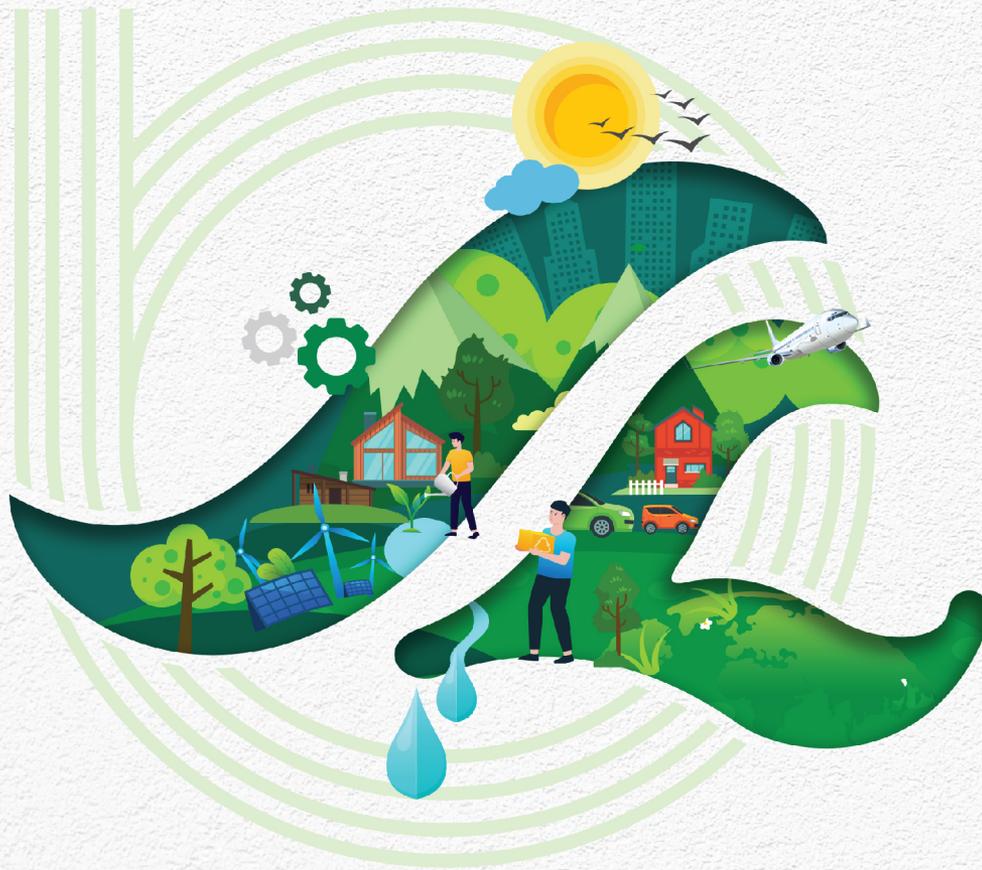




Annual  
Report  
2023

# Sustainable Hospitality for A Better Future



**Bangladesh Services Limited**  
(Owner of InterContinental Dhaka)



# TRUE LUXURY WITH A LEGACY

Located in the prestigious downtown business district of Dhaka, InterContinental Dhaka features 226 Luxury Rooms and Suites, a selection of World-Class Restaurants and state-of-the-art Meeting Spaces.

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---

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[intercontinental.com/dhaka](http://intercontinental.com/dhaka)

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INTERCONTINENTAL.  
DHAKA



Annual Report 2023

# Sustainable Hospitality for A Better Future



**Bangladesh Services Limited**

(Owner of InterContinental Dhaka)

# About us

Bangladesh Services Limited (BSL) came into being as a Public Limited Company in the year 1973 and started operation in the same year. The Government of the People's Republic of Bangladesh holds 99.68% of its shares. The Board of Directors of the company consists of eleven members. The Secretary of the Ministry of Civil Aviation & Tourism is the Chairman of the Board. The Company has been engaged in the hospitality business since its inception and has pioneered five-star hotel business of world class standard in Bangladesh more than 50 years back.

BSL began the hotel business in the year 1973 in the name of Hotel Inter-Continental Dacca under an agreement with a US based renowned hotel management company, Inter-Continental Hotels Corporation and continued till 1983. Thereafter, the hotel was managed and operated as Dhaka Sheraton Hotel from 1984 to April, 2011 under an agreement with another US based renowned hotel management company, Starwood Asia Pacific Hotels and Resorts Pte Ltd. (now Marriot International).

After expiry of the agreement with Starwood Asia Pacific Hotels and Resorts Pte Ltd in April 2011, BSL did hotel business in the name of Ruposhi Bangla Hotel from May, 2011 until 31st August 2014, after which the hotel was closed down for renovation. However, the operation of Balaka Executive lounge at Hazrat Shahjalal International Airport, Dhaka, which is being used by leading airlines as their business and first class passenger lounge, was not closed and was being run by BSL.

On 19th February 2012, BSL has signed a Management Agreement with InterContinental Hotels Group (Asia Pacific) Pte Ltd. (IHG) for a 30-year term for management of its hotel with the option to renew the agreement for 2 terms of 5 years each. BSL undertook an extensive renovation of its hotel to meet the brand standard of InterContinental for rebranding it as InterContinental Dhaka. After renovation, the hotel has been rebranded and inaugurated by the Hon'ble Prime Minister of the Govt. of the People's Republic of Bangladesh on 13 September 2018 in the name of InterContinental Dhaka. The hotel has started its commercial operation from 1st December, 2018.

The 10-year lease contract between BSL and PWD for management, maintenance and operation of Bangabandhu International Conference Centre (BICC) has expired on 30th June 2022. Since then, BSL has been doing the operation and management of BICC on the basis of sharing of venue rents with PWD and will continue the same till PWD entrusts some other organization with the responsibility of operation and management of BICC.



# C O N T E N T S

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# AT A GLANCE



## LOCATION

InterContinental Dhaka is the luxurious five-star hotel in the most prestigious location in the city - just three kilometres from the downtown business district and near Dhaka's famous Ramna Park and National Museum, Conveniently located to Prime Minister's Office, Bangabandhu Sheikh Mujibur Rahman Medical University, Bashundhara City Shopping Center, famous Dhaka University Campus and surrounding historical places.



## ACCOMMODATION

Room number: 226 Rooms

	No of room	Size of room (m2)
Deluxe Room	136	40
Executive Room	21	40
Club Room	44	44
Junior suite	5	60
Deluxe suite	10	60
Executive suite	5	75
Presidential Suite	5	150



## GUEST FACILITIES

- Mini bar and in-room tea/coffee making facilities
- Hair dryers, laundry and dry cleaning service
- Complimentary daily newspaper
- Electronic safety deposit box
- High speed Internet connectivity with Wi-Fi throughout the hotel
- Iron and ironing board
- Non smoking rooms
- Express check-in
- Business Centre
- Fashion house
- Car rental, limousine and airport shuttle service
- Fitness Centre, swimming pool, sauna, steam and spa treatments available
- Guided city tours and excursions



## CLUB INTERCONTINENTAL

Club InterContinental offers guests a high level of luxury and exclusivity, from the spacious and stylish rooms to the Private Club InterContinental overlooking the hotel atrium; everything revolves around our guests and their individual needs.



## IHG REWARDS CLUB

IHG® Rewards Club is the world's first and one of the largest hotel loyalty programs, providing industry-leading benefits including no blackout dates for Reward Night, flight rewards, music downloads and free nights at any IHG hotel anywhere in the world. Our program is about people, not just points. The personal connection each of us imparts on our teams is key in helping to create relevant, rewarding relationships that inspires Loyalty across your hotel.



## RESTAURANTS AND BARS

Our collection of restaurants offer guests a selection of local and global delights.

- Elements - All Day Dining with International buffet of rich offering.
- Café Social - Lobby café to indulge with your friends over a cup of selected tea/ coffee with French bakeries.
- Opus - The Club Bar with an ambience of exclusivity and opulence.
- Aqua Deck - Pool Bar & Restaurant in the open sky with the shimmer of the pool.
- The Amber Room - Specialty Restaurant offering the most juiciest and tender steak along with freshest seafood and seasonal specialties.

## MEETINGS AND EVENTS

Our hotel offers the most comprehensive and highest capacity meeting and event facilities in the city where you can host any type or size of events. The hotel offers over 21000 sq. ft. of combined indoor meeting and exhibition space. There are 9 small and large banquet halls including 2 ballrooms and 11 meeting rooms. Our spectacular Ruposhi Bangla Grand Ballroom and meeting rooms are complemented with spacious pre- function areas, all conveniently centralized for easy access. Our ultra-modern meeting facilities and banquet facilities offer high ceilings, high-speed internet, audio visual, digital technology and other tailored services.

## HEALTH CLUB AND SPA

For your well-being and personal fitness, our Health Club features a temperature controlled swimming pool, fully equipped gymnasium, steam room, sauna and spa treatment rooms.

## LOCAL ATTRACTIONS

- Lalbagh Fort
- National Museum
- Dhakeswari Temple
- Ahsan Manjil
- Parliament House
- Gurdwara Nanakshahi



InterContinental Dhaka  
1 Minto Road, Dhaka – 1000, Bangladesh  
Telephone: +880 2 55663030  
Fax: +880 2 58316008  
[www.intercontinental.com/dhaka](http://www.intercontinental.com/dhaka)

# Performance Highlights 2022-23



TOTAL  
OCCUPANCY %

**43.6%**

2021-2022: 42.2%



AVERAGE DAILY  
RATE

**BDT 11,942.52**

2021-2022: BDT 7,623.53



REVENUE PER  
AVAILABLE ROOM

**BDT 5,208.23**

2021-2022: BDT 3,215.95



ROOMS  
REVENUE

**BDT 42.93 Cr.**

2021-2022: BDT 26.53 Cr.



FOOD &  
BEVERAGE REVENUE

**BDT 111.96 Cr.**

2021-2022: BDT 75.21 Cr.



TOTAL  
REVENUE

**BDT 169.05 Cr.**

2021-2022: BDT 110.21 Cr.



GROSS  
PROFIT

**BDT 93.51 Cr.**

2021-2022: BDT 59.57 Cr.



NET PROFIT/  
(LOSS)

**BDT (85.73) Cr.**

2021-2022: BDT (110.96) Cr.

# Achievements of the Year 2022-23

1 ROOM REVENUE  
INCREASED BY  
**61.8%**  
FROM LAST YEAR

2 FOOD & BEVERAGE REVENUE  
INCREASED BY  
**48.9%**  
FROM LAST YEAR

3 GROSS PROFIT  
INCREASED BY  
**56.9%**  
FROM LAST YEAR

4 CONTRIBUTION TO  
GOVERNMENT EXCHEQUER  
INCREASED BY FROM  
TK. **19.00** CRORE TO  
TK. **40.00** CRORE

5 REVENUE IN FOREIGN  
CURRENCY INCREASED FROM  
TK. **24.64** CRORE TO  
TK. **51.53** CRORE

6 ELECTRICITY UNITS'  
CONSUMPTION DECREASED  
BY  
**1.2%**  
FROM LAST YEAR

7 THE HOTEL HAS SHIFTED  
FROM POSSIBLE IMPORTED  
ITEMS TO LOCAL GOOD  
QUALITY ITEMS TO MAINTAIN  
SUSTAINABILITY

8 COLLABORATING WITH  
VARIOUS FINANCIAL AND  
CORPORATES FOR JOINT  
PROMOTION

9 IMPLEMENTED ENERGY  
CONSERVATIONS MEASURES  
(ECM) FOR ENERGY SAVINGS

# AWARDS & ACHIEVEMENTS

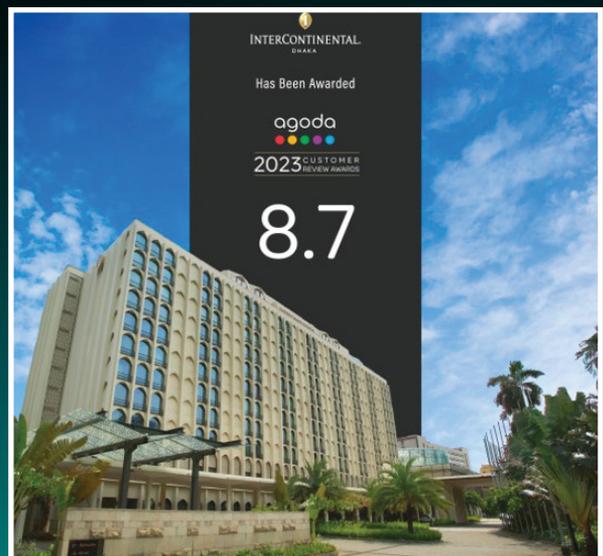
## World Travel Awards 2023



Bangladesh's Leading Business Hotel 2023

Bangladesh's Leading Hotel Suite 2023: Presidential Suite @ InterContinental Dhaka

## Worldwide Recognitions



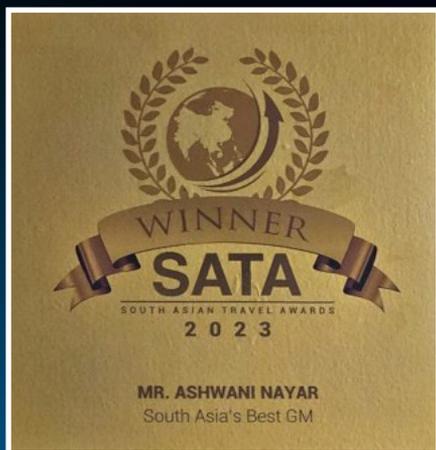
South Asian Travel Awards 2023



Leading Convention Center in Bangladesh. Silver Award in South Asia



Leading Luxury Hotel/Resort in Bangladesh. Silver Award in South Asia



South Asia's Best General Manager - Mr. Ashwani Nayyar. Gold Award in South Asia.



Best Luxury City Hotel in Bangladesh — World Luxury Hotel Awards 2023

Best Luxury Hotel Spa in Bangladesh — World Luxury Spa Awards 2023

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AT  
THE SPA

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FROM 11 AM-5 PM ■ SUNDAY-THURSDAY

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INTERCONTINENTAL.  
DHAKA



# 49<sup>th</sup> Annual General Meeting of Bangladesh Services Limited

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# Notice of the 50<sup>th</sup> AGM

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## **Bangladesh Services Ltd.** (Owning Company of InterContinental Dhaka) 1 Minto Road, Dhaka

### **NOTICE OF THE FIFTIETH ANNUAL GENERAL MEETING**

Notice is hereby given that the Fiftieth Annual General Meeting of the Shareholders of Bangladesh Services Limited will be held at InterContinental Dhaka on Wednesday, the 19th December 2023 at 6:30 p.m. to transact the following business:

#### **Agenda**

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 30 June, 2023 together with the report of the Auditors thereon and the report of the Directors;
2. To elect/re-elect Directors;
3. To approve the appointment of Independent Directors;
4. To appoint Statutory Auditors for the year 2023-2024 and fix their remuneration;
5. To appoint Corporate Governance Compliance Auditors for the year 2023-2024 and fix their remuneration.

By order of the Board,

Dated: 27 November 2023



**(S. M. Tarikul Islam BPA)**  
Company Secretary

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#### **Notes:**

1. The Record date will be 28th November, 2023 which was notified earlier. The Shareholders whose names appeared in the Members/ Depository Register on the record date will be eligible to attend the meeting.
2. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The proxy form, duly stamped, must be deposited at registered office of the Company not later than 72 hours before the time fixed for the Annual General Meeting.
3. Members are requested to notify change of address, if any, to the Company.
4. The Annual Report 2023 will be available in the 'Investors Relation' section of the Company's website: [www.bsl.gov.bd](http://www.bsl.gov.bd).

# Corporate Information

## Board of Directors

Mr. Md. Mokammel Hossain Secretary, Ministry of Civil Aviation & Tourism	Chairman
Mr. Abu Hena Md. Rahmatul Muneem Senior Secretary, IRD & Chairman, NBR	Independent Director
Mr. Masud Bin Momen Foreign Secretary (Senior Secretary), Ministry of Foreign Affairs	Non-Executive Director
Mohammed Mezbah Uddin Chowdhury Senior Secretary, Ministry of Public Administration	Non-Executive Director
Mr. Md. Mustafizur Rahman, BPAA Senior Secretary, Public Security Division, Ministry of Home Affairs	Non-Executive Director
Mr. Md. Moinul Kabir Secretary, Legislative & Parliamentary Affairs Division	Non-Executive Director
Air Vice Marshal M Mafidur Rahman, BSP, BUP, ndu, afwc, psc Chairman, Civil Aviation Authority of Bangladesh	Non-Executive Director
Mr. Md. Rahat Anwar Chairman, Bangladesh Parjatan Corporation	Non-Executive Director
Mr. Kabirul Ezdani Khan Additional Secretary, Finance Division, Ministry of Finance	Independent Director
Mr. Manoj Kumar Roy Additional Secretary, Ministry of Civil Aviation & Tourism	Independent Director
Mr. Mohammad Atiqur Rahaman	Managing Director

## Company Secretary

Mr. S. M. Tarikul Islam BPAA

## Audit Committee

Mr. Abu Hena Md. Rahmatul Muneem	Chairman
Mr. Kabirul Ezdani Khan	Member
Mr. Md. Rahat Anwar	Member
Mr. S. M. Tarikul Islam BPAA	Member Secretary

## Nomination and Remuneration Committee

Mr. Abu Hena Md. Rahmatul Muneem	Chairman
Mr. Md. Mustafizur Rahman BPAA	Member
Mr. Manoj Kumar Roy	Member
Mr. S. M. Tarikul Islam BPAA	Member Secretary

## Finance & Administrative Committee

Mr. Md. Mohammed Mezbah Uddin Chowdhury	Convenor
Mr. Md. Rahat Anwar	Member

Mr. Mohammad Atiqur Rahaman	Member
Mr. S. M. Tarikul Islam BPAA	Member Secretary

### **Executive Committee of Bangladesh Services Ltd.**

Mr. Mohammad Atiqur Rahaman, Managing Director
Mr. S. M. Tarikul Islam BPAA, Company Secretary
Mr. Nisar Ahmed, Chief of Accounts & Finance
Mr. Md. Nazrul Islam, Head of Internal Audit and Compliance
Mr. Md. Azizar Rahman, Chief of Planning and Engineering
Mr. Ali Emam Hossain, Manager, Accounts & Finance

### **Executive Committee (ExCom) and Leadership team of InterContinental Dhaka**

Mr. Ashwani Nayar, General Manager, ExCom member
Mr. Olivier Loreaux, Director of Food and Beverage, ExCom member
Mr. Rezwan Maruf, Director of Sales and Marketing, ExCom member
Mr. Md. Nazmul Huda, Director of Human Resources and Training, ExCom member
Mr. Md. Kamal Hossain Morshed, Director of Finance and Business Support, ExCom member
Mr. Subir Baishnab, Head of Information and Technology
Mr. Shakil Parvez, Director of Revenue
Mr. Saadman Salahuddin, Director of Marketing
Mr. Arif Ahmed, Director of Catering Sales
Cmdr. M Monsur Rahman, Director of Safety & Security

### **Auditors**

Hoda Vasi Chowdhury & Co, Chartered Accountants
---

### **Compliance Auditor of Corporate Governance**

FAMES & R, Chartered Accountants
----------------------------------

### **Bankers**

Agrani Bank Ltd.
Sonali Bank Ltd.
Standard Chartered Bank Ltd.
Bangladesh Commerce Bank Ltd.

### **Legal Advisers**

Huq & Company
Tanjib Alam & Associates

### **Registered office**

InterContinental Dhaka
1 Minto Road, Dhaka

# Vision & Mission

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## VISION

---

Be a leader of luxury hospitality industry in Bangladesh.



## MISSION

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Ensure the highest level of customer satisfaction by maintaining world-class facilities and services blended with culture and tradition of Bangladesh.



# Core Values

## VALUES

Guest-Centric Service Going all out to ensure that our guests have the most comfortable and best experience according to their needs.



### Excellence

Achieving excellence in search of perfection.



### Teamwork

Valuing each and every team member in a collaborative environment leading to our shared success.



### Innovation

Evolving and adapting constantly to provide the best experience to our guests.



### Sustainability

Working in ways that aids in sustaining our environment.



### Diversity and Inclusion

Valuing everyone's contribution and treating them fairly.



### Integrity

Committed to paying significance to honesty, ethics and transparency in all our activities.

# Chairman's Statement

---



**MD. MOKAMMEL HOSSAIN**  
CHAIRMAN

**Ladies and Gentlemen,**

**Assalamu Alaikum**

It is indeed a great pleasure for me to welcome you all to the 50th Annual General Meeting of Bangladesh Services Ltd. (BSL).

At the outset I would like to express my deepest respect and tribute to the Greatest Bengali ever born, the supreme commander of our independence, Father of the Nation Bangabandhu Sheikh Mujibur Rahman. I also pay my homage to all martyrs along with Bangamata Begum Fajilatun Nesa Mujib, who were brutally killed in 15th August 1975. I would also like to remember three millions martyrs and two hundred thousand mothers and sisters who sacrificed their esteem for our liberty.

I am delighted to inform you that despite the Russia-Ukraine war continued for the entire period during the year under review impacting the world economy adversely resulting in escalation of prices of the goods and services, we were able to register commendable growth in business and consequently revenue. As a result, the Company incurred less revenue loss than that of the previous year.

We were also able to make a significant headway in the matter of our bank loan taken for renovation of this hotel. The Board approved proposal of the management for applying to the bank for revision to facilitate repayment of the loan on regular basis.

All these were the outcome of appropriate and timely actions by the management. It was really a challenge to provide the guests with premium services in one hand and on the other hand, to earn the desired profit margin by keeping the cost under control against the backdrop of the high price of the commodities and simultaneously maintaining the quality of the products and services.

The Board would review the operating results of the Hotel on regular basis and gave decisions necessary regarding the proposals of the management for strengthening human resources, upgradation of facilities, introduction of new facilities, etc. to facilitate generation of more/new business,

While doing business, we, not only, focused on generation of business and customers, but also on other stakeholders like vendors, society and the environment to ensure sustainable hospitality and good governance in every area where possible.

Besides development of human resources in the tourism sector, a SDG goal for tourism and hospitality sector, we have taken a

number of initiatives, so that we can leave a healthy and safety habitable earth to our generation. The initiatives include, among others, measure like conservation of energy, reducing the use of plastics, exploring use of environment-friendly products, reducing wastage of water, increased use local produced products without compromising quality, etc. In addition, we have arranged awareness-raising discussions to educate our personnel on responsible usage of resources for the protection of the environment.

As a part of our commitment to ensure good governance in our organization, we abide by the guidelines of the different regularity bodies and policies of the Company and hold regular discussions, training programs, etc. for our employees on good governance.

You will be happy to know that in recognition to our endeavor to deliver world class premium services to our customers, InterContinental Dhaka has won World Travel Award-Bangladesh's Leading Business Hotel 2023, Bangladesh's Leading Hotel Suite 2023- Presidential Suite, South Asian Travel Awards 2023 and 17th Annual World Luxury Awards.

I would like to express my sincere gratitude for the trust and confidence you have kept on us. I am also thankful to our valued customers, clients, well-wishers, partner organizations in various areas and all the shareholders for their continued guidance and support.

Joy Bangla, Joy Bangabandhu  
May Bangladesh live forever.



**(Md. Mokammel Hossain)**

Chairman &

Secretary

Ministry of Civil Aviation and Tourism

# Managing Director's Statement

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**MOHAMMAD ATIQR RAHAMAN**  
MANAGING DIRECTOR

IT IS WORTH MENTIONING THAT WHILE WE ARE TRYING TO BRING THE COMPANY BACK TO PROFITABILITY, AT THE SAME TIME, WE ARE EMPHASIZING ON SUSTAINABLE GROWTH OF YOUR COMPANY BY ENSURING GOOD GOVERNANCE AND TRYING TO WORK IN LINE WITH GOVERNMENT'S SUSTAINABLE DEVELOPMENT GOALS (SDGS).

---

### Dear Shareholders,

I am delighted to share that your Company made a commendable achievement in the year 2022-2023 in spite of the slow-down in world economy. The Company made significant growth in business in all the segments - rooms, restaurants and banquet of InterContinental Dhaka.

We were successful in securing new business opportunities. We have entered into business relationships with a number of organizations. Besides the new businesses, we were able to retain our previous customers also, which became possible for the dedication of our employees in rendering the world-class hospitality to the guests. All these were reflected in the growth of the Company's revenue by 53.38% from Tk.110.21 crore to Tk.169.04 crore.

This year also, though the Company earned a handsome revenue, it could not earn profit, which was mainly due to interest on bank loan and huge amount of depreciation. However, the loss was also

less than that of the last year which was Tk.78.75 crore against Tk.94.29 crore of the previous year. You might have observed that the loss is decreasing every year.

I am happy to inform you that our application to the bank for revision of the major terms and conditions of the loan is under their active consideration. We are hopeful of getting a positive response from the bank which will facilitate smooth debt servicing by the Company.

I am glad to inform you that as a testament to our continuous endeavours to deliver world-class services to the guests, InterContinental Dhaka has won World Travel Award-Bangladesh's Leading Business Hotel 2023, Bangladesh's Leading Hotel Suite 2023- Presidential Suite, South Asian Travel Awards 2023 and 17th Annual World Luxury Awards.

It is worth mentioning that while we are trying to bring the Company back to profitability, at the same time, we are emphasizing on sustainable growth of your Company by ensuring good governance and trying to work in line with Government's Sustainable Development Goals (SDGs). Keeping that in view, we have been trying to ensure good governance in our activities with all our stakeholders in compliance with our policies and procedures, laws of the regulatory bodies and the Government, where applicable.

In addition, in alignment with United Nations and Govt. SDGs, we have taken a number of initiatives such as implementation of roof-top gardening for growing vegetables, reduction of use of single-use plastics, introduction of motion sensor lighting and use of energy saving equipment to save electricity, zero mile glass bottle project, reduction of wastage of water, minimizing wastage of food, increased usage of locally produced materials without compromising on quality, use of eco-friendly products, etc.

We are hopeful of presenting you a profitable company in the near future.



**Mohammad Atiqur Rahaman**

Managing Director

# General Manager's Statement

---



**ASHWANI NAYAR**  
GENERAL MANAGER

OUR COMMITMENT TO SUSTAINABLE PRACTICES UNDERSCORED OUR VALUES AND ALIGNED WITH OUR STRATEGIC OBJECTIVES. ESTEEMED INTERNATIONAL AWARDS VALIDATED OUR SERVICE EXCELLENCE, REINFORCING OUR POSITION AS A LEADING LUXURY DESTINATION. THE YEAR SYMBOLIZED IMMENSE GROWTH, SETTING NEW INDUSTRY STANDARDS THROUGH METICULOUS PLANNING, EXCEPTIONAL SERVICE, AND A COMMITMENT TO SUSTAINABILITY.

---

In 2022-23, InterContinental Dhaka soared both financially and in service excellence. The hotel notched remarkable achievements, becoming a prime choice for Bangladeshi travelers. It outperformed across various facets: steadily increasing rates showcased its premium service, while strategic planning ensured stability and growth. The team's dedication surpassed targets, attracting top talent and fostering strong industry ties.

Strategic acquisitions, especially in new market segments like airlines, broadened our reach, establishing us as the top luxury choice for travelers, both local and international. Our sales team expanded business opportunities, maintaining key relationships globally. Our diverse client base, including various industries, responded well to our pricing strategies and enticing offerings, fueling revenue growth.

Innovative marketing campaigns, such as meal delivery services and exclusive dining experiences, became instant hits, boosting our revenue streams. Initiatives to cut waste and enhance sustainability significantly impacted our operational efficiency. Achieving a robust gross operating profit demonstrated the effectiveness of our training, best practices, and sustainability programs.

Guest satisfaction not only met but exceeded expectations, solidifying our status as the pinnacle of luxury and service. Looking ahead, Bangladesh's growing economy offers opportunities, despite global economic concerns. Forecasts predict substantial revenue growth for the hotel, showcasing a positive trajectory.

Our commitment to sustainable practices underscored our values and aligned with our strategic objectives. Esteemed international awards validated our service excellence, reinforcing our position as a leading luxury destination. The year symbolized immense growth, setting new industry standards through meticulous planning, exceptional service, and a commitment to sustainability.

Moving forward, our unwavering dedication to guest satisfaction, sustainable practices, and global competitiveness remains steadfast. InterContinental Dhaka aims to persistently excel and stand shoulder to shoulder with the world's finest hotels.



**Ashwani Nayar**  
General Manager

# Board of Directors



## STANDING FROM LEFT

**Mr. S. M. Tarikul Islam BPAA**  
Company Secretary

---

**Mr. Md. Mustafizur Rahman BPAA**  
Non-Executive Director

---

**Mr. Md. Rahat Anwar**  
Non-Executive Director

---

**Mr. Mohammed Mezbah Uddin Chowdhury**  
Non-Executive Director

---

**Mohammad Atiqur Rahaman**  
Managing Director

---

**Mr. Md. Mokammel Hossain**  
Chairman

---



## STANDING FROM LEFT

**Mr. Masud Bin Momen**  
Non-Executive Director

---

**Mr. Md. Moinul Kabir**  
Non-Executive Director

---

**Mr. Abu Hena Md. Rahmatul Muneem**  
Independent Director

---

**Mr. Kabirul Ezdani Khan**  
Independent Director

---

**Air Vice Marshal M Mafidur Rahman,**  
BBP, BSP, BUP, ndu, afwc, psc  
Non-Executive Director

---

**Mr. Manoj Kumar Roy**  
Independent Director

---

# Directors' Profile



MR. MD. MOKAMMEL HOSSAIN,  
SECRETARY TO THE GOVERNMENT OF  
THE PEOPLE'S REPUBLIC OF BANGLADESH  
TOOK CHARGE AS THE SECRETARY  
MINISTRY OF CIVIL AVIATION AND  
TOURISM ON 05 JANUARY 2021.

**Mr. Md. Mokammel Hossain**  
CHAIRMAN

## **Date of Appointment in Bangladesh Services Ltd.**

23 December 2020

## **Education**

- Secondary School Certificate, Mohammadpur Government Boys High School, Dhaka
- Higher Secondary Certificate, Dhaka College, Dhaka
- B. Com. (Hons.) and Master's in Economics, University of Dhaka
- MBA, Nanyang Technological University, Singapore
- International Advanced Management Programme, Massachusetts Institute of Technology (MIT), USA
- Professional Developments Skills course, Duke University, USA

Mr. Md. Mokammel Hossain, Secretary to the Government of the People's Republic of Bangladesh took charge as the Secretary Ministry of Civil Aviation and Tourism on 05 January 2021. Prior to joining as Secretary he served as Additional Secretary (APD) in the Ministry of Public Administration.

Mr. Md. Mokammel Hossain joined in the Bangladesh Civil Service in 1991 and posted as Assistant Commissioner and Magistrate at the Deputy Commissioner's Office in Khulna. He later worked in different capacities in different ministries and also in the field level. He has served in various ministries such as Ministry of Fisheries and Livestock, Ministry of Food, Ministry of Home Affairs, Ministry of Communication, Ministry of Expatriate Welfare & Overseas Employment and Economic Relations Division. He also worked in BCS Administration Academy and the Secretariat of the Bangladesh Public Service Commission. He has served in the Prime Minister's Office as the Private Secretary to the Principle Secretary to the Hon'ble Prime Minister. He has served as Additional Secretary (SDG) in the SDG Co-ordinator's Office at the Prime Minister's Office

and Additional Secretary (APD) in the Ministry of Public Administration. He has also served in Bangladesh Missions abroad. He worked as First Secretary (Labour) at the Bangladesh High Commission in Singapore and Counsellor (Labour) at the Bangladesh Consulate General in Jeddah, KSA. He received the 'Special Performance Award' as the Best Labour Counsellor while serving as a Counsellor (Labour) at the Bangladesh Consulate General Office in Jeddah, KSA.

Mr. Hossain was born in a respectable Muslim family on 01 January 1964 in Dhaka. He passed SSC from Mohammadpur Government Boys High School in 1979 and HSC from Dhaka College in 1981. He graduated with Honours in Economics from the University of Dhaka in 1984 and did his Master's in Economics in 1985 from the same University. Later, he did MBA from Nanyang Technological University in Singapore. In addition, he completed International Advanced Management Program from the Massachusetts Institute of Technology (MIT) in the United States of America and Professional Development Skills Course from Duke University in USA. Mr. Hossain has visited different countries including the United States of America, the United Kingdom, Singapore, Japan, China, Saudi Arabia, Australia, New Zealand, Egypt, Turkey and Spain.

