



ANNUAL REPORT 2022

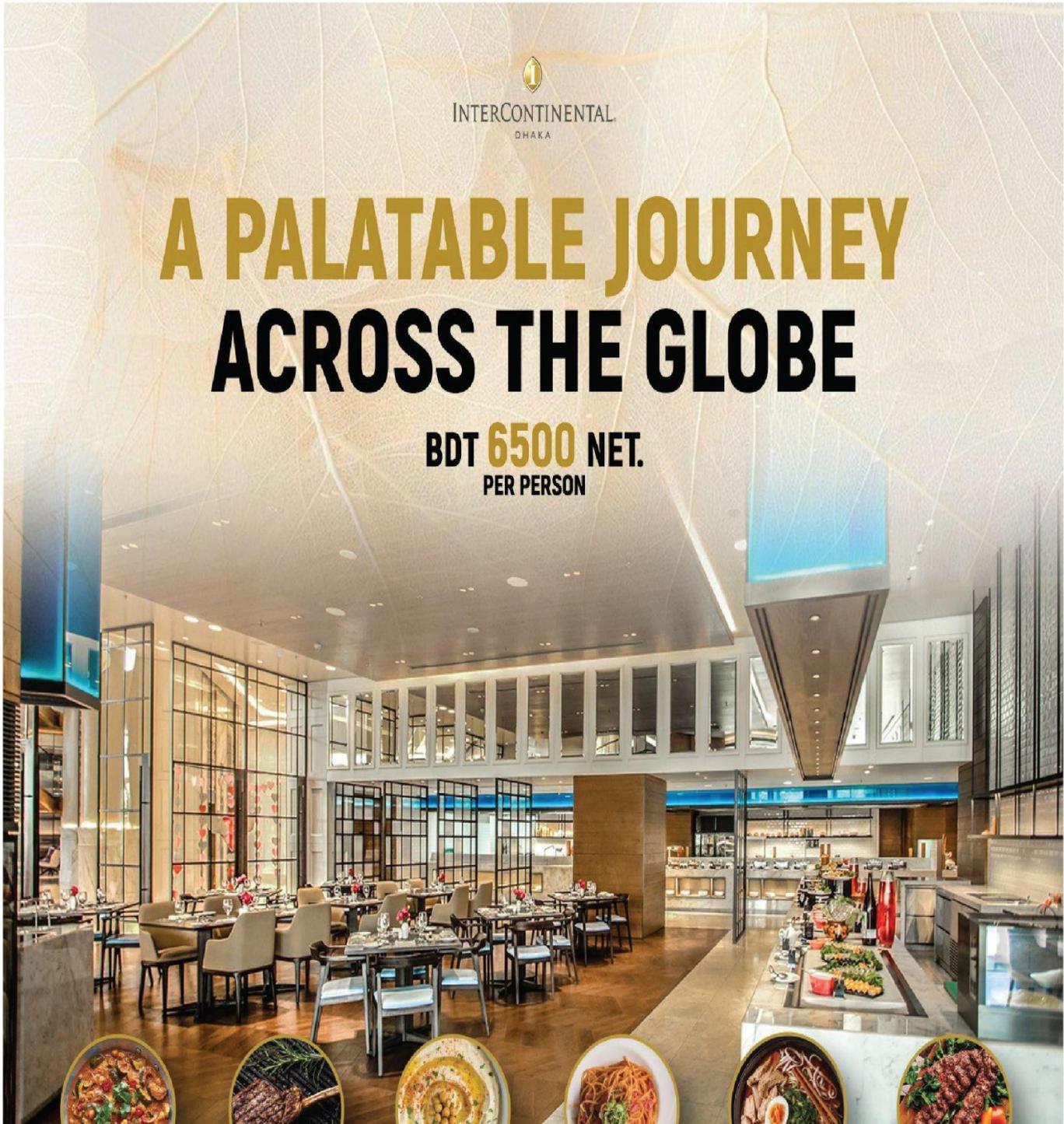
Bangladesh Services Limited
(Owner of InterContinental Dhaka)
1 Minto Road, Dhaka




