

# ANNUAL REPORT 2023



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2023





## The Founder



Founder Chairman

**Late Jahurul Islam**

1928-1995

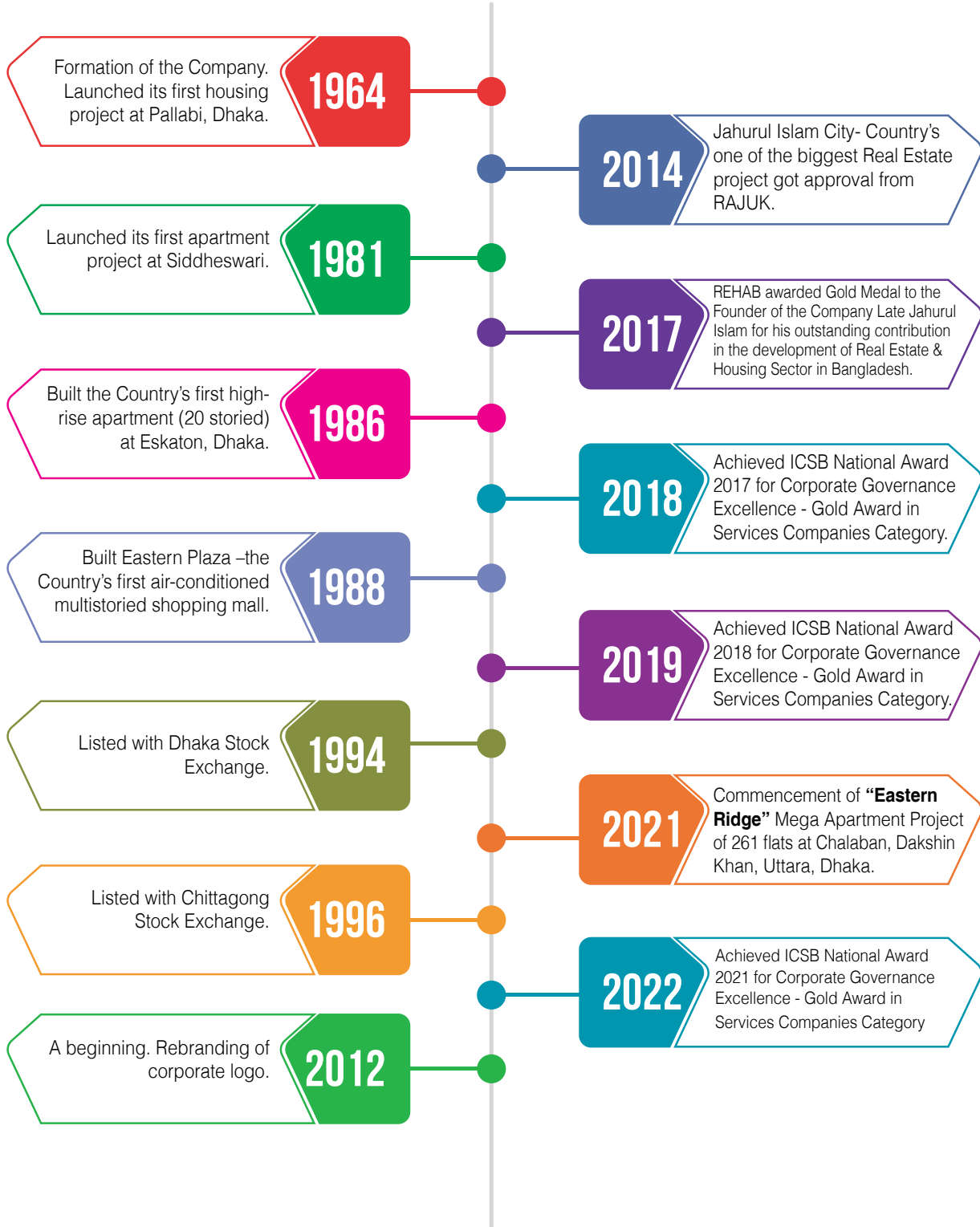


"The Sovereign" House # 7/A, Road # 90, Gulshan -2, Dhaka.

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## Key Milestones



# Our 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





## Ongoing Projects

### Land

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Jahurul Islam City (Aftabnagar), Dhaka.

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Goran Chatbari (Pallabi Phase-II), Dhaka.

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Dehra, Savar, Dhaka.

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Mayakanan, Aminbazar, Savar, Dhaka.

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### Apartment

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**"The Sovereign"** House # 7/A, Road # 90, Gulshan -2, Dhaka.

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**"Eastern Cascade"** Plot # 16, Block -A, Banasree Main Road, Dhaka.

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**"Eastern Nabarun Residences"** Plot # I/1- ka, Avenue # 4, Section # 2, Mirpur, Dhaka.

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**"Eastern Noboneer"** Plot # 79, Road # 8, Block # C, Niketon, Gulshan-1, Dhaka.

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**"Eastern Shapphire"** Plot # 30, 30/1 & 31, Block # B, Jahurul Islam City Aftabnagar, Dhaka.

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### Upcoming projects

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**"The Crest"** House # 10, Road # 3, Dhanmondi R/A, Dhaka.

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**"Eastern Ridge"** Chalaban, Dakshin Khan, Uttara, Dhaka.

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Plot # A- 30, Block # A, Main Road, Aftabnagar, Dhaka.

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# 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 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 public subscription in the shares and debentures of the Company 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

### Managing Director

Dhiraj Malakar

### Directors

Suraiya Islam

Abu Luthfe Fazle Rahim Khan

Md. Abdul Wadud

Md. Abdur Rahim Choudhury

Md. Mostafizur Rahman

### Independent Directors

Md. Rafiqul Islam

Kashem Humayun

### Company Secretary

Salim Ahmed, FCS

### Chief Financial Officer

Md. Asadul Islam FCA, FCS

### Head of Internal Audit & Compliance

Md. Moniruzzaman

### Bankers

Standard Bank Ltd. | The City Bank Ltd. | Union Bank Ltd. | Brac Bank Ltd. | Al-Arafah Islami Bank Ltd. | Southeast Bank Ltd. | Sonali Bank Ltd. | Uttara Bank Ltd.

### Registered Office

125/A, Motijheel Commercial Area, Dhaka 1000  
Bangladesh, Tel: 2223386303-5, Fax: 2223386311

## Board Committees

### Audit Committee

Chairman: Md. Rafiqul Islam, Independent Director

Members: Kashem Humayun, Independent Director

Md. Abdul Wadud, Director

Md. Mostafizur Rahman, Director

Md. Abdur Rahim Choudhury, Director

Secretary: Salim Ahmed, FCS

### Nomination & Remuneration Committee (NRC)

Chairman: Kashem Humayun, Independent Director

Members: Abu Luthfe Fazle Rahim Khan, Director

Md. Abdur Rahim Choudhury, Director

Secretary: Salim Ahmed, FCS

### Statutory Auditors

Mahfel Huq & Co.

Chartered Accountants

### Corporate Governance Compliance Auditor

Mohammad Sanaullah & Associates

Chartered Secretaries & Management Consultants

### Legal Advisor

Huq & Company

47/1 Purana Paltan,

Dhaka -1000, Bangladesh

### Corporate Office

59/B Kemal Ataturk Avenue, Banani, Dhaka-1213  
Bangladesh, Tel: +88-02-55033669

E-mail: [info@easternhousing.com](mailto:info@easternhousing.com); [share@easternhousing.com](mailto:share@easternhousing.com),

Web: [www.easternhousing.com](http://www.easternhousing.com)

# Directors' Profile



## Manzurul Islam Chairman

Mr. Manzurul Islam enrolled in the Board as Director in 1993. Subsequently he became the Chairman of the Board of Directors in 1995 and till date is serving as the Chairman of the Board. Mr. Islam has gained over 36 years of experience and knowledge in managing various businesses in Bangladesh.

Mr. Manzurul Islam is the Chairman of Islam Group - the Group comprises of Aftab Bahumukhi Farms Limited, Aftab Feed Products Limited, Aftab Hatchery Limited, Aftab GP Farms Limited, Bengal Development Corporation Limited, Islam Brothers Properties Limited, IG Foods Limited, River View Limited, Islam Cement Limited, Bhagalpur Holdings Limited, The Milners Tubewells Limited, Aftab Hatchery Northern Limited, Ultimate Agro Feed Industries Limited and MK Seed & Agriculture Industry Limited. Mr. Islam is also the Sponsor Director of LafargeHolcim Bangladesh Limited and Eco-Dev Solutions & Technologies Bangladesh Limited.

Former Chairman of IFIC Bank Ltd. and Vice Chairman of Bangladesh Association of Banks Mr. Islam was the President of France Bangladesh Chamber of Commerce & Industry (CCIFB). He is one of the founder and present Chairman of Jahurul Islam Medical College and Hospital.

Born in 1961, Mr. Islam completed his Graduation in Economics from the University of London, UK. 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. Mr. Islam is a Commercially Important Person (CIP) of Bangladesh.



**Suraiya Islam**  
Director

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Mrs. Suraiya Islam 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, namely Aftab Bahumukhi Farms Limited, River View Limited, Islam Cement Limited and Bengal Development Corporation Limited. 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 different activities of the Company.



**Abu Luthfe Fazle Rahim Khan**  
Director

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Abu Luthfe Fazle Rahim Khan was appointed as Director on 26.02.2019 as nominee of Islam Brothers Properties Limited. He is also a member of the Nomination and Remuneration Committee of the Company.

Mr. Khan having more than 30 years of experience in managing various businesses in Bangladesh is the Managing Director of Aftab Bahumukhi Farms Ltd., Aftab Feed Products Ltd., Aftab Hatchery Ltd., Aftab Hatchery Northern Limited & Aftab G.P Farms Ltd. He has diversified business experience, very focused on Agricultural Sector- Animal agriculture as well as Plant agriculture. He is also Director of Bengal Development Corporation Limited, Islam Brothers Properties Limited, River View Limited, Bhagalpur Holdings Limited, The Milners Tubewells Limited, Ultimate Agro Feed Industries Limited, MK Seed & Agriculture Industry Limited and IG Foods Limited.

Mr. Abu Luthfe Fazle Rahim Khan actively associated with different National and International business association. He is the President of World Poultry Science Association, Bangladesh Branch (WPSA-BB) and Sr. Vice President of Feed Industries Association of Bangladesh (FIAB). He is also EC Member of Breeders Association of Bangladesh (BAB), Bangladesh Poultry Industries Co-ordination Committee (BPICC) and The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

Mr. Khan obtained Masters of Commerce (M.COM) degree with distinction in Management from Faculty of Commerce, Dhaka University, Dhaka.



**Md. Abdul Wadud**  
Director

Mr. Md. Abdul Wadud was first appointed as Member of the Board of Directors in 2004. Subsequently in 2011 he represent in the Board as Nominated Director of Islam Brothers Properties Limited. He is also a member of the Audit Committee of the Board.

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-Duwaginand highway 5000 housing project in UAE.



**Md. Abdur Rahim Choudhury**  
Director

Mr. Md. Abdur Rahim Choudhury was appointed in the board as Nominated Director from River View Limited on 26.02.2019. He is also a member of the Audit Committee and Nomination and Remuneration Committee.

Mr. Choudhury joined Bengal Development Corporation (BDC) - a concern of Islam Group, in 1976 in its Abudhabi overseas 5000 Housing projects. Thereafter he was transferred to Sanaa, North Yemen in 1982. Thereafter he posted in Baghdad, Iraq in 1986 as Regional Manager and In charge of Baghdad Head Office. There he worked in Trunkey project in Al-karim & Akashat. In 1990 he was posted to BDC Head office as Chief Accountant and subsequently promoted as Operative Director (Finance) in 1996. In 2007 he was promoted as Finance Director of BDC. In 2009 he entrusted with the responsibility of the Head of Central Finance Division of Islam Group. He is also a Director in different concerns of Islam Group, namely Bengal Development Corporation Limited, IG Foods Limited, Bhagalpur Holdings Limited, The Milners Tubewells Limited and MK Seed & Agriculture Industry Limited.

Prior to joining the Islam Group he served in erstwhile EPIDC, Govt. Sector Corporation in Gas & Mineral Division from 1967 to 1976. During his long association with Islam Group he has been playing a vital role in the development of different concern of Islam Group.

Mr. Choudhury obtained Masters of Commerce (M.COM) degree in Management from Rajshahi University.



**Md. Mostafizur Rahman**  
Director

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Mr. Md. Mostafizur Rahman was first appointed as Member of the Board of Directors in 2004. Subsequently in 2011 he represent in the Board as Nominated Director by Islam Brothers Properties Limited. He is also a member of the Audit Committee.

He is a business professional for a period of over 40 years. He holds Bachelor's degree in Arts. He is the proprietor of M/s. Mostafizur Rahman, a construction company and Hotel Shahina.



**Kashem Humayun**  
Independent Director

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Mr. Kashem Humayun was appointed as Independent Director of Eastern Housing Limited in 2018. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee.

Mr. Kashem Humayun has a MA Degree in Journalism from Dhaka University. He has been working as a professional journalist for last 46 years. He is the Managing Editor of The Daily Sangbad. During his long career as journalist he has written so many articles on National and International issues like Politics, Economics, Banking and Power sector which has been published in national dailies.

Mr. Kashem Humayun was Member of the Board of Directors of Sonali Bank Limited from 2010 to 2016 and Jiban Bima Corporation. He is now the Director of Agrani Bank Limited.

Mr. Humayun in connection with his profession has visited many countries including USA, UK, Germany, France, Italy, Australia, Thailand, Singapore, Malaysia, India, Saudi Arabia, etc.



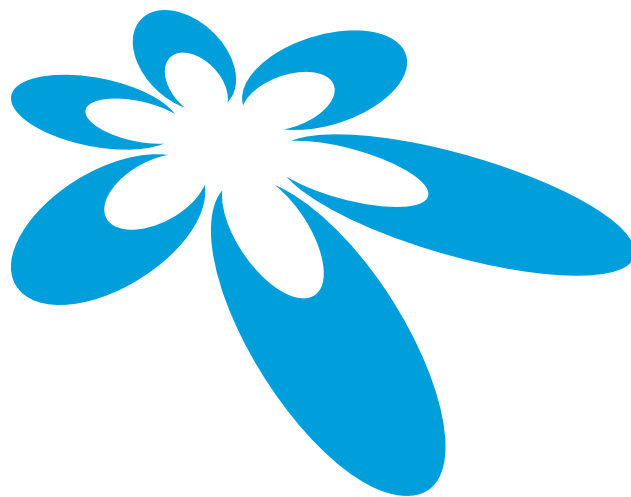
## Md. Rafiqul Islam Independent Director

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Mr. Md. Rafiqul Islam was appointed as Independent Director of Eastern Housing Limited on September 19, 2019. He is the Chairman of the Audit Committee of the Board.

Mr. Md. Rafiqul Islam, a retired Joint Secretary, did his Masters in Economics with Honours from Dhaka University in 1969. He also obtained MSS degree in Development Administration from University of Birmingham, UK. Mr. Islam served in the Government of the People's Republic of Bangladesh about 30 years in different ministries. He served as Deputy Commissioner & District Magistrate at Chuadanga and Mymensingh. He also worked as Chairman JUBOK Commission under Banking Division, Ministry of Finance.

Mr. Islam during his long career participated in several foreign Training, Workshop and Seminars held in India, Sri Lanka, Switzerland, Sweden Canada, UK and USA.





# Management Team's Profile





## **Dhiraj Malakar** Managing Director

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, former Secretary, Ministry of Food and Disaster Management served 36 years in the public sector in different capacities in the field level as well as a policy level of the Government of People's Republic of Bangladesh.

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.



## **Dr. Khondaker Showkat Hossain** Deputy Managing Director

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Dr. Khondaker Showkat Hossain joined in Eastern Housing Ltd. on 1st December 2020 as Deputy Managing Director.

Dr. Hossain a former Secretary to the Government worked as Secretary, Ministry of Housing & Public Works and Ministry of Expatriates' Welfare & Overseas Employment. He also served as Chairman of a Public Bank: 'Probashi Kallyan Bank'. During his 33 years in the Civil Service he also served as Divisional Commissioner, Dhaka, Joint Secretary (APD), Ministry of Public Administration and in various capacities in the Bangladesh Secretariat as well as in the field level administration.

Dr. Hossain has considerably wide experience in Land Laws and Criminal adjudication. Dr. Hossain got many International and Local trainings in various reputed institutions which include: British Civil Service College, Singapore Civil Service College, United Nations Asia and Far East Institute (UNAFEI) in Fuchu, Japan. He also took higher course on Development Economics in Bradford University, UK.

He was awarded PhD degree from Dhaka University with the thesis titled: 'Socio-Economic Impact of Permanent Settlement, 1793'.

## **Md. Asadul Islam FCA, FCS** Chief Financial Officer

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Mr. Asadul Islam joined in Eastern Housing Ltd. in 2012 as Chief Financial Officer. A Masters in Commerce (Accounting), Mr. Islam qualified Chartered Accountancy in 2001 and Chartered Secretary in 2002.

Prior to his joining in EHL he served in Navana Group as Operative Director. Besides, he was Chief Financial Officer (CFO) of both Aftab Automobiles Limited and Navana CNG Limited. He also worked in Abdul Monem Limited as Head of Finance and in Quasem Group as Deputy Controller of Accounts. Mr. Islam has more than 20 years' experience in Accounting, Finance, HR and Corporate Governance.

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).



## Salim Ahmed, FCS

Company Secretary



Mr. Salim Ahmed, a Fellow Member and Council 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 30 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 the Institute of Chartered Secretaries of Bangladesh (ICSB) in 2005.



## Md. Moniruzzaman

Head of Internal Audit and Compliance

Mr. Moniruzzaman was appointed as 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 articleship on October 2007 with M/s Aziz Halim Khair Choudhury (AHKC), Chartered Accountants.

He obtained CA Professional Stage 1 (Certificate 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.



## AKM Sahadat Hossain Majumder

Senior Executive Director (Apartment)

Mr. AKM Sahadat Hossain Majumder joined Eastern Housing Limited on 1st June, 2020 as Senior Executive Director. He is the In-charge of apartment unit of EHL. He plays a pivotal role for Business development, Sales, Marketing and project monitoring. He actively participated in different local and international real estate fairs.

Mr. AKM Sahadat Hossain Majumder started his carrier with Pfizer Labs (Bangladesh) Ltd. in 1991. During his 20 years' career in real estate sector he served in Rupayan Housing Estate Ltd. as Manager from 2003 to 2006, Assurance Developments Ltd. as Sr. Manager from July 2006 to June 2007, Building Technology and Ideas Ltd (bti) as Executive Director from 2007 to 2012, Anwar Landmark Ltd. as Executive Director from 2012 to 2018. Prior to joining this Company he worked in Property Link Ltd. as Chief Executive Officer.

A Masters in Economics from Dhaka University Mr. Majumder also obtained Diploma in Marketing Management from Bangladesh Institute of Management in 2005.

## Mizanur Rahman Khan

Executive Director



Mizanur Rahman Khan joined in Eastern Housing Limited on 19th September 2019 in the legal department.

He completed B.S.S (Hons), M.S.S, LL.B from Dhaka University. Then he appeared in 7th Bangladesh civil service examination (BCS) in the year 1985 and with a successful result joined in Bangladesh judicial service in 1988.

He served 31 years as judicial officer in different capacities such as Assistant Judge, Senior Assistant Judge, Joint District and Sessions Judge, Additional District & Sessions Judge and District & Sessions Judge in different District. Mr Khan worked as Deputy Secretary (admn.) in Law & Justice Division in the ministry of law, Justice and Parliamentary affairs efficiently for a long time. He was posted as Senior District & Sessions Judge in Bagerhat District & Manikgonj District and performed his responsibility with honesty, integrity & sincerity.

Prior to joining Eastern Housing Limited he was Divisional Special Judge in Dhaka. In his professional life he took part various trainings including land management in home & abroad. In his service life he disposed of many civil cases, civil appeals and important Criminal cases and he gathered vast knowledge in respect of land management.

## Engr. Zahanul Haq Chowdhury

Executive Director (Land Development)



Engr. Zahanul Haq Chowdhury, B.Sc.Engg.Civil (BUET Batch 1974) F-4831-joined EHL Land Development on June 2021. He also worked as head of construction EHL Apartment from 2011 to 2018. Engr. Zahanul H. Chowdhury worked as Chief Engineer of 22-storied World Trade Centre at Chittagong. As head of construction (Executive Director) of EHL Apt. Div. completed several high-rise buildings. Worked as Project Manager, WDB hydraulic structures & PDB for Greater Chittagong Power Project Asphaltic Bitumen Plant of Bangladesh Petroleum Corporation at Eastern Refinery.

Engr. Zahan Chowdhury previously worked as Highway Engineer in Saudi Arabia and Iraq for the construction of Expressway, Highway, Flyover, Bridge & Viaduct. Resident Engineer of Consultant at Tigerwoods Dubai Golf Resort Project.

Engr. Chowdhury also worked as Project Manager Dhaka Sylhet Road (National Highway N-2), Satkhira-Bhetkhali Road (Regional Highway) and RE of consultant, Jamuna Bridge Access Road Project & Cost Engineer of Padma Bridge pre-feasibility with Rendel, Palmer & Tritton of UK.

During this 47years of Professional life, undergone through several training program such as non-destructive Integrity test of concrete structure & strengthening of structure by Epoxy treatment. Mix design of Concrete and Asphalt, Highway survey & geometric design, Pavement design and Project Management Course.