Mr. Md. Mokammel Hossain conducts sessions on various topics as a trainer in different training institutes. He is the listed resource person in the Trainer Resource Pool of the Government of Bangladesh. He is a life member of Bangladesh Society for Training and Development (BSTD), an organization for professional trainers.

He is happily married and blessed with a daughter. His wife is also a government servant and Secretary to the Government of Bangladesh.



MR. ABU HENA MD. RAHMATUL MUNEEM JOINED AS SENIOR SECRETARY, INTERNAL RESOURCES DIVISION & CHAIRMAN, NATIONAL BOARD OF REVENUE, BANGLADESH ON JANUARY 06, 2020.

**Mr. Abu Hena Md. Rahmatul Muneem**  
INDEPENDENT DIRECTOR

#### **Date of Appointment in Bangladesh Services Ltd.**

30 January 2023

#### **Education**

- Bachelor and Master's in Geology, University of Dhaka
- MBA, (Finance). Northern University, Bangladesh
- Diploma in Development Planning, Academy for Planning and Development, Dhaka

#### **Membership in Board Committee**

Chairman, Audit Committee

Chairman, Nomination and Remuneration Committee

Mr. Abu Hena Md. Rahmatul Muneem joined as Senior Secretary, Internal Resources Division & Chairman, National Board of Revenue, Bangladesh on January 06, 2020. He is a highly accomplished and professional civil servant with an experience of 34 years in both the central and field administration. Having a diverse administrative broad-based knowledge and experience, he joined the Bangladesh Civil Service (Administration) on 21 January 1986. Prior to assuming this post on January 04, 2020, he was the Senior Secretary of Energy and Mineral Resources Division, Bangladesh.

Professionally, he worked in the field Administration as Upazila Nirbahi Officer (UNO), Additional District Magistrate, Charge Officer (Zonal Settlement Office) and Divisional Commissioner. During his responsibilities in the field administration, he played a pivotal role to steer the smooth implementation of Sustainable Development Goals (SDGs), Social Safety Network, Digital Bangladesh through ICT expansion, co-ordination among the different departments, monitoring local government activities, disaster management, fast-track and priority projects of Honourable Prime Minister. He also served in the Ministry of Power, Energy and Mineral Resources, Ministry of Public Administration, Ministry of Home Affairs, Ministry of Civil Aviation and Tourism and other departments in different capacities.

After joining the civil service, Mr. Muneem took part in different training programmes that encompass Foundation Training Course, special course on Law and Administration, Advanced Course on Administration and Management (ACAD), Managing at the Top-2 (MATT-2), Energy Management Training Course. As part of the official duty, he attended in different negotiation meetings, workshops, summits and seminars.

Mr. Muneem was born in a noble Muslim family of Sirajganj Sadar, Sirajganj. In his personal life he is married and he is blessed with one son and one daughter.



MR. MASUD BIN MOMEN IS THE FOREIGN SECRETARY (SENIOR SECRETARY) OF BANGLADESH. HE JOINED AS FOREIGN SECRETARY ON 31 DECEMBER 2019 AND WAS PROMOTED AS SENIOR SECRETARY TO THE GOVERNMENT ON 15 OCTOBER 2020.

**Mr. Masud Bin Momen**  
NON-EXECUTIVE DIRECTOR

#### **Date of Appointment in Bangladesh Services Ltd.**

21 December 2022

#### **Education**

- Secondary School Certificate, University Laboratory School and Higher Secondary Certificate, Dhaka College
- Bachelor's and Master's in Economics (First Class First in both the degrees), University of Dhaka
- Master's in International Relations, Fletcher School of Law and Diplomacy, Tufts University, Boston, USA (GPA 4.00)
- Chancellor's Award for securing First Class First position in Master's Degree from University of Dhaka.
- Awarded with Rector's Medal from Bangladesh Public Administration Training Centre (BPATC) as the best trainee Officer of the foundation training course.

Mr. Masud Bin Momen is the Foreign Secretary (Senior Secretary) of Bangladesh. He joined as Foreign Secretary on 31 December 2019 and was promoted as Senior Secretary to the government on 15 October 2020. As a career diplomat, Ambassador Masud has long been serving in different capacities at the Headquarters and Bangladesh's Missions abroad.

Prior to his appointment as the Foreign Secretary, he had been Bangladesh's Ambassador and Permanent Representative to the United Nations since 2015. Before that, he served as Bangladesh's Ambassador to Japan from 2012 to 2015. He also served as Ambassador to Italy and Permanent Representative to the Food

and Agriculture Organization (FAO), World Food Programme (WFP) and International Fund for Agricultural Development from 2008 to 2012.

Ambassador Masud served at the Headquarters in different capacities. From 2006 to 2008, he was the Director-General in the Ministry of Foreign Affairs, Dhaka and was responsible for matters related to South Asia, the South Asian Association for Regional Cooperation (SAARC), Non-Aligned Movement (NAM), ASEAN Regional Forum (ARF), Human Rights and the United Nations.

He was Deputy High Commissioner at the Bangladesh High Commission in New Delhi, India, from 2004 to 2006, prior to serving as Director of Poverty Alleviation at SAARC Secretariat in Kathmandu, Nepal, from 2001 to 2004.

From 1998 to 2001, he was Director in charge of the Foreign Ministry's United Nations Wing and Foreign Secretary's Office in Dhaka.

Ambassador Masud also served as a First Secretary and Counsellor at Bangladesh High Commission, Islamabad from 1996 to 1998. Prior to that, he served at Permanent Mission of Bangladesh to the United Nations from 1992 to 1996.

Ambassador Masud joined at the Ministry of Foreign Affairs, Bangladesh as an Assistant Secretary in 1988. He belongs to the Bangladesh Civil Service (Foreign Affairs) 1985 Batch.

Ambassador Masud was born in Dhaka on 06 December 1963. He is married and blessed with two children.



MR. MOHAMMED MEZBAH UDDIN  
CHOWDHURY JOINED IN THE MINISTRY  
OF PUBLIC ADMINISTRATION AS  
THE SENIOR SECRETARY ON 2ND  
NOVEMBER, 2022.

**Mr. Mohammed Mezbah Uddin Chowdhury**  
NON-EXECUTIVE DIRECTOR

#### **Date of Appointment in Bangladesh Services Ltd.**

21 December 2022

#### **Education**

- Higher Secondary Certificate, Haji Mohammad Mohsin College
- Bachelor's degree, University of Dhaka
- MBA in Human Resources Management, Stamford University

#### **Membership in the Board Committee**

Convener, Finance and Administrative Committee

Mr. Mohammed Mezbah Uddin Chowdhury joined in the Ministry of Public Administration as the Senior Secretary on 2nd November, 2022. His immediate last responsibility was to serve in the Local Government Division in the Ministry of Local Government, Rural Development and Cooperatives in the capacity of the Secretary and Senior Secretary. He was also the Secretary in the Ministry of Shipping. While serving in the Ministry of Shipping, he played a significant role in modernization of port management. His strong initiatives aimed at the enhanced performance of the major ports and development of the shipping sector as a whole. His devoted contribution in strengthening the legal structure of the local government institutions and the development project management system is highly commendable.

He was born on 31st December 1965 in the Chattogram metropolitan. His father is late Tofayel Uddin Chowdhury and his mother is Jahan Ara Begum. He is from Feni.

Mr. Mohammed Mezbah Uddin Chowdhury is an officer of Bangladesh Civil Service (Administration) cadre belonging to 9th batch. He joined in 1991 and gained experience of working at all levels of field administration as well as central government. He launched his career as an Assistant Commissioner in the Barisal Deputy Commissioner's Office. After that, he served as Assistant Commissioner (Land) at Gournadi Upazila in Barisal and Assistant to Commissioner at Office of the Commissioner,

Barisal. He served as Nezarat Deputy Collector of Rangamati, Chittagong and Comilla districts. He was working as Upazila Nirbahi Officer in Akhaura Upazila of Brahmanbaria District. He also served as the special metropolitan Magistrate of Dhaka Electric Supply Authority, National Board of Revenue as Second Secretary, Additional Deputy Commissioner of Noakhali district and Private Secretary to the Executive Chairman of the Board of Investment.

He played an exemplary role in field administration as the Deputy Commissioner of the Rajshahi District. He served as Joint Secretary in the Economic Relations Division and the Cabinet Division. As Additional Secretary to the Government of Bangladesh, he served as the head of the prestigious Cabinet and reporting wing of Cabinet Division. He also accumulated experiences of performing duties at the top level of field administration as Divisional Commissioner of the Sylhet Division. He also served as Additional Secretary in the Appointment, Promotion and Deputation (APD) wing of the Ministry of Public Administration. Working in this capacity, he played an important role in the 'human resource management' of the Government.

Mr. Mohammed Mezbah Uddin Chowdhury received training at various institutions and universities in the country and abroad for different periods. Among them are Vietnam National Academy of Public Administration, Kyoto School of Law in Japan, Singapore Civil Service College, Chinese Academy of Governance, University of Toronto, Duke University of North Carolina, etc. In his career, he has traveled to various countries in Southeast Asia, the Far East, the Middle East, Europe, America and Australia.

Mr. Chowdhury received the Integrity Award as the best Divisional Commissioner during his tenure as the Divisional Commissioner in Sylhet.

Mashiat Hasin Rodosi, the only child of Mr. Mohammed Mezbah Uddin Chowdhury and Mrs. Farida Yesmin, is studying Computer Science and Engineering at BRAC University.



MD. MUSTAFIZUR RAHMAN BPAA JOINED AS THE SECRETARY OF PUBLIC SECURITY DIVISION (PSD), MINISTRY OF HOME AFFAIRS (MOHA) ON 02 APRIL, 2023. LATER, ON 23 MAY 2023 HE WAS PROMOTED AS SENIOR SECRETARY, PUBLIC SECURITY DIVISION (PSD), MINISTRY OF HOME AFFAIRS.

**Mr. Md. Mustafizur Rahman BPAA**  
NON-EXECUTIVE DIRECTOR

**Date of Appointment in Bangladesh Services Ltd.**

21 December 2022

**Educational Background**

Master's in Physics, Rajshahi University

**Membership in Board Committee**

Member, Nomination and Remuneration Committee

Md. Mustafizur Rahman BPAA was born in 1964 in Khulna district of Bangladesh. In 1991, he joined Bangladesh Civil Service (Administration Cadre) as an Assistant Commissioner and Magistrate. He served as a programmer for 3 years in Bangladesh Computer Council. He has a wide range of working experience within different capacity of the government. In 2011, he was posted as a Deputy Commissioner of Jashore district. Under his leadership Jashore district was declared as a first digital district by the Honorable Prime Minister of Bangladesh Sheikh Hasina. He got the e-Asia award 2011, best DC award

in 2012 (for the contribution in implementing e-services in the field administration level), best DC award in 2013 (for the contribution in Primary Education), and best DC award 2013 (for the contribution in Ekti Bari Ekti Khamar project). He also got the 'Public Administration Award 2016' as a recognition of his outstanding contributions as a public servant. Md. Mustafizur Rahman has been bestowed with National Integrity Award for the fiscal year 2019-2020. He has also been awarded Digital Bangladesh Award 2020 for his relentless contribution to the country's ICT sector.

Due to his efficiency and good leadership as the Secretary, recently the 'Digital Land Tax' initiative of the Ministry of Land was awarded WSIS 2022, one of the world's most prestigious awards in the IT sector. Also, Ministry of Land achieved 'Bangabandhu Public Administration Award-2022' for his initiative 'Land Information Bank' which is one of the recognitions of his tireless efforts.

Now he is serving as the Senior Secretary, Public Security Division, Ministry of Home Affairs.



MR. MD. MOINUL KABIR HAS JOINED AS SECRETARY (CURRENT CHARGE) IN THE LEGISLATIVE AND PARLIAMENTARY AFFAIRS DIVISION ON 03/08/2020 AND SUBSEQUENTLY HE HAS JOINED AS PERMANENT SECRETARY ON 15/06/2021 IN THE SAME DIVISION.

**Mr. Md. Moinul Kabir**  
NON-EXECUTIVE DIRECTOR

**Date of Appointment in Bangladesh Services Ltd.**

4 April 2022

**Education:**

- Secondary School Certificate, Mohammadpur Government High School, Dhaka,
- Higher Secondary Certificate, Dhaka College, Dhaka
- LLB (Honors) and LLM, University of Dhaka

Mr. Md. Moinul Kabir was born on January 1, 1965. He hails from the district of Narsingdi. He started government service by joining in 9th BCS (Judicial) cadre on 26/01/1991.

He served as Assistant Judge / Senior Assistant Judge in Mymensingh, Faridpur and Chandpur during his service. Later on 05/07/98 he joined in the Ministry of Law, Justice and Parliamentary Affairs as Senior Assistant Secretary (Drafting) and started his career in Legislative Drafting. He was later promoted to Deputy Secretary (Drafting), Joint Secretary (Drafting) and Additional Secretary (Drafting) in the Legislative and Parliamentary Affairs Division of the same Ministry.

Mr. Md. Moinul Kabir has joined as Secretary (current charge) in the Legislative and Parliamentary Affairs Division on 03/08/2020

and subsequently he has joined as permanent Secretary on 15/06/2021 in the same Division. In his long career, he earned a reputation by performing government duties with honesty, efficiency and dedication.

While in service, he received various short-term and long-term training at home and abroad. He traveled to USA, UK, Canada, Australia, Singapore, India, Belgium and Germany.

In Addition to his job, he is involved in many social and professional organizations. He is a life member of Commonwealth Association of Legislative Counsels, Asian Association of Legislative Counsels, Bangladesh Law Association, Officers Club, Dhaka and Dhaka University Alumni Association.

He is a co-author of a book titled “Legislative process in Bangladesh” Published by International Cooperation Group, Ottawa, Canada.

In his personal life he is married and has one daughter. His wife Mrs. Tanvirul Kaonine was a senior teacher at Dhanmondi Tutorial School and daughter Nazifa Tabassum graduated in law from BRAC University.

His favourite hobby is reading books.



AIR VICE MARSHAL M MAFIDUR RAHMAN  
JOINED BANGLADESH AIR FORCE (BAF) IN 1983  
AND WAS COMMISSIONED IN 1985 FROM BAF  
ACADEMY IN GENERAL DUTIES (PILOT) BRANCH.  
PRESENTLY, HE IS SERVING AS CHAIRMAN, CIVIL  
AVIATION AUTHORITY OF BANGLADESH.

**Air Vice Marshal M Mafidur Rahman,**  
**BBP, BSP, BUP, ndu, afwc,psc**  
NON-EXECUTIVE DIRECTOR

**Date of appointment in Bangladesh Services Ltd.**

04 April 2022

**Education**

Master's Degree in National Security Strategy, National Defence University, Washington DC, USA

**Training Courses**

He attended a number of professional courses both in home and abroad including Basic and Advance Flying Training course and Command and Air Staff Course in Indonesia; Armed Forces War Course from National Defence College, Mirpur, Dhaka; and National War Course in USA.

Air Vice Marshal (AVM) M Mafidur Rahman was born in 1964. He joined Bangladesh Air Force (BAF) in 1983 and was commissioned in 1985 from BAF Academy in General Duties (Pilot) branch. He attended a number of professional courses both in home and abroad including Basic and Advance Flying Training course and Command and Air Staff Course in Indonesia; Armed Forces War Course from National Defence College, Mirpur, Dhaka; and National War Course in USA. He obtained his Master's Degree in National Security Strategy from

National Defence University, Washington DC, USA. AVM M Mafidur Rahman served in various command, instructional and staff appointments in different flying Squadrons, Wings, Bases and Air Headquarters. Some of the key appointments he held are Officer Commanding of different Fighter Squadrons of BAF & Flying Training Wing, BAF Academy; Director (Project; Plans; Air Operation; Training; Air Intelligence; Personnel), Directing Staff of Armed Forces War Course Wing, National Defence College. He served two main operational BAF Bases as Air Officer Commanding (AOC), namely BAF Base Bangabandhu, Kurmitola, Dhaka and BAF Base Zahurul Haque, Patenga, Chattogram. He is an experienced UN Peacekeeper. He Served as Military Observer in Macedonia in 1998 and as Contingent Commander of Aviation Units in DR Congo in 2005 and 2012. He is a fighter pilot and flew various types of fighter aircraft of BAF and friendly Air Forces. He has experience of flying BAF Cargo and Helicopters as well. He led flying displays and fly pasts in various occasions including National Victory Day Past in 2016 and 2017. Presently, he is serving as Chairman, Civil Aviation Authority of Bangladesh.

His hobbies include reading books, playing golf and traveling. AVM M Mafidur Rahman is married to Sharmin Sultana and proud father of twin daughters, Mayisha and Ramisa.



MR. MD RAHAT ANWAR JOINED BANGLADESH PARJATAN CORPORATION (BPC) ON 16 APRIL 2023. BEFORE JOINING BPC, HE WAS THE CHAIRMAN OF BANGLADESH JUTE MILLS CORPORATION (BJMC).

**Mr. Md. Rahat Anwar**  
NON-EXECUTIVE DIRECTOR

**Date of appointment in Bangladesh Services Ltd.**

12 June 2023

**Education**

BA (Hon's) and Master of Arts in English, University of Dhaka.

**Membership in Board Committee**

Member, Audit Committee

Member, Finance and Administration Committee

Md. Rahat Anwar (6022) is a member of Bangladesh Civil Service Administration Cadre (13th Batch). He joined Bangladesh Parjatan Corporation (BPC) on 16 April 2023. Before joining BPC, he was the Chairman of Bangladesh Jute Mills Corporation (BJMC). Prior to that he served as Additional Secretary and Joint Secretary in the Cabinet Division. He also worked as the director of Bangladesh Television (BTV). Md. Rahat Anwar also served as Deputy Commissioner of Rangpur and Sylhet districts.

He has visited India, Thailand, Vietnam, USA, France, Spain, Italy and Switzerland for professional training work.



KABIRUL EZDANI KHAN EXCELS IN THE FIELD OF FINANCE AND ADMINISTRATION. AT PRESENT, HE HOLDS THE POSITION OF ADDITIONAL SECRETARY, FINANCE DIVISION, MINISTRY OF FINANCE GUIDING THE BUDGET & EXPENDITURE MANAGEMENT WING.

**Mr. Kabirul Ezdani Khan**  
INDEPENDENT DIRECTOR

#### **Date of Appointment in Bangladesh Services Ltd.**

12 April 2023

#### **Education**

- Secondary School Certificate, Dhanmondi Boys' High School, Dhaka
- Higher Secondary Certificate, Residential Model College, Dhaka
- Master of Social Science, University of Dhaka
- Master of Arts in Government Financial Management, University of Ulster, United Kingdom

#### **Membership in Board Committee:**

Member, Audit Committee

Kabirul Ezdani Khan excels in the field of finance and administration. At present, he holds the position of Additional Secretary, Finance Division, Ministry of Finance guiding the Budget & Expenditure Management Wing. In addition to his regular duty he is also administered as the Executive Chairman of the National Pension Authority under the Finance Division, Government of Bangladesh, the first ever Universal Pension Scheme of its kind inspired by the Hon'ble Prime Minister's dream.

Khan embarked on his distinguished career in public service in 1990 when he assumed the role of a Research Associate at the Bangladesh Institute of International and Strategic Studies (BISS). He was then recruited by the Bangladesh Export Processing Zones Authority (BEPZA) as an Assistant Manager in the Enterprise Service. In 1991, Khan entered the esteemed Bangladesh Civil Service Taxation Cadre as an Assistant Commissioner of Taxes, representing the 10th Batch of the BCS. He subsequently ventured into diplomatic service, where he served within the Ministry of Foreign Affairs and made substantial contributions to enhancing Bangladesh's global reputation while holding the esteemed position of Counsellor in Kuala Lumpur and Singapore High Commission.

Khan's professional journey within the National Board of Revenue and the Finance Division of the Ministry of Finance was marked by consistent growth, as he ascended through various roles, including Deputy Commissioner of Taxes, Second Secretary and First Secretary of NBR and later Deputy Secretary, followed by Joint Secretary in the Finance Division. Ultimately, he reached the pinnacle of his career by achieving the position of Additional Secretary in the Budget & Expenditure Management Wing. Khan's impact transcends his official titles. As the pioneering Executive Chairman of the National Pension Authority, he etched his name in history by realizing the dream of the honorable Prime Minister, and introduced Bangladesh's first Universal Pension Scheme. This monumental initiative significantly benefits a substantial portion of the nation, reflecting Khan's dedication to improving the lives of the people. Additionally, his leadership at the Institute of Public Finance (IPF) underscores his unwavering commitment to the development of public finance management. Khan's influence further extends to his contributions to respected institutions, including the Bangladesh Agriculture Development Corporation (BADC), Bangladesh Services Ltd, Padma Oil Company Ltd, Probashi Kallyan Bank and the Military Institute of Science and Technology (MIST).

Mr Kabirul Ezdani Khan hailed from a respectable family of Moulvibazar district. His father late Ali Mehdi Khan served in the Police Department in the position of Superintendent of Police and his mother late Begum Rabeya Chowdhury from a dignified family in Bhadesswar, Sylhet.

Khan's personal life is marked by the love of his wife, Tanzima Mahmood, a remarkable homemaker, and the presence of their two daughters, Saima Mehedi Khan, a PhD student in Economics, University of Tasmania, Australia and Radiyaa Mehedi Khan, an undergraduate student of Environment and Civil Engineering in MIST, along with their elder son-in-law, Sartaz Bin Mustafiz, who holds a position with the Australian Government in Melbourne.



MR. MANOJ KUMAR ROY IS CURRENTLY SERVING AS ADDITIONAL SECRETARY IN THE MINISTRY OF CIVIL AVIATION AND TOURISM. HE BELONGS TO BANGLADESH CIVIL SERVICE (ADMINISTRATION) 15TH BATCH AND JOINED THE SERVICE IN 1995.

**Mr. Manoj Kumar Roy**  
INDEPENDENT DIRECTOR

**Date of Appointment in Bangladesh Services Ltd.**

12 April 2023

**Education**

Honours and Master's in English literature, University of Dhaka.

**Membership in Board Committee**

Nomination and Remuneration Committee

Mr. Manoj Kumar Roy is currently serving as Additional Secretary in the Ministry of Civil Aviation and Tourism. He belongs to Bangladesh Civil Service (Administration) 15th batch and joined the service in 1995. He served as Assistant Commissioner at the Office of the Deputy Commissioner, Dhaka in the inception of his career. Afterwards, he performed at various portfolios such as Assistant Commissioner (Land), Senior Assistant Commissioner, Upazila Nirbahi Officer and Additional Deputy Commissioner in

field level. He also served as Deputy Commissioner and District Magistrate of Feni during 2017-2018. In his versatile career, he was also involved in the policy making process of different ministries like the erstwhile Ministry of Health and Family Welfare, Planning Commission, Ministry of Youth and Sports, Ministry of Land, Ministry of Education, Ministry of Housing and Public Works, Health Services Division, Ministry of Food and Disaster Management, Medical Education and Family Welfare Division at various portfolios like Senior Assistant Secretary, Private Secretary to Secretary, Deputy Secretary, Joint Secretary and Additional Secretary.

He participated in numerous professional trainings, workshops, seminars and official meetings in a number of countries such as China, India, Bhutan, Thailand, Singapore, U.K, Germany, Norway, Australia, UAE, Malaysia, Vietnam, Indonesia and Switzerland.

He is from the northern district of Dinajpur.



MR. MOHAMMAD ATIQR RAHAMAN, JOINT SECRETARY TO THE GOVERNMENT IS CURRENTLY SERVING AS MANAGING DIRECTOR, BANGLADESH SERVICES LTD. (OWNER OF INTERCONTINENTAL DHAKA), A PUBLIC LIMITED COMPANY, UNDER THE MINISTRY OF CIVIL AVIATION AND TOURISM. PRIOR TO THIS POSITION, HE WORKED AS JOINT SECRETARY IN THE MINISTRY OF RAILWAYS.

**Mr. Mohammad Atiqur Rahaman**  
MANAGING DIRECTOR

#### **Date of Appointment in Bangladesh Services Ltd.**

22 May 2022

#### **Education**

- B.A (Honors) and M.A in Mass Communication and Journalism, University of Dhaka.
- MS in Environmental Science (Legislation and Management), Brunel University, London, UK.

#### **Membership in Board Committee**

Member, Finance and Administrative Committee

Mr. Mohammad Atiqur Rahaman, Joint Secretary to the Government is currently serving as Managing Director, Bangladesh Services Ltd. (Owner of InterContinental Dhaka), a Public Limited Company, under the Ministry of Civil Aviation and Tourism. Prior to this position, he worked as Joint Secretary in the Ministry of Railways. Mr. Rahaman was born on 29 December 1973.

Mr. Rahaman joined Bangladesh Civil Service (Administration) Cadre as Assistant Commissioner in 1999 in the Divisional Commissioner's Office at Chittagong (now Chattogram). He discharged his responsibilities as Assistant Commissioner (Land), Senior Assistant Commissioner, Upazila Nirbahi Officer, Senior Assistant Secretary in field administration and different ministries. He served as WTO Mission Intern in Permanent Mission of Bangladesh Embassy in Geneva and afterwards he served as Director GFMD Cell in the Ministry of Foreign Affairs. He served as Deputy Commissioner at DC Office Magura. He was awarded NIS prize while working in the Ministry of Railways in 2019-20.

He participated in many trainings at home on various professional courses like Interactive training on trade in service and on trade negotiation, general agreement on trade in service and opportunities for Bangladesh to export under LDC waiver, Bangladesh Consultative workshop on Diagnostic Trade Integration

study (DTIS) and World bank trade strategy, WTO Introduction and Basic Principle, Public Procurement Management, Public Administration and Public Finance.

At abroad, he participated in professional courses like Regional Consultation on Inter-sectoral actions for addressing social determinants of health in New Delhi, seminar on Government Management for Civil Servants of Bangladesh in China, WTO/ ESCAP Regional workshop on Trade and Environment for Asia and Pacific Economics in Bogor, Indonesia conducted by WTO and ESCAP, Colombo Plan-International Trade and WTO in Seoul, South Korea, WTO workshop on LDC priority needs technical and financial cooperation in relation to TRIPS in Geneva organized by WIPO.

He has a number of research and publications to his credit. He did his Thesis on Improving Community Clinic. Service Delivery (CCSD) through Horizontal Learning Program in Bangladesh. His article on "Extension TRIPS obligation to Pharmaceuticals products: Bangladesh is not ready to take off" was published in annual magazine by Department of Patents, design & Trademarks, Ministry of Industry on celebration of World Intellectual Property Day, 2014. His article on "The Nairobi package and retrospective of LDC's Development in the WTO" was published in annual magazine by Shurid, 18th BCS Admin, 2016.

In personal life, he is an instrumental artist and football lover. Presently, he is serving as a member of Development Committee of Bangladesh Football Federation. He led Bangladesh U-17 National team to participate in "AFC U17 Asian Cup Qualifiers" held in Colombo as Manager. Under his leadership, InterContinental Dhaka signed the hospitality partnership agreement with Bangladesh Football Federation. He wrote the theme song titled "Sometimes somewhere" of the 9th GFMD Summit held in Bangladesh in 2016. He wrote the lyrics of a music video made by Ministry of Civil Aviation & Tourism and Bangladesh Services Ltd. on the occasion of inauguration of 'Padma Bridge'.

He is married and blessed with two daughters

# The Year 2022-2023 in Review

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INTERCONTINENTAL DHAKA HAD A YEAR OF REMARKABLE ACHIEVEMENTS AND CONTINUED GROWTH, AS ONE OF THE BEST-PERFORMING HOTELS FOR INTERNATIONAL AND DOMESTIC TRAVELS INCLUDING BANGLADESHI DIASPORA. IT REMAINS AS THE TOP EMPLOYEE CHOICE IN HOTEL INCLUDING CATEGORY WITH A LASER FOCUS ON EXCELLENCE, THE HOTEL EXCEEDED EXPECTATIONS IN SEVERAL KEY AREAS.

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Average Daily Rate (ADR) showed a consistent upward trend throughout the year, reflecting the hotel's ability to deliver premium services that resonate with our guests. This not only bolstered our revenue streams but also reinforced our reputation as the preferred luxury hotel choice for travelers in Dhaka.

The business trajectory for InterContinental Dhaka was nothing short of outstanding. We laid the groundwork for sustained success, thanks to a strategic approach that emphasized robust risk management, meticulous cost control, and a steadfast commitment to sustainability. Our operational team, including sales, marketing, and catering, played a pivotal role in achieving these milestones, ensuring that every guest's experience exceeded their expectations.

One of the most significant accomplishments in the year under review was our ability to consistently overachieve budget targets for all quarters. This was no small feat, and it was made possible through the hard work and dedication of our employees who were recognized for their exceptional contributions to profitability. We onboarded key potential members in various positions, fostering a transparent interview process that attracted aspirational talent.

Furthermore, our efforts extended beyond our hotel's walls. We established collaborations with different companies for mutual benefit, leading to the strategic acquisition of client companies in the market. This not only expanded our market presence but also showcased our commitment to forging strong industry partnerships.

Our dedication to transparency and aspirational talent requisition was instrumental in assembling a team that not only met but consistently exceeded the high standards of service our guests expect. We believe in the power of our people, and this philosophy proved its worth as our employees played a pivotal role in our profitability. Their hard work and commitment were truly commendable, and we took every opportunity to recognize their invaluable contributions. But our achievements extended far beyond the confines of our hotel. Our commitment to robust risk management ensured our financial stability and paved the way for strategic acquisitions in the market. These acquisitions enhanced our offerings and allowed us to better serve our clients. Collaboration with various companies became a cornerstone of our approach, where mutual benefit was at the core of our partnerships. By leveraging our strengths and resources, we solidified our presence in the industry and contributed to a more dynamic and competitive landscape.

In particular, our acquisition of market segments, such as airlines, demonstrated our unwavering focus on expansion and diversification. This move expanded our customer base and solidified our position as the top choice for luxury hospitality among both local and international travelers. It is a testament to our operational team's dedication, with sales, marketing, and catering working in synergy to drive growth and excellence. Furthermore, the robust focus on major events, along with a proactive outreach to previously untapped markets, allowed us to establish ourselves as the hotel of choice for those far away from our proximity. We not only met but overachieved targets for

all guest-related metrics, showcasing our commitment to going above and beyond in delivering exceptional guest experiences.

In a notable move, we successfully acquired market segments like airlines that were previously far from our proximity, further diversifying our customer base. This achievement attested to the robust focus of our operational team, especially in sales, marketing, and catering, on major events and market expansion.

Not only did our financial performance impress, but the guest-related metrics also exceeded all set targets. InterContinental Dhaka's dedication to higher guest satisfaction paid off handsomely, reinforcing our status as the hotel of choice for those seeking unparalleled luxury and service.

In conclusion, 2022-23 was a year of tremendous growth and achievement for InterContinental Dhaka. Through diligent planning, transparent hiring practices, robust risk management, and a steadfast focus on guest satisfaction, we set new standards for excellence in the hotel industry. The dedication and hard work of our employees, as well as our commitment to sustainable initiatives and strategic collaborations, positioned us as a true leader in the market. As we move forward, we remain steadfast in our mission to provide our guests with the best possible experience, ensuring our place as the top choice for luxury and hospitality in Dhaka.

## **New Product Development**

In a dynamic and ever-evolving hospitality landscape, the pursuit of excellence and guest satisfaction remains at the core of InterContinental Dhaka's mission. In line with this commitment, we are delighted to introduce two exciting new developments that reflect our dedication to providing unparalleled experiences for

our cherished guests. Our new salon, nestled within the serene confines of our spa, is poised to offer a sanctuary of relaxation and rejuvenation. Simultaneously, the rejuvenation of our Balaka Executive Lounge stands as a testament to our continuous efforts to enhance the comfort and convenience of our esteemed patrons. These transformative additions represent the embodiment of our vision for InterContinental Dhaka as a beacon of luxury and innovation in the heart of the city.