INTERCONTINENTAL
DHAKA

A PALATABLE JOURNEY ACROSS THE GLOBE

BDT **6500** NET.
PER PERSON



SUNDAY & MONDAY
INTERNATIONAL NIGHT



TUESDAY
WESTERN NIGHT



WEDNESDAY
MEDITERRANEAN NIGHT



THURSDAY
ITALIAN NIGHT



FRIDAY
PAN ASIAN NIGHT



SATURDAY
MIDDLE EASTERN NIGHT

***BOGO APPLICABLE WITH SELECTED BANK CARDS**



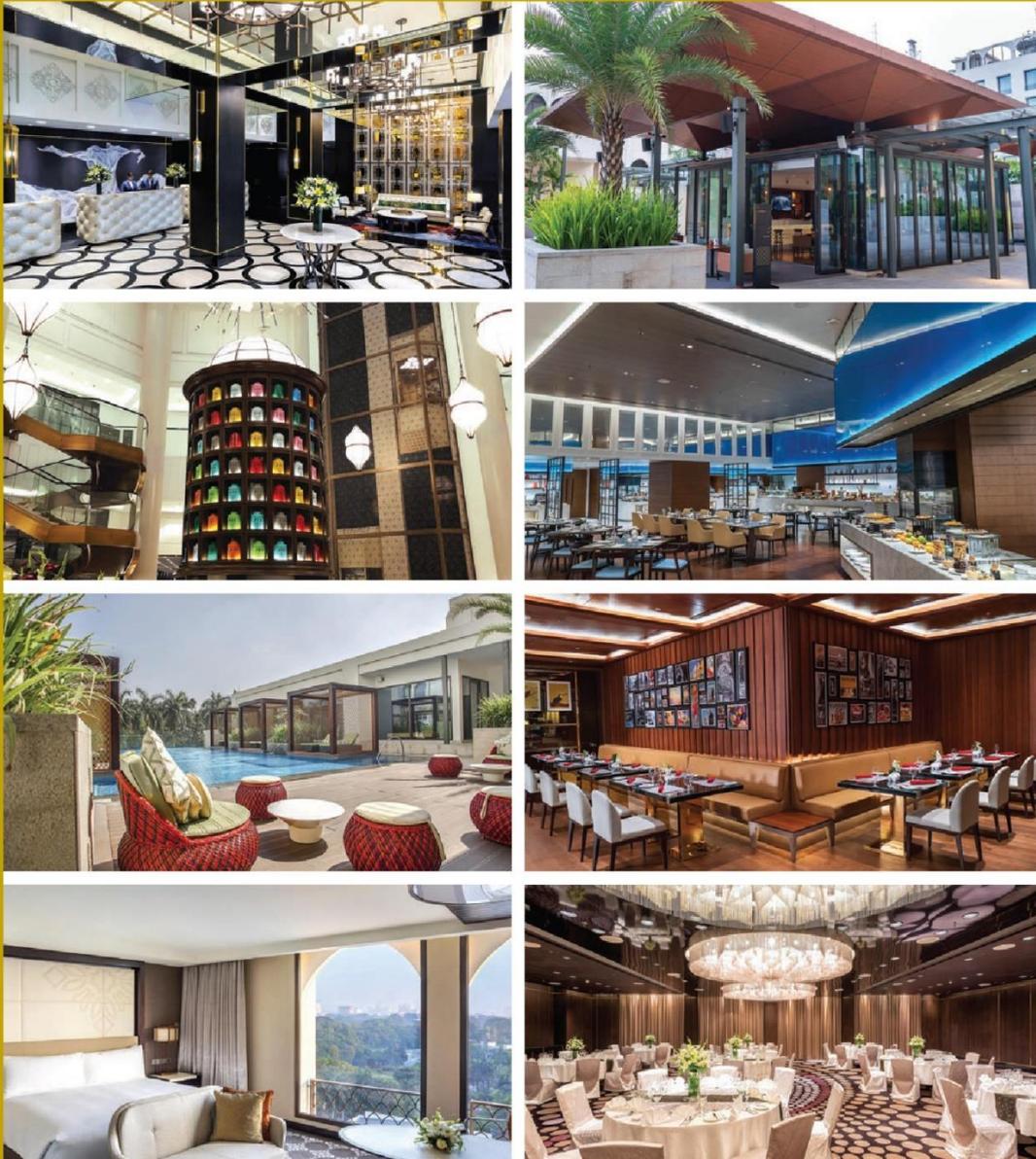
ACHIEVEMENTS OF THE YEAR



InterContinental Dhaka has been awarded with many prestigious awards this year. The most valuable accolades which are jewels of InterContinental Dhaka.

InterContinental Dhaka has won the “29th Annual World Travel Award 2022”. InterContinental Dhaka won the award for two categories The Bangladesh’s Leading Hotel 2022 & Bangladesh’s Leading Hotel Suite 2022 for its Presidential Suite.

InterContinental Dhaka convey its sincere gratitude towards everyone who voted & supported the Hotel to win the Awards, the most prestigious accolades in travel and tourism industry.



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All IHG ONE REWARDS Club Member enjoy special benefits and special discounts around the worldwide IHG brand hotels facilities. For know more details visit :
<https://www.ihg.com/rewardsclub>



