

ANNUAL REPORT 2016



ANNUAL* REPORT
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Gulshan South Avenue and Road 126, Dhaka

Forwarding Letter

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

Subject: **Annual Report for the year (11 months) ended 30 June, 2016.**

Dear Sir(s)

We are pleased to enclose a copy of the Annual Report of Eastern Housing Limited together with the Audited Accounts including Statement of Financial Position as at 30 June, 2016, Statement of Comprehensive Income, Changes in Equity and Cash Flows for the year (11 months) ended 30 June, 2016 along with notes thereon for your kind information and record.

Yours sincerely,



Salim Ahmed, FCS
Company Secretary

The Founder



Founder Chairman
Late Jahurul Islam
1928-1995

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

2016

Got final approval from Rajuk for Land projects namely Jahurul Islam City (Aftabnagar) & Pallabi Phase II



Niketon Road 03, Block A, Plot 130, Dhaka.

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Vision, Mission & Principles



VISION

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

MISSION

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

PRINCIPLES

Integrity
Accountability
Transparency

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.



Ongoing Projects

APARTMENT

Gulshan South Avenue and Road 126, Dhaka

Gulshan Road 84 Plot 1/A, Dhaka

Gulshan Road 29 Plot 2/A, Dhaka

Banani Road 23 Plot 90, Dhaka

Banani DOHS Plot 64A, Road-05, Dhaka

Baridhara Park Road Plot 37, Dhaka

Baridhara Road 3 Block K Plot 3, Dhaka

Bashundhara Road 12 Block C Plot 311, Dhaka

Kakrail Circuit House Road Plot 7, Dhaka

Kakrail Circuit House Road Plot 5, Dhaka

Lalmatia Block C Plot 2/7, Dhaka

Uttara Sector 12 Road 12 Plot 32, Dhaka

Niketon Road 03 Block A Plot 130, Dhaka

LAND

Jahurul Islam City (Aftabnagar), Dhaka

Goran Chatbari (Pallabi Phase-II), Dhaka

Dehra Land Project, Savar, Dhaka



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 the Registrar of Joint Stock Companies and 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

Nominated by River View Limited

Md. Abdul Wadud

Nominated by Islam Brothers Properties Limited

Md. Mostafizur Rahman

Nominated by Islam Brothers Properties Limited

Sarwar Boudius Salam

Nominated by Islam Brothers Properties Limited

Independent Directors

Zia U. Ahmed, Ph.D

Zahiduzzaman Faruque

Audit Committee

Chairman

Zia U. Ahmed, Ph.D

Members

Zahiduzzaman Faruque

Md. Abdul Wadud

Md. Mostafizur Rahman

Sarwar Boudius Salam

Management Team

Managing Director

Dhiraj Malakar

Company Secretary

Salim Ahmed FCS

Chief Financial Officer

Md. Asadul Islam FCA, FCS

Head of Internal Audit

Md. Moniruzzaman

Sr. Executive Director (Land)

Habibur Rahman (Bulbul)

Sr. Executive Director (Apartment)

Kazi Mohammed Zubaid

Executive Director (Material Purchase & Land Development)

Engr. S. M. Solaiman

Director (Construction)

Engr. Zahanul Haq Chowdhury

Statutory Auditors

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

Legal Advisor

Huq & Company
47/1 Purana Paltan Dhaka -1000, Bangladesh

Principal Bankers

Dhaka Bank Ltd. | Standard Bank Ltd. | Al Arafah Islami Bank Ltd. | The City Bank Ltd. | Uttara Bank Ltd.
NRB Commercial Bank Ltd. | Union Bank Ltd. | Shahjalal Islami Bank Ltd.

Registered Office

125/ A Motijheel Commercial Area, Dhaka 1000, Bangladesh. Phone: +(8802) 9566303-5, Fax: +(8802) 9566311
Email: share@easternhousing.com, Web: www.easternhousing.com

Directors' Profile



MANZURUL ISLAM
Chairman

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 Limited, Navana Pharmaceuticals Ltd, Navana Health Care Limited, Jahurul Islam Medical College, Islam Brothers Properties Limited and Director of Lafarge Surma Cement Limited. He was 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.



SURAIYA BEGUM
Nominated by
M/s 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 studied in Holy Cross College, Dhaka and during her career she involved herself in the different activities of the Company

Directors' Profile

Mr. Md. 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 from 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 by
M/s 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 from Islam Brothers Properties Limited. He is also a member of the Audit Committee. He holds Bachelor's degree in Arts. He is the proprietor of M/s. Mostafizur Rahman, a construction company and Hotel Shahina.



MD. MOSTAFIZUR RAHMAN
Nominated by
M/s Islam Brothers Properties Ltd.

Mr. Sarwar Boudius Salam was appointed to the board of Eastern Housing Limited in 2005. He was the former independent director of Eastern Housing Limited. In 2012 he resigned from the board of Eastern Housing Ltd and subsequently joined the board as Nominated Director from Islam Brothers Properties Limited. Prior to joining Eastern Housing Limited he served as Director in Uttara Bank and Navana Pharmaceuticals Ltd. He is a business professional and currently owns a company called Onion Ring. He holds a Master's Degree in Commerce from the University of Dhaka. He is also a member of the Audit Committee.



SARWAR BOUDIUS SALAM
Nominated by
M/s Islam Brothers Properties Ltd.

Directors' Profile



ZIA U. AHMED, Ph.D.
Independent Director

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.



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.



Management Team's Profile

Mr. Dhiraj Malakar was first appointed as Managing Director of Eastern Housing Limited on 23rd November, 2010. Before assuming the office of the Managing Director, he worked as an advisor to Eastern Housing Limited.

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

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



DHIRAJ MALAKAR
Managing Director

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 now responsible for Land Division of the Company.



MD. HABIBUR RAHMAN (BULBUL)
Senior Executive Director (Land)

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 (Apartment)

Management Team's Profile



ENGR. S.M. SOLAIMAN
Executive Director
(Material Purchase and Land Development)

Mr. S.M. Solaiman joined Islam Group in 1977. He currently heads the Land Development Department & also work in Material Purchase Department in the capacity of Executive Director. He has over 39 years of professional experience in Civil Engineering. 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. He worked in various projects of the group namely; Sewage Project & Industrial Prefabricated Houses in Abu Dhabi, Heritage Housing Projects in Iraq and as Project Manager 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.

He graduated in Civil Engineering in 1975 from Engineering College, Chittagong.



MD. ASADUL ISLAM FCA, FCS
Chief Financial Officer

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 20 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).



ENGR. ZAHANUL HAQ CHOWDHURY
Director (Construction)

Engr. Zahanul Haq Chowdhury head of Construction Department has been with the Group since 2011. He is a Civil Engineering Graduate from BUET (Batch-1974).

He worked with Heurtey Industries (France), Sumitomo Corporation (Japan), James Finley (UK), Binan Setegap Berhad (Malaysia), Japan Overseas Consultant-BCL JV. at Jamuna Bridge access road project, 22-storied World Trade Centre at Chittagong. He also worked as Civil Engineer, Army Strategic Road, Southern Iraq and Riyadh-Qassim Expressway in Saudi Arabia; Infra Structure Engineer Doha, Qatar; Resident Engineer "The Tiger Woods Dubai" a par 72 Golf Course Resort of Tatweer (Dubai Holding) at Dubai, UAE.

He attended training at Freyssinet - Heurtey Industries (France) on Sound Resonance test for Concrete Structure integrity, Schmidt Hammer test for concrete strength evaluation, strengthening of structure by epoxy injection and shotcrete.

Management Team's Profile

Mr. Salim Ahmed, a fellow member of the Institute of Chartered Secretaries of Bangladesh (ICSB), joined Eastern Housing Limited on 3rd January, 2016 as Company Secretary. Mr. Ahmed has more than 25 years' experience in Corporate Affairs. Prior to joining this Company he worked in Surovi Group as Group Company Secretary. He worked in Dhaka Insurance Ltd. as Company Secretary and Head of Administration & Establishment from 2000 to 2011. He started his career with Janata Insurance Company Ltd. in 1990 as Jr. Officer and before leaving that Company in 2000 he was In-charge of Board, Share & Establishment Department.

A Masters in Science (Soil Science) from Dhaka University Mr. Ahmed obtained the Chartered Secretary professional degree from ICSB in 2005.



SALIM AHMED, FCS
Company Secretary

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 articled 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





Manzurul Islam

Chairman

“We are committed to maintain a high level of integrity, transparency and reliability in the conduct of business which integrates with our philosophy of shareholders’ wealth maximization.”

Message from the Chairman

Distinguished Shareholders,

I am delighted to present before you the annual report of Eastern Housing Limited for the year (11 months) ended on June 30, 2016. The journey of EHL has been really a story of satisfaction as it makes its journey to its 52nd year. You are aware that the market condition of real estate sector in the last year was in a downward trend. In spite of that our performance was quite satisfactory in terms of turnover. During the year under review our turnover has been increased by 1.80% for 11 months period as compared to previous 12 months. Net Profit margin stood at 7.18% which was consistent with that of previous year. It may be mentioned here that we had to adjust our last financial year from 12 months to 11 months in order to comply with the definition of income year as amended in the Finance Act 2015.

In terms of land we have sold 1152 kathas of land at our different projects and purchased 1031 kathas of land in Jahurul Islam City and Pallabi Phase II during the year under review. It gives me immense pleasure to inform you that we have got final approval of the layout plan of Jahurul Islam City and Pallabi phase – II land projects.

We are planning to go for second phase of Jahurul Islam City located in the eastern side of the project which is under process.

In terms of Apartment we started construction of 271,205 square feet during the year under review. We have completed one luxurious commercial building in Banani and another luxurious residential project in Gulshan will be completed very soon. We have shifted a significant part of our corporate office to 59/B Kemal Ataturk Avenue, Banani, Dhaka although share division and registered office of the company and sales office of EHL remain in Motijheel Commercial Area. We also started construction work of two new residential projects in Lalamatia and Baridhara and one commercial project in Gulshan.

I mentioned last year that we are planning to accommodate the middle income group in Jahurul Islam City (Aftabnagar) by constructing 1000-1100 sft flats. But considering the present land price at Jahurul Islam City feasibility of this project does not allow us to proceed further from the view point of profitability. However, we have not abandoned the idea rather we have revised our plan and we are looking for cheaper lands in the outskirts of the city to encompass the latent demand of this customer segment.

We are committed to maintain a high level of integrity, transparency and reliability in the conduct of business which integrates with our philosophy of shareholders' wealth maximization.

I am extremely thankful to the management and staff of EHL for their dedication and hard work under the able guidance of the Managing Director. I also convey my thanks to our shareholders, bankers, customers, suppliers and the regulatory bodies for their sustained trust and support towards strengthening the organization.



Manzurul Islam
Chairman



Baridhara Park Road Plot 37, Dhaka

Message from the Managing Director



Dear Shareholders,

Gradual rebound in Sales in the real estate sector in Bangladesh has been reverberated. This has been driven by lower interest rate and political stability. Increasing trend in demand for the city center apartments and plots is being visualized. In order to capitalize the demand we are looking for signing new lands where mid-sized apartments can be built at economical price.

We are happy to inform you that two of our land projects namely Jahurul Islam City and Pallabi Phase II have got the final approval of the layout plan from Rajuk by completing all the formalities of the concerned regulatory. Now the buyers are getting approval of plans in their plots.

As I mentioned last year that our focus would be to develop utilities in land projects in upcoming year, we have completed setting up 4.60 km and 3.50 km electric line in Pallabi Phase II and Jahurul Islam City respectively. Setting up of 7.50 km water supply line in Dehra and M&J Block of Banasree project has been completed. The construction of sewerage line at Pallabi Phase II project and other parts of Banasree is ongoing. Construction of 10 km road in Jahurul Islam City and 5 km road in Pallabi Phase II has been completed during the year under review.

The environment is one of our top priority issues and consequently we have increased our focus to comply all environmental regulations to ensure sustainable living in our projects.

The "Construction Vigilance Team" is doing formidable job by ensuring strict compliance regarding construction of buildings at Jahurul Islam City and Pallabi Phase II as per Rajuk approved drawings to establish comfortable and beautiful housing project.

We had to adjust our last financial year from 12 months to 11 months in order to comply with the definition of income year as amended in the Finance Act 2015. During 2015-16 (11 months period) turnover was BDT 2,678,657,801 whilst Gross Profit Margin stood at 32.79% compared to 34.49% of previous year. The Net Profit Margin was 7.18%.

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



Dhiraj Malakar
Managing Director



Bashundhara Road 12 Block C Plot 311, 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.

Statement of Compliance

Bangladesh Securities and Exchange Commission's notification on Corporate Governance

As Eastern Housing Ltd. is listed with 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 (11 months) ended 30th Jun 2016, we have complied with the relevant provisions set out in **Annexure - I** 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 of the company are soundly administered and effectively controlled.

The Directors of the Board keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management are subject to adequate control. The Board also ensures that EHL Policies & Procedures and Code 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 Board of Directors is responsible for protecting the rights and interests of all shareholders and also accountable for the overall management of the entity. Besides its usual legal and statutory responsibilities, the Board is responsible for the following:

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

- Establishing and monitoring compliance with the company's standards of business conduct and other policies of the company;
- Establishing appropriate systems of corporate governance in the company;
- Considering and approving other matters specially reserved for the attention of the Board; and
- Constantly guide and assist the company in external stakeholder management.

Board Composition

The Board in EHL is comprised of 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. EHL's 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.

Please refer to pages 11 to 12 for details of the Board of Directors, their profile and their respective membership.