## Dawan Shahenul Kabir

Director (Construction)

Engr. Dawan Shahenul Kabir has been with Islam Group since 1997. He currently heads the Construction Department of Eastern Housing Ltd. and has been with real estate industry for more than 20 (Twenty) years.

Prior to joining Eastern Housing Ltd. he worked in various Residential & Commercial Building Projects at Abu Dhabi, UAE for about five years. He also worked in some Projects of Bangladesh Water Development Board, RAJUK & MES (Navy).

Mr. Kabir obtained graduation in Civil Engineering from CUET (Batch-1982). He also completed a program of Postgraduate Certificate Course in Construction Management from BRAC University.



## **Md. Al Amin**

**Director (Land Settlement & Mutation)**

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Mr. Md. Al Amin joined in Eastern Housing Limited on 24th February 2019. He is currently working as Director in Land Settlement & Mutation Department.

Prior to his joining in Eastern Housing Limited, he was a Joint Secretary to the Government of Bangladesh and served in different divisions/ministries holding the post of AC (Land), Senior Assistant Commissioner, NDC, 1st Class Magistrate, Upzila Nirbahi Office, Additional Deputy Commissioner, Deputy Commissioner, Additional Divisional Commissioner at Sylhet and Dhaka Division.

He completed M.Sc in Zoology from University of Rajshahi. During his service in the Government of Bangladesh he attended number of training and workshops in home and abroad on Law & Administration, Land Management, Disaster Management, Administration & Development etc.

## **Anwarul Haq Chowdhury**

**Operative Director & Chief Architect**  
**Planning & Design Department**

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Mr. Anwarul Haque Chowdhury has joined Eastern Housing Limited on 19<sup>th</sup> December 2022 as Chief Architect in Planning & Design Department. Currently he is working as Operative Director of Planning & Design Department of EHL. He obtained his Bachelor of Architecture from Bangladesh University of Engineering & Technology (BUET), in the year 1992 & Master's in Building Science (M.Sc) from National University of Singapore (NUS) in the year 2001.

Mr. Chowdhury has over 30 years professional experience in the field of Architecture. Prior to his joining in EHL he served in Navana Real Estate Ltd. as Deputy General Manager in Architecture Department.

He also worked in Anwar & Associates, Rangs Properties Ltd, Concord Architect & Engineers in Bangladesh & TAA Architects PTE Limited and Housing & Development Board in Singapore. Mr. Anwarul Haque Chowdhury is a Fellow Institute of Architects, Bangladesh (IAB), Dhaka, Bangladesh (FIAB Registration No. C-021).



## **Dulal Chandra Sarker**

**Executive General Manager (Material Procurement Division)**

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Engr. Dulal Chandra Sarker joined Bengal Development Corporation (BDC) under Islam Group in 1998. Later on he was transferred to Eastern Housing Limited in 2012 and since then he has been working in Material Procurement Division (MPD).

He started his career with BDC-NCE-FF Cruz (Philippine), a joint venture project engaged in construction of Roads and Bridges under Roads and Highways Department in 1993 as Assistant Engineer.

He obtained his B.Sc. Engineering (Civil) from Chittagong University of Engineering & Technology (CUET) in the year 1992.



"The Crest" House # 10, Road # 3, Dhanmondi R/A, Dhaka.





**Manzurul Islam**  
Chairman

## Chairman's Statement

Distinguished Shareholders,

It is my pleasure to welcome you all to the 59th Annual General Meeting of Eastern Housing Limited. I am also delighted to present before you the annual report of Eastern Housing Limited for the year ended on June 30, 2023.

Dear shareholders, I would like to express my gratitude to you all for your continuous trust and support extended towards the Company.

The post Covid-2019 real estate business has not been as good as expected. The world economy is in yet another crisis due to the war in Ukraine to overcome the impact of covid. Its effect on the economy of Bangladesh is noticeable. Due to crises and unexpected increase of value of the US dollar, there is stagnation in the trade and commerce. As a result, all businesses are suffering and its effect is also being observed in real estate business. Particularly in apartment business.

During the year under review our total sales fall by 7% as compared to last year's total sales. However, our land sales increased by 14% whereas apartment sales decreased by 40%. Due to increase of cost of construction materials now a days, apartment business is not promising but we have made satisfactory income from regular collection of installments of previous sales and sale of new plots of our land projects.

Dear Shareholders, you will be happy to learn that we have made a net profit of Tk. 68.80 crore which was Tk. 54.91 crore in the previous year registering a growth of 25%. We earn a significant finance income from our fixed deposit of around Tk.500 crores. As such, the Board of Directors are pleased to recommend 25% cash dividend for the year ended June 30, 2023.

As we mentioned in previous year that we are working to expand our Jahurul Islam City (JIC) land projects at Aftabnagar, Dhaka. We have initiated two new land projects adjacent to RAJUK approved Jahurul Islam City project. These are JIC 2<sup>nd</sup> Phase and JIC 3<sup>rd</sup> Phase. During the year 2022-2023 we have purchased 71.12 bighas of land at Jahurul Islam City (JIC) project, JIC 2<sup>nd</sup> Phase and JIC 3<sup>rd</sup> Phase projects.

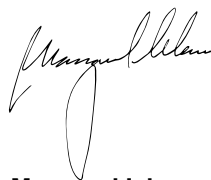
Our another land project "Mayakanan Lake City" is situated near Aminbazar and Baliarpur of Savar. We have so far purchased 1220 bighas of land for this project. In recently Gazetted Detailed Area Plan (DAP: 2022-2035) 72 bigha land has been shown as residential land use. Out of the total project area, total 180 bigha land is developed and 354 bigha land is partially developed.

Considering the new DAP, EHL is searching suitable land to start new projects in and around Dhaka city. Moving into new areas like adjacent to Purbachal 300 feet expressway and Dhaka Maowa highway, Bosila, Keranigonj and the outer side of Dhaka city which are spacious and yet to be developed with urban infrastructures.

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

I thank all our shareholders and members in the Board of Directors for their guidance and support. I also convey my sincere appreciation to the management and staff of EHL for their dedication and hard work. I am also thankful to the bankers, customers, suppliers and the regulatory authorities for their support and encouragement.

Best wishes,



**Manzurul Islam**  
Chairman



## Management Discussion and Analysis from Managing Director's Desk

### Honorable Shareholders

I hope you and your family members are safe and doing well. The globe as a whole passing through an unprecedented tough time, due to the Ukraine – Russia war and adverse effect of worldwide climate change. However, you will be happy to learn that the year 2022-23 was another successful year for Eastern Housing for reaching highest profit amounting Tk. 68.80 crore, compared to the previous five years profit.

### Global Economy

A series of severe and mutually reinforcing shocks struck the world economy in 2022 as it approached the midpoint for achieving the 2030 Sustainable Development Goals (SDGs). With the impacts of the COVID-19 pandemic still reverberating worldwide, the war in Ukraine ignited a new crisis, disrupting food and energy markets, and worsening food insecurity and malnutrition in many developing countries. High inflation unleashed an erosion of real incomes and a global cost-of-living crisis that has pushed millions into poverty and economic hardship. At the same time, the climate crisis continued to impose a heavy toll, with heat waves, wildfires, floods and hurricanes inflicting massive economic damages and generating humanitarian crises in many countries.

In the World Economic Outlook (WEO) April 2023, International Monetary Fund (IMF) has expected the global economy to slow down from 3.4 percent in 2022 to 2.8 percent in 2023 and rebound to 3.0 percent in 2024. This projection is 0.1 percentage point lower than in the January 2023 WEO update. The slowdown of economic activity is observed due to spike in commodity prices and supply chain disruption driven by the effects of war.

### Bangladesh Economy

Bangladesh's economy has recovered from the economic damage caused by the impact of Covid-19 and the ongoing Russia-Ukraine crisis, although the recent slowdown in the global economy has adversely affected the country's economic growth. Bangladesh's economic growth in the pre Covid-19 fiscal year (FY 2018-19) was 7.88 percent. During the Covid-19 it was declined but now a days it recovered and in 2021-22 growth is nearly 7.10 percent.

According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth stood at 6.03 percent in FY 2022-23. As per provisional estimate of BBS, per capita GDP and per capita national income stood at US\$ 2,657 and US\$ 2,765 respectively in FY 2022-23 compared to US\$ 2,687 and US\$ 2,793 respectively in the previous fiscal year. However, the per capita national income in terms of Taka increased by about 30 thousand and stood at Tk. 2,70,414.

### Business Prospects and Problems

Bangladesh's real estate market is rapidly developing as a result of the country's fast growth, rising housing demand, expanding middle class, and rising per-capita income. It all began in the 1970s with only a few registered

organizations. During the 1980s, middle-class city dwellers in Bangladesh embraced apartment construction, and by the late 1980s, it had become a standard practice for people of all income levels. At the moment, the trend of real estate is expanding to include not just the development of residences but also model towns, retail malls, and commercial setup with an eye toward large profit margins.

The feasibility study for suitable housing project is ongoing. There are some scope for expansion of 2<sup>nd</sup> phase and 3<sup>rd</sup> phase of Jahurul Islam City as there are vacant lands in the Northern sides of these projects. These vacant lands were within the boundary of EHL's RAJUK approved project at Aftabnagar. So we are thinking for expansion of these two projects after taking necessary discussion with stakeholders and overcome the hindrances.

The government has developed a good communication network and civic facilities for housing and habitation for city dwellers alongside the 300 feet Purbachal expressway which will make the surrounding area suitable for housing. Already many developers started their housing projects in this area. Eastern Housing is searching new project in this area. We are also trying to find out the new area in Dhaka Mawoa Road and Keraniganj and other adjacent area like Basila etc.

Detailed Area Plan (DAP 2022-2035) is now applicable for Dhaka city and adjacent area. The proposed Mayakanan land projects at Amin Bazar of EHL have been earmarked to develop housing project. But, the proposed DAP has a mixed impact on construction of building and apartment projects due to restriction of building height and number of flats. Floor Area Ratio (FAR) of present DAP is lower than that of previous DAP. So height of building is restricted due to FAR and dwelling unit is also restricted in the new DAP. Because of this new rules trend of construction of housing has been already decreased. Real Estate Developers as well as Land Owners are not interested to construct building with minimum height and less number of units from the point of profitability. We hope that the regulators shall further review the FAR in DAP favorably so that people can get satisfactory height of the buildings.

Moreover, recent amendment in Finance Act, 2023 regarding Registration Tax rate came like a bolt from the blue to the real estate developers. The rate has become double from the previous rate in some areas. Consequently the purchase price of land will go up and obviously EHL has to increase the sale price which might have adverse effect on the sale as well as revenue.

### **Business Performance**

During the year under review our total sale was Tk. 308.56 crore, which was in previous year Tk. 331.27 crore. Total sale decreased by 7%. Out of the total sales, land sale was Tk. 230.42 crore and apartment sale was Tk. 78.14 crore. In the last financial year (2021-2022) land sale was Tk. 201.48 crore and apartment sale was Tk. 129.79 crore representing positive growth in land sale by 14% and declining growth trend in apartment sale by 40%.

However, our overall profit increased to Tk. 68.80 crore from Tk. 54.91 crore of previous year representing a growth of 25%. Our operating expense is 14% of the revenue, which was 13% in the last year i.e. 1% higher from the last year.

The earnings per share (EPS) is Tk. 7.37 which was Tk. 5.88 in the previous year. The Company's Net Asset Value is Tk. 747.51 crore and Net Asset Value (NAV) per share is Tk. 80.08 which was Tk. 74.71 per share in the previous year.

### **Sustainable development**

We in EHL integrate sustainability into our business strategy. Our focus on sustainable development covers a range of environmental parameters including site selection and planning, pedestrian-friendly developments, indoor environmental quality, maximizing day lighting and natural ventilation, water and energy efficiency as well as responsible material sourcing. We reduce energy consumption in the buildings by using solar panel for common spaces which in turn, reduces operational carbon footprint. Our land projects are well planned having sufficient space for greenery and social amenities.

### **Risk and Concern**

Detail of risks and its management are described in the Corporate Governance Statement and Directors' Report on page 40 & 55.

### **Accounting Policies and Estimation of Financial Statements**

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

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

### **Changes in Accounting Policies and Estimation of Financial Statements**

The changes in accounting policies and estimation are described in the notes 2.6 of the financial statements.

### **Comparison of financial performance with Peer Industry**

Eastern Housing Limited is the only Company in the Real Estate Sector listed with Dhaka and Chittagong Stock Exchanges. Therefore, it is not possible to get financial data of other Company.

### **Comparative analysis of Financial Performance**

The key operating and financial performance of the Company for the last five years are annexed on page 50.

### **Future Plan**

As we mentioned earlier that we have obtained primary clearance from the RAJUK for our 2nd and 3rd phase project of Jahurul Islam City (JIC). Land purchase is going on for these two extended projects as well as for Aftabnagar projects and till today we have purchased 71.12 bigha land. As per regulations of RAJUK at least 75% of total land of the proposed project area is required to be purchased for their final approval. We have so far purchased 20.50% land for JIC 2nd Phase and 12.60% for JIC 3rd Phase.

Another land Project – “Mayakanan Lake City” is situated near Aminbazar and Baliarpur of Savar. According to recent gazetted Detailed Area Plan (DAP: 2022-2035) 72 bigha land has been shown as residential land use, Out of total purchased land 180 bigha land has been developed and 354 bigha land is partially developed. All necessary initiatives have been taken on priority basis to clear the Mayakanan Lake City project.

The high price of construction materials and also restriction on FAR in new DAP, launching of new apartment projects declined significantly. Landowners are taking time with expectation that govt. will revise the FAR. To overcome the prevailing situation we are very much cautious for taking new apartment projects. Construction works of seven apartment projects are going on, among these projects construction work of one luxurious project at Gulshan is almost completed and another luxurious project at Dhanmondi and a mega project of 261 apartments at Uttarkhan, Chalaban are in going to be started.

### **Conclusion**

I would like to express my gratitude and thanks to the members of the Board for their continued support and guidance during the year. My sincere thanks to my colleagues for their dedication and commitment which contributed immensely towards the development of the Company. I would like to thank our customers, joint venture partners, and business associates for their support and my special thanks to you, our shareholders, for your continued trust in EHL.

Finally, I must thank to our honorable Chairman whose guideline and instructions helped us to run the business activities of the Company successfully even in the prevailing worldwide hard economic situation.

Thank you all.



**Dhiraj Malakar**  
Managing Director



**"Eastern Noboneer"** Plot # 79, Road # 8, Block # C, Niketon, Gulshan-1, Dhaka.

## Key Team Members of EHL Corporate Office



*Standing from Left :*

**Mr. Md. Tasfiqur Rahman**  
General Manager (Land Purchase)

**Mr. Mohammad Kamrul Hassan**  
Deputy General Manager (Logistics)

**Mr. Tofael Ahmed**  
General Manager (HR & Admin)

**Mr. Md. Rafiqul Islam**  
General Manager (IT)

**Mr. Kamruzzaman**  
Assistant General Manager (Utility Department)

*Sitting from left :*

**Mr. Sayed Akhter Newazi P.P.M (BAR)**  
Operative Director (Land & Enforcement)

**Mr. Mohammad Sajedur Rahman**  
Operative Director (Accounts & Finance)

**Mr. Ashraf Ali Akhand**  
Operative Director (Planning & Regulatory)

**Mr. Zahanul Haq Chowdhury**  
Executive Director (Development)

**Mr. Md. Al Amin**  
Director (Land Settlement & Mutation)

**Mr. Mohammad Mazharul Islam**  
Operative Director (Planning & Regulatory)

## Sales & Marketing (Land) Team Members



*Standing from Left :*

**Mr. Md. Ebrahim Khalil**

Senior Executive

**Mr. Yusuf Ali**

Senior Executive

**Mr. Md. Jahangir Alam**

Assistant Office Executive

**Mr. Md. Julhas**

Executive

*Sitting from left:*

**Mr. Faruqul Islam**

Asst. General Manager

**Mr. S.M Abu Sayeed**

Deputy General Manager

**Mr. Rakib Uddin Ahmed**

Manager



## Sales & Marketing (Apartment) Team Members



*Standing from Left:*

**Mr. Md. Farhade Quader Rana**  
Assistant Manager

**Mr. Md. Masud Rana**  
Manager

**Mr. Mohammed Alamgir**  
Deputy Manager

**Mr. Mohammad Mohsin**  
Senior Visualizer

**Mr. Mostofa Mohasin Mintu**  
Assistant Manager

**Mr. Uzzal Chakraborty**  
Deputy Manager

*Sitting from left:*

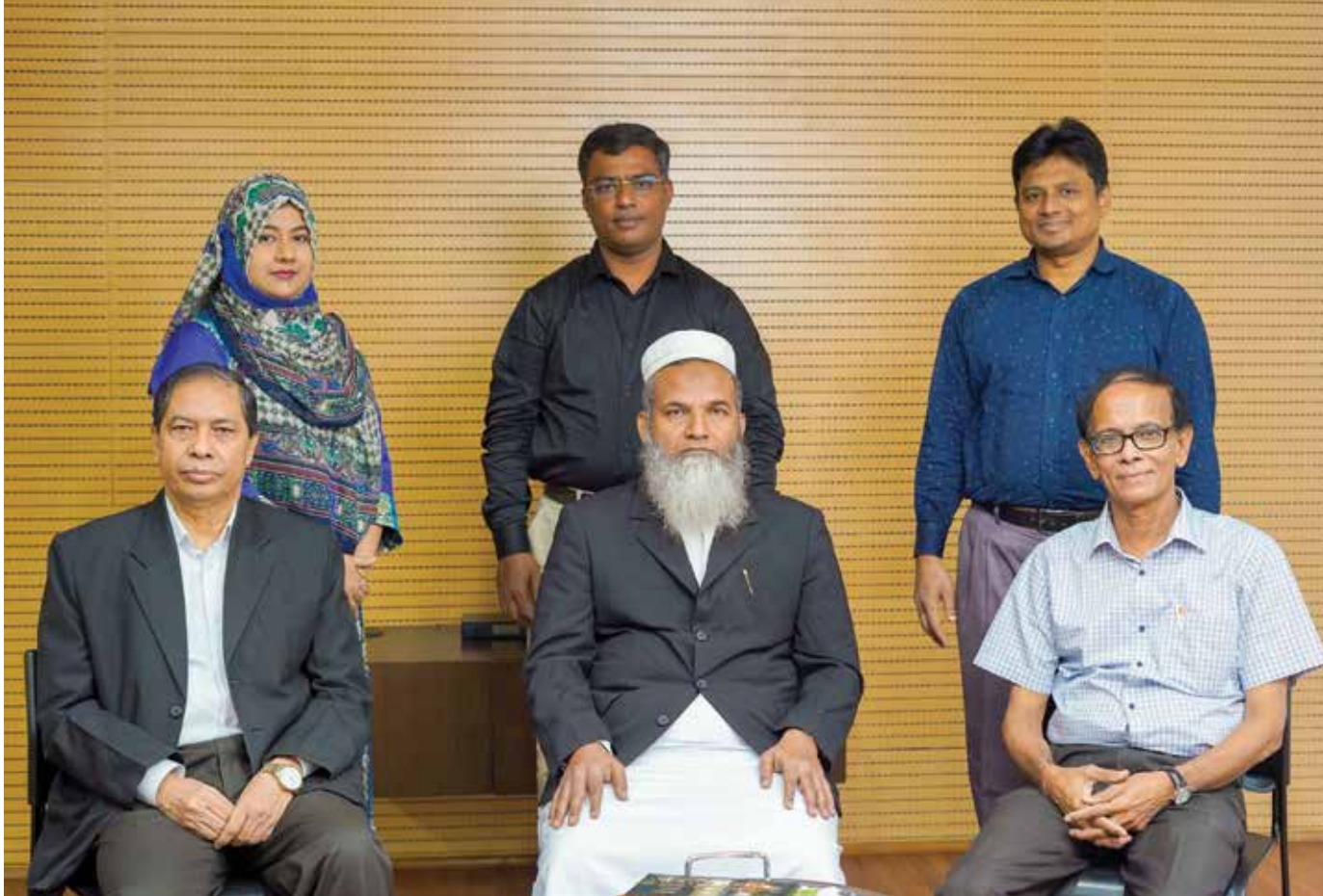
**Mr. Mohammad Farhaduzzaman**  
General Manager

**Mr. AKM Sahadat Hossain Majumder**  
Sr. Executive Director

**Mr. Md. Nazrul Islam**  
Operative Director (Business Development)

**Mr. Suman Kumar Saha**  
General Manager

## Legal Department Team Members



*Standing from Left:*

**Ms. Hasina Yeasmin**  
Executive

**Mr. Muhammad Nasir Khan**  
Manager

**Mr. Md. Abdur Rahman**  
Assistant General Manager

*Sitting from left:*

**Mr. Mizanur Rahman Khan**  
Executive Director

**Mr. Md. Motiur Rahman**  
Operative Director

**Mr. Indrajit Deb Roy**  
Deputy General Manager

## Project Site Office Team Members



Jahurul Islam City (Aftabnagar) Site Office Team Members



Banasree & Mahanagar Land Project Site Office Team Members

## Project Site Office Team Members



Pallabi Site Office Team Members



Mayakanon & Savar Site Office Team Members

# Corporate Governance Statement

The Board of Directors of EHL 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 Code**

As Eastern Housing Ltd. is listed with the Stock Exchanges in Bangladesh, we comply with the BSEC's notification No. BSEC/CMRRCD/2006- 158/207/ Admin/80 dated 3 June 2018. For the year ended 30<sup>th</sup> June 2023, we have complied with the relevant provisions set out in Annexure - C of 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.

The Board continuously reviews its corporate governance framework to ensure its relevance, effectiveness and sustainability in addressing the future business challenges.

## Board Practices

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

The Directors of the Board keep themselves informed about the Company's financial position and ensure that its activities, accounts and asset management

are subject to adequate control. The Board also ensures that EHL Policies & Procedures and Codes of Conduct are implemented and maintained, and the Company adheres to generally accepted principles for good governance and effective control of Company activities.

## Roles and Responsibilities of the Board

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 and 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, Nomination and Remuneration 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 eight 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 BSEC's Corporate Governance Code the Board of Directors has appointed two Independent Directors. We believe that our Board has the optimum level of knowledge, composure and technical understanding about Company's business which, combined with its diversity of culture and background stands as the perfect platform to perform and deliver.

Please refer to pages 9 to 15 for details of the Board of Directors and their profile.

### 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 Mr. Md. Rafiqul Islam & Mr. Kashem Humayun.

### Directors' Code of Conduct

The Board of Directors of Eastern Housing Limited established a separate "Code of Conduct" for its Board of Directors in compliance with the requirement of Bangladesh Securities and Exchange Commission (BSEC) notification. The "Code of Conduct" is given on pages 47 to 48

### Board Committees

The Board has established three Board Committees to which it has delegated some of its responsibilities. They are the Audit Committee, Nomination and Remuneration Committee and the Executive Committee.

#### 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.

The Audit Committee comprises of five members and out of them, two are independent directors. The Chairman of the Audit Committee is an Independent Director.

#### b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of three Directors including one Independent Director. Independent Director is the Chairman of the Nomination and Remuneration Committee. The Committee acts as per the terms and conditions of the Corporate Governance Code of BSEC.

#### c) 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.

### 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 D at page 76 of this report.

### 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 Board meeting are signed by the Chairman.

### Role of the Managing Director

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

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

### Role of Company Secretary

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 Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB) 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.

### 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.

### Secretarial Standards

The Company has complied with all the Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

### Disclosure of material Information and Price Sensitive Information

The Board of Eastern Housing Limited through the company secretary always ensures to inform all price sensitive information and material 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 in one on-line news portal for the general public. The communication is done through E-mail/ Fax and by special messenger, and through courier service in special cases.

In compliance with the Gazette Notification of Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors adopted a “**Principles of Disclosure of Material Information and Price Sensitive Information**” and published the Principles on the website of the Company.

### 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 Distribution Policy

According to the directive of Bangladesh Securities and Exchange Commission (BSEC), the Board approved the Dividend Distribution Policy based on company's performance and company's long term objectives. Dividend Distribution Policy is given on page 49 of this report.

### Standard of Business Conduct

Eastern Housing Limited is committed to achieving high standard 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.

Standard of Business Conduct is 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 Standard 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.

### Whistleblower Policy

This policy is formulated to provide an opportunity to the employees of the Company to report to the management instances of unethical behavior, actual or suspected fraud, corruption, improper governmental activity, health and safety concerns within the company or violation of the company's Code of Conduct.

This Policy establishes a vigil mechanism for all employees to report genuine concerns regarding the above mentioned activities. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the authority. We confirm that during the financial year 2022-2023, no employee of the Company was denied access to the reporting authority. The Whistleblower Policy is applicable to all employees and all other stakeholders of Eastern Housing Limited.

### 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 Management**

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.

The Financial risk management objectives and policies are outlined in detail at the Note No. 34.00 of the Notes to the Financial Statements (page 112 to 113) of this report.

### **Control Activities**

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

### **Information and Communication**

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

### **Monitoring**

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

### **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.

### **Financial Review**

Financial Review is 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 program 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.

### **Corporate Governance Compliance Audit**

As per the BSEC's notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 the compliance auditors are appointed at each Annual General Meeting (AGM) and their remuneration is also fixed by the Shareholders at the AGM.

### **Supply Chain Management Policy**

EHL has adopted a comprehensive Supply Chain Management Policy. The main objective of Supply Chain management is to improve the overall organization performance and customer satisfaction by improving product or service delivery to the consumers. Supply Chain Management involves initiation of procurement planning process to delivery of finished goods to the concerned stakeholders.

Supply Chain Management consists of all business partners, manufacturer, marketer, suppliers, transporters, warehouses, retailers and even customers. Their involvement may be direct or indirect.

### 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.

### 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.

### Employees

#### **Employees' remuneration Policy:**

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.

### **Policy on Employee's Participation in Management**

EHL believes that employee's participation in management's decision making process gives employees the mental and psychological satisfaction and thereby increases their involvement in the affairs of the organization which contributed overall development of the Company. The objectives of employee participation in management are:

- i. To prevent the employees from being exploited by the superiors within the organization.
- ii. To have democracy in the organization.
- iii. To lead to effective growth and development of the workforce.
- iv. To encourage the employees to express their ideas and suggestions.
- v. To make improvements in the overall working environmental conditions.
- vi. To make provision of opportunities among the employees for self-expression leading to institutional peace, good relations and increased co-operation.

#### **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.

#### **Workers' Profit Participation Fund (WPPF):**

EHL has also implemented Workers' Profit Participation Fund (WPPF) 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 2018).

#### **Compliance with Bangladesh Labour Act**

The Company has complied with the relevant conditions of Bangladesh Labour Act 2006 (as amended in 2018) in respect of Workers' Profit Participation Fund (WPPF), Provident Fund, and Gratuity etc.

#### **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.

### Company's CSR Policy

The Company will support programs and activities in the following areas.

- To contribute to poverty alleviation and to reduce inequalities faced by socially and economically backward sections of society.
- To support women empowerment, financial literacy, health, sanitation and hygiene and public awareness on various pertinent social and environmental topics.
- To promote environmental sustainability and ecological balance through sustainable livelihood initiatives focused on natural resource, afforestation and plantation programs, and awareness programs.
- To promote education and skills development through initiatives on vocational and livelihood enhancing skills development programs, and programs aimed to nurture the talent of children and students in various fields.
- To support victims of natural calamities and other disasters through relief and rehabilitation programs.

### 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.

### Communications with Shareholders

EHL is continuously striving to improve relations with its shareholders. The Company encourages communications with shareholders throughout the year and welcomes their participation at the shareholders'

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

Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Reports are sent to the members respective email addresses as available in their Beneficiary Owner (BO) Accounts maintained with the CDBL.

The Company also prints sufficient number of annual reports so that any shareholder may collect the printed copy of the annual report from the registered office of the Company or from AGM venue if any shareholder requires in writing beforehand. The Annual Reports are also available on the Company's website at: [www.easternhousing.com](http://www.easternhousing.com)

All information provided to the BSEC and Stock Exchanges are immediately made available to the Shareholders on our company website: [www.easternhousing.com](http://www.easternhousing.com)

### General Meeting

Annual General Meeting normally takes place within the first five months of each fiscal year. The members of the Board of Directors, Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee and the Auditors remain present at the Annual General Meeting (AGM) so as to be available to answer Shareholders queries, if any, on the results of the Company.

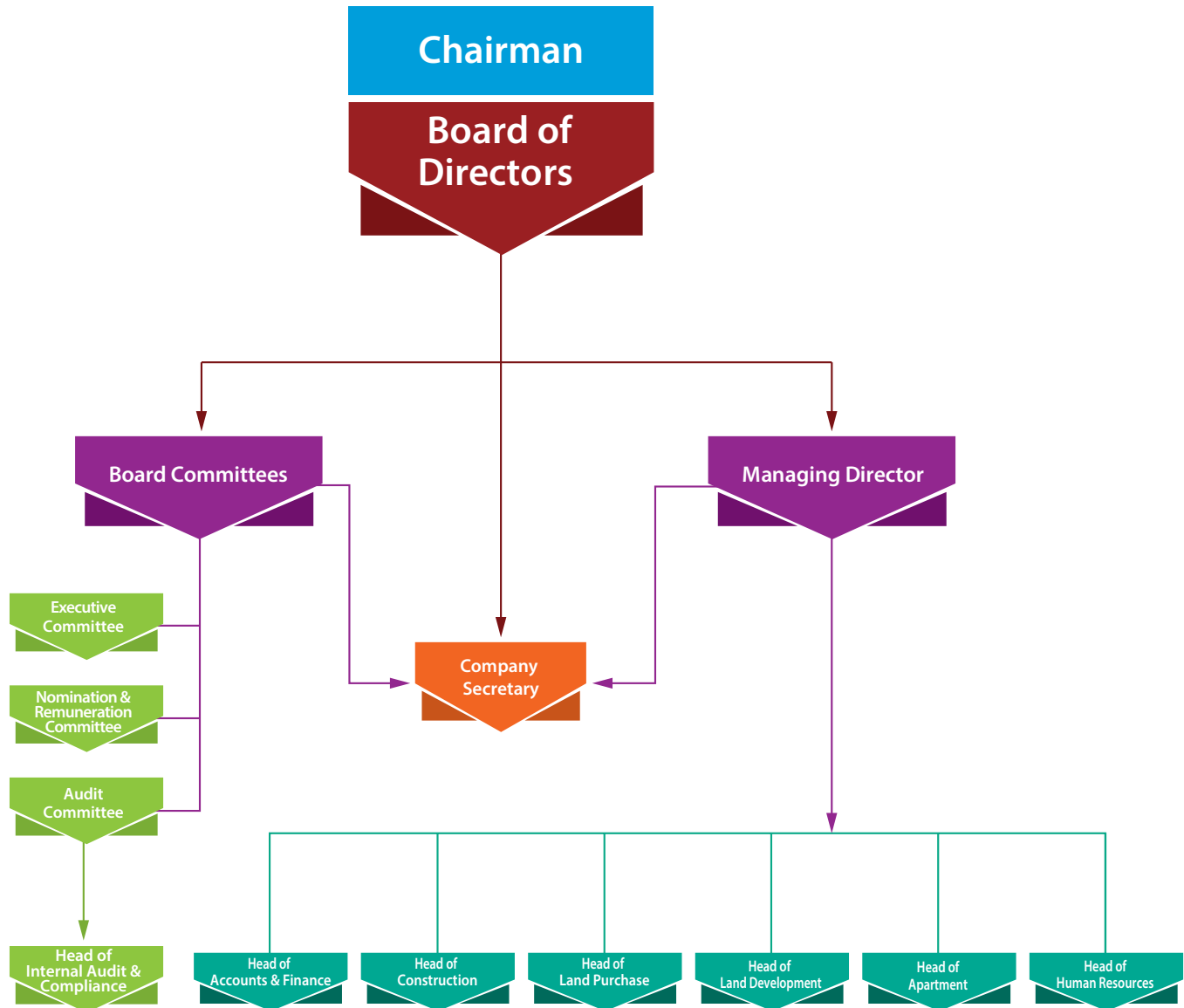
### Website

The Company has an official website linked with the website of the stock exchanges. All financial results are posted on the Investor Relations section of the Company's website: [www.easternhousing.com](http://www.easternhousing.com)

### Shareholders Queries

EHL has set up a separate share division in the 5th floor of the registered office of EHL at "Islam Chamber" 125/A, Motijheel C/A, Dhaka -1000. In addition we have special queries telephone lines and an email address. Shareholders can contact + (880) 2-223383443 or mail to EHL Share Office: [share@easternhousing.com](mailto:share@easternhousing.com) for any queries and/or grievances.

# Organizational Structure



## Awards & Achievements

The Company achieved a number of prestigious awards and certificates from different credible national and international institutions for our remarkable Corporate Governance Excellence performance as well as good management capabilities during the year 2022-2023. The awards are:

1. 9<sup>th</sup> ICSB National Award -2021 (Gold Award) for Corporate Governance Excellence in the Services Companies Category from the Institute of Chartered Secretaries of Bangladesh.
2. Best Presented Annual Reports, Integrated Reporting & SAARC Anniversary Award for Corporate Governance Disclosures-2021 (Bronze Award) from South Asian Federation of Accountants (SAFA) under Infrastructure & Construction Category.
3. 22<sup>nd</sup> ICAB National Award -2021 (Certificate of Merit) for Best Presented Annual Reports, Integrated Reporting & Corporate Governance Disclosures from the Institute of Chartered Accountants of Bangladesh.



Receiving 9<sup>th</sup> ICSB National Award -2021 (Gold Award) for Corporate Governance Excellence in the Services Companies Category from the Institute of Chartered Secretaries of Bangladesh.

South Asian Federation of Accountants (SAFA) Award for Best Presented Annual Reports, Integrated Reporting & SAARC Anniversary Award for Corporate Governance Disclosures-2021.



Receiving Best Presented Annual Reports, Integrated Reporting & SAARC Anniversary Award for Corporate Governance Disclosures-2021 (Bronze Award) from South Asian Federation of Accountants (SAFA) under Infrastructure & Construction Category.

ICAB National Award -2021 for Best Presented Annual Reports, Integrated Reporting & Corporate Governance Disclosures from the Institute of Chartered Accountants of Bangladesh.



Receiving 22<sup>nd</sup> ICAB National Award -2021 (Certificate of Merit) for Best Presented Annual Reports, Integrated Reporting & Corporate Governance Disclosures from the Institute of Chartered Accountants of Bangladesh.

# Code of Conduct

## for the Members of the Board of Directors

The Board of Directors (the "Board") of Eastern Housing Limited has adopted the following Code of Conduct (the "Code ") for directors of the Company. This Code is intended to focus the Board on areas of ethical risk, to provide guidance to directors to help them recognize and deal with ethical issues, to provide mechanism to report unethical conduct, and help foster a culture of honesty and accountability. Each director must comply with the spirit of this Code.

No code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles for directors. Directors are encouraged to bring questions about particular circumstances that may implicate one or more of the provisions of this Code to the attention of the Chairman who may consult with inside or outside legal counsel as appropriate.

### **01. Directors' Responsibilities**

The Board's responsibilities include a duty of care and duty of loyalty. A director's duty of care refers to the responsibility to exercise appropriate diligence in overseeing the functions of management of the Company, making decisions and taking other actions. In meeting the duty of care, directors are expected to:

- Attend and participate in board and committee meetings: Personal participation is essential. Directors may not vote or participate by proxy.
- Remain properly informed about the company's business and affairs: Directors should devote appropriate time to review and study the board matters.
- Rely on others: Directors may rely on board committees, management, employees, and professional advisors.
- Make inquiries: Directors should make inquiries about potential problems that come to their attention and follow up until they are reasonably satisfied that management is addressing them appropriately.

A director's duty of loyalty refers to the responsibility to act in good faith and in the Company's best interests, not the interests of the director, a family member or an organization with which the director is affiliated. Directors should not use their positions for personal gain.

### **02. Conflict of Interest:**

Directors must avoid any conflicts of interest between the director and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Chairman of the Board.

This Code does not attempt to describe all possible conflicts of interest which could develop. Some of the more common conflicts from which directors must refrain, however, are set out below.

- Relationship of Company with third-parties: Directors may not engage in any conduct or activities that are inconsistent with the Company's best interests or that disrupt or impair the Company's relationship with any person or entity with which the Company has or proposes to enter into a business or contractual relationship.
- Compensation from non-Company sources: Directors may not accept compensation (in any form) for services performed for the Company from any source other than the Company.
- Gifts: Directors and members of their families shall not accept gifts from persons or entities who deal with the Company in those cases where any such gift is being made in order to influence the directors' actions as a member of the Board.
- Personal use of Company assets: Directors may not use Company assets, labor or information for personal use and gains unless approved by the Board.



# Code of Conduct

## for the Members of the Board of Directors

### **03. Corporate Opportunities:**

Directors are prohibited from:

- (a) taking for themselves personally opportunities related to the Company's business;
- (b) using the Company's property, information, or position for personal gain; or
- (c) competing with the Company for business opportunities, provided, however, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may do so.

### **04. Confidentiality:**

Directors should maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company that come to their knowledge from whatever source, in their capacity as a director, except when disclosure is authorized or legally mandated. For purposes of this Code, "confidential information" includes all non-public information relating to the Company.

### **05. Compliance with laws, rules and regulations & fair dealing:**

- a) Directors shall comply and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company, including insider trading laws.
- b) Directors shall oversee fair dealing by employees and officers with the Company's customers, suppliers, competitors and employees.
- c) Directors should take all reasonable steps to ensure that necessary disclosures are being regularly made as part of their responsibility.

### **06. Encouraging the reporting to any illegal or unethical behavior:**

Directors should promote ethical behavior and take steps to ensure that the Company:

- (a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;
- (b) encourages employees to report violations of laws, rules, regulations or the Company's Employee Handbook/Employee Code of Conduct to appropriate personnel; and
- (c) informs employees that the Company will not allow retaliation for reports made in good faith.

### **07. Compliance Procedures & Waivers:**

Directors shall communicate any violation of this Code that may come to their notice promptly to the Board. Violations will be investigated by the Board or by a person or persons designated by the Board and appropriate action will be taken in the event of any violation as suggested/recommended.

Any waivers of this Code may only be granted by the Board after disclosure of all material facts by the director seeking the waiver. Waivers will only be granted in exigent circumstances.

# Dividend Distribution Policy

## 1. Introduction

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) regarding declaration of dividend, pay off, disbursement and compliance. In compliance with the said requirements, the Board of Directors of Eastern Housing Limited has approved the policy as stated below. The Board may review and amend this policy from time to time.

## 2. Objectives

The objectives of the Policy are to provide guidance to stakeholders on the dividend distribution framework adopted by the Company. The Board of Directors of the Company shall consider this policy when resolving on dividends, always in compliance with the provisions of the Companies Act, 1994, Notifications issued by the BSEC and other applicable legal provisions.

## 3. Basic Principle

- ❖ The Company's strategy is to pay dividend linked to long term growth objective of the Company.
- ❖ The Company is committed to enhance total shareholder return and aims to balance cash return to shareholders with the cash required for investment for sustainable income and growth. The Company also aims to build up a track record of being a consistent and sustainable dividend payment.
- ❖ The Board shall recommend interim/final cash and or stock dividend to the shareholders, which shall be subject to the approval of the shareholders at Annual general Meeting of the Company.
- ❖ The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as financial constraint.
- ❖ The Company is presently meeting its operating expenses and dividend payments from the income generated from sale of real state products (land and apartment) and related income.
- ❖ In the event of a conflict between the Policy and the existing statutory regulations, the statutory regulations will prevail.

## 4. Parameters for declaration of dividend

The declaration of dividend depends on consideration of several factors (financial or otherwise in nature and influenced by internal and external economic/business environment) such as:

- i. Availability of cash balance,
- ii. Overall financial position of the Company,
- iii. Present and future profitability and growth outlook,
- iv. Present and future cash flows from operations,
- v. Any other factor(s) that the shareholders and the board of directors may deem relevant.

## 5. Disclaimer

This Policy shall not be construed as a solicitation for investments in the Company's securities/shares and shall neither act as an assurance of guaranteed returns (in any form), on investments in the Company's securities.

## 6. Disclosures

This policy will be disclosed on the Company's website and in the Annual Report of the Company.