IHG
HOTELS & RESORTS



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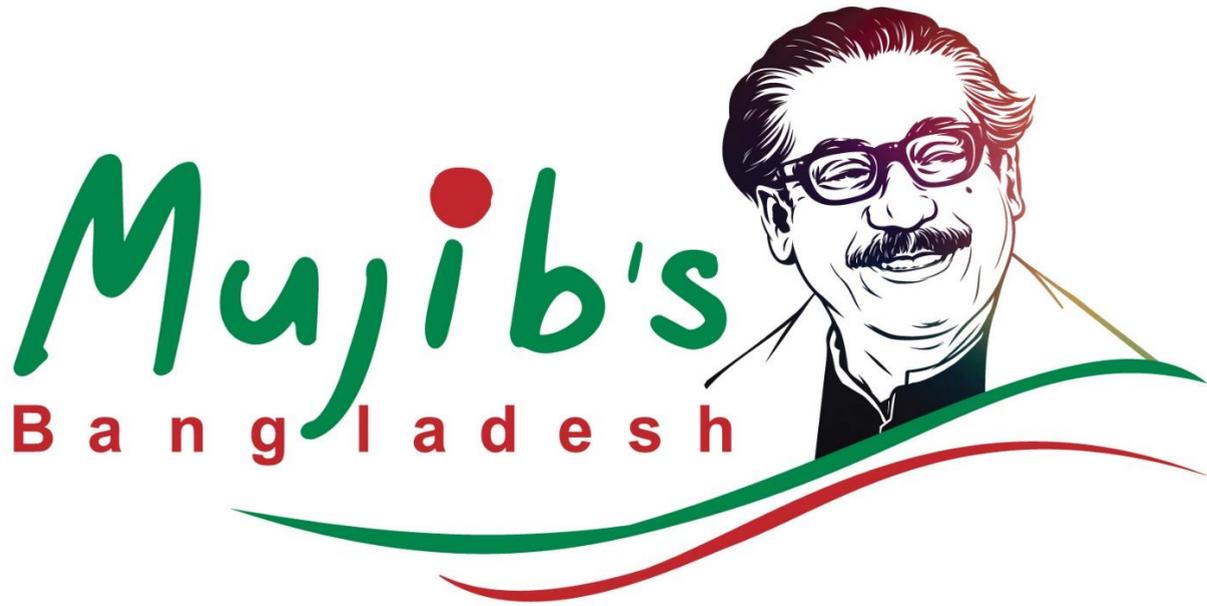
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CELEBRATION OF GOLDEN JUBILEE OF BANGLADESH'S INDEPENDENCE



In order to commemorate the Golden Jubilee of Bangladesh's Independence, the Government has launched a new tourism brand name and logo titled
"Mujib's Bangladesh"



MUJIB CORNER, A REMINISCENCE OF THE FATHER OF THE NATION



In remembrance of the Father of the Nation, we've built Mujib corner. A corner that reflects the sacrifices, bloodshed, those all years of bars, untold stories, struggles, and also his life that was lived without family and children. We can't ever forget the sacrifices made by Bangabandhu. Hon'ble Prime Minister Sheikh Hasina visited the Mujib Corner on 31st October 2022.

On the occasion of the Birth Centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman & the Glorious 50th Anniversary of the Independence of Bangladesh & Victory Day; Mr. Md. Mahub Ali, State Minister for Civil Aviation and Tourism along with Mr. Md. Mokammel Hossain, Secretary, Ministry of Civil Aviation & Tourism and Chairman, Bangladesh Services Ltd. and Mr. Md. Abdul Quaiyum, the then Managing Director, BSL inaugurated the "Mujib Corner" at InterContinental Dhaka on December 11, 2021.

FATHER OF THE NATION'S BIRTHDAY & CHILDREN'S DAY



To commemorate the Father of the Nation Bangabandhu Sheikh Mujibur Rahman's Birth Anniversary; Ministry of Civil Aviation & Tourism arranged a discussion & Cake cutting ceremony at the iconic InterContinental Dhaka.

Chief Guest Mr. Md. Mokammel Hossain, Chairman, Bangladesh Services Limited & Secretary, Ministry of Civil Aviation & Tourism; Md. Abdul Quaiyum, Managing Director, Bangladesh Services Limited, and high officials of the Ministry of Civil Aviation & Tourism were present throughout the ceremony. Also, to mark the occasion of "National Children's Day" we organized an "Art Competition" & "Igloo-InterContinental Dhaka Ice Cream Carnival- Children's Day Special".

HONOURING THE CRACK PLATOON GUERRILLAS OF BANGLADESH LIBERATION WAR 1971



Ministry of Civil Aviation and Tourism, Bangladesh Services Limited and InterContinental Dhaka jointly organized an award giving ceremony and a Seminar titled “Father of the Nation Bangabandhu Sheikh Mujibur Rahman and Hotel InterContinental Dhaka-blessed with the memories of war of Independence” on 27th November, 2021. The program was organized to honour the members of the Crack Platoon guerrillas of Bangladesh Liberation War 1971 who took part in two operations in this hotel during the war of Independence. The program also commemorated centennial of the birth of the Father of the Nation Sheikh Mujibur Rahman, the greatest Bengali of all time.



NATIONAL VICTORY DAY



Every year victory day is a very special day for us to celebrate. We celebrate it in a grand way to reminiscence the victory we've snatched from the Pakistanis in 1971. Victory day reminds us of the struggle, the sacrifice, the bloodshed, the horrible nights we've spent to gain an independent country. We celebrate our victory, our sovereignty through colourful lightings, signage and many others. We've also received award for the lighting on Victory day.

NATIONAL MOURNING DAY



15th August is the national mourning day for Bangladeshis. The Father of the Nation, the great leader Bangabandhu Sheikh Mujibur Rahman was martyred on this day.