## **Our Communities and Suppliers**

We deeply value the interconnected relationships we maintain with both our communities and suppliers, all while being steadfastly committed to sustainability initiatives. Our community involvement extends beyond providing exceptional hospitality to actively contributing to the well-being of the local neighborhoods where we operate. We prioritize partnerships with local businesses, source our produce from nearby farms, and engage in various philanthropic endeavors to support education and environmental conservation. Our dedication to sustainability is reflected in every aspect of our operations, from energy-efficient equipment and water-saving measures to responsible waste management. We believe that by nurturing these relationships and embracing sustainable practices, we can foster a more harmonious and eco-friendly coexistence with our surroundings, ultimately benefiting not only our guests but the world we share. We consider the social, environmental and economic impact of what we buy as a company. As we consider enhancements to the guest experience and potential brand standards, we want to ensure we engage with suppliers who share the same commitment to responsible business as we do. The goal is to balance doing good for the business through sustainability measures, with managing risk and driving cost optimisation

# Remarkable Events



6th Indian Ocean Conference



Accelerating Universal Health Coverage Towards Smart Bangladesh



Bangladesh Football Federation Players Auction



Bangladesh Football Federation Players Auction



Bangladesh Monitor Airline of the Year 2023



Bangladesh Startup Summit 2023



Beximco XBC Fight Night



*Beximco XBC Fight Night*



*Celebrating Bangladesh ADB 50 years of Partnership*



*Commonwealth Trade and Investment Forum 2023*



*Dhaka Art Summit 2023*



*Commonwealth Trade and Investment Forum 2023*



*Dhaka Lit Fest 2023*



*Ted Kennedy Jr, family members with Honourable Prime Minister Sheikh Hasina*

# High Profile Visits



*Emmanuel Macron, French President with Sheikh Hasina, Honourable Prime Minister of Bangladesh*



*Emmanuel Macron, French President with hotel leadership team*



*Hassanal Bolkiah ibni Omar Ali Saifuddien III, Sultan of Brunei*



*Queen Mathilde of Belgium*



*Sergey Lavrov, Minister of Foreign Affairs of the Russian Federation*



*Sourav Ganguly, Former President of Board of Control for Cricket in India*



*Vuong Dinh Hue, Chairman of the Vietnamese National Assembly (NA)*

# Special Observances



Bangabandhu's Birthday 2023



Bangabandhu's Birthday 2023 - Discussion



National Mourning Day 2023 - Art Competition



Ekushe February



Global Customer Appreciation Week 2022



Iftar Get Together 2023



Christmas Kids Party



National Mourning Day 2023 - Milad Mahfil



National Mourning Day 2023



Sheikh Russel Day 2023 - Art and Essay Competition



Sheikh Russel Day 2023 - Milad



Sheikh Russel Day 2023



Taste of Bangladesh



Valentine's Day 2023 Contest Winners



World Tourism Day 2023

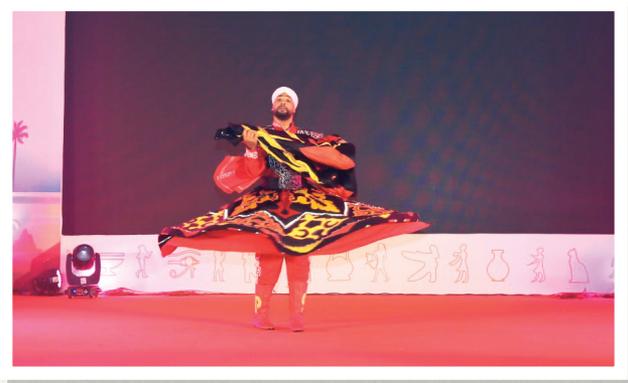
# Egyptian Food Festival



Press Conference



Egyptian Food Festival



Cultural Event



Cultural Event

# Partnerships



Asian Tourism Fair 2023



Partnership Agreement with Bangladesh Football Federation



Partnership Agreement for Diplomatic Spouses



Partnership Agreement with Egyptair



Partnership Agreement with ESSAB



Partnership Agreement with PATA



Partnership Agreement with Tiger Golf Club

# CSR Activities of BSL



Sheikh Russel Day - Food Distribution



Giving for Good - Community Cleaning



Giving for Good - Food Distribution



Giving for Good - Food Distribution



Blood Donation - Giving for Good Month

# Brunch BY THE BLUE

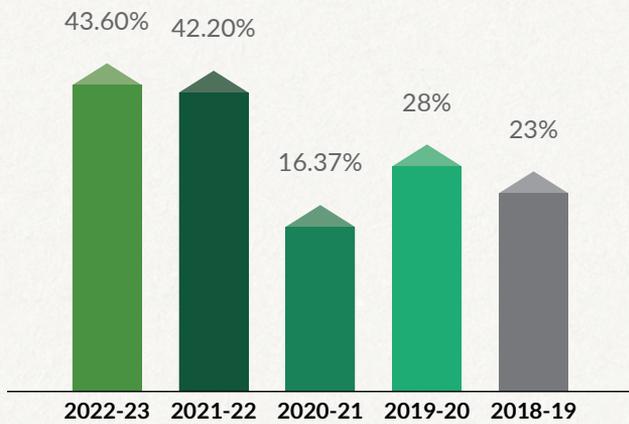
EVERY FRIDAY & SATURDAY  
BUFFET BRUNCH ■ BDT 5,000 NET PER PERSON ■ 12:00 PM - 4:00 PM  
COMPLIMENTARY SWIMMING ACCESS & KIDS ACTIVITY  
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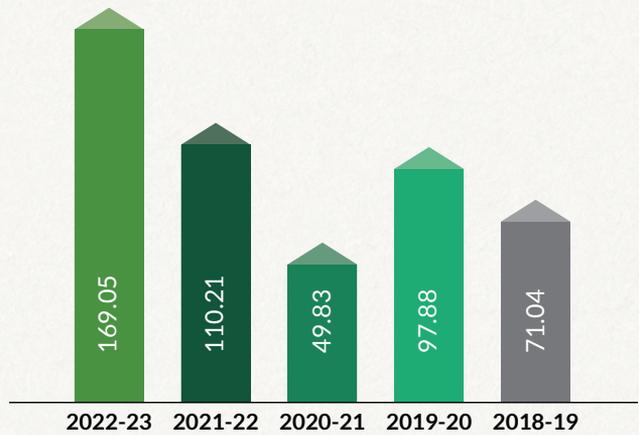


# Key Performance Parameters

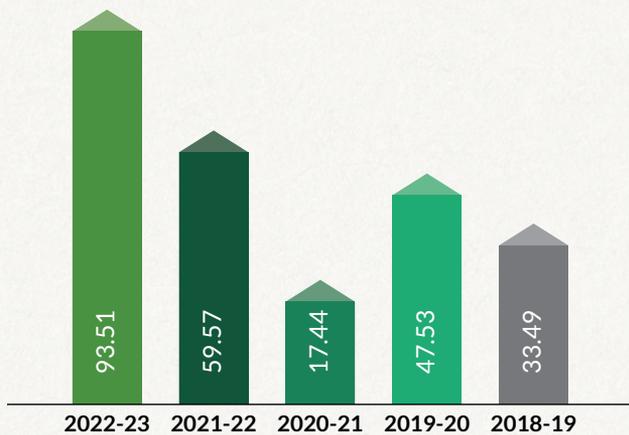
**Occupancy of the Hotel** %



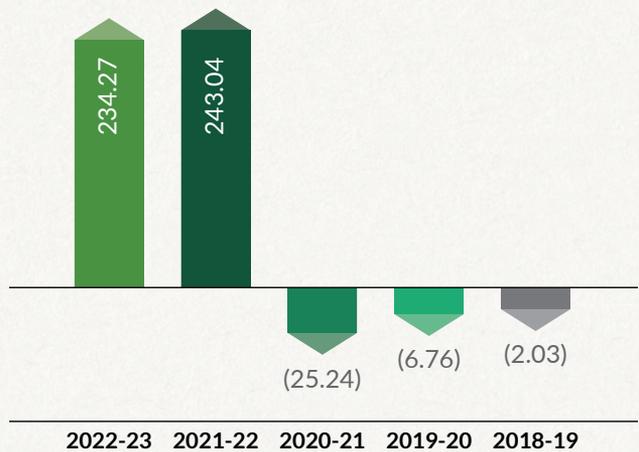
**Revenue** Figure in BDT Crore



**Gross profit** Figure in BDT Crore



**Net Asset Value per Share (NAVPS)** Figure in BDT



**Note:**  
NAVPS of 2021-22 and 2022-23 are after considering revaluation of land.

# Our People and Culture

At BSL, our people are the heart and soul of our organization. We are committed to fostering a culture that promotes diversity, inclusion, and continuous growth. In the past year, we have made significant strides in several key areas:



## Workforce Diversity

We believe that a diverse workforce leads to innovation and better decision-making. In 2022, we continued to prioritize diversity in our hiring efforts, resulting in a 2% increase in female workforce and the management is putting extra efforts to hire underrepresented groups like Differently abled employee within our company in future.



## Health and Well-being

The well-being of our employees is of paramount importance. We have introduced various initiatives to support mental and physical health, including flexible work arrangements, counseling services, and wellness programs. In 2022, our employee satisfaction score increased by 8%.



## Employee Development

We are dedicated to providing opportunities for our employees to develop their skills and advance their careers. Total 12 of our workforce participated in professional development programs, and we invested 600 hours in training and development.



## Innovation and Inclusivity

Our culture values innovative thinking and inclusivity. In 2022, new employee-led initiatives were launched, contributing to a more inclusive work environment.

## Community Engagement

Giving back to our community is a core part of our culture. Lots of different initiatives were taken by Bangladesh Services Limited and hotel jointly in 2022.

In the month of September 2022, the Hotel observed Giving for Good month in line of IHG's global initiative. Hotel colleagues actively took part in different activities such as:



### Blood donation



### Tree plantation



### Community cleaning



### Food donation

We shared snacks with autistic kids in SWID (Society for the Welfare of the Intellectually Disabled) Bangladesh.

Moreover, on every National Day, BSL donates food to different orphanages.

In 2022, we supported 1 relief effort, by raising funds for the flood affected people of Sylhet.

## HR Achievements

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### Employee Recruitment and Retention

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- Achieved a record-low employee turnover rate of 1.02% through effective recruitment, onboarding, and retention strategies.
- Successfully filled 100% of open positions with top talent
- Implemented innovative recruitment techniques.



### Employee Benefits and Wellness

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- Enhanced the employee benefits package, resulting in a 15% increase in overall employee satisfaction.
- Implemented wellness programs and initiatives, leading to 3% reduction in employee absenteeism.
- Introduced a mental health support program, increasing employee mental health awareness and access to resources.



### Training and Development

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- Conducted 38 training programs, upskilling 12% of employees, leading to improved job performance.
- Launched a leadership development program, resulting in 28% of promotions filled internally.
- Emphasised the learning and development portal, resulting in a 30% increase in employee engagement with training materials online.



### Employee Engagement

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- Conducted employee engagement surveys with an average employee satisfaction score of 84%.
- Implemented 12 employee recognition programs, resulting in 8% increase in employee morale.



### Compliance and Legal Matters

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- Successfully implemented new HR policies and procedures to ensure compliance with changing labor laws and regulations.

# Executive Committee of Bangladesh Services Ltd.



**MR. MOHAMMAD ATIQR RAHAMAN**  
Managing Director

## **Date of Appointment in Bangladesh Services Ltd**

22 May 2022

## **Educational Background**

B.A (Honors) and M.A in Mass Communication and Journalism, University of Dhaka.

MS in Environmental Science (Legislation and Management), Brunel University, London, UK.

## **Experience**

Mr. Mohammad Atiqur Rahaman started his career with Bangladesh Civil Service (Administration) Cadre as Assistant Commissioner in 1999 in the Divisional Commissioner's Office at Chittagong (now Chattogram). He discharged his responsibilities in various capacities in different ministries of the Government. He served as Deputy Commissioner at DC Office Magura.

He served as WTO Mission Intern in Permanent Mission of Bangladesh Embassy in Geneva and afterwards he served as Director GFMD Cell in the Ministry of Foreign Affairs. He has total 24 (twenty-four) experience in Government services. Under his leadership, InterContinental Dhaka signed the hospitality partnership agreement with Bangladesh Football Federation.

## **Training**

Interactive training on trade in service and on trade negotiation, general agreement on trade in service and opportunities for Bangladesh to export under LDC waiver, Bangladesh Consultative workshop on Diagnostic Trade Integration study (DTIS) and World bank trade strategy, WTO Introduction and Basic Principle and Public Procurement Management, Public Administration and Public Finance.

Regional Consultation on Inter-sectoral actions for addressing social determinants of health in New Delhi, WTO/ESCAP Regional workshop on Trade and Environment for Asia and Pacific Economics in Bogor, Indonesia conducted by WTO and ESCAP, Colombo Plan-International Trade and WTO in Seoul, South Korea, WTO workshop on LDC priority needs technical and financial cooperation in relation to TRIPS in Geneva organized by WIPO.

## **Achievement**

He was awarded National Integrity Strategy (NIS) prize while working in the Ministry of Railways in 2019-20.

## **Extra-curricular Activities**

In personal life, he is an instrumental artist and football lover.

Presently, he is serving as a member of Development Committee of Bangladesh Football Federation. He led Bangladesh U-17 National team to participate in "AFC U17 Asian Cup Qualifiers" held in Colombo as Manager. He wrote the theme song titled "Sometimes somewhere" of the 9th GFMD Summit held in Bangladesh in 2016 and wrote the lyrics of a music video made by Ministry of Civil Aviation & Tourism and Bangladesh Services Ltd. on the occasion of inauguration of 'Padma Bridge'.



**MR. S. M. TARIKUL ISLAM BPAA**  
Company Secretary

**Date of Appointment in Bangladesh Services Ltd**

19 January 2022

**Educational Background**

Master's in Geography & Environmental Studies, Rajshahi University

**Experience**

In 2001, he joined Bangladesh Civil Service (Administration Cadre) as an Assistant Commissioner and Magistrate. He served as Upazila Nirbahi officer in Magura Sadar and Nagar Kanda Upazila. He worked as Private Secretary to Senior Secretary, Ministry of Public Administration and Principal Secretary. After then he worked as Director, Prime Minister's office for four years and six months. He was posted as Deputy Commissioner of Gazipur district for two years and seven months. Under his leadership, Kapasia Upazila of Gazipur district achieved the status as 'Mother's Mortality Free' Upazila. In recognition to his tremendous job, he got the Bangabandhu Public Administration Award (BPAA) 2020.

After promotion as Joint Secretary, he is now working as Company Secretary in Bangladesh Services Limited under Ministry of Civil Aviation and Tourism.



### **MR. NISAR AHMED**

Chief of Accounts & Finance  
Bangladesh Services Limited

#### **Date of Appointment**

4 June, 1997

#### **Educational Background**

M. Com (Accounting), University of Dhaka; Master's in Business Administration (MBA), Institute of Business Administration (IBA); and Fellow Cost and Management Accountant (FCMA)

#### **Experience**

Mr. Nisar Ahmed started his career in Beximco Pharmaceuticals Ltd. in 1993. After serving there for four years, he joined Bangladesh Services Ltd., his current organization, in 1997 as the head of the Accounts & Finance Dept. Since then he has been working in this organization.

Md. Ahmed has total 30 (thirty) years' experience.

Mr. Nisar Ahmed was involved in the works relating to transition of the hotel (now InterContinental Dhaka) from Dhaka Sheraton Hotel to Ruposhi Bangla Hotel after expiry of the management contract of Bangladesh Services Ltd. (BSL) with Starwood Asia Pacific Hotels and Resorts, Pte Ltd. (Starwood)

Mr. Ahmed was engaged in the works relating to searching new hotel management company for operation and management of the-then Ruposhi Bangla Hotel.

He was a member of the committee for evaluation of the draft management agreement between BSL and InterContinental Hotels Group for operation and management of BSL's hotel as InterContinental Dhaka.

He was the member of the Project Evaluation and Negotiation (technical committee), scope of work of which included, among others, evaluation of the offers of different bidders for consultancy services, construction works, etc., examination of Change Orders recommended by the Cost consultant and Project Management Company, and recommending/approving bills of the consultants and contractors.

#### **Trainings/Courses**

Good Governance, Project Management, Public Procurement, etc.



### **MR. MD. NAZRUL ISLAM**

Head of Internal Audit & Compliance  
Bangladesh Services Limited

#### **Educational Background**

Mr. Md. Nazrul Islam is a Fellow Cost & Management Accountant (FCMA) of the Institute of Cost & Management Accountants of Bangladesh (ICMAB) and a Fellow Chartered Secretary (FCS) of the Institute of Chartered Secretaries of Bangladesh (ICSB). He completed B. Com (Hons) and M. Com in Accounting from the Department of Accounting of Dhaka University.

#### **Experience, Present Position and Duties**

He had completed 34 years of his service in the fields of Accounts & Finance and Internal Audit & Compliance in Bangladesh Services Limited (BSL). He has been serving presently in BSL as Head of Internal Audit and Compliance on contract since 1st February 2023. He is overseeing the activities of internal audit and compliance focusing on the processes of happening the financial transactions of the operation and the management of risks related to those transactions. He is also trying to streamline the internal control system of the organization.

#### **Other Responsibilities**

As a part of his consulting activities, he had completed the assigned responsibilities to help prepare the Audit Manual and Whistleblowing policy as standard guidelines for internal audit & compliance department of BSL and the Deed and Rules for BSL Employees' Gratuity Fund. As a part of his compliance activities, he had also completed the adhering procedures to comply with the requirements of Part C of the 1st Schedule of Income Tax Ordinance, 1984 to obtain the gratuity fund approved by the National Board of Revenue (NBR).

#### **Achievements**

Mr. Nazrul Islam has so far detected the excess calculation of interest to the tune of Tk 1.86 crore in 2007 and Tk 124.48 crore in May, 2023 made by the Bank and identified excess fee of Tk 37.69 lacs calculated in 2008 by Sheraton Overseas Management Corporation (SOMC). All those amounts were recovered from the Bank and SOMC and thereby, the company is saved from such losses of wealth. In this regard, he has expressed his gratitude to the management of BSL specially to the present Company Secretary & Managing Director for their suggestions & co-operation extended to him to become successful in his mission of detecting excess interest calculation in May 2023.

#### **Slogan at the Workplace**

Be passionate and be honest at the workplace and all colleagues are requested to be engaged in their respective duties & responsibilities at the organization with a feeling that the organization where they are working is of theirs.



### **ENGR. MD. AZIZAR RAHMAN**

Chief of Planning & Engineering  
Bangladesh Services Limited

#### **Date of Appointment**

2nd June, 1997

#### **Educational Qualification**

B. Sc. Engineering in Electrical & Electronics from Khulna University of Engineering & Technology (KUET) in 1990

#### **Career Experience**

Engr. Md. Azizar Rahman has total 33 years working experience in the field of Electrical, Mechanical & Plumbing works. He acquired sufficient knowledge in manufacturing and installation of Electrical sub-station equipment like Transformer, Switchgears, PFI panel, electrical control panels etc. during his tenure in Energypac Transformer Ltd from 1991 to 1994. He is working in BSL from 2nd June 1997 and looking after the Engineering and Fire Life Safety issues of BSL Office Complex, hotel of BSL (The then Dhaka Sheraton Hotel, Ruposhi Bangla Hotel and presently Intercontinental Dhaka) and BSL Residential Complex.

Engr. Md. Azizar Rahman worked as a Deputy Project Coordinator under the Dhaka Sheraton Hotel Expansion Project of BSL to coordinate the Mechanical, Electrical and Plumbing works which was completed in 2003.

He worked as the Convenor for the Mechanical, Electrical and Plumbing works under the Project Evaluation & Negotiation Committee (PENC) of BSL to monitor the progress of implementation of the MEP works like Central Air Conditioning System, Boilers, Fire detection, protection and Firefighting system, BMS System, Electrical Sub-station, Generators, Internal and External Electrification Work, PABX system, Sanitary and Plumbing system etc. under the Hotel (InterContinental Dhaka) Renovation Project of BSL which was commercially opened in December 2018.

#### **Training**

Participated and completed the seminar on Plant Operation Management, sponsored by Asian Productivity Organization and Implemented by Japan Productivity Centre, Japan from 7th to 25th June, 1993.

Successfully completed the training course on Installation & Maintenance of Electrical equipment and Sub-station from 3rd December to 17th December 1998 organized by Electrical Engineering Division, The Institution of Engineers, Bangladesh (IEB) Head quarter, Ramna, Dhaka, Bangladesh.

Successfully completed the training course on Installation, supervision, operation, repair, maintenance & trouble shooting of the Air Conditioning and Refrigeration System from 2nd September to 16th October 2000 organized by the Mechanical Engineering Division, The Institution of Engineers, Bangladesh (IEB), Head Quarter, Ramna, Dhaka, Bangladesh.

#### **Membership of Professional Society**

Fellow, Institution of Engineers, Bangladesh (FIEB) No. F-12316

#### **Countries Visited**

Japan, Malaysia, Thailand, Sri Lanka, India, Germany, Singapore, China, United Kingdom, Ireland, Kingdom of Saudi Arabia and Turkey.

# Executive Committee (ExCom) and Leadership team of InterContinental Dhaka



**MR. ASHWANI NAYAR**  
General Manager

**Date of Appointment**

January 31, 2022

**Corporate Experience**

Over 33 Years of experience in hospitality and tourism industry

**Educational Background**

Graduate - Hotel Management

Ashwani is a seasoned hotel general manager with a distinguished career spanning two decades, demonstrating a commitment to operational excellence and exceptional guest service. Proven ability to lead high-performing teams and drive overall profitability while maintaining a focus on guest satisfaction. Adept at strategic planning, budget management, and implementing streamlined processes to enhance operational efficiency. Extensive experience in the luxury hospitality sector, with a track record of successfully managing and elevating the reputation of prestigious global hotels in India, Thailand, Bangladesh & Nepal. Exceptional interpersonal skills and a hands-on leadership approach, fostering a positive and collaborative work environment. Skilled in crisis management and adept at maintaining composure in high-pressure situations. Ashwani is committed to maintaining the highest standards of service, ensuring the hotel exceeds guest expectations.



**MR. OLIVIER LOREAUX**  
Director of Food and Beverage

**Date of Appointment**

February 22, 2023

**Corporate Experience**

Over 35 Years of experience in hospitality and tourism industry

**Educational Background**

Certified Table Art and Culinary Technician Superior (BTS)

A professional with over 35 years of broad-based hospitality experience in hotel and resort operations in Pacific island, Caribbean, Europe, Middle East, Africa and South Asia. He has worked way up from culinary to senior hotel management and have experienced single and multi-site operations, openings and renovations, project management, hiring and training. He excels in competitive, challenging and culturally diversified business environments and like to be innovative and creative. He built result-driven management teams with a focus on achieving guest satisfaction and consistently grow revenue to achieve company goals. His track record includes Operational Management with companies such as Le Meridien, Starwood, Al Hokair and Marriott international, Radisson and IHG. He has a passion for the hospitality industry. Driven by challenge, his management style is hands-on and decisive, yet flexible. He is skilled in development of operating and capital budgets, financial analysis, payroll and cost control, and service training.



**MR. REZWAN MARUF**  
Director of Sales & Marketing

**Date of Appointment**

February 15, 1998

**Corporate Experience**

About 25 Years of experience in hospitality and Tourism industry

**Educational Background**

MBA

As an accomplished Hotel Director of Sales and Marketing, Maruf has a proven track record of driving revenue growth and elevating brand presence. His strategic approach includes developing innovative marketing campaigns, fostering key client relationships, and implementing effective sales strategies. With a keen understanding of market trends and a results-driven mindset, he consistently exceeds targets while maintaining a strong focus on customer satisfaction. His leadership skills extend to mentoring teams, implementing training programs, and collaborating cross-functionally to achieve organizational goals.



**MR. MD. NAZMUL HUDA**  
Director of Human Resources & Training

**Date of Appointment**

December 08, 2019

**Corporate Experience**

About 13 Years of global experience in hospitality and tourism industry

**Educational Background**

MBA, Human Resources (UK)

As the Director of HR and Training for the hotel, Nazmul is an accomplished professional with extensive global experience in human resources, talent development, and training strategies within the hospitality industry. His expertise lies in fostering a positive workplace culture, implementing effective HR policies, and ensuring seamless recruitment processes. In his role, he has successfully led initiatives to enhance employee engagement, streamline onboarding procedures, and optimize performance management systems. He prioritizes the development of training programs that align with the hotel's objectives, resulting in a skilled and motivated workforce. His strategic approach includes talent retention strategies and succession planning to ensure long-term organizational success. With a commitment to fostering diversity and inclusion, he has implemented programs that promote a supportive and respectful workplace environment in line with IHG's global DE&I approach. Currently he is championing IHG's DE&I commitment for Bangladesh Market. He stays abreast of industry trends, ensuring the HR and training practices are in line with the latest standards and regulations .



### **MR. MD. KAMAL HOSSAIN MORSHED**

Director of Finance & Business Support

#### **Date of Appointment**

February 01, 2018

#### **Corporate Experience**

About 23 Years of experience in hospitality and retail industry

#### **Educational Background**

MBA, Finance

As the Hotel Director of Finance and Business Support, Morshed brings extensive experience in financial management and strategic planning within the hospitality industry. His role involves overseeing the financial operations of the hotel, including budgeting, forecasting, and financial reporting. He is adept at implementing cost control measures and optimizing financial performance to ensure profitability. He also plays a key role in negotiating contracts, managing vendor relationships, and implementing effective internal controls. His expertise extends to risk management and compliance, ensuring the hotel operates within legal and regulatory frameworks. He is a current member of Institute of Hospitality. Recently Morshed has been awarded prestigious IHG Build One Team Award for IMEA region for his excellent financial performance.



### **MR. SUBIR BAISHNAB**

Head of Information Technology

#### **Date of Appointment**

June 4, 2007

#### **Corporate Experience**

Over 15 Years of experience in hospitality and tourism industry

#### **Educational Background**

BSc (Hons) in Computing & Information System & MBA (Finance)

As an experienced hotel head of IT, Subir has successfully overseen comprehensive technology infrastructures to enhance operational efficiency and guest experiences. Proficient in implementing and managing property management systems, point-of-sale systems, and network solutions. Proven ability to lead IT teams, ensuring smooth daily operations, cybersecurity, and compliance with industry and IHG standards. Skilled in project management, budgeting, and strategic planning to align technology initiatives with the hotel's overall goals. Strong communication skills for effective collaboration with cross-functional teams and vendors.



## **MR. SHAKIL PARVEZ**

Director of Revenue

### **Date of Appointment**

April 10, 2023

### **Corporate Experience**

About 17 Years of experience in hospitality and tourism industry

### **Educational Background**

MBA

As the hotel Revenue Director with over a decade of experience, Shakil's job is to optimize revenue strategies for the establishment. He has a proven track record of implementing data-driven pricing models, resulting in a consistent annual revenue increase. He is skilled in forecasting, market analysis, and leading cross-functional teams to drive revenue and profit growth. Demonstrated ability to leverage technology and industry trends to stay ahead of the competition. Exceptional communication and negotiation skills with a focus on building strong partnerships with key stakeholders. Adept at adapting strategies to market fluctuations and consistently exceeding revenue targets.



## **MR. SAADMAN SALAHUDDIN**

Director of Marketing

### **Date of Appointment**

June 01, 2023

### **Corporate Experience**

Over 11 Years of experience in Hospitality, Marketing & Communications

### **Educational Background**

MBA (Marketing), BBA (Marketing)

Saadman is a dedicated Marketing and Communications professional with over a decade of experience in the hospitality industry, specializing in elevating brand presence for luxury hotels. He has a proven track record of developing and implementing comprehensive marketing strategies, resulting in increased revenue and heightened guest satisfaction. He is skilled in crafting compelling narratives and leveraging various channels, including digital platforms and traditional media, to drive engagement. He is adept at leading cross-functional teams and collaborating with stakeholders to achieve strategic objectives. He is also known for innovative campaigns that create memorable guest experiences and establish a strong brand identity. He is a truly passionate individual who stays ahead of industry trends to ensure the hotel's marketing efforts remain cutting-edge and effective.



**MR. ARIF AHMED**  
Director of Catering Sales

**Date of Appointment**

August 8, 2023

**Corporate Experience**

Over 23 Years of experience in hospitality and tourism industry

**Educational Background**

Mcom in Marketing

Results-driven and highly accomplished Hotel Director of Catering Sales with over 23 years of experience in the hospitality industry. Proven track record of exceeding revenue targets, cultivating client relationships, and leading high-performing teams. A strategic thinker with a keen understanding of market trends, adept at developing and implementing innovative sales strategies to drive business growth. Known for delivering exceptional customer experiences and ensuring seamless execution of events.



**MR. CMDR. M MONSUR RAHMAN**  
Director of Safety & Security

**Date of Appointment**

March 7, 2021

**Corporate Experience**

Over 29 Years of experience in Defense

**Educational Background**

MBA

Dedicated and seasoned Hotel Director of Safety and Security with 29 years of experience in defense and hospitality background. Proven track record of implementing and maintaining comprehensive security programs while fostering a guest-friendly environment. Adept at risk assessment, crisis management, and staff training to ensure a secure and compliant operation. Strong leadership skills with a commitment to maintain the highest standards of safety and security in the hospitality industry.



Corporate Team, Bangladesh Services Limited (BSL)



Leadership Team, InterContinental Dhaka



Human Resources and Executive Office Team, InterContinental Dhaka



Commercial Team, InterContinental Dhaka



Finance and Accounts Team, InterContinental Dhaka



Information Technology (IT) Team, InterContinental Dhaka



Front Office Team, InterContinental Dhaka



Housekeeping Team, InterContinental Dhaka



Engineering and Maintenance Team, InterContinental Dhaka



Food and Beverage Team, InterContinental Dhaka



Culinary Team, InterContinental Dhaka



Stewarding Team, InterContinental Dhaka



Safety and Security Team, InterContinental Dhaka



Team Bangabandhu International Conference Centre



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# Industry Overview

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Currently, we would like to emphasize that the demand for hospitality services and products, whether it's accommodations or food and beverage offerings, is outstripping the existing supply. From our perspective, in every segment of the industry, be it luxury hotels, business hotels, midscale or budget hotels, there is ample scope for expansion and additional resources to meet the genuine demand.

It's important to recognize that the industry is indeed expanding, but the demand is also increasing at a commendable rate. We are still insufficient to keep pace with the economies growing demand due to the average annual growth above 7% in Bangladesh.

Whilst our reliance is primarily on the domestic local consumers and business travelers from overseas due to the absence of inbound leisure tourism, the number of inbound leisure tourists is nearly negligible. On the other hand, activities such as MICE tourism, corporate tourism, and domestic tourism are experiencing significant and unprecedented growth.

If investors were to channelize more resources into developing hospitality and tourism products not only in Dhaka but throughout the country, it would be creating a robust pipeline for stakeholder benefit. Given the stage of the nation's development and growth, there exists an imbalance between demand and supply in the tourism and hospitality sector, which is detrimental to the industry. Along the way, one or more stakeholders are bound to be affected, whether it's the guests, customers, service providers, vendors, or even the hotels themselves, thus enhanced investment in creating the supply is necessary to maintain the equilibrium.

There is also a growth opportunity for institutions providing education and training in hospitality and tourism to cultivate an efficient workforce capable of meeting the growing demands of the tourism and hospitality sector. Training and skilling institutes have a huge potential in the current market scenario.

The current development of infrastructure especially the road networks, metro rail and the opening of the 3rd terminal at the International Airport is expected to provide another boost to the hospitality and tourism industry as consumers and demand will increase rapidly in the very near future.

Our business has already exceeded pre-pandemic levels and we expect that future growth will be a healthy trend indicating year on year growth and performance. We predict that demand for hotel services will keep pace with this robust annual growth.

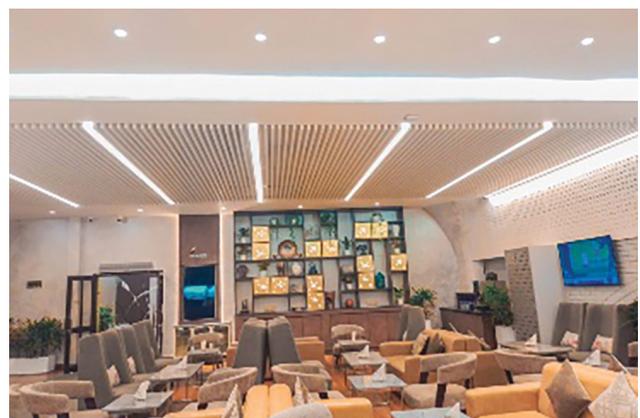


# New Product Development

In a dynamic and ever-evolving hospitality landscape, the pursuit of excellence and guest satisfaction remains at the core of InterContinental Dhaka's mission. In line with this commitment, we are delighted to introduce two exciting new developments that reflect our dedication to providing unparalleled experiences for our cherished guests. Our new salon, nestled within the serene confines of our spa, is

poised to offer a sanctuary of relaxation and rejuvenation. Simultaneously, the rejuvenation of our Balaka Executive Lounge stands as a testament to our continuous efforts to enhance the comfort and convenience of our esteemed patrons. These transformative additions represent the embodiment of our vision for InterContinental Dhaka as a beacon of luxury and innovation in the heart of the city.

## Balaka Executive Lounge: Renewed Elegance for Customer Satisfaction



In our untiring commitment to customer satisfaction and the pursuit of excellence, InterContinental Dhaka is delighted to present the reimagined Balaka Executive Lounge, strategically positioned at the heart of the airport. This remarkable transformation has been made possible through a partnership with Berger Colors Paints, acknowledged as the epitome of interior design expertise in our city. The renovated Balaka Executive Lounge is not merely a makeover but a robust statement, demonstrating our dedication to attracting new patrons and retaining our cherished existing guests. It serves as a vibrant proof to our keen understanding of the evolving trends

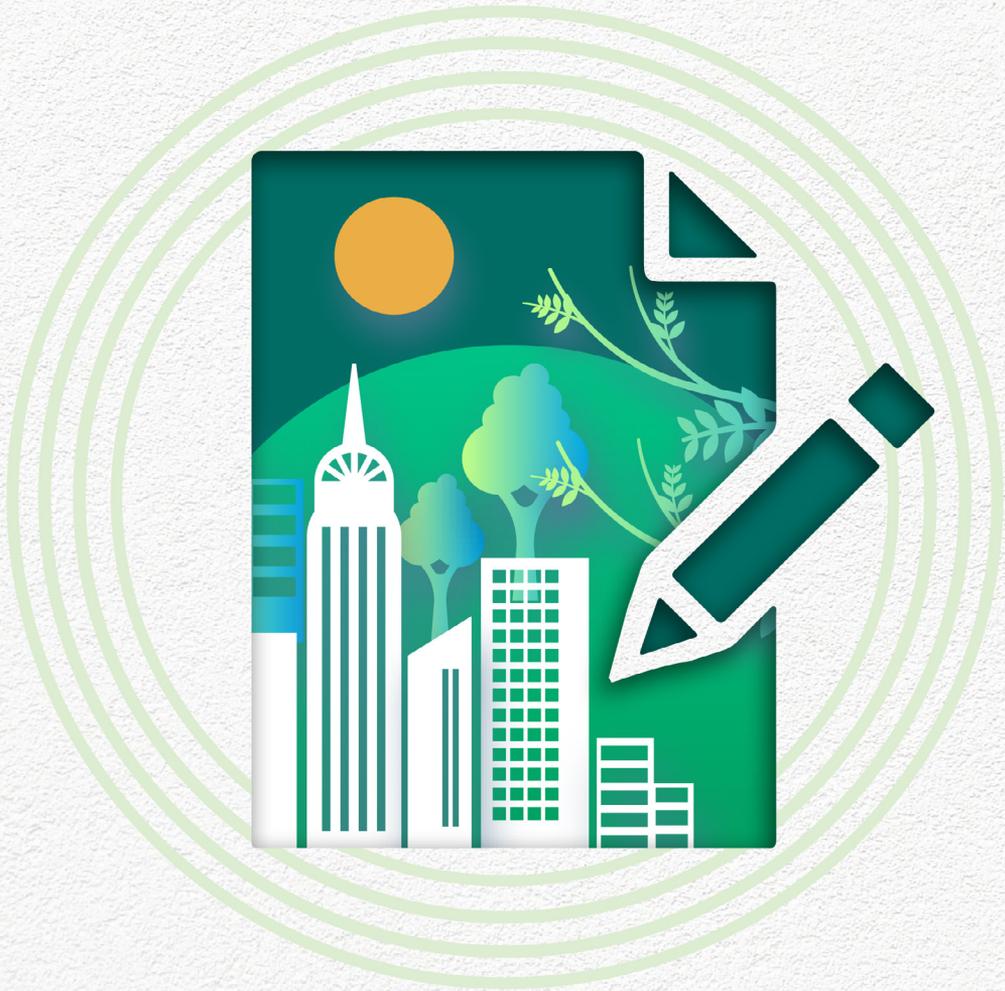
and dynamic demands of the modern traveler. The renovation is emblematic of our continuous pursuit of excellence. We believe that providing an exceptional experience is not merely a choice, but our unwavering commitment. The Balaka Executive Lounge, with its renewed elegance and rejuvenated ambience, stands as a testament to our dedication to serving our discerning guests and offering them an environment that not only meets but exceeds their expectations. We look forward to sharing this revitalized space with our valued patrons and welcoming them to a world of elevated luxury and sophistication.

## The Signature Cut



InterContinental Dhaka is dedicated to redefining luxury and ensuring our guests enjoy a stay that is both exceptional and memorable. In pursuit of this commitment, we are thrilled to introduce our newest offering, the “Signature Cut” salon. This upscale salon, equipped with the latest state-of-the-art facilities and led by a team of expert barbers, stands as a testimony to our unwavering dedication to exceeding guest expectations.

It is designed to be a sanctuary of sophistication, where our patrons can indulge in the art of grooming and relaxation, all under one opulent roof. The amalgamation of world-class hair care and beauty treatments within the confines of our hotel sets “Signature Cut” apart as a unique and exclusive feature, elevating the standard of excellence that InterContinental Dhaka is renowned for.



# Director's Report

# Directors' Report

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THE COMPANY HAS MADE A COMMENDABLE ACHIEVEMENT IN THE YEAR 2022-23, IN SPITE OF THE AFTER-EFFECTS OF THE COVID-19 WHICH WREAKED HAVOC IN THE HOSPITALITY SECTOR AND RUSSIA-UKRAINE WAR WHICH HAD CAUSED EXORBITANT ESCALATION OF PRICE OF THE COMMODITIES.

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## Dear Shareholders,

### Assalamu alaikum

It is a privilege for me and the Directors to welcome you all to this Fiftieth Annual General Meeting (AGM) of your Company, Bangladesh Services Ltd (“BSL”/“the Company”). On behalf of the Board, I would like to place before you the Directors' Report together with the audited financial statements of BSL for the year ended on 30th June 2023.

### Dear Shareholder

As you know, BSL is engaged mainly in the hospitality business. The majority of its revenue comes from its hotel- InterContinental Dhaka (here-in-referred to as “the Hotel” also). In addition to revenue from the Hotel, revenue is generated by renting out the spaces in Office Complex adjacent to the Hotel building and from operation and management of Bangabandhu International Conference Centre (BICC).

## Performance

You will be glad to know that the Company has made a commendable achievement in the year 2022-23, in spite of the after-effects of the Covid-19 which wreaked havoc in the hospitality sector and Russia-Ukraine war which had caused exorbitant escalation of price of the commodities.

Majority of InterContinental Dhaka's room business generates from its international guests, which fell sharply during Covid-19 and has not yet increased to the desired level. However, due to strong marketing activities in the domestic market, room business was generated from the domestic guests. Sale of the restaurants and venues increased significantly from that of the previous year.

The Company earned a revenue of Tk.169.04 crore in the year under review against Tk.110.21 crore in 2021-22 with a growth of 53.38%.

Rental income from BSL office complex comprising three multi-storied buildings for the year under review decreased slightly to Tk.4.54 crore from Tk.4.58 crore of the previous year, as two tenants have vacated their spaces.

After expiry of lease contract between BSL and PWD for management, maintenance and operation of Bangabandhu International Conference Centre (BICC) on 30th June 2022, BSL has been carrying out job same as per mutual understanding with PWD on the basis of payment of 80% of net rent earned from sale of venues. Earlier, from 2019, BSL had been carrying out the job on profit sharing basis. Therefore, in the year under review, profit from BICC was Tk.4.19 crore against profit of Tk.3.20 crore in the previous year.

Administrative expenses were controlled efficiently. As a result, increase of expenses was less. Major item of the expenses is depreciation. Due to control of the expenses, although, the profit of BICC has decreased, the loss of the Company has decreased from that of the last year.

The loss of the Company before tax has decreased from Tk.94.29 crore in the last year to Tk.78.75 crore and net loss after tax decreased from Tk.110.96 crore in the last year to Tk.85.73 crore.

We would like to mention here that we paid all the installments of the principal amount of bank loan due for the year under review towards its repayment and a portion of the interest of moratorium period. Moreover, in order to make regular repayment of loan, we applied to the bank for extension of the loan repayment period, revision of interest rate, determination of installment

amounts for repayment of loan as per balloon method where the installments will be determined in commensurate with the ability of the Company to earn operating profit before interest on loan and where the size of the installment will increase gradually with the increase in profit, and payment of interest of moratorium period at a later stage of the repayment period. We are hopeful that we will get a positive response from the bank.

As a result of decrease of net loss, Earnings Per Share (EPS), though negative, has improved from Tk.(11.35) in the last year to Tk.(8.77) in 2022-2023.

As no net profit was earned in the year under review, the Board did not recommend for declaring any dividend.

### Segment-wise performance

As mentioned earlier, the Hotel is the main revenue generating source of the Company. The revenue of the Hotel comes from three major segments- Rooms, Food & Beverage (sold in food outlets, banquets and outside catering) and Venues. Contribution of Rooms, Food & Beverage and venue to total revenue in the year under review was Tk.42.93 crore (25.40%), Tk.111.96 crore (66.23%) and Tk.14.15 crore (8.37%) respectively against that of Tk.26.53 crore (24%), Tk.75.21 crore (68%) and Tk.8.47 crore (8%) respectively of the previous year.

Revenue from room, Food & Beverage and venue has increased by Tk.16.41 crore (61.82%), Tk.36.75 crore (48.86%) and Tk.5.67 crore (66.86%) respectively. Due to vigorous marketing

activities, room revenue along with revenue of other segments have increased.

### Cost of Goods sold, Gross Profit Margin, Net Profit Margin

The operating cost (Cost of goods sold) of the Company during the year under review was Tk.75.53 crore against Tk.50.64 crore of the previous year. In 2022-2023, operating cost has increased by 49.15% against increase of revenue of 53.38% from last year. For the same reason, operating cost percentage to revenue was 44.68% for the year 2022-2023 against 45.95% of the last year. The above figures indicate that percentage to revenue has not increased i.e., the Company was able to keep the variable cost under control.

Gross Profit for the year under review stood at Tk.93.51 crore which is higher by TK.33.94 crore i.e., 56.97% from that of the last year of Tk.59.57 crore. The Gross Profit percentage to revenue is 55% against 54% of the last year.

Due to increase of revenue and less proportionate increase of operating cost, the increase of Gross Profit to Revenue percentage was higher than that of the last year.

Although, the Company earned Gross Profit, it incurred loss mainly due to huge interest of Tk.71.91 crore on long term loan and depreciation of Tk.58.08 crore. As a result, the loss before and after tax is Tk.78.75 crore and Tk.85.73 crore respectively against Tk.94.29 crore and Tk.110.96 crore respectively of the previous year.

### Key Performance Parameters

Key performance parameters of the Company for the year under review along with that of the previous four years are given below:

*Figures in BDT Crore unless otherwise specified*

Particulars	July-2022 June-2023	July-2021 June-2022	July-2020 June-2021	July-2019 June-2020	July-2018 June-2019
Occupancy of the Hotel	43.60%	42.20%	16.37%	28%	23%
Total Revenue	169.05	110.21	49.83	97.88	71.04
Gross profit	93.51	59.57	17.45	47.53	33.49
Profit /(Loss) before Tax	(78.75)	(94.29)	(168.15)	(36.43)	(36.37)
Profit /(Loss) after Tax	(85.73)	(110.96)	(180.65)	(4.63)	(36.44)
Shareholders' Equity	2,290.90	2,376.63	(246.79)	(66.13)	(19.84)
Earnings per share (EPS) in BDT	(8.77)	(11.35)	(18.47)	(4.73)	(3.73)
Net Asset Value per Share (NAVPS) in BDT	234.27	243.04	(25.24)	(6.76)	(2.03)

*Note: NAVPS of 2021-22 and 2022-23 are after considering revaluation of land.*

## BICC

As reported in the previous Annual Report that after expiry of the lease contract between BSL and Public Works Development (PWD) for management, maintenance and operation of Bangabandhu International Conference Centre (BICC) on 30th June 2022, BSL has been continuing the same as per mutual understanding between with PWD on the basis of sharing of net rent earned from sale of venues in the ratio of 80:20 between PWD and BSL. Moreover, BSL will continue the operation till an organization is appointed to take over the responsibilities from BSL.

It was further reported that PWD had floated tender for appointment of an organization for management, maintenance and operation of BICC. However, as PWD has not yet informed anything about the outcome of tender, BSL has been being managing, maintaining and operating the BICC.

## Management Discussion and Analysis

As per requirement of Corporate Governance Code issued by Bangladesh Securities and Exchange Commission's (BSEC) Notification dated 3 June 2018, a discussion and analysis on the performance of the Company signed by MD of the Company has been given in the Annual Report.

## Independent Auditor's Report- Material Uncertainty Related to Going Concern

A business is a Going Concern when it has the resources needed to continue operating indefinitely until it provides evidence to the contrary.

When assessing whether to prepare financial statements on going concern basis, IAS 1 requires management to consider at least 12 months from the end of the reporting period. It however, also emphasizes that the period to be considered should not be limited to 12 months.

In view of the loss incurred by the Company and excess of current liability over current assets, the Board of Directors of the Company has assessed the capability of the Company to run in the next year and beyond.

It was observed by the Board that due to four-year closure of the hotel for renovation for rebranding from Ruposhi Bangla Hotel to InterContinental Dhaka, interest during construction period on the loan has accumulated. Besides, after one year of rebranding as InterContinental Dhaka on 1st December 2018, the business of the hotel was affected severely due to outbreak of Covid-19 in Bangladesh in March 2020, which had started earlier in other countries of the world. As a result, the revenue of the Hotel during Covid had been extremely low.

The Board further observed that major portion of the current liability consists of the lease rent payable to PWD accrued during the last several years with respect to operation and management of Bangabandhu International Conference Centre (BICC), current portions of loans, deferred customs tariff.

Further, due to low revenue earned in the earlier years for the reasons mentioned above, cash inflow was also extremely low and therefore, repayment of the interest during construction period and regular installments could not be made and were deferred with the approval of the Bank. This deferment of repayment of loan also resulted in increase of interest of moratorium period.

It was also observed that BSL has been discussing with the Ministry of Housing and Public Works as to how the outstanding amount of lease rent can be paid over a number of years to facilitate payment of the dues of PWD by BSL.

In addition to above, the Board has considered the following factors also with respect to Company's ability to continue:

### Review of terms and conditions of bank loan

BSL has applied to Agrani Bank Ltd., the financier of hotel renovation project of BSL, for extension of the repayment period, reduction of interest rate, fixation of size of installments for repayment of loan commensurate with the cash inflow of the Company from income, payment of the interest of moratorium period at a later stage of the repayment period, etc. within the purview of the policies and rules and regulations of the facilitating BSL to repay its loan. It has been learnt that the application of BSL is under active consideration of the Bank. Therefore, once the application of BSL is approved, BSL will be able to repay the loan on regular basis.

### The Product

The hotel property owned by the Company which is currently being operated as InterContinental Dhaka is a new hotel, equipped with modern amenities (the Product of the Company) as per brand standard of InterContinental Hotels Group.

### The Operator

InterContinental Hotels Group (IHG) is a renowned international hotel management company based in The United Kingdom. The Group has 6,061 hotels under its management and another 1,853 hotels are in the pipeline. The Group has more than 100 (one hundred) years' experience in operating and managing hotels. Therefore, with such a long experience and expertise, the Board is confident that InterContinental Dhaka will bring back the Company to profitability again.

## Brand and status of the Hotel

'InterContinental' is a renowned and Premium brand of InterContinental Hotels Group (IHG) and is known worldwide. Over the years, its brand image has been strengthened through the hotels it operates and the services those hotels provide.

## Human Resources

The Company has a group of skilled and seasoned manpower who have been working since the hotel of the Company was operated under 'Sheraton' brand, another world-renowned hotel chain.

## Continuous development of the human resources

The employees of the Company are given training on regular basis to maintain and improve their skills, so that they can render flawless services to the guests.

## Demand for the product

It was observed by the Board that with the gradual improvement of the situation, demand for the Hotels is going up. Therefore, there will be demand for the goods and services of the Hotel, which will increase business i.e., revenue of the Hotel.

## Securing new business opportunities

The Hotel was able to secure new business opportunities and entered into contracts with a number of organizations, which will generate revenue for the Company.

Therefore, the Board is of the opinion that the Company has the ability to continue as Going Concern.

## Independent Auditors' report- Emphasis of matters

The auditors have submitted unqualified report. However, they have put emphasis on certain matters, explanations on which are given below:

- (1) The land has been recorded in the name of BSL and the holding tax is borne by BSL.
- (2) The position of the Company with respect to the claims for VAT, SD and income tax has been explained in the Notes to the financial statements. We have been observing the arguments and counter-arguments of the learned lawyers of both the parties and planning accordingly in consultation with our lawyers our next submissions to the learned Courts.
- (3) The matter regarding collection of city tax @ 5% from the room guests as imposed by the City Corporation has been discussed in several meetings of the Standing Committee meeting relating to Ministry of Civil Aviation and Tourism.

The Standing Committee has recommended for collection of city tax @1.5% from the room guests. Accordingly, the Company has been collecting the said tax from the room guests @ 1.5% and paying the same to City Corporation since May 2023.

## Contribution to National Exchequer

During the period under review, the company contributed Tk.40.00 crore to the Government exchequer in terms of income tax, VAT, etc. against TK.19.00 crore of the previous year.

## Foreign currency earning

The Company earned revenue in foreign currency equivalent to Tk.51.53 crore in the year 2022-2023 against TK.24.64 crore earned in the previous year.

## Credit Rating

The Company has been assigned A rating in the Long Term and ST 4 rating in the Short Term by Credit Rating Information and Services Limited (CRISL). This rating is valid from 1st September 2023 to 31st August 2024.

## Statutory information on the financial statements

As per Bangladesh Securities and Exchange Commission's guidelines, it is also reported that:

- The Financial Statements of the Company present a true and fair view of the Company's state of affairs, the result of its operation, cash flows and changes in equity.
- Proper books of accounts as required by law have been prepared.
- Appropriate Accounting policies have been followed in formulating the Financial Statements and accounting estimates are reasonable and prudent.
- The Financial Statements were prepared in accordance with International Accounting Standards (IAS) as applicable in Bangladesh.
- The declaration or certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) to the Board of the company as per requirement of condition No.3 (three) of the Condition of Corporate Governance Code issued by Bangladesh Securities and Exchange Commission on 3 June 2018 is disclosed in the Annual Report.
- The Internal control system is sound in design and effectively implemented and monitored.

- There is no significant doubt on company's ability to continue its operation as a 'Going Concern'.
- The Deviation from the operating results of last year is reported in the details to accounts.

## Election/Re-election of Directors

As per Companies Act 1994 and Clause 84 of Articles of Association of the Company, out of 11 (eleven) Directors, Air Vice Marshal Mohammad Mafidur Rahman, BSP, BUP, ndu, afwc, psc, Mr. Md. Moinul Kabir, Mr. Mohammed Mezbah Uddin Chowdhury, Mr. Masud Bin Momen, Mr. Md. Mustafizur Rahman BPAA being the longest in the office from their last appointment, will retire in this 50th AGM. Being eligible, they have expressed their willingness for reappointment. The matter will be placed in the AGM for consideration of the shareholders. Resumes of the Directors are given under Directors' profiles in the Annual Report.

## Independent Directors

In compliance with the Corporate Governance Code of BSEC, the Board has appointed Mr. Abu Hena Md. Rahmatul Muneem, Mr. Manoj Kumar Roy and Mr. Kabirul Ezdani Khan as the Independent Directors subject to approval of the AGM. Their appointments will be placed in this 50th AGM for approval. Resumes of the Independent Directors are given in Directors' profiles in the Annual Report.

## Statutory Auditor

The present auditors, Hoda Vasi Chowdhury & Co. Chartered Accountants, will retire in the 50th AGM. They have completed two years as auditors of the Company. Therefore, as they can be re-appointed for one more term as per provisions of BSEC, BSL approached them whether they are willing to be reappointed for the year 2023-2024. In reply, they have expressed their willingness for the same. Board of Directors have, therefore, recommended Hoda Vasi Chowdhury & Co., Chartered Accountants for appointment as auditors of the Company for the year 2023-2024 at a fee of Tk.2.30 lac (two lac thirty thousand) only plus VAT plus out-of-pocket expenses same as that of the last year.

## Compliance Auditor

Board of Directors of the company have recommended Artisan, Chartered Accountants for appointment as compliance auditor of the Company for the year 2023-2024 at a fee of Tk.45,000/- (Forty-five thousand) only excluding tax and VAT.

## Board of Directors

The Board of BSL comprises 11 (eleven) members. Out of them, three directors are Independent Directors. The Board consists of the members from diverse disciplines. As a result, the Company

is being benefited from their knowledge and long experiences in different fields. Attendances of the Board members in the Board meetings are given in Annex-A. 8 (eight) meetings of the Board were held in the year 2022-2023.

## Board committees

The Board of the Company has three sub-committees- Audit Committee, Nomination and Remuneration Committee and Finance and Administrative Committee, details of which are given below:

### Audit Committee

The Audit Committee was formed on 30-09-2007 as per BSEC's Order. The Audit Committee consists of Mr. Abu Hena Md. Rahmatul Muneem, Independent Director, Chairman; Mr. Md. Rahat Anwar, Non-Executive Director and Mr. Kabirul Ezdani Khan, Independent Director as members. Mr. S. M. Tarikul Islam BPAA, Company Secretary acts as the Member Secretary to the Committee. The Committee met 3 (three) times in the year under review.

The main task of the Audit Committee is to ensure compliance with various guidelines, procedures and directives issued by Securities and Exchange Commission, Stock Exchange and other regulatory bodies time to time. The Audit Committee is also working as a watchdog in looking after the performance of the company. There is an Internal Audit Manual and Whistleblowing policy of the Company. The Report of the Committee for the year 2022-2023 on its activities during that year is included in the Annual Report.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) formed on 02-08-2018 as per BSEC's Notification dated 03 June 2018. NRC consists of Mr. Abu Hena Md. Rahmatul Muneem, Independent Director as Chairman; Mr. Md. Mustafizur Rahman BPAA, Non-Executive Director and Mr. Manoj Kumar Roy, Independent Director as members. Mr. S. M. Tarikul Islam BPAA, Company Secretary acts as the Member Secretary to the Committee. The Committee held 1 (one) meeting in the year under review.

The main tasks of the NRC, among others, are to formulate criteria for determining qualifications, positive attributes and independences of a director and recommend policy to the Board relating to the remuneration of the directors, top level executives; devising a policy on Board's diversity and identifying persons who are qualified to become directors and to be appointed as top-level executive positions. Activities of NRC at a glance is included in Annual Report.

## Finance and Administrative Committee

Besides Audit Committee and NRC, there is another sub-committee of the Board which includes Mr. Mohammed Mezbah Uddin Chowdhury as Convener; Mr. Md. Rahat Anwar and Mr. Mohammad Atiqur Rahaman as members. The main task of the Committee is to examine and recommend the budget of the Company, recommending various administrative and financial matters which do not fall within the purview of the Audit Committee and Nomination and Remuneration Committee.

## Remuneration of the Directors

Except Managing Director, all other directors are non-executive directors. Amounts of remuneration paid to the Directors for attending various meetings of the Board and its sub-committees are mentioned in the Note No.30 to the financial statements of the Company.

## Corporate Governance Compliance

The Company is committed to ensuring integrity, accountability, transparency, acceptability and efficiency in all its transactions with its stakeholders. The Company is committed to ensuring work-friendly environment to its employees, so that they put in their best for the betterment of the Company spontaneously. With a view to achieving those parameters, the Company has been complying with BSEC's Notification dated 3 June 2018. Certificate of compliance with Corporate Governance Conditions is given Annex-B and status of compliance with the conditions has been given in Annex-C. In addition, the Company has different policies to ensure smooth operation of the processes.

## Pattern of Shareholding

Pattern of shareholding of the Company is given in Annex-D.

## Code of Conduct and Business Ethics

The Board of Directors of the Company have approved a Code of Conduct and Business Ethics for the Directors which is also available in Company's website. The Code so made has been being followed by all concerned.

## Corporate Social responsibility (CSR) activities

BSL knows that it has obligations towards the society to contribute positively. Therefore, it knows that it will have to take such decisions that do not affect the environment and the society adversely.

BSL recognizes its responsibility to the society by way of extending financial supports at the time of national disasters. At the time of national emergencies like flood, cyclone and other natural calamities, both BSL and the Hotel come forward by contributing to the Prime Minister's Relief fund. Every year,

BSL distributes food from InterContinental Dhaka among the orphans on the days of national significance.

BSL is contributing to the development of hospitality and tourism industry by giving opportunity to the students who are studying or have taken trainings in hotel and tourism disciplines in different educational and training institutes to do their internships in this hotel to develop their skills through application of their knowledge practically. This facilitates them to get employment in different upscale hotels in home and abroad.

BSL takes part in tree plantations also for conservation of the nature.

## Industry outlook and Possible Future Development in the Industry

The hospitality business is expanding in spite of the Russia-Ukraine war which is still continuing affecting adversely the prices of the commodities. The room guests have increased steadily in the year under review.

The GDP growth in the national budget of Bangladesh for the year 2023-2024 has been projected at 7.5%. The Government is expecting a higher GDP rate by investing in productive sectors and stimulating productive and domestic demand. It is understood that the government will gradually come out of the contractionary policy and invest in ongoing and new growth-inducing projects including the mega-projects to achieve the growth target.

It is obvious that as a result of this policy, spending will increase and consequently money supply will increase also. All these will have positive impact on purchasing power of the people. Therefore, demand for commodities including that of the products and services of the hotels will also increase. Due to undertaking of mega projects, arrival of foreign consultant, contractors, etc. in connection with those projects will increase resulting in increase in demand of accommodation and other facilities. The above will have positive impact on the hospitality industry.

## Business Strategy

BSL has been in the continuous process of improving the quality of its products and services to offer world-class services to its valued customers. Our management strategy is to conduct continuous evaluation of existing products and services, change in technology, environment, monitor closely the ever-changing requirements of the customers, determining the future demands of customers and analysis of competitors' position to shape up the products and services in commensurate with the expectations of the customers. Moreover, BSL has built up a professionally competent management team to be able to formulate futuristic strategic plan to cope up with the changing market demand efficiently.

## Related party transactions

The Company does not have related party transactions.

## Risk and Concern

The Company is aware of its various probable risks, both internal and external and their probable impacts on the business. Internal risks include break-down of machinery and equipment, damage of facilities, fire, frequent turnover of employees, deterioration of working environment, fall in motivation among the employees, decline in efficiency of the employees, fall in internal control system, etc. We are regularly monitoring aforesaid matters and taking necessary measures to avoid/minimize the internal risks which include, among others, upgradation of facilities, introduction of new facilities, proper maintenance of the electro-mechanical equipment, regular training of the employees, reviewing performance appraisal and the reward system for the employees on regular basis, regular review of various policies, etc.

The Company has an internal audit and compliance department which facilitates identify internal risks regarding the financial transactions, recruitment and promotion policies, etc. to ensure that right persons are recruited for different positions. A detail description on risk management of the Company is given separately in the Annual Report.

As regards external risk, your Company regularly monitors the macro-economic situation of the country, global economy, change in technology, changes in fiscal and monetary policy, international affairs, etc. whether any changes in those is going to have any impact on the business. Taking all the aforesaid factors into account, the Company undertake appropriate measures and follow effective risk management processes for mitigation or avoidance of the risk.

## Going Concern

Taking into account the pre and post-covid encouraging performances of the Company, the Board of Directors is of the opinion that the Company has adequate resources and has capability to continue its operations. As the Company's hotel is being operated and managed by an internationally reputed hotel management company and which has a strong brand, as it is the

most luxurious hotel of the city with modern and latest amenities, has the skilled manpower with experience in rendering world-class hospitality services to the guests including heads of states/governments also, the Board is confident that the Company will return strongly to profit making track soon.

## Sustainability and Environmental Impact

Sustainability is a societal goal that broadly relates to the ability of people to safely co-exist on earth over a long time and it's commonly described as having three dimensions (also called pillars): environmental, economic, and social. We believe that sustainability is essential to any successful business operation. Every small action we take has a big impact on our planet. As a result, BSL management is committed to maintaining and protecting the environment as an integral part of its business through long-term initiatives. Therefore, the Company has taken certain initiatives to reduce the carbon footprint from the environment. A detail on various initiatives taken by the Company has been annexed separately in the Annual Report.

## Acknowledgement

Finally, I, on behalf of the Board of Directors and myself, would like to thank all the shareholders, the management team, bankers, auditors, tenants, government agencies, suppliers, service providers, customers and all others whom the company interacted in the process of business for their co-operation, understanding and support in the pandemic.

While conclude, I solicit your constructive guidance and co-operation to ensure progress and prosperity of our Company.

Thank you for your patience.



**Md. Mokammel Hossain**

Chairman

on behalf of the Board of Directors



**BANGLADESH SERVICES LIMITED**  
(Owner of InterContinental Dhaka)  
1 Minto Road, Dhaka-1000  
Bangladesh

**Declaration by Managing Director and Chief of Accounts and Finance**

BSL-404/2023-647

7 November 2023

The Board of Directors  
Bangladesh Services Limited  
1, Minto Road  
Dhaka-1

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

Dear Sirs,

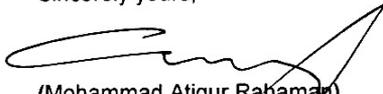
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Bangladesh Services Limited for the year ended on 30 June 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 there from 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 and 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 30 June 2023 and that 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,

  
(Mohammad Atiqur Rahaman)  
Managing Director

  
(Nisar Ahmed)  
Chief of Accounts & Finance

# Management Discussion and Analysis

The economy of Bangladesh has shown a steady recovery from the adverse impact of Covid-19. Although, the GDP growth was obstructed due to Russia-Ukraine war, it achieved a modest figure due to appropriate and timely actions taken by the government. As a result, the hospitality industry progressed steadily in the year 2022-23. However, the room guests from abroad, though increased, it was not up to the mark. But the domestic market for rooms responded positively to the promotions launched by our hotel time to time commensurate with the demand of the time. In addition, restaurant and banquet business also grew significantly. As a result of all these, the Company saw growth in revenue both in rooms and Food & Beverage. A review of revenue, cost of goods sold and gross profit is given below.

## Review of Operation (Revenue, Cost of Goods Sold and Gross Profit)

The principal source of revenue of the Company is the hotel owned by it, which is currently operating in the name of InterContinental Dhaka (“the Hotel”). The revenue of the Hotel generates mainly from rooms, food and beverage and venues. 65.8% of the room guests are foreigner while 34.2% are local guests. After Covid-19 pandemic, the arrival of foreign guests increased little compared with that of last year, but not to that extent. However, the domestic market performed well, which contributed significantly higher to the revenue.

The management, therefore, focused on the domestic guests and introduced different attractive promotional offers for them. The offers were well received also by the local guests, and room business started increasing. Apart from the domestic guests, airlines, corporate and group business also performed well, resulting in increase of rooms revenue to Tk.42.93 crore in the year under review from Tk.26.53 crore of the previous year registering 61.8% growth from the last year. The increase of rooms revenue from the last year was TK.16.41 crore.

Food & Beverage (“F&B”), though, generates less margin than rooms, its contribution to total revenue is the highest. Therefore, volume-wise it generated more margin than that of the rooms. The Hotel has five restaurants/F&B outlets. In order to increase F&B revenue, the Hotel has entered into agreements with most of the banks of the country, whereby the customers can enjoy “Buy One Get One Free (BOGO)” in All-Day Dining (The Buffet restaurant) by using the credit cards of those banks. Though, due to BOGO offer, the Company gets less revenue from sale of

two dinners, increase of volume of sales compensates for that. As a result, the F&B revenue increased by Tk.36.75 crore i.e., 49% from Tk.75.21 crore of the last year to Tk.111.96 crore in the year under review. Moreover, Café Social, Aqua Deck and Opus performed marginally higher than last year because of live entertainment, various promotional offers and IHG Reward Club members’ contribution.

Venue rent is the third major source of revenue of the Hotel i.e., the Company. As mentioned earlier, after Covid-19 pandemic, holding of domestic and international conferences, meetings, social events and wedding’s business increased remarkably. As a result, revenue from venues increased from Tk.8.47 crore to Tk.14.14 core by Tk.5.67 crore i.e., 67%.

The operating cost (Cost of goods sold) of the Company during the year under review was Tk.75.53 crore against Tk.50.64 crore of the previous year. This cost consists of variable costs, which include direct costs associated with sale of rooms, sale of Food & Beverage and venues, and fixed costs like employees’ expenses. Therefore, it is understood that the more the revenue, the less proportionate increase in operating cost as the fixed cost remains static irrespective of the increase of revenue up to a relevant range. As the USD conversion rate has increased by around 29% and fuel price has gone up by around 42.5%, that impacted adversely all the commodity pricing. But by converting a few imported and alternative high use items, the hotel managed to control the direct food cost. Moreover, by implementing Implemented Energy Conservations Measures (ECM) for energy savings, hotel has saved the utilities consumption. In 2022-2023, operating cost has increased by 49.16% against increase of revenue of 53.38%. For the same reason, operating cost percentage to revenue was 44.68% against 45.95% of the last year.

Gross Profit for the year under review stood at Tk.93.51 crore which is higher by Tk.33.94 crore (57%) from TK.59.57 crore of the last year. The Gross Profit percentage to revenue is 55% against 54% of the last year.

## Accounting policies and estimation

The Company follows IAS, IFRS where applicable in preparing its financial statements and Bangladesh Securities and Exchange Commission’s (BSEC) guidelines for disclosure of various information. The management decides the accounting policies, provisions, estimates, etc. within the purview of the financial

reporting standards. The Company follows uniform accounting policies every year and there were no changes in those policies that could have material implication on the financial statements. Further, provisions and estimates made are based on prudent judgement of the management.

### **Risks related to the financial statements**

The Company has a strong internal control system. The accounting works are looked after by the experienced accounting professionals. There exist appropriate policies and procedures to facilitate the accounting functions. Audit Committee, while

considering the quarterly and yearly financial statements, make sure that the financial statements have been prepared as per IAS and IFRS where applicable and disclosures have been made as per BSEC guidelines and Listing regulations. Besides, Audit Committee also make sure whether the provisions are adequate.

We began the year 2022-2023 when after-effect of Covid-19 was prevailing. However, due to aggressive drive for business and control of expenses, the Company was able to perform better than the previous year.

While concluding, I express my gratitude to all the stakeholders for their all along support to us.



**Mohammad Atiqur Rahaman**

Managing Director

# Attendance of Board members in the Board meetings in 2022-2023

SL.	Name	Date of Joining	Attendance
1	Mr. Md. Mokammel Hossain	23.12.2020	8
2	Mr. Abu Hena Md. Rahmatul Muneem	30.01.2023	6
3	Mr. Masud Bin Momen	21.12.2022	6
4	Mr. K.M Ali Azam	13.06.2021	2
5	Mr. Mohammed Mezbah Uddin Chowdhury (In place of Mr. K. M. Ali Azam)	21.12.2022	4
6	Mr. Md. Mustafizur Rahman BPAA	21.12.2022	7
7	Mr. Md. Moinul Kabir	04.04.2022	7
8	Air Vice Marshal M Mafidur Rahman BSP, Bup, NDU, afwc, PSC	04.04.2022	6
9	Mr. Ali Kadar	15.02.2022	6
10	Mr. Md. Rahat Anwar (In place of Mr. Ali Kadar)	12.06.2023	2
11	Mr. Biswajit Bhattacharya Khokon, ndc	28.04.2022	4
12	Mr. Kabirul Ezdani Khan (In place of Mr. Biswajit Bhattacharya Khokon, ndc)	12.04.2023	2
13	Ms. Tahmina Yeasmin	22.06.2022	5
14	Mr. Manoj kumar Roy (In place of Ms. Tahmina Yeasmin)	12.04.2023	3
15	Mr. Mohammad Atiqur Rahaman	22.05.2022	6

**Annexure-B**

**REPORT TO THE SHAREHOLDERS OF BANGLADESH SERVICES LIMITED  
ON COMPLIANCE OF  
THE CORPORATE GOVERNANCE CODE**

We have examined the compliance status to the Corporate Governance Code of Bangladesh Services Limited for the year ended 30 June 2023.

This Code relates to the Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated: 10 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 security and verification and independent audit on compliance of the condition of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretariats of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations which is required and after due security and verification thereof, we report that in our opinion:

- 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.



Fouzia Haque, FCA  
Partner  
**FAMES & R**  
Chartered Accountants

Dated : November 20, 2023  
Place : Dhaka

# Status of Compliance Report on Corporate Governance of BANGLADESH SERVICES LIMITED

Annexure C

Status of compliance with the conditions imposed by the Commission's Notification No BSEC/CMRRCD/2006-158/207/Admin/80 dated 10 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is appended below:

## (Report Under Condition No: 09)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>1.</b>	<b>Board of Directors: -</b>			
1. (1)	<b>Size of the Board of Directors</b> The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The Board of Bangladesh Services Limited is comprised of 11 (Eleven) Directors.
1. (2)	<b>Independent Directors</b> All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following: -			
1. (2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are three Independent Directors in Bangladesh Services Limited's Board, namely Mr. Abu Hena Md. Rahmatul Muneem, Mr. Kabirul Ezdani Khan and Mr. Manoj Kumar Roy
1. (2) (b)	<b>For the purpose of this clause "independent director" means a director-</b>			
1. (2) (b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1. (2) (b) (ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who hold one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above-mentioned shares in the company:  Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.(2) (b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) Financial Years;	✓		
1 (2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1 (2) (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1 (2) (b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of a stock exchange or an intermediary of the capital market;	✓		
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;	✓		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
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	✓		
1 (2) (b) (x)	who has not been convicted for a criminal offence involving moral turpitude:-	✓		
1 (2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1 (2) (d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days; and	-	-	No such incident
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:  Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:  Provided further that the independent director shall not be subject to retirement by rotation as per the, (Companies Act, 1994).	-	-	No such incident
<b>(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 a meaningful contribution to the business;	✓		
1 (3) (b)	Independent Director shall have following qualifications:			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not 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; or	-	-	Not Applicable (N/A)
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; or	-	-	N/A
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; or	-	-	N/A
1 (3) (b) (iv)	University Teacher who has an educational background in Economics or Commerce or Business Studies or Law; or	-	-	N/A
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;	-	-	N/A
1 (3) (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1 (3) (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	N/A
<b>4</b>	<b>Duality of Chairperson of the Board of Directors and 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;	✓		
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;	✓		
1 (4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1 (4) (d)	The Board shall clearly define the respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
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 the absence of the regular Chairperson shall be duly recorded in the minutes.	✓		The chairperson was present in all the Board Meetings during the year

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
<b>(5)</b>	<b>The Directors' Report to Shareholders:</b>			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994): -			
1 (5) (i)	An industry outlook and possible future developments in the industry;	✓		
1 (5) (ii)	The segment-wise or product-wise performance;	✓		
1 (5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on the environment, if any;	✓		
1 (5) (iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1 (5) (v)	A discussion on the continuity of any extraordinary activities and their implications (gain or loss);	-	-	No such issue arose
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;	✓		
1 (5) (vii)	A statement of the utilization of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	No such issue arose
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.;	-	-	No such issue arose
1 (5) (ix)	An explanation of any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1 (5) (x)	A statement of remuneration paid to the directors including Independent Director	✓		Information of remuneration paid is given in Note to the accounts.
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;	✓		
1 (5) (xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
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;	✓		
1 (5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1 (5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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;	✓		
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;	✓		
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;	✓		
1 (5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		Due to loss incurred by the Company in the year under review, Board of Directors of the Company did not recommend any dividend for that year which has been disclosed in the Directors' report.
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;	-	-	There was no such case
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		8 (Eight) Board meetings were held. Attendance of each director has been given in the Directors' report.
1 (5) (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1 (5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);			N/A
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);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5) (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5) (xxiv) (a)	a brief resume of the director;	✓		
1(5) (xxiv) (b)	nature of his or her expertise in specific functional areas; and	✓		
1(5) (xxiv) (c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;-	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1 (5)(xxv)	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:			
1 (5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	✓		
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 the absolute figure for such changes;	✓		
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;	✓		
1(5) (xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1 (5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1 (5) (xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and a concerns mitigation plan of the company; and	✓		
1 (5)(xxv)(g)	future plan or projection or forecast for the company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
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; and	✓		
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.	✓		
1 (6)	Meetings of the Board of Directors			
	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) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1 (7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officers			
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not 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 the environment, employees, customers and suppliers; and independency.	✓		
<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;	-	-	N/A
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;	-	-	N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	N/A
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;	-	-	N/A
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
<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 (1)	Appointment			
3 (1) (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);	✓		
3 (1) (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;	✓		
3 (1) (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;	✓		
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without the approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3 (2)	Requirement to attend the Board of Directors' Meetings			
	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.	✓		
3(3)	Duties of Managing Director(MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
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:			
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; and	✓		
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;	✓		
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;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee. -</b> For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee; and	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		
<b>5</b>	<b>Audit Committee.-</b>			
5 (1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1) (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;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5 (2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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;	✓		
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;	-	-	There was no such case
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5 (3)	Chairperson of the Audit Committee			
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;	✓		
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.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):  Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and the reason for the absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5 (4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:  Provided that an emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;		✓	Three meetings of the Audit Committee were held. 1st quarter's unaudited financial statements of 2022-2023 and audited financial statements of the year ended on 30 June 2022 were considered in the same meeting.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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.	✓		
5 (5)	Role of Audit Committee: The Audit Committee shall: -			
5(5)(a)	oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
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;	✓		
5(5)(d)	oversee hiring and performance of external auditors;	✓		
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;	✓		
5(5) (f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5) (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5) (h)	review the adequacy of internal audit function;	✓		
5(5) (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5) (j)	review statement of all related party transactions submitted by the management;	✓		
5(5) (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
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; and	✓		
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:  Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	-	-	N/A
5 (6)	Reporting of the Audit Committee			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (6) (a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
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;	-	-	There was no such case
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;	-	-	There was no such case
5(6) (a)(ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	There was no such case
5(6)(a)(ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	There was no such case
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.	-	-	There was no such case
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.	✓	-	
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in the 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;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at condition No. 6(5) (b).	✓		
6 (2)	Constitution of the NRC			
6(2) (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
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;	-	-	There was no such case
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;	-	-	There was no such case
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2) (h)	The quorum of the NRC meeting shall not constitute without the attendance of at least an independent director;	✓		
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.	✓		
6 (3)	Chairperson of the NRC			
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;	✓		
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;	-	-	No such incidence arose
6(3) (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:  Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		
6 (4)	Meeting of the NRC			
6(4) (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4) (b)	The Chairperson of the NRC may convene an emergency meeting upon request by any member of the NRC;	-	-	There was no such case.
6(4) (c)	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);	✓		
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.	✓		
6 (5)	Role of the NRC			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
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;	✓		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
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;	✓		
6(5)(b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b) (iii)	identifying persons who are qualified to become directors and who may be appointed in a top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5) (b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
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.	✓		
<b>7</b>	<b>External or Statutory Auditors:-</b>			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	broker-dealer services;	✓		
7(1)(v)	actuarial services;	✓		
7(1)(vi)	internal audit services or special audit services;	✓		
7(1)(vii)	any service that the Audit Committee determines;	✓		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1) (ix)	Any other service that creates a conflict of interest.	-	-	No such incidence arose

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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:  Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
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.	✓		
<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.	✓		www.bsl.gov.bd
8(2)	The company shall keep the website functional from the date of listing.	✓		
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).	✓		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance:-</b>			
9(1)	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.	✓		
9(2)	The professional who will provide the certificate on the compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting.	✓		
9(3)	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.	✓		

# Pattern of Shareholdings

## Pattern of Shareholdings

Categories of the shareholders along with the shares held by them are listed below:

Sl.	Names of Shareholders	No. of shares held	% of shareholding
i.	Parent/subsidiary/associate/related parties:	Nil	Nil
ii.	Directors/CEO/CS/CFO/Head of Internal Audit and their spouses and minor children	718	Less than 0.01%
iii.	Executives (Head of Functions)	Nil	Nil
iv.	Shareholders, who hold 10% or more	9,74,70,791	99.68%
v.	Other Shareholders, who hold less than 10%	3,17,404	More than 0.31%
<b>Grand Total</b>		<b>9,77,88,913</b>	<b>100.00%</b>

# Audit Committee

Bangladesh Services Limited (BSL)



**Mr. Abu Hena Md. Rahmatul Muneem**  
Chairman, Audit Committee



**Mr. Kabirul Ezdani Khan**  
Member, Audit Committee



**Mr. Md. Rahat Anwar**  
Member, Audit Committee



**Mr. S.M Tarikul Islam, BPAA**  
Member Secretary, Audit Committee

# Report of the Audit Committee

for the Year Ended 30 June 2023

## THE AUDIT COMMITTEE REPORT PRESENTED UNDER CONDITION 5.7 OF THE CORPORATE GOVERNANCE CODE OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION (BSEC) PROVIDES AN INSIGHT ON THE FUNCTIONS OF THE AUDIT COMMITTEE DURING THE YEAR ENDED 30 JUNE 2023.

Audit Committee of Bangladesh Services Limited (BSL) is a prime Sub-Committee of the Board for ensuring good governance in the company. The Board has formed the Audit Committee as per Corporate Governance Code of the Bangladesh Securities & Exchange Commission (BSEC) with some specific assignments under its Terms of Reference. The present Committee consists of the following members:

Name	Representation in the Board	Status in the Committee
Mr. Abu Hena Md. Rahmatul Muneem	Independent Director	Chairman
Mr. Kabirul Ezdani Khan	Independent Director	Member
Mr. Md. Rahat Anwar	Non-Executive Director	Member
Mr. S.M Tarikul Islam, BPAA	Company Secretary	Member Secretary

### Purpose and Authority of the Audit Committee

The Audit Committee performs to ensure compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The role of the Audit Committee is to monitor the integrity of the financial statements of the Company, review where appropriate and make recommendations to the Board on internal controls, Risk management, Compliance and Audit. 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 financially sound manner.

The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the Company and ensures a sound monitoring system within the business. The Audit Committee is accountable to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

The Audit Committee is authorized by the Board to review any activity within the business as per its terms of reference. The Committee is authorized to seek any information it requires from any member of management at any of its meetings. All employees are expected to cooperate with any request made by the Committee. The terms of reference of the Audit Committee may be amended from time to time in line with BSEC notifications subject to approval by the Board.

### Responsibilities and Duties of the Audit Committee

The responsibilities and duties of the Audit Committee are:

#### Reviewing Financial Reporting

To review the quarterly and annual financial statements of the Company, more attention is given particularly on:

- (i) Any significant changes to accounting policies and practices;
- (ii) Significant adjustments arising from the audits;
- (iii) Compliance with applicable financial reporting standards and other legal and regulatory requirements; and
- (iv) The going concern assumption.

### **Reviewing Related Party Transactions**

To review any related party transactions and conflict of interest that may arise within the Company, including any transaction, procedure or conduct raising questions of management integrity.

### **Prepare Audit Committee Reports**

To prepare the annual Audit Committee Report. The report specifies the composition of the Audit Committee, terms of reference, number of meetings held and attendance thereat, summary of activities and the performance of internal audit services.

### **Review and Ensure Internal Control**

To review Risk Management and Corporate Governance framework adopted within the Company and to be satisfied that the methodology deployed allows the identification, analysis, assessment, monitoring, and communication of risks in a regular and timely manner.

To review the extent of compliance with established internal policies, standards, guidelines, and procedures.

To obtain assurance that proper control has been designed and implemented prior to the commencement of major change within the Company.

### **Monitoring Internal Audit**

To appoint Internal Audit team ensuring the competency and qualifications necessary to execute the audit plans. Audit Committee also ensures full, free and unrestricted access to all activities, records, property and personnel for Internal Audit.

To be satisfied that the plan, methodology and resource of Internal Audit are adequate before approving the internal audit plan.

To ensure that appropriate actions have been taken to implement the audit recommendations.

To recommend and guide Internal Audit for any action plan or further review if it is deemed necessary by Audit Committee.

### **Responsibility related to External Audit**

To oversee the hiring of External Auditors and to oversee External Audit performance by reviewing the nature and scope of audit plan, audit report, evaluation of internal controls and coordination of the external auditor.

To hold meeting with the External Auditors to review Financial Statements, audit findings and recommendation before submitting to the Board for approval or adoption.

To review any findings by the external auditor arising from audits, particularly any comments and responses in management letters, as well as the assistance given by the employees of the Company in order to be satisfied that appropriate action is being taken.

To review External Auditor's assessment on the Statement on Risk Management and Internal Control.

To review any matters concerning the appointment and reappointment, audit fee and resignation or dismissal of the external auditor.

To review and evaluate factors related to the independence of the external auditor and assist them in preserving their independence.

To be advised of and decide to or not to make significant use of the external auditor in performing non-audit services within the Company, considering both the types of services rendered and the fees, so that its position as auditor is not deemed to be compromised.

Over and above the aforesaid responsibilities, Audit Committee will act on any other matters as may be directed by the Board which are not in conflict with the Corporate Governance Code mandated by BSEC and audit Manual approved by the Board.

## **Reporting of the Audit Committee**

### **Reporting to the Board of Directors**

The Audit Committee reports on its activities to the Board of Directors. The Audit Committee shall immediately express its concerns to the Board in case of following findings:

- (i) Report on conflicts of interests;
- (ii) Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;
- (iii) Suspected infringement of laws, including securities-related laws, rules, and regulations; and
- (iv) Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.

The Audit Committee further ensures that, in compliance with condition no. 5 of the Corporate Governance Code of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018, the Chief Executive Officer (CEO)/Managing Director and Chief Financial Officer (CFO) of the Company have certified before the Board that they have thoroughly reviewed the Financial Statements of the Company for the year ended 30 June 2023, and they state that:

- (i) They have reviewed the financial statements for the year ended 30 June 2023 and that to the best of their knowledge and belief;
- (ii) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (iii) These statements collectively present a true and fair view of the Company's affairs and are prepared in compliance with existing accounting standards and applicable laws; and
- (iv) There are, to the best of their 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 of the Company's Board of Directors or its members.

Such joint certificate of the CEO and CFO is thoroughly reviewed by the Audit Committee before submission to the Board.

### Reporting to the Authorities

The Audit Committee reports to the Board of Directors about anything which has a material impact on the financial condition and results of operation. The Committee also discusses with the Board of Directors and the management if any rectification is necessary. If the Audit Committee finds that such rectification has been unreasonably ignored, the Committee reports such findings to the Bangladesh Securities & Exchange Commission upon reporting of such matters to the Board of Directors for three times or upon completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.

### Reporting to the Shareholders and General Investors

Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition No. 5(6)(a)(ii) of the BSEC Corporate Governance Code during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

### Meeting and attendance

The Audit Committee met three times during the year ended 30 June 2023. All the members were present in all meetings of the Committee. The details of attendance of other members at the Audit Committee meetings during the year ended 30 June 2023 are as follows:

Name and Designation	Status in the Committee	Attendance/ Total Meetings
Mr. Abu Hena Md. Rahmatul Muneem	Chairperson	3/3
Mr. Md. Ali Kadar	Member	2/3

Name and Designation	Status in the Committee	Attendance/ Total Meetings
Mr. Biswajit Bhattacharya Khokon	Member	2/3
Md. Rahat Anwar (In place of Mr. Ali Kadar)	Member	1/3
Mr. Kabirul Ezdani Khan (In place of Mr. Biswajit Bhattacharya Khokon)	Member	1/3

The Managing Director, Chief of Accounts & Finance, Head of Internal Audit & Compliance of Bangladesh Services Limited and representatives of the External Auditor attended the meetings upon invitation by the Audit Committee. From time to time, other senior members of the management have also been invited in the meeting by Audit Committee. On an annual basis Audit Committee met with the External Auditors and Internal Auditors separately without presence of any Executive.

The Company Secretary, being the Member Secretary of the Audit Committee, facilitated the Chairman and other members for effective functioning of the Committee.

### Summary of Activities during the year ended 30 June 2023

The Committee members performed its duties in accordance with the Terms of Reference of the Audit Committee and carried out the following activities during the year ended 30 June 2023:

### Reviewing Financial Reporting for the year ended 30 June 2023

Audit Committee reviewed the quarterly and annual financial statements of the Company with the Chief of Accounts & Finance and Managing Director before recommending them to the Board of Directors for approval. The Committee also concluded that the financial statements presented a true and fair view of the Company's financial performance.

### Monitoring Internal Control

Audit Committee reviewed the Company's Risk Management process and its mitigation plans. Besides, the Committee reviewed action plan status arising from various reviews including updates on breaches of the Standards of Business Conduct and whistle-blowing incidents.

### Monitoring Internal Audit Process

Audit Committee reviewed and approved Internal Audit and Compliance's audit plan for the year ended 30 June 2023. The Committee also reviewed the audit findings, cause, and impact. They also reviewed and monitored the action plan arising from the reviews.

## Reviewing External Audit plan and their independence

Audit Committee reviewed and overseen the external auditor's activities its nature and scope and their performance, audit report, evaluation of internal controls and coordination between the internal and external auditors. The Committee extended its cooperation to make sure that the external auditors are independent, and that there is no conflict of interest which have weaken the external auditors' ability of issuing their opinion about the organization's financial statements and financial position

## Ethical and Integrity Areas

Audit Committee carefully reviewed the reports on whistleblowing and breach incidents, security and safety matters and loss reports. They also periodically reviewed the health and hygiene of food preparation and food safety conditions of hotel.

## Review Annual Report Process

Committee reviewed disclosures required by the statement on corporate governance and audit committee report for the financial year ended 30 June 2023 for inclusion in the Annual

Report, 2023, and recommended their adoption to the Board.

## Internal Audit Report process

The role of Internal Audit at the Company is designed in line with audit guidelines delineated in the audit manual and local legal & regulatory requirements.

The Internal Auditors apply either risk-based audit approach or traditional audit approach to conduct their audit activities based on the nature of engagements, scope and risk of audit which is consistent with the standard guidelines. The audit activities have been conducted in the company giving more emphasize on operational processes, internal control, and compliances.

The Audit Committee reviewed the effectiveness of the Management Committees' role to create control environment and to ensure the appropriate balance of controls and risks throughout the Company in achieving its business objectives. Any inappropriate restrictions on audit scope are being reported to the Audit Committee. Internal Audit provides an independent assessment on the effectiveness and efficiency of internal controls using appropriate audit methodology and procedures to support the Company and the risk management system.



**(Abu Hena Md. Rahmatul Muneem)**

Chairman

Audit Committee

# Nomination & Remuneration Committee

Bangladesh Services Limited (BSL)



**Mr. Abu Hena Md. Rahmatul Muneem**  
Chairperson, Nomination &  
Remuneration Committee



**Mr. Md. Mustafizur Rahman BPAA**  
Member, Nomination & Remuneration  
Committee



**Mr. Manoj Kumar Roy**  
Member, Nomination & Remuneration  
Committee



**Mr. S.M Tarikul Islam, BPAA**  
Member Secretary, Nomination &  
Remuneration Committee

# Nomination & Remuneration Committee's Activities

An account of the nomination and remuneration policy and the evaluation criteria and activities at a glance of Nomination and Remuneration Committee ("NRC"/ "the Committee") during the year ended on June 30, 2023 has been prepared in accordance with Corporate Governance Code No.6(5)(c) of Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80 dated 10 June 2018.

The Committee assists 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 executives.

## COMPOSITION OF THE COMMITTEE

NRC has been formed by the Board of Directors of Bangladesh Services Ltd. ("BSL" or "the Company") in compliance with the Corporate Governance Code No.6(2) of the aforesaid notification of BSEC. The Committee comprises of the following Directors of the Company:

Name	Representation in the Board	Status in the Committee
Mr. Abu Hena Md. Rahmatul Muneem	Independent Director	Chairperson
Mr. Md. Mustafizur Rahman BPAA	Non-executive Director	Member
Mr. Manoj Kumar Roy	Independent Director	Member
Mr. S. M. Tarikul Islam BPAA	Company Secretary	Member Secretary

## PURPOSE AND AUTHORITY OF THE COMMITTEE

Purpose of the NRC is to ensure an effective Board by recommending appropriate composition, functions and remuneration, and to develop an efficient and motivated human resources of the Company by formulating recruitment, training, performance evaluation, compensation and succession policies enabling them to put in their best efforts in discharging their respective duties and responsibilities spontaneously and in an orderly manner.

## ROLES AND RESPONSIBILITIES

- 1) NRC is independent and responsible or accountable to the Board and to the shareholders.
- 2) NRC oversees, among others, the following matters and make report with recommendation to the Board:

### Regarding Board and top-level executives' remuneration:

- (i) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the Directors, top level executive, considering the following:
  - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
  - (b) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (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;

### Regarding Board Members:

- (i) Formulating the criteria for evaluation of performance of independent directors and the Board;
- (ii) Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- (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;
- iv) Formulating the criteria for evaluation of performance of Independent Directors and the Board;

### Regarding Employees

- i) Identifying Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;

- ii) Developing, recommending and reviewing annually the Company's human resources and training policies;
- iii) 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;
- c) The Chairperson of the Committee shall remain present in the Annual General Meeting (AGM) to answer the queries of the shareholders. In case of absence of the Chairperson, any member of the NRC shall be selected to answer the queries of the shareholders. The reason of absence of the Chairperson will be recorded in the minutes of the AGM.

## REMUNERATION POLICY

The Remuneration and Compensation policy of the Company has been approved by the Board of Directors of the Company as per recommendation of the NRC. The Company has a comprehensive Service Rule for its personnel which has been approved by the Board as per recommendation of the NRC. The Service Rule covers recruitment, promotion, remuneration, compensation, retirement benefits, leave, discipline, termination of service, etc. of the personnel. Compensation packages of the employees are reviewed at regular intervals keeping in view the same prevailing in the job market with a view to keeping the employees self-motivated, honest, sincere and dedicated to discharging their own duties and responsibilities.

## EVALUATION CRITERIA OF THE PERFORMANCES

The Company has a performance appraisal system of the personnel of the Company approved by the Board as per recommendation of the NRC. The performance appraisal is done by evaluating the performances of the individuals against certain pre-set parameters. For each parameter, the personnel are given marks. On the basis of total marks obtained by the personnel, their rankings are determined from 'Below Average' to 'Extra Ordinary'.

## REPORTING

- a) The Committee makes recommendations to the Board as it considers appropriate on any matters that falls within the purview of its terms of reference.
- b) A report on the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year under review is disclosed at a glance in the Annual Report of the Company.

## MEETINGS OF THE NRC AND ATTENDANCES

The NRC held one meeting in the year ended 30 June 2023. All the members were present in the meeting. The details of attendance of other members are as follows:

Name and Designation	Status in the Committee	Attendance/ Total Meeting
Mr. Abu Hena Md. Rahmatul Muneem	Chairperson	1/1
Mr. Md. Mustafizur Rahman PAA, Director	Member	1/1
Mr. Manoj Kumar Roy, Independent Director	Member	1/1

The Managing Director, Chief of Accounts & Finance, Head of Internal Audit & Compliance of Bangladesh Services Limited attended the meeting upon invitation by the NRC.

The Company Secretary, being the Member Secretary of the NRC, facilitated the Chairperson and other members for effective functioning of the Committee.

## ACTIVITIES CARRIED OUT DURING 2022-2023

- a) Reviewed its performance and ensuring that it is provided with sufficient resources to undertake its duties.
- b) Evaluated the resumes of the expatriate candidates for a senior position of the InterContinental Dhaka hotel ("the Hotel") owned by the Company.
- c) Examined the proposed compensation packages of the candidates.
- d) Recommended appointment of a candidate from amongst the expatriate candidates in a senior position of the Hotel for consideration of the Board.

# Company Secretary's Statement on Governance

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**S. M. TARIKUL ISLAM PAA**  
COMPANY SECRETARY

There is no denying the fact that good governance is essential for a sustainable growth of an organization to ensure the interests of the shareholders.

Accordingly, the Company must have an efficient policy making body, leadership team, workforce, appropriate policies, approving authority at different levels of the management, etc.

We, at Bangladesh Services Ltd (“BSL”/“the Company”) try our level best to ensure good governance in all our activities starting from policy making and decision making to execution of the decisions properly in compliance with the policies, rules and regulations of the Company and regulatory bodies of the country (where applicable).

In order to ensure formulation of appropriate policies and decision making, it is essential to have an effective Board. The Nomination and Remuneration Committee (NRC) formed as per the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) ensures that an effective Board exists in the Company and for which it recommends appropriate composition, functions and remuneration.

Our Board of Directors comprises of members of diverse disciplines. The Board holds its meetings regularly and monitors the performance of the Company at regular intervals. There is an elaborate Code of conduct for the Directors.

With a view to executing the decisions of the Board, the Company must have a self-motivated efficient management team. NRC also suggests steps to develop an efficient and motivated human resources of the Company by formulating recruitment, training, performance evaluation, compensation and succession policies enabling them to put in their best efforts in discharging their respective duties and responsibilities spontaneously and efficiently.

Financial reporting process, audit process, internal controls system of the Company, whether the Company is complying with the policies and procedures of the Company and laws and regulations of the regulatory bodies are overseen by Audit Committee formed in compliance with the Corporate Governance Code of BSEC. The Committee examines also, at regular intervals, whether the policies and procedures of the Company, with the change of time, require improvement or not.

We have appropriate policies in place to regulate different affairs of the Company. We have an internal audit and compliance department which, on regular basis, reviews the internal control system and suggests accordingly, if required.

For timely and expeditious execution of works, we have delegation of administrative and financial authority for different levels of hierarchy to facilitate smooth and quick decision-making and execution of the decisions effectively. A professional management team of BSL leads the workforce for smooth implementation of the works maintaining good governance.

In order to build up a professional and efficient human resources, we have recruitment, performance appraisal, performance recognition and reward, compensation and succession policies.

As we try to ensure good governance in all our activities with our external stakeholders, we meet the vendors at regular intervals to discuss matters like whether they face any challenge in providing their services, whether they have any suggestion for improvement at our end for smooth rendering of their services, timely payment of their bills and any other issues relating to their interests.

As a part of good governance, we ensure timely payment of the bills of the services we receive from the government. In order to facilitate collection of government revenue at our end, we ensure deduction of withholding taxes from the bills of different vendors at the appropriate rates and depositing those in due time to government exchequer.

The above is a short account of how we practise good governance in all our dealings with both internal and external stakeholders.

Our endeavour to ensure good governance in all our activities will continue.



**(S. M. Tarikul Islam PAA)**

Company Secretary



# Sustainable Hospitality

# Sustainable Hospitality

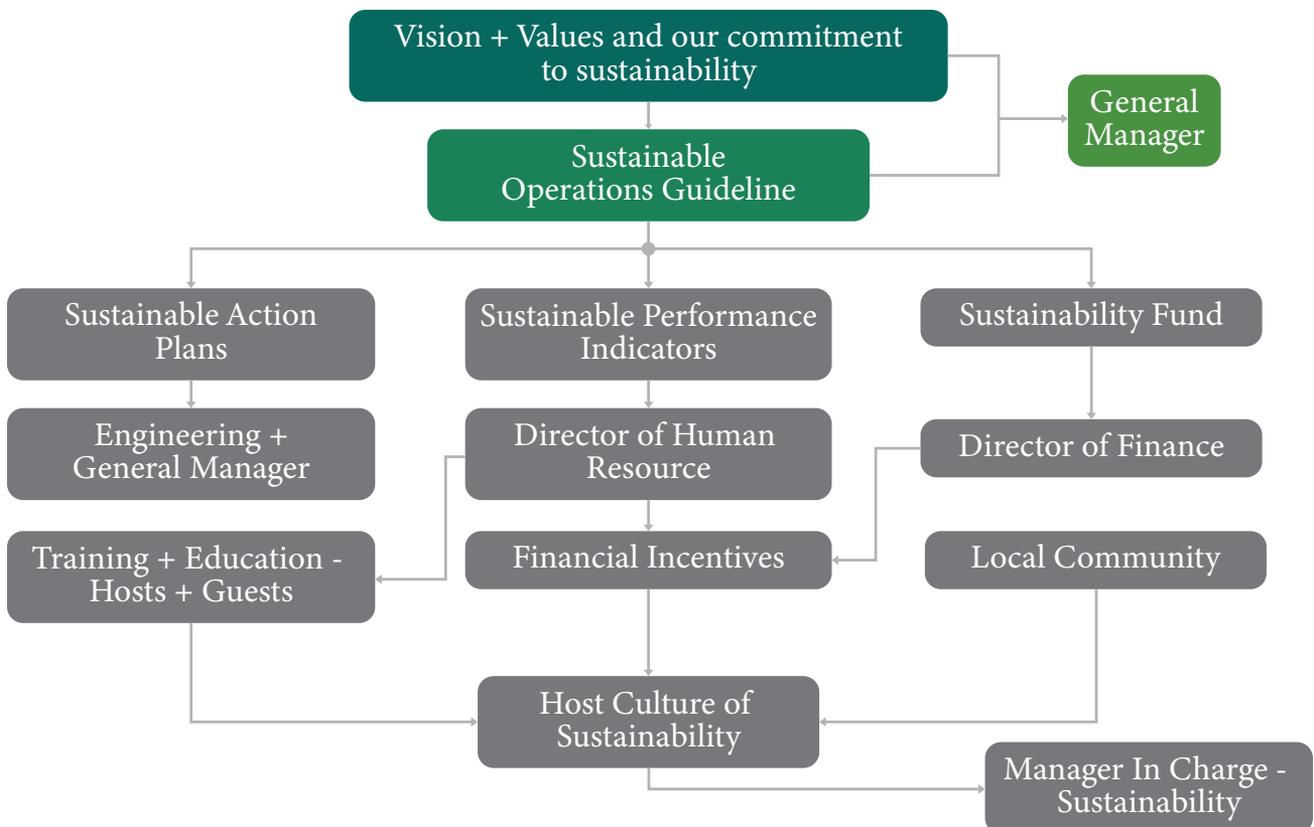
The ever-expanding global populace and the escalating levels of economic output have placed considerable strain on the finite resources of our planet. Consequently, it has become imperative to seek alternative sources of energy beyond fossil fuels to ensure the principles of sustainable development. Proficiency in resource management is a pivotal aspect of responsible environmental stewardship. Bangladesh Services Limited has taken proactive steps to address these challenges by endorsing and enhancing access to renewable energy sources, as well as implementing comprehensive strategies for water resource and waste management. Our organization is dedicated to narrowing the divide between fulfilling our corporate necessities and preserving the equilibrium of natural systems.

Incorporating sustainable hospitality into our operations empowers our organization to evaluate its influence on a diverse spectrum of sustainability concerns. This, in turn, enables us to foster transparency regarding the risks and opportunities that we

encounter. Our sustainability report encompasses evaluations of our environmental impact, water management practices, waste control initiatives, energy conservation efforts, and the social consequences stemming from our day-to-day operations. Through our sustainable hospitality, we not only convey our organizational values and governance framework but also underscore the connection between our strategic objectives and our unwavering commitment to fostering a sustainable global environment.

Sustainable Hospitality serves as a valuable tool for gauging, comprehending, and disseminating data pertaining to our economic, environmental, social, and operational performance, all aligned with our governance principles. Based on the insights derived from these assessments, we establish well-defined objectives and adeptly navigate transformative processes to achieve enhanced management efficacy.

## Sustainable Reporting:



## Four Core Pillars of Sustainable Hospitality



### ROI Centric

To achieve quick and long-term financial returns, control of wastage and cost reduction



### Consistency

To achieve quick and long-term financial returns, control of wastage and cost reduction



### Scalable

To adapt, to growth in scale of operations.



### Ease of Replication

Can be adopted easily by different brand types and across hotel companies

## Alignment with Sustainable Development Goals:

Bangladesh Services Limited's alignment with the Sustainable Development Goals (SDGs) is a demonstration to its commitment to responsible and sustainable practices in the hospitality industry. By embracing the principles of the SDGs, this luxury hotel in the capital city of Bangladesh contributes to a more equitable, environmentally conscious, and socially responsible future.



### Gender Equality:

InterContinental Dhaka champions gender equality within its workforce, promoting diversity and inclusion, which directly addresses SDG 5 (Gender Equality). The hotel's initiatives strive to provide equal opportunities for all employees.



**Source raw materials from local community and consume** energy and resources responsibly. Inclusive and sustainable industrialization, together with innovation and infrastructure, can unleash dynamic and competitive economic forces.



**Provide eco-friendly amenities** and services through innovation. Inclusive and sustainable industrialization, together with innovation and infrastructure, can unleash dynamic and competitive economic forces that generate employment and income.



**Implement energy-efficient practices.** The world is making progress towards Goal 7, with encouraging signs that energy is becoming more sustainable and widely available. Access to electricity in poorer countries has begun to accelerate, energy efficiency continues to improve.



### Energy Saving Initiatives

- LED Lights
- 5 Star Rated Appliances
- Light Automation Systems
- Building Management System
- Usage of HVAC which is BMS monitored
- Power Saving Mode in Guest Rooms
- Training and campaign for savings



### Water Consumption Reduction

- Smart Irrigation System
- Flow Control Water Mixtures



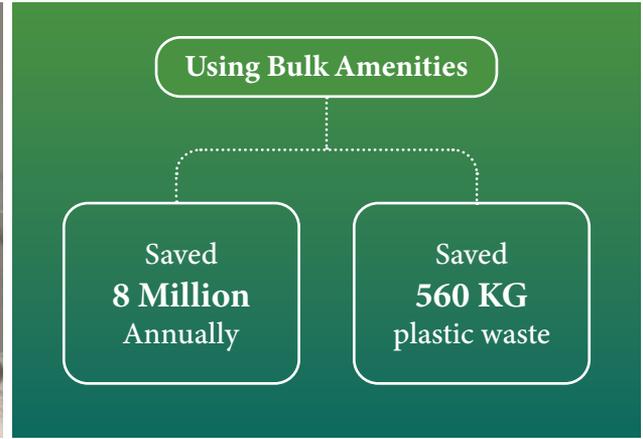
### Paper Usage Reduction

- DocMax for digital reports

## Using Bulk Amenities

The utilization of bulk amenities in InterContinental Dhaka is a savvy and responsible approach that aligns with several crucial sustainability goals. By transitioning to bulk amenities, InterContinental Dhaka is able to effectively address the reduction of single-use plastic, conserve energy and resources, minimize transportation impact, generate less waste, achieve significant cost savings, and embrace the concept of refillable

amenities. One of the primary benefits of adopting bulk amenities is the substantial reduction of single-use plastic. Traditional single-serving toiletries often come in plastic containers that, once used, contribute to the ever-growing plastic waste problem. Bulk amenities, on the other hand, are typically dispensed into reusable containers or distributed in larger, recyclable packaging, significantly reducing the need for single-use plastic items.



## GLOCAL: Purchase Local, Produce Global



InterContinental Dhaka is supporting local communities by utilizing locally sourced products such as tea from Halda Valley, rice from Dinajpur, Local organic meat, herbs from Chattogram

is a fundamental aspect of sustainability. This practice not only benefits the environment but also has a positive impact on the economy and social fabric of a region.

We have chosen to source products locally, they contribute to the reduction of carbon emissions associated with transportation. Fewer miles traveled by goods mean fewer greenhouse gas emissions, resulting in a smaller carbon footprint. This aligns with the goals of environmental sustainability by helping to combat climate change.

### Farm to Fork:



In a visionary move aimed at fostering sustainability and enhancing our commitment to environmental stewardship, InterContinental Dhaka proudly announces the establishment of a Rooftop Garden as a prominent feature of our annual report. This initiative is set to revolutionize our operations, bring about cost-efficiency, promote environmental consciousness, and enhance the aesthetics of our property.

#### **Greening our Oasis:**

Our rooftop garden is not merely an ordinary garden; it's an embodiment of our commitment to a sustainable future. Covering an impressive area of 2,500 square feet, it was conceived to reduce transportation costs, minimize our carbon footprint, and contribute to the lush greenery of Dhaka's skyline.

#### **Organic Vegetable Production:**

A core focus of our rooftop garden is organic vegetable cultivation. With a commitment to providing our guests with the freshest and healthiest produce, we have embarked on the journey of homegrown, organic vegetables. This endeavor not only ensures the highest quality ingredients in our culinary offerings but also significantly reduces our reliance on external suppliers and the associated transportation costs.

#### **Reclaiming Space and Materials:**

In an innovative feat of sustainability, we have transformed a portion of our rooftop, recovering 2,500 square feet from a total area of 6,000 square feet. This space reclamation not only optimizes utilization of our property but also ensures that underutilized areas are harnessed for their full potential. Additionally, in the spirit of upcycling and repurposing, we have incorporated scrapped materials in the construction of the garden, minimizing waste and environmental impact.

#### **Embracing Sustainability:**

Our rooftop garden symbolizes a paradigm shift towards sustainable practices and the promotion of a greener, more eco-conscious future. It demonstrates our commitment to reducing our ecological footprint while enhancing our guests' experience through fresh, organic produce.

### **Waste Management:**

Waste management at InterContinental Dhaka is a critical aspect of its operations and sustainability efforts. Our establishment is known for its luxurious services, but we also need to uphold high standards of environmental responsibility. Here's an overview of waste management at our hotel:

**Waste Segregation:** The first step in waste management is the proper segregation of waste. We typically separate waste into categories such as organic, recyclables (plastics, glass, paper),

and non-recyclables. This ensures that waste is appropriately processed.

**Recycling Initiatives:** We actively promote recycling, not only within our staff but also among guests. Clearly labelled recycling bins are placed in various areas throughout the hotel.

**Waste Reduction:** To minimize waste, we focus on reducing the use of disposable items. This includes implementing reusable dining and beverage containers, minimizing single-use plastics, and utilizing bulk amenities in rooms.

**Energy-Efficient Equipment:** Waste management also extends to energy and resource conservation. We invest in energy-efficient appliances and equipment to reduce waste in the form of energy consumption.

**Education and Training:** Staff training is crucial in waste management. Employees are educated on the importance of responsible waste disposal and trained in the hotel's specific waste management procedures.

**Monitoring and Reporting:** Hotels often track waste generation and recycling rates, using this data to continually improve waste management practices. We are getting ourselves prepare for maintaining a food waste management tracker, a given format from IHG.

### **Future Sustainable Measure:**

#### **Zero Mile Artisanal Water**

InterContinental Dhaka is proud to share its annual sustainability report, highlighting a significant step toward a more environmentally responsible and sustainable future. In our continued commitment to minimizing our ecological footprint and contributing to the global initiative to reduce plastic waste, we are excited to introduce our latest endeavor: the establishment of our own automated plant for safe water supply and an automated filling machine for glass bottles. This ambitious project is a testament to our dedication to environmental stewardship and providing guests with a luxurious experience that aligns with our core values of sustainability.





# Risk Management

# Risk Management

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Our Risk Management Strategy is a comprehensive and forward-looking approach aimed at safeguarding the organization while capitalizing on opportunities in the ever-changing business landscape. This strategy encompasses the following key elements:



## Thorough Budget Preparation

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Our Hotel begins by meticulously crafting a budget that is based on a deep analysis of historical data, current market trends, and future demands. This budget undergoes rigorous examination by Hotel's management and BSL.



## Preparedness for Unforeseen Impact

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Acknowledging the potential impact of unforeseen circumstances, we keep a watchful eye on external factors such as macroeconomic conditions and geopolitical forces that may influence the country. Our strategy involves both risk mitigation and the identification of opportunities amidst challenges.



## Mitigating Natural Calamities

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We maintain robust contingency plans to address the impact of local and global natural calamities. These plans are designed to minimize disruptions and ensure the safety of our guests and employees.



## Continual Business Re-Alignment

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We anticipate the need for ongoing adjustments in our business operations. This adaptability enables us to respond swiftly to changing circumstances and take advantage of emerging opportunities.



## Strategic Forecasting

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A fundamental component of our strategy is the diligent forecasting of market trends, segment-specific developments, and shifting demands. This forward-looking approach positions us to proactively respond to industry dynamics.



## Agility and Adaptability

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We pride ourselves on being agile and adaptable, allowing us to navigate the complex and ever-evolving business environment effectively.

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In summary, our risk management strategy is a holistic and flexible framework that encompasses budgeting, contingency planning, and a proactive approach to remain resilient and capitalize on opportunities in the dynamic hospitality industry.

# Forward Looking Statement

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When discussing our commitment to creativity, you'll find that we are the leading force in the Bangladeshi market, offering distinct staycation experiences and innovative food and beverage options for both international and local guests. We have established partnerships with national sports organizations and private entities to promote sports-related tourism, such as Golf Tourism. Notably, we have joined forces with the Bangladesh Football Federation (BFF) and served as the official hospitality partners for the inaugural BFF Players Auction for the Bangladesh Premier League 2023-24. Additionally, we've engaged in collaborations with the South Asian Football Federation (SAFF), the Bangladesh Archery Federation, and the Bangladesh Olympic Association.

Moreover, we had the privilege of hosting and endorsing the first-ever professional boxing tournament at our luxurious hotel. The second season of this tournament took place this September at our establishment, where we highlighted the stay of the legendary boxer, Muhammad Ali, at then Hotel Inter-Continental Dacca during his visit to Bangladesh in 1978. During this event, we paid tribute to former Bangladeshi Champion Boxer Mohammad Giasuddin, who, as a 12-year-old, had a friendly "knockout" encounter with Muhammad Ali during the latter's historic visit in 1978. We firmly believe that these strategic partnerships will not only attract more guests to our hotel but also uplift both the sports and hospitality industries.

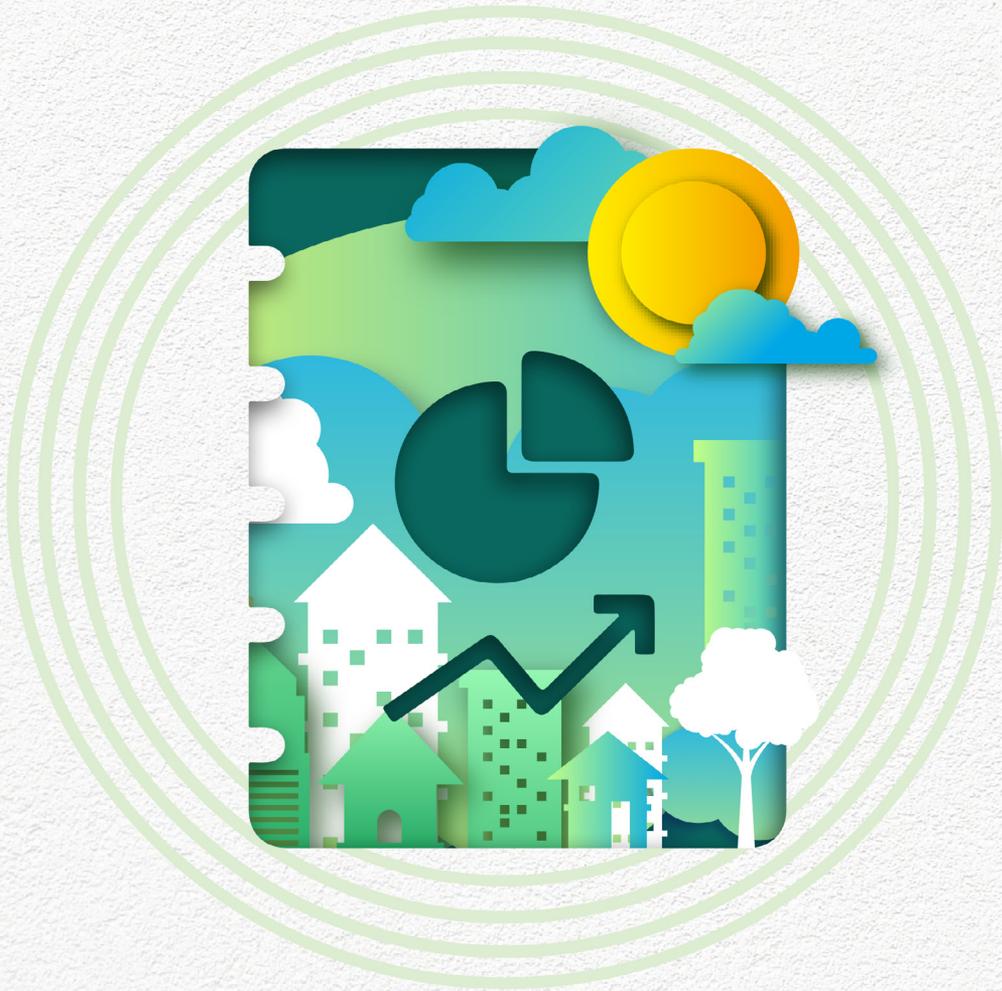
Over the years, we've been privileged to host prestigious food festivals that showcase exclusive international and progressive Bangladeshi cuisine, catering to food enthusiasts. Last year, we made history by hosting the British Curry Festival with the presence of Michelin Star Chef Dominic Chapman. This event marked the first instance of a Michelin Star Chef exhibiting culinary expertise in Bangladesh. Recently, we organized a grand Egyptian Food Festival, featuring chefs and cultural performers from Egypt. This captivating display of culture received immense appreciation from all festival attendees.

Furthermore, we have exciting plans for the near future, with the introduction of "Café des arts" at our hotel. This cafe will serve

as a platform to promote Bangladeshi art and culture through collaborations with renowned and emerging artists. Guests visiting Café Social will have the opportunity to witness and appreciate the creative works of our talented artists.

At present, we are dedicated to positioning InterContinental Dhaka as a pioneering force in sustainable practices, setting benchmarks for the hospitality industry. Our goal is to steadfastly advance on our "Journey to Tomorrow," establishing a sustainable business that harmonizes with our community and the environment. In pursuit of this, we have conceived the concept of "Sustainable Hospitality," which aligns completely with the United Nations' Sustainable Development Goals (SDGs). This concept is grounded in four key principles: Maintaining consistency in actions for ongoing sustainability, The ability to replicate these practices across various brands and hotel operations, Scalability to expand as needed in the future, and Focus on delivering a return on investment (ROI), which saves costs and minimizes waste.

One of our sustainability initiatives involves the imminent implementation of "Zero Mile Artisanal Water" in our hotel, replacing single-use plastic water bottles with reusable glass bottles. Everything, from water purification to bottling, will be carried out within the hotel, completely eliminating the use of single-use plastics. This transition to bulk amenities not only promotes recyclability but also reduces waste, conserves energy during production, and decreases transportation costs. By implementing stringent measures to reduce electricity, water, and gas consumption, our hotel has significantly reduced its energy consumption. Simultaneously, we are committed to sourcing eco-friendly, biodegradable, and recyclable hotel amenities with minimal packaging. We have also introduced the innovative concept of "Farm to Fork" sustainable rooftop gardening at our hotel, where we grow organic ingredients used in preparing delicious dishes at our restaurants. In addition, we focus on "Glocal" sourcing, obtaining ingredients from various regions of Bangladesh to create world-class food and beverages.



# Financial Statements

# INDEPENDENT AUDITOR'S REPORT

## to the Shareholders of Bangladesh Services Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Bangladesh Services Limited (the “Company”), which comprise the statement of financial position as at 30 June 2023, and 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.

In our opinion, the accompanying financial statements 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) as explained in note 2.

#### 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 Auditor’s 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 requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 1.8 in the financial statements, which indicates that the Company has accumulated losses of Tk 5,717,081,261 and current assets deficit of Tk 3,819,833,771 as at 30 June 2023 and incurred substantial amount of net losses and negative operating cash flows for the year then ended. These events or conditions, along with other matters as set forth in that note indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

We draw attention to Note 3.00 of the financial statements, which describes matters related to the revaluation and ownership of the Company’s land. We also draw attention to Note 34.00 of the financial statements where management has explained the circumstances of various contingent claims including additional demands of incomes tax and value added tax (VAT) & supplementary duty from taxation authority, and City tax on room rental from Dhaka South City Corporation.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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.

Description of key audit matters	Our response to key audit matters
<b>Valuation of property, plant and equipment (PP&amp;E) including revaluation of land and impairment assessment of other items of PP&amp;E</b>	
In prior year the Company has conducted the valuation of its land portfolio and decided to change the measurement basis of land from cost to revaluation model incorporating the revalued amount on the basis of valuation done by an independent external valuer.	We assessed the process of revaluation taken by the Company. We reviewed revaluation report of the independent valuer along with relevant documents and applied our judgment to see whether the fair value reflects the macro-economic condition as well as value of the land in those localities.

Description of key audit matters	Our response to key audit matters
<p>The revaluation has resulted in fair value gain of BDT 27,343,762,067 after netting off deferred tax liability of Tk 1,139,323,419. Determination of fair value in absence of any quoted price and active market require significant judgment and hence considered to be a key audit matter.</p> <p>Furthermore, due to subsequent a number of local and global macro-economic factors such as conflicts between Ukraine-Russia and Middle-East, fluctuations in commodity price, slow-down in economic activities, high inflation, exchange rate volatility etc. as well as historically low occupancy rate post re-opening the hotel, business activities of the Company has been impacted resulting substantial losses during the last couple of years. Accordingly, we have also considered any potential impairment of PP&amp;E under IAS 36.</p>	<p>We checked related accounting treatments of fair value gain and associated deferred tax as recognized by the Company.</p> <p>We reviewed management’s assessment of useful life and residual value for depreciation calculation.</p> <p>Finally, we discussed the actual occupancy rate and capacity utilization during the period and future forecast including other macro-economic factors to assess whether any impairment is required.</p> <p>The Company’s Hotel and Office Complex are situated on 4.5 Acres of land which is considered as an iconic location of the Country and the valued at Tk 60 million per decimal. Initially, this piece of land was given to the Company’s predecessor (PSL) on 30 years lease and upon the expiry of this term the AC Land Office of Ramna has recorded the land under the name of Ministry of Civil Aviation &amp; Tourism on account Bangladesh Services Limited. Since then the Company is paying land rent and all related taxes on its own name. The Company is treating this land as ‘Freehold Land’ on the basis of decision of the AC Land office. The other piece of land of the Company is situated in Mirpur and taken on 99 years lease which is currently being used for staff housing.</p>
<p><b>See note 3 for details</b></p>	
Revenue recognition and valuation of receivables	
<p>The Company has diversified revenue streams such as hotel operation (room, food &amp; beverage, and other department), operation of BICC, running a business lounge at airport and rental income from office building. The application of revenue recognition involves a number of key judgments and estimates, including checking of proper cut-off.</p> <p>Moreover, the Hotel business and Balaka lounge of the Company provide substantial amount of credit sales to corporate customers and various government entities, a portion of which become overdue and hence high risk of default.</p> <p>Due to the estimates and judgment involved in the application of the revenue recognition there presumably a risk of revenue being misstated.</p> <p>Due to inherent risk associated the recovery of accounts receivable balance as well as difficulties in forecasting future loss in case of default by debtors this area require significant estimate and judgment.</p> <p>Therefore, we have considered this area as a key audit matter.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Understanding of various revenue streams and related operational matters;</li> <li>• Assessment of the five step model for revenue recognition adopted by the Company in line with IFRS 15: Revenue, including cut-off point to satisfy performance obligation.</li> <li>• Periodic balance confirmation from debtors;</li> <li>• Monitoring process for overdue receivables; and</li> <li>• Company’s policy of creating provision against overdue receivables and periodic write off in line with IFRS 9.</li> </ul> <p>Our substantive procedures in relation to the assessing valuation of receivables comprises the following:</p> <ul style="list-style-type: none"> <li>• Reconciliation of debtors ageing to general ledger;</li> <li>• Conducting cut-off testing at the year-end;</li> <li>• Reviewing subsequent receipt of receivables balance;</li> <li>• Recalculation of provision for trade receivables as required by IFRS 9 and compared against actual write off/loss on repossession in prior periods.</li> </ul> <p>Consistent with the nature of the Company’s business model and prior history certain types of customers take longer time to make payment and hence a significant portion of receivables balances remain in overdue category. In addition, due to delay in receiving income tax and VAT challans deducted by clients at the time of making payments related amounts are shown in overdue category.</p>
<p><b>See note number 8 for details</b></p>	

Description of key audit matters	Our response to key audit matters
<b>Income tax matters</b>	
<p>The Company being a listed company is subject to lower corporate tax rate. However, as per Section 163 of the Income Tax Act 2023 (previously Section 82C of ITO 1984), certain types of TDS or withholding taxes suffered by the Company shall be considered as Minimum Tax and not refundable even if the Company has shown tax loss or the actual tax liability is lower.</p> <p>Moreover, the Company has a number ongoing dispute with taxation authorities in terms of additional claims of income tax and value added tax (VAT) and supplementary duty, which the Company has disputed.</p> <p>The Company has recognized deferred tax liability in respect of taxable temporary difference for capital allowance and deductible timing differences for gratuity resulting in net deferred tax liabilities.</p> <p>The Company reported its various tax balances as well as disputes with tax authority in notes 2.7, 14 and 34 of the financial statements.</p>	<p>Our audit approach included a combination of controls testing, analysis of related data and substantive procedures covering the following:</p> <ul style="list-style-type: none"> <li>obtaining an understanding, evaluating the design and testing the operational effectiveness of the Company's key controls over the recognition and measurement of current tax position as well as deferred tax assets and liabilities;</li> <li>assessing the completeness and accuracy of the data used for the estimations of future taxable income;</li> <li>evaluating the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carried forward, recognition and measurement of deferred tax assets and liabilities;</li> <li>assessing the adequacy of the Company's income tax provision and VAT liability in relation to the ongoing disputes and discuss with management about the position it has taken on these disputes; and</li> <li>assessing the appropriateness and presentation of disclosures under IAS 12 "Income Taxes".</li> </ul>
<b>Defined benefits plan</b>	
<p>The Company operates a funded gratuity scheme under which an employee is entitled to the benefits depending on the length of services and last drawn basic salary.</p> <p>In addition to that, the Company operates another unfunded retirement benefit scheme.</p> <p>These results in the Company having a constructive obligation to pay the benefits. Consequently, the Company is required to recognize the liability related to such benefits.</p> <p>Methodologies applied in the calculation of the benefits payable to members are disclosed in notes 2.5 and 21 to the financial statements which include liability for retirement benefit provision. Therefore, defined benefits payable provision is considered as a key audit matter.</p>	<p>Our audit procedures included updating our understanding of the business processes employed by the Company for accounting for, and valuing, their defined benefit plan included the following:</p> <ul style="list-style-type: none"> <li>obtaining sufficient audit evidence to conclude that the inputs and methodologies used to determine the liability for both defined benefit plans;</li> <li>assessing the design and operating effectiveness of the Company's key controls supporting the identification, measurement and oversight of valuation of the defined benefits payable provision;</li> <li>examining the basis on which retirement benefit is payable to the employee and is worked out the liability for gratuity on the presumption that all employees retire on the balance sheet date;</li> <li>ensuring that the basis of computing retirement benefit is valid; verify the computation of liability on aggregate basis;</li> <li>checking the amount of retirement benefit paid to employees who retired during the year with reference to the number of years of service rendered by them;</li> <li>testing the employees data used in calculating obligation, assessing the appropriateness and presentation of disclosures against IAS 19 "Employee Benefits".</li> <li>The Company has not conducted any actuarial assessment of its gratuity obligation and retirement benefit. However as per internal assessment management consider that the current liability will be adequate to cover its obligation.</li> </ul>

Description of key audit matters	Our response to key audit matters
<b>Loans and borrowings</b>	
<p>As at reporting date, the Company had total loans and borrowings of BDT 9,523,512,145 representing 62% of the Company's total liabilities. Accordingly, the Company is highly dependent on continuation and availability of these loans and borrowings.</p> <p>Furthermore, the Company is obliged to comply with certain covenants imposed by the lender bank as well as required to pay significant portion of quarterly instalment comprising both repayment of principal and interest.</p> <p>Therefore, proper disclosures of loans and borrowings as well as checking compliance with loan covenants are considered as key audit matter.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the loans including repayment.</p> <p>Amongst other we have obtained understanding on the nature or types of loans, the repayment schedules, loan statements and facility offer letters to review terms, debt covenants, interest rates and other conditions associated with the loans.</p> <p>Due to delay in renovation work the Company's Hotel operation suffered and as a result it could not able to pay all loan installments.</p> <p>The Company is also in discussion with the lender bank about restructuring the loan facility as well as seeking waiver of interest charged by the bank on multiple grounds. However, no agreement has been reached yet.</p>

### Reporting on 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 auditors' 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, 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 in accordance with IFRSs as explained in note 2, the Companies Act 1994, Securities and Exchange Rules 2020 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 these 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 judgement 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 the 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 2020, we also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- 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 these books;
- the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- the expenditures incurred were for the purpose of the Company's business.

Dhaka, 08 November 2023  
DVC No: 2311080770AS694412

  
Sabbir Ahmed FCA, Partner  
ICAB Enrolment No: 770  
Hoda Vasi Chowdhury & Co  
Chartered Accountants

Bangladesh Services Limited (Owner of InterContinental Dhaka)  
**STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)**

As at 31 December 2023

Particulars	Notes	30 June 2023 BDT	30 June 2022 BDT
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	36,359,872,198	36,812,136,562
Capital works-in-progress	4	-	10,322,094
Guarantee deposits	5	165,000,000	160,000,000
		36,524,872,198	36,982,458,656
<b>Current assets</b>			
Inventories - spares and general stores	6	36,682,840	25,176,323
Inventories - food and beverage	7	55,430,344	59,214,711
Accounts receivable	8	765,019,660	539,200,731
Other receivables	9	15,587,020	5,011,361
Advances, deposits and prepayments	10	421,954,169	374,920,119
Cash and cash equivalents	11	391,540,422	669,575,447
		1,686,214,455	1,673,098,691
<b>Total assets</b>		<b>38,211,086,653</b>	<b>38,655,557,346</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	12	977,889,130	977,889,130
General reserve		60,000,000	60,000,000
Reserve for replacements, substitutions and additions to furniture and equipment	13	244,451,128	200,963,215
Retained earnings/(accumulated losses)		(5,717,081,261)	(4,816,278,065)
<b>Equity without revaluation</b>		<b>(4,434,741,002)</b>	<b>(3,577,425,720)</b>
Revaluation surplus	14	27,343,762,067	27,343,762,067
<b>Equity with revaluation</b>		<b>22,909,021,065</b>	<b>23,766,336,347</b>
<b>Non-current liabilities</b>			
Deferred tax liability	15	1,499,824,437	1,467,317,329
Loans and borrowings non current portion	16.1	8,296,192,925	8,898,871,094
		9,796,017,362	10,366,188,423
<b>Current liabilities</b>			
Loans and borrowings current portion	16.2	1,227,319,220	654,800,000
Accounts payable	18	2,973,758,003	2,616,798,322
Advance rent, security deposits and earnest money	19	127,989,620	147,039,909
Deferred customs tariff	17	817,077,065	765,070,133
Provision for taxation	20	132,904,135	95,586,053
Provision for supplementary duty		170,696,477	188,390,998
Liability for retirement benefits	21	56,303,706	55,347,161
		5,506,048,226	4,523,032,577
<b>Total equity and liabilities</b>		<b>38,211,086,653</b>	<b>38,655,557,346</b>
NAVPS with revaluation		234.27	243.04
NAVPS without revaluation		(45.35)	(36.58)

These financial statements should be read in conjunction with annexed notes

For and on behalf of Board of Directors of Bangladesh Services Limited

  
**Mohammad Atiqur Rahaman**  
 Managing Director

  
**Manoj Kumar Roy**  
 Director

  
**S. M. Tarikul Islam, PAA**  
 Company Secretary

See annexed report of the date

Dhaka, Bangladesh  
 Dated: 08 November 2023  
 DVC No: 2311080770AS694412

  
**Sabbir Ahmed, FCA, Partner**  
 ICAB Enrollment no 770  
 Hoda Vasi Chowdhury & Co  
 Chartered Accountants

Bangladesh Services Limited (Owner of InterContinental Dhaka)

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

Particulars	Notes	2023 BDT	2022 BDT
Revenue	22	1,690,474,155	1,102,127,200
Operating cost	23	(755,342,446)	(506,402,603)
<b>Gross profit</b>		<b>935,131,709</b>	<b>595,724,597</b>
Hotel administrative and other expenses	24	(484,667,950)	(381,325,532)
BSL administrative and other expenses	25	(648,293,996)	(646,320,885)
		(1,132,961,946)	(1,027,646,417)
<b>Profit/(loss) from operations</b>		<b>(197,830,238)</b>	<b>(431,921,820)</b>
Other income	26	42,176,189	144,753,191
Rental income from BSL office complex	27	45,412,475	45,829,873
Income/(loss) from BICC	28	41,901,287	32,022,731
Finance cost		(719,149,805)	(733,584,874)
Profit/(loss) before tax		<b>(787,490,092)</b>	<b>(942,900,899)</b>
Income tax expense			
Current tax	20	37,318,082	73,823,201
Deferred tax	15	32,507,108	92,845,743
		69,825,190	166,668,944
<b>Profit/(loss) for the year</b>		<b>(857,315,282)</b>	<b>(1,109,569,843)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
Revaluation of land during the year	14	-	28,483,085,486
Related deferred tax on revaluation surplus	15	-	(1,139,323,419)
		-	27,343,762,067
<b>Total comprehensive income/(loss) for the year</b>		<b>(857,315,282)</b>	<b>26,234,192,224</b>
<b>Earnings per share (EPS)</b>	36	<b>(8.77)</b>	<b>(11.35)</b>

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

For and on behalf of Board of Directors of Bangladesh Services Limited

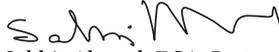
  
**Mohammad Atiqur Rahaman**  
 Managing Director

  
**Manoj Kumar Roy**  
 Director

  
**S. M. Tarikul Islam, PAA**  
 Company Secretary

See annexed report of the date

Dhaka, Bangladesh  
 Dated: 08 November 2023  
 DVC No: 2311080770AS694412

  
**Sabbir Ahmed, FCA, Partner**  
 ICAB Enrollment no 770  
 Hoda Vasi Chowdhury & Co  
 Chartered Accountants

Bangladesh Services Limited (Owner of InterContinental Dhaka)

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

Particulars	Share capital	General reserve	Reserve fund for replacements	Retained earnings/ (accumulated losses)	Revaluation surplus	Total
	BDT	BDT	BDT	BDT	BDT	BDT
<b>Balance at 01 July 2022</b>	<b>977,889,130</b>	<b>60,000,000</b>	<b>200,963,215</b>	<b>(4,816,278,065)</b>	<b>27,343,762,067</b>	<b>23,766,336,347</b>
Net profit/(loss) for the year	-	-	-	(857,315,282)	-	(857,315,282)
Allocation for replacement reseve	-	-	67,618,966	(67,618,966)	-	-
Utilisation of replacement reseve	-	-	(24,131,053)	24,131,053	-	-
Net allocation for replacement reserve	-	-	43,487,913	(43,487,913)	-	-
<b>Balance at 30 June 2023</b>	<b>977,889,130</b>	<b>60,000,000</b>	<b>244,451,128</b>	<b>(5,717,081,261)</b>	<b>27,343,762,067</b>	<b>22,909,021,066</b>
<b>Balance at 01 July 2021</b>	<b>977,889,130</b>	<b>60,000,000</b>	<b>162,213,126</b>	<b>(3,667,958,133)</b>	-	<b>(2,467,855,878)</b>
Net profit/(loss) for the year	-	-	-	(1,109,569,843)	-	(1,109,569,843)
Allocation for replacement reseve	-	-	44,085,089	(44,085,089)	-	-
Utilisation of replacement reseve	-	-	(5,335,000)	5,335,000	-	-
Net allocation for replacement reserve	-	-	38,750,089	(38,750,089)	-	-
Revaluation of land during the year	-	-	-	-	28,483,085,486	28,483,085,486
Related deferred tax (expense)/ income on revaluation surplus	-	-	-	-	(1,139,323,419)	(1,139,323,419)
<b>Balance at 30 June 2023</b>	<b>977,889,130</b>	<b>60,000,000</b>	<b>200,963,215</b>	<b>(4,816,278,065)</b>	<b>27,343,762,067</b>	<b>23,766,336,347</b>

# Bangladesh Services Limited (Owner of InterContinental Dhaka)

## STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

Particulars	Notes	2023 BDT	2022 BDT
<b>A. Cash flows from operating activities</b>			
Cash receipts from customers		1,868,716,301	1,193,074,913
Cash paid to suppliers, employees and administrative purpose		(2,149,612,515)	(2,045,102,099)
		(280,896,215)	(852,027,186)
Cash received from tenants		113,711,796	143,275,532
Cash received from other income		11,260,315	(31,371,002)
Bank interest receipt		28,830,593	120,504,031
		153,802,704	232,408,562
		(127,093,511)	(619,618,624)
Income tax paid		(37,318,082)	(41,589,745)
Retirement benefits paid		(6,586,420)	(127,270,129)
<b>Net cash from/(used in) operating activities</b>		<b>(170,998,013)</b>	<b>(788,478,498)</b>
<b>B. Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(128,619,249)	(35,452,430)
Capital works-in-progress		(8,576,712)	(39,034,798)
<b>Net cash from/(used in) investing activities</b>		<b>(137,195,961)</b>	<b>(74,487,228)</b>
<b>C. Cash flows from financing activities</b>			
Borrowings from bank (net of repayment)	16	30,158,950	740,256,304
<b>Net cash from/(used in) financing activities</b>		<b>30,158,950</b>	<b>740,256,304</b>
<b>D. Net changes in cash and cash equivalents (A+B+C)</b>		<b>(278,035,025)</b>	<b>(122,709,422)</b>
<b>E. Opening cash and cash equivalents</b>		<b>669,575,447</b>	<b>792,284,868</b>
<b>F. Closing cash and cash equivalents (D+E)</b>		<b>391,540,422</b>	<b>669,575,447</b>
Closing cash and cash equivalents have been arrived at as follows:			
Bank balance		386,115,422	664,948,687
Cash in hand		5,425,000	4,626,760
		<b>391,540,422</b>	<b>669,575,447</b>

These financial statements should be read in conjunction with annexed notes

# Bangladesh Services Limited (Owner of InterContinental Dhaka)

## NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 30 June 2023

### Reporting entity and basis of preparation

#### 1.1 Company profile

Bangladesh Services Limited ("BSL" or the "Company") is a public company, limited by shares. The shares of the Company are listed with Dhaka Stock Exchange Ltd. The registered office of the Company is situated at 1 Minto Road, Ramna, Dhaka 1000.

#### 1.2 Nature of the business

The principal activities of the Company is to perform the business of a hotel and all related activities thereto. Upon expiry of the management contract between Starwood Hotels and Resorts Asia Pacific Pte Ltd and Bangladesh Services Limited on 30 April 2011 for operation and management of its hotel in the name of Dhaka Sheraton Hotel, the Company had taken over management of its hotel operation and operated the hotel in the name of "Ruposhi Bangla Hotel" until closure of the hotel from 1 September 2014 for renovation. In the meantime, prior to closure of the hotel, the Company had signed a 30 years management agreement with InterContinental Hotels Group (Asia Pacific) Pte Ltd (IHG) on 19 February 2012 for operation and management of its hotel. As per the management agreement, the hotel has undergone an extensive renovation to achieve the brand standard of IHG, for which, the hotel's operation had been closed from 1 September 2014. After completion of the renovation, the hotel has been rebranded as "InterContinental Dhaka" on 13 September 2018 and started commercial operation from 1 December, 2018. The Company's 'Balaka Lounge' at Hazrat Shahjalal International Airport, Dhaka is also managed and operated by IHG. The Company has an office complex adjacent to its hotel which has been rented out to different tenants. The Company has been managing, maintaining and operating Bangabandhu International Conference Centre (BICC) since 01 July 2012 under a lease contract with Public Works Department signed on 17 June 2012.

#### 1.3 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 as well as the provisions of and other laws and regulations. The title and format of these financial statements follow the requirements of IFRSs which are to some extent different to the requirements of the Companies Act, 1994. However, such differences are not considered material.

#### 1.4 Date of authorisation

The financial statements were authorised for issue by the Board of Directors on 08 November 2023.

#### 1.5 Reporting period

The current financial period of the Company covers one year from 1 July 2022 to 30 June 2023 with the corresponding period 1 July 2021 to 30 June 2022.

#### 1.6 Functional and presentation currency

The financial statements are prepared in Bangladesh Taka (BDT/Tk), which is both functional and presentation currency of the Company. All financial information presented in Taka have been rounded off to the nearest integer, unless otherwise indicated.

#### 1.7 Basis of measurement

The financial statements have been prepared under the historical cost convention.

#### 1.8 Going concern

These financial statements are prepared under going concern basis notwithstanding the fact that as at 30 June 2023 the Company's current liabilities exceeded its current assets by BDT 3,819,833,771 (2022: BDT 2,849,933,886). In addition, the Company has incurred a net loss of BDT 857,315,282 for the year ended 30 June 2023 (2022: BDT 1,109,569,843) and net operating cash flow deficit is BDT 170,998,013 (2022: BDT 788,478,498) due to post COVID 19 impact, conflicts in between Russia-Ukraine and in the Middle East and other macro economic challenges both at home and abroad, the hospitality industries like the Company could not be achieved its target revenue as planned. The Board and management of the Company are closely reviewing matters and determined that the Company has adequate resources to continue its operations for the foreseeable future. The Company is negotiating with its lender for the restructure of the loan with longer repayment term as well as waiver of interest. Accordingly, these financial statements have been prepared on going concern basis.

## 1.9 Use of estimates and judgement

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) requires management to make judgments, estimates and assumptions that affect the applicable accounting policies and the reported amounts of assets, liabilities, income and expenses, and disclosure requirements for contingent assets and liabilities during and at the date of the financial statements. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognised in the period in which the estimate is revised in any future years affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that has the most significant effect on the amount recognised in the financial statements are as follows:

Note 3 : Property, plant and equipment

Note 8 : Provision an accounts receivable

Note 18: Other provision and accruals

Note 20: Income tax provision

Note 34: Contingent liabilities

## 1.10 Statement of cash flows

Statement of cash flows has been prepared as per IAS 7: Statement of Cash Flows using Direct Method as per the requirement of Securities and Exchange Rules, 2020.

## 1.11 Events after reporting period

Events after reporting period that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

## Significant accounting policies

### 2.1 Property, plant and equipment

#### Initial recognition and measurement

Items of property, plant and equipment have been measured at cost less accumulated depreciation and accumulated impairment losses, if any, as per IAS 16: Property, Plant and Equipment. Cost includes expenditures that are directly attributable to the acquisition of the assets and any other cost directly attributable to bringing the asset to usable condition for its intended use.

#### Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day to day servicing of property, plant and equipment are expensed when incurred.

#### Assets under construction/capital work in progress

Assets under construction/capital works-in-progress represent the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use at reporting date and awaiting for work completion certificate and these are stated at cost. Borrowing costs associated directly with financing of construction costs are capitalised as per IAS 23.

#### Impairment

The carrying value of the Company's non-financial assets 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.

#### Depreciation

Depreciation is charged on property, plant and equipment following straight-line method at the rates as stated.

Category of asset	Rate (%)
Building on leasehold land	2.5%
Other operating property, plant and equipment	10%

### 2.2 Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined following average cost method in all cases other than engineering stores, which are valued at first-in, first-out (FIFO) method.

### 2.3 IFRS 16: Lease

At initial application for IFRS 16: Lease, the Company chose, on a lease by lease basis, to measure lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate and recognise the right-of-use assets at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. The Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices to measure the lease liability at initial application.

Currently the Company has assessed all its leasehold properties and conclude that all agreement fall under low value or short lives items.

### 2.4 Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses. Deposits are measured at payment value without any adjustment for time value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss on accrual basis.

### 2.5 Employee benefits

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

#### Defined benefit obligation (gratuity)

The Company operates a gratuity scheme, covering all its eligible permanent employees other than expatriates. Provision is made annually on the basis of period of employment and latest basic pay to cover obligation under the scheme in respect of the employees who meet eligibility requirement. This fund has to be separately funded and approved by National Board of Revenue under the First Schedule, Part C of Income Tax Ordinance 1984 (ITO) to get tax exemption under para 20 of the Sixth Schedule, Part A of ITO 1984.

#### Defined contribution plan (provident fund)

The Company also operates a contributory provident fund for its permanent employees in the name of Bangladesh Services Limited Employees' Provident Fund. The provident fund is administrated by a board of trustees. The contributions are invested separately from the company's assets.

#### Defined retirement benefit plan

The Company operates another unfunded retirement benefit scheme. These results in the Company having a constructive obligation to pay the benefits. Consequently, the Company is required to recognize the liability related to such benefits.

### 2.6 Foreign currency transactions

Foreign currency transactions are translated into BDT at the rate prevailing on the dates of transactions. Year end balances of monetary items are translated at the rate prevailing on the balance sheet date. Exchange differences are taken to the profit and loss statement.

### 2.7 Taxation

#### Current tax

Provision for corporate income tax is made following income tax laws. The applicable rate of income tax for the Company is 22.5% of taxable profit as the Company is a publicly-traded company. A provision has been made for tax liability as per the Income Tax Act 2023. Tax assessments of the Company have been finalised up to the assessment year 1999-2000. Assessment for the subsequent years are pending at various levels of assessing authority as well as at appeal stages. For these pending assessments additional demand has been raised by the Tax authority which the Company has disputed. However, no provision has been made for these disputed additional amount claimed by the tax authority as the Company has reasonable grounds to believe its appeal against such unjust additional demand will be ultimately successful and these would be set aside at the time disposal of final appeal.

#### Deferred tax

Deferred tax has been calculated and provided in the accounts using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability or asset has been calculated on the basis current tax rate.

### 2.8 Provisions and contingencies

A provision is recognised on the balance sheet date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an out flow of economic benefits will be required to settle the obligation.

Contingencies arising from claim, lawsuit, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured, otherwise a disclosure is provided if the matter is significant.

## 2.9 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.

### (a) 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 on which the Company becomes a party to the Contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

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 on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

An entity shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- a. the entity's business model for managing the financial assets and
- b. the contractual cash flow characteristics of the financial assets.

#### Amortised cost

The asset is measured at the amount recognised at initial cost minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognised in profit and loss. Changes in fair value are recognised in profit and loss when the asset is derecognised or reclassified.

At fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transactions costs are recognised in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognised in profit or loss.

#### At fair value through other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets include cash and cash equivalents, trade and other receivables.

### (i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances which were held and readily available for use of the Company without restrictions.

### (ii) Trade and other receivables

Accounts receivable at the balance sheet date are stated at receivable amount. Provision for bad and doubtful debt is made following the simplified model on lifetime expected credit loss as per IFRS 9.

### (b) Financial liabilities

The Company initially recognises financial liabilities on the dates that are originated. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The Company classifies non-derivative financial liabilities into the liabilities for expenses category. Such financial liabilities are recognised initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortised cost.

Financial liabilities include trade and other payables, accrued expenses and loans and borrowings.

### (i) Loans and borrowings

Principal amounts of the loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from reporting date are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from reporting date, unpaid interest and other charges are classified as current liabilities.

(ii) **Trade and other payables**

The Company recognises a 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.

(C) **Equity instruments**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses. Paid-up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company.

**2.10 Impairment**

(i) **Non-derivative financial assets**

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- (i) default or delinquency by a debtor;
- (ii) restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- (iii) indications that a debtor or issuer will enter bankruptcy;
- (iv) adverse changes in the payment status of borrowers or issuers;
- (v) observable data indicating that there is measurable decrease in expected cash flows from a company of financial assets.

(ii) **Financial assets measured at amortised cost**

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(iii) **Non-financial assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognising an impairment loss, if and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognised immediately in profit or loss. As at 30 June 2023, the assessment of indicators of impairment revealed that impairment testing was not required for the Company.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**2.11 Revenue**

**Revenue from Hotel Operations**

Revenue include income of any kind derived directly or indirectly from operations at the hotel determined in accordance with the revenue recognition criteria specified in IFRS 15, which is essentially when the goods is supplied and/or service is provided to the customer. The revenue is net of VAT, supplementary duty and service charge collected from customer as well as any discounts given.

**Airport Lounge and BICC**

Revenue is net off value added tax, supplementary duty, services charges and surcharge collectable from guests as well as rebate and discount allowed to customers. Revenue is recognised when the goods is supplied and/or service is provided to the customer.

### **BSL Office Complex**

Rental income from BSL office complex has been recognised as per accrual basis in terms of the respective agreements with tenants.

#### **2.12 Earnings per share**

Basic EPS is calculated by dividing the profit or loss for the year attributable to ordinary shareholders of the Company with the weighted average number of ordinary shares outstanding during the year. No diluted earnings per share is required to be calculated for the year as there is no scope for dilution during the year under audit.

#### **2.13 New Standards and interpretations yet adopted**

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2022 and earlier application is permitted, but the Company has not early applied these new or amended standards in preparing these financial statements. However, none of these expected to have any material effect on the financial statements of the Company. These are as follows:

- Classification of liabilities as Current or Non-current (Amendments to IAS 1)
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12, Income Taxes)
- Lease Liability in a Sale-and-Leaseback (Amendments to IFRS 16, Leases)

#### **2.14 Off setting**

In compliance to IAS 1 and IAS 32, offsetting is done for a particular vendor or customer when the following conditions are met:

- Each of the two parties owes the other determinable amounts;
- The entity has the right to set off against the amount owed by the other party;
- The entity intends to offset;
- The right of set off is legally enforceable.

#### **2.15 Finance income and finance expenses**

Finance income comprises interest income on banks. Interest income is recognized on accrual basis. Finance expense comprises interest expense on short term loan, overdraft and long term loan. All finance expenses are recognised in the statement of profit or loss and other comprehensive income. As per IAS 23, interests expended during the construction/renovation of the Hotel has been capitalised.

3. Property, plant and equipment – at cost less accumulated depreciation and amortisation

Particulars	Cost				Depreciation			Amount in BDT				
	At 01 July 2022	Addition/ Transfer during the year	Revaluation	Disposal/ Adjustment during the year	Total at 30 June 2023	Rate %	Up to 01 July 2022		Charge for the year	Disposal/ Adjustment during the year	Total to 30 June 2023	Written down value at 30 June 2022
BSL Operations												
Land-Minto Road (Hotel)**	27,000,000,000	-	-	-	27,000,000,000	-	-	-	-	-	-	27,000,000,000
Leasehold land-Mirpur residential Complex***	1,484,960,000	-	-	-	1,484,960,000	-	-	-	-	-	-	1,484,960,000
Building on leasehold land	5,496,969,920	99,008,262	-	-	5,595,978,183	2.5%	694,857,021	139,899,455	-	834,756,476	-	4,761,221,707
Admin office furniture and equipment	75,704,854	-	-	-	75,704,854	10%	15,684,517	7,570,485	-	23,255,002	-	52,449,852
Electrical fitting and general equipment	852,751,179	8,143,120	-	-	860,894,299	10%	170,550,236	86,089,430	-	256,639,666	-	604,254,633
Elevators	203,088,121	-	-	-	203,088,121	10%	40,617,625	20,308,812	-	60,926,437	-	142,161,684
Air-conditioning plant	504,631,746	8,145,380	-	-	512,777,126	10%	101,275,531	51,277,713	-	152,553,244	-	360,223,882
Hotel furniture and equipment	1,086,636,799	786,025	-	-	1,087,422,824	10%	217,022,414	108,742,282	-	325,764,696	-	761,658,128
IT and telecom equipment	511,906,754	5,838,013	-	-	517,744,767	10%	101,104,964	51,774,477	-	152,879,441	-	364,865,327
Kitchen equipment	202,525,943	-	-	-	202,525,943	10%	40,505,187	20,252,594	-	60,757,781	-	141,768,162
Laundry equipment	441,031,454	1,354,022	-	-	442,385,476	10%	88,206,290	44,238,548	-	132,444,838	-	309,940,638
Special equipment and fire alarms	202,822,343	1,544,427	-	-	204,366,771	10%	40,564,466	20,436,677	-	61,001,143	-	143,365,628
Health club equipment	197,469,344	-	-	-	197,469,344	10%	39,493,868	19,746,934	-	59,240,803	-	138,228,541
	<b>38,260,498,458</b>	<b>124,819,249</b>	-	-	<b>38,385,317,707</b>		<b>1,549,882,121</b>	<b>570,337,407</b>	-	<b>2,120,219,526</b>	-	<b>36,265,098,181</b>
BSL Office Complex												
Building on leasehold land	181,678,955	-	-	-	181,678,955	2.5%	117,104,167	4,541,974	-	121,646,141	-	60,032,814
Admin office furniture and equipment	1,647,897	-	-	-	1,647,897	10%	1,271,391	164,789,770	-	1,436,180	-	211,717
Electrical fittings and general equipment	47,221,945	-	-	-	47,221,945	10%	47,221,945	-	-	47,221,945	-	-
Elevators	12,962,706	3,800,000	-	-	16,762,706	10%	12,872,455	380,000	-	13,252,455	-	3,510,251
Air-conditioning plant	84,118,406	-	-	-	84,118,406	10%	84,118,406	-	-	84,118,406	-	-
Special equipment and fire alarms	25,388,546	-	-	-	25,388,546	10%	25,388,546	-	-	25,388,546	-	-
Motor vehicles	54,594,461	-	-	-	54,594,461	10%	18,115,780	5,459,446	-	23,575,226	-	31,019,235
	<b>407,612,916</b>	<b>3,800,000</b>	-	-	<b>411,412,916</b>		<b>306,092,689</b>	<b>10,546,210</b>	-	<b>316,638,899</b>	-	<b>94,774,017</b>
<b>Bangabandhu International Conference Center</b>												
Office furniture and equipment	64,263,218	-	-	-	64,263,218	-	64,263,218	-	-	64,263,218	-	-
	64,263,218	-	-	-	64,263,218	-	64,263,218	-	-	64,263,218	-	-
<b>Total 30 June 2023</b>	<b>38,732,374,592</b>	<b>128,619,249</b>	-	-	<b>38,860,993,841</b>		<b>1,920,238,029</b>	<b>580,883,617</b>	-	<b>2,501,121,643</b>	-	<b>36,359,872,198</b>
<b>Total 30 June 2022</b>	<b>10,213,838,675</b>	<b>35,452,430</b>	<b>28,483,085,486</b>	-	<b>38,732,374,591</b>		<b>1,344,790,720</b>	<b>575,447,311</b>	-	<b>1,920,238,029</b>	-	<b>36,812,136,562</b>

\* Leasehold land and building on leasehold land of the Company are mortgaged with Agrani Bank Limited to secure long term renovation loan.

\*\*The Company's hotel and office complex are situated on 4.5 Acres of land at 1 Minto Road, Ramna , Dhaka and valued at Tk 60 million per decimal by an independent valuer M/S Syful Shamsul Alam & Co as at 30 June 2022 which is reflected above. Initially, this parcel of land was given to the Company's predecessor Pakistan Services Limited (PSL) in December 1963 on 30 years lease. Upon the emergence of Independent Bangladesh, on 26 December 1971, all properties of the erstwhile PSL was taken over by the Ministry of Commerce, Government of the Peoples' Republic of Bangladesh. Subsequently, the Ministry of Commerce in 1973 has handed over this parcel of land and along with all other assets of PSL to Bangladesh services Limited under the Ministry of Civil Aviation and Tourism (MCAT). Finally, as per the order of AC Land Ramna Circle dated 14 September 2015 this 4.5 acres of land has been recorded in the name of BSL on behalf of MCAT by creating a separate record (khatian). Accordingly, this parcel of land is considered as Freehold land of the Company.

\*\*\*The Company has executed a lease deed on 4th August 1975 for 24,000 square yard of land at Mirpur under Senpara Parbata Mouja with the Government for a housing plot of its employees. The lease period is 99 years starting from 1 July 1975. A portion of this land has been subsequently given to other Government agencies and presently, 185.62 decimal of land in under the custody of the Company which has been revalued at Tk 80 lac per decimal. The initial lease rent payment made by the Company has been fully amortized and hence the book value of this leasehold land is considered zero. The Company has also revalued this parcel of land in 2022 and reflected above at fair value.

	2023 BDT	2022 BDT
<b>4. Capital works-in-progress</b>		
Other renovation related works	-	10,322,094
	<b>-</b>	<b>10,322,094</b>

The Hotel renovation work has been completed and all capex are now transferred to property, plant and equipment.

<b>5. Guarantee deposit</b>		
Guarantee deposit for BICC (*)	165,000,000	160,000,000
	<b>165,000,000</b>	<b>160,000,000</b>

(\*) This amount remained with Bangladesh Commerce Bank Limited as bank guarantee deposit for BICC in the form of FDR as per requirement of management agreement between Bangladesh Services Limited and Public Works Department. The total balance of above FDR along with interest as at 30 June 2023 is 168,680,000 (BDT). Since, the guarantee obligation is sixteen crore and fifty lac, the remaining amount 3,680,000 (BDT) of that FDR being freely convertible into cash has been presented in cash and cash equivalents (note-11).

<b>6. Inventories - spares and general stores</b>		
Hotel Operation		
Stores and spares in hand		
Merchandise in transit	3,167,828	1,412,891
Linen - in use	295,861	295,861
General and other stores	33,219,151	23,467,570
	<b>36,682,840</b>	<b>25,176,323</b>
<b>7. Inventories - food and beverage</b>	55,430,344	59,214,711
	<b>55,430,344</b>	<b>59,214,711</b>

<b>8. Accounts receivable</b>		
Accounts receivable - trade, considered good	673,549,138	458,250,965
Accounts receivable-BICC	466,882,899	466,832,899
Accounts receivable - trade, considered doubtful	21,371,198	21,371,198
Rent receivable	89,049,240	85,429,104
Rent receivable from BICC	508,969,750	508,969,750
Receivable for VAT and tax	20,675,923	19,670,594
Expenses incurred by RBH for renovation works on behalf of BSL	936,116,398	936,116,396
Receivable from ICD for employees	75,082,689	69,187,398
Gross balance	2,791,697,234	2,565,828,303
Less: Provision for bad and doubtful debts on accounts receivables-trade (note 8.1)*	114,708,528	114,708,528
	2,676,988,706	2,451,119,775
Less: Contra items (note 18.1)		
Accounts receivable-BICC	466,882,899	466,832,899
Rent receivable from BICC	508,969,750	508,969,750
Expenses incurred by RBH for renovation works on behalf of BSL	936,116,398	936,116,396
	1,911,969,046	1,911,919,045
	<b>765,019,660</b>	<b>539,200,731</b>

\* Management has reviewed the above receivables balances and satisfied that the provision for doubtful debts recognised at 30 June 2023 is adequate to cover any potential impairments.

	2023 BDT	2022 BDT
<b>8.1 Provision for bad and doubtful debts on account receivable-trade</b>		
Opening balance	114,708,528	114,708,528
Add: Provision made during the year for ICD	-	-
Closing balance	114,708,528	114,708,528
<b>9. Other receivables</b>		
Cash margin against guarantee issued by bank in favour of court relating to Mir Akhter Hossain Ltd	920,015	920,015
Receivable from BSL Employees' Gratuity Trust	8,756,748	-
Receivable of ICD from BICC	91,872,307	67,500,572
Receivable from Hotel	4,028,350	3,521,573
IHG reward club charges / reimbursement	2,374,624	1,368,335
Interest receivable	2,705,311	2,705,311
Receivable from Holiday INN	812,622	-
Sundry debtors	17,699	17,699
	111,487,677	76,033,506
Less: Contra items (note 18.1)		
Receivable of ICD from BICC	91,872,307	67,500,572
Receivable from Hotel	4,028,350	3,521,573
	<b>15,587,020</b>	<b>5,011,361</b>
<b>10. Advances, deposits and prepayments</b>		
Advances		
Advances to Titas gas	799,382	-
Advance tax for employees taxation	34,681,716	34,681,716
Income tax deducted at source - BSL	203,987,026	166,668,944
Advance to Depa (Renovation)	7,487,792	7,487,792
Advance against income tax	4,274,391	4,274,391
Advance to suppliers	7,099,265	6,759,113
VAT and supplementary duty - RBH	58,842,080	58,842,080
Retired/resigned Employees 4/5 Month Salary & 5 month Service Charge	342,959	-
Advance to employees	2,585,131	3,533,430
Advances to others	12,731	12,731
	320,112,473	282,260,197
Deposits		
L/C and BG margin	74,906,216	74,906,216
Security/guarantee deposit	16,738,282	13,757,042
	91,644,498	88,663,258
Prepayments		
Prepaid insurance	607,759	805,203
Licenses and permits	5,112,770	2,849,288
Other expenses	1,232,322	68,250
Prepaid Tax Others	3,000,000	-
Workmen's compensation	244,346	273,921
	10,197,198	3,996,662
	<b>421,954,169</b>	<b>374,920,119</b>

	2023 BDT	2022 BDT
<b>11. Cash and cash equivalents</b>		
Cash in hand	5,425,000	4,626,760
Bank balances		
Short term deposit with		
Agrani Bank Limited (reserve fund for replacement)*	151,979,689	14,128,111
Agrani Bank Limited (gratuity and termination benefit- Hotel)	2,967,837	2,967,837
Agrani Bank Limited	(3,201,829)	22,119,114
Sonali Bank Limited	4,462,010	4,403,459
Agrani Bank Limited (BSL complex rental account)	(9,867,634)	68,131,797
Standard Chartered Bank (Hotel)	7,954,586	7,958,551
	154,294,658	119,708,869
Fixed deposit with		
Agrani Bank Limited	161,149,646	385,047,054
Bangladesh Commerce Bank Limited	3,680,001	9,225,005
	164,829,651	394,272,059
Current accounts with		
	66,991,114	150,967,759
Agrani Bank Limited-(A/C nos. 1905, 9051, 1998, 5711 & 7325)	66,710,979	150,686,784
Agrani Bank Limited - dividend account	280,135	280,975
	<b>391,540,422</b>	<b>669,575,447</b>

\*This amount has been keeping aside due to utilisation of reserve for replacements, substitutions and additions to furniture and equipment (note 13). The shortfall of this account will recover when fund will be sufficient.

## 12. Share capital

### 12.1 Authorised:

250,000,000 ordinary shares of BDT 10 each	<b>2,500,000,000</b>	<b>2,500,000,000</b>
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### 12.2 Issued, subscription and paid up:

4,741,993 ordinary shares of BDT 10 each issued for consideration other than cash	47,419,930	47,419,930
4,258,007 ordinary shares of BDT 10 each issued in cash	42,580,070	42,580,070
88,788,913 ordinary shares of BDT 10 each issued as bonus shares	887,889,130	887,889,130
	<b>977,889,130</b>	<b>977,889,130</b>

### 12.3 Shareholding position at 30 June 2023 is as under:

Allocation of shares	Nationality	Number of shares	BDT	Percentage of shares (%)
Government of Bangladesh	Bangladeshi	97,470,791	974,707,910	99.67
H. H. Prince Sadaruddin Aga Khan	Swiss	183,751	1,837,510	0.19
Individuals	Bangladeshi	92,359	923,590	0.09
Bangladesh Parjatan Corporation	Bangladeshi	42,012	420,120	0.04
		<b>97,788,913</b>	<b>977,889,130</b>	<b>100</b>

**12.4 Classification of shareholders by holding:**

Holding of shares				2023 No. of shareholders	2022 No. of shareholders
Less than	500			39	39
	501	--	5000	16	16
	5001	--	10000	4	4
	10001	--	20000	0	0
	20001	--	30000	1	1
	30001	--	40000	0	0
	40001	--	50000	1	1
	50,001	--	100000	0	0
	100001	--	1000000	1	1
	100001	and	above	1	1

		2023 BDT	2022 BDT
<b>13. Reserve for replacements, substitutions and additions to furniture and equipment</b>			
Opening balance		200,963,215	162,213,126
Add: Charged to operation during the year		67,618,966	44,085,089
Less: Amount utilisation during the year		24,131,053	5,335,000
Closing balance		<b>244,451,128</b>	<b>200,963,215</b>

The reserve fund is created for 4% of the Hotel Revenue as per the Management Agreement with the operation. This fund is non distributable and only to be used for the procurement of Assets required for Hotel operation.

<b>14. Revaluation surplus</b>			
Opening balance		27,343,762,067	-
Revaluation of land during the year		-	28,483,085,486
Less: Related deferred tax (expense)/income on revaluation surplus			1,139,323,419
		<b>27,343,762,067</b>	<b>27,343,762,067</b>

As mentioned in note 3 in prior year the Company has changed its basis of accounting for Land from cost to Revaluation model. The Company has appointed an independent valuer M/s. Syful Shamsul Alam & Co. The valuation report resulted revaluation surplus of Tk. 28,483,085,486 on which deferred tax liability @ 4% has been calculated.

<b>15. Deferred tax liability/ (asset)</b>			
Deferred tax liability has been recognised in accordance with the provision of IAS 12 based on temporary difference arising due to difference in the carrying amount of the assets/liabilities and its tax base.			
Opening balance		1,467,317,329	235,148,167
Deferred tax expenses/(income) recognised in profit or loss		32,507,108	92,845,743
Deferred tax expenses/(income) recognised in other comprehensive income		-	1,139,323,419
Closing balance		<b>1,499,824,437</b>	<b>1,467,317,329</b>

Deferred tax liability is arrived at as under:

	Carrying amount	Tax base	Taxable / (deductible) temporary difference
<b>30 June 2023</b>			
Property, plant and equipment	7,874,912,198	6,216,381,746	1,658,530,452
Deferred liability for gratuity	(56,303,706)	-	(56,303,706)
Taxable/ (deductible) temporary difference	7,818,608,492	6,216,381,746	1,602,226,746
Applicable rate			22.50%
			360,501,018
Land on revaluation surplus	28,483,085,486	-	1,139,323,419.44
Deferred tax liability/ (asset)-A			<b>1,499,824,437</b>

	Carrying amount	Tax base	Taxable / (deductible) temporary difference
<b>30 June 2022</b>			
Property, plant and equipment	8,327,176,562	6,814,078,691	1,513,097,870
Deferred liability for gratuity	(55,347,161)	-	(55,347,161)
Taxable/ (deductible) temporary difference	8,271,829,400	6,814,078,691	1,457,750,709
Applicable rate			22.50%
			327,993,910
Land on revaluation surplus	28,483,085,486	-	1,139,323,419
Deferred tax liability/ (asset)-B			<b>1,467,317,329</b>

#### 16. Long term secured loan

	2023 BDT	2022 BDT
Agrani Bank- renovation loan	5,357,463,433	5,739,025,000
Interest during construction period	4,166,048,712	3,814,646,094
	<b>9,523,512,145</b>	<b>9,553,671,094</b>

#### 16.1 Non-current loans and borrowings

Agrani Bank- renovation loan	8,296,192,925	8,898,871,094
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#### 16.2 Current loans and borrowings

Agrani Bank- renovation loan	1,227,319,220	654,800,000
	<b>9,523,512,145</b>	<b>9,553,671,094</b>

The loan was drawn under the borrowing facilities agreement dated 10 May 2015 and 08 January 2017 with the Agrani Bank Limited to finance construction and renovation work of the Hotel. This commercial housing loan bears interest rate at 8.50%. Leasehold land and building of the Company along with renovation work/materials are mortgaged/hypothecated against this loan. As per the revised repayment schedule the Company is obligated to pay Tk. 16.37 crore each quarter.

Actual loan repayment during the year was Tk. 65.48 crore as quarterly pay Tk. 10 crore as one payment. However due to application of interest the net loan payable amount reduced by Tk. 3 crore.

	2023 BDT	2022 BDT
<b>17. Deferred customs tariff</b>		
Chittagong Customs (note 17.1)	596,585,607	544,578,675
ICD Kamalapur Customs	173,410,209	173,410,209
Dhaka Airport Customs	43,638,152	43,638,152
Beanpole Customs	3,443,097	3,443,097
	<b>817,077,065</b>	<b>765,070,133</b>
The Company has obtained an approval from Government for deferral of tariffs imposed on importation of equipment and materials for renovation work of the Hotel upto July 2022.		
<b>17.1 Chittagong Customs</b>		
Opening balance	544,578,675	544,578,675
Add: Bank Guarranee as Deferred Tariff	93,390,334	-
	637,969,009	544,578,675
Less: Payment made during the year	41,383,402	-
Closing Balance	<b>596,585,607</b>	<b>544,578,675</b>
<b>18. Accounts payable</b>		
For goods	103,369,197	74,845,235
Liquidated damage for renovation works	150,524,109	150,524,109
For expenses (note 18.1)	2,178,368,416	1,847,820,271
For other finance (note 18.2)	541,496,281	543,608,708
	<b>2,973,758,004</b>	<b>2,616,798,322</b>
<b>18.1 Accounts payable for expenses</b>		
BICC rent payable to BSL*	508,969,750	508,969,750
Expenses incurred by ICD for renovation works on behalf of BSL	936,116,398	936,116,396
Provision for retirement benefits	73,385,899	73,385,899
Salaries, wages, bonus gratuity and other benefits	72,541,188	73,395,790
Accrued expenses	112,897,949	100,923,935
Accrual for BICC rent payable to PWD*	1,038,350,000	1,038,350,000
Accrual for BICC profit share payable to PWD (50% from Jan-Jun 2020)	145,611,625	145,611,625
Payable to PWD (18.1a)*	78,300,099	-
Accrual for Balaka rent	1,666,251	1,666,251
Accrual for insurance	1,327,560	1,327,560
Accrual for social sports	4,311,017	4,311,017
Municipality tax	19,277,511	19,277,511
Indebtness to operator and its affiliates	72,342,015	48,577,967
Utility service for Hotel operation	9,788,372	9,328,680
Utility bills for BSL Office Complex	40,125	40,125
Other professional services fee	(195,000)	(195,000)
Software maintenance fee	(36,461)	289
Legal and professional charges	450,000	450,000
Consultancy fee	464,950	464,950
VAT payable	480	480
Crew allowance	800,000	800,000
Dues and subscription	280,973	280,973
Payable to ICD by Hotel	4,028,350	3,521,573
Payable to BICC by BSL	466,882,899	466,832,899
Payable of BICC to ICD	91,872,307	67,500,569
Taxes, deposits and other creditors-ICD	277,953,063	170,782,177
Advance from clients ICD	4,333,829	4,957,767
Other current liabilities ICD	264,426,972	154,082,276
	<b>4,186,188,119</b>	<b>3,830,761,457</b>

	2023 BDT	2022 BDT
Less: Contra items (note 8)		
BICC rent payable to BSL	508,969,750	508,969,750
Expenses for renovation made by ICD on behalf of BSL	936,116,398	936,116,398
Payable to BICC by BSL	466,832,899	466,832,899
Payable to ICD by Hotel	4,028,350	3,521,573
Payable of BICC to ICD	91,872,307	67,500,569
	2,007,819,703	1,982,941,187
	<b>2,178,368,416</b>	<b>1,847,820,271</b>

(\*) The management are unable to receive any confirmation from BICC.

#### 18.1a Payable to PWD

Opening balance	-	-
Add: Addition during the year	135,927,320	-
	135,927,320	-
Less. Complimentary	7,902,880	-
	128,024,441	-
Less. Payment of utility	29,708,094	-
Less. Payment during the period	20,016,248	-
	<b>78,300,099</b>	-

#### 18.2 Creditors for other finance

VAT and supplementary duty *	282,682,220	285,025,673
Lease and other security deposit	14,696,482	14,796,482
Service charge unadjusted with project cost	221,319,799	224,030,904
Service charge payable to employees	87,407	87,407
Income tax deduction from staff salaries	19,088,061	19,088,061
Provident fund loan deduction	89,457	89,457
Tax deducted but not deposited	(103,019)	(151,369)
Tips payable	147,883	147,883
UNICEF donation received from guests	4,971	4,971
Union subscription	30,200	30,200
Other finance creditors	636,724	(165,632)
Liabilities for LOC	704,592	704,591
Other creditors	2,111,506	(79,919)
	<b>541,496,281</b>	<b>543,608,708</b>

\* The above VAT and supplementary duty also included VAT on Balaka Restaurant of the Company situated at the departure lounge after clearance of immigration of Hazrat Shahjalal International Airport. The Company has disputed imposition of VAT on this outlet and hence not paying the disputed claim of VAT.

#### 19. Advance rent, security deposit, earnest and retention money

Earnest money	400,000	400,000
Advance rent received	948,788	1,149,132
Retention money received	7,885,713	7,885,713
Rental security deposit	7,212,251	7,163,390
Security money received from contractors	111,542,867	130,441,674
	<b>127,989,620</b>	<b>147,039,909</b>

		2023 BDT	2022 BDT		
<b>20. Provision for taxation</b>					
Opening balance		95,586,053	21,762,852		
Add: Provision made during the year		37,318,082	73,823,201		
		132,904,135	95,586,053		
Less: Payments made during the year		-	-		
Closing balance		<b>132,904,135</b>	<b>95,586,053</b>		
*Calculation of tax liability					
A. 0.60% of gross receipt	10,919,785				
B. 22.5% on profit before tax	None, since loss				
C. AIT paid during the year	37,318,082				
Tax liability (higher of A, B and C)		37,318,082	73,823,201		
Current tax		37,318,082	73,823,201		
Deferred tax		32,507,108	-		
<b>21. Deferred Liability for retirement benefits</b>					
Opening balance		55,347,161	178,320,014		
Add: Provision made during the year		7,542,965	4,297,276		
		62,890,126	182,617,290		
Less: Payment made during the year to outgoing members		6,586,420	127,270,129		
Closing balance		<b>56,303,706</b>	<b>55,347,161</b>		
<b>22. Revenue</b>					
Rooms		429,345,695	265,283,705		
Food and beverage		1,119,658,011	752,113,735		
Rental and others		141,470,449	84,729,760		
		<b>1,690,474,155</b>	<b>1,102,127,200</b>		
<b>23. Operating cost</b>					
	Rooms	Food and beverage	Minor operating departments	Total	Total
Salaries, wages, bonus, gratuity and other benefits	64,683,663	136,501,138	16,534,902	217,719,703	138,458,443
Decoration and other expenses	1,185,863	923,801	1,009,050	3,118,714	1,109,666
Cost of materials and other expenses	-	357,433,372	3,849,600	361,282,971	245,698,121
Operating supplies	13,656,437	30,429,155	2,863,532	46,949,125	28,900,156
Menus cost	-	81,500	-	81,500	68,700
Balaka restaurant rent	-	50,896,550	-	50,896,550	44,468,202
Laundry, dry cleaning	5,290,756	4,597,338	137,046	10,025,141	6,752,499
Limousine expenses	608,908	-	-	608,908	303,293
Complimentary guest services	8,151,669	-	84,680	8,236,349	3,187,275
Printing and stationery	2,060,779	5,424,961	34,776	7,520,516	4,448,565
Entertainment	336,801	377,473	-	714,274	461,375
Equipment rent	4,719,639	-	1,000,000	5,719,639	4,740,607
In-house TV, video, music, etc.	4,850,029	922,810	-	5,772,839	5,313,883
Room and F&B commission	19,851,412	-	-	19,851,412	12,139,916
Travel and communication	160,131	608,864	-	768,995	288,349

			2023 BDT	2022 BDT	
Fuel and power	-	8,672,745	-	8,672,745	5,916,980
Uniforms	421,902	957,771	80,065	1,459,738	1,163,949
Permits and licenses	3,597,807	1,373,412	-	4,971,219	2,568,685
Others	186,509	772,376	13,224	972,109	413,940
	<b>129,762,306</b>	<b>599,973,266</b>	<b>25,606,874</b>	<b>755,342,446</b>	<b>506,402,603</b>
<b>24. Hotel administrative and other expenses</b>					
Operators and its affiliated company fees (note 24.1)			81,432,618	47,407,280	
Heat, light and power (note 24.2)			90,317,005	75,040,026	
Administrative and general expenses (note 24.3)			138,585,330	90,961,574	
Advertising, promotion and public relations (note 24.4)			69,633,422	41,269,671	
Repairs and maintenance (note 24.5)			66,077,866	52,644,198	
Information and telecomm (note 24.6)			38,621,710	22,933,080	
RBH hotel expenses (note 24.7)			-	51,069,702	
			<b>484,667,950</b>	<b>381,325,532</b>	
<b>24.1 Operators and its affiliated company fees</b>					
License fee			42,261,856	25,960,649	
Incentive management fee			39,170,762	21,446,631	
			<b>81,432,618</b>	<b>47,407,280</b>	
<b>24.2 Heat, light and power</b>					
Utilities			90,317,005	75,040,026	
			90,317,005	75,040,026	
<b>24.3 Administrative and general expenses</b>					
Salaries, wages, bonus, gratuity and other benefits			90,886,541	53,892,350	
Credit card commission			14,359,865	8,205,391	
Security			38,810	3,673,393	
Operating supplies			850,813	82,166	
Travelling expenses			1,074,537	1,016,591	
Legal and professional charges			698,000	1,042,539	
Printing and stationery			2,524,940	1,852,692	
Entertainment			1,201,604	701,721	
Professional services fee			554,283	468,768	
Uniforms			261,354	231,458	
Dues and subscriptions			127,750	97,500	
Training and training related expenses			5,801,208	2,173,896	
Relocation expenses			1,723,592	5,116,226	
Licenses and taxes			11,542,017	6,714,150	
Ownco expenses			6,940,016	5,692,733	
			<b>138,585,330</b>	<b>90,961,574</b>	
<b>24.4 Advertising, promotion and public relations</b>					
Salaries, wages, bonus, gratuity and other benefits			22,260,525	15,688,212	
Signage, events and functions			12,847,476	6,320,691	
Entertainment			3,321,161	2,793,801	

	2023 BDT	2022 BDT
Travelling	798,149	317,984
Print newspapers	980,458	554,671
Photography expenses	16,574,856	-
Marketing assessment fees	8,598,817	4,914,548
IHG rewards club assessment	16,574,856	8,364,325
Others	4,251,980	2,315,439
	<b>69,633,422</b>	<b>41,269,671</b>
<b>24.5 Repair and maintenance</b>		
Salaries, wages, bonus, gratuity and other benefits	29,994,911	23,524,908
Removal of waste	-	25,077
IT - repair and maintenance	27,592,111	22,708,758
Water treatment	767,509	316,916
Electric bulbs/electrical	3,844,773	2,565,731
Uniforms	174,772	164,466
Licenses and taxes	586,587	562,283
Pest control	1,386,000	1,050,100
Operating supplies	1,423,946	1,359,218
Travelling - local	80,763	54,498
Others	226,495	312,243
	<b>66,077,866</b>	<b>52,644,198</b>
<b>24.6 Information and telecomm</b>		
IT direct expenses	30,087,420	17,331,761
Salaries, wages, bonus, gratuity and other benefits	8,163,936	4,991,908
Operating supplies	116,904	383,675
Entertainment	13,612	15,382
Licenses and taxes	67,518	72,350
Travelling and conference	2,180	-
Printing and stationery	30,033	24,695
Operating supplies	12,224	329
Others	127,882	112,981
	<b>38,621,710</b>	<b>22,933,080</b>
<b>24.7 RBH hotel expenses</b>		
Salaries, wages, bonus, gratuity and other benefits	-	51,069,702
<b>25. BSL administrative and other expenses</b>		
Depreciation	580,883,617	575,447,311
Insurance	12,491,983	9,489,414
Other expenses BSL (note 25.1)	54,918,396	61,384,160
	<b>648,293,996</b>	<b>646,320,885</b>
<b>25.1 Other expenses BSL</b>		
Salaries, wages, bonus, gratuity and other benefits	38,332,551	30,825,922
Entertainment	21,700	500,240
Directors' remuneration	1,336,000	2,125,600
Bank charge and levy	2,695,463	1,968,531
Legal and consultancy fee	1,530,250	799,900
CDBL expenses	161,200	165,800

	2023 BDT	2022 BDT
Municipality expense	3,209,097	-
Advertisement	1,865,659	2,513,397
Auto maintenance	689,141	2,697,652
Cable and postage	405,383	957,062
Stock exchange listing fee	488,945	488,945
Subscription to BAPLC	50,000	50,000
Donation	445,000	173,412
Office maintenance	1,131,175	515,888
Printing and stationery	168,138	134,664
Corporate Social Responsibility (CSR)	20,000	-
Medical expenses	803,181	403,392
AGM expenses	1,323,201	244,730
Tourism related expenses	20,279	33,986
Training expense	249,100	650,500
Others	(89,977)	(268,552)
Conveyance	62,910	-
	<b>54,918,396</b>	<b>44,981,069</b>
<b>26. Interest income</b>		
Interest on bank deposits	28,830,593	120,504,031
Rental income from staff quarter	12,460,596	9,406,170
Income from sale of scraped items of fixed assets	810,000	14,620,990
Non-operating income	75,000	222,000
	<b>42,176,189</b>	<b>144,753,191</b>
<b>27. Rental income from BSL office complex</b>		
Rental income	97,582,203	98,730,735
Less: Expenses on complex		
Electricity and fuel	20,681,190	16,771,165
Salaries, wages, bonus, gratuity and other benefits	20,864,967	13,641,584
Cleaning and maintenance	9,866,549	21,210,468
Conveyance and medical expenses	757,022	1,277,646
	52,169,728	52,900,863
	<b>45,412,475</b>	<b>45,829,873</b>
<b>28. Income/(loss) from BICC</b>		
Revenue	400,440,938	301,898,112
Cost of sales	113,231,781	84,413,539
	<b>287,209,157</b>	<b>217,484,573</b>
Less: Expenses		
Utility	-	24,631,283
Maintenance	29,035,017	16,639,335
Administrative and general	87,849,431	84,041,564
Advertisement	398,982	744,438
	117,283,430	126,056,620
	169,925,727	91,427,953

	2023 BDT	2022 BDT		
Less: Share of profit/(loss) to PWD (80% from Jul 2022 to June 2023)	128,024,441	59,405,223		
Net profit for the year	<b>41,901,287</b>	<b>32,022,731</b>		
<b>29. Finance cost</b>				
Interest expenses	719,149,805	733,584,874		
*The Company has calculated the finance expenses on accrual basis which is charges to profit and loss.				
<b>30. Remuneration to directors</b>				
Board meeting	900,000	1,032,000		
FAC meeting	96,000	228,000		
Audit committee	168,000	291,000		
PENC committee	-	215,000		
Other meetings	112,000	119,600		
Nomination & Remuneration Committee (NRC)	60,000	240,000		
Fee to directors	<b>1,336,000</b>	<b>2,125,600</b>		
<b>31. Salaries, wages, bonus, gratuity and other benefits</b>				
Salaries, wages, bonus, gratuity and other benefits of 2023 is BDT 494,285,758 (2022: BDT 461,488,755) appearing in these financial statements of various departments.				
<b>32. Capacity</b>				
<b>32.1 Capacity of the hotel</b>				
Total rooms available to the customers during the month of June 2023	6726			
Total % of actual occupancy of rooms during the month of June 2023	40.40%			
Total actual % of occupancy of rooms during the year to 30 June 2023	43.60%			
<b>32.2 Capacity of BSL office complex</b>				
Total area of space available to let out at 30 June 2023	63,443	61,879		
Total area in use as of 30 June 2023	63,443	58,292		
<b>33. Remittance of foreign currency</b>				
	2023 USD	2022 USD	2023 BDT	2022 BDT
Expatriates salaries and benefits	110,498	63,785	12,099,546	5,960,753
IHG fees	780,665	480,835	85,482,774	44,934,012
Training fee	1,647	1,647	180,297	153,870
Travel agent fee	34,914	12,775	3,823,035	1,193,870
Software maintenance fee	40,036	54,128	4,383,956	5,058,268
			<b>105,969,608</b>	<b>57,300,773</b>
<b>34. Contingent liabilities and claims</b>				
A. Letter of guarantees				
In the course of executing the contract work, certain disputes have arisen between the Company and its contractor Mir Akhter Hossain Limited. As per the terms of contract, the contractor was authorized to refer the matter to arbitrator for resolution of the dispute in accordance with the provision of the arbitration Act 1940. Both the parties nominated their Arbitrators; Late Justice Badrul Haider Chowdhury was nominated by the contractor and Mr. M.S.I Chowdhury was nominated by the Company and the arbitrators appointed Justice Kemaluddin Hossain, the former Chief Justice of Bangladesh as umpire and thereafter arbitral proceedings started. The arbitrators differed on certain matters and sent their reports to the umpire. The umpire has given the following awards on 02 April 1998:				
i.	The Company shall pay to government treasury the entire amount of VAT amounting to Taka 6,676,914 to the contractor as deducted from the invoices.			
ii.	The contractor is also entitled to claim damages to the extend of Taka 2,196,677 for payment of its invoices by the Company.			

The contractor filed a petition to the 3rd Sub Judge Court of Dhaka to enforce the award given by the umpire, whereas the Company decided to contest it. The case was sent back on remand by the Hon'ble Supreme Court vide judgment dated 02 July 2001 passed in F.M.A no: 235/99 filed by BSL with a direction to dispose of the matter. Recently the 3rd Sub Judge court has upheld its previous verdict in favor of contractor and directed the Company to pay the entire amount of Taka 9,200,346 to the contractor. The Company has filed an appeal with the Hon'ble High court in 2004 against the verdict, the ultimate outcome of which is uncertain. To comply with the terms of the contest petition, the Company issued a bank guarantee in favour of the court amounting to Taka 9,200,346 which has been shown as contingent liability being letter of guarantee in the books of the Company. Against the guarantee, the Company has paid a sum of Taka 920,215 as margin against bank guarantee and the amount is shown under sundry debtors in these financial statements.

No provision has been made in these financial statements against the above.

**B. Income tax pending matters**

The income authority has made an additional claim for the assessment years 2007-2008 and 2008-2009 and 2009-2010 and 2011-2012 and 2015-2016 amounting to BDT 5,954,210 and BDT 9,340,009 and BDT 21,707,794 and BDT 51,636,481 and BDT 3,846,883 respectively against which the Company has made appeals to relevant appeal authority which are still pending. For subsequent years tax assessments are pending at various stages, however no final demand has been received from tax authority. No provision has been made in the accounts for the additional amount claimed by the tax authority as the Company has reasonable grounds to believe its appeal against such unjust additional demand will be ultimately successful and these would be set aside at the time disposal of final appeal.

**C. Value added tax (VAT) and supplementary duty**

Large Taxpayers Unit (LTU) - VAT has issued a demand notice to the Company for Tk 24,732,774 which allegedly resulted from claiming VAT rebates on certain items, not paying VAT on rent received and unpaid VAT as deducted at source from suppliers for the period July 2005 to June 2010. Pursuant to an audit conducted by the Local and Revenue Audit Department on the Hotel operation of the Company, the LTU - VAT has also issued demand notices of Tk. 282,159,786 for the years 2010-2011 and 2011-2012 and Tk 120,220,847 for the year 2012-2013 on the grounds of not collecting supplementary duty and VAT on supplementary duty from sale of alcoholic beverages at restaurants of the Hotel and taking rebate on restaurant services without price declaration.

The Company is defending these objections as it believes that these were neither factually correct nor consistent with the prevailing VAT legislation. The Company maintains its position that all VAT rebates claimed are legitimate, relevant requirements of the VAT Act 1991 have been appropriately followed and any withholding VAT are duly deposited to the Government exchequer. Since these matters are pending and the Company believes on reasonable ground that such alleged objection shall be quashed in favor of the Company in due course by the appropriate authority no provision has been made for such disputed claims.

**D. Additional supplementary duty and VAT on sale of alcoholic beverages and floor show**

The erstwhile Dhaka Sheraton Hotel (now renamed as InterContinental Dhaka) has been conducting its Hotel business after taking Value Added Tax (VAT) registration from relevant authority. As per SRO No 152/Law/2005/443-VAT dated 9 June 2005, hotels under service code S001.10 was exempted from supplementary duty. 2012 and clearly spelt out collection of supplementary duty from supply of alcoholic beverages and organization of floor show, management believes that this supports the Hotel's argument that the earlier imposition of supplementary duty prior to 1 July 2012 has no legal basis. The LTU-VAT has issued a demand notice on same matter claiming additional supplementary duty and VAT on sale of beverages and floor show income of Tk 12,733,543 for the period from 1 July 2012 to 30 June 2013 which has been provided for by the Company.

However, VAT Large Taxpayers Unit (LTU) vide a letter dated 30 March 2009, alleged that for those hotels which also provide in-house restaurant services, supplementary duty shall be paid on receipts from supply of alcoholic beverages and organization of floor show. The said letter also claimed that since the Hotel has in-house restaurants where alcoholic beverages are served and also floor show is organized, supplementary duty shall be payable on such receipts. The letter further alleged that total supplementary duty of Tk 188,390,994 is payable by the Hotel for the period from July 2005 to June 2009. The Hotel has filed a writ petition on 31 May 2009 with the High Court Division of the Supreme Court of Bangladesh challenging validity of the alleged claim by VAT LTU. Other five star hotels operating in Bangladesh at that time also received similar demands from VAT LTU and they also filed their respective writ petitions. On 10 September 2017, the High Court Division has passed a judgment maintaining the demand of VAT LTU. A civil petition number 1425 of 2017 was filed for leave to appeal against this judgment with the Appellate Division of the Supreme Court of Bangladesh. However, as per an order dated 13 September 2017 the civil petition has been dismissed. The Hotel management are reviewing the matter and discussing with competent lawyers to decide next course of action. Since this is an industry-wide issue involving a number of other five star hotels, management is also discussing this matter with other stakeholders. It is worthwhile to note that an amendment has been made vide SRO No 184-Law/2012/642 dated 7 June 2012 whereby supplementary duty @10% has been imposed on Hotel and Restaurants on income received from supply of alcoholic beverages and organization of floor show (even for a day of the year). Since this SRO is applicable from 1 July 2012 to 30 June 2013 which has been provided for by the Company.

The Appellate Division of Supreme Court has dismissed the petition of the Company to exempt its Hotel from supplementary duty of Tk.188,390,994. BSL will take next course of action as per discussion with other stakeholders.

**E. Demand for City tax on Room rent**

Dhaka South City Corporation has claimed City Tax @5% of room rental collected from guests for the period from 1 December 2018 on the basis of Clause 9 of City Corporation Ideal Tax Schedule. However, given the COVID 19 Pandemic and delay in post renovation reopening the Company has raised an objection for imposition of this tax. The matter is in dispute between the Company and Dhaka South City Corporation.

**35. Number of employees**

Total number of employees engaged for the whole year or part thereof are 502 among which who received a total yearly remuneration of BDT 36,000 and above.

**36. Earnings per share (EPS)**

**36.1. Basic earnings per share**

Earnings attributable to the ordinary shareholders

Weighted average number of shares outstanding

Basic earnings per share

Earnings per share (EPS) has been computed by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the in terms of IAS-33 "Earnings Per Share."

	2023 BDT	2022 BDT
Earnings attributable to the ordinary shareholders	(857,315,282)	(1,109,569,843)
Weighted average number of shares outstanding	97,788,913	97,788,913
Basic earnings per share	(8.77)	(11.35)

**36.2. Diluted earnings per share**

No diluted earnings per share is required to be calculated for the year as there was no dilutive potential ordinary shares during the year.

**37. Events after the reporting period**

The Board of Directors of the company has not recommended any dividend for the year ended 30 June 2023.

**38 Financial Instruments-Financial risk management**

The management has overall responsibility for the establishment of the Company's risk management framework with oversight by the Board of Directors. The Company's risk management policies are established to identify and analyze 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 Group's activities. The Company has exposure to the following risks from its use of Financial Instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

**38.1 Credit risk**

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

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

	2023 BDT	2022 BDT
Cash and cash equivalents	391,540,422	669,575,447
Accounts receivable	765,019,660	539,200,731
Other receivables	15,587,020	5,011,361
Advances, deposits and prepayments	421,954,169	374,920,116
	<b>1,594,101,271</b>	<b>1,588,707,657</b>

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate. Based on the Company's operations there is no concentration of credit risk.

The Company's management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company review includes clients goodwill and in some cases bank references. Customers that fails to meet the Company's standard credit policy may transact with the company only on a pre-payment basis.

Cash at banks are maintained with both local branch of domestic schedule banks having acceptable credit rating and an international Bank.

### 38.2 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. 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.

#### Exposure to Liquidity risk

The following are the contractual maturities of financial liabilities:

Contractual cash flows

Non-derivative financial liabilities	Carrying amount as on 30 June 2023	Within 12 months	More than 12 months	Carrying amount as on 30 June 2022
	BDT	BDT	BDT	BDT
Long term loan	9,523,512,145	1,227,319,220	8,296,192,925	9,553,671,094
Accounts payable	2,973,758,004	2,973,758,004	-	2,616,798,322
Provision for income tax	118,127,037	118,127,037	-	95,586,053
Liability for gratuity	56,303,706	56,303,706	-	55,347,161
Deferred customs tariff	817,077,065	817,077,065	817,077,065	765,070,133
Advance rent, security deposits	127,989,620	127,989,620	-	147,039,909
Unpaid dividend	-	-	-	-
<b>Total</b>	<b>13,616,767,577</b>	<b>5,320,574,652</b>	<b>9,113,269,990</b>	<b>13,233,512,673</b>

As at 30 June 2023, all current liabilities were expected to be paid within 12 months and all non current liabilities except deferred tax were expected to be paid after 12 months. The major liquidity risk the Company is facing due to current liabilities being higher than current assets.

### 38.3 Market risk

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

### 38.4 Currency risk

The Company is exposed to currency risk on purchases of renovation materials and some food and beverage items which are denominated in a currency other than the functional currency. To manage this exposure normally the Company take assistance from relevant banks and if the exchange rate is expected to be volatile it attempts to upfront agree the exchange rate of retiring LCs at the time of settlement date. At balance sheet date there were no major financial instruments having material foreign exchange risk.

### 38.5 Interest risk

Interest rate risk arises from movement in interest rates both on deposits with banks as well as loans and borrowings. The Company is not significantly exposed to fluctuation in interest rates as most of the borrowings are on fixed interest rates and the Company has no derivative financial instruments.

	2023 BDT	2022 BDT
<b>39. Other information</b>		
<b>39.1 Reconciliation of operating cash flows to net profit</b>		
Profit/(loss) before tax	(787,490,092)	(942,900,899)
Adjustment for non-cash items :		
Depreciation	580,883,617	575,447,311
Retirement benefits provision made/(reversed)	7,542,965	4,297,276
Reserve for replacements, substitutions and additions to furniture and equipment	43,487,913	38,750,089
Provision for bad and doubtful debts	-	-
	<b>631,914,495</b>	<b>618,494,676</b>
Changes in working capital components:		
(Increase)/Decrease in inventories - spares and general stores	(11,506,517)	(10,376,103)
(Increase)/Decrease in inventories - food and beverage	3,784,367	(3,069,540)
(Increase)/Decrease in accounts receivable	(225,818,929)	(244,553,494)
(Increase)/Decrease in other receivable	(10,575,659)	12,025,895
(Increase)/Decrease in advances, deposits and prepayments	(47,034,050)	(42,555,931)
Increase/(Decrease) in accounts payable	356,959,681	(81,671,429)
Increase/(Decrease) in advance rent receipt	(19,681,147)	73,452,667
Increase/(Decrease) in rental security deposit receipt	48,861	1,535,532
Increase/(Decrease) Provision for supplementary duty	(17,694,521)	-
	28,482,088	(295,212,402)
Operating cash flow before gratuity and tax payments	(127,093,510)	(619,618,624)
Income tax paid	(37,318,082)	(41,589,745)
Retirement benefits paid	(6,586,420)	(127,270,129)
Net cash inflow/(outflow) from operating activities	<b>(170,998,012)</b>	<b>(788,478,497)</b>
<b>39.2 Net operating cash flows per share (NOCFPS)</b>		
Net operating cash flows	(170,998,012)	(788,478,497)
Weighted average number of ordinary shares outstanding	97,788,913	97,788,913
Net operating cash flows per share	<b>(1.75)</b>	<b>(8.06)</b>
<b>39.3 Net assets value (NAV) per share</b>		
Net assets as at 30 June 2021 (represented by equity)	(4,434,741,002)	(3,577,425,720)
Weighted average number of ordinary shares outstanding	97,788,913	97,788,913
Net assets value per share	<b>(45.35)</b>	<b>(36.58)</b>

**39.4** Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.

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

**39.6** Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year without, however, creating any impact on the operating result and value of assets and liabilities as reported in the financial statements for the current year.





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