Board Meetings

The meetings of the Board of Directors of Eastern Housing Ltd are generally held at the Registered /Corporate 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 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

The Company has complied with the notification of the Bangladesh Securities and Exchange Commission with regard to appointment of independent Director to the Board. Eastern Housing has two independent directors namely Dr. Zia U. Ahmed & Mr. Zahiduzzaman Faruque.

Division of work for the Board and Managing Director

The role of the Board and Managing Director are separate and delegation of responsibilities is clearly established, set out in writing and agreed by the Board to ensure transparency and better corporate governance. To that end, EHL has also adopted "Governance Guidelines for Managing Director". The Managing Director is the authoritative head for day-to-day management in EHL. He acts to reasonably ensure that EHL operates business as per the Articles of Association (AoA), decisions made by the Board and Shareholders, as well as according to EHL Policies and Procedures and applicable regulatory legislations.

Role of the Chairman

The Chairman leads the Board in determination of its strategy and achievement of its objectives. The Chairman is responsible for organizing the business of the Board, ensuring its effectiveness and setting its agenda. The Chairman is also responsible for ensuring that the Directors receive accurate, timely and clear information. The Chairman facilitates the effective contribution of Independent Directors and ensures that constructive relations exist amongst the Directors. Minutes of the Board meetings 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 Company Secretary, as distinct from other managers of the Company. In pursuance of the same, the Board of Directors has appointed a qualified Fellow Chartered Secretary as Company Secretary and defined his roles & responsibilities. In EHL, among other functions, the Company Secretary;

- Advises and assists 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

Secretarial Standards

The Company has complied with the applicable Secretarial Standards notified by The Institute of Chartered Secretaries of Bangladesh.

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 meetings and presents quarterly and periodical results.

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 the Head of Internal Audit and Compliance

The Head of Internal Control and 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 and also ensure immediate publication of such information/decision in two widely circulated daily newspapers, one in Bangla and the other in English and one in online newspaper.

The communication is done through Fax and by special messenger and through courier service in special cases.

Disclosure on the performance and prospect of the Company

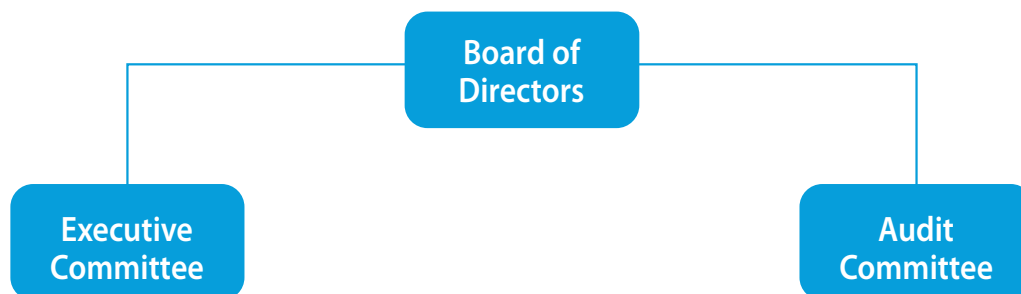
Eastern Housing Ltd. attaches high priority on timely publication of quarterly, half-yearly and annual report with comprehensive details in excess of regulatory requirements. Mediums of publication include printed materials, newspapers and the website of the Company. Price Sensitive information is released 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 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 consists of five members and out of them, two are independent directors. The members of the Committee for 2015-16 were:

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

The committee met 4 times during the year. The Audit Committee meetings are also attended by the Managing Director, Chief Financial Officer and Head of Internal Audit by invitation.

The Company Secretary is also Secretary to the Audit Committee and prepares all meeting 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;
5. Other matters as per terms of reference of the Audit Committee as per notification of the BSEC.

b) Executive Committee

The Executive Committee of Eastern Housing Ltd manages and runs the affairs of the Company on behalf of the board. The Managing Director is the leader of the team. Executive Committee endeavors to achieve the strategic goals & mission of the Company set by the Board of Directors.

Standard 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.

Monitoring

The system of internal control is monitored regularly through both ongoing activities and separate evaluations. Ongoing monitoring activities are conducted through regular management activities. An Internal Audit Team has been setup with five members during the year under review. The internal audit function is responsible for providing an objective and independent view of the effectiveness of operational and financial controls and procedures, as well as management action in dealing with issues of control. The internal audit function monitors the presence of the components of internal control system and reports to the audit committee.

Development of Awareness

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

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

Accountability and Audit

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

Financial Reporting

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

Going Concern

The company has adequate resources to continue its operational existence in the foreseeable future. For this reason, the financial statements are prepared based on the going concern concept.

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.

Financial Review

Financial Review are conducted quarterly. 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), CDBL, National Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE). The CFO and Company Secretary always accommodate any queries that are raised by regulators of the country

Employees

Employees' remuneration:

The objective of the Company's remuneration policy is to attract, motivate, reward and retain quality staff. The Board ensures that the remuneration policies are in line with the strategic objectives and corporate values of the Company, and do not give rise to conflicts between the objectives of the Company and the interests of individual Directors and key executives.

The total compensation package for employees comprises salary, contributory provident fund, gratuity scheme, and other benefits plans such as maternity benefits etc.

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

Code 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.

Corporate Social Responsibility (CSR)

Eastern Housing Limited is determined to carry out its business to achieve sustainable growth and ensure satisfaction of the customers, the employees, the vendors, the shareholders and every group of its stakeholders, in parallel with the company's corporate social responsible business approach. EHL focuses to support the social causes like Education and Youth development, Social and Environment, Religion and Art culture etc. Through the years, the company has continuously organized activities to pay back the society, hoping that everyone in the society will continue to co-inhabit with happiness and sustainable prosperity.

Restriction 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.

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.

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.

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

Event based disclosure when required is disclosed through press releases and Stock Exchanges.

All information provided to the BSEC and Stock Exchanges are immediately made available to the 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

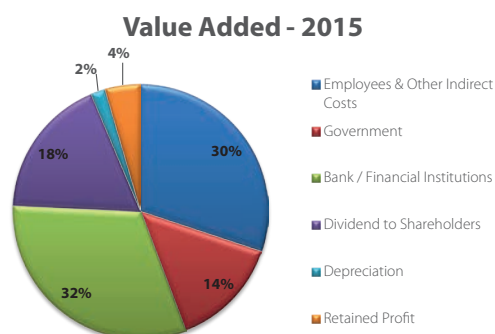
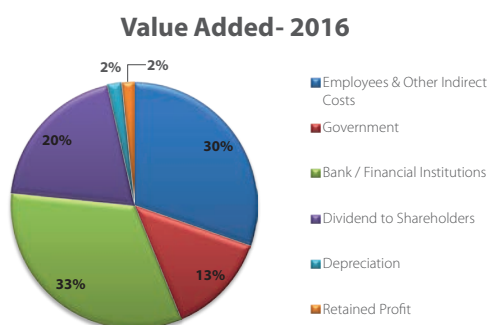
Shareholders Queries

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 +(8802) 9566303-5 or mail to EHL Share Office: share@easternhousing.com for any queries and/or grievances.

Value Added Statement

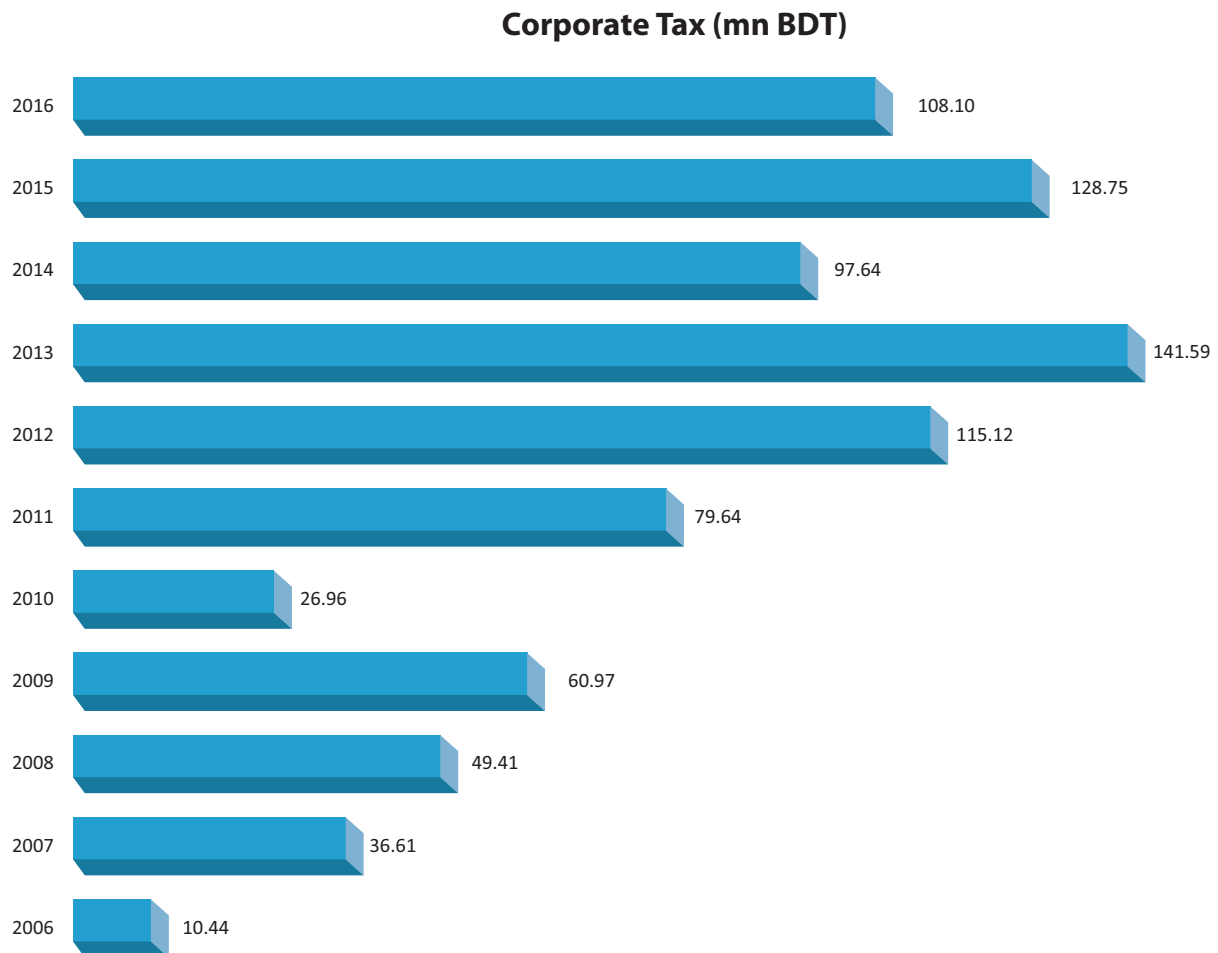
The value added statement provides a detailed account of total value addition and the distribution of the value created by the organization. Eastern Housing Ltd. contributes positively to socio-economic development by empowering employees through the payment of salaries and allowances; by paying consistent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

	<u>2016</u>		<u>2015</u>	
Sales	2,678,657,801		2,631,165,794	
Other Income	11,014,651		32,123,670	
Less - Cost of Sales	(1,796,823,313)		(1,719,400,941)	
Available for distribution	<u>892,849,139</u>		<u>943,888,523</u>	
Distribution:				
Employees & Other Indirect Costs	270,849,369	30%	284,352,420	30%
Government	120,042,730	13%	133,050,559	14%
Provider of Finance:				
Bank / Financial Institutions	293,231,556	33%	297,624,010	32%
Dividend to Shareholders	177,800,292	20%	169,333,612	18%
Value Reinvested and Retained				
Depreciation	16,509,233	2%	17,770,226	2%
Retained Profit	14,415,959	2%	41,757,696	4%
	<u>892,849,139</u>		<u>943,888,523</u>	



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 2015-16 (11 months) is BDT 108.10 mn compared to BDT 128.75 mn of 2014-15.



Five Years' Financial Summary

Year	2016	2015	2014	2013	2012
Revenue	2,678,657,801	2,631,165,794	2,333,019,487	2,028,721,932	1,829,635,067
Gross Profit	878,358,650	907,587,731	803,344,732	683,961,215	453,767,597
Operating Profit	619,854,093	642,491,879	557,443,785	439,027,152	239,834,880
Net Profit Before Tax	312,258,981	344,141,867	346,243,610	325,839,621	305,898,691
Net Profit After Tax	192,216,251	211,091,308	248,643,541	226,696,529	206,035,073

Balance sheet

Authorized Capital	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Issued & Paid up capital	889,001,460	846,668,060	806,350,540	716,756,040	651,596,400
Shareholders Equity	6,015,764,964	5,950,548,923	5,860,410,196	1,486,383,763	1,324,846,873
Total Assets	21,987,448,078	22,059,578,795	23,493,131,160	18,291,412,654	16,585,460,371
Current Assets	17,316,371,707	17,362,778,519	18,790,716,700	18,134,961,158	16,423,596,877

Ordinary share information (Comparatives Restated)

Face Value Per Share	10	10	10	10	10
Number of Shares Outstanding	88,900,146	84,666,806	80,635,054	71,675,604	65,159,640
Cash Dividend (Tk.)*	133,350,219	127,000,210	120,952,581	71,675,604	65,159,640
Net Assets Per Share (Tk.)	67.67	66.94	65.92	16.72	14.90
Market Price Per Share at year end (Tk.)	36.20	42.00	58.50	43.90	51.00
NOCFPS	(1.63)	3.06	(7.20)	(8.38)	(10.31)
Earnings Per Share (Tk.)	2.16	2.37	2.80	2.55	2.32
Dividend Per Share (Tk.)*	1.50	1.50	1.50	1.00	1.00
Bonus Share*	5.00%	5.00%	5.00%	12.50%	10.00%

Financial ratios

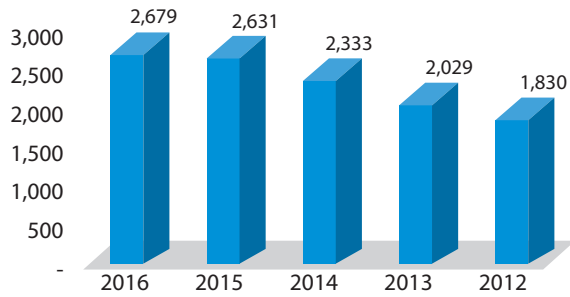
Gross Profit Margin	32.79%	34.49%	34.43%	33.71%	24.80%
Operating Profit Margin	23.14%	24.42%	23.89%	21.64%	13.11%
Net Profit Margin	7.18%	8.02%	10.66%	11.17%	11.26%
Current Ratio (Times)	1.16	1.14	1.07	1.09	1.10
Administrative and Selling Cost to Revenue Ratio	9.98%	10.64%	11.30%	12.65%	12.20%
Finance Cost to Revenue Ratio	10.98%	11.31%	9.17%	7.88%	6.58%

Others

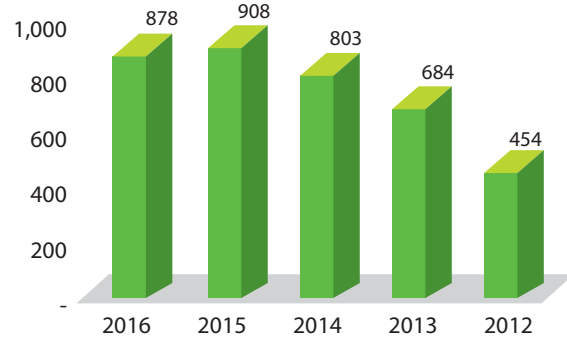
Number of Employees	633	688	681	693	715
EBITDA	634,063,323	659,536,103	580,705,948	511,311,585	451,801,077

*Cash & Bonus Dividend proposed for 2015-2016

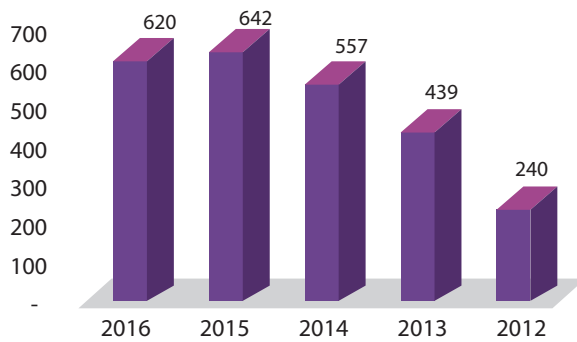
Turnover (mn)



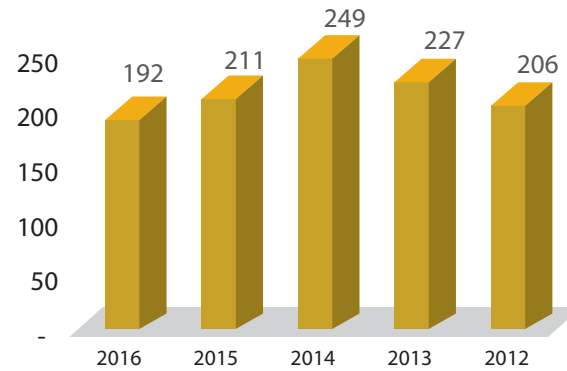
Gross Profit (mn)



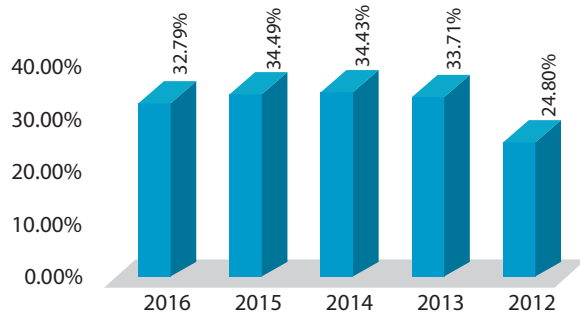
Operating Profit (mn)



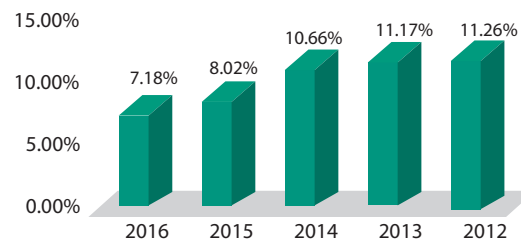
Profit after Tax (mn)



Gross Profit Margin (%)



Net Profit Margin (%)





Lalmatia Block C Plot 2/7, Dhaka

পরিচালকমন্ডলীর প্রতিবেদন

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আমি অত্যন্ত আনন্দের সহিত ইস্টার্ন হাউজিং লিমিটেডের পরিচালকমন্ডলীর পক্ষ থেকে আপনাদেরকে কোম্পানীর ৫২তম বার্ষিক সাধারণ সভায় স্বাগত জানাচ্ছি। আপনাদের সামনে কোম্পানীর কার্যাবলী এবং ৩০ জুন ২০১৬ তারিখে সমাপ্ত বছরের (১১ মাসের) কোম্পানীর আর্থিক বিবরণী ও আর্থিক বিবরণীর উপর নিরীক্ষকের প্রতিবেদন উপস্থাপন করছি।

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 ৩০ জুন ২০১৬ তারিখের সমাপ্ত বছরের (১১ মাসের) 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।

শিল্পের ভবিষ্যৎ

আবাসন খাতের উন্নয়ন ক্রমবর্ধমান শহরায়ণের মাধ্যমে প্রতিফলিত হচ্ছে। শহর অঞ্চলের উচ্চ বাড়ী ভাড়া প্রতিনিয়ত মানুষকে আবাসন খাতে বিনিয়োগে উৎসাহিত করেছে যাতে করে নিজস্ব বাসস্থানের ব্যবস্থা করে মাসিক বাড়ী ভাড়া থেকে অব্যাহতি পাওয়া যায়। নিকট অতীতের তুলনায় ঋণের সুদের হার এবং সহজলভ্যতা মানুষের উৎসাহ আরও বাড়িয়ে দিয়েছে। উল্লিখিত বিষয়গুলোর সমষ্টিগত প্রভাব আবাসন খাতে গতি সঞ্চার করেছে। ইস্টার্ন হাউজিংও এর ব্যতিক্রম নয়।

ব্যবসায়িক পর্যালোচনা

আলোচ্য বছরে (১১ মাসের) অ্যাপার্টম্যান্ট এবং জমির বুকিং সেলস ছিল যথাক্রমে ৭০.০৮ কোটি এবং ১৩৭.৭৬ কোটি টাকা। আবাসন প্রকল্পগুলোতে ভূমি উন্নয়ন, খালের উপর সেতু নির্মাণ, বৈদ্যুতিক লাইন এবং পয়ঃনিষ্কাশন ব্যবস্থা স্থাপনের কাজ চলমান রয়েছে। আলোচ্য বছরে প্রকল্পের আভ্যন্তরীণ রাস্তা নির্মাণ মূল্য কাঙ্ক্ষিত মূল্যের মধ্যে অন্যতম।

আর্থিক বিবরণীগুলো ২০১৫-১৬ সালে (১১ মাসের) বিক্রয়মূল্যের ভিত্তিতে প্রবৃদ্ধি প্রদর্শন করেছে এবং বিক্রয়মূল্যের ৭.১৮% কর পরবর্তী মুনাফা।

নির্ধারিত সময়ে অ্যাপার্টম্যান্ট হস্তান্তর আমাদের মূলমন্ত্র। এই প্রতিশ্রুতি বাস্তবায়নের লক্ষ্যে নির্মাণ বিভাগ নিরলস কাজ করে যাচ্ছে। আলোচ্য বছরে ৬টি অ্যাপার্টম্যান্টের কাজ প্রায় সম্পন্ন হয়েছে। এই বছর রাজউক আমাদের ৪টি প্রকল্পের অনুমোদন প্রদান করেছে এবং শীঘ্রই প্রকল্পগুলোর নির্মাণ কাজ আরম্ভ হবে।

বছরজুড়ে কোম্পানির কার্যক্রম এবং গুরুত্বপূর্ণ ঘটনাবলীর সংক্ষিপ্ত বিবরণ সহ চেয়ারম্যানের বাণী এবং ব্যবস্থাপনা পরিচালকের পর্যালোচনা যথাক্রমে পৃষ্ঠা নং ১৯ এবং ২১ এ উল্লেখ করা হলো। এই প্রতিবেদনগুলো পরিচালকমন্ডলীর প্রতিবেদনের অবিচ্ছেদ্য অংশ।

আর্থিক বিবরণী সম্পর্কিত পরিচালকবৃন্দের দায়িত্ব

৫৭ নং পৃষ্ঠায় আর্থিক বিবরণী সম্পর্কিত পরিচালকবৃন্দের দায়িত্ব বিস্তারিত প্রদান করা হয়েছে।

বিভাজিত তথ্য

আর্থিক বিবরণীর ৪৩ নং নোটে কোম্পানির বিভাজিত তথ্য উপস্থাপন করা হয়েছে।

বিক্রয়

আলোচ্য বছরে (১১ মাসের) বিক্রয়মূল্য ২,৬৩১ মিলিয়ন টাকা থেকে বেড়ে ২,৬৭৯ মিলিয়ন টাকা হয়েছে। বিক্রয়ের তুলনামূলক চিত্র নীচে দেওয়া হলো:

(মিলিয়ন টাকায়)

বিক্রয়	২০১৫-১৬ (১১ মাসের)	২০১৪-১৫
জমি	৯৬৯	৮৮৪
অ্যাপার্টমেন্ট	১,৭১০	১,৭৪৭
মোট :	২,৬৭৯	২,৬৩১

মুনাফা

(মিলিয়ন টাকায়)

বিবরণী	২০১৫-১৬ (১১ মাসের)	২০১৪-১৫
মোট ব্যবসায়িক মুনাফা	৮৭৮	৯০৮
ব্যবস্থাপনা ও সুদ বাবদ ব্যয়	(৫৬১)	(৫৭৮)
নীট ব্যবসায়িক মুনাফা	৩১৭	৩৩০
অন্যান্য আয়	১১	৩২
আয়করপূর্ব মুনাফা	৩২৮	৩৬২
শ্রমিক মুনাফা অংশগ্রহণ তহবিল	(১৬)	(১৮)
আয়কর	(১২০)	(১৩৩)
কর পরবর্তী মুনাফা	১৯২	২১১

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 আভ্যন্তরীণ নিয়ন্ত্রণ বিভাগ রয়েছে। জটিলতা থাকলে আমরা বাইরের বিশেষজ্ঞের আইনী পরামর্শ নিয়ে থাকি।

বিক্রিত পণ্যের খরচ, মোট/নীট প্রান্তিক আয়ের বিশ্লেষণ

আলোচ্য বছরে (১১ মাসের) বিক্রিত পণ্যের খরচ ১,৮০০.৩০ মিলিয়ন টাকা হয়েছে যা গত বছরে ১,৭২৩.৫৮ মিলিয়ন টাকা ছিল। বিক্রিত পণ্যের খরচের হার চলতি বছর মোট বিক্রয়ের ৬৭.২১%। ২০১৫-১৬ সালে (১১ মাসের) মোট মুনাফা হয়েছে ৮৭৮ মিলিয়ন টাকা যা ২০১৪-১৫ সালে ৯০৮ মিলিয়ন টাকা ছিল। নীট প্রান্তিক আয়ের হার ২০১৫-১৬ সালে (১১ মাসের) হয়েছে ৭.১৮% যা ২০১৪-১৫ সালে ৮.০২% 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 কোম্পানির কার্যক্রমের প্রতিবেদন) অনুসারে ইস্টার্ন হাউজিং লিমিটেড সমগোত্রীয় কোম্পানিসমূহের সাথে সাধারণ ব্যবসায়িক লেনদেনে জড়িত হয়েছে। এই লেনদেনসমূহের বিস্তারিত বিবরণ আর্থিক বিবরণীর ৩৬ নং নোটে প্রকাশ করা হলো।

গণপ্রস্তাবের মাধ্যমে সংগৃহীত অর্থের ব্যবহার

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

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 প্রতিবেদনগুলোর মধ্যে কোন তারতম্য নেই।

পরিচালক এবং স্বতন্ত্র পরিচালকদের সম্মানী

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

হিসাব বিবরণীর ন্যয়পরায়ণতা

হিসাব বিবরণী এবং হিসাব বিবরণীর নোট বাংলাদেশ হিসাববিজ্ঞান নীতিমালা/বাংলাদেশ আর্থিক প্রতিবেদনের নীতিমালা, কোম্পানি আইন ১৯৯৪ এবং সিকিউরিটিজ এন্ড এক্সচেঞ্জ 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।

হিসাববিজ্ঞান 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।

আভ্যন্তরীণ নিয়ন্ত্রণ

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

চলমান ব্যবসায়/ভবিষ্যৎ 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 ৩২ নং পৃষ্ঠায় সংযুক্ত করা হয়েছে।

লভ্যাংশ

পরিচালকমন্ডলী ৩০ জুন ২০১৬ সমাপ্ত বছরে (১১ মাসের) ১৫% নগদ লভ্যাংশ ও ৫% শেয়ার লভ্যাংশ এর সুপারিশ করেছেন, যেসব শেয়ারহোল্ডারের নাম নিবন্ধনগ্রহে রেকর্ড ডেটে লিপিবদ্ধ থাকবে তারা কেবল লভ্যাংশ প্রাপ্তির যোগ্য হবেন।

পরিচালক পর্ষদ, পর্ষদ সভা ও উপস্থিতি

২০১৫-২০১৬ আলোচ্য বছরে মোট ৫টি পরিচালক পর্ষদের এবং ৪টি নিরীক্ষক পর্ষদের সভা অনুষ্ঠিত হয়েছে। পরিচালক পর্ষদ এবং নিরীক্ষক পর্ষদ সভার বিস্তারিত তথ্যাদি বার্ষিক প্রতিবেদনের পরিশিষ্ট - ২ এ দেওয়া হয়েছে। সব পরিচালকদের পর্ষদ সভায় কোম্পানির ব্যবস্থাপনা পরিচালক, যিনি একজন এক্স-অফিসিও, প্রধান আর্থিক কর্মকর্তা ও কোম্পানি সচিব উপস্থিত ছিলেন।

শেয়ারহোল্ডিং তথ্য

৩০ জুন ২০১৬ তারিখের শেয়ারহোল্ডিং তথ্য এবং অন্যান্য আনুষঙ্গিক তথ্য বার্ষিক প্রতিবেদনের পরিশিষ্ট - ৩ এ অন্তর্ভুক্ত 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। এই বছর কোম্পানী সরকারি কোষাগারে ১০৮.১০ মিলিয়ন টাকা জমা দিয়েছে।

পরিচালকমন্ডলীর নির্বাচন ও পুনঃনিয়োগ

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 জনাব আবদুল ওয়াদুদ এবং জনাব মোঃ মোস্তাফিজুর রহমান দীর্ঘকাল দায়িত্বে ছিলেন বিধায় তারা অবসর নেবেন। ১৪০ ধারা অনুযায়ী যেহেতু তাদের যোগ্যতা রয়েছে তাই তারা নিজেদেরকে পুনঃনিয়োগের জন্য আবেদন করেছেন। পরিচালকমন্ডলীর সংক্ষিপ্ত জীবন বৃত্তান্ত বার্ষিক প্রতিবেদনের ১২ নং পৃষ্ঠায় প্রদান করা হয়েছে।

উক্ত পরিচালকবৃন্দ অন্যান্য যে সকল কোম্পানিতে পরিচালক হিসাবে আছেন তার তালিকা দেওয়া হলো।

অন্যান্য যে সব প্রতিষ্ঠানে জনাব আবদুল ওয়াদুদ পরিচালক হিসেবে কর্মরত রয়েছেন:

অন্যান্য কোম্পানি	পদবী
রিভারভিউ লিমিটেড	পরিচালক
আফতাব বহুমুখী ফার্মস লিমিটেড	পরিচালক
আফতাব হেচারী লিমিটেড	পরিচালক
বেঙ্গল ডেভেলপমেন্ট কর্পোরেশন লিমিটেড	পরিচালক
নাভানা ফার্মাসিউটিক্যালস লিমিটেড	পরিচালক
নাভানা হেলথ কেয়ার লিমিটেড	পরিচালক
ইসলাম ব্রাদার্স প্রোপার্টিজ লিমিটেড	পরিচালক
ইসলাম সিমেন্ট লিমিটেড	পরিচালক
দি মিলনার্স টিউবয়েল লিমিটেড	পরিচালক
ভাগলপুর হোল্ডিংস লিমিটেড	পরিচালক

কোম্পানির বোর্ড ব্যতীত অন্য কোন কমিটিতে অন্তর্ভুক্তি - নিরীক্ষক পরিষদ।

অন্যান্য যে সব প্রতিষ্ঠানে জনাব মোঃ মোস্তাফিজুর রহমান পরিচালক হিসেবে কর্মরত রয়েছেন:

অন্যান্য কোম্পানি	পদবী
ইসলাম ব্রাদার্স প্রোপার্টিজ লিমিটেড	পরিচালক

কোম্পানির বোর্ড ব্যতীত অন্য কোন কমিটিতে অন্তর্ভুক্তি - নিরীক্ষক পরিষদ।

স্বতন্ত্র পরিচালকের পুনঃনিয়োগ

স্বতন্ত্র পরিচালক জনাব জাহিদুজ্জামান ফারুক পরিচালনা পর্ষদ কর্তৃক ২২ সেপ্টেম্বর ২০১৩ এ নিয়োগপ্রাপ্ত হন এবং ১১ ডিসেম্বর ২০১৩ এ অনুষ্ঠিত বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারবৃন্দ কর্তৃক নিয়োগ অনুমোদিত হয়। জনাব ফারুকের তিন বছরের মেয়াদ শেষ হবে ১০ ডিসেম্বর ২০১৬ তারিখে।

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের প্রাতিষ্ঠানিক পরিচালনা নীতিমালা ০৭ আগস্ট ২০১৫ 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। যেহেতু তারে যোগ্যতা রয়েছে তাই জনাব জাহিদুজ্জামান ফারুক নিজেকে পুনঃনিয়োগের জন্য আবেদন করেছেন। এর ভিত্তিতে জনাব জাহিদুজ্জামান ফারুক পরিচালক পর্ষদ কর্তৃক দ্বিতীয় মেয়াদের জন্য পুনঃনিয়োগ পেয়েছেন বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদন সাপেক্ষে।

লোকবল

এ বছরে ইস্টার্ন হাউজিং লিমিটেড এর কর্মচারী ছিল ৬৩৩ 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 ৫২ তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন। প্রজ্ঞাপন নং: SEC/CMRRCD/2009-193/104/Admin অনুসারে পুনর্নিয়োগের যোগ্য বিধায় তারা ২০১৬-১৭ সালের নিরীক্ষক হিসাবে পুনর্নিয়োগের জন্য আগ্রহ প্রকাশ করেছে।

নিরীক্ষণ পরিষদ এস. এফ আহমেদ এন্ড কোম্পানি, চার্টার্ড একাউন্ট্যান্টসকে ২০১৬-১৭ সালের নিরীক্ষক হিসাবে নিয়োগের জন্য সুপারিশ করেছে। পরিচালকমন্ডলী ২০১৬-১৭ 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। আগামী যে কোন প্রতিদ্বন্দ্বিতা মোকাবিলায় আমাদের চেষ্টা অব্যাহত রাখার প্রত্যয় ব্যক্ত করছি। ২০১৬-১৭ হিসাববর্ষ এবং আগত দিনে আপনাদের সহায়তা কামনা করছি।

ইস্টার্ন হাউজিং লিমিটেড এর পরিচালনা পর্ষদের পক্ষ থেকে,



মনজুরুল ইসলাম
চেয়ারম্যান



Banani Road 23 Plot 90, Dhaka

Directors' Report

Honorable Shareholders,

It is my pleasure to welcome you all on behalf of the Board of Directors of "Eastern Housing Limited" to the 52nd 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 (11 months) ended June 30, 2016 along with the Auditors' Report on the Financial Statements for the year (11 months) ended June 30, 2016.

I on behalf of the Board of Directors of the Company express my sincere gratitude to the Shareholders 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 period ended June 30, 2016. 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 7 August 2012.

Industry Outlook

Urbanization rate is increasing day by day which ultimately transforming into development of Real Estate Sector. Moreover, high rate of house rent in the urban area tends middle income group people to manage somehow to invest in the real estate in order to own a living space and to avoid monthly house rent as well. Low interest rate compared to recent past and availability of housing finance are also alluring them. Because of the consequence of these cumulative effects of the above mentioned factors real estate business is getting momentum. EHL is of no exception.

Review of Business

During the year (11 months) under review booking sales of apartment and land was Tk. 70.08 crore and Tk. 137.76 crore respectively. Continuous development of the land projects is going on by developing low land, constructing bridges on the canal, setting up electric and sewage line. Internal road construction was one of the major tasks during the year under review.

Timely delivery of the apartments to the customers is our motto. With this end in view our construction forces were dedicated to complete the apartment projects in time and during the year under review construction work of 6 projects have almost been completed. Last year we have got RAJUK approval for 4 projects, construction work of which will be started very soon.

Financial Statements depicted a positive growth in terms of turnover and earned 7.18% net profit after tax during 2015-16 (11 months).

The Chairman's Message on page 19 and Managing Director's Message on page 21 state the company affairs and highlight important events that occurred last year. 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 57 of this report.

Segment Information

Segment information is presented in note 43 to the financial statements of this report.

Sales

During the year (11 months) under review in terms of value our turnover increased from Tk 2,631 million to Tk. 2,679 million. The comparative sales figures are tabulated below:

(in million Taka)

Sales	2015-16 (11 months)	2014-15
Land	969	884
Apartment	1,710	1,747
Total:	2,679	2,631

Profit

(in million Taka)

Particulars	2015-16 (11 months)	2014-15
Gross profit	878	908
Overhead and Finance Expenses	(561)	(578)
Operating Profit	317	330
Non-Operating Income	11	32
Profit before Taxation	328	362
Workers' profit participation fund	(16)	(18)
Income tax expense	(120)	(133)
Net profit after tax	192	211

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 were Tk. 1800.30 million in the current year (11 months) compared to Tk. 1723.58 million of previous year. COGS to Sales ratio was at 67.21%. Gross Profit stood at Tk. 878 million compared to Tk. 908 million of previous year. Net Profit margin was 7.18% in 2015-16 (11 months) compared to 8.02 % of 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 note 36 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 and 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 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 therefore has been adequately disclosed. The list of BAS/BFRS complied is listed on Note 1 of the audited accounts.

Internal Control

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

Going Concern/Forward Looking Statement

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

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

Significant deviation from last year's operating result

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

Key Operating and Financial Data

The summarized key operating and financial data for the five years is set out in page 32 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 (11 months) ended 30 June, 2016 to the shareholders whose name shall appear on the register of members on record date.

Board and Committee Meetings and Attendance

During the year 2015-16 total five board meetings and four Audit Committee meetings were held. Detail of the Board meetings and Audit Committee meetings are shown in annexure II of the Annual Report. The Managing Director who is an Ex Officio, CFO and Company Secretary were present in all board meetings.

Pattern of Shareholding and Name wise details

The shareholding information as at June 30, 2016 and other related information are provided in Annexure III of the Annual Report.

Corporate Governance Compliance Report

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

Contribution to National Exchequer

Eastern Housing Ltd. Is one of the largest corporate taxpayers 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 the Company contributed to the government exchequer a sum of Tk. 108.10 million.

Directors Election and Re-appointment

As per Article 138 of the Articles of Association of the Company one third of the Directors for the time being shall retire at the every Annual General Meeting of the company. In pursuance of Article 139 of the Articles of Association of the Company those who have been longest in the office since their last re-election are to retire by rotation. Accordingly Mr. Abdul Wadud and Mr. Md. Mostafizur Rahman will retire at this Annual General Meeting being longest in the office since their appointment. Being eligible as per Article 140 they offer themselves for re-appointment. The brief profile of the Director is given on page 12 of the Annual Report.

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

Names of the companies in which Mr. Md. Abdul Wadud also holds directorship:

Interests in other Companies	Designation
River View Limited	Director
Aftab Bahumukhi Farms Limited	Director
Aftab Hatchery Limited	Director
Bengal Development Corporation	Director
Navana Pharmaceuticals Limited	Director
Navana Healthcare Limited	Director
Islam Brothers Properties Limited	Director
Islam Cement Limited	Director
The Milnars Tubewell Limited	Director
Bhagalpur Holdings Limited	Director

Membership in in other committee- Audit Committee.

Names of the companies in which Mr. Md. Mostafizur Rahman also holds directorship:

Interests in other Company	Designation
Islam Brothers Properties Limited	Director

Membership in other committee-Audit Committee.

Re-appointment of Independent Director

Mr. Zahiduzzaman Faruque, Independent Director of the Company was appointed by the Board of Directors on September 22, 2013 and was approved by the shareholders in the Annual General Meeting held on December 11, 2013. His three years term will expire on December 10, 2016.

As per Notification SEC/CMRRCD/2006-158/134/44 Corporate Governance Guideline dated August 07, 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. Being eligible for reappointment Mr. Zahiduzzaman Faruque offers himself for re-appointment for another term of three years. Accordingly the Board re-appointed Mr. Zahiduzzaman Faruque as independent Director for the 2nd term subject to approval of the shareholders in the Annual General Meeting.

Employees

The total strength of EHL employees stood 633 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' 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

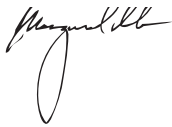
As per section 210 of the Companies Act 1994, the Company's statutory Auditors Messrs. S.F. Ahmed & Co., Chartered Accountants retires at the 52nd Annual General Meeting as auditors of the Company. Being eligible as per circular no. SEC/CMRRCD/2009-193/104/Admin/ they have expressed their willingness to be re-appointed for the year 2016-17.

The Audit Committee recommends appointment of Messrs. S.F. Ahmed & Co., Chartered Accountants as the auditors of the Company for the year 2016- 2017. The Directors endorsed the recommendation of the Audit Committee for re-appointment of the auditors for the year 2016-17 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 2016-17 and the days ahead.

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



Manzurul Islam
Chairman

Certificate on Corporate Governance Compliance



ITRAT HUSAIN & ASSOCIATES
CHARTERED SECRETARIES IN PRACTICE

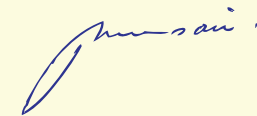
CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

1. We have examined the compliance of conditions of Corporate Governance by **Eastern Housing Limited** (“the Company”) for the eleven months ended 30 June, 2016 as per the Corporate Governance Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. SEC/CMRRC/2006-158/134/Admin 44 dated 7 August 2012.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of opinion on financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanation given to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance Guidelines as stipulated in the BSEC notification mentioned above.

4. 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.



Itrat Husain & Associates
Chartered Secretaries in Practice

Signed by : Itrat Husain FCMA, FCS
Chief Executive

Dhaka, 7 September, 2016

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 abovementioned 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	✓		

Corporate Governance Compliance Status

1.2 (iii)	Independent Director(s) shall be appointed by BoD approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days	None		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	✓		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1 (one) term only	✓		
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1.3 (ii)	Independent Director should be a Business Leader/Corporate leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences	✓		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of Commission	None		
1.4	The Chairman of the Board and the Chief Executive Officer (CEO) shall be different individuals. The Chairman shall be elected from among the directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO	✓		
1.5	The Director's Report shall include the following additional statements:			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		
1.5(ii)	Segment-wise or product-wise performance	✓		
1.5 (iii)	Risks and concerns	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		

Corporate Governance Compliance Status

1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	✓		
1.5(vi)	Basis for related party transactions - a statement of all related party transactions should be disclosed in the annual report	✓		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any other instrument	✓		
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO)	None		
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance	None		
1.5(x)	Remuneration to directors including independent directors	✓		
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)

Corporate Governance Compliance Status

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	✓		
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	✓		

Corporate Governance Compliance Status

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	✓		

Corporate Governance Compliance Status

3.3 (ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors	✓		
3.3 (x)	Disclosure to the Audit Committee about the uses/applications of IPO funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, shall prepare a statement of funds utilized for the purposes other than those stated in the prospectus	None		
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	✓		

Corporate Governance Compliance Status

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
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	✓		

Corporate Governance Compliance Status

Annexure - II

Board of Directors' Meeting, Attendance and Remuneration during 2015-16

The statement of remuneration paid to the Directors for attending meeting of the Board of Directors and Audit Committee during the financial year under reporting are noted below:

Sl No.	Name of Directors	Board Meeting		Audit Committee Meeting		Total Fees Paid (Tk.)
		Attendance	Fees (Tk.)	Attendance	Fees (Tk.)	
01.	Mr. Manzurul Islam Chairman	2/5	8,000.00	-	-	8,000.00
02.	Mrs. Suraiya Begum Director	3/5	12,000.00	-	-	12,000.00
03.	Mr. Md. Abdul Wadud Director	5/5	20,000.00	4/4	16,000.00	36,000.00
04.	Mr. Md. Mostafizur Rahman Director	4/5	16,000.00	3/4	12,000.00	28,000.00
05.	Mr. Sarwar Boudius Salam Director	5/5	20,000.00	4/4	16,000.00	36,000.00
06.	Dr. Zia Uddin Ahmed Independent Director	3/5	12,000.00	3/4	12,000.00	24,000.00
07.	Mr. Zahiduzzaman Faruque Independent Director	4/5	16,000.00	4/4	16,000.00	32,000.00
	Total	-	1,04,000.00	-	72,000.00	1,76,000.00

In addition to board allowance, the Chairman of the Board of Directors was given an allowance of Tk. 82.50 lac net of tax.

Corporate Governance Compliance Status

Annexure III

The pattern of shareholdings as on 30.06.2016 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	29,367,498	33.03%
River View Limited	12,176,767	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 30.06.2016 are as follows:

Name	Designation	No. of Share	Percentage of Holding
Manzurul Islam	Chairman	2,531,063	2.85%
Suraiya Begum	Director	243,661	0.27%
Md. Abdul Wadud	Director	1,431	0.00%
Sarwar Boudius Salam	Director	1,431	0.00%
Md. Mostafizur Rahman	Director	1,431	0.00%
Zia U. Ahmed Ph.D.	Independent Director	Nil	Nil
Zahiduzzaman Faruque	Independent Director	Nil	Nil
Dhiraj Malakar	Managing Director	Nil	Nil
Salim Ahmed, FCS	Company Secretary	Nil	Nil
Md. Asadul Islam FCA, FCS	Chief Financial Officer	Nil	Nil
Md. Moniruzzaman	Head of Internal Audit	Nil	Nil

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

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

Name of the Company	No. of Share	Percentage of Holding
Islam Brothers Properties Limited	29,367,498	33.03%
River View Limited	12,176,767	13.70%

Audit Committee Report for the Year (11 months) ended June 30, 2016.

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 by 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, Independent Director & Member, Mr. Abdul Wadud, Member, Mr. Md. Mostafizur Rahman, Member, and Mr. Sarwar Boudius Salam, Member.

During the financial year (11 months) ended on June 30, 2016 four meetings of the Audit Committee were held. The details of attendance of the members have been shown in the Annexure- II of this report.

Activities carried out during the year:

In 2015-2016 the committee worked on follows:

1. Checked and verified the purchase proposal of construction materials and capital assets, construction schedule and earth filling activities.
2. Reviewed the Quarterly, Half yearly and Annual Accounts of the Company before submission to the Board for approval.
3. Reviewed the effectiveness of internal control and also reviewed audit objection of Head of Internal Audit and also reviewed points or suggestions and amendments by the Internal Auditor.
4. Met with the members of the external auditors and had discussion on the audit of financial statements of the Company.
5. Reviewed the annual financial statements of the Company prior to submission to the Board for approval. The review was to ensure that the financial reporting and disclosures were in compliance with the Securities Laws, provision of the Companies Act 1994, International Financial Reporting Standards (IFRS) as applicable in Bangladesh, any conflict of interest and other relevant legal and regulatory requirements.
6. Reviewed significant related party transactions submitted by the management.
7. Recommended the appointment of M/s. S.F Ahmed & Co., Chartered Accountants, House # 51, Road # 9, Block-F, Banani, as External Auditors of the Company for the year 2016-2017.

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.



Zia U. Ahmed Ph.D
Chairman
Audit Committee
Dated: 7 September, 2016

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 (11 months) ended 30 June 2016, 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 up to the date of its approval by the Board of Directors.

Annual Report

The Annual Report for the year (11 months) ended 30 June 2016, comprising the Report of Directors and the Financial Statements, has been approved by the Board of Directors.



View of the 51st Annual General Meeting



EHL Share Performance During August 2015 - June 2016

Dhaka Stock Exchange

During August 2015 - June 2016

Month	Open (BDT)	High (BDT)	Low (BDT)	Close (BDT)	Total Volume (Million)
August'15	42.80	45.40	40.90	41.30	5.05
September'15	41.40	44.00	41.50	41.80	4.02
October'15	42.80	44.00	34.30	34.70	4.09
November'15	34.30	36.20	31.00	33.70	2.31
December'15	33.80	37.00	33.20	34.90	3.38
January'16	34.70	41.70	34.70	35.50	9.59
February'16	35.10	36.80	34.10	35.00	2.10
March'16	35.20	38.90	34.40	35.50	5.86
April'16	36.20	37.90	34.30	35.10	3.24
May'16	35.80	36.90	33.60	35.40	2.10
June'16	35.60	36.70	33.80	36.20	2.61
During 2015-2016		45.40	31.00		44.35

Chittagong Stock Exchange

During August 2015 - June 2016

Month	Open (BDT)	High (BDT)	Low (BDT)	Close (BDT)	Total Volume (Million)
August'15	42.20	45.40	41.50	41.80	0.44
September'15	41.80	44.40	40.90	41.70	0.25
October'15	41.70	44.10	34.00	34.50	0.33
November'15	34.50	35.80	31.40	34.00	0.16
December'15	34.00	37.20	32.20	35.10	0.39
January'16	35.10	42.10	34.70	35.00	0.84
February'16	35.00	38.00	34.30	34.60	0.20
March'16	35.50	38.00	34.30	36.30	0.25
April'16	36.30	37.80	34.50	34.60	0.30
May'16	34.60	36.60	31.20	36.20	0.14
June'16	36.20	36.10	33.10	35.70	0.10
During 2015-2016		45.40	31.20		3.40

Quarterly High-Low price history of the company's Share during August 2015 - June 2016

Quarter	DSE		CSE	
	High (BDT)	Low (BDT)	High (BDT)	Low (BDT)
August 2015 to October 2015	45.40	34.30	45.40	34.00
November 2015 to January 2016	41.70	31.00	42.10	31.40
February 2016 to April 2016	38.90	34.10	38.00	34.30
May 2016 to June 2016	36.90	33.60	36.60	31.20

*Auditors' report and
Audited financial statements
of
Eastern Housing Limited
For the Period from
01 August 2015 to 30 June 2016*

Independent Auditors' Report

S. F. AHMED & CO
Chartered Accountants
— Established : 1958

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

Eastern Housing Limited
Auditors' Report to the Shareholders
For the period from 01 August 2015 to 30 June 2016

We have audited the accompanying financial statements of Eastern Housing Limited (the company), which comprise statement of financial position (balance sheet) as at 30 June 2016, statement of profit or loss and other comprehensive income (profit and loss statement), statement of changes in equity, and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes.

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 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 give a true and fair view of the financial position of the company as at 30 June 2016 and of its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards 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 (profit and loss statement) 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.



Dated: Dhaka
Dated, 07 September 2016



S. F. AHMED & CO
Chartered Accountants

Statement of Financial Position (Balance Sheet)

Eastern Housing Limited Statement of Financial Position (Balance Sheet) As at 30 June 2016

Assets	Notes	30 June 2016 BDT	31 July 2015 BDT
Non-current assets			
Property, plant and equipment	4	4,662,251,303	4,686,699,740
Investments	5	4,569,450	4,569,450
Deferred tax assets	6	4,255,618	5,531,086
Total non-current assets		4,671,076,371	4,696,800,276
Current assets			
Inventories	7	15,304,052,257	15,711,719,251
Advances, deposits and prepayments	8	1,636,941,375	1,256,618,233
Deposit with Bangladesh Bank	9	350,000,000	350,000,000
Cash and cash equivalents	10	25,378,075	44,441,035
Total current assets		17,316,371,707	17,362,778,519
Total assets		21,987,448,078	22,059,578,795
Equity and liabilities			
Equity			
Share capital	11	889,001,460	846,668,060
General reserve	12	274,500,000	274,500,000
Dividend equalisation reserve	13	145,000,000	145,000,000
Revaluation reserve	14	4,197,058,496	4,197,058,496
Retained earnings	15	510,205,008	487,322,367
Total equity		6,015,764,964	5,950,548,923
Liabilities			
Non-current liabilities			
Long term loan - secured	16	798,248,788	636,000,000
Sponsors' loan (interest-free)	17	202,500,000	202,500,000
Retirement benefit obligations (gratuity)	18	21,215,764	28,110,436
Finance lease obligation	19	6,956,543	-
Total non-current liabilities		1,028,921,095	866,610,436
Current liabilities			
Long term loan (secured) - current portion	20	313,360,857	114,000,000
Finance lease obligation - current portion	21	7,102,814	-
Bank overdraft	22	1,257,282,754	1,195,049,479
Advance received against allotment	23	10,290,372,407	10,682,501,278
Accounts payables	24	3,057,760,872	3,241,652,721
Provision for income tax	25	16,882,315	9,215,958
Total current liabilities		14,942,762,019	15,242,419,436
Total liabilities		15,971,683,114	16,109,029,872
Total equity and liabilities		21,987,448,078	22,059,578,795

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, 07 September 2016

See annexed report of the date


S. F. AHMED & CO
Chartered Accountants

Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)

Eastern Housing Limited

Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)

For the period from 01 August 2015 to 30 June 2016

	Notes	Period ended 30 June 2016 BDT	Year ended 31 July 2015 BDT
Revenue	26	2,678,657,801	2,631,165,794
Cost of sales	27	(1,800,299,151)	(1,723,578,063)
Gross profit		878,358,650	907,587,731
Other operating income	28	8,943,524	14,736,942
Administrative and selling expenses	29	(267,448,081)	(279,832,794)
Operating profit		619,854,093	642,491,879
Finance income	30	2,071,127	17,386,728
Finance expense	31	(293,231,556)	(297,624,010)
		328,693,664	362,254,597
Contribution to workers' profit participation fund	32	(16,434,683)	(18,112,730)
Net profit before tax		312,258,981	344,141,867
Income tax expense	33		
Current tax		(118,767,262)	(133,168,129)
Deferred tax		(1,275,468)	117,570
		(120,042,730)	(133,050,559)
Net profit after tax		192,216,251	211,091,308
Other comprehensive income		-	-
Total comprehensive income		192,216,251	211,091,308
Earnings per share			
Basic earnings per share (restated)	34	2.16	2.37

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, 07 September 2016



S. F. AHMED & CO
Chartered Accountants

Statement of Changes in Equity

Eastern Housing Limited Statement of Changes in Equity For the period from 01 August 2015 to 30 June 2016

	Share capital BDT	General reserve BDT	Dividend equalisation reserve BDT	Revaluation reserve BDT	Retained earnings BDT	Total BDT
Year ended 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
Net profit after tax for the year	-	-	-	-	211,091,308	211,091,308
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
Period ended 2016						
Balance as at 01 August 2015	846,668,060	274,500,000	145,000,000	4,197,058,496	487,322,367	5,950,548,923
Net profit after tax for the period	-	-	-	-	192,216,251	192,216,251
Issue of bonus shares	42,333,400	-	-	-	(42,333,400)	-
Payment of dividend	-	-	-	-	(127,000,210)	(127,000,210)
Balance as at 30 June 2016	889,001,460	274,500,000	145,000,000	4,197,058,496	510,205,008	6,015,764,964

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



Company Secretary



Managing Director



Director



Director



Dhaka, Bangladesh
Dated, 07 September 2016

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 period from 01 August 2015 to 30 June 2016

	Period ended 30 June 2016	Year ended 31 July 2015
	BDT	BDT
Cash flows from operating activities		
Cash received from customers and others	2,295,472,454	2,167,232,517
Cash paid to employees and suppliers	(2,329,965,754)	(1,766,815,406)
Cash from/(used in) operating activities	(34,493,300)	400,417,111
Income tax paid	(108,100,905)	(128,752,341)
Net cash from/(used in) operating activities	(142,594,205)	271,664,770
Cash flows from investing activities		
Acquisition of property, plant and equipment	(36,178,348)	(7,469,022)
Proceeds from sale of property, plant and equipment	32,053,999	-
Encashment of fixed deposit	-	162,106,049
Interest received	643,174	28,909,494
Dividend received	1,427,953	1,427,953
Net cash from/(used in) investing activities	(2,053,222)	184,974,474
Cash flows from financing activities		
Increase/ (decrease) in long term borrowings	361,609,645	720,090,002
Increase/ (decrease) in short term borrowings	62,233,275	(779,636,933)
Increase/ (decrease) in lease finance	14,059,357	-
Interest paid	(185,317,600)	(301,447,792)
Dividend paid	(127,000,210)	(120,952,581)
Net cash from/(used in) financing activities	125,584,467	(481,947,304)
Net decrease in cash and cash equivalents	(19,062,960)	(25,308,060)
Opening cash and cash equivalents	44,441,035	69,749,095
Closing cash and cash equivalents	25,378,075	44,441,035

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, 07 September 2016

S. F. AHMED & CO
Chartered Accountants

Notes to the Financial Statements

Eastern Housing Limited
Notes to the financial statements
For the period from 01 August 2015 to 30 June 2016

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 through Initial Public Offering (IPO) of shares and debentures through a prospectus issued in July 1994. The company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited since 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 spaces. 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 Components of these financial statements

Following are the components of these financial statements as per BAS 1 :

- (i) Statement of financial position (balance sheet)
- (ii) Statement of profit or loss and other comprehensive income (profit and loss statement)
- (iii) Statement of changes in equity
- (iv) Statement of cash flows
- (v) Explanatory notes to the above financial statements which also describe the accounting policies adopted and followed by the company.

2.3 Reporting framework and compliance thereof

These financial statements have been prepared in accordance with the applicable Bangladesh Financial Reporting Standard (BFRSs) which also cover Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Interpretation, 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 following International Financial Reporting Standards (IFRSs) as adopted by the Institution of Chartered Accountants of Bangladesh (ICAB), as BFRSs are applicable for the financial statements for the period under review:

<u>BAS/BFRS No.</u>	<u>Title of BAS/ BFRS</u>
BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Statement of Cash Flows
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS 10	Events After the Reporting Period
BAS 11	Construction Contracts

Notes to the Financial Statements

BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 17	Leases
BAS 18	Revenues
BAS 19	Employee Benefits
BAS 21	The Effects of Changes in Foreign Exchange Rates
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 32	Financial Instruments: Presentation
BAS 33	Earnings Per Share
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BAS 38	Intangible Assets
BAS 39	Financial Instruments: Recognition and Measurement
BAS 40	Investment Property
BFRS 7	Financial Instruments: Disclosures
BFRS 8	Operating Segments
BFRS 13	Fair Value Measurement
BFRI 15	Arrangements for the Construction of Real Estate

2.4 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.

2.5 Reporting period

These financial statements cover the period of 11 months from 1 August 2015 to 30 June 2016 as the company is going to be compliant with the amendment brought in by Finance Act 2015 where accounting year end for this nature of company has been made compulsory to be 30 June.

Though the comparative figure of previous 11 months are required to be presented in terms of BAS 1 para 38 in order to make the figures of the current period and previous period comparable, but in this case these are presented for 12 months. Therefore the amounts of previous year as presented in the financial statements are not entirely comparable with current period.

2.6 Comparative information and rearrangement thereof

Comparative figures have been rearranged or reclassified 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.

2.7 Use of estimates and judgements

The preparation of financial statements require management to make judgement, 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.

2.8 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

Notes to the Financial Statements

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.

2.9 Accrual basis of accounting

The company prepares its financial statements, except the statement of cash flow, 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.

2.10 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.

2.11 Offsetting

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

2.12 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.

2.13 Date of authorisation for issue of the financial statements

On 07 September 2016 the Board of Directors reviewed the financial statements and authorised them for issue.

3. Summary of 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 an expenditure when incurred.
- b) Replacement parts are capitalised, provided that the original cost of the items they replace is derecognised.

Derecognition

An item of property, plant and equipment is derecognised,

- a) upon disposal; or
- b) when no future economic benefits are expected from its use or 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 for different category of assets are:

	<u>2016</u>	<u>2015</u>
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%
Land	Nil	Nil

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

Investment in fixed deposits is 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 shares of IG Health Care Limited are recorded at cost and represent insignificant holding.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, balance and deposits with financial institutions that are readily convertible into 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.

Notes to the Financial Statements

3.4 Borrowing costs

Borrowings are classified into both current and non-current liabilities. In compliance with the requirements of IAS/BAS - 23 "Borrowing Costs," borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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 the reporting date at lower of cost and net realisable value. Cost of inventory is measured using average cost formula.

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 the Company 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 are possible obligations that arise 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.

Notes to the Financial Statements

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.

In compliance with the requirements of BAS - 18 "Revenue" and BFRI - 15 "Arrangements 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' as 'current liability' at the time of receipt and treated as a 'sale' only when the allotted plots of land and apartment are registered or handed over to the respective customers. Sales are recognised mainly on hand-over basis for apartments when the risk and rewards associated with the products are significantly transferred to the buyer and the buyer has the possession of the product. The registration process takes time in Bangladesh due to the existing procedures to be followed in terms of regulations and also customers' delayed initiatives to register the property in own name(s) as there is no statutory deadline compulsorily to be followed for such registration.

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 FDRs, STDs and dividend income from CDBL shares.

3.11 Other income

This includes sale proceeds of unusable materials and others.

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,

Notes to the Financial Statements

for example, direct costs, 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 cost comprises interest expense on borrowings, overdrafts, etc. All borrowing costs are recognised in the statement of comprehensive income using the effective interest method.

3.14 Income tax

Income tax comprises 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 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 34 to the financial statements.

Diluted earnings per share

No diluted earnings per share are required to be calculated for the period as there was no scope for dilution during the period 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.

Notes to the Financial Statements

3.17 Contribution to workers' profit participation fund

This is required to be made in terms of section 234(1)(b) of Bangladesh Labour Act 2006 (as amended in 2013) 5% of the net profit of each year, not later than nine (9) months from the close of that period, is required to be transferred to the fund, the proportion of the payment to the participation fund and the welfare fund being 80:10. The remaining 10% of the amount of net profit shall be paid by the company to the workers' welfare foundation fund, as formed under the provision of the Bangladesh Worker's Welfare Foundation Act 2006. Of the 80% being transferred to the participation fund, two-third has to be distributed in equal proportions to all the members (beneficiary) of the fund in cash and one-third has to be invested in accordance with the manner as stated in section 242 of that Act.

The Company makes provision @ 5% of its net profit as a contribution to workers' profit participation fund before tax and charging such expense in accordance with The Bangladesh Labour Act 2006 (as ammended in 2013).

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 obligation is one month's last basic salary or wages of the regular employees. 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

A segment is a distinguishable component of the entity that is engaged in providing products within a particular economic environment which is subject to risks and rewards that are different from those of other segments. The entity's primary format for segment reporting is based on business segments. The business segments i.e., Apartment and Land are determined based on entity's management and internal reporting structure. Details as per BFRS - 8 "Operating Segments" is given in note 43 to the financial statements.

3.20 Leases

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the income statement.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Financial Statements

	At 30 June 2016 BDT	At 31 July 2015 BDT
4. Property, plant and equipment		
Cost/Revaluation		
Opening balance	4,876,299,289	4,871,215,267
Addition during the period	36,178,348	7,469,022
Disposal/adjustment during the period	(106,625,846)	(2,385,000)
Closing balance (a)	<u>4,805,851,791</u>	<u>4,876,299,289</u>
Depreciation		
Opening balance	189,599,549	174,214,323
Charge for the period	16,509,233	17,770,226
Disposal/adjustment during the period	(62,508,294)	(2,385,000)
Closing balance (b)	<u>143,600,488</u>	<u>189,599,549</u>
Net book value (a-b)	<u>4,662,251,303</u>	<u>4,686,699,740</u>

Details are in [Annex 1](#).

5. Investments		
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>4,569,450</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. The transaction was made at the then fair value.

6. Deferred tax assets		
Opening balance	5,531,086	5,413,516
Deferred tax (income)/expense for the year	(1,275,468)	117,570
Closing balance	<u>4,255,618</u>	<u>5,531,086</u>

6.1 Calculation of deferred tax

	Amounts in BDT		
	Carrying amount	Tax base value	Taxable/ (deductible) temporary difference
Provision for gratuity and leave pay	25,050,831	-	25,050,831
Property, plant and equipment	(4,662,251,303)	4,649,663,047	(12,588,256)
Warranty provision	4,559,895	-	4,559,895
Net taxable temporary difference			<u>17,022,470</u>
Applicable tax rate			25%
Deferred tax assets as at 30 June 2016			<u>4,255,618</u>

7. Inventories		
Undeveloped land	2,706,515,394	2,312,575,597
Work in progress	6,613,621,273	7,170,603,445
Developed inventory	5,964,059,590	6,214,015,209
Construction materials	19,856,000	14,525,000
	<u>15,304,052,257</u>	<u>15,711,719,251</u>

Notes to the Financial Statements

	At 30 June 2016 BDT	At 31 July 2015 BDT
8. Advances, deposits and prepayments		
Advance against:		
- Land purchase	759,371,794	732,376,251
- Supply/material purchase	239,493,345	104,504,713
- Income tax (Note 8.1)	202,188,500	205,188,500
- Work done	413,275,216	204,833,535
- Salary and wages	925,780	2,595,594
Deposits against utility services	21,686,740	7,119,640
	1,636,941,375	1,256,618,233
8.1 Advance against income tax		
Opening balance	205,188,500	214,418,429
Paid during the period	17,543,593	13,418,384
Adjustments during the period	(20,543,593)	(22,648,313)
Closing balance	202,188,500	205,188,500
9. Deposit with Bangladesh Bank	350,000,000	350,000,000
<p>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 Hon'ble 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 the company vide judgment dated 02 October 2013.</p>		
10. Cash and cash equivalents		
Cash in hand (Note 10.1)	6,801,263	3,492,070
Cash at bank (Note 10.2)	18,576,812	40,948,965
	25,378,075	44,441,035
10.1 Cash in hand		
Apartment unit - Site office imprest	6,257,764	3,188,268
Land unit - Head office	399,047	250,180
Apartment unit - Head office	144,452	53,622
	6,801,263	3,492,070
10.2 Cash at bank		
Land unit		
Uttara Bank Ltd	111,642	295,090
Al-Arafah Islami Bank Ltd	14,599	1,620,037
Sonali Bank Ltd	-	1,027
Janata Bank Ltd	46,596	47,896
IFIC Bank Ltd	10,885	15,626
The City Bank Ltd	17,623	32,951
Union Bank Ltd	1,110,092	-
Standard Bank Ltd	1,091,705	-
	2,403,142	2,012,627

Notes to the Financial Statements

	At 30 June 2016 BDT	At 31 July 2015 BDT
Apartment unit		
Uttara Bank Ltd	759,467	687,837
Dhaka Bank Ltd	8,236	177,519
Prime Bank Ltd	12,583	13,733
Agrani Bank Ltd	-	12,450
IFIC Bank Ltd	1,958,528	1,632,223
Al-Arafah Islami Bank Ltd	551,939	69,027
Standard Bank Ltd	66,634	885,698
Shahjalal Islami Bank Ltd	75,170	18,400
Meghna Bank Ltd	-	97,345
NRB commercial Bank Ltd	64,989	55,890
The City Bank Ltd	15,808	101,407
Union Bank Ltd	1,154,594	-
	4,667,948	3,751,529
Dividend payment accounts		
Uttara Bank Ltd	11,504,728	35,183,834
IFIC Bank Ltd	994	975
	11,505,722	35,184,809
	18,576,812	40,948,965

11. 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 shares issued at 26,843,346 ordinary shares of BDT 10 each

268,433,460 226,100,060

889,001,460 **846,668,060**

Composition of shareholding:

Year 2016:

Category	Number of shares	No. of shareholders	Percentage (%)	Amount BDT
Sponsors and associates	45,120,723	12	50.75%	451,207,230
Financial institutions	9,422,166	26	10.60%	94,221,660
Other institutional shareholders	10,794,062	221	12.14%	107,940,620
General shareholders	23,563,195	15,847	26.51%	235,631,950
	88,900,146	16,106	100.00%	889,001,460

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

Notes to the Financial Statements

11.1 Classification of shares by number of shares held:

	No. of shareholders	Number of shares	Total holding (%)
Less than 500 shares	9470	1,844,000	2.07%
501 to 5,000 shares	5734	8,501,639	9.56%
5,001 to 10,000 shares	495	3,462,872	3.90%
10,001 to 20,000 shares	219	2,970,263	3.34%
20,001 to 30,000 shares	66	1,608,585	1.81%
30,001 to 40,000 shares	31	1,102,069	1.24%
40,001 to 50,000 shares	20	896,633	1.01%
50,001 to 100,000 shares	34	2,238,856	2.52%
100,001 to 1,000,000 shares	29	9,063,920	10.20%
Over 1,000,000 shares	8	57,211,309	64.35%
	16,106	88,900,146	100.00%

	At 30 June 2016 BDT	At 31 July 2015 BDT
12. General reserve		
Opening balance	274,500,000	274,500,000
Addition during the period	-	-
Closing balance	274,500,000	274,500,000
13. Dividend equalisation reserve		
Opening balance	145,000,000	145,000,000
Addition during the period	-	-
Closing balance	145,000,000	145,000,000
14. Revaluation reserve		
Opening balance	4,197,058,496	4,197,058,496
Addition during the period	-	-
Closing balance	4,197,058,496	4,197,058,496
Land is measured using the revaluation model. The revaluation was carried out by an independent surveyor namely, The Asian Surveyors Ltd in the year 2014 following market value approach and was approved by the board on 28 April 2014. The revaluation resulted in a revaluation surplus aggregating to BDT 4,197,058,496.		
15. Retained earnings		
Opening balance	487,322,367	437,501,160
Comprehensive income	192,216,251	211,091,308
	679,538,618	648,592,468
Dividend paid	(127,000,210)	(120,952,581)
Bonus shares issued	(42,333,400)	(40,317,520)
	(169,333,610)	(161,270,101)
Closing balance	510,205,008	487,322,367
16. Long term loan - secured		
Dhaka Bank Ltd	508,868,153	636,000,000
Shahjalal Islami Bank Ltd	289,380,635	-
	798,248,788	636,000,000

Notes to the Financial Statements

	At 30 June 2016 BDT	At 31 July 2015 BDT
17. Sponsors' loan (interest-free)	202,500,000	202,500,000
18. Retirement benefit obligations (gratuity)		
Opening balance	28,110,436	22,884,963
Provision during the period	7,772,327	11,670,634
	35,882,763	34,555,597
Paid during the period	(14,666,999)	(6,445,161)
Closing balance	21,215,764	28,110,436
19. Finance lease obligation		
Phoenix Finance & Investments Ltd	6,956,543	-
	6,956,543	-
20. Long term loan (secured) - current portion		
Dhaka Bank Ltd	184,749,717	114,000,000
Shahjalal Islami Bank Ltd	128,611,140	-
	313,360,857	114,000,000
Security:		
These loans are secured by equitable mortgage of land and will be due for payment after one period or more from the reporting date.		
Terms of repayment:		
Loans are being repaid through instalments following the repayment schedule.		
21. Finance lease obligation - current portion		
Phoenix Finance & Investments Ltd	7,102,814	-
	7,102,814	-
22. Bank overdraft		
Dhaka Bank Ltd	63,141,544	131,748,985
Standard Bank Ltd	343,974,576	285,631,441
NRB Commercial Bank Ltd	166,634	97,669,053
Al-Arafah Islami Bank Ltd	850,000,000	680,000,000
	1,257,282,754	1,195,049,479
These overdrafts are secured against equitable mortgage of land.		
23. Advance received against allotment		
Land unit - plot	8,136,577,467	7,808,544,258
Apartment unit - flat/commercial space	2,153,794,940	2,873,957,020
	10,290,372,407	10,682,501,278
24. Accounts payables		
Payable against:		
- Expense (Note 24.1)	31,096,693	42,444,082
- Supply/material purchase	14,206,072	22,973,042
- Land purchase	2,729,698,378	2,994,819,621
- Construction work done	9,653,359	28,198,847
- Other liabilities (Note 24.2)	231,748,942	118,024,024
- Unclaimed dividend (Note 24.3)	41,357,428	35,193,105
	3,057,760,872	3,241,652,721

Notes to the Financial Statements

	At 30 June 2016 BDT	At 31 July 2015 BDT
24.1 Payables against expenses		
Salary	32,123	16,552,352
Workers' profit participation fund	16,434,683	18,112,730
Audit fee	632,500	632,500
Legal, professional and membership fees	75,000	75,000
Electric bills and office rent	13,276,887	6,426,000
Postage, telephone, e-mail and fax	645,500	645,500
	31,096,693	42,444,082
24.2 Other liabilities		
Provision for leave pay (Note 24.2.1)	3,835,067	1,262,299
Liability for co-operative society	48,091,113	48,416,187
Liability against security deposits and others (Note 24.2.2)	175,262,867	63,751,772
Warranty provision	4,559,895	4,593,766
	231,748,942	118,024,024
24.2.1 Provision for leave pay		
Opening balance	1,262,299	3,571,069
Provision during the period	6,715,143	1,914,004
	7,977,442	5,485,073
Paid during the period	(4,142,375)	(4,222,774)
Closing Balance	3,835,067	1,262,299
24.2.2 Liability against security deposits and others		
Withholding VAT	1,938,586	2,019,402
Withholding income tax	1,516,456	2,072,285
Employer and employees contributions to provident fund	1,504,129	2,123,944
Provision for interest payable	125,292,368	17,378,412
Security deposit and others	45,011,328	40,157,729
	175,262,867	63,751,772
24.3 Payable against unclaimed dividend		
Opening balance	35,193,105	25,372,438
Dividend declared and warrant issued	105,056,946	100,374,860
	140,250,051	125,747,298
Warrant encashment during the period	(98,892,623)	(90,554,193)
Closing balance	41,357,428	35,193,105
<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 abroad.</p>		
25. Provision for income tax		
Opening balance	9,215,958	14,030,099
Provision made during the period	28,209,950	17,834,172
	37,425,908	31,864,271
Paid/ (Adjusted) during the period	(20,543,593)	(22,648,313)
Closing balance	16,882,315	9,215,958

Notes to the Financial Statements

	Period ended 30 June 2016 BDT	Year ended 31 July 2015 BDT
26. Revenue	<u>2,678,657,801</u>	<u>2,631,165,794</u>
26.1 Project-wise revenue		
Sl. no. Project name		
1 Eastern Panthachaya	559,649,000	966,110,700
2 Eastern Kamalapur Complex	166,240,000	71,800,000
3 Eastern Nawabkatra (27, Nawab Katra)	41,465,000	26,450,000
4 Eastern Plus	10,200,789	24,965,121
5 Eastern Arzoo (61, Bijoy Nagar)	41,893,908	175,113,090
6 Eastern Mollika	30,875,000	32,304,700
7 Eastern Dahlia	327,510,620	-
8 The Envoy	-	450,000,000
9 Eastern Plaza, Sylhet	3,083,667	-
10 Eastern Noor (Plot-7E, Road-13A, Sector-3, Uttara)	143,525,700	-
11 Plot-18, Road-2, Sector-11, Uttara	85,246,000	-
12 Plot-32, Road-12, Sector-12, Uttara	7,575,000	-
13 80, 80/B Indira road	266,196,351	-
14 Plot-41 & 43, Road-14, Sector-12, Uttara	26,569,800	-
15 Jahurul Islam City (Aftabnagar)	317,577,981	329,215,650
16 Aram Bagh	20,000,000	-
17 Banasree	409,911,510	308,553,725
18 Bara Ranga Matia	85,000	237,620
19 Basaid	-	139,000
20 Banakunja Apt	-	4,392,400
21 Daikhali	6,049,000	17,151,129
22 Dehara	1,437,500	4,378,500
23 Demra	1,375,000	7,604,500
24 Dhaksin Krishnapur	530,000	1,005,000
25 Gobindabari	706,000	1,107,000
26 Khagan	315,000	551,600
27 Mohanogor	7,500,000	1,200,000
28 Niketan	90,090,000	3,500,000
29 Palash Bari	2,361,220	780,500
30 Pallabi	90,906,780	189,097,200
31 Paradogar	337,500	378,950
32 Patalia	-	203,000
33 Savar Lot Sale	14,746,198	10,147,826
34 Tayubpur	2,379,715	4,129,000
35 Pannaya Bithi Shopping Complex	-	649,583
36 Niketan Shopping Complex	2,318,562	-
	<u>2,678,657,801</u>	<u>2,631,165,794</u>

Notes to the Financial Statements

	Period ended 30 June 2016 BDT	Year ended 31 July 2015 BDT
27. Cost of sales		
Opening stock of undeveloped land (a)	2,312,575,597	2,610,478,365
Purchase of undeveloped land (Note 27.1) (b)	471,692,050	706,966,444
	<u>2,784,267,647</u>	<u>3,317,444,809</u>
Closing stock of undeveloped land (c)	(2,706,515,394)	(2,312,575,597)
Consumption of land during the period (d = a+b-c)	77,752,253	1,004,869,212
Opening stock of construction materials (e)	14,525,000	16,419,000
Development and materials expenses (Note 27.2) (f)	676,220,247	973,759,926
	<u>690,745,247</u>	<u>990,178,926</u>
Closing stock of construction materials (g)	(19,856,000)	(14,525,000)
Material consumption during the period (h = e+f-g)	670,889,247	975,653,926
Direct expenses (Note 27.3) (i)	244,719,860	287,007,548
Total cost transferred to work in process (j = h+ i+ d)	993,361,360	2,267,530,686
Opening work in process (k)	7,170,603,445	7,766,164,339
	<u>8,163,964,805</u>	<u>10,033,695,025</u>
Closing work in process (l)	(6,613,621,273)	(7,170,603,445)
Transferred to finished stock (m = j+k-l)	1,550,343,532	2,863,091,580
Opening finished stock (n)	6,214,015,209	6,247,062,455
Finished stock available for sale (o = m+n)	7,764,358,741	9,110,154,035
Transfer to PPE/adjustment (p)	-	(1,172,560,763)
Closing finished stock (q)	(5,964,059,590)	(6,214,015,209)
	<u>1,800,299,151</u>	<u>1,723,578,063</u>
27.1 Purchase of undeveloped land		
Land purchase	391,275,278	624,817,526
Registration, legal and stamp cost	60,960,325	68,077,313
Mutation and deed collection	19,456,447	14,071,605
	<u>471,692,050</u>	<u>706,966,444</u>
27.2 Development and materials expenses		
Earth filling and development work	327,667,154	442,273,557
Materials costs	306,688,108	421,526,487
Social and surrounding development	29,829,229	106,303,487
Land rent/khajna	12,035,756	3,656,395
	<u>676,220,247</u>	<u>973,759,926</u>
27.3 Direct expenses		
Salary and wages	92,255,298	114,534,703
Daily labour	73,856,856	81,619,685
Fees and professional charge	27,182,735	37,929,984
Power and fuel	17,436,293	19,354,574
Festival bonus	8,355,692	9,251,924
Gratuity and leave pay	8,878,981	6,373,050
Depreciation	3,475,838	4,177,122
Employees provident fund contribution	2,809,867	3,135,715
Overtime	2,890,700	2,653,981
Repairs and maintenance	2,147,641	2,394,890
Communication expenses	2,308,631	2,373,579
Entertainment	2,054,522	1,873,955
Printing and stationery	1,066,806	1,334,386
	<u>244,719,860</u>	<u>287,007,548</u>

Notes to the Financial Statements

	Period ended 30 June 2016 BDT	Year ended 31 July 2015 BDT
28. Other operating income		
Sale proceeds of unusable materials and others	8,943,524	14,736,942
29. Administrative and selling expenses		
Salary and allowances	126,309,914	131,383,405
Employees provident fund contribution	2,721,043	2,826,293
Festival bonus	12,061,344	12,306,946
Gratuity and leave pay	5,608,960	6,619,239
Selling and marketing expenses	16,898,949	33,728,618
Printing and stationery	6,348,375	5,086,193
Power and fuel	5,618,310	6,606,222
Communication expenses	3,390,331	5,887,949
Entertainment	1,789,504	4,830,889
Rent, rates and taxes	25,176,626	31,216,398
Repairs and maintenance	15,875,762	5,032,476
Legal, professional, membership and other fees	6,404,422	12,818,470
Insurance premium	1,080,839	907,691
Audit fee	632,500	632,500
Software development	293,000	63,250
AGM expenses	5,907,145	4,293,151
Depreciation	13,033,395	13,593,104
Relocation expenses	1,234,109	-
Warranty expense	5,000,000	2,000,000
Loss on sale / write-off of fixed assets	12,063,553	-
	267,448,081	279,832,794
30. Finance income		
Interest income	643,174	15,958,775
Dividend received	1,427,953	1,427,953
	2,071,127	17,386,728
31. Finance expense		
Interest on long term loan		
Shahjalal Bank Ltd	34,341,813	667,295
Dhaka Bank Ltd	100,781,989	11,678,082
	135,123,802	12,345,377
Interest on overdraft	156,446,161	284,148,687
Bank charges, commission and others	1,661,593	1,129,946
	293,231,556	297,624,010
32. Contribution to workers' profit participation fund	16,434,683	18,112,730
Details are given in note 3.17.		
33. Income tax expense		
Current tax (Note 33.1)	118,767,262	133,168,129
Deferred tax	1,275,468	(117,570)
	120,042,730	133,050,559
33.1 Current tax		
Income tax paid at the time of registration	90,181,576	112,151,290
Income tax deduction at source	375,736	3,182,667
Provision for income tax made during the period	28,209,950	17,834,172
	118,767,262	133,168,129

Notes to the Financial Statements

	Period ended 30 June 2016	Year ended 31 July 2015
	BDT	BDT
34. Basic earnings per share		
Profit after tax	192,216,251	211,091,308
Profit attributable to ordinary shareholders	192,216,251	211,091,308
Total weighted average number of shares outstanding during the period	88,900,146	88,900,146
Basic earnings per share (restated)	2.16	2.37

The number of ordinary shares has been increased from 84,666,806 to 88,900,146 by the issue of bonus shares @ 5% in the FY 2014-15.

35. 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 summarised 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.

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.

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 30 June 2016	Less than 1 year	1-2 years	2+ years
Loan from banks (overdraft and term loan)	1,570,643,611	356,983,862	441,264,926
Sponsor and associates	-	-	202,500,000
Trade and other payables	3,057,760,872	-	-
Provision for income tax	16,882,315	-	-

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 rate 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

	Period ended 30 June 2016	Year ended 31 July 2015
	BDT	BDT

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.

The gearing ratios for the year ended 30 June 2016:

Total borrowings	2,368,892,399	1,945,049,479
Cash and cash equivalents (note 10)	(25,378,075)	(44,441,035)
<i>Net debt</i>	<u>2,343,514,324</u>	<u>1,900,608,444</u>
<i>Total equity</i>	<u>6,015,764,964</u>	<u>5,950,548,923</u>
Total capital	8,359,279,288	7,851,157,367
Gearing ratio (Net debt/total capital)	28%	24%

Fair value estimation

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

36. Related parties disclosures

The name of the related parties, nature of the transactions and their respective period-end balances have been set out in accordance with the provisions of BAS - 24 "Related Party Disclosures". The company in normal course of business carried out transactions at fair value with following related parties:

36.1 Related party transactions during the period:

<u>Name of the related party</u>	<u>Relationship</u>	<u>Nature of transaction</u>	Period ended 30 June 2016	Year ended 31 July 2015
			BDT	BDT
Islam Brothers Properties Ltd	Common Board Member	Office rent	4,759,876	19,886,553
Islam Brothers Properties Ltd	Common Board Member	Non-current asset disposal	30,000,000	-
Bengal Development Corporation Ltd	Common Board Member	Advance against construction work of Aftabnagar, Mirpur project and Ready mix concrete	208,038,921	126,070,302
Lafarge Surma Cement Ltd	Common Board Member	Procurement of cement	3,970,799	8,189,222
			<u>246,769,596</u>	<u>154,146,077</u>

Notes to the Financial Statements

36.2 Related party balances as at period end:

<u>Name of the related party</u>	<u>Relationship</u>	<u>Nature of transaction</u>	At 30 June 2016 BDT	At 31 July 2015 BDT
Islam Brothers Properties Ltd	Common Board Member	Advance	1,536,845	(899,213)
Bengal Development Corporation Ltd	Common Board Member	Advance	178,417,333	20,807,629
Lafarge Surma Cement Ltd	Common Board Member	Payable	(887,250)	(1,180,196)

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

	Period ended 30 June 2016 BDT	Year ended 31 July 2015 BDT
36.3 Key management personnel compensation comprises:		
Short term benefits (salary and other allowances)	59,353,945	66,233,042
Post employment benefits (provident fund)	715,018	746,072
Total	60,068,963	66,979,114

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

* No loans to Directors of the Company were given during the period.

	At 30 June 2016 BDT	At 31 July 2015 BDT
36.4 Investment in related party		
Investment in IG Health Care Limited shares	3,000,000	3,000,000
Details in note 5.1	3,000,000	3,000,000
36.5 Loan from related party		
Sponsors' loan	202,500,000	202,500,000

37. Contingent assets

There was no contingent assets as at 30 June 2016.

38. Contingent liabilities

Potential sources of contingent liabilities are:

Total number of cases in different land projects of Eastern Housing Limited are about 310. Out of those cases, 185 cases filed by Eastern Housing Limited and 125 cases filed by personnel against Eastern Housing Limited. However, last year 47 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 315 acre. Out of that land in suit, 89 acre in Urban area and 226 acre in Savar Gazipur area. Value of the land under legal suit is approximately BDT 72 crore.

39. Claim not acknowledged as debt

There was no claim against the company which is to be acknowledged as debt as at 30 June 2016.

40. Events after the reporting period

The Board of Directors has recommended dividend @ 15% cash and 5% stock dividend for the period ended 30 June 2016 to the shareholders whose name shall appear on the register of members on record date.

Notes to the Financial Statements

41. Number of employees

a) The company employed 633 (2014-2015: 688) permanent employees and varying number of contract employees during the year 2015-2016. It represent the employees having remuneration of BDT 36,000 and above per annum.

b) Board attendance and fees

Five board meetings and four audit committee meetings were held in the financial year 2015-2016. Board and audit committee meeting attendance fees were BDT 4,000 per member per meeting. Details of board and audit committee and remuneration paid during the year is mentioned in the corporate governance report.

42. Capital commitments

There was no capital expenditure commitments as at 30 June 2016.

43. Details of product wise segment reporting

	Land		Apartment		Total	
	2016 BDT	2015 BDT	2016 BDT	2015 BDT	2016 BDT	2015 BDT
Segment revenue						
Net sales	<u>968,626,966</u>	<u>884,422,183</u>	<u>1,710,030,835</u>	<u>1,746,743,611</u>	<u>2,678,657,801</u>	<u>2,631,165,794</u>
Segment assets						
PPE (Net Book Value)	4,470,594,883	4,486,352,128	191,656,420	200,347,612	4,662,251,303	4,686,699,740
Cash and cash equivalent	14,307,911	37,447,616	11,070,164	6,993,419	25,378,075	44,441,035
Other assets	<u>7,972,581,047</u>	<u>8,795,219,465</u>	<u>9,327,237,653</u>	<u>8,533,218,555</u>	<u>17,299,818,700</u>	<u>17,328,438,020</u>
Total assets	<u>12,457,483,841</u>	<u>13,319,019,209</u>	<u>9,529,964,237</u>	<u>8,740,559,586</u>	<u>21,987,448,078</u>	<u>22,059,578,795</u>
Segment liabilities						
Loans	27,705,873	253,301,064	2,341,186,526	1,691,748,415	2,368,892,399	1,945,049,479
Finance lease	10,099,152	-	3,960,205	-	14,059,357	-
Accounts payables	939,566,991	968,856,981	2,118,193,881	2,300,906,176	3,057,760,872	3,269,763,157
Other liabilities	<u>8,368,696,633</u>	<u>8,012,185,908</u>	<u>2,162,273,853</u>	<u>2,882,031,328</u>	<u>10,530,970,486</u>	<u>10,894,217,236</u>
Total liabilities	<u>9,346,068,649</u>	<u>9,234,343,953</u>	<u>6,625,614,465</u>	<u>6,874,685,919</u>	<u>15,971,683,114</u>	<u>16,109,029,872</u>

44. Details of disposal

Type of asset	Cost BDT	Accumulated depreciation BDT	Written down value BDT	Sale price BDT	Profit / (loss) BDT	Mode of disposal
Internal decoration	56,339,065	22,272,003	34,067,062	22,560,075	(11,506,987)	Disposed during relocation
Office equipment	11,939,731	10,493,542	1,446,189	1,446,189	-	Disposed during relocation
Furniture and fixtures	31,847,050	25,853,314	5,993,736	5,993,736	-	Disposed during relocation
Motor vehicles	6,500,000	3,889,435	2,610,565	2,053,999	(556,566)	Disposal during the period
Total	<u>106,625,846</u>	<u>62,508,294</u>	<u>44,117,552</u>	<u>32,053,999</u>	<u>(12,063,553)</u>	

Notes to the Financial Statements

	2016 BDT	2015 BDT
45. Key investor ratios:		
a) Net Asset Value (NAV) per share		
Net assets (Total assets- liabilities)	6,015,764,964	5,950,548,923
Number of ordinary shares outstanding	88,900,146	84,666,806
Net Asset Value (NAV) per share	67.67	70.28
Restated:		
Net assets (Total assets- liabilities)		5,950,548,923
Number of ordinary shares outstanding		88,900,146
Net Asset Value (NAV) per share		66.94
b) Earnings Per Share (EPS)		
Net profit after tax	192,216,251	211,091,308
Number of ordinary shares outstanding	88,900,146	84,666,806
Earnings Per Share (EPS)	2.16	2.49
Restated:		
Net profit after tax		211,091,308
Number of ordinary shares outstanding		88,900,146
Earnings Per Share (EPS)		2.37
c) Net Operating Cash Flow Per Share (NOCFPS)		
Net operating cash flows	(142,594,205)	271,664,770
Number of ordinary shares outstanding	88,900,146	84,666,806
Net Operating Cash Flows Per Share (NOCFPS)	(1.63)	3.21
Restated:		
Net operating cash flows		271,664,770
Number of ordinary shares outstanding		88,900,146
Net Operating Cash Flows Per Share (NOCFPS)		3.06

The comparative figures were restated because the number of paid up ordinary shares has been increased from 84,666,806 to 88,900,146 by the rise of bonus @ 5% in the FY 2014-15.

46. 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, 07 September 2016



Notes to the Financial Statements

Eastern Housing Limited

Annex 1

---/1

Details of property, plant and equipment As at 30 June 2016

Category of Asset	To 1 August 2015		Cost and revaluation		Rate of depreciation	To 1 August 2015		Depreciation		Net book value at 30 June 2016	
	BDT	BDT	Addition	Disposal/ adjustment		BDT	BDT	Charge for the period	Adjustment	BDT	BDT
Plant and machinery	72,455,760	-	-	-	10%	44,662,101	2,444,203	-	-	47,106,304	25,349,456
Site project office	30,766,300	-	-	-	10%	19,218,418	1,015,533	-	-	20,233,951	10,532,349
Internal decoration	56,339,065	-	56,339,065	-	10%	19,298,509	2,973,494	22,272,003	-	-	-
Office equipment	29,138,450	11,418,512	11,939,731	-	20%	23,491,345	1,484,650	10,493,542	-	14,482,453	14,134,778
Furniture and fixtures	32,856,304	41,000	31,847,050	1,050,254	10%	25,609,090	573,717	25,853,314	329,493	329,493	720,761
Motor vehicles	90,816,655	1,959,000	6,500,000	-	20%	57,320,086	5,417,182	3,889,435	-	58,847,833	27,427,822
Land	366,868,259	-	-	-	nil	189,599,549	13,908,779	62,508,294	-	141,000,034	366,868,259
	679,240,793	13,418,512	106,625,846	586,033,459		189,599,549	13,908,779	62,508,294	141,000,034	445,033,425	
Revaluation											
Land	4,197,058,496	-	-	-	nil	-	-	-	-	-	4,197,058,496
	4,197,058,496	-	-	4,197,058,496		-	-	-	-	-	4,197,058,496
Leasehold Asset											
Motor vehicles	-	22,759,836	-	-	20%	-	2,600,454	-	-	2,600,454	20,159,382
	-	22,759,836	-	-		-	2,600,454	-	-	2,600,454	20,159,382
Total at 30 June 2016	4,876,299,289	36,178,348	106,625,846	4,805,851,791		189,599,549	16,509,233	62,508,294	143,600,488	4,662,251,303	
Chargeable to:											
Direct expenses		3,475,838									
Administrative expenses		13,033,395									
		16,509,233									

Notes to the Financial Statements

Eastern Housing Limited

Annex 1

--/2

Details of property, plant and equipment As at 31 July 2015

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

Chargeable to:

Direct expenses	4,177,122
Administrative expenses	13,593,104
	17,770,226



A view of our Land Project - Jahurul Islam City, Dhaka



A view of our Land Project - Banasree & Jahurul Islam City Dhaka

Eastern Housing Limited

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

Notice of the 52nd Annual General Meeting

Notice is hereby given that the 52nd Annual General Meeting of the Shareholders of Eastern Housing Limited will be held on **Wednesday, October 26, 2016 at 10:30 AM at Raowa Convention Hall (HELMAT Hall - 1st Floor), VIP Road, Mohakhali, Dhaka-1206** 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 (11 months) ended June 30, 2016 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year (11 months) ended June 30, 2016 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 07, 2016
Dhaka

By order of the Board
Sd/-
(Salim Ahmed, FCS)
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 05, 2016, 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 52nd 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. Admission in the Venue of the Meeting will be strictly on production of attendance slip sent with the notice.
4. 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 final cash dividend will be subject to deduction of Advance Income Tax (AIT) @ 15% (instead of 10%) as per regulation.

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 **52nd ANNUAL GENERAL MEETING of the Company to be held on Wednesday, October 26, 2016 at 10:30 am at Raowa Convention Hall (HELMAT Hall - 1st Floor), VIP Road, Mohakhali, Dhaka-1206.**

As witness my hand this day of October, 2016. Signed by the said in presence of

Revenue
Stamp
Tk. 20/=

.....
(Signature of the Proxy)

Date

.....
(Signature of the Shareholder)

Register BO/Folio No

.....
(Signature of Witness)

Dated

Note: A member entitled to attend and vote at the 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.

ATTENDANCE SLIP

Name of Member

Name of Proxy

Folio #

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BO A/c #

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I/we hereby record my attendance at the **52nd ANNUAL GENERAL MEETING** being held on Wednesday, October 26, 2016 at 10:30 am at Raowa Convention Hall (HELMAT Hall - 1st Floor), VIP Road, Mohakhali, Dhaka-1206.

Signature of Shareholder(s) Signature of Proxy

N.B. 1. Please note that **52nd 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 the 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