This is a national holiday. A prayer was arranged in InterContinental Dhaka to observe the day.



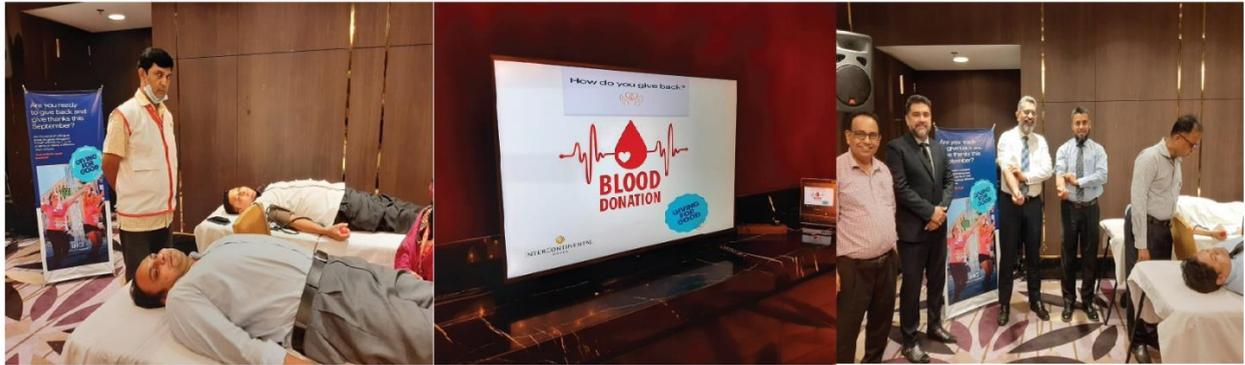
CORPORATE SOCIAL RESPONSIBILITY



Corporate social responsibility (CSR) is the obligation of the company towards the society to make positive contributions by taking decision that do not have any adverse effect on the society and the environment.

InterContinental Dhaka always thinks about the wellbeing of the society and each year takes a number of activities with that respect. Tree plantation, Blood donation, Supporting the Children, distribution of food of InterContinental Dhaka among the orphans were our main activities in 2021-2022.