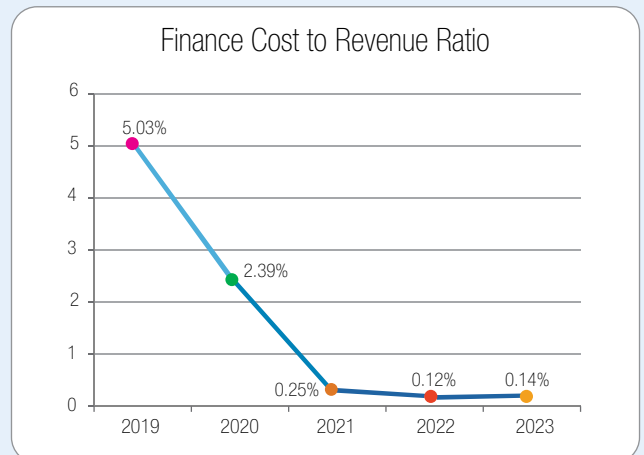
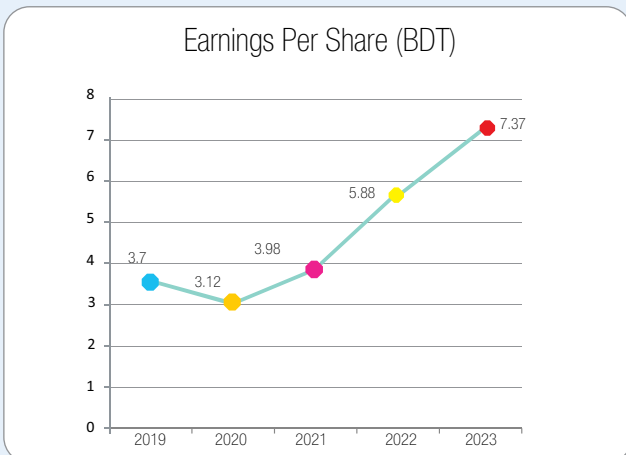
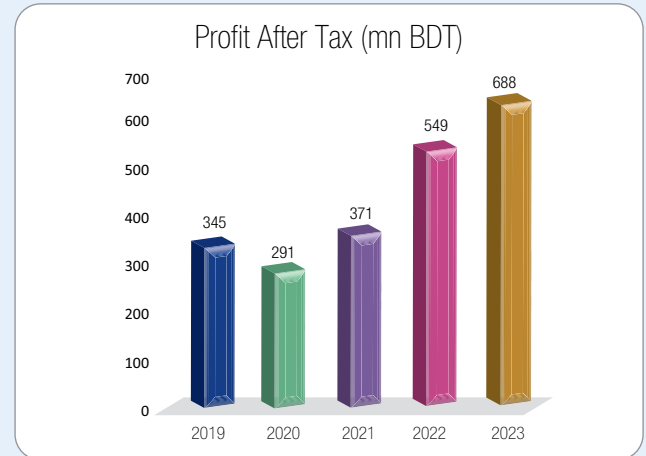
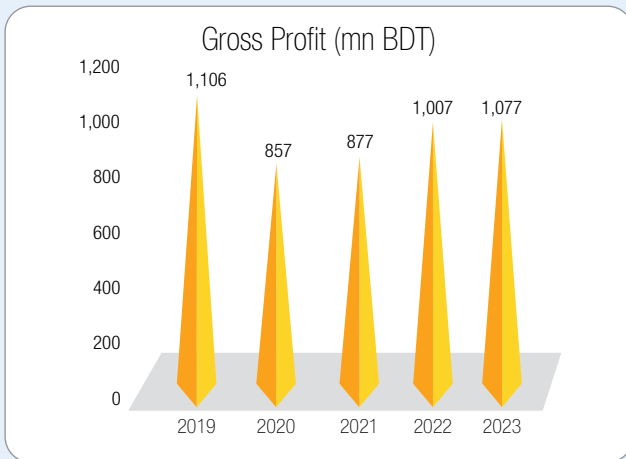
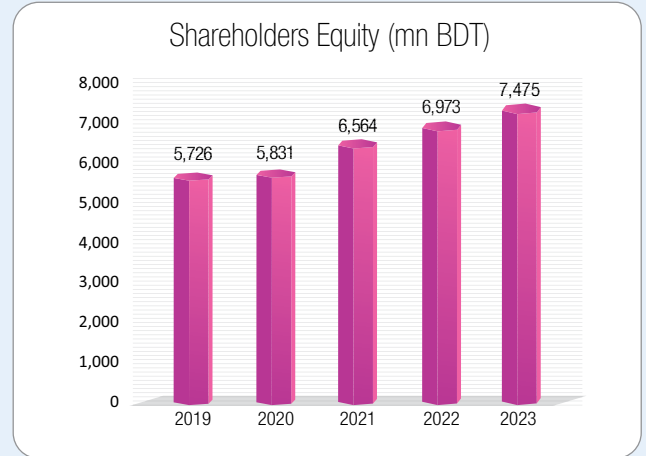
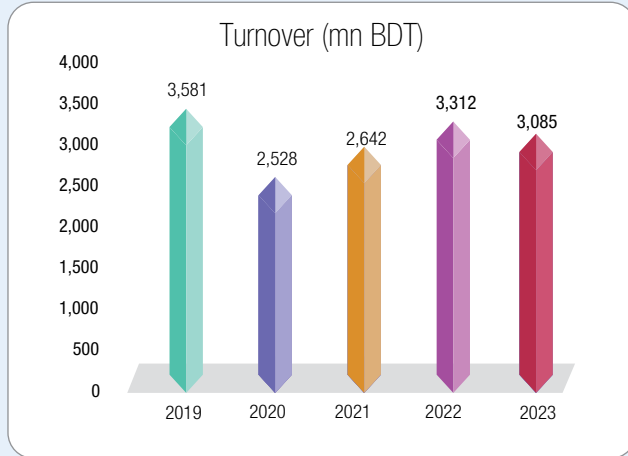
# Five Years' Financial Summary

Figures in BDT

<b>Balance Sheet</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
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	933,451,530	933,451,530	933,451,530	933,451,530	933,451,530
Shareholders' Equity	7,475,131,653	6,973,758,946	6,564,688,776	5,831,147,531	5,726,532,996
Total Assets	24,045,037,650	22,757,446,373	21,544,691,988	20,298,452,142	20,369,948,105
Current Assets	19,284,042,009	18,037,974,019	16,775,693,717	15,719,193,793	16,011,917,896
<b>Profit &amp; Loss Statement</b>					
Revenue	3,085,630,120	3,312,751,669	2,642,639,864	2,527,939,245	3,581,060,249
Gross Profit	1,077,420,871	1,007,998,718	877,329,956	857,459,961	1,106,005,555
Operating Profit	662,567,446	600,406,613	469,387,208	451,800,866	703,842,115
Net Profit Before Tax	875,447,920	700,819,056	490,551,975	377,657,512	501,211,877
Net Profit After Tax	688,063,013	549,087,900	371,533,975	291,304,841	345,517,093
<b>Ordinary share information</b>					
Face Value Per Share (Tk.)	10	10	10	10	10
Numbers of shares Outstanding	93,345,153	93,345,153	93,345,153	93,345,153	93,345,153
Cash Dividend (Tk.)*	233,362,883	186,690,306	140,017,730	140,017,730	186,690,306
Net Assets Value Per Share (Tk.)	80.08	74.71	70.33	62.47	61.35
Market Price Per Share at year end (Tk.)	104.60	60.40	54.00	38.70	53.80
Net Operating Cash Flow Per Share (Tk.)	20.56	21.80	11.29	22.99	8.00
Earnings Per Share Tk.	7.37	5.88	3.98	3.12	3.70
Dividend Per Share (Tk.)*	2.50	2.00	1.50	1.50	2.00
<b>Financial ratios</b>					
Gross Profit Margin	34.92%	30.43%	33.20%	33.92%	30.88%
Operating Profit Margin	21.47%	18.12%	17.76%	17.87%	19.65%
Net Profit Margin	22.30%	16.57%	14.06%	11.52%	9.65%
Current Ratio (Times)	1.17	1.17	1.14	1.11	1.11
Administrative and Selling Cost to Revenue Ratio	13.95%	12.75%	15.99%	16.35%	12%
Finance Cost to Revenue Ratio	0.14%	0.12%	0.25%	2.39%	5.03%
<b>Others</b>					
Number of Employees	565	586	594	607	614
EBITDA	937,719,287	766,419,184	567,834,129	506,906,625	724,677,595

\*Cash Dividend declared for 2022-2023

# Financial Performance at a Glance

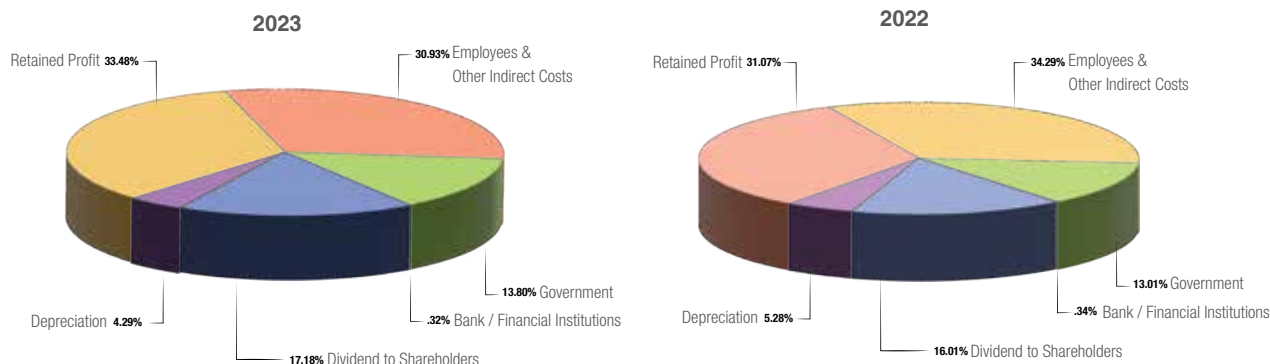


## Value Added Statement

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.

	<b>2023</b>		<b>2022</b>	
	<b>Taka</b>		<b>Taka</b>	
<b>Sales</b>	<b>3,085,630,120</b>		<b>3,312,751,669</b>	
Other Income	278,841,726		156,161,807	
Cost of Sales	(2,006,283,210)		(2,302,622,952)	
<b>Available for distribution</b>	<b>1,358,188,636</b>		<b>1,166,290,524</b>	
<b>Distribution:</b>				
Employees & Other Indirect Cost	420,122,787	30.93%	399,871,340	34.29%
Government	187,384,907	13.80%	151,731,156	13.01%
	<b>607,507,694</b>		<b>551,602,496</b>	
<b>Provider of Finance</b>				
Bank/Financial Institutions	4,405,707	0.32%	3,963,660	0.34%
Dividend to Shareholders	233,362,883	17.18%	186,690,306	16.01%
	<b>237,768,590</b>		<b>190,653,966</b>	
<b>Value Reinvested and Retained</b>				
Depreciation	58,212,222	4.29%	61,636,468	5.28%
Retained Profit	454,700,130	33.48%	362,397,594	31.07%
	<b>512,912,352</b>		<b>424,034,062</b>	
	<b>1,358,188,636</b>	<b>100%</b>	<b>1,166,290,524</b>	<b>100%</b>

### Value Added Statement (%)



Screenshot from  
58<sup>th</sup> Annual General Meeting  
held through Virtual Platform  
on November 09, 2022



# Directors' Report

## Directors' Report

The Directors have the pleasure in presenting the 59<sup>th</sup> Annual Report of the Company on the business and operations of the Company, together with the audited financial statements for the year ended June 30, 2023. 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/2006-158/207/Admin/80 dated 03 June 2018.

### Principal Activities

The principal activities of Eastern Housing Limited are to purchase land, develop and sell plots/apartments both for commercial and residential purposes. There was no change in nature of the business of the company, during the year under review.

### Industry outlook and possible future development

From a historical perspective, this sector has been in the business arena from right after our independence. There are still lots of opportunities waiting for Bangladesh. PWC's (PricewaterhouseCoopers International Limited) recent study shows that by 2030, Bangladesh will be the 28th largest economy and it is estimated that at least USD 700b will be invested in the next 50 years just in housing sector alone.

Recently, the Boston Consulting Group did a study where it showed that in 2015 there were only 10 key cities with more than 300,000 middle and affluent class (MAC) consumers each. Projections suggest that, in 10 years, there will be 33 towns and cities with some having more than 2 million MAC consumers. The right product and placement can convert these populations into customers, and there seems to be immense potential outside Dhaka as well. (Source: ICE Business Times)

The present urbanization rate is 5-6% annually. Close to 40% of the total population will be living in urban areas by the next couple of years. Only 40% of the people of Dhaka city have standard or below standard housing facilities. Thus, from the comparative analysis, experts assume that the growth of housing demand will stay for a long time.

### Review of Business

The financial year 2022-2023 was another challenging year not only for the Company, but for the real estate industry as a whole due to the impact of the COVID-19 pandemic over the past three years and the growing adverse effects of the ongoing Russia Ukraine war.

During the year under review our total sale was Tk. 308.56 crore, and in previous year it was Tk. 331.27 crore i.e. the Company was facing challenges in positive growth. Out of the total sales, land sale was Tk. 230.42 crore and apartment sale was Tk. 78.14

crore. In the last financial year (2021-2022) land sale was Tk. 201.48 crore and apartment sale was Tk. 129.79 crore representing positive and declining trend in growth parameter at the rate of 14% and 40% respectively.

Our overall profit increased to Tk. 68.80 crore from Tk. 54.91 crore of previous year representing a growth of 25% by the grace of almighty Allah.

The comparative figures from the Financials are tabulated below:

(In crore Taka)

Sales	2022-2023	2021-2022
Land	230.42	201.48
Apartment	78.14	129.79
<b>Total:</b>	<b>308.56</b>	<b>331.27</b>

### Profit:

(In crore Taka)

Particulars	2022-2023	2021-2022
<b>Gross profit</b>	<b>107.74</b>	<b>100.80</b>
Other operating income	1.54	1.49
Administrative and selling expense	(43.03)	(42.25)
<b>Operating profit</b>	<b>66.25</b>	<b>60.04</b>
Finance income	26.34	14.12
Finance expense	(0.44)	(0.39)
	92.15	73.77
Contribution to workers' profit participation fund	(4.61)	(3.69)
<b>Net profit before tax</b>	<b>87.54</b>	<b>70.08</b>
Income tax expense	(18.74)	(15.17)
<b>Net profit after tax</b>	<b>68.80</b>	<b>54.91</b>

### Directors' Responsibilities for Financial Statements

The Statement of the Directors' Responsibilities for financial statements has been elaborated in the page 84 of this report.

### Segment Information

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

### 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. 200.82 crore in the current year compared to Tk. 230.47 crore in previous year. COGS to Sales ratio was 65.08%. Gross Profit stood at Tk. 107.74 crore compared to Tk. 100.80 crore of previous year. Net Profit margin was 22.30% to turnover in 2022-23 as compared to 16.57% 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 35 of the notes to the financial statements.

### **Utilization of Proceeds from Public Issue**

This is not applicable for EHL as no such event of collecting fund from public issues took place after the Initial Public Offering (IPO) in 1994.

### **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 review.

### **Remuneration to Directors including Independent Director**

Directors draw attendance fees for attending the Board meeting, Audit Committee meetings and the Nomination & Remuneration Committee meeting. The details are given in Annexure D at page 76 of this report.

### **Fairness of Financial Statements**

The financial statements together with the notes thereon have been drawn up in conformity with the International Accounting Standards/ 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 2.2 of the audited accounts.

### **Internal Control**

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

### **Minority Shareholders Protection**

Minority shareholders interest always looked after by the Board.

### **Going Concern**

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 variation from last year's operating result.

### **Key Operating and Financial Data**

The summarized key operating and financial data for the five years is set out in page 50 of the Annual Report.

### **Dividend**

The Board of Directors has recommended for declaration of payment of cash dividend @ 25% i.e. Tk. 2.50 per share of Tk. 10 each for the year ended 30 June, 2023 to the shareholders whose name shall appear on the register of members on record date.

### **Interim Dividend**

No stock/cash dividend was declared during the period under review as interim dividend.

### **Pattern of Shareholding and Name wise details**

The shareholding information as at June 30, 2023 and other related information are provided in Annexure E at page 77 of the Annual Report.

### Contribution to National Exchequer

Eastern Housing Limited is one of the largest corporate taxpayer in real estate sector of the Country. Every year the Company contributes a good amount to the national exchequer in the form of tax. During the year the Company contributed to the government exchequer a sum of Tk 16.99 crore.

### Credit Rating

The Company achieved **AA+** (Double A Plus) rating in the long term which indicates a very strong ability to repay principal and pay interest on timely basis, with limited increment risk compared to issues rated in the highest category. In short term rated **ST-1**: The highest category; indicates a very high likelihood that principal and interest will be paid on a timely basis.

### Disclosures related to Board and Committee Meetings and Attendance

During the year 2022-23 total six board meetings, four Audit Committee meetings and one Nomination and Remuneration Committee meeting were held. Detail of the Board meetings, Audit Committee meetings and Nomination and Remuneration Committee meeting are shown in annexure D of the Annual Report. The Managing Director, Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit and Compliance (HIAC) were present in all board meetings.

### Directors Reappointment

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. In pursuance of Article 139 of the Articles of Association those who have been longest in the office since their last election are to retire by rotation. Accordingly, Director Mr. Md. Abdur Rahim Choudhury nominated by River View Limited and Director Mr. Md. Md. Mostafizur Rahman nominated by Islam Brothers Properties Limited will retire at the 59<sup>th</sup> Annual General Meeting. As per Article 140, being eligible they have offered themselves for reelection. The Board recommends their reappointment. The brief profile of the Directors is given on page 13-14 of the Annual Report.

### Nomination and Remuneration Committee

A Nomination and Remuneration Committee is in existence in accordance with the condition No. 6 of the Corporate Governance Code, 2018 under the head Nomination and Remuneration Committee (NRC) for matters relating to constitution, meetings, functions of the Committee; and the remuneration policy formulated by this Committee. The policy and terms of reference of the Committee are given on page 81-82 of the Annual Report.

### Audit Committee

An Audit Committee is in existence in accordance with the condition No. 5 of the Corporate Governance Code, 2018 under the head Audit Committee. The terms of reference of the Committee and the Committee Report are given on page 78-79 of the Annual Report.

### Management's Discussion and Analysis of Company's Affairs

The Management's discussion and analysis of Company's affairs signed by the Managing Director are given on page 26-28 of this report. This statement is an integral part of the Directors' Report.

### Declaration by the CEO and the CFO

Declaration by the Managing Director and CFO has been given on page 59.

### Corporate Governance Compliance Report

Eastern Housing Limited adheres to appropriate good Corporate Governance practices, as described on pages 36 to 42 of this Annual Report.

The Company also complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission (BSEC). In accordance with the BSEC Notification Corporate Governance Compliance Status is shown in Annexure-C of this Report.

Further in compliance with the BSEC notification dated June 03, 2018 Mohammad Sanaullah & Associates, Chartered Secretaries in Practice issued the Corporate Governance Compliance Certificate which is shown in Annexure- B of this report.

### Appointment of Auditors

As per section 210 of the Companies Act 1994, the Company's statutory Auditors M/s. Mahfel Huq & Co. will retire at the 59<sup>th</sup> AGM of the Company. They carried out the audit for the year ended 30.06.2023 and submitted their report in time. They have done their job properly.

It may be mentioned here that M/s. Mahfel Huq & Co. have conducted the audit of the Company consecutively last three years. As such, as per Bangladesh Securities and Exchange Commission (BSEC) Order no. SEC/CMRRCD/2009-193/104/ Admin dated July 27, 2011, the retiring Auditors M/s. Mahfel Huq & Co. Chartered Accountants, are not eligible for reappointment as Statutory Auditors for 2023-2024. Last year their fee was Tk. 7,00,000/= (Taka Seven Lac ) only.

Meanwhile, M/s. ARTISAN, Chartered Accountants have expressed their interest for appointment as Auditor of the Company for the year 2023-2024 vide their letter dated August 10, 2023. They also requested to fix up their audit fee at a reasonable amount considering the fee schedule prescribed by the Institute of Chartered Accountants of Bangladesh (ICAB).

The Audit Committee of the Board has recommended appointing M/s. ARTISAN, Chartered Accountants as the auditors of the Company for the year 2023- 2024.

The Board of Directors endorsed the recommendation of the Audit Committee for the appointment of ARTISAN, Chartered Accountants as the auditors for the Company for the year 2023-2024 and also recommended their professional fees of Tk. 7,00,000.00 (Seven Lacs) only.

### Appointment of Corporate Governance Compliance Auditor

For the year ended June 30, 2023 M/S. Mohammad Sanaullah & Associates, Chartered Secretaries, conducted the Compliance audit of the Company as per Corporate Governance Code of BSEC and they have done their job properly. It may be mentioned here that last year their fee was Tk. 75,000/.

For the year 2023-2024 M/s. Mohammad Sanaullah & Associates, Chartered Secretaries & vide their letter dated July 27, 2023 and requested to enhance their professional fees at TK. 80,000.00.

The Board recommended appointment of M/S. Mohammad Sanaullah & Associates for compliance audit of Eastern Housing Limited for the year 2023-2024 and also recommending their fees at Tk. 80,000/- ( Eighty Thousand) only for approval of the shareholders of the Company in the 59th Annual General Meeting.

### Employees

The total strength of EHL employees stood 565 at the end of the year. EHL believes that a strong, skilled and dedicated workforce is the key ingredient to success. EHL provides equal opportunity in workplace irrespective of race, religion, gender and colour. The relationship between the management and the employees in the Company was excellent throughout the year.

### 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.

### 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.

### Compliance with Laws and Regulations

The Company was not involved in any activities contravening the laws and regulations of the Country. The Company ensures compliance with the provisions of all concerned regulatory authorities.

### Environmental Protection

The Company is committed to protect the environmental issues. To the best of the Board's knowledge, the Company was not involved in any activity which might be harmful to environment.

### Corporate Social Responsibility

The Company continues to contribute to the welfare of the local communities through its CSR projects.

During the year the company has donated Tk. 25 lac in different Educational and Religious Institutions.

### Awards & Achievements

The Company achieved a number of prestigious awards and certificates from different credible national and international institutions for our remarkable Corporate Governance Excellence performance as well as good management capabilities during the year 2022-2023. The awards are:

1. 9<sup>th</sup> ICSB National Award -2021 (Gold Award) for Corporate Governance Excellence in the Services Companies Category from the Institute of Chartered Secretaries of Bangladesh.
2. 22<sup>nd</sup> ICAB National Award -2021 (Certificate of Merit) for Best Presented Annual Reports, Integrated Reporting & Corporate Governance Disclosures from the Institute of Chartered Accountants of Bangladesh.
3. Best Presented Annual Reports, Integrated Reporting & SAARC Anniversary Award for Corporate Governance Disclosures-2021 (Bronze Award) from South Asian Federation of Accountants (SAFA) under Infrastructure & Construction Category.

### 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. The Company also wishes to express its sincere appreciation to all employees of EHL for their contribution towards the development of the Company.

We promise that we will continue our journey towards a bright future. We look forward to your continued support in 2023-24 and the days ahead.

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



Manzurul Islam  
Chairman

# Declaration by MD and CFO

**Annexure - A**  
As Per condition No.1 (5) (xxvi)

August 30, 2023

To  
The Board of Directors  
Eastern Housing Limited  
59/B Kamal Ataturk Avenue  
Banani, Dhaka-1213.

Subject: Declaration on Financial Statements for the year ended June 30, 2023

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated June 3, 2018 under Section 2CC of the Securities and Exchange Ordinance 1969, we do hereby declare that:

- (1) The Financial Statements of Eastern Housing Limited (EHL) for the year ended on June 30, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions of the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on June 30, 2023 and to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (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 in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



**Md. Asadul Islam**  
Chief Financial Officer



**Dhiraj Malakar**  
Managing Director

# Corporate Governance Compliance Certificate

As Per condition No.1 (5) (xxvii)



**Mohammad Sanullah & Associates**  
Chartered Secretaries & Management Consultants

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**Report to the Shareholders of EASTERN HOUSING Limited**  
**on**  
**Compliance on the Corporate Governance Code**

Certificate as per Condition No. 1(5)(xxvii) of the BSEC Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Eastern Housing Limited for the year ended on 30 June, 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion and subject to the remarks and observations as reported in the Status of Compliance Statement:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- (b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the company is satisfactory.

For: **Mohammad Sanullah & Associates**



**Mohammad Sanullah FCS**  
CEO & Lead Consultant



August 30, 2023

# Corporate Governance Compliance Status

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/ 207/Admin/80 dated 03 June 2018 issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

**Report under condition No. 9:00**

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
<b>1</b>	<b>Board of Directors</b>			
1(1)	Board's Size (Number of Directors - Minimum 5 and Maximum 20).	Complied		The Board of Eastern Housing Limited is composed of 8 (Eight) Directors.
<b>1(2)</b>	<b>Independent Directors</b>			
1(2) (a)	At least one-fifth (1/5) of directors should be Independent Directors;	Complied		There are 2 (two) Independent Directors in the Board.
1(2) (b)(i)	Independent Director does not hold any share in the company or holds less than 1% shares of the total paid-up capital;	Complied		The Independent Directors have declared their compliances.
1(2)(b)(ii)	Non connectivity with the company's any sponsor or director or shareholder who holds 1% or more shares on the basis of family relationship;	Complied		Do
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	Complied		Do
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	Complied		Do
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	Complied		Do
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	Complied		Do
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	Complied		Do
1(2)(b) (viii)	who is not independent director in more than 5 listed companies;	Complied		Do
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	Complied		Do

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	Complied		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	Complied		The appointments are duly approved at AGM.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	Complied		No vacancy occurred
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	Complied		Both Mr. Kashem Humayun and Mr. Rafiqul Islam are holding Office for the 2 <sup>nd</sup> term.
<b>1(3)</b>	<b>Qualification of Independent Director</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	Complied		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;	Complied		Mr. Kashem Humayun is a Director of Agrani Bank Limited; a non-listed Bank.
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	Not Applicable		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	Complied		Mr. Rafiqul Islam is a former Joint Secretary of Govt. of the People's Republic of Bangladesh.
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	Not Applicable		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	Not Applicable		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	Complied		Independent Directors are former official of Government and Business Leader having required experiences.
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	Not Applicable		No such approval required
<b>1(4)</b>	<b>Duality of the Chairperson of the Board and the Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	Complied		Manzurul Islam Chairman Dhiraj Malakar Managing Director
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	Complied		
1(4)(c)	The Chairperson of the Board shall be elected from amongst the non-executive directors of the company;	Complied		The Chairperson is elected from amongst non-executive directors.
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	Complied		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	Complied		
<b>1(5)</b>	<b>The Directors' Report to Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	Complied		Stated in the Directors' Report
1(5)(ii)	The segment-wise or product-wise performance;	Complied		Do



Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	Complied		Do
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	Complied		Do
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	Complied		Do
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	Complied		Do
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	N/A		Do
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	N/A		Do
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	Complied		Do
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	Complied		Do
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	Complied		Do
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	Complied		Do
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	Complied		Do
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	Complied		Do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	Complied		Do
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	Complied		Do

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	Complied		Do
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	Complied		Do
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	Complied		Do
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	Not Applicable		Dividend declared
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	Complied		Stated in the Directors' Report
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	Complied		6 (six) meetings conducted during the reporting year; attendance statement depicted in the Directors Report.
<b>1(5)(xxiii)</b>	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:</b>			
1(5)(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	Complied		Stated in the Annual Report.
1(5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	Complied		Stated in the Annual Report.
1(5)(xxiii) (c)	Executives (top five salaried employees of the Company other than stated in 1.5(xxiii)(b))	Complied		Stated in the Annual Report.
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	Complied		Stated in the Annual Report.
<b>1(5)(xxiv)</b>	<b>In case of appointment or reappointment of a director, a disclosure on the following information to the shareholders:</b>			
1(5)(xxiv) (a)	a brief resume of the director;	Complied		Do
1(5)(xxiv) (b)	nature of his or her expertise in specific functional areas;	Complied		Do

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	Complied		Do
<b>1(5)(xxv)</b>	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	Complied		Stated in the Management Discussion and Analysis from Managing Director's Desk.
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	Complied		Do
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	Complied		Do
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	Complied		Do
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	Complied		Do
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	Complied		Do
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	Complied		Do
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	Complied		Declaration included in the Annual Report.
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	Complied		The certificate is shown in the Annual Report.
<b>Meetings of the Board of Directors</b>				
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).	Complied		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	Complied		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	Complied		The code of conduct is posted in the Company's website
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company.</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	Not Applicable		There is no subsidiary company of Eastern Housing Limited.
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	Not Applicable		DO
2l	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		DO
2(d)	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		DO
2l	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not Applicable		DO
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).</b>			
3(i)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	Complied		In Practice
3(i)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	Complied		Do
3(i)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	Complied		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
3(i)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	Complied		
3(i)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	Complied		
3(2)	<b>Requirement to attend Board of Directors' Meetings</b> The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	Complied		In practice.
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)	The MD or 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:	Complied		Stated in the certificate of Due Diligence by MD and CFO
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	Complied		
3(3)(a)(ii)	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;	Complied		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	Complied		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	Complied		
<b>4</b>	<b>Board of Directors' Committee.</b>			
4(i)	Audit Committee;	Complied		Do
4(ii)	Nomination and Remuneration Committee.	Complied		Do
<b>5</b>	<b>Audit Committee.</b>			
5(i)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	Complied		Do
5(i)(b)	The Audit Committee shall assist the Board 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;	Complied		Do

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
5(i)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	Complied		Do
<b>5(2)</b>	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	Complied		The Audit Committee is comprised of 5 (five) members including Two independent Directors
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	Complied		In Practice
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	Complied		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	Not Applicable		No such case found in the reporting year.
5(2)(e)	The company secretary shall act as the secretary of the Committee;	Complied		In practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	Complied		In practice
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	Complied		Mr. Md. Rafiqul Islam is the Chairman of Audit Committee who is an Independent Director.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	N/A		No such case in the reporting year.
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	Complied		Chairperson of Audit committee was present at the last AGM.
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	Complied		4 (four) meetings held in the reporting year.
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	Complied		In practice
<b>5(5)</b>	<b>Role of Audit Committee</b> The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	Complied		
5(5)(b)	monitor choice of accounting policies and principles;	Complied		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	Complied		
5(5)(d)	oversee hiring and performance of external auditors;	Complied		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	Complied		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	Complied		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	Complied		
5(5)(h)	review the adequacy of internal audit function;	Complied		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	Complied		
5(5)(j)	review statement of all related party transactions submitted by the management;	Complied		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	Complied		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	Complied		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	Complied		
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	Complied		In practice.
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii) (a)	report on conflicts of interests;	Not Applicable		No such case in the reporting year.
5(6)(a)(ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	Not Applicable		Do
5(6)(a)(ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	Not Applicable		Do
5(6)(a)(ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	Complied		Do
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	Not Applicable		No such situation arose



Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	Complied		The Audit Committee Report signed by the Chairman and disclosed in the Annual Report.
<b>6</b>	<b>Nomination and Remuneration Committee (NRC).</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	Complied		In Practice
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	Complied		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	Complied		Stated in the annual report.
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	Complied		The NRC is comprised of 3 (Three) members including an Independent Director.
6(2)(b)	All members of the Committee shall be non-executive directors;	Complied		In practice.
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	Complied		Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	Complied		Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	N/A		No such case in the reporting year.
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	N/A		No such case in the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	Complied		Do

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	Complied		Do
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	Complied		Do
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	Complied		The NRC Chairman selected by the Board from an Independent Directors.
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	Not Applicable		No such case in the reporting year
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	Complied		The NRC Chairman was present in the last AGM
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	Complied		1 (One ) meeting was held in the reporting year.
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	Not Applicable		No such case in the year
6(4)©	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	Complied		In practice.
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	Complied		In practice.
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	Complied		In practice.
<b>6(5)(b)</b>	<b>NRC shall oversee, among others, the following matters and make report with recommendation to the Board:</b>			
6(5)(b)(i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	Complied		In practice.

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	Complied		Do
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	Complied		Do
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	Complied		Do
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	Complied		Do
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	Complied		Do
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	Complied		Do
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	Complied		Do
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	Complied		Do
<b>7</b>	<b>External or Statutory Auditors.</b>			
7(1)	Issuer company shall not engage its external auditors to perform the following service of the company.			
7(1)(i)	appraisal or valuation services or fairness opinions;	Complied		As declared by the auditor's
7(1)(ii)	financial information systems design and implementation;	Complied		Do
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	Complied		Do
7(1)(iv)	broker-dealer services;	Complied		Do
7(1)(v)	actuarial services;	Complied		Do
7(1)(vi)	internal audit services or special audit services;	Complied		Do
7(1)(vii)	any service that the Audit Committee determines;	Complied		Do
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	Complied		Do

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not complied	
7(1)(ix)	any other service that creates conflict of interest.	Complied		Do
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	Complied		Do
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	Complied		Representative of external auditor was present in the last AGM
<b>8</b>	<b>Maintaining a website by the Company.</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	Complied		In practice
8(2)	The company shall keep the website functional from the date of listing.	Complied		Do
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	Complied		Do
<b>9</b>	<b>Reporting and Compliance of Corporate Governance.</b>			
<b>9(1)</b>	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	Complied		The Company obtained the certificate of Compliance from M/s. Mohammad Sanallah & Associates is duly disclosed in the Annual Report.
<b>9(2)</b>	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	Complied		The compliance auditor M/s. Mohammad Sanallah & Associates is duly appointed by the shareholders at the AGM.
<b>9(3)</b>	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	Complied		Detailed status is given at Annexure-C and published in the Annual Report..

## Directors' Attendance and Remuneration during 2022-2023

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

Sl. No.	Name of Directors	Board Meeting		Audit Committee		NRC		Total Fees Paid (Tk.)
		Attendance	Fees (Tk.)	Attendance	Fees (Tk.)	Attendance	Fees (Tk.)	
1	Mr. Manzurul Islam Chairman	4/6	40,000					40,000
2	Mrs. Suraiya Islam Director	6/6	60,000					60,000
3	Mr. Abu Lutf e Fazle Rahim Khan Director	5/6	50,000			1/1	10,000	60,000
4	Mr. Md. Abdur Rahim Choudhury Director	6/6	60,000	4/4	40,000	1/1	10,000	110,000
5	Mr. Md. Abdul Wadud Director	5/6	50,000	3/4	30,000			80,000
6	Mr. Md. Mostafizur Rahman Director	6/6	60,000	4/4	40,000			100,000
7	Mr. Md. Rafiqul Islam Independent Director	6/6	60,000	4/4	40,000			100,000
8	Mr. Kashem Humayun Independent Director	6/6	60,000	4/4	40,000	1/1	10,000	110,000
<b>Total</b>			<b>440,000</b>		<b>190,000</b>		<b>30,000</b>	<b>660,000</b>

**Annexure-E**

The pattern of shareholdings as on 30.06.2023 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	30,835,872	33.03%
River View Limited	12,785,605	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 30.06.2023 are as follows.

Name	Designation	No. of Share	Percentage of Holding
Manzurul Islam	Chairman	2,979,524	3.19%
Suraiya Islam	Director	255,843	0.27%
Abu Luthfe Fazle Rahim Khan	Director	Nil	Nil
Md. Abdur Rahim Choudhury	Director	1498	0.00%
Md. Abdul Wadud	Director	1,502	0.00%
Md. Mostafizur Rahman	Director	1,502	0.00%
Rafiqul Islam	Independent Director	Nil	Nil
Kashem Humayun	Independent Director	Nil	Nil
Dhiraj Malakar	Managing Director	Nil	Nil
Salim Ahmed, FCS	Company Secretary	Nil	Nil
Asadul Islam FCA, FCS	Chief Financial Officer	Nil	Nil
Md. Moniruzzaman	Head of Internal Audit & Compliance	Nil	Nil

c) Executives

Executives	Nil	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	30,835,872	33.03%
River View Limited	12,785,605	13.70%

## Audit Committee Report for the year ended June 30, 2023

The terms of reference of the Audit Committee has been determined by the Board of Directors of the Company in accordance with the conditions of Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC).

The Committee is appointed by and responsible to the Board of Directors. At present the Audit Committee consists of 5 members of the Board two of them are independent directors. The Audit Committee comprising of the following:

- i. Mr. Md. Rafiqul Islam, Chairman of the Audit Committee (Independent Director)
- ii. Mr. Kashem Humayun, Member (Independent Director)
- iii. Mr. Md. Abdur Rahim Choudhury, Member
- iv. Mr. Abdul Wadud, Member and
- v. Mr. Md. Mostafizur Rahman, Member.

Mr. Salim Ahmed FCS, Company Secretary acts as Secretary of the Committee.

### **Role and Responsibilities of the Audit Committee**

The responsibilities and specific duties of the Audit Committee have been defined in the “Terms of Reference (ToR)” of the Audit Committee in line with the Corporate Governance Code 2018.

The Audit Committee of EHL shall:-

- (a) oversee the financial reporting process;
- (b) monitor choice of accounting policies and principles;
- (c) monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- (d) oversee hiring and performance of external auditors;
- (e) hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- (f) review along with the management, the annual financial statements before submission to the Board for approval;
- (g) review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
- (h) review the adequacy of internal audit function;
- (i) review the Management’s Discussion and Analysis before disclosing in the Annual Report;
- (j) review statement of all related party transactions submitted by the management;
- (k) review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
- (l) oversee the appointment of Audit firm and determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external Auditors; and any other activities as assigned by the board of the Company from time to time.

**Activities carried out during the year 2022-2023:**

During the financial year ended on June 30, 2023 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. The Chief Financial Officer (CFO), the Head of Internal Audit and Compliance (HIAC) attend the meeting by invitation.

The following activities were carried out by the Audit Committee:

1. Reviewed the Quarterly, Half yearly and Annual Financial Statements of the Company before submission to the Board for their approval.
2. 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.
3. Met with the members of the external auditors and had discussion on the audit of financial statements of the Company.
4. 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.
5. Reviewed statement of all related party transactions submitted by the management.
6. Recommended the appointment of M/s. ARTISAN, Chartered Accountants, as Statutory Auditors of the Company for the year 2023-2024 at a fee of Tk. 7,00,000.00.
7. The committee also reviewed management's decisions and analysis before disclosing in the Annual Report and found that discussions and analyses properly represent the financial statements.

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

On behalf of the Audit Committee,



**Md. Rafiqul Islam**  
Chairman  
Audit Committee

Dated: 30 August, 2023



# Report of the Nomination and Remuneration Committee 2022-2023

As per the requirements of the BSEC Code of Corporate Governance the Board of Directors of Eastern Housing Limited has constituted a Nomination and Remuneration Committee (NRC) in July, 2018. The NRC is a Sub - Committee of the Board.

## Composition of the Committee

The Nomination and Remuneration Committee (NRC) consist of three Directors including one Independent Director. Independent Director is the Chairman of the Committee. The Committee acts as per the terms and conditions of the Corporate Governance Code of BSEC. The Committee members are:

- |    |   |          |
|----|---|----------|
| 1. | Mr. Kashem Humayun<br>Independent Director  | Chairman |
| 2. | Mr. Abu Luthfe Fazle Rahim Khan<br>Director | Member   |
| 3. | Mr. Md. Abdur Rahim Choudhury<br>Director   | Member   |

Company Secretary Mr. Salim Ahmed, FCS acts as the Secretary of the Committee.

The Managing Director and the CFO & Head of HR attend the meeting, as and when required by invitation.

## Major Role and Responsibilities of the Committee

- The Committee is an independent sub-committee of the Board and responsible or accountable to the Board and to the shareholders of the Company.
- The Committee discharges the responsibilities and acts as stipulated in the Terms of Reference (ToR) of the Nomination and Remuneration Committee adopted by the Board in line with the Corporate Governance Code 2018.

## The activities of the NRC during the year were as follows:

- During the year under review the Committee met once. The Managing Director and the Chief Financial Officer and Head of Human Resources attended the meeting by invitation of the Committee. The attendance record of the members is shown in Annexure D.
- Reviewed the management's proposals for the annual increment/ promotion/ enhancement of salary and renewal of contract appointments of Senior Management of the Company.
- Recommended to the Board for reappointment of Independent Director Mr. Md. Rafiqul Islam for another term of three years.

On behalf of the Nomination & Remuneration Committee



**Kashem Humayun**  
Chairman  
Nomination and Remuneration Committee  
Dhaka, August 30, 2023

# Nomination and Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with condition no.6 of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors of Eastern Housing Limited.

## Definitions

“**Remuneration**” means any money or its equivalent given to any person for services rendered by him and includes perquisites as defined under the Income Tax Ordinance, 1984

“**Key Managerial Personnel**” (KMP) means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“**Senior Managerial Personnel**” (SMP) mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

## Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 1994, rules and regulations and the policy of the Company.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

1. Remuneration to Managing Director / Whole-time Directors:
  - a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 1994 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
  
2. Remuneration to Non- Executive / Independent Directors:
  - a. The Non-Executive / Independent Directors may receive meeting fees and such other remuneration as permissible under the provisions of Companies Act, 1994. The amount of meeting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - b. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (a) above if the following conditions are satisfied:
    - i) The Services are rendered by such Director in his capacity as the professional; and
    - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
  
3. Remuneration to Key Managerial Personnel and Senior Management:
  - a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay in accordance with the Company's Policy.

## **IMPLEMENTATION**

- a. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b. The Committee may delegate any of its powers to one or more of its members.



**"Eastern Nabarun Residences"** Plot # I/1- ka, Avenue # 4, Section # 2, Mirpur, Dhaka.

# Directors' Responsibilities 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, the Listing Regulations of the Exchanges and other applicable Laws and Regulations.
- Required by law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that period;
- Responsible also for ensuring the operation of systems of internal control and for taking reasonable steps to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;

The financial statements for the year ended June 30, 2023, 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

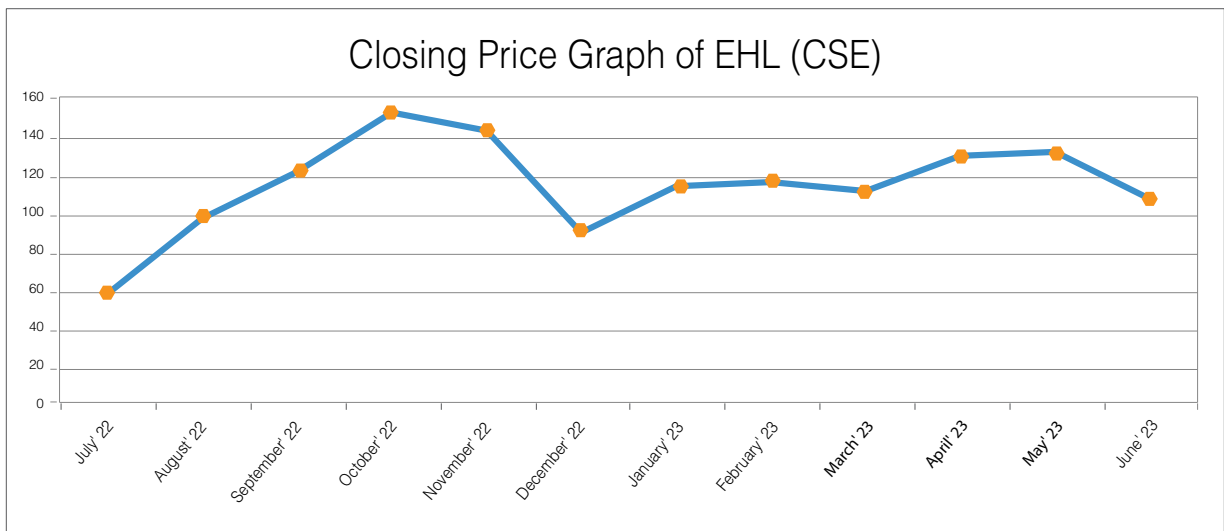
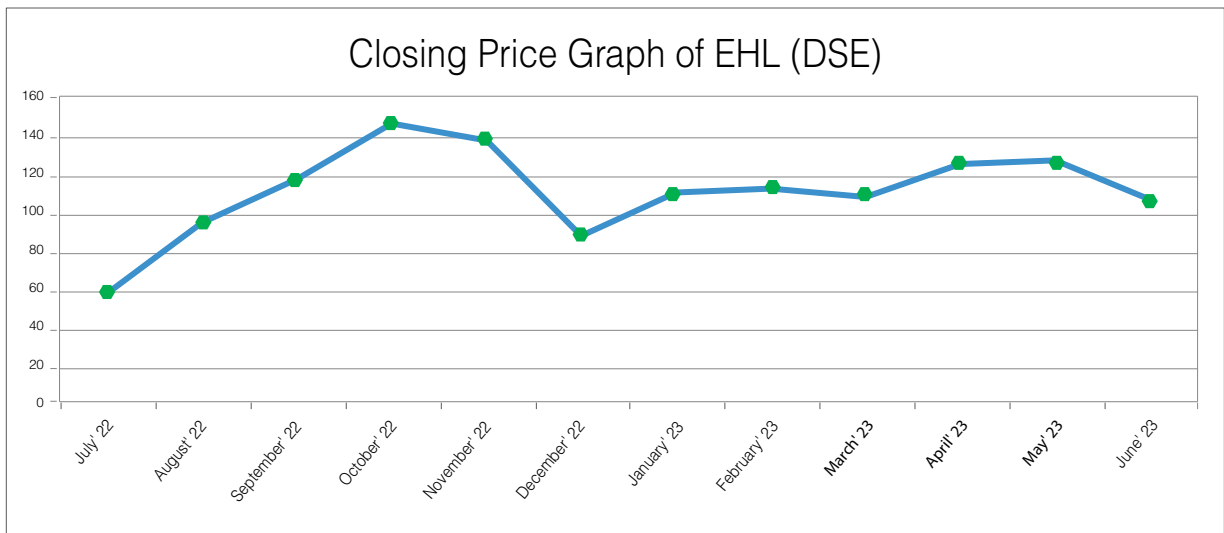
The board, through the Audit Committee, has reviewed the assessments of risks and internal control framework that operates in Eastern Housing Limited and has considered the effectiveness of the system of internal control in operation in the Company for the year covered by this report and up to the date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

## Annual Report

The Annual Report for the year ended June 30, 2023, comprising the Report of Directors and the Financial Statements, has been approved by the Board of Directors.

## EHL Share Performance During July 2022-June 2023

Month	Dhaka Stock Exchange			Chittagong Stock Exchange		
	High (BDT)	Low (BDT)	Close (BDT)	High (BDT)	Low (BDT)	Close (BDT)
July'22	59.50	51.80	54.10	60.50	43.00	53.70
August'22	96.20	54.10	92.20	95.70	54.80	91.50
September'22	119.00	75.60	116.60	118.90	75.50	118.00
October'22	147.90	100.20	109.10	151.90	105.70	108.60
November'22	139.00	75.00	80.50	139.80	76.00	81.00
December'22	89.30	70.20	78.90	88.30	74.00	79.60
January'23	111.90	73.00	108.40	107.90	63.60	108.70
February'23	113.90	62.60	91.50	110.50	85.90	91.60
March'23	109.60	89.40	108.70	108.80	90.00	108.80
April'23	126.70	105.90	124.30	126.00	106.80	123.90
May'23	128.70	100.50	107.70	128.70	101.40	107.80
June'23	108.30	94.00	105.50	108.00	84.80	104.60





**"Eastern Shapphire"** Plot # 30, 30/1 & 31, Block # B, Jahurul Islam City Aftabnagar, Dhaka.



Plot # A- 30, Block # A, Main Road, Aftabnagar, Dhaka.



# Independent Auditor's Report and Audited Financial Statements of **Eastern Housing Limited** as at & for the year ended 30 June 2023





## Independent Auditor's Report

### To the Shareholders of Eastern Housing Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Eastern Housing Limited (the "Company"), which comprise the Statement of Financial Position as at 30 June 2023, and along with the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of Eastern Housing Limited give a true and fair view of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requisition that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is reasonably sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Revenue

The company's reported revenues of BDT 3,085,630,120 (Note-26) which is recognized in the statement of profit or loss and other comprehensive income. This is the material amount that is subject to considerable inherent risk due to the complexity of recognition of revenue from the sale of land and apartments (In case of land, it is recognized as revenue and treated as a 'sale' only when the allotted plots of land are registered to the respective customers. In the case of apartments, it is recognized as revenue and treated as a 'sale' on a hand-over basis when the risk and rewards associated with the products are significantly transferred to the buyer and the buyer has possession of the products).

In addition, there is a significant impact of the application of "International Financial Reporting Standard 15-Revenue from Contracts with Customers" (IFRS 15) from the effective time. According to this standard revenue is recognized at an appointed time, which is upon the Company satisfying its performance obligation and the customer obtaining control of the promised goods/assets.

Considering those, proper application of the accounting standard is considered to be complex and to a certain extent based on estimates and assumptions made by management. Therefore, Recognition of revenue from sale of properties considered as key audit matter.

#### How our audit addresses the key audit matters

Our procedures in relation to recognition of revenue from sales of properties included:

- We read the accounting policy for revenue recognition of the Company and assesses compliance of the policy in terms of principles enunciated under IFRS 15;
- We obtained and understood revenue recognition process including identification of performance obligations and determination of transfer of control of the lands and apartments underlying the performance obligation to the customers;

- We assessed the measurement evaluation of determining revenue recognition from sale of lands and apartments at a point of time in accordance with the requirements under IFRS 15;
- We, on a sample basis inspected the underlying customer contracts, sale deed and handover documents, evidencing the transfer of control of the property to the customer based on which revenue being recognized;
- We assessed the disclosures made in accordance with IFRS 15.

### **Advanced received against allotment**

The company reported advance received against allotment at BDT 14,859,183,953 (Note: 22) in the Statement of Financial position. This is a significant material amount that represents 61.80% of total Shareholders' Equity and Liability.

The amounts which have been received as advanced against allotments can be defined as advanced against sales, but to follow the revenue recognition criteria as per IFRS-15 Revenue from contracts with customers, the company follows the following procedure:

After the sales agreement the company starts receiving installments from customers and thus treats this as 'Advanced received against allotments. When the installments being completed then the company makes the agreements to transfer the ownership and after that recognizes the revenue against that sales and transfers the amount from 'Advance received against allotment' to 'Revenue'.

As its inherent nature of payment procedure and material amount, we defined it as a key audit matter.

### **How our audit addresses the key audit matters**

Our procedures in relation to the recognition of advanced received against allotment included:

- We, on a sample basis inspected the underlying customer contracts and payment schedule to verify the installments received against those contracts;
- We checked payables confirmation on the balance as a part of audit procedure;
- We checked the occurrence; completeness, accuracy and cut-off test on a sample basis;
- We, on a sample basis checked the land and apartments against which the amount received as advance.

### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein of this other information, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the financial statements of the Company 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on other Legal and Regulatory Requirements**

In accordance with the International Financial Reporting Standards (IFRS), the Companies Act, 1994, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) 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;
- (iii) the company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) The expenditure incurred for the purposes of the company's business.



**Howlader Mahfel Huq, FCA**  
Partner  
ICAB Enrollment No. 105  
**Mahfel Huq & Co.**  
Chartered Accountants  
Firm Registration No.: P-46323  
DVC: 2309040105AS283827  
**Dhaka: 30 August 2023**

# Statement of Financial Position

Eastern Housing Limited  
Statement of financial position  
as at 30 June 2023

PARTICULARS	Notes	Amount in BDT	
		As at 30 June	
		2023	2022
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
		<b>4,760,995,641</b>	<b>4,719,472,354</b>
Property, plant & equipment	4	4,674,287,528	4,653,470,754
Right of use assets	5	73,564,460	56,177,029
Investments	6	1,569,450	1,569,450
Deferred tax assets	7	11,574,203	8,255,121
<b>Current Assets</b>			
		<b>19,284,042,009</b>	<b>18,037,974,019</b>
Inventories	8	12,771,969,966	13,276,321,394
Advances, deposits and prepayments	9	848,853,774	774,884,417
Accounts & other receivables	10	154,643,996	143,308,640
Short term investments	11	5,017,931,300	3,349,550,028
Deposit with Bangladesh Bank	12	350,000,000	350,000,000
Cash and cash equivalents	13	140,642,973	143,909,540
<b>Total Assets</b>		<b>24,045,037,650</b>	<b>22,757,446,373</b>
<b>EQUITY &amp; LIABILITIES:</b>			
<b>Shareholder's Equity :</b>			
		<b>7,475,131,653</b>	<b>6,973,758,946</b>
Share capital	14	933,451,530	933,451,530
General reserve	15	274,500,000	274,500,000
Dividend equalisation reserve	16	145,000,000	145,000,000
Revaluation reserve	17	3,873,931,511	3,873,931,511
Retained earnings	18	2,248,248,612	1,746,875,905
<b>Non-current Liabilities</b>			
		<b>117,595,709</b>	<b>312,242,470</b>
Sponsors' loan (Interest free)		-	202,500,000
Retirement benefit obligations (Gratuity)	19	110,765,281	102,848,391
Lease liabilities-Non current portion	20	6,830,428	6,894,079
<b>Current Liabilities</b>			
		<b>16,452,310,288</b>	<b>15,471,444,957</b>
Lease liabilities-current portion	21	37,103,986	20,923,560
Advance received against allotment	22	14,859,183,953	13,914,804,741
Accounts payable	23	1,520,497,563	1,503,239,538
Unclaimed dividend	24	12,715,574	15,456,618
Provision for income tax	25	22,809,212	17,020,500
<b>Total Liabilities</b>		<b>16,569,905,997</b>	<b>15,783,687,427</b>
<b>Total Shareholders' Equity &amp; Liabilities:</b>		<b>24,045,037,650</b>	<b>22,757,446,373</b>
<b>Net Asset Value (NAV) per share</b>		<b>80.08</b>	<b>74.71</b>

The annexed notes form an integral part of these financial statements

  
Company Secretary

  
Chief Financial Officer

  
Managing Director

  
Director

  
Director

Signed as per our report of same date

  
**Howlader Mahfel Huq, FCA**  
Partner  
ICAB Enrollment No. 105  
**Mahfel Huq & Co.**  
Chartered Accountants  
Firm registration No. P-46323  
DVC: 2309040105AS283827

Dated: 30 August, 2023

# Statement of Profit or Loss and Other Comprehensive Income

Eastern Housing Limited  
Statement of Profit or Loss and Other Comprehensive Income  
for the year ended 30 June 2023

PARTICULARS	Notes	Amount in BDT	
		For the year ended 30 June	
		2023	2022
Revenue	26	3,085,630,120	3,312,751,669
Cost of sales	27	(2,008,209,249)	(2,304,752,951)
<b>Gross profit</b>		<b>1,077,420,871</b>	<b>1,007,998,718</b>
Other operating income	28	15,479,339	14,900,490
Administrative & selling expenses	29	(430,332,764)	(422,492,595)
<b>Operating profit</b>		<b>662,567,446</b>	<b>600,406,613</b>
Finance income	30	263,362,387	141,261,317
Finance expense	31	(4,405,707)	(3,963,660)
		<b>921,524,126</b>	<b>737,704,270</b>
Contribution to worker's profit participation fund		(46,076,206)	(36,885,214)
<b>Profit before tax</b>		<b>875,447,920</b>	<b>700,819,056</b>
Income tax expense	32	(187,384,907)	(151,731,156)
<b>Profit for the year</b>		<b>688,063,013</b>	<b>549,087,900</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>688,063,013</b>	<b>549,087,900</b>
<b>Earnings Per Share (EPS)</b>	33	<b>7.37</b>	<b>5.88</b>

The annexed notes form an integral part of these financial statements

  
Company Secretary

  
Chief Financial Officer

  
Managing Director

  
Director

  
Director

Signed as per our report of same date

Dated: 30 August, 2023

  
**Howlader Mahfel Huq, FCA**  
Partner  
ICAB Enrollment No. 105  
**Mahfel Huq & Co.**  
Chartered Accountants  
Firm registration No. P-46323  
DVC: 2309040105AS283827

## Statement of Changes in Equity

Eastern Housing Limited  
Statement of changes in equity  
for the year ended 30 June 2023

PARTICULARS	Amount in BDT					
	Share capital	General reserve	Dividend equalisation reserve	Revaluation reserve	Retained earnings	Total
<b>At 1st July 2021</b>	<b>933,451,530</b>	<b>274,500,000</b>	<b>145,000,000</b>	<b>3,873,931,511</b>	<b>1,337,805,735</b>	<b>6,564,688,776</b>
Profit for the year	-	-	-	-	549,087,900	549,087,900
Dividend declared	-	-	-	-	(140,017,730)	(140,017,730)
<b>At 30 June 2022</b>	<b>933,451,530</b>	<b>274,500,000</b>	<b>145,000,000</b>	<b>3,873,931,511</b>	<b>1,746,875,905</b>	<b>6,973,758,946</b>
Profit for the year	-	-	-	-	688,063,013	688,063,013
Dividend declared	-	-	-	-	(186,690,306)	(186,690,306)
<b>At 30 June 2023</b>	<b>933,451,530</b>	<b>274,500,000</b>	<b>145,000,000</b>	<b>3,873,931,511</b>	<b>2,248,248,612</b>	<b>7,475,131,653</b>



Company Secretary



Chief Financial Officer



Managing Director



Director



Director

# Statement of Cash Flows

Eastern Housing Limited  
 Statement of cash flows  
 for the year ended 30 June 2023

PARTICULARS	Amount in BDT	
	For the year ended 30 June	
	2023	2022
<b>A. Cash Flows From Operating Activities:</b>		
Cash received from customers and others	4,078,103,296	4,182,190,673
Cash paid to employees/suppliers	(1,988,936,617)	(2,007,146,984)
Income tax paid	(169,915,277)	(140,475,751)
<b>Net Cash (Used In)/Generated By Operating Activities</b>	<b>1,919,251,402</b>	<b>2,034,567,938</b>
<b>B. Cash Flows From Investing Activities</b>		
Acquisition of property, plant and equipment	(60,070,500)	(8,926,795)
Short term investments	(1,668,381,272)	(1,989,121,602)
Proceeds from sale of property, plant and equipment	730,000	-
Interest received	217,984,454	94,433,431
Dividend received	1,427,952	1,427,952
<b>Net Cash (Used In)/Generated By Investing Activities</b>	<b>(1,508,309,366)</b>	<b>(1,902,187,014)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from/(Repayment of) short term borrowings	-	(860,953)
Proceeds from/(Repayment of) long term borrowings	(202,500,000)	-
Increase/(decrease) in lease finance	(20,612,590)	(21,302,956)
Interest paid	(4,405,707)	(4,813,455)
Dividend paid	(186,690,306)	(140,017,730)
<b>Net Cash (Used In)/Generated By Financing Activities</b>	<b>(414,208,603)</b>	<b>(166,995,094)</b>
<b>D. Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>(3,266,567)</b>	<b>(34,614,170)</b>
Cash and Cash Equivalents at 01 July	143,909,540	178,523,710
<b>Cash &amp; Cash Equivalents at 30 June</b>	<b>140,642,973</b>	<b>143,909,540</b>
<b>E. Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>20.56</b>	<b>21.80</b>


  
 Company Secretary


  
 Chief Financial Officer


  
 Managing Director


  
 Director


  
 Director



# Notes to the Financial Statements

Eastern Housing Limited  
Notes to the financial statements  
as at and for the year ended 30 June 2023

## 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 to purchase of land and 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 Basis of measurement

The financial statements have been prepared on going concern basis under the historical cost convention except for the following material items where applicable in the statement of financial position:

Basis of measurement	Material items
Fair Value (FV)	Property, plant and equipment (PPE)
Present Value (PV)	Liability for the defined benefit obligation

### 2.2 Statement of compliance

The financial statements of the company have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by Financial Reporting Council. The compliance status of these IASs & IFRSs are as follows:

Name of The Standards	Compliance status
IAS 1: Presentation of Financial Statements	Complied
IAS 2: Inventories	Complied
IAS 7: Statement of Cash Flows	Complied
IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10: Events after the Reporting Period	Complied
IAS 12: Income Taxes	Complied
IAS 16: Property, Plant and Equipment	Complied
IAS 19: Employee Benefits	Complied
IAS 20: Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS 21: The Effects of Changes in Foreign Exchange Rates	Not applicable
IAS 23: Borrowing Costs	Complied
IAS 24: Related Party Disclosures	Complied
IAS 26: Accounting and Reporting by Retirement Benefit Plans	Not applicable

# Notes to the Financial Statements

Name of The Standards	Compliance status
IAS 27: Separate Financial Statements	Not applicable
IAS 28: Investment in Associates and Joint Ventures	Not applicable
IAS 29: Financial Reporting in Hyperinflationary Economics	Not applicable
IAS 32: Financial Instruments: Disclosure and Presentation	Complied
IAS 33: Earnings Per Share	Complied
IAS 34: Interim Financial Reporting	Complied
IAS 36: Impairment of Assets	Complied
IAS 37: Provisions, Contingent Liabilities and Contingent assets	Complied
IAS 38: Intangible Assets	Complied
IAS 40: Investment Property	Not applicable
IAS 41: Agriculture	Not applicable
IFRS 1: First time Adoption of International Financial Reporting Standards	Not applicable
IFRS 2: Share based Payment	Not applicable
IFRS 3: Business Combinations	Not applicable
IFRS 4: Insurance Contracts	Not applicable
IFRS 6: Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS 7: Financial Instruments: Disclosures	Complied
IFRS 8: Operating Segments	Complied
IFRS 9: Financial Instruments	Complied
IFRS 10: Consolidated Financial Statements	Not applicable
IFRS 11: Joint Arrangements	Not applicable
IFRS 12: Disclosure of Interests in Other Entities	Complied
IFRS 13: Fair Value Measurement	Complied
IFRS 14: Regulatory Deferral Accounts	Not applicable
IFRS 15: Revenue from Contracts with Customers	Complied
IFRS 16: Leases	Complied

## Compliance with other regulatory requirements

The Company complied with the requirements of following laws and regulations from various government bodies:

- i) The Companies Act, 1994;
- ii) The Income Tax Ordinance, 1984 and amendment thereon;
- iii) The Income Tax Rules, 1984;
- iv) The Income Tax Act, 2023;
- v) The Value Added Tax and Supplementary Duty Act 2012;
- vi) The Value Added Tax and Supplementary Duty Rule 2016;
- vii) The Stamp Act, 1899;
- viii) The Bangladesh Labor Act, 2006 and amended in 2015;
- ix) The Bangladesh Securities and Exchange Ordinance, 1969;
- x) The Bangladesh Securities and Exchange Act, 1993;
- xi) The Bangladesh Securities and Exchange Rules, 1987;
- xii) Listing Regulations of Dhaka and Chittagong Stock Exchanges;
- xiii) Any other applicable laws and regulations of the land.
- xiii) Financial Reporting Act 2015;

## 2.3 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is the company's functional and presentation currency. Except as indicated, financial information presented in Bangladesh Taka has been rounded off to the nearest taka.

## 2.4 Reporting period

The financial period of the company covers one year from 1 July to 30 June and is followed consistently.

# Notes to the Financial Statements

## 2.5 Comparative information

Comparative information has been disclosed in respect of the year ended 30 June 2022 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

## 2.6 Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

In particular, information about significant areas of estimates and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in these financial statements are stated in the following notes:

Note 3.6 - Employee benefits

Note 4 - Property, plant and equipment

Note 7 - Deferred tax assets/(liabilities)

Note 23 - Accounts payable

Note 25 - Provision for income tax

Note 37-38 - Contingencies

## 2.7 Going concern

The Directors have made an assessment of the company's ability to continue as a going concern and they do not intend either to liquidate or to cease trading. The Company has adequate resources to continue in operation for the foreseeable future. The current resources of the Company provide sufficient funds and attributable credit facilities to meet the present requirements of its existing business. Since, there is no material uncertainties related to events or conditions at reporting date which may cast significant doubt upon the company's ability to continue as a going concern, for this reason, management continues to adopt going concern basis in preparing the financial statements.

## 2.8 Accrual basis of accounting

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

## 2.9 Materiality and aggregation

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

## 2.10 Offsetting

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

## 2.11 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

## 2.12 Date of authorisation

The financial statements were authorised for issue by the Board of Directors on 30 August 2023 for publication.

## 3.0 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

# Notes to the Financial Statements

## 3.1 Property, plant and equipment

### 3.1.1 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.

### 3.1.2 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.

### 3.1.3 Subsequent costs

Subsequent to initial recognition, cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other repair and maintenance expenses are charged in the statement of profit or loss and other comprehensive income as they are incurred.

### 3.1.4 Derecognition

An asset is derecognised on disposal or when no further economic benefits are expected from its use. Gain or loss on disposal of an asset is determined as the difference of net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset under other income/expense in the statement of profit or loss and other comprehensive income.

### 3.1.5 Impairment

The carrying amount of the entity's non-financial assets, other than inventories and deferred tax assets (considered as disclosed separately under respective accounting standards), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

### 3.1.6 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 the company are depreciated using reducing balance method. Full month's depreciation is charged for the month of acquisition. On disposal of an asset, depreciation is charged up to the month prior to the disposal. 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 depreciation rates per annum applicable to different categories of property, plant and equipment are as follows:

<u>Asset category</u>	<u>Rate of depreciation</u>
Plant and machinery	10%
Site project office	10%
Office equipment	20%
Furniture and fixtures	10%
Motor vehicles	20%
Office building	5%
Land	-

# Notes to the Financial Statements

## 3.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments comprise deposits, trade and other receivables, cash and cash equivalents, trade and other payables, share capital and interest-bearing borrowings.

### 3.2.1 Financial assets

The Company initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the Company becomes a party to the contractual provisions of the transaction.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The Company's financial assets comprise advance, deposits and prepayments, investments and cash & cash equivalents.

#### 3.2.1.1 Investment in shares of Central Depository Bangladesh Ltd. (CDBL)

Investment in share of Central Depository Bangladesh Ltd. (CDBL) is recorded at cost and represent insignificant holding.

#### 3.2.1.2 Advance, deposits and prepayments

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

Deposits are measured at payment value.

#### 3.2.1.3 Short term investments

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

#### 3.2.1.4 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.

## 3.2.2 Financial liabilities

The Company initially recognises financial liabilities in its statement of financial position when the Company becomes a party to the contractual provisions of the liability. The Company recognises such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company's financial liabilities comprise bank lease and accounts payable.

### 3.2.2.1 Accounts payable

Trade and other payables are recognised when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. Trade and other payables are recognised initially at fair value.

## 3.3 General reserve

Initially General Reserve was created only for presentation in the statement of Changes in Equity. But at that time there was no segregation of balances in the Balance Sheet, therefore, it is a part of Retained Earnings. However there was no movement in the General Reserve during the year under review.

## 3.4 Dividend equalization reserve

Initially Dividend equalization reserve was created only for presentation in the statement of Changes in Equity. But at that time there was no segregation of balances in the Balance Sheet, therefore, it is a part of Retained Earnings. However there was no movement in the Dividend Equalization Reserve during the year under review.

# Notes to the Financial Statements

## 3.5 Inventories

Inventories represents, stock of land, apartments, shops and office spaces held for sale in the ordinary course of business within the company's normal operating cycle which is more than a calendar year. Therefore, the company complies with the principles of IAS - 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 Employee benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits.

The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate. The company's employee benefits include the following:

### 3.6.1 Defined contribution plan (provident fund)

The company has a recognised employee's provident fund with effect from 18 October 1987 vide letter # PF1/89-90/2079-81 dated 12 June 1990. This registered provident fund scheme (Defined Contribution Plan) for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution. The company recognises contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

### 3.6.2 Defined benefit plan

#### Gratuity fund

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.

#### Workers Profit Participation Fund (WPPF)

The Company has been operating a fund for workers as "Workers' Profit Participation Fund" since 2015 and 5% of the profit before charging such expense has been transferred to this fund as per section 234 of Bangladesh Labour Act 2006 (amended in 2015).

## 3.7 Provision

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of 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 the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

## 3.8 Contingent liabilities

The Company does not recognize contingent liability but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the Company or a present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably.

## 3.9 Contingent assets

The Company does not recognize contingent assets but discloses the existence of contingent asset in the financial statements. 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.

## 3.10 Revenue recognition

The company has recognized revenue as per IFRS-15 Revenue from Contract with Customers. The company has recognized revenue when (or as) the entity satisfies a performance obligation. This core principle is delivered in a five-step model framework:

# Notes to the Financial Statements

- i) Identify the contract(s) with a customer;
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations in the contract;
- v) Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods.

Revenue is measured based on the consideration specified in a contract with a customer net of returns, discounts, free issues.

The company's typical performance obligations include the following:

## **i) Sale of land**

Sale of land is recognised when the company registers the plots of land. 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 are registered to the respective customers. Sales are recognised mainly when the risk and rewards associated with the products are significantly transferred to the buyer and the buyer has the possession of the land.

## **ii) Sale of apartment**

Company, in-line with industry practice receives money against such sale on instalment basis during the span of two to six years. The amount is booked under 'advance against sale' as 'current liability' at the time of receipt and treated as a 'sale' only when the apartments are 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 products. 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.

## **3.11 Finance income and expense**

Finance income comprises interest on financial deposits with banks. Finance income is recognised on an accrual basis and shown under statement of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft and borrowings.

## **3.12 Income tax**

Income tax expense comprises of current and deferred tax. Income tax expense is recognized in the statement of profit or loss and other comprehensive income and accounted for in accordance with the requirements of IAS 12: Income Taxes.

### **3.12.1 Current tax**

As per section 53FF of the Income Tax Ordinance (ITO) 1984, it is made compulsory for the real estate or land development business entities to pay, irrespective of profit or loss, income tax as per prescribed rate per square meter of the apartments and in case of land at certain percentage at the time of their registration. Provision for income tax for the financial year has been made at prevailing corporate tax rate @ 20.00% or income tax paid under section 53FF of the said Ordinance or tax @ 0.60% of the gross receipts, whichever is higher in accordance with 82(c) 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.

### **3.12.2 Deferred tax**

The company has recognised deferred tax using balance sheet method in compliance with the provisions of IAS 12: Income Taxes. The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences (taxable or deductible) between the carrying amount (book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expense has been considered to determine net profit after tax.

# Notes to the Financial Statements

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available, against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 3.13 Earnings per share

The Company presents its basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, if any. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares at the reporting date.

### 3.14 Statement of cash flows

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

### 3.15 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 IFRS - 8 "Operating Segments" is given in note 43 to the financial statements.

### 3.16 Leases

#### 3.16.1 Company as lessee

The Company assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the Company consider the contract as a lease contract.

The Company as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The Company recognises lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the Company considers the lease period as short term in line with the recognition threshold of RoU assets as per Fixed Asset Policy of the Company.

#### 3.16.2 Right-of-use (RoU) asset

The Company recognises the right-of-use (RoU) asset at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU asset are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of RoU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term.

The Company assessed all lease contracts live in financial year 2022-2023 and recognised as RoU of asset of all leases, except short term assets as per IAS 16 and IFRS 16. The RoU asset are presented in the note 5 of these financial statements.

#### 3.16.3 Lease liabilities

At the commencement of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the Company and payment of penalties for terminating the lease. The lease payment has been discounted using the Company's implicit borrowing rate.



# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	<b>As at and for the year ended</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>4.00 Property, plant &amp; equipment</b>		
<b>A. Cost/revaluation</b>		
Opening balance	4,950,332,867	4,941,406,072
Addition during the year	60,070,500	8,926,795
Disposal/adjustment during the year	(4,165,360)	-
<b>Total</b>	<b>5,006,238,007</b>	<b>4,950,332,867</b>
<b>B. Accumulated depreciation</b>		
Opening balance	296,862,113	256,786,406
Charged during the year	38,870,288	40,075,707
Disposal/adjustment during the year	(3,781,922)	-
<b>Total</b>	<b>331,950,479</b>	<b>296,862,113</b>
<b>Net book value (A-B)</b>	<b>4,674,287,528</b>	<b>4,653,470,754</b>
<b>5.00 Right of use assets</b>		
<b>A. Cost</b>		
Opening balance	164,383,242	164,383,242
Addition during the year	36,729,365	-
<b>Total</b>	<b>201,112,607</b>	<b>164,383,242</b>
<b>B. Depreciation</b>		
Opening balance	108,206,213	86,645,452
Charged during the year	19,341,934	21,560,761
<b>Total</b>	<b>127,548,147</b>	<b>108,206,213</b>
<b>Net book value (A-B)</b>	<b>73,564,460</b>	<b>56,177,029</b>
<b>6.00 Investments</b>		
Investment in shares of CDBL	1,569,450	1,569,450
<b>Total</b>	<b>1,569,450</b>	<b>1,569,450</b>
<b>7.00 Deferred tax assets/(liabilities)</b>		
<b>Carrying amount at reporting date:</b>		
Property, plant and equipment	(4,674,287,528)	(4,653,470,754)
Right of use assets - Motor vehicle	(35,359,615)	(43,261,190)
Provision for gratuity	110,765,281	102,848,391
Provision for leave pay	4,227,874	4,228,719
Warranty provision	51,825,181	45,970,968
<b>Total</b>	<b>(4,542,828,807)</b>	<b>(4,543,683,866)</b>
<b>Tax base at reporting date:</b>		
Property, plant and equipment	4,565,340,209	4,541,698,279
Right of use assets - Motor vehicle	35,359,615	43,261,190
<b>Total</b>	<b>4,600,699,824</b>	<b>4,584,959,469</b>
<b>Temporary difference</b>	<b>57,871,017</b>	<b>41,275,603</b>
Applicable tax rate	20.00%	20.00%
<b>Deferred tax assets</b>	<b>11,574,203</b>	<b>8,255,121</b>

# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	<b>As at and for the year ended</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>8.00 Inventories</b>		
Undeveloped land	2,628,838,375	3,106,874,543
Work in progress	5,461,520,840	6,248,472,842
Finished goods	4,631,247,622	3,914,425,666
Construction materials	50,363,129	6,548,343
<b>Total</b>	<b>12,771,969,966</b>	<b>13,276,321,394</b>
<b>9.00 Advances, deposits and prepayments</b>		
<b>Advance against:</b>		
-Land purchase	498,297,981	403,470,696
-Supply/material purchase	47,240,733	47,438,847
-Income tax	191,413,163	206,413,163
-Work done	86,578,492	111,498,176
-Salary and wages	4,199,465	3,089,595
-Utility services	21,123,940	2,973,940
<b>Total</b>	<b>848,853,774</b>	<b>774,884,417</b>
<b>9.01 Advance income tax</b>		
Opening balance	206,413,163	214,508,790
Paid/adjusted during the year	(15,000,000)	(8,095,627)
<b>Total</b>	<b>191,413,163</b>	<b>206,413,163</b>
<b>10.00 Accounts &amp; other receivables</b>		
Trade receivables	62,864,220	95,478,845
Interest receivables	91,779,776	47,829,795
<b>Total</b>	<b>154,643,996</b>	<b>143,308,640</b>
<b>11.00 Short term investments</b>		
FDR - Brac Bank Ltd.	1,205,102,778	700,000,000
FDR - Southeast Bank Ltd.	1,027,753,400	997,423,750
FDR - HSBC Bank Ltd.	1,000,000,000	-
MTDR - City Bank Ltd.	987,002,322	450,000,000
FDR - Eastern Bank Ltd.	460,000,000	-
FDR - Agrani Bank Ltd.	205,150,000	-
FDR - Standard Bank Ltd.	132,922,800	223,544,192
MTDR - Union Bank Ltd.	-	120,460,852
MTDR - Al Arafah Islami Bank Ltd.	-	502,526,234
FDR - NRBC Bank Ltd.	-	105,595,000
FDR - IFIC Bank Ltd.	-	250,000,000
<b>Total</b>	<b>5,017,931,300</b>	<b>3,349,550,028</b>
<b>12.00 Deposit with Bangladesh Bank</b>	<b>350,000,000</b>	<b>350,000,000</b>

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 No.7370 of 2010 with the Honorable High Court Division to recover the money. The said Writ Petition was disposed of in favour of Eastern Housing Limited vide judgment dated 02 October 2013.

Against the said judgment and order of the Honorable High Court Division, Bangladesh Bank as petitioner filed Civil Appeal No. 339 of 2015 (arising out of Civil Petition for leave to Appeal No. 1498 of 2015) before the Appellate Division of the Supreme Court against Eastern Housing Limited and others. Upon hearing of this Civil Appeal, the Appellate Division of the Supreme Court dismissed the appeal vide judgment dated 16 March 2017.

# Notes to the Financial Statements

*Amount in BDT*

PARTICULARS	As at and for the year ended	
	30 June 2023	30 June 2022

Against the judgment dated 16 March 2017, Bangladesh Bank filed Civil Review Petition No. 486 of 2017 before the Appellate Division of the Supreme Court.

Upon hearing of the Civil Review Petition No. 486 of 2017, the Appellate Division of the Supreme Court on 06 November 2018 (granted leave in the Civil Review Petition) allowed the review. Case was renumbered as Civil Appeal No.382 of 2019. Hearing on this Civil Appeal No. 382 of 2019 will be held soon in the Appellate Division of the Supreme Court.

## 13.00 Cash & cash equivalents

Cash in hand	13.01	6,585,886	5,086,004
Cash at bank	13.02	134,057,087	138,823,536
<b>Total</b>		<b>140,642,973</b>	<b>143,909,540</b>

## 13.01 Cash in hand

Apartment unit- Site office imprest	5,845,076	4,364,204
Land unit- Head office	585,370	514,639
Apartment unit- Head office	155,440	207,161
<b>Total</b>	<b>6,585,886</b>	<b>5,086,004</b>

## 13.02 Cash at bank

### Land unit:

Uttara Bank Ltd.	20,431,820	99,579
Al-Arafah Islami Bank Ltd.	35,363,148	5,485,602
IFIC Bank Ltd.	770,885	641,727
The City Bank Ltd.	11,684,355	9,994,152
Union Bank Ltd.	4,501,247	48,102,649
Standard Bank Ltd.	3,885,779	7,470,068
Brac Bank Ltd.	18,363,311	2,574,226
Sonali Bank PLC	604,908	14,188,113
HSBC Bank Ltd.	641,487	-
Eastern Bank Ltd.	10,967,907	-
Dutch Bangla Bank Ltd.	410,636	10,992,878
NRBC Bank Ltd.	22,889	46,115
<b>Sub-total</b>	<b>107,648,372</b>	<b>99,595,109</b>

### Apartment unit:

Uttara Bank Ltd.	1,041,585	947,012
Dhaka Bank Ltd.	176,461	177,301
Southeast Bank Ltd.	16,742	698,377
Al-Arafah Islami Bank Ltd.	13,348,939	1,934,269
Standard Bank Ltd.	39,399	162,626
The City Bank Ltd.	293,926	6,443,487
Union Bank Ltd.	916,663	13,258,443
Sonali Bank PLC	431,506	658,584
Eastern Bank Ltd.	140,857	-
Brac Bank Ltd.	76,786	2,281,951
<b>Sub-total</b>	<b>16,482,864</b>	<b>26,562,050</b>

### Dividend payment account:

Uttara Bank Ltd. (Account 01)	3,515,878	9,238,697
Uttara Bank Ltd. (Account 20-21)	3,275,169	3,427,680
Uttara Bank Ltd. (Account 21-22)	3,134,804	-
<b>Sub-total</b>	<b>9,925,851</b>	<b>12,666,377</b>
<b>Total</b>	<b>134,057,087</b>	<b>138,823,536</b>

# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	As at and for the year ended	
	30 June 2023	30 June 2022
<b>14.00 Share capital</b>		
<b>Authorised capital:</b>		
200,000,000 Ordinary Shares of BDT 10 each	2,000,000,000	2,000,000,000
<b>Issued, subscribed &amp; paid up capital</b>		
60,000,000 Ordinary Shares of BDT 10 each	600,000,000	600,000,000
Conversion of debenture into 2,056,800 ordinary shares of BDT 10 each	20,568,000	20,568,000
Bonus share issued at 31,288,353 ordinary shares of BDT 10 each	312,883,530	312,883,530
<b>Total</b>	<b>933,451,530</b>	<b>933,451,530</b>

## 14.01 Composition of shareholding

Year 2023				
Category	Number of shares	No. of shareholders	Percentage (%)	Amount in BDT
Sponsors and associates	47,302,646	11	50.67%	473,026,460
Financial institutions	7,233,322	346	7.75%	72,333,220
Other institutional shareholders	7,633,755	198	8.18%	76,337,550
General shareholders	31,175,430	16,222	33.40%	311,754,300
<b>Total</b>	<b>93,345,153</b>	<b>16,777</b>	<b>100.00%</b>	<b>933,451,530</b>

Year 2022				
Category	Number of shares	No. of shareholders	Percentage (%)	Amount in BDT
Sponsors and associates	47,302,646	11	50.67%	473,026,460
Financial institutions	11,983,741	70	12.84%	119,837,410
Other institutional shareholders	14,847,854	190	15.91%	148,478,540
General shareholders	19,210,912	10,729	20.58%	192,109,120
<b>Total</b>	<b>93,345,153</b>	<b>11,000</b>	<b>100.00%</b>	<b>933,451,530</b>

## 14.02 Classification of shares by number of shares held

Level of Share Holding	Number of shareholders	Number of shares	Total holding (%)
Less than 500 shares	10,475	2,018,729	2.16%
501 to 5,000 shares	5,139	8,567,274	9.18%
5,001 to 10,000 shares	548	4,045,792	4.33%
10,001 to 20,000 shares	295	4,259,563	4.56%
20,001 to 30,000 shares	98	2,401,747	2.57%
30,001 to 40,000 shares	56	1,955,722	2.10%
40,001 to 50,000 shares	31	1,444,803	1.55%
50,001 to 100,000 shares	70	5,142,128	5.51%
100,001 to 1,000,000 shares	60	14,303,063	15.32%
Over 1,000,000 shares	5	49,206,332	52.71%
<b>Total</b>	<b>16,777</b>	<b>93,345,153</b>	<b>100%</b>

# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	<b>As at and for the year ended</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>15.00 General reserve</b>		
Opening balance	274,500,000	274,500,000
Addition during the year	-	-
<b>Total</b>	<b>274,500,000</b>	<b>274,500,000</b>
<b>16.00 Dividend equalisation reserve</b>		
Opening balance	145,000,000	145,000,000
Addition during the year	-	-
<b>Total</b>	<b>145,000,000</b>	<b>145,000,000</b>
<b>17.00 Revaluation reserve</b>		
Opening balance	3,873,931,511	3,873,931,511
Addition during the year	-	-
<b>Total</b>	<b>3,873,931,511</b>	<b>3,873,931,511</b>
<b>18.00 Retained earnings</b>		
Opening Balance	1,746,875,905	1,337,805,735
Total comprehensive income for the year	688,063,013	549,087,900
Dividend Paid	(186,690,306)	(140,017,730)
<b>Total</b>	<b>2,248,248,612</b>	<b>1,746,875,905</b>
<b>19.00 Retirement benefit obligations (Gratuity)</b>		
Opening Balance	102,848,391	89,872,986
Provision during the year	18,997,810	18,526,245
Paid during the year	(11,080,920)	(5,550,840)
<b>Total</b>	<b>110,765,281</b>	<b>102,848,391</b>
<b>20.00 Lease liabilities: Non-current portion</b>		
Right of use assets: Motor vehicles Al-Arafah Islami Bank Ltd.	1,713,424	1,777,075
Right of use assets: Building	5,117,004	5,117,004
<b>Total</b>	<b>6,830,428</b>	<b>6,894,079</b>
<b>21.00 Lease liabilities: Current portion</b>		
Right of use assets: Motor vehicles IDLC Finance Ltd.	-	5,812,002
Standard Bank Ltd.	-	5,348,895
Al-Arafah Islami Bank Ltd.	63,652	747,378
Right of use assets: Building	37,040,334	9,015,285
<b>Total</b>	<b>37,103,986</b>	<b>20,923,560</b>
<b>22.00 Advance received against allotment</b>		
Land Unit: Plot	13,479,722,458	12,722,821,537
Apartment Unit: Flat/Commercial space	1,379,461,495	1,191,983,204
<b>Total</b>	<b>14,859,183,953</b>	<b>13,914,804,741</b>

# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	<b>As at and for the year ended</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>23.00 Accounts payable</b>		
<b>Payable against</b>		
-Expense	23.01 103,334,942	96,523,109
-Supply/Material purchase	110,184,750	61,726,063
-Land purchase	897,552,003	936,000,796
-Construction work done	48,022,769	36,002,484
-Other liabilities	23.02 361,403,099	372,987,086
<b>Total</b>	<b>1,520,497,563</b>	<b>1,503,239,538</b>
<b>23.01 Payables for expenses</b>		
Salary	25,549,001	23,909,165
Workers' Profit Participation Fund (WPPF)	46,076,206	36,885,214
Audit fee	630,000	540,000
Legal, professional and membership fees	4,504,920	6,241,670
Electric bill and office rent	26,352,816	28,641,003
Postage, telephone, e-mail and Fax	221,999	306,057
<b>Total</b>	<b>103,334,942</b>	<b>96,523,109</b>
<b>23.02 Other liabilities</b>		
Provision for leave pay	23.02.1 4,227,874	4,228,719
Liabilities for co-operative society	35,303,377	35,303,377
Liabilities against security deposit and others	23.02.2 270,046,667	287,484,022
Warranty provision	51,825,181	45,970,968
<b>Total</b>	<b>361,403,099</b>	<b>372,987,086</b>
<b>23.02.1 Provision for leave pay</b>		
Opening balance	4,228,719	4,126,357
Provision during the year	4,233,383	4,256,352
Paid during the year	(4,234,228)	(4,153,990)
<b>Total</b>	<b>4,227,874</b>	<b>4,228,719</b>
<b>23.02.2 Liabilities against security deposit and others</b>		
Withholding VAT	6,571,764	9,696,820
Withholding income tax	3,962,627	6,258,993
Employer and employees contributions to provident fund	1,675,777	1,616,329
Security deposit and others	257,836,499	269,911,880
<b>Total</b>	<b>270,046,667</b>	<b>287,484,022</b>
<b>24.00 Unclaimed dividend</b>		
Opening balance	15,456,618	72,139,078
Dividend declared and warrant issued (net of tax)	154,562,804	115,367,043
Warrant encashment during the year	(151,814,829)	(114,395,793)
Payment to capital market stabilization fund	(5,489,019)	(57,653,710)
<b>Total</b>	<b>12,715,574</b>	<b>15,456,618</b>
<b>25.00 Provision for tax</b>		
Opening balance	17,020,500	10,676,966
Provision during the year	52,964,350	39,394,558
Payment/Adjustment during the year	(47,175,638)	(33,051,024)
<b>Total</b>	<b>22,809,212</b>	<b>17,020,500</b>

# Notes to the Financial Statements

PARTICULARS	Notes	<i>Amount in BDT</i>	
		<b>As at and for the year ended</b>	
		<b>30 June 2023</b>	<b>30 June 2022</b>
<b>26.00 Revenues</b>			
<b>Project Name:</b>			
Banasree & Dakshin Banasree		156,740,748	129,171,975
Demra & Paradagar		6,692,000	5,310,000
Eastern Balaka		178,088,184	-
Eastern Idris Chemon Villa		46,800,000	15,900,000
Eastern Irfan Centre		-	1,055,000,000
Eastern Khodeja Villa		-	74,816,532
Eastern Shantineer		-	152,181,045
Eastern Suraiya Center		556,566,925	-
Jahurul Islam City (Aftabnagar)		1,895,583,190	1,772,354,717
Pallabi Phase II		182,473,524	103,651,150
Saver Project		62,685,549	4,366,250
<b>Total</b>		<b>3,085,630,120</b>	<b>3,312,751,669</b>
<b>27.00 Cost of sales</b>			
Opening stock of undeveloped land		3,106,874,543	2,280,525,227
Add: Purchase of undeveloped land	27.01	869,628,831	911,286,416
Less: Closing stock of undeveloped land		2,628,838,375	3,106,874,543
<b>Consumption of land during the year (a)</b>		<b>1,347,664,999</b>	<b>84,937,100</b>
Opening stock of construction materials		6,548,343	27,566,845
Add: Development and material expense	27.02	384,686,057	299,999,816
Less: Closing stock of construction materials		50,363,129	6,548,343
<b>Consumption of material during the year (b)</b>		<b>340,871,271</b>	<b>321,018,318</b>
<b>Direct expenses (c)</b>	27.03	<b>249,542,933</b>	<b>288,609,582</b>
Total cost transferred to work in process (a+b+c)		1,938,079,203	694,565,000
Add: Opening work in process		6,248,472,842	6,651,178,962
Less: Closing work in process		5,461,520,840	6,248,472,842
<b>Total cost transferred to finished stock</b>		<b>2,725,031,205</b>	<b>1,097,271,120</b>
Add: Opening finished stock		3,914,425,666	5,121,907,497
<b>Finished stock available for sale</b>		<b>6,639,456,871</b>	<b>6,219,178,617</b>
Less: Closing finished stock		4,631,247,622	3,914,425,666
<b>Cost of sales</b>		<b>2,008,209,249</b>	<b>2,304,752,951</b>
<b>27.01 Purchase of undeveloped land</b>			
Land purchase		728,318,207	750,339,268
Registration, legal and stamp cost		115,990,858	141,802,061
Mutation and deed collection		25,319,766	19,145,087
<b>Total</b>		<b>869,628,831</b>	<b>911,286,416</b>
<b>27.02 Development and material expense</b>			
Earth filling and development work		67,654,748	74,166,803
Material cost		278,110,088	187,246,742
Social & surrounding development		29,356,691	35,028,050
Khajna		9,564,530	3,558,221
<b>Total</b>		<b>384,686,057</b>	<b>299,999,816</b>

# Notes to the Financial Statements

PARTICULARS	Notes	<i>Amount in BDT</i>	
		<b>As at and for the year ended</b>	
		<b>30 June 2023</b>	<b>30 June 2022</b>
<b>27.03 Direct expenses</b>			
Salary and wages		122,196,358	112,677,931
Daily labour		75,478,071	108,688,818
Fees and professional charge		15,280,095	26,304,736
Power and fuel		9,324,167	11,022,288
Festival Bonus		9,257,792	12,689,327
Gratuity and leave pay		9,337,049	7,951,767
Depreciation		1,926,039	2,129,999
Employee provident fund contribution		2,356,979	2,376,659
Overtime		134,884	226,843
Repair and maintenance		1,264,420	1,747,971
Communication expenses		1,045,894	944,520
Entertainment		1,351,262	1,105,214
Printing & Stationary		589,923	743,509
<b>Total</b>		<b>249,542,933</b>	<b>288,609,582</b>
<b>28.00 Other operating income</b>			
Sale proceeds of unusable materials and others		15,080,926	14,900,490
Gain on sale of fixed assets		398,413	-
<b>Total</b>		<b>15,479,339</b>	<b>14,900,490</b>
<b>29.00 Administrative &amp; selling expenses</b>			
Salary and allowances		222,566,870	210,687,122
Employees provident fund contribution		4,586,864	4,367,335
Festival bonus		20,673,100	27,585,996
Gratuity and leave pay		13,890,034	13,592,181
Selling & marketing expenses		20,612,869	15,125,124
Printing and stationery		4,429,582	4,311,500
Power and fuel		3,773,079	2,775,624
Communication expenses		3,945,355	3,139,994
Entertainment		6,965,125	4,972,572
Rent, rates and taxes		9,465,115	10,317,851
Repairs and maintenance		13,740,640	12,254,648
Legal, professional, membership and other fees		9,831,258	9,138,484
Insurance premium		1,910,003	1,892,082
Audit fees		874,000	747,500
Software development		176,000	175,000
Loss on sale / write off of fixed assets		51,851	-
Interest on Lease liability		3,213,598	1,973,796
Warranty expense		33,341,238	39,929,317
Depreciation		56,286,183	59,506,469
<b>Total</b>		<b>430,332,764</b>	<b>422,492,595</b>
<b>30.00 Finance income</b>			
Interest income		261,934,435	139,833,365
Dividend income		1,427,952	1,427,952
<b>Total</b>		<b>263,362,387</b>	<b>141,261,317</b>
<b>31.00 Finance expense</b>			
Bank interest		1,643,961	2,159,087
Bank charge, commission and others		2,761,746	1,804,573
<b>Total</b>		<b>4,405,707</b>	<b>3,963,660</b>



# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	<b>As at and for the year ended</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>
<b>32.00 Income tax expense</b>		
Current tax	32.01	190,703,989
Deferred tax (income)/expense	32.02	(3,319,082)
<b>Total</b>		<b>187,384,907</b>
<b>32.01 Current Tax</b>		
Income tax paid at the time of registration		99,205,682
Income tax deduction at source		43,074,690
Provision for income tax made during the year		48,423,617
<b>Total</b>		<b>190,703,989</b>
<b>32.02 Deferred tax ( income)/expenses</b>		
Deferred tax assets /(liabilities) at the beginning of the year		8,255,121
Less: Deferred tax assets /(liabilities) at the end of the year		11,574,203
<b>Total</b>		<b>(3,319,082)</b>
<b>33.00 Earnings per share</b>		<b>7.37</b>
<b>33.01 Basic earnings per share</b>		
Profit attributable to ordinary shareholder		688,063,013
Weighted average number of share outstanding		93,345,153
<b>EPS</b>		<b>7.37</b>
<b>33.02 Diluted earning per share</b>		<b>5.88</b>
No diluted earning per share is required to be calculated for the year as there was no scope for dilution during the period.		

## 34.00 Financial risk management objectives and policies

**The company has exposure to the following risks:**

- I. Credit risk
- II. Liquidity risk
- III. Market risk

The Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. This note presents information about the Company's exposure to each of the following risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

### I. Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and other parties.

# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	<b>As at and for the year ended</b>	
	<b>30 June 2023</b>	<b>30 June 2022</b>

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

## Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	Notes	<i>Amount in Taka</i>	
		<b>2023</b>	<b>2022</b>
Advances, deposits and prepayments	9.00	848,853,774	774,884,417
Short term Investments	11.00	5,017,931,300	3,349,550,028
Deposit with Bangladesh Bank	12.00	350,000,000	350,000,000
Cash at bank	13.02	134,057,087	138,823,536
<b>Total</b>		<b>6,350,842,161</b>	<b>4,613,257,981</b>

## II. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Company has short term credit facilities with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

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 in to relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amount disclosed below is the contractual undiscounted cash flows as on closing date. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant:

Year ended	Accounts payable (Tk.)
30 June 2023	1,520,497,563
30 June 2022	1,503,239,538

## III. Market risk

Market risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: interest rate risk and currency risk. The financial instruments held by the company that are affected by market risk are principally loans and borrowings.

# Notes to the Financial Statements

PARTICULARS	<i>Amount in BDT</i>	
	As at and for the year ended	
	30 June 2023	30 June 2022

The Company's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates. Historically, interest rates for such instruments show little fluctuation. Therefore, interest rate risk for the company is insignificant.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not deal with foreign currencies, therefore, no exposure to foreign currency risk.

## 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 ratio for the year ended 30 June :

	<i>Amount in BDT</i>	
	2023	2022
Total borrowings	-	-
Cash and cash equivalents (note 13)	(140,642,973)	(143,909,540)
Net debt	(140,642,973)	(143,909,540)
Total equity	7,475,131,653	6,973,758,946
Total capital	7,334,488,680	6,829,849,406
<b>Gearing ratio (Net debt/total capital)</b>	<b>-2%</b>	<b>-2%</b>

## 35.00 Related party disclosures

### 35.01 Transactions with key management personnel

	<i>Amount in BDT</i>	
	2023	2022
Short term benefits (salary and other allowances)	50,921,200	52,750,200
Post employment benefits (provident fund)	-	-
	<b>50,921,200</b>	<b>52,750,200</b>

### 35.02 Other related party transactions

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: Related party disclosures.

Name of the related party	Relationship	Nature of transaction	<i>Amount in BDT</i>			
			Transaction values for the year ended 30 June		Receivable/ (Payable) outstanding as at 30 June	
			2023	2022	2023	2022
Islam Brothers Properties Ltd.	Common Board Member	Office rent	5,470,296	5,497,650	-	-
Islam Brothers Properties Ltd.	Common Board Member	Repayment of loan	202,500,000	-	-	-
Lafarge Holcim Bangladesh Ltd.	Common Board Member	Procurement of cement	2,006,500	1,060,500	-	(277,627)
<b>Total</b>			<b>209,976,796</b>	<b>6,558,150</b>	<b>-</b>	<b>(277,627)</b>

# Notes to the Financial Statements

## 36.00 Contingent assets

There was no contingent assets as at 30 June 2023.

## 37.00 Contingent liabilities

### Potential sources of contingent liabilities are:

Total number of cases in different land projects of Eastern Housing Limited are about 226. Out of those cases, 145 cases filed by Eastern Housing Limited and 97 cases filed by different personnel against Eastern Housing Limited. However, 8 cases were disposed of in favor of Eastern Housing Limited during the year under review.

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 approximately 250 acre. Value of the land under legal suit is approximately BDT 100 crore.

## 38.00 Claim not acknowledged as debt

There was no claim against the company which is to be acknowledged as debt as at 30 June 2023.

## 39.00 Events after reporting period

The Board of Directors in their board meeting held on 30 August 2023, has recommended a cash dividend @ 25% for the year ended 30 June 2023.

## 40.00 No. of employees

The number of regular permanent employees receiving remuneration of Tk. 36,000 or above per annum at reporting date was as follows:

	2023	2022
Number of employees	565	586

In addition, there was a varying number of seasonal and temporary workers working throughout the year, as required.

## 41.00 Remuneration of directors

Six board meetings, four audit committee meetings and one nomination and remuneration committee meeting were held in the financial year 2022-2023. Board, audit committee and nomination and remuneration committee meeting attendance fees were BDT 10,000 per member per meeting. Remuneration of board, audit committee and nomination and remuneration committee during the year under review has been detailed in the corporate governance report.

## 42.00 Capital commitments

There was no capital expenditure commitments as at 30 June 2023.

# Notes to the Financial Statements

## 43.00 Details of product wise segment reporting

Segment	Amount in BDT					
	Land		Apartment		Total	
	2023	2022	2023	2022	2023	2022

### Segment revenue

Net sales	2,304,175,011	2,014,854,092	781,455,109	1,297,897,577	3,085,630,120	3,312,751,669
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### Segment assets

PPE (Net book value)	4,050,410,354	4,050,571,086	623,877,174	602,899,668	4,674,287,528	4,653,470,754
Cash and cash equivalent	118,159,593	112,776,125	22,483,380	31,133,415	140,642,973	143,909,540
Other assets	13,830,750,669	13,005,565,909	5,399,356,480	4,954,500,170	19,230,107,149	17,960,066,079
<b>Total assets</b>	<b>17,999,320,616</b>	<b>17,168,913,120</b>	<b>6,045,717,034</b>	<b>5,588,533,253</b>	<b>24,045,037,650</b>	<b>22,757,446,373</b>

### Segment liabilities

Lease obligation	-	11,160,897	43,934,414	16,656,742	43,934,414	27,817,639
Accounts payable	1,067,020,376	1,103,175,221	453,477,187	400,064,317	1,520,497,563	1,503,239,538
Other liabilities	13,585,536,042	13,021,342,198	1,419,937,978	1,231,288,052	15,005,474,020	14,252,630,250
<b>Total liabilities</b>	<b>14,652,556,418</b>	<b>14,135,678,316</b>	<b>1,917,349,579</b>	<b>1,648,009,111</b>	<b>16,569,905,997</b>	<b>15,783,687,427</b>

## 44.00 Details of disposal

Type of asset	Cost	Accumulated depreciation	Written down value	Sale price	Profit/(loss)	Mode of disposal
Motor vehicles	3,450,000	3,118,413	331,587	730,000	398,413	Disposal during the year
Office equipment	715,360	663,509	51,851	-	(51,851)	Write off

# Notes to the Financial Statements

Particulars	Amount in BDT	
	As at and for the year ended	
	2023	2022
<b>45.00 Key investor ratios:</b>		
<b>a) Net Asset Value (NAV) per share</b>		
Net assets (Total assets- Total liabilities)	7,475,131,653	6,973,758,946
Number of ordinary shares outstanding	93,345,153	93,345,153
<b>Net Asset Value (NAV) per share</b>	<b>80.08</b>	<b>74.71</b>
<b>b) Earnings Per Share (EPS)</b>		
Net profit after tax	688,063,013	549,087,900
Number of ordinary shares outstanding	93,345,153	93,345,153
<b>Earnings Per Share (EPS)</b>	<b>7.37</b>	<b>5.88</b>
<b>c) Net Operating Cash Flow Per Share (NOCFPS)</b>		
Net operating cash flows	1,919,251,402	2,034,567,938
Number of ordinary shares outstanding	93,345,153	93,345,153
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>20.56</b>	<b>21.80</b>



Company Secretary



Chief Financial Officer



Managing Director



Director



Director

**Schedule of Property, plant and equipment  
As at and for the year ended 30 June 2023**

Annexure-1

# Notes to the Financial Statements

Amount in BDT

Category of assets	Cost or revaluation			Rate (%)	Depreciation			Net Book Value as at 30 June 2023	
	Balance as at 01 July 2022	Addition during the year	Disposal/ Adjustment		Balance as at 30 June 2023	Charged during the year	Adjustment during the year		Balance as at 30 June 2023
<b>Cost</b>									
Plant and machinery	73,130,760	-	-	73,130,760	10%	1,370,854	-	60,153,453	12,977,307
Site project office	30,766,300	-	-	30,766,300	10%	550,871	-	25,551,410	5,214,890
Office equipment	32,964,970	1,845,971	715,360	34,095,581	20%	1,560,531	663,509	26,116,677	7,978,904
Furniture and fixtures	1,133,869	479,500	-	1,613,369	10%	67,340	-	742,146	871,223
Motor vehicles	74,665,394	9,654,739	3,450,000	80,870,133	20%	6,167,156	3,118,413	49,815,128	31,055,005
Office building	732,871,574	48,090,290	-	780,961,864	5%	29,153,536	-	169,571,665	611,390,199
Land	416,921,768	-	-	416,921,768	-	-	-	-	416,921,768
	<b>1,362,454,635</b>	<b>60,070,500</b>	<b>4,165,360</b>	<b>1,418,359,775</b>		<b>38,870,288</b>	<b>3,781,922</b>	<b>331,950,479</b>	<b>1,086,409,296</b>

Revaluation	
Land	3,587,878,232
<b>As at 30 June 2023</b>	<b>5,006,238,007</b>
<b>As at 30 June 2022</b>	<b>4,950,332,867</b>

Right of use assets	
Motor vehicles	103,634,576
Building	60,748,666
<b>As at 30 June 2023</b>	<b>164,383,242</b>
<b>As at 30 June 2022</b>	<b>164,383,242</b>

# Notes to the Financial Statements

## Annexure-2

### Reconciliation of net profit with cash flows from operating activities

Reconciliation of net income or net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals has been disclosed as per BSEC notification BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018.

	Amount in BDT	
	As at and for the year ended	
	2022-2023	2021-2022
<b>Cash flow from operating activities</b>		
Profit before tax	875,447,920	700,819,056
<b>Adjustment</b>		
Depreciation expense	58,212,222	61,636,468
Loss of sale of fixed Assets	51,851	-
Gain on sale of fixed assets	(398,413)	-
Interest expense	4,405,707	3,963,660
Income from investment	(263,362,387)	(141,261,317)
	<b>674,356,900</b>	<b>625,157,867</b>
<b>(Increase)/decrease of current assets</b>		
(Increase)/decrease in inventory	504,351,428	804,857,137
(Increase)/decrease in advance deposit and prepayment	(88,969,357)	(84,757,200)
(Increase)/decrease accounts receivable	32,614,625	9,431,500
<b>Increase/ (decrease) of current liability</b>		
Increase/(decrease) in advance received against allotment	944,379,212	845,107,014
Increase/(decrease) in accounts payable	17,258,025	18,954,426
Increase/(decrease) Unclaimed dividend	(2,741,044)	(56,682,460)
Increase/(decrease) in gratuity provision	7,916,890	12,975,405
Tax paid during the year	(169,915,277)	(140,475,751)
<b>Net cash flow from operating activities</b>	<b>1,919,251,402</b>	<b>2,034,567,938</b>
Total cash flow from operating activities- Indirect Method*	1,919,251,402	2,034,567,938
Total cash flow from operating activities- Direct Method*	1,919,251,402	2,034,567,938
Difference	-	-

\*Details in the statement of cash flows



## View of Our Land Projects



Jahurul Islam City (Aftabnagar), Dhaka.

## View of Our Land Projects



Pallabi, Dhaka.



Dehra, Savar.

# Eastern Housing Limited

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

## Notice of the 59<sup>th</sup> Annual General Meeting

Notice is hereby given that the 59th Annual General Meeting of the Shareholders of Eastern Housing Limited will be held on **Wednesday, October 18, 2023 at 10:30 AM**. The AGM will be held virtually by using digital platform through the link <https://ehl.bdvirtualagm.com> to transact the following businesses:

### AGENDA

1. To receive and adopt the Directors' Report and the Audited Financial Statements of the Company for the year ended June 30, 2023 together with the Auditors' Report thereon.
2. To declare dividend for the year ended June 30, 2023.
3. To elect/reelect Directors.
4. To appoint Statutory Auditors and to fix their remuneration.
5. To appoint Corporate Governance Compliance Auditor and to fix their remuneration.

By order of the Board



(Salim Ahmed, FCS)  
Company Secretary

Dated: August 30, 2023  
Dhaka.

### Note :

1. **September 21, 2023** is the record date. Shareholders whose name will be appeared in the Members' / Depository Register on that date they will be eligible to attend the AGM and receive dividend.
2. Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report-2023 will be sent to members respective email addresses as available in their Beneficiary Owner (BO) Accounts maintained with the CDBL. Soft copy of the Annual Report 20232 will also be available at the Company's website at: [www.easternhousing.com](http://www.easternhousing.com)
3. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy in his stead. The proxy form, duly filled and stamped with a revenue stamp of Tk. 20/- and signed by the member must be sent by email to [share@easternhousing.com](mailto:share@easternhousing.com) not later than 48 hours before the commencement of the AGM.
4. (i) Shareholders bearing BO ID are requested to update their respective **BO ID** with **12 digits Taxpayer's Identification Number (e-TIN)** and address through their respective Depository Participant (DP) before the '**Record Date**'; and  
(ii) Shareholders bearing Folio Numbers are also requested to submit their **12 digits Taxpayer's Identification Number (e-TIN)** to the Share Department of the Company on or before the "Record Date" failing which Income Tax at Source will be deducted from cash dividend @ 15% instead of 10% as per regulation.
5. The shareholders will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM i.e. from 10:30 am Tuesday, October 17, 2023 and or during the AGM. For logging into the system, the shareholders need to put their 16-digit Beneficial Owner (BO) ID number /Folio Number by visiting the link <https://ehl.bdvirtualagm.com>
6. We encourage the members to log into the system prior to the meeting on October 18, 2023. Please allow ample time to login and establish your connectivity. Please contact **+880177756643** in case of technical difficulties in accessing the virtual meeting.
7. Shareholders may submit their questions in advance by email to [share@easternhousing.com](mailto:share@easternhousing.com) or to the Company Secretary at [salim@easternhousing.com](mailto:salim@easternhousing.com)

# 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 in my/our absence to attend and vote for me on me/our behalf at the 59<sup>th</sup> ANNUAL GENERAL MEETING of the Company to be held on Wednesday, October 18, 2023 and any adjournment thereof

As witness my hand this ..... day of October, 2023.

.....  
(Signature of the Proxy)  
Date .....

Revenue  
Stamp  
Tk. 20/=

.....  
**(Signature of the Shareholder)**

BO ID of Member/Register Folio No.

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 sent by email to **share@easternhousing.com** not later than 48 hours before the commencement of the AGM.

Signature vetified

.....  
**Authorized Signatory**



# EASTERN HOUSING LIMITED

is proudly continuing its footsteps in the Capital  
with excelling the satisfaction of our valiant customers since 1964



## JAHURUL ISLAM CITY

LAND PROJECT



## GULSHAN

APARTMENT PROJECT



## NIKETAN

APARTMENT PROJECT



 CALL US **16721**



A JAHURUL ISLAM COMPANY

# ANNUAL REPORT 2023



**Corporate Office:**  
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Banani, Dhaka-1213  
Bangladesh, Tel: +88-02-55033669

✉ [info@easternhousing.com](mailto:info@easternhousing.com)

**Registered Office:**  
Islam Chamber, 125/A, Motijheel C/A  
Dhaka-1000  
Bangladesh, Tel: +88-02-223388734

🖱 [www.easternhousing.com](http://www.easternhousing.com)