্ষিত হয়নি, যার ফলশ্রুতিতে এই প্রতিবেদনে কোন প্রকার সমন্বয় অথবা তথ্য প্রকাশের প্রয়োজন নাই।

সমগোত্রীয় কোম্পানির লেনদেন

বাংলাদেশ হিসাব বিজ্ঞান নীতিমালা-২৪ (সমগোত্রীয় কোম্পানীর কার্যক্রমের প্রতিবেদন) অনুসারে ইস্টার্ন হাউজিং লিমিটেড সমগোত্রীয় কোম্পানিসমূহের সাথে সাধারণ ব্যবসায়িক লেনদেনে জড়িত হয়েছে। এই লেনদেনসমূহের বিস্তারিত বিবরণ আর্থিক বিবরণীর ৩৫ নং নোটে প্রকাশ করা হলো।

পরিচালকমন্ডলীর প্রতিবেদন

গণপ্রস্তাবের মাধ্যমে সংগৃহীত অর্থের ব্যবহার

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

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 ত্রৈমাসিক আর্থিক কার্যাবলি এবং আর্থিক প্রতিবেদনের মধ্যে কোন তারতম্য নেই।

পরিচালক এবং স্বতন্ত্র পরিচালকদের সম্মানী

পরিচালকবৃন্দ পরিচালনা পর্ষদের এবং নিরীক্ষক পরিষদের সভার উপস্থিতির জন্য সম্মানী উত্তোলন করেছেন। বিস্তারিত এই প্রতিবেদনের পরিশিষ্ট-২ এ উল্লেখ করা হয়েছে।

হিসাব বিবরণীর ন্যায়পরায়ণতা

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

আর্থিক হিসাবের দলিলাদি

কোম্পানির 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 ০২ নং নোটে প্রদান করা হয়েছে।

অভ্যন্তরীণ নিয়ন্ত্রণ

কোম্পানি 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 কোম্পানি ব্যবস্থাপনা পরিষদ ত্রৈমাসিক ভিত্তিতে পর্যবেক্ষণ করে।

চলমান ব্যবসায়/বিষয় বাণী

প্রাপ্ত তথ্যের ভিত্তিতে পরিচালকমন্ডলী মনে করে কোম্পানির সফলতার সাথে ঝুঁকি মোকাবেলা করার মত পরিকল্পনা এবং ব্যবহারযোগ্য সম্পদ আছে। কারণ কোম্পানির নানাবিধ ব্যবসায় আছে এবং এটি আর্থিকভাবে সচ্ছল। যথাযথ অনুসন্ধানের পর পরিচালকমন্ডলীর যুক্তিযুক্ত প্রত্যাশা, আজীবন কার্যক্রম চালানোর মত কোম্পানির পর্যাপ্ত ব্যবহারযোগ্য সম্পদ আছে।

বিগত বছরের পরিচালন ফলাফলের সাথে তারতম্য

বিগত বছরের পরিচালন ফলাফলের সাথে উল্লেখযোগ্য কোন তারতম্য বিদ্যমান নেই।

মূল চালিকা এবং অর্থনৈতিক তথ্য

পাঁচ বছরের সংক্ষেপকৃত মূল চালিকা এবং অর্থনৈতিক তথ্য বার্ষিক প্রতিবেদনের ৫৩ নং পৃষ্ঠায় সংযুক্ত করা হয়েছে।

লভ্যাংশ

পরিচালকমন্ডলী ৩১ জুলাই ২০১৫ সমাপ্ত বছরে ১৫% নগদ লভ্যাংশ ও ৫% শেয়ার লভ্যাংশ এর সুপারিশ করেছেন, যেসব শেয়ারহোল্ডারের নাম নিবন্ধনগ্রন্থে রেকর্ড ডেটে লিপিবদ্ধ থাকবে তাই কেবল লভ্যাংশ প্রাপ্তির যোগ্য হবেন।

পরিচালকমন্ডলীর প্রতিবেদন

পরিচালক পর্ষদ ও পর্ষদ সভা

২০১৪-২০১৫ আলোচ্য বছরে মোট ৬টি পর্ষদ সভা অনুষ্ঠিত হয়েছে। পর্ষদ সভার বিস্তারিত তথ্যাদি বার্ষিক প্রতিবেদনের পরিশিষ্ট-২ 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 ২০১৫ তারিখের শেয়ারহোল্ডিং তথ্য এবং অন্যান্য আনুষঙ্গিক তথ্য বার্ষিক প্রতিবেদনের পরিশিষ্ট-৩ এ অন্তর্ভুক্ত করা হয়েছে।

প্রাতিষ্ঠানিক পরিচালন প্রক্রিয়ার প্রতিবেদন

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের আদেশ মোতাবেক প্রাতিষ্ঠানিক পরিচালন প্রক্রিয়ার প্রতিবেদন বার্ষিক প্রতিবেদনের পরিশিষ্ট-১ এ 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। ২০১৪-২০১৫ সালে ইস্টার্ন হাউজিং লিমিটেড সরকারি কোষাগারে ১২৮ 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 নির্বাচনের পর থেকে দীর্ঘমেয়াদে বোর্ডে আছেন তারা পর্যায়ক্রমে অবসর গ্রহণ করবেন। এর ভিত্তিতে পরিচালকমন্ডলীর জনাবা সুরাইয়া বেগম এবং জনাব সারওয়ার বদিউস সালাম দীর্ঘকাল দায়িত্বে ছিলেন বিধায় তারা অবসর নেবেন। ১৪০ ধারা অনুযায়ী যেহেতু তাদের যোগ্যতা রয়েছে তাই তারা নিজেদেরকে পুনর্নিয়োগের জন্য আবেদন করেছেন। পরিচালকমন্ডলীর সংক্ষিপ্ত জীবন বৃত্তান্ত বার্ষিক প্রতিবেদনে প্রদান করা হয়েছে।

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

অন্যান্য যেসব প্রতিষ্ঠানে জনাবা সুরাইয়া বেগম পরিচালক হিসেবে কর্মরত রয়েছেন:

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

অন্যান্য যেসব প্রতিষ্ঠানে জনাব সারওয়ার বদিউস সালাম পরিচালক হিসেবে কর্মরত রয়েছেন:

অন্যান্য কোম্পানি	পদবী
ইসলাম ব্রাদার্স প্রোপার্টিজ লিমিটেড	পরিচালক

কোম্পানির বোর্ড ব্যতীত অন্য কোন কমিটিতে অন্তর্ভুক্তি-নিরীক্ষক পরিষদ।

স্বতন্ত্র পরিচালকের পুনর্নিয়োগ

স্বতন্ত্র পরিচালক জনাব জিয়া ইউ আহমেদ, পি এইচ ডি পরিচালনা পর্ষদ কর্তৃক ০৬ নভেম্বর ২০১২ এ নিয়োগপ্রাপ্ত হয় এবং ০৩ ডিসেম্বর ২০১২ এ অনুষ্ঠিত বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারবৃন্দ কর্তৃক নিয়োগ অনুমোদিত হয়। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের প্রাতিষ্ঠানিক পরিচালন নীতিমালা ০৭ আগস্ট ২০১২ তারিখের প্রজ্ঞাপন নং SEC/CMRRCD/2006-158/134/Admin/44 অনুসারে স্বতন্ত্র পরিচালকের মেয়াদ তিন বছরের জন্য হবে, এটি আর মাত্র এক মেয়াদের জন্য বর্ধিত করা যাবে। এর ভিত্তিতে জনাব জিয়া ইউ আহমেদ, পি এইচ ডি ৫১তম বার্ষিক সাধারণ সভায় অবসর নেবেন। জনাব আহমেদ পুনর্নিয়োগের জন্য আবেদন করেছেন বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে।

পরিচালকমন্ডলীর প্রতিবেদন

লোকবল

এ বছরে ইস্টার্ন হাউজিং লিমিটেড এর কর্মচারী ছিল ৬৮৮ জন। ইস্টার্ন হাউজিং লিমিটেড বিশ্বাস করে যে দৃঢ়, দক্ষ ও নিবেদিত লোকবল কোম্পানির সফলতার ক্ষেত্রে প্রধান চালিকা শক্তি। ইস্টার্ন হাউজিং লিমিটেড শ্রমিক মুনাফা অংশগ্রহণ তহবিল বাস্তবায়ন করেছে। বাংলাদেশ শ্রম আইন-২০০৬ (সংশোধিত ২০১৩) অনুসারে কোম্পানির আয়করপূর্ব মুনাফার ৫% মুনাফা তহবিল ধার্যের পূর্বে “শ্রমিক মুনাফা অংশগ্রহণ তহবিল” গঠন করেছে।

স্বাস্থ্য এবং নিরাপত্তা

ইস্টার্ন হাউজিং লিমিটেড-এর কর্মচারী, ক্রেতা, ঠিকাদার, সরবরাহকারী ও আগন্তুকদের জন্য পরিচ্ছন্ন ও ঝুঁকিহীন পরিবেশ প্রদান করে। আমরা আমাদের প্রত্যেকটি প্রকল্পে নিরাপত্তার স্বার্থে হেলমেট, বেল্ট, জাল, অগ্নি নির্বাপক যন্ত্র, অক্সিজেন সিলিন্ডার, নিরাপত্তা 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

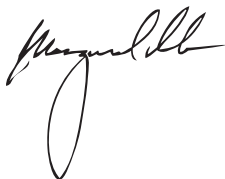
কোম্পানি আইন ১৯৯৪-এর ধারা ২১০ মোতাবেক বর্তমানে কর্মরত সংবিধিবদ্ধ নিরীক্ষক এস. এফ আহমেদ এন্ড কোম্পানি, চার্টার্ড একাউন্ট্যান্টস ৫১তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। প্রজ্ঞাপন নং: SEC/CMRRCD/2009-193/104/Admin অনুসারে পুনর্নিয়োগের যোগ্য বিধায় তারা ২০১৫-১৬ সালের নিরীক্ষক হিসাবে পুনর্নিয়োগের জন্য অগ্রহ প্রকাশ করেছে।

নিরীক্ষণ পরিষদ এস. এফ আহমেদ এন্ড কোম্পানি, চার্টার্ড একাউন্ট্যান্টসকে ২০১৫-১৬ সালের নিরীক্ষক হিসাবে নিয়োগের জন্য সুপারিশ করেছে। পরিচালকমন্ডলী ২০১৫-১৬ সালের জন্য নিরীক্ষক হিসাবে নিয়োগের জন্য নিরীক্ষণ পরিষদের সুপারিশ বার্ষিক সাধারণ সভায় অনুমোদন সাপেক্ষে অনুমোদন করেছেন।

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। আগামীর যে কোন প্রতিদ্বন্দ্বিতা মোকাবিলায় আমাদের চেষ্টা অব্যাহত রাখার প্রত্যয় ব্যক্ত করছি। ২০১৫-১৬ হিসাববর্ষ এবং আগত দিনে আপনাদের সহায়তা কামনা করছি।

ইস্টার্ন হাউজিং লিমিটেড এর পরিচালনা পর্ষদের পক্ষ থেকে,



মনজুরুল ইসলাম
চেয়ারম্যান



5, Circuit House, Dhaka

Directors' Report

It is my pleasure to welcome you all on behalf of the Board of Directors of "Eastern Housing Limited" to the 51st 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 31 July, 2015 along with the Auditors' Report on the Financial Statements for the year ended 31 July, 2015.

I on behalf of the Board of Directors of the Company express my sincere gratitude for their support and trust extended to us throughout 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 31 July, 2015. 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.

Review of Business

In order to keep pace with the market condition we had to readjust our sales price of flats and plots during the year under review. The cost of capital was higher than previous year. The management has been taking initiative to reduce the borrowing cost in the next year. Due to higher borrowing cost there was a negative impact on the net profit margin of the company. The principal activities of the Company shall continue to acquire, develop and sell of lands and apartments.

The Chairman's Message on page 25 and the MD's review on page 27 state the Company's affairs and highlight important events that occurred during the year. The Financial Review on page 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 on financial statements has been elaborated in the page 67 of this report.

Industry Outlook

The demand for real estate is still very high because people are moving towards city area from rural areas for better living. However, unstable and uncertainties and constraints have downsized the investment in this sector. Increase in borrowing cost and difficulties in getting credit for this sector are affecting the development in this sector. An impact of these factors has been reflected in the annual accounts of the company. Our net profit margin has been reduced compared to last year.

Segment Information

Segment information is presented in note 42 to the financial statements of this report.

Directors' Report

Sales:

During the year under review 389 plots were sold against 461 plots in previous year and apartment sale decreased to 174 flats against 202 in last year. In terms of value our turnover increased from Tk. 2333 million to Tk. 2631 million. The comparative sales figure are tabulated below:

(in million Taka)

Sales	2014-15	2013-14
Land	884	868
Apartment	1747	1465
Total	2631	2333

Profit:

(in million Taka)

Particulars	2014-15	2013-14
Operating Gross Profit	908	803
Overhead and Finance Expenses	(578)	(477)
Operating Income	330	326
Non-Operating Income	32	39
Profit before Taxation	362	365
Workers' Profit Participation Fund	(18)	(18)
Income Tax	(133)	(98)
Profit After Tax	211	249

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 and Compliance department to identify different business risks. In case of complexities we consult outside expert/ legal adviser.

COGS, Gross/ Net Profit Margin Analysis

COGS of the company was Tk. 1,724 million in the current year compared to Tk. 1,530 million in previous year. COGS to Sales ratio remained constant at 66%. Gross Profit stood at Tk. 908 million compared to Tk. 803 million in previous year. Net Profit margin was 8.02% in 2014-15 compared to 10.66 % in previous year.

Extraordinary Gain or Loss

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

Related Party Transaction

EHL had to enter into transactions with the related parties as defined in the "Bangladesh Accounting Standards 24: Related Party Disclosures". Related Party Transactions are disclosed in the noten 35 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 did not 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 and annual financial statements during the year under reporting.

Remuneration to Directors including Independent Director

Directors draw Board & Audit Committee Meeting attendance fees. The details are given in Annexure II of this report.

Fairness of Financial Statements

The financial statements together with the notes thereon have been drawn up in conformity with the Bangladesh Accounting Standards/Bangladesh Financial Reporting Standards, Companies Act 1994 and Bangladesh 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 2 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 page 53 of the Annual Report.

Dividend

The Board of Directors has recommended for declaration of payment of dividend @ 15% cash and 5% stock dividend for the year ended 31st July 2015 to the shareholders whose name shall appear on the register of members on record date.

Board and Committee Meetings and Attendance

During the year 2014-15 total six 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, Chief Financial Officer and Company Secretary were present in all board meetings.

Directors' Report

Pattern of Shareholding and Name wise details

The shareholding information as at 31 July, 2015 and other related information are provided in Annexure III of the annual report.

Corporate Governance Compliance Report

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

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 2014-15 EHL contributed to the government exchequer a sum of TK. 128 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 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. 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 set out in 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
River View Limited	Director
Bengal Development Corporation Limited	Director
Navana Pharmaceuticals Limited	Director

Name of company in which Mr. Sarwar Boudius Salam also holds directorship:

Interests in other company	Designation
Islam Brothers Properties Limited	Director

Membership in Committees of Board -Audit Committee.

Re-appointment of Independent Director

Mr. Zia U. Ahmed, Ph.D., Independent Director of the company was appointed by the Board of Directors on November 6, 2012 and was approved by the shareholders in the Annual General Meeting held on December 3, 2012.

As per Notification SEC/CMRRCD/2006-158/134/Admin/44 Corporate Governance Guideline dated August 7, 2012 the tenure of office of an Independent Director shall be for a period of 3 (three) years which may be extended for one term only. Accordingly Mr. Zia U. Ahmed, Ph.D., will retire in 51st Annual General Meeting of the company. Mr. Ahmed offers himself for re-appointment subject to approval by the shareholders in the Annual General Meeting.

Directors' Report

Employees

The total strength of EHL employees stood 688 at the end of the year. EHL believes that a strong, skilled and dedicated workforce is the key ingredient to success. EHL has also implemented Workers's Profit Participation Fund for their employees. The company provides 5% of profit before charging such expense to employees as Workers' Profit Participation Fund (WPPF) in accordance with Bangladesh Labour Act 2006 amended in 2013.

Health and Safety

EHL is committed to provide a healthy and risk-free environment for its employees, customers, contractors, suppliers, visitors, etc. 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

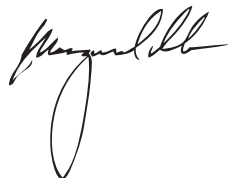
As per section 210 of the Companies Act 1994, the Company's statutory Auditors Messrs. S.F. Ahmed & Co., Chartered Accountants retires at the 51st Annual General Meeting as auditors of the Company. Being eligible as per No. SEC/CMRRCD/2009-193/104/Admin, they have expressed their willingness to be re-appointed for the year 2015-16.

The Audit Committee recommends appointment of Messrs S.F. Ahmed & Co., Chartered Accountants as the auditors of the Company for the year 2015- 2016. The Directors endorsed the recommendation of the Audit Committee for re-appointment of the auditors for the year 2015-16 subject to approval in the Annual General Meeting.

Acknowledgement

The Company and 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 cooperation, positive support, and guidance. We promise that we will continue our journey towards a bright future. We look forward to your continued support in 2015-16 and the days ahead.

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

A handwritten signature in blue ink, appearing to read 'Manzurul Islam', is written over a white background.

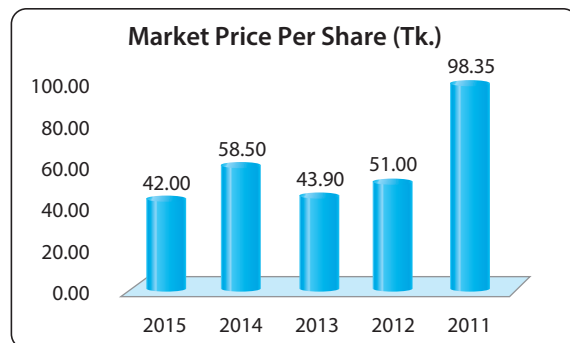
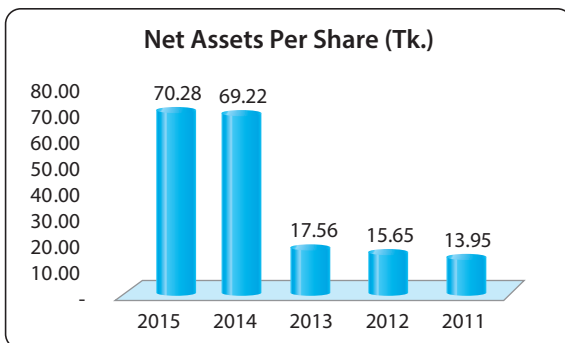
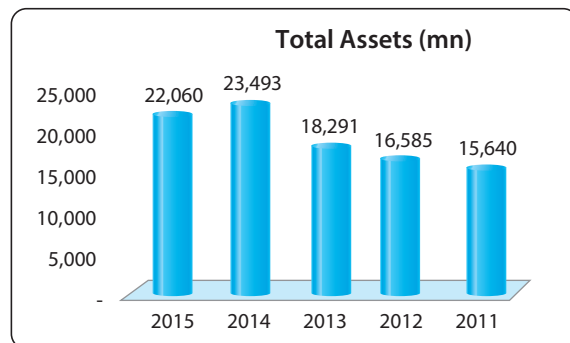
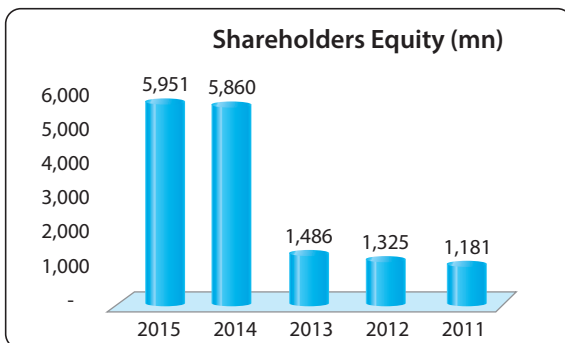
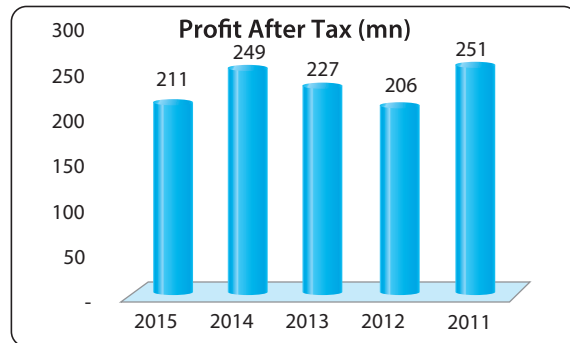
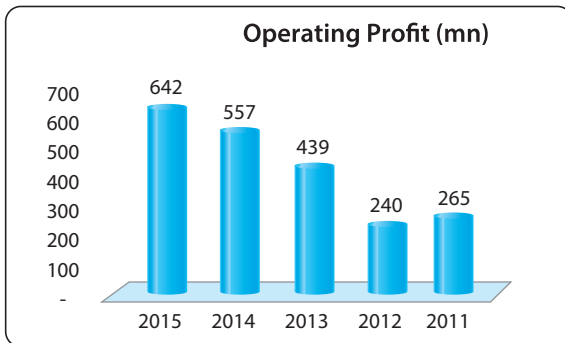
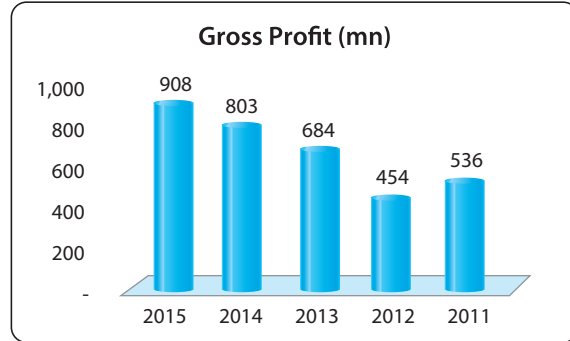
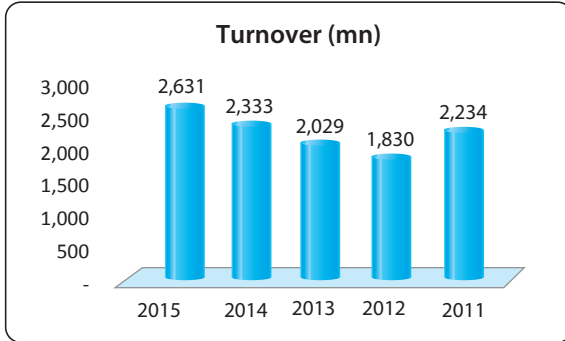
Manzurul Islam
Chairman

Five Year Financial Summary

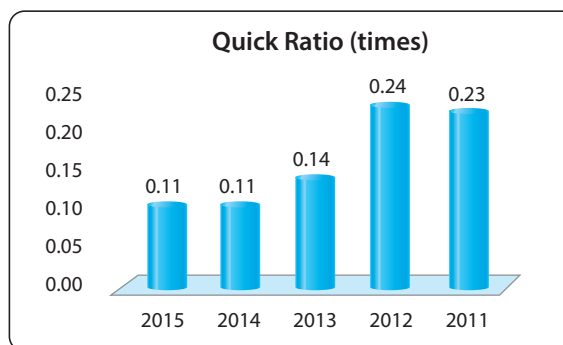
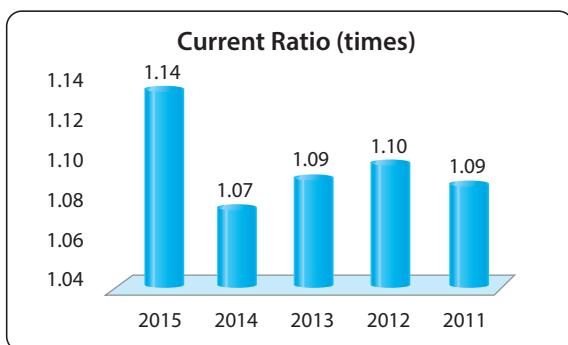
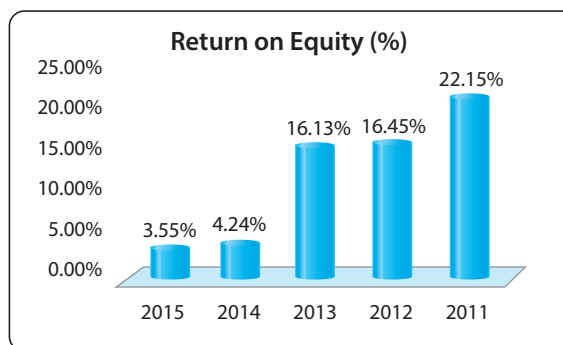
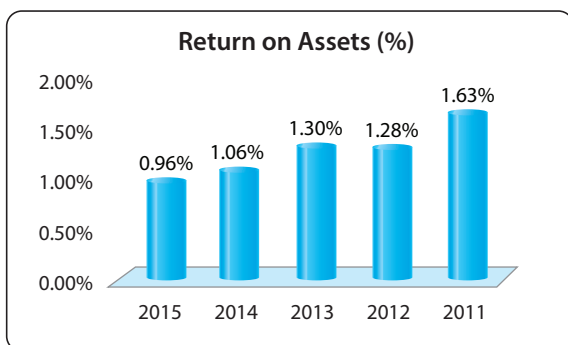
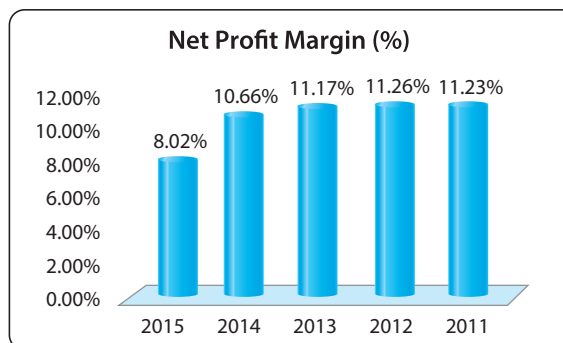
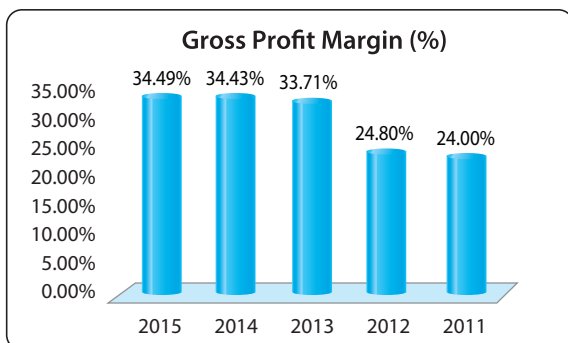
Results of Operations	2015	2014	2013	2012	2011
Turnover (Net)	2,631,165,794	2,333,019,487	2,028,721,932	1,829,635,067	2,234,047,200
Gross Profit	907,587,731	803,344,732	683,961,215	453,767,597	536,236,200
Operating Profit	642,491,879	557,443,785	439,027,152	239,834,880	265,478,800
Profit Before Tax	344,141,867	346,243,610	325,839,621	305,898,691	314,315,200
Profit After Tax	211,091,308	248,643,541	226,696,529	206,035,073	250,909,800
Financial Position					
Authorized Capital	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	1,000,000,000
Issued & Paid up capital	846,668,060	806,350,540	716,756,040	651,596,400	620,568,000
Shareowners Equity	5,950,548,923	5,860,410,196	1,486,383,763	1,324,846,873	1,180,868,600
Total Assets	22,059,578,795	23,493,131,160	18,291,412,654	16,585,460,371	15,639,874,500
Ordinary Share Information					
Face Value Per Share	10	10	10	10	10
Number of Shares Outstanding	84,666,806	80,635,054	71,675,604	65,159,640	62,056,800
Cash Dividend (Tk.)*	127,000,209	120,952,581	71,675,604	65,159,640	62,056,800
Market Price Per Share (Tk.)*	42.00	58.50	43.90	51.00	98.35
Dividend Per Share (Tk.)*	1.50	1.50	1.00	1.00	1.00
Bonus Share*	5.00%	5.00%	12.50%	10.00%	5.00%
Financial Ratios					
Gross Profit Margin	34.49%	34.43%	33.71%	24.80%	24.00%
Operating Profit Margin	24.42%	23.89%	21.64%	13.11%	11.88%
Net Profit Margin	8.02%	10.66%	11.17%	11.26%	11.23%
Return on Assets	0.96%	1.06%	1.30%	1.28%	1.63%
Return on Equity	3.55%	4.24%	16.13%	16.45%	22.15%
Current Ratio (Times)	1.14	1.08	1.09	1.10	1.09
Quick Ratio (Times)	0.11	0.12	0.14	0.24	0.23
Internal Capital Generation	3.55%	4.24%	15.25%	15.55%	21.25%
Debt Service Coverage (Times)	0.41	0.26	1.50	2.18	2.59
Cost of Sales to Revenue Ratio	65.51%	65.57%	66.29%	75.20%	76.00%
Administrative and Selling Cost to Revenue Ratio	10.64%	11.30%	12.65%	12.20%	12.30%
Finance Cost to Revenue Ratio	11.31%	9.17%	7.88%	6.58%	2.85%
Others					
Number of Employees	688	681	693	715	2,053
EBITDA	659,536,103	580,705,948	511,311,585	451,801,077	394,099,700

*Cash & Bonus Dividend proposed for 2014-2015

Five Year Financial Summary



Five Year Financial Summary



Certificate on Corporate Governance Compliance

MABS & J Partners
Chartered Accountants



Certificate on compliance of conditions of Corporate Governance Guidelines of Bangladesh Securities & Exchange Commission to the shareholders of Eastern Housing Limited.

We have examined the compliance of conditions of Corporate Governance Guidelines by Eastern Housing Limited for the year ended 31 July 2015, as set by Bangladesh Securities and Exchange Commission (BSEC) by the notification # SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and subsequently amended through their notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance Guidelines as stipulated in the above-mentioned notifications.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Dhaka, 30 September 2015



MABS & J Partners
Chartered Accountants

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E-mail : smcbd@citech.net
Web : www.mabsj.com

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)	√		
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		

Corporate Governance Compliance Status

Condition No.	Title	Compliance Status ('√' has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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	√		
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 and 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		

Corporate Governance Compliance Status

Condition No.	Title	Compliance Status ('√' has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5(x)	Remuneration to directors including independent directors	√		
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(xix)	Reason for non declaration of Dividend			Not applicable (declaring dividend regularly)
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 number of shares):			
1.5 (xxi) (a)	Parent/Subsidiary/Associated Companies and other related parties	√		
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	√		
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	√		

Corporate Governance Compliance Status

Condition No.	Title	Compliance Status ('√' has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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		
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	√		

Corporate Governance Compliance Status

Condition No.	Title	Compliance Status ('√' has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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		
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			Not applicable since none
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.			Not applicable since none
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			Not applicable since none

Corporate Governance Compliance Status

Condition No.	Title	Compliance Status ('√' has been put in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
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			Not applicable since none
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			Not applicable since none
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 2014-15:

Sl. No.	Name of the Member	Total Board Meeting	Meeting Attended	Allowance Tk.	Total Audit Committee Meeting	Meeting Attended	Allowance Tk.
1	Mr. Manzurul Islam, Chairman	6	4	11,050			
2	Mrs. Suraiya Begum, Director	6	5	14,450			
3	Zia U. Ahmed, Ph.D., Independent Director	6	4	9,775	4	2	5,525
4	Mr. Zahiduzzaman Faruque, Independent Director	6	6	16,575	4	4	12,325
5	Mr. Md. Abdul Wadud, Director	6	5	13,175	4	3	8,925
6	Mr. Md. Mostafizur Rahman, Director	6	6	16,575	4	4	12,325
7	Mr. Sarwar Boudius Salam, Director	6	5	14,450	4	3	10,200
8	Mr. Dhiraj Malakar, Managing Director	6	5	13,175			

In addition to board allowance, the chairman of the board of directors was given an allowance of Tk. 90 lac net of tax.

Corporate Governance Compliance Status

Annexure - III

The pattern of shareholdings as on 31 July, 2015 is given below:

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

Name of the Company	No. of Share	Percentage of Holding
Islam Brothers Properties Limited	27,969,046	33.03%
River View Limited	11,596,921	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 July, 2015 are as follows:

Name	Designation	No. of Share	Percentage of Holding
Manzurul Islam	Chairman	2,410,537	2.847%
Suraiya Begum	Director	232,059	0.274%
Md. Abdul Wadud	Director	1,363	0.002%
Sarwar Boudius Salam	Director	1,363	0.002%
Md. Mostafizur Rahman	Director	1,363	0.002%
Zia U. Ahmed, Ph.D.	Independent Director	Nil	Nil
Zahiduzzaman Faruque	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 07 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 of Holding
Islam Brothers Properties Limited	27,969,046	33.03%
River View Limited	11,596,921	13.70%



Eastern Pantha Chaya, Panthapath, Dhaka

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 Board of Directors 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 five members and out of them, two are independent directors. The directors for 2014-15 were:

1. Zia U. Ahmed, Ph.D., Chairman, Audit Committee
2. Zahiduzzaman Faruque, Member, Audit Committee
3. Md. Abdul Wadud, Member, Audit Committee
4. Sarwar Boudius Salam, Member, Audit Committee and
5. Md. Mostafizur Rahman, Member, Audit Committee.

The committee met 4 (four) times during 2014-2015. Invitees to the meetings were the Managing Director, Chief Financial Officer and Head of Internal Audit, who regularly attended all the meetings 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 31 July, 2015, 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 2014-15.
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 31 July, 2015

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 5 members of the Board two of them are independent directors. They are Mr. Zia U. Ahmed, Ph.D., Independent Director and Chairman of the Audit Committee, Mr. Zahiduzzaman Faruque, Member, 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 2014-2015 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, Half Yearly and Annual Accounts of the company before submission to the board for approval.
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.
9. Reviewed significant related party transactions submitted by the management.

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.

A handwritten signature in black ink, appearing to read 'Zia U. Ahmed', is written in a cursive style.

Zia U. Ahmed, Ph.D.

Chairman

Audit Committee

Dated: 30 September, 2015

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 exchanges;
- 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, 2015, 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.

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, 2015, comprising the Report of Directors and the Financial Statements, has been approved by the Board of Directors.



Front view of Jahurul Islam City, Dhaka

EHL Share Performance during 2014-15

Dhaka Stock Exchange

Month	Open (BDT)	High (BDT)	Low (BDT)	Close (BDT)	Total Volume (Million)
August'14	58.80	61.50	53.50	57.40	179.34
September'14	57.60	58.90	53.80	55.40	148.06
October'14	54.60	57.00	48.70	50.10	56.55
November'14	50.60	54.20	47.20	49.40	75.21
December'14	49.20	52.70	46.00	46.40	39.61
January'15	46.60	49.00	43.00	43.40	20.10
February'15	43.20	44.80	40.50	41.90	14.73
March'15	41.60	41.90	38.00	39.90	16.91
April'15	39.80	43.50	36.30	37.70	18.05
May'15	37.10	47.90	36.00	44.20	89.46
June'15	44.90	46.60	39.60	40.40	37.59
July'15	40.60	42.80	39.80	42.00	26.20

Chittagong Stock Exchange

Month	Open (BDT)	High (BDT)	Low (BDT)	Close (BDT)	Total Volume (Million)
August'14	58.00	61.70	56.10	57.20	6.45
September'14	57.20	58.90	53.60	55.00	5.90
October'14	55.00	56.70	48.80	50.20	2.47
November'14	50.20	54.10	47.00	49.20	4.19
December'14	49.20	52.10	46.10	46.80	2.16
January'15	46.80	48.20	43.40	44.10	1.09
February'15	44.10	44.80	41.10	42.00	0.84
March'15	42.00	42.00	38.00	39.50	1.02
April'15	39.50	42.90	36.00	38.50	0.78
May'15	38.50	47.90	36.00	43.80	4.88
June'15	43.80	46.70	39.20	40.20	1.47
July'15	40.20	42.60	39.80	42.00	1.33

Quarterly High-Low price history of the company's Share during August 2014 - July 2015

Quarter	DSE		CSE	
	High (BDT)	Low (BDT)	High (BDT)	Low (BDT)
August 2014 to October 2014	61.50	48.70	61.70	48.80
November 2014 to January 2015	54.20	43.00	54.10	43.40
February 2015 to April 2015	44.80	36.30	44.80	36.00
May 2015 to July 2015	47.90	36.00	47.90	36.00

Eastern Housing Limited

Auditors' report and financial statements for the year ended 31 July 2015

Independent Auditors' Report

S. F. AHMED & CO
Chartered Accountants

— Established : 1958

House 51 (2nd & 3rd Floors)
Road 9, Block F, Banani
Dhaka 1213, Bangladesh

Eastern Housing Limited

Auditors' Report to the Shareholders For the year ended 31 July 2015

We have audited the accompanying financial statements of Eastern Housing Limited (the company), which comprise statement of financial position (balance sheet) as at 31 July 2015, statement of profit or loss and other 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, the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 of the company, prepared in accordance with Bangladesh Financial Reporting Standards, give a true and fair view of the financial position of the company as at 31 July 2015 and of the results of its operations and cash flows for the year then ended and comply with the requirements of Companies Act 1994, Bangladesh Securities and Exchange Rules 1987 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 (balance sheet) and statement of profit or loss and other comprehensive income dealt with by this report are in agreement with the books of account and returns; and
- (d) the expenditure incurred and payments made were for the purpose of the business of the company.

Dhaka, Bangladesh
Dated, 30 September 2015




S. F. AHMED & CO.
Chartered Accountants

Statement of Financial Position (Balance Sheet)

Eastern Housing Limited
Statement of Financial Position (Balance Sheet)
As at 31 July 2015

	Notes	2015 BDT	2014 BDT
ASSETS			
Non-current assets			
Property, plant and equipment	4	4,686,699,740	4,697,000,944
Investments	5	4,569,450	166,675,499
Deferred tax assets	6	5,531,086	5,413,516
Total non-current assets		4,696,800,276	4,869,089,959
Current assets			
Inventories	7	15,711,719,251	16,640,124,159
Advances, deposits and prepayments	8	1,256,618,233	1,551,217,228
Interest receivables	9	-	12,950,719
Deposit with Bangladesh Bank	10	350,000,000	350,000,000
Cash and cash equivalents	11	44,441,035	69,749,095
Total current assets		17,362,778,519	18,624,041,201
Total assets		22,059,578,795	23,493,131,160
Equity and liabilities			
Equity			
Share capital	12	846,668,060	806,350,540
General reserve	13	274,500,000	274,500,000
Dividend equalisation reserve	14	145,000,000	145,000,000
Revaluation reserve	15	4,197,058,496	4,197,058,496
Retained earnings	16	487,322,367	437,501,160
Total equity		5,950,548,923	5,860,410,196
Liabilities			
Non-current liabilities			
Long term loan - secured	17	636,000,000	-
Sponsors' loan	18	202,500,000	202,500,000
Retirement benefit obligations (gratuity)	19	28,110,436	22,884,963
Total non-current liabilities		866,610,436	225,384,963
Current liabilities			
Long term loan - secured - current portion	20	114,000,000	29,909,998
Bank overdraft	21	1,195,049,479	1,974,686,412
Advance received against allotment	22	10,682,501,278	11,161,171,497
Trade and other payables	23	3,241,652,721	4,227,537,995
Provision for income tax	24	9,215,958	14,030,099
Total current liabilities		15,242,419,436	17,407,336,001
Total liabilities		16,109,029,872	17,632,720,964
Total equity and liabilities		22,059,578,795	23,493,131,160

These financial statements should be read in conjunction with the annexed notes

for and on behalf of the Board of Directors of Eastern Housing Limited



Company Secretary



Managing Director



Director



Director

See annexed report of the date



Dhaka, Bangladesh
Dated, 30 September 2015



S. F. AHMED & CO
Chartered Accountants

Statement of Profit or Loss and Other Comprehensive Income

Eastern Housing Limited Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 July 2015

	Notes	2015 BDT	2014 BDT
Revenue	25	2,631,165,794	2,333,019,487
Cost of sales	26	(1,723,578,063)	(1,529,674,755)
Gross profit		907,587,731	803,344,732
Other operating income	27	14,736,942	17,723,530
Administrative expense	28	(279,832,794)	(263,624,477)
Operating profit		642,491,879	557,443,785
Finance income	29	17,386,728	20,988,562
Finance expense	30	(297,624,010)	(213,965,389)
		362,254,597	364,466,958
Contribution to workers' profit participation fund	31	(18,112,730)	(18,223,348)
Profit before tax		344,141,867	346,243,610
Income tax expense	32		
Current tax		(133,168,129)	(99,255,349)
Deferred tax		117,570	1,655,280
		(133,050,559)	(97,600,069)
Profit after tax		211,091,308	248,643,541
Other comprehensive income		-	4,197,058,496
Total comprehensive income		211,091,308	4,445,702,037
Earnings per share			
Basic earnings per share	33	2.49	2.94

These financial statements should be read in conjunction with the annexed notes

for and on behalf of the Board of Directors of Eastern Housing Limited



Company Secretary



Managing Director



Director



Director



Dhaka, Bangladesh
Dated, 30 September 2015

See annexed report of the date



S. F. AHMED & CO
Chartered Accountants

Statement of Changes in Equity

Eastern Housing Limited Statement of Changes in Equity For the year ended 31 July 2015

	Share capital	General reserve	Dividend equalisation reserve	Revaluation reserve	Retained earnings	Total
	BDT	BDT	BDT	BDT	BDT	BDT
Year 2014						
Balance as at 01 August 2013	716,756,040	254,500,000	125,000,000	-	390,127,723	1,486,383,763
Total comprehensive income for the year	-	-	-	4,197,058,496	248,643,541	4,445,702,037
Dividend equalisation reserve	-	-	20,000,000	-	(20,000,000)	-
Appropriation to general reserve	-	20,000,000	-	-	(20,000,000)	-
Issue of bonus shares	89,594,500	-	-	-	(89,594,500)	-
Payment of dividend	-	-	-	-	(71,675,604)	(71,675,604)
Balance as at 31 July 2014	806,350,540	274,500,000	145,000,000	4,197,058,496	437,501,160	5,860,410,196
Year 2015						
Balance as at 01 August 2014	806,350,540	274,500,000	145,000,000	4,197,058,496	437,501,160	5,860,410,196
Total comprehensive income for the year	-	-	-	-	211,091,308	211,091,308
Dividend equalisation reserve	-	-	-	-	-	-
Appropriation to general reserve	-	-	-	-	-	-
Issue of bonus shares	40,317,520	-	-	-	(40,317,520)	-
Payment of dividend	-	-	-	-	(120,952,581)	(120,952,581)
Balance as at 31 July 2015	846,668,060	274,500,000	145,000,000	4,197,058,496	487,322,367	5,950,548,923

for and on behalf of the Board of Directors of Eastern Housing Limited



Company Secretary



Managing Director



Director



Director



Dhaka, Bangladesh
Dated, 30 September 2015

See annexed report of the date



S. F. AHMED & CO
Chartered Accountants

Statement of Cash Flows

Eastern Housing Limited
Statement of Cash Flows
For the year ended 31 July 2015

	2015	2014
	BDT	BDT
<i>Cash flows from operating activities</i>		
Cash received from customers and others	2,167,232,517	2,152,578,818
Cash paid to employees and suppliers	(1,766,815,406)	(2,694,872,532)
Cash flow from operating activities	400,417,111	(542,293,714)
Income tax paid	(128,752,341)	(97,635,965)
<i>Net cash from/(used in) operating activities</i>	271,664,770	(639,929,679)
<i>Cash flows from investing activities</i>		
Acquisition of property, plant and equipment	(7,469,022)	(38,435,633)
(Increase)/decrease in fixed deposit reserve	162,106,049	(14,374,769)
Interest received	28,909,494	19,232,562
Interest paid	(301,447,792)	(192,763,195)
Dividend received	1,427,953	1,713,543
<i>Net cash (used in) investing activities</i>	(116,473,318)	(224,627,492)
<i>Cash flows from financing activities</i>		
Increase/(decrease) in long term borrowings	720,090,002	(147,782,500)
Increase/(decrease) in short term borrowings	(779,636,933)	1,113,832,091
Dividend paid	(120,952,581)	(71,675,604)
<i>Net cash from/(used in) financing activities</i>	(180,499,512)	894,373,987
<i>Net increase/(decrease) in cash and cash equivalents</i>	(25,308,060)	29,816,816
Opening cash and cash equivalents	69,749,095	39,932,279
Closing cash and cash equivalents	44,441,035	69,749,095

for and on behalf of the Board of Directors of Eastern Housing Limited



Company Secretary



Managing Director



Director



Director



Dhaka, Bangladesh
Dated, 30 September 2015

See annexed report of the date



S. F. AHMED & CO
Chartered Accountants

Notes to the Financial Statements

Eastern Housing Limited Notes to the financial statements For the year ended 31 July 2015

1. Reporting entity

1.1 Company profile

Eastern Housing Limited (the company) was incorporated in 1964 as a private limited company under the Companies Act 1913. In 1993 it was converted into a public limited company. The company raised its capital by subscribing 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 years 1994 and 1996 respectively. The registered office of the company is located at "Islam Chamber", 125/A, Motijheel Commercial Area, Dhaka 1000.

1.2 Nature of business

The main activity of the company is purchase of 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 of financial statements

2.1 Measurement of the elements of financial statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognised and carried in the statements of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Eastern Housing Limited is historical cost except the revaluation of land. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.2 Reporting framework and compliance thereof

These financial statements have been prepared in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) that comprise Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Interpretations (BFRIs) as adopted by the Institute of Chartered Accountants of Bangladesh, the Companies Act 1994, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 1987, Listing Regulations of Dhaka and Chittagong Stock Exchanges and other applicable laws and regulations.

The company's compliance with BFRS is stated below:

<u>BAS/ BFRS Nos</u>	<u>Title of BAS/ BFRS</u>	<u>Compliance</u>
BAS 1	Presentation of Financial Statements	Complied
BAS 2	Inventories	Complied
BAS 7	Statements 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

Notes to the Financial Statements

<u>BAS/ BFRS Nos</u>	<u>Title of BAS/ BFRS</u>	<u>Compliance</u>
BAS 17	Leases	Complied
BAS 18	Revenues	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 Cost	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	Investment in Associates	Not Applicable
BAS 29	Financial Reporting in Hyperinflationary Economies	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	Complied
BFRS 8	Operating Segments	Complied

Notes to the Financial Statements

<u>BAS/ BFRS Nos</u>	<u>Title of BAS/ BFRS</u>	<u>Compliance</u>
IFRS 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	Complied
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

2.3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is both functional currency and presentation currency of the company. The figures in the financial statements have been rounded to the nearest BDT.

2.4 Reporting period

The financial statements of the company have been prepared for the period from 01 August 2014 to 31 July 2015.

2.5 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.6 Use of estimates and judgments

The preparation of financial statements require 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. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 recognised in the financial statements is included in the following notes:

Note 4 : Useful life of assets

Note 6 : Deferred tax

Note 19: Retirement benefit obligations (gratuity)

Note 22 : Advance received against allotment

Note 23 : Trade and other payables

Note 24 : Provision for income tax

Notes to the Financial Statements

2.7 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.

2.8 Accrual basis of accounting

The company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognises items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

2.9 Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

2.10 Offsetting

The entity does not offset assets and liabilities or income and expenses, unless required or permitted by BFRS.

2.11 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.

2.12 Date of authorization for issue of the financial statements

On 30 September 2015 the Board of Directors reviewed the financial statements and authorised them for issue.

3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.1 Property, plant and equipment

Recognition

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- a) it is probable that future economic benefits will flow to the entity; and
- b) the cost of the item can be measured reliably.

Measurement at recognition

An item of property, plant and equipment qualifying for recognition is initially measured at its cost. Cost comprises 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.

Subsequent Costs

- a) Repairs and maintenance expenditure is recognised as expenditure as incurred.
- b) Replacement parts are capitalised, provided the original cost of the items they replace is derecognised.

Disposal

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 recognised in statement of profit or loss and other comprehensive income.

Notes to the Financial Statements

Depreciation

Depreciation is commenced when the asset is in the location and condition necessary for it to be capable of operating in the manner intended. Property plant and equipment of Eastern Housing Limited are depreciated using reducing balance method. Each significant part of an item of property, plant and equipment is depreciated separately, using their useful lives. If any residual value is considered for an asset on its expiry of expected life, the value is deducted from the cost to arrive at the depreciable amount. The residual value and useful life of an asset are reviewed in each year end. Depreciation is expressed in terms of percentage of cost of the related assets.

The annual depreciation rates applicable to different category of assets are:

	<u>2015</u>	<u>2014</u>
Land	Nil	Nil
Plant and machinery	10%	10%
Site project office	10%	10%
Internal decoration	10%	10%
Office equipment	20%	20%
Furniture and fixtures	10%	10%
Motor vehicles	20%	20%

Revaluation

Land is measured using the revaluation model. The revaluation was carried out by independent surveyor namely The Asian Surveyors Ltd. following market value approach and was approved by the board on 28 April 2014. The revaluation resulted into a revaluation surplus aggregating to BDT 4,197,058,496.

3.2 Impairment

The carrying value of the company's assets other than inventories, are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

3.3 Financial instruments

As per BFRS - 7 "Financial Instruments: Disclosures" all financial instruments are 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.

Investment in fixed deposits

Investments in fixed deposits are shown in the financial statements at its cost and interest income is recognised quarterly.

Investment in shares

Investment in Central Depository Bangladesh Ltd (CDBL) and Investment in IG Health Care Limited shares are recorded at cost and represent insignificant holding.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balance and deposits with licensed financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Advances

Advances with no stated interest are measured at the original amount if the effect of discounting is immaterial.

3.4 Borrowing costs

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

Notes to the Financial Statements

3.5 Inventories

Inventories represents, stock of land, apartments, shops and office spaces 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.

3.6 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 financial assets such as accounts and other receivables, cash and cash equivalents, and financial liabilities like bank loan and trade and other payables.

3.7 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when Eastern Housing Limited has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If a transfer of economic benefit is no longer probable the provision should be reversed. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure required to settle the obligation.

Contingent liabilities

Contingent liabilities is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

3.8 Trade and other payables and accruals

Trade and other payables

Trade payables are stated at cost which approximates the fair value of the consideration to be paid in the future for goods and services rendered.

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

3.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised;

Sale of goods

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

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

Notes to the Financial Statements

In compliance with the requirements of BAS - 18 "Revenue" and BFRI - 15 "Agreements for the Construction of Real Estate", revenue is recognised 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 for apartments since registration process takes time in Bangladesh due to procedures and customers' delayed initiatives to registers the property in own name(s) and registration basis for plots.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period.

3.10 Finance income

Finance income comprises interest income on funds invested in FDR, STDs and dividend income from CDBL shares.

3.11 Other income

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

3.12 Expenses

The definition of expenses encompasses losses as well as those expenses that arise in the course of the ordinary activities of the entity. Expenses that arise in the course of the ordinary activities of the entity include, for example, direct cost, wages and depreciation. They usually take the form of an outflow or depletion of assets such as cash and cash equivalents, inventory, property, plant and equipment.

Losses represent other items that meet the definition of expenses and may, or may not, arise in the course of the ordinary activities of the entity. Losses represent decreases in economic benefits and as such they are no different in nature from other expenses. Hence, they are not regarded as a separate element in this conceptual framework.

3.13 Finance cost

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.

3.14 Income tax

Income taxes comprise both current tax and deferred tax expense.

Current tax

As per section 53FF of the Income Tax Ordinance (ITO) 1984, it is made compulsory for the real estate business entities to pay, irrespective of profit or loss, income tax as per prescribed rate per square meter of the apartments at the time of their registration under section 82C of ITO 1984. Provision for income tax has been made at prevailing corporate tax rate @ 25% besides income taxed under the above sections as per provision of the ITO 1984. 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.

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

Notes to the Financial Statements

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.

3.15 Earnings per share

Basic earnings per share

The company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the total comprehensive income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at year end as per BAS - 33 "Earnings Per Share". 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 33 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.

3.16 Statement of cash flows

Statement of cash flows (cash flow statement) is prepared under direct method in accordance with BAS - 7 "Statement of Cash Flows" as required by the Bangladesh Securities and Exchange Rules 1987.

3.17 Contribution to workers' profit participation fund

This was made in terms of section 234 of Bangladesh Labour Act 2006 amended in 2013. According to the provision of this Act 5% of the net profit of each year is required to be transferred to the Fund of which 80% is to be transferred to participation fund and balance 20% is to be transferred to welfare fund of Eastern Housing Limited and Bangladesh Workers' Welfare Foundation Fund equally. Out of the amount of participation fund, two-third has to be distributed in equal proportion to all the members of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 240 of that act.

3.18 Employee benefits

The Company maintains a defined contribution plan (provident fund) and a retirement benefit plan (gratuity fund) for its eligible permanent employees.

Defined contribution plan (provident fund)

Defined contribution plan is a post employment benefit plan under which the Company provides benefits for all of its permanent employees. The recognised employees' provident fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution. This fund is recognised by the National Board of Revenue (NBR).

Retirement benefit obligations (gratuity)

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.

3.19 Segment reporting

An operating segment is a component of the company that engages in the business activities from which it may earn revenue and incur expenses, including revenues and expense that relate to transactions with any of the company's other components. Segment results are disclosed in note 42 of the financial statements.

Notes to the Financial Statements

	2015	2014	
	BDT	BDT	
4. Property, plant and equipment			
Cost/Revaluation			
Opening balance	4,871,215,267	309,520,634	
Addition during the year	7,469,022	367,746,137	
Revaluation during the year	-	4,197,058,496	
Disposal/adjustment during the year	(2,385,000)	(3,110,000)	
Closing balance	<u>4,876,299,289</u>	<u>4,871,215,267</u>	
Depreciation			
Opening balance	174,214,323	156,827,374	
Charge for the year	17,770,226	19,701,385	
Disposal/adjustment during the year	(2,385,000)	(2,314,436)	
Closing balance	<u>189,599,549</u>	<u>174,214,323</u>	
Net book value	<u>4,686,699,740</u>	<u>4,697,000,944</u>	
Details are in Annex 1 .			
5. Investments			
FDR with Standard Bank Limited	-	162,106,049	
Investment in CDBL shares	1,569,450	1,569,450	
Investment in IG Health Care Limited shares (note 5.1)	3,000,000	3,000,000	
	<u>4,569,450</u>	<u>166,675,499</u>	
5.1 Investment in IG Health Care Limited shares			
The Board of Directors of the company has approved the investment of BDT 3 million in IG Health Care Limited, a healthcare project of Islam Group against 300,000 shares of BDT 10 each out of total 5,000,000 shares on 27 May 2014.			
6. Deferred tax assets			
Opening balance	5,413,516	3,758,236	
Deferred tax income / (expense)	117,570	1,655,280	
Closing balance	<u>5,531,086</u>	<u>5,413,516</u>	
6.1 Calculation of deferred tax			
	Carrying amount	Tax base	Temporary difference
	BDT	BDT	BDT
Provision for gratuity and leave pay	29,372,735	-	29,372,735
Property, plant and equipment	(489,641,244)	477,799,085	(11,842,159)
Warranty provision	4,593,766	-	4,593,766
Total temporary difference	<u>(455,674,743)</u>	<u>477,799,085</u>	<u>22,124,342</u>
Applicable tax rate			25%
Deferred tax assets / (liability)			5,531,086
7. Inventories			
Undeveloped land	2,312,575,597	2,610,478,365	
Work in progress	7,170,603,445	7,766,164,339	
Developed inventory	6,214,015,209	6,247,062,455	
Construction materials	14,525,000	16,419,000	
	<u>15,711,719,251</u>	<u>16,640,124,159</u>	
8. Advances, deposits and prepayments			
Advance against purchase (note 8.1)	836,880,964	1,002,801,665	
Advance payment of income tax (note 8.2)	205,188,500	214,418,429	
Advance against work done	204,833,535	329,978,340	
Advance against salary and wages	2,595,594	1,678,654	
Deposits against utility services	7,119,640	2,340,140	
	<u>1,256,618,233</u>	<u>1,551,217,228</u>	

Notes to the Financial Statements

	2015	2014
	BDT	BDT
8.1 Advance against purchase		
For purchase of:		
Land	732,376,251	918,538,783
Materials and others	104,504,713	84,262,882
	<u>836,880,964</u>	<u>1,002,801,665</u>
8.2 Advance payment of income tax		
Opening balance	214,418,429	216,688,500
Paid / (adjusted) during the period	(9,229,929)	(2,270,071)
Closing balance	<u>205,188,500</u>	<u>214,418,429</u>
9. Interest receivables		
Standard Bank Ltd	-	12,950,719
	<u>-</u>	<u>12,950,719</u>
10. Deposit with Bangladesh Bank	<u>350,000,000</u>	<u>350,000,000</u>
During the tenure, from 2006 to 2008, BDT 35.00 crore was collected from Eastern Housing Limited by the then Caretaker Government. The management has subsequently filed a writ petition with the Honorable High Court division to recover the money. In addition a writ petition, no. 7370 of 2010 regarding the subject matter, was disposed of in favour of Eastern Housing Limited vide judgment dated 02 October 2013.		
11. Cash and cash equivalents		
Cash in hand (note 11.1)	3,492,070	4,835,019
Cash at bank (note 11.2)	40,948,965	64,914,076
	<u>44,441,035</u>	<u>69,749,095</u>
11.1 Cash in hand		
Apartment unit - Site office imprest	3,188,268	4,434,980
Land unit - Motijheel office	250,180	375,595
Apartment unit - Motijheel office	53,622	24,444
	<u>3,492,070</u>	<u>4,835,019</u>
11.2 Cash at bank		
Land unit		
Al-Arafah Islami Bank Ltd	1,620,037	2,766,809
Uttara Bank Ltd	295,090	27,279,116
Janata Bank Ltd	47,896	49,166
The City Bank Ltd	32,951	-
IFIC Bank Ltd	15,626	2,618,609
Sonali Bank Ltd	1,027	2,292
Pubali Bank Ltd	-	39,786
	<u>2,012,627</u>	<u>32,755,778</u>
Apartment unit		
IFIC Bank Ltd	1,632,223	2,454,714
Standard Bank Ltd	885,698	1,316,129
Uttara Bank Ltd	687,837	1,119,582
Dhaka Bank Ltd	177,519	64,946
The City Bank Ltd	101,407	-
Meghna Bank Ltd	97,345	98,615
Al-Arafah Islami Bank Ltd	69,027	1,451,006
NRB commercial Bank Ltd	55,890	-
Shahjalal Islami Bank Ltd	18,400	95,988
Prime Bank Ltd	13,733	15,883
Agrani Bank Ltd	12,450	13,600
Rupali Bank Ltd	-	99,425
NCC Bank Ltd	-	56,083

Notes to the Financial Statements

	2015	2014
	BDT	BDT
Eastern Bank Ltd	-	8,972
United Commercial Bank Ltd	-	4,788
	3,751,529	6,799,731
Dividend payment accounts		
Uttara Bank Ltd	35,183,834	25,357,039
IFIC Bank Ltd	975	1,528
	35,184,809	25,358,567
	40,948,965	64,914,076

12. Share capital

Authorised:

200,000,000 ordinary shares of BDT 10 each

2,000,000,000 **2,000,000,000**

Issued, subscribed and paid up:

60,000,000 ordinary shares of BDT 10 each fully paid up

600,000,000 600,000,000

Conversion of debenture into 2,056,800 ordinary shares of BDT 10 each

20,568,000 20,568,000

Bonus share issued at 22,610,006 ordinary shares of BDT 10 each

226,100,060 185,782,540

846,668,060 **806,350,540**

Composition of shareholding:

Year 2015:

Category	Number of shares	No. of shareholders	Percentage (%)	Amount BDT
Sponsors and associates	42,972,123	12	50.75%	429,721,230
Financial institutions	9,082,572	38	10.73%	90,825,720
Other institutional shareholders	8,730,938	229	10.31%	87,309,380
General shareholders	23,881,173	17,755	28.21%	238,811,730
	84,666,806	18,034	100.00%	846,668,060

Year 2014:

Category	Number of shares	No. of shareholders	Percentage (%)	Amount BDT
Sponsors and associates	40,925,835	12	50.75%	409,258,350
Financial institutions	4,990,271	52	6.20%	49,902,710
Other institutional shareholders	6,654,038	252	8.25%	66,540,380
General shareholders	28,064,910	20,819	34.80%	280,649,100
	80,635,054	21,135	100.00%	806,350,540

12.1 Classification of shares by number of shares held:

	Number of shareholders	Number of shares	Total holding (%)
Less than 500 shares	11,214	2,034,905	2.40%
501 to 5,000 shares	5,898	8,968,538	10.59%
5,001 to 10,000 shares	520	3,696,352	4.37%
10,001 to 20,000 shares	218	3,076,664	3.63%
20,001 to 30,000 shares	73	1,768,811	2.09%
30,001 to 40,000 shares	26	896,312	1.06%
40,001 to 50,000 shares	20	912,865	1.08%
50,001 to 100,000 shares	29	1,904,640	2.25%
100,001 to 1,000,000 shares	29	8,463,444	10.00%
Over 1,000,000 shares	7	52,944,275	62.53%
	18,034	84,666,806	100.00%

Notes to the Financial Statements

	2015	2014
	BDT	BDT
13. General reserve		
Opening balance	274,500,000	254,500,000
Addition during the year	-	20,000,000
Closing balance	274,500,000	274,500,000
14. Dividend equalisation reserve		
Opening balance	145,000,000	125,000,000
Addition during the year	-	20,000,000
Closing balance	145,000,00	145,000,000
15. Revaluation reserve		
Opening balance	4,197,058,496	-
Addition during the year	-	4,197,058,496
Closing balance	4,197,058,496	4,197,058,496
16. Retained earnings		
Opening balance	437,501,160	390,127,723
Comprehensive income	211,091,308	248,643,541
	648,592,468	638,771,264
Dividend paid	(120,952,581)	(71,675,604)
Bonus shares issued	(40,317,520)	(89,594,500)
Transfer to general reserve	-	(20,000,000)
Dividend equalisation reserve	-	(20,000,000)
	(161,270,101)	(201,270,104)
Closing balance	487,322,367	437,501,160
17. Long term loan - secured		
Dhaka Bank Ltd	636,000,000	-
	636,000,000	-
18. Sponsors' loan	202,500,000	202,500,000
19. Retirement benefit obligations (gartuity)		
Opening balance	22,884,963	16,344,105
Provision during the year	11,670,634	10,977,271
	34,555,597	27,321,376
Paid during the year	(6,445,161)	(4,436,413)
Closing balance	28,110,436	22,884,963
20. Long term loan - secured - current portion		
Shahjalal Bank Ltd	-	29,909,998
Dhaka Bank Ltd	114,000,000	-
	114,000,000	29,909,998
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 through monthly installments following the repayment schedule.		
21. Bank overdraft		
Dhaka Bank Ltd	131,748,985	-
Standard Bank Ltd	285,631,441	761,345,196
NRB Commercial Bank Ltd	97,669,053	-
Al-Arafah Islami Bank Ltd	680,000,000	1,150,000,000
NCC Bank Ltd	-	63,341,216
	1,195,049,479	1,974,686,412

These overdrafts are secured against equitable mortgage of land.

Notes to the Financial Statements

	2015 BDT	2014 BDT
22. Advance received against allotment		
Land unit - plot	7,808,544,258	7,651,311,015
Apartment unit - flat/commercial space	2,873,957,020	3,509,860,482
	10,682,501,278	11,161,171,497
23. Trade and other payables		
Payables for expense (note 23.1)	42,444,082	42,739,967
Payables for supply/material purchase	22,973,042	18,035,188
Liabilities against land purchase	2,994,819,621	3,981,758,525
Liabilities for work done	28,198,847	53,423,630
Liabilities for other finance (note 23.2)	118,024,024	106,208,247
Unclaimed dividend warrants (note 23.3)	35,193,105	25,372,438
	3,241,652,721	4,227,537,995
23.1 Payables for expense		
Salary payable	16,552,352	14,392,217
Workers' profit participation fund	18,112,730	18,223,348
Audit fees	632,500	632,500
Legal, professional and membership fees	75,000	75,000
Electric bill and office rent	6,426,000	8,771,402
Postage, telephone, e-mail and fax	645,500	645,500
	42,444,082	42,739,967
23.2 Liabilities for other finance		
Provision for leave pay (note 23.2.1)	1,262,299	3,571,069
Liability for co-operative society	48,416,187	45,308,682
Liability against security deposits and others	63,751,772	53,308,768
Warranty provision	4,593,766	4,019,728
	118,024,024	106,208,247
23.2.1 Provision for leave pay		
Opening balance	3,571,069	-
Provision during the year	1,914,004	3,571,069
	5,485,073	3,571,069
Paid during the year	(4,222,774)	-
Closing balance	1,262,299	3,571,069
23.3 Unclaimed dividend warrants		
Opening balance	25,372,438	18,994,521
Dividend declared and warrant issued	100,374,860	71,675,604
	125,747,298	90,670,125
Warrant encashment during the year	(90,554,193)	(65,297,687)
Closing balance	35,193,105	25,372,438
<p>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 broad.</p>		
24. Provision for income tax		
Opening balance	14,030,099	14,680,786
Provision made during the year	17,834,172	25,238,339
	31,864,271	39,919,125
Paid/adjusted during the year	(22,648,313)	(25,889,026)
Closing balance	9,215,958	14,030,099

Notes to the Financial Statements

		2015	2014
		BDT	BDT
25. Revenue		2,631,165,794	2,333,019,487
25.1 Project-wise revenue			
Sl. no.	Project name		
1	Aftabnagar	329,215,650	519,151,614
2	Banasree	308,553,725	96,161,793
3	Pallabi	189,097,200	170,289,050
4	Dehara	4,378,500	7,303,500
5	Gobinda Bari	1,107,000	1,623,000
6	Bara Ranga Matia	237,620	1,815,500
7	Basaid	139,000	620,800
8	Daikhali - 1	17,151,129	13,201,970
9	Pathalia - 2	203,000	2,107,880
10	Paradogar	378,950	916,875
11	Niketan	3,500,000	4,726,350
12	Dhaksin Krishnapur	1,005,000	2,780,596
13	Tayubpur	4,129,000	5,944,900
14	Mohanogor	1,200,000	6,976,362
15	Khagan	551,600	315,000
16	Savar lot sale	10,147,826	21,115,807
17	Demra	7,604,500	8,634,450
18	Palash Bari - II	780,500	685,000
19	Ghanak Bari	-	3,849,974
20	Banakunja Apt - 2	4,392,400	1,150,000
21	Pannaya Bithi Shopping	649,583	2,191,625
22	Eastern Panthachaya	966,110,700	583,365,000
23	Eastern Kamalapur	71,800,000	284,053,000
24	Eastern Mollika	32,304,700	3,580,000
25	Eastern Plus	24,965,121	12,272,500
26	Eastern Nawabkatra	26,450,000	48,457,500
27	Eastern Arzoo	175,113,090	235,590,700
28	The Envoy	450,000,000	120,000,000
29	Eastern Irteza	-	4,300,000
30	Eastern Noor	-	12,300,000
31	Eastern Plaza, Sylhet	-	51,004,800
32	Eastern Karim Cottage	-	101,390,000
33	Dakshin Banasree	-	5,143,941
		2,631,165,794	2,333,019,487

Notes to the Financial Statements

	2015	2014
	BDT	BDT
26. Cost of sale		
Opening stock of undeveloped land	2,610,478,365	1,704,238,793
Purchase of undeveloped land (note 26.1)	706,966,444	1,494,977,735
	<u>3,317,444,809</u>	<u>3,199,216,528</u>
Transfer to PPE/adjustment	-	(186,617,529)
Closing stock of undeveloped land	(2,312,575,597)	(2,610,478,365)
Consumption of land during the year	1,004,869,212	402,120,634
Opening stock of construction materials	16,419,000	32,801,000
Development and material expense (note 26.2)	973,759,926	963,572,076
	<u>990,178,926</u>	<u>996,373,076</u>
Closing stock of construction materials	(14,525,000)	(16,419,000)
Material consumption during the year	975,653,926	979,954,076
Direct expenses (note 26.3)	287,007,548	294,504,430
Total cost transferred to work in process	2,267,530,686	1,676,579,140
Opening work in process	7,766,164,339	7,445,223,699
	<u>10,033,695,025</u>	<u>9,121,802,839</u>
Closing work in process	(7,170,603,445)	(7,766,164,339)
Transferred to finished stock	2,863,091,580	1,355,638,500
Opening finished stock	6,247,062,455	6,563,791,685
Finished stock available for sale	9,110,154,035	7,919,430,185
Transfer to PPE/adjustment	(1,172,560,763)	(142,692,975)
Closing finished stock	(6,214,015,209)	(6,247,062,455)
	<u>1,723,578,063</u>	<u>1,529,674,755</u>
26.1 Purchase of undeveloped land		
Land purchase	624,817,526	1,423,460,942
Registration, legal and stamp cost	68,077,313	58,513,953
Mutation and deed collection	14,071,605	13,002,840
	<u>706,966,444</u>	<u>1,494,977,735</u>
26.2 Development and material expense		
Earth filling and development work	442,273,557	463,867,575
Material cost	421,526,487	464,428,255
Social and surrounding development	106,303,487	25,278,062
Land rent/khajna	3,656,395	9,998,184
	<u>973,759,926</u>	<u>963,572,076</u>
26.3 Direct expenses		
Salary and wages	114,534,703	101,299,838
Daily labour	81,619,685	108,982,820
Fees and professional charge	37,929,984	30,377,412
Power and fuel	19,354,574	20,891,170
Festival bonus	9,251,924	8,393,055
Gratuity and leave pay	6,373,050	7,049,363
Depreciation	4,177,122	4,586,475
Employee provident fund contribution	3,135,715	2,793,002
Overtime	2,653,981	2,889,673
Repair and maintenance	2,394,890	1,962,222
Communication expenses	2,373,579	2,433,924
Entertainment	1,873,955	1,629,366
Printing and stationery	1,334,386	1,216,110
	<u>287,007,548</u>	<u>294,504,430</u>

Notes to the Financial Statements

	2015 BDT	2014 BDT
27. Other operating income		
Sale proceeds of unusable materials and others	14,736,942	17,723,530
28. Administrative expense		
Salary and allowances	131,383,405	117,812,018
Selling and marketing expenses	33,728,618	15,987,636
Rent, rates and taxes	31,216,398	34,801,729
Depreciation	13,593,104	15,114,910
Legal, professional, membership and other fees	12,818,470	19,805,245
Festival bonus	12,306,946	11,745,521
Gratuity and leave pay	6,619,239	7,913,326
Power and fuel	6,606,222	7,584,894
Communication expenses	5,887,949	6,566,652
Printing and stationery	5,086,193	6,559,840
Repairs and maintenance	5,032,476	4,084,568
Entertainment	4,830,889	4,680,691
AGM expenses	4,293,151	4,735,834
Employees' provident fund contribution	2,826,293	2,614,541
Warranty expense	2,000,000	500,000
Insurance premium	907,691	981,008
Audit fees	632,500	632,500
Software development	63,250	708,000
Loss on sale/write-off of fixed assets	-	795,564
	279,832,794	263,624,477
29. Finance income		
Interest income	15,958,775	19,560,609
Dividend received	1,427,953	1,427,953
	17,386,728	20,988,562
30. Finance expense		
Interest on long term loan		
Shahjalal Bank Ltd	667,295	13,947,424
Prime Bank Ltd	-	3,304,448
Dhaka Bank Ltd	11,678,082	-
	12,345,377	17,251,872
Interest on overdraft	284,148,687	192,411,859
Interest on lease	-	759,240
	296,494,064	210,422,971
Bank charges and commission	1,129,946	3,542,418
	297,624,010	213,965,389
31. Contribution to workers' profit participation fund	18,112,730	18,223,348
Details are given in note 3.17		
32. Income tax expense		
Current tax (note 32.1)	133,168,129	99,255,349
Deferred tax (note 6)	(117,570)	(1,655,280)
	133,050,559	97,600,069
32.1 Current tax		
Tax paid at the time of registration	112,151,290	71,804,628
Tax deduction at source on non-operating income	3,182,667	2,212,382
Provision for non-operating income	17,834,172	25,238,339
	133,168,129	99,255,349

Notes to the Financial Statements

	2015	2014
33. Basic earnings per share	BDT	BDT
Profit for the year	211,091,308	248,643,541
Total number of shares	84,666,806	84,666,806
Basic earnings per share	<u>2.49</u>	<u>2.94</u>

The number of paid up ordinary shares has been increased from 80,635,054 to 84,666,806 by the issue of bonus shares @ 5% in the FY 2013-14.

34. 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 interest receivables. At the statement of financial position date, there was no significant concentration of credit risk.

Interest receivable

Standard Bank	-	12,950,719
	<u>-</u>	<u>12,950,719</u>
The aging of interest receivables:		
0-30 days	-	-
31-60 days	-	-
61-90 days	-	-
91-180 days	-	12,950,719
181-365 days	-	-
More than 365 days	-	-
	<u>-</u>	<u>12,950,719</u>

Liquidity risk

The company monitors its short-term liquidity risk at operation level. The company has implemented a BOQ system and monthly rolling forecasting payment plan.

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 2015	Less than 1 year	1-2 years	2+ years
Loan from banks (Overdraft and term loan)	1,309,049,479	-	636,000,000
Sponsor and associates	-	-	202,500,000
Trade and other payables	3,241,652,721	-	-
Provision for income tax	9,215,958	-	-

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.

Notes to the Financial Statements

Capital 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 has been updated and now calculated as net debt divided by total capital. Net debt is calculated as total 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.

	2015	2014
	BDT	BDT
The gearing ratios for the year ended 31 July 2015:		
Total borrowings	1,945,049,479	2,004,596,410
Cash and cash equivalents (note 11)	(44,441,035)	(69,749,095)
Net debt	1,900,608,444	1,934,847,315
Total equity	5,950,548,923	5,860,410,196
Total capital	7,851,157,367	7,795,257,511
Gearing ratio (Net debt/total capital)	24%	25%

Fair value estimation

The carrying values of applicable financial instruments represent their fair values.

35. Related parties

The company in normal course of business carried out transactions on arms length basis with following related parties:

Name of the related party	Relationship	Nature of transaction	2015 BDT	2014 BDT
Islam Brothers Properties Ltd	Common Board Member	Office rent	19,886,553	28,360,043
Bengal Development Corporation Ltd	Common Board Member	Advance against construction work of Aftabnagar, Mirpur project & Ready mix concrete	126,070,302	54,159,879
Lafarge Surma Cement Ltd.	Common Board Member	Procurement of cement	8,189,222	5,630,075
			154,146,077	88,149,997

Name of the related party	Relationship	Nature of transaction	2015 BDT	2014 BDT
Islam Brothers Properties Ltd	Common Board Member	Payable	(899,213)	(2,027,672)
Bengal Development Corporation Ltd	Common Board Member	Advance	20,807,629	35,449,768
Lafarge Surma Cement Ltd.	Common Board Member	Payable	(1,180,196)	(887,250)

There are no provisions for doubtful debt related to the amount of outstanding balances with the related parties.

36. Contingent assets

There was no contingent assets as at 31 July 2015.

37. Contingent liabilities

Potential sources of contingent liabilities are:

Total number of cases in different land projects of Eastern Housing Limited are about 320. Out of those cases, 190 cases filed by Eastern Housing Limited and 130 cases filed by personnel against Eastern Housing Limited. However, last year 41 cases were disposed of in favour of Eastern Housing Limited.

Most of the cases are regarding land dispute. Eastern Housing Limited filed the cases against illegal fraudulent claimants of the land.

Total land under suit is 325 acre. Out of that land in suit, 93 acre in Urban area and 235 acre in Savar Gazipur area. Value of the land under legal suit is approximately BDT 75 crore.

Notes to the Financial Statements

38. Claim not acknowledged as debt

There was no claim against the company which is to be acknowledged as debt as at 31 July 2015.

39. Events after balance sheet date

The Board of Directors has recommended dividend @ 15% cash and 5% stock dividend for the year ended 31 July 2015 to the shareholders whose name shall appear on the register of members on record date.

40. Number of employees and top management remuneration

- a) The company employed 688 (2013-2014: 681) permanent employees and varying number of contract employees during the year 2014-2015. It represent the employees having remuneration of BDT 36,000 and above per annum.

	2015	2014
	BDT	BDT
b) Key management personnel compensation comprises:		
Short term benefits (Salary and other allowances)	66,233,042	52,031,075
Post employment benefits (Provident fund)	746,072	608,688
Total	66,979,114	52,639,763

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

- c) Board attendance and fees

Six board meetings and four audit committee meetings were held in the financial year 2014-2015. Before 27 October 2014 board and audit committee meeting attendance fees were BDT 2,500 per member per meeting and thereafter the board in it's meeting resolved to enhance such attendance fees to BDT 4000 per member per meeting. Details of board and audit committee meeting and remuneration paid during the year is mentioned in the corporate governance report.

41. Capital commitments

There was no capital expenditure commitments as at 31 July 2015.

42. Details of product wise segment reporting

	Land		Apartment		Total	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT	2015 BDT	2014 BDT
Segment revenue						
Net sales	884,422,183	868,220,421	1,746,743,611	1,464,799,066	2,631,165,794	2,333,019,487
Segment assets						
PPE (NBV)	4,486,352,128	4,490,612,101	200,347,612	206,388,843	4,686,699,740	4,697,000,944
Cash and cash equivalent	37,447,616	58,489,940	6,993,419	11,259,155	44,441,035	69,749,095
Other assets	8,795,219,465	6,292,518,197	8,533,218,555	12,433,862,924	17,328,438,020	18,726,381,121
Total assets	13,319,019,209	10,841,620,238	8,740,559,586	12,651,510,922	22,059,578,795	23,493,131,160
Segment liabilities						
Loans	253,301,064	-	1,691,748,415	2,004,596,410	1,945,049,479	2,004,596,410
Creditors	968,856,981	965,299,798	2,300,906,176	3,285,123,160	3,269,763,157	4,250,422,958
Other liabilities	8,012,185,908	7,861,833,498	2,882,031,328	3,515,868,098	10,894,217,236	11,377,701,596
Total liabilities	9,234,343,953	8,827,133,296	6,874,685,919	8,805,587,668	16,109,029,872	17,632,720,964

43. Details of disposal

Type of asset	Cost BDT	Accumulated depreciation BDT	Written down value BDT	Sale price BDT	Profit / (loss) BDT	Mode of disposal
Motor vehicle	2,385,000	2,385,000	-	-	-	Transfer

Notes to the Financial Statements

44. Key investor ratios:

	2015	2014
	BDT	BDT
a) Net Asset Value (NAV) per share		
Net assets (Total assets- liabilities)	5,950,548,923	5,860,410,196
Number of ordinary shares outstanding	84,666,806	80,635,054
Net Asset Value (NAV) per share	70.28	72.68
Restated:		
Net assets (Total assets- liabilities)		5,860,410,196
Number of ordinary shares outstanding		84,666,806
Net Asset Value (NAV) per share		69.22
b) Earnings Per Share (EPS)		
Net profit after tax	211,091,308	248,643,541
Number of ordinary shares outstanding	84,666,806	80,635,054
Earnings Per Share (EPS)	2.49	3.08
Restated:		
Net profit after tax		248,643,541
Number of ordinary shares outstanding		84,666,806
Earnings Per Share (EPS)		2.94
c) Net Operating Cash Flow Per Share (NOCFPS)		
Net operating cash flows	271,664,770	(639,929,679)
Number of ordinary shares outstanding	84,666,806	80,635,054
Net Operating Cash Flows Per Share (NOCFPS)	3.21	(7.94)
Restated:		
Net operating cash flows		(639,929,679)
Number of ordinary shares outstanding		84,666,806
Net Operating Cash Flows Per Share (NOCFPS)		(7.56)

The comparative figures were restated because the number of paid up ordinary shares has been increased from 80,635,054 to 84,666,806 by the rise of bonus @ 5% in the FY 2013-14.

45. General

These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

for and on behalf of the Board of Directors of Eastern Housing Limited



Company Secretary



Managing Director



Director



Director

Dhaka, Bangladesh
Dated, 30 September 2015



Notes to the Financial Statements

Details of Property, plant, and equipment as at 31 July 2015

Annex 1
.... 1

Categories of Assets	Cost and revaluation				Rate of depreciation	Depreciation				Net book value at 31 July 2015
	To 1 August 2014	Addition	Disposal/adjustment	Total to 31 July 2015		To 1 August 2014	Charge for the year	Adjustment	Total to 31 July 2015	
Cost	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Plant and machinery	72,455,760	-	-	72,455,760	10%	41,726,139	2,935,962	-	44,662,101	27,793,659
Site project office	30,766,300	-	-	30,766,300	10%	17,998,568	1,219,850	-	19,218,418	11,547,882
Internal decoration	56,339,065	-	-	56,339,065	10%	15,385,763	3,912,746	-	19,298,509	37,040,556
Office equipment	28,497,308	641,142	-	29,138,450	20%	22,312,590	1,178,755	-	23,491,345	5,647,105
Furniture and fixtures	32,336,304	520,000	-	32,856,304	10%	24,894,932	714,158	-	25,609,090	7,247,214
Motor vehicles	92,723,675	477,980	2,385,000	90,816,655	20%	51,896,331	7,808,755	2,385,000	57,320,086	33,496,569
Land	361,038,359	5,829,900	-	366,868,259	nil	-	-	-	-	366,868,259
	674,156,771	7,469,022	2,385,000	679,240,793		174,214,323	17,770,226	2,385,000	189,599,549	489,641,244
Revaluation										
Plant and machinery	-	-	-	-	10%	-	-	-	-	-
Site project office	-	-	-	-	10%	-	-	-	-	-
Internal decoration	-	-	-	-	10%	-	-	-	-	-
Office equipment	-	-	-	-	20%	-	-	-	-	-
Furniture and fixtures	-	-	-	-	10%	-	-	-	-	-
Motor vehicles	-	-	-	-	20%	-	-	-	-	-
Land	4,197,058,496	-	-	4,197,058,496	nil	-	-	-	-	4,197,058,496
	4,197,058,496	-	-	4,197,058,496		-	-	-	-	4,197,058,496
Total at 31 July 2015	4,871,215,267	7,469,022	2,385,000	4,876,299,289		174,214,323	17,770,226	2,385,000	189,599,549	4,686,699,740
Chargeable to:										
Direct expenses	4,177,122									
Administrative expenses	13,593,104									
	17,770,226									

Notes to the Financial Statements

Details of Property, plant, and equipment as at 31 July 2014

Annex 1

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Categories of Assets	Cost and revaluation				Rate of depreciation	Depreciation			Net book value at 31 July 2014
	To 1 August 2013	Addition	Disposal/adjustment	Total to 31 July 2014		To 1 August 2013	Charge for the year	Adjustment	
Cost	BDT	BDT	BDT	BDT		BDT	BDT	BDT	BDT
Plant and machinery	72,061,600	394,160	-	72,455,760	10%	3,211,688	-	41,726,139	30,729,621
Site project office	30,766,300	-	-	30,766,300	10%	1,348,709	-	17,998,568	12,767,732
Internal decoration	56,339,065	-	-	56,339,065	10%	4,326,075	-	15,385,763	40,953,302
Office equipment	28,007,583	489,725	-	28,497,308	20%	1,325,225	-	22,312,590	6,184,718
Furniture and fixtures	32,046,811	289,493	-	32,336,304	10%	764,911	-	24,894,932	7,441,372
Motor vehicles	90,299,275	5,534,400	3,110,000	92,723,675	20%	8,724,777	2,314,436	51,896,331	40,827,344
Land	-	361,038,359	-	361,038,359	nil	-	-	-	361,038,359
	309,520,634	367,746,137	3,110,000	674,156,771		19,701,385	2,314,436	174,214,323	499,942,448
Revaluation									
Plant and machinery	-	-	-	-	10%	-	-	-	-
Site project office	-	-	-	-	10%	-	-	-	-
Internal decoration	-	-	-	-	10%	-	-	-	-
Office equipment	-	-	-	-	20%	-	-	-	-
Furniture and fixtures	-	-	-	-	10%	-	-	-	-
Motor vehicles	-	-	-	-	20%	-	-	-	-
Land	-	4,197,058,496	-	4,197,058,496	nil	-	-	-	4,197,058,496
	-	4,197,058,496	-	4,197,058,496		-	-	-	4,197,058,496
Total at 31 July 2014	309,520,634	4,564,804,633	3,110,000	4,871,215,267		19,701,385	2,314,436	174,214,323	4,697,000,944
Chargeable to:									
Direct expenses	4,586,475								
Administrative expenses	15,114,910								
	19,701,385								

Notice of the 51st Annual General Meeting

Notice is hereby given that the 51st Annual General Meeting of the Shareholders of Eastern Housing Limited will be held at **Officers Club, 26, Baily Road, Dhaka on Thursday, November 12, 2015 at 10:30 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, 2015 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended July 31, 2015 as recommended by the Board of Directors.
3. Election/Reelection of Directors.
4. Reappointment of Independent Director.
5. Appointment of Auditors and fixation of their remuneration.
6. To transact any other business with the permission of the chair.

Dated: September 30, 2015
Dhaka

By order of the Board

Sd/-
(Md. Saiful Huda Anaholy)
Company Secretary

Note :

1. The shareholders whose name will appear in the share register of the company or in the CDBL Depository Register on Wednesday, October 21, 2015 the Record Date will be entitled to attend the meeting, vote thereat and receive dividend.
2. A member entitled to attend and vote at the 51st 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.
5. Members are requested to update their respective BO Account with 12 digits Taxpayer's Identification Number (e-TIN) through their respective Depository Participant (DP) before the 'Record Date'. If anyone fails to update e-TIN in BO Account before the Record Date, disbursement of respective cash dividend will be subject to deduction of Advance Income Tax (AIT) @ 15% (instead of 10%) as per regulation.

For the convenience of the shareholders registration of attendance will commence from 7:30 am and will be closed at 10:30 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/খাবার 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 **51st ANNUAL GENERAL MEETING** of the Company to be held on **Thursday, November 12, 2015, at 10:30 am, at Officers Club, 26, Baily Road, Dhaka.**
As witness my hand this _____ day of **November, 2015**. Signed by the said in presence of _____

Revenue
Stamp
Tk.20/=

(Signature of the Proxy)

Date: _____

(Signature of the Shareholder)

Register BO/Folio No. _____

Dated: _____

(Signature of Witness)

Note : A member entitled to attend and vote at the Annual 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 **51st ANNUAL GENERAL MEETING** being held on **Thursday, November 12, 2015, at 10:30 am, at Officers Club, 26, Baily Road, Dhaka.**

Name of Member _____ Name of Proxy _____

Signature of Proxy _____

Folio #

BO A/C #

Signature of Shareholder(s)

- N.B. 1. Please note that **51st 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.

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



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



A JAHURUL ISLAM COMPANY