Blood Donation



Tree Plantation



Special Children's Event





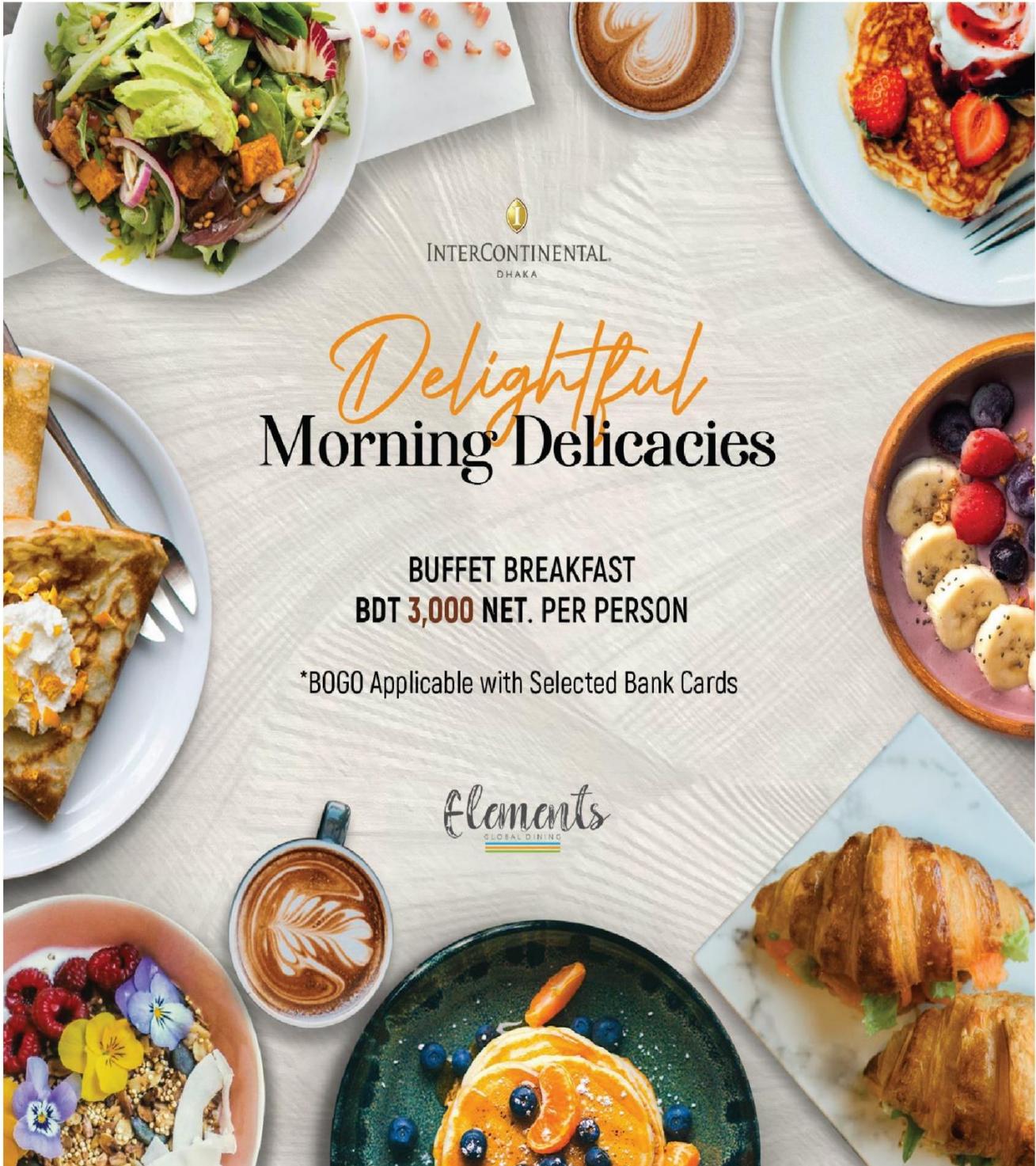
Developing Skilled Human Resources

Bangladesh Services Ltd. has been engaged in the hospitality business since its inception and is contributing to the development of tourism & hotel industry by giving opportunity to the students of different training institutes to do their internship in the hotel to develop their skills through application of their knowledge in real world. InterContinental Dhaka from its commercial journey on December 2018 trained more than one thousand industrial trainees.

To broaden its reach farther, InterContinental Dhaka offers on-the-job training and opportunities to apprentices to build their confidence and get employment ready. InterContinental Dhaka amplifies its positive impact on the communities proactively engaging with local and overseas trainees to help them build their skills and improve their employment prospects, whilst at the same time, creating a pipeline of potential recruits who will help us create Great Hotels Guests Love through a high level global framework. This framework leverages scale and ensures consistency, while local tailoring ensures that local programs are structured to maximize the “win win” – ensuring they are sustainable and meeting the needs of the participants directly.

InterContinental Dhaka is the pioneer hotel in the country that on boards highest number of industrial trainees from many institutions in a fiscal year since long to ensure and contribute in our society.





INTERCONTINENTAL
DHAKA

Delightful Morning Delicacies

BUFFET BREAKFAST
BDT 3,000 NET. PER PERSON

*BOGO Applicable with Selected Bank Cards

Elements
GLOBAL DINING

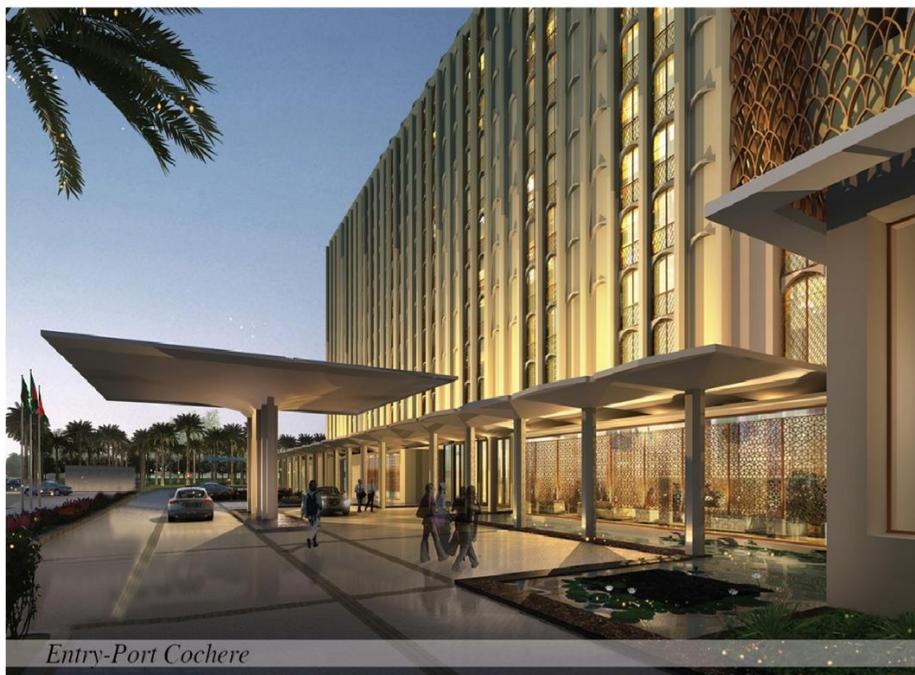


COMPANY'S PROFILE

Bangladesh Services Limited (BSL) is a Public Limited Company which came into operation in the year 1973. The Government of the People's Republic of Bangladesh owns 99.6% of its capital. The Board of Directors of the company consists of nine 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 international standard five star hotel business in Bangladesh more than 45 years back.

BSL had been doing hotel business in the name of Ruposhi Bangla Hotel since May, 2011 until it was closed for renovation in September 2014. However, the operation of VIP lounge in Hazrat Shahjalal International Airport, Dhaka, which is being used by the leading airlines as their business and first class passenger lounge, has not been closed and is being run by BSL.

Prior to Ruposhi Bangla Hotel, BSL did the hotel business as Hotel Inter-Continental Dhaka from 1973 to 1983 under an agreement with Inter-Continental Hotels Corporation and as Dhaka Sheraton Hotel from 1984 to April, 2011 under an agreement with Starwood Asia Pacific Hotels and Resorts Pte Ltd. (former Sheraton Overseas Management Corporation).



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.



InterContinental Dhaka- Luxury Hotel in Bangladesh



Distance from City Centre: 3.7 km
Distance from Airport: 15 km
Total Room: 226 luxurious rooms and suites

Name	No of room	Size of room (m2)
Deluxe & Club rooms	201	40
Junior suites	5	60
Deluxe suites	10	60
Executive suites	5	75
Presidential suites	5	150

Facilities Overview:

- 13 small to large-scale meeting rooms including 2 ballrooms with a Winter Garden and outside catering service
- High speed internet access throughout the hotel
- Express check-in
- Wi-Fi internet in all rooms, InterContinental Club Lounge, business center, meeting rooms and public areas
- Car rental, limousine and airport shuttle service
- Fitness centre, heated swimming pool and the Harnn Spa, barber shop and salon
- 24-hour laundry and dry cleaning InterContinental Concierge
- Safety protocols according to WHO and IHG clean promises





Food And Beverage Outlets:

- **Elements** - All day dining with international flavors and lavish buffets in signature InterContinental style.
- **Café Social** - 24/7 lobby café to indulge with a cup of selected tea/coffee, French bakeries and savouries.
- **Opus** - The lounge bar with an ambience of exclusivity and opulence.
- **Aqua Deck** - Poolside restaurant & bar in the open sky with the shimmer of the pool.
- **The Amber Room** - Fine dining restaurant offering a scrumptious A La Carte menu including mellow seafood, tender steaks and seasonal delicacies.

Leisure facilities are abundant with an infinity and heated outdoor pool, state of the art fitness centre, a luxury spa with contemporary offering of the world around.





Club InterContinental

Club InterContinental offers guests a high level of luxury and exclusivity, from the spacious and stylish rooms to the private Club InterContinental lounge overlooking the hotel atrium; offering bespoke services tailored around our guests and their individual needs.



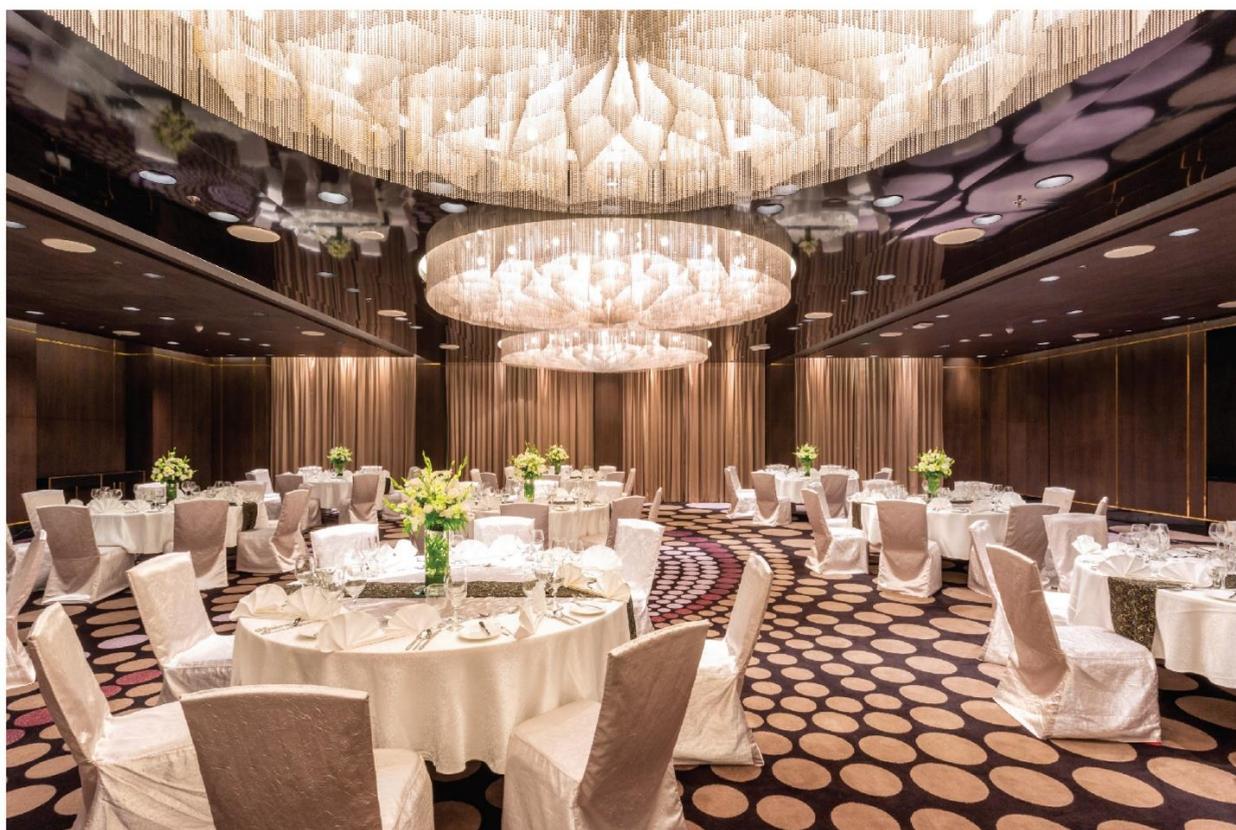
IHG One Rewards

IHG One Rewards whether you love breezy beach getaways or fast-paced city stays, there isn't one way to travel but there is only one loyalty program that rewards it all: IHG One Rewards.

Our redesigned tiers and earning structure are now live. So you can earn more points and have more ways to redeem them than ever before. We've also added industry-leading benefits that enhance your stay and bring the most value to your travel. Plus, we can't wait to introduce you to our newest addition: Meet milestone rewards, which gives you the chance to choose how you're rewarded.

Meetings And Events

Our hotel offers the most comprehensive and luxurious 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 13 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. The lush outdoor Winter Garden is abundantly green and inviting for grand events.



Name of Room	Theatre	Classroom	Reception	Rounds of 12	U-Shape	Hollow Square	Length x Width (m)	Size (m ²)	Area (Sq. ft.)	Maximum Ceiling Height	Description/ Location
Ruposhi Bangla Grand Ballroom	750	250	750	450	100	160	35.2 x 24.4	858.88	9245	5.5	East side of main lobby overlooking Ramna Park
Ruposhi Bangla Grand Ballroom 1	300	120	250	250	50	80	24.4 x 17.7	429.44	4622	5.5	
Ruposhi Bangla Grand Ballroom 2	300	120	250	250	50	80	24.4 x 17.7	429.44	4622	5.5	
Crystal Ballroom	200	80	200	150	60	80	18.2 x 14.6	265.72	2860.18	3.2	East side of the lobby
Ruby	60	30	60	70	30	36	11.6 x 9.7	112.52	1211.15	3.1	Opposite to Crystal Room for parallel session
Pearl	60	30	60	70	30	36	11.3 x 9.6	108.48	1167.66	3.1	
Boardroom	–	–	–	–	–	16	8 x 7	56	602.77	2.6	West side of lobby 1st Floor West wing
Modhumoti	70	30	70	50	25	30	14.8 x 7.6	112.48	1210.72	2.8	
Turag	40	20	40	30	20	20	11.2 x 7.5	84	904.16	2.8	
Business Centre Meeting Room 1	–	–	–	–	–	10	–	–	–	–	East side of lobby in Business Centre
Business Centre Meeting Room 2	–	–	–	–	–	8	–	–	–	–	
	–	–	220	–	–	–	–	–	–	–	East side of main lobby overlooking Ramna Park
Pool Deck	–	–	50	–	–	–	–	–	–	–	2nd Floor East wing



HEALTH CLUB MEMBERSHIP FACILITIES

LUXURY 499000/- BDT BLACK CARD MEMBER

- Gymnasium, Steam & Sauna usage facilities.
- Swimming Pool usage facilities.
- Complimentary spa beauty products worth of 100000/- BDT.
- Complimentary 15 spa services (60 minutes therapy) at "The HARNN SPA".
- 25% Discount on Food & Beverage service in all Restaurants.
- 25% Discount on laundry service.
- 25% Discount on limousine car service.
- 25% Discount on Balaka Lounge Service.
- 25% Discount in all services at "THE HARNN SPA".
- 25% Discount on Best available Room Rates (Individual Only).



DELUXE 299000/ BDT PLATINUM CARD MEMBER

- Gymnasium, Steam & Sauna usage facilities.
- Swimming Pool usage facilities.
- 20% Discount on spa beauty products.
- 20% Discount on all services at "THE HARNN SPA".
- 20% Discount on Food & Beverage service in all Restaurants.
- 20% Discount on laundry services
- 20% Discount on limousine car service.
- 20% Discount on Balaka Lounge Service.
- 20% Discount on Best available Room Rates (Individual Only).



HEALTH CLUB MEMBERSHIP FACILITIES

DELUXE 199000/- BDT GOLD CARD MEMBER

- Gymnasium usage facilities.
- Steam & Sauna usage facilities.
- 15% Discount on spa beauty products.
- 15% Discount on all services at "THE HARNN SPA".
- 15% Discount on Food & Beverage service in all Restaurants.
- 15% Discount on laundry service.
- 15% Discount on limousine car service.
- 15% Discount on Balaka Lounge Service.
- 15% Discount on Best Available Room Rates (Individual Only).



DELUXE 149000/- BDT PREMIUM CARD MEMBER

- Swimming Pool usage facilities.
- Steam & Sauna usage facilities.
- 10% Discount on spa beauty products.
- 10% Discount on all services at "THE HARNN SPA".
- 10% Discount on Food & Beverage service in all Restaurants.
- 10% Discount on laundry service.
- 10% Discount on limousine car service.
- 10% Discount on Balaka Lounge Service.
- 10% Discount on Best available Room Rates (Individual Only).





InterContinental Dhaka Balaka Executive Lounge



The Balaka Executive Lounge covering an area of around 10,000 sft situated on the 2nd floor of the terminal of Hazrat Shahjalal International Airport is operated by InterContinental Dhaka -the first 5-star hotel in Bangladesh. The lounge is accessible by international passengers departing from Terminal 1 and Terminal 2.

This is the only lounge in the airport featuring a full kitchen and a bar offering alcoholic beverages with 24-hour service staff. The departing passengers can relax and have meal in the tranquil environment before their departure from Dhaka.



BSL Office Complex



Besides the hotel, Bangladesh Services Ltd. (BSL) also owns an office complex located just behind the InterContinental Dhaka hotel consisting of one 7-storey building, one 5-storey building and one 4-storey building. The complex with an area of 85,770 sft. is equipped with all modern amenities. The complex accommodates international organizations, banks, money exchange centres, airlines' reservations software providing organization,

airlines' office, travel agencies, securities brokerage house, etc.

Pubali Bank Limited, Bangladesh Food Safety Authority, Agrani Bank Limited, Sonali Bank Limited, Janata Bank Limited, Uttara Bank Limited, Thomson Reuters, GTD Bangla (Provider of amedeus software) Reuters News & Media, Bangladesh Accreditation Council, Department of Public Libraries are some of those organizations to name.

BSL Residential Complex



BSL residential complex consists of six buildings having 138 apartments. Among those, there are 3 (three) buildings, each of which is 10-storey and has 36 (thirty-six) apartments. In the other three buildings, each building is 5-storey and has 10 (ten) apartments.



48th Annual General Meeting of Bangladesh Services Limited





NOTICE OF THE FORTY-NINTH ANNUAL GENERAL MEETING

Notice is hereby given that the **Forty-Ninth** Annual General Meeting of the Shareholders of Bangladesh Services Limited will be held at InterContinental Dhaka on Wednesday, the **21st December 2022 at 6:00 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, 2022 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 2022-2023 and fix their remuneration;
5. To appoint Compliance Auditors for the year 2022-2023 and fix their remuneration.

By order of the Board,

Dated: 28 November 2022


(S. M. Tarikul Islam PAA)
Company Secretary

Notes :

1. The Record date will be 30th November, 2022 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.



OUR VISION



Be a leader of upscale hospitality industry in Bangladesh.

OUR MISSION



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



Md. Mahbub Ali, MP

State Minister

Ministry of Civil Aviation and Tourism
Government of the People's Republic of Bangladesh

MESSAGE

I am delighted to know that Bangladesh Services Limited (BSL) - the owning company of InterContinental Dhaka is going to hold its 49th Annual General Meeting (AGM) for 2021-22. Annual General Meeting (AGM) is definitely a good news for its stakeholders and patrons, business community and for the hotel industry in particularly.

The first five-star hotel of the country started its journey in the name of "Hotel Inter- Continental Dacca" in the mid-sixties. This Hotel has a historical role during our war of liberation in 1971. The-then "Hotel Inter-Continental Dacca" was the centre of attention in the turbulent months of February and March 1971. The hotel was considered as a safe zone for the foreign journalists. Simon Dring, Journalist of the Daily Telegraph, observed the brutal scenario of operation searchlight from the roof of the hotel and on later published the report of genocide in the same paper. It was that report which presented the world a clear picture of the horrific genocide that the Pakistani occupying force conducted on innocent people on the night of March 25, 1971. Operation Hotel Intercontinental Dacca: "Hit & Run" was an attack by members of the crack platoon of Mukti Bahini, sector-2 during Bangladesh Liberation war to negate the claims of Pakistan that the situation in the-then East Pakistan was under control.

After Independence, under the leadership of Father of the Nation Bangabandhu Sheikh Mujibur Rahman this company was registered as public limited company in 1973 in the name of Bangladesh Services Ltd. and from that time this hotel has been rendering excellent services to the valued guests and with the passage of time it has become a prestigious name in Bangladesh. The hotel has also been contributing to Bangladesh economy by depositing huge amount of money in terms of vat, tax and profits. All of you will feel proud to know that to meet the demand of time after successful renovation of this hotel, Hon'ble Prime Minister Sheikh Hasina, the architect of modern Bangladesh inaugurated this hotel on 13 September 2018 and the hotel started its commercial journey again in the name of 'InterContinental Dhaka'.

We are all aware that under the dynamic leadership of the Hon'ble Prime Minister Sheikh Hasina Bangladesh is developing very fast in economy, infrastructure, tourism & social satisfaction etc. One of goals of the present government is to strengthen the desired economic progress through effective development of the country's tourism industry. To this end, all out efforts are being made under the leadership of Hon'ble Prime Minister Sheikh Hasina, the architect of modern Bangladesh. To make this efforts successful, active support from all corner of the society is required. I believe that all the officers and staffs of the Bangladesh Services Ltd. and its owned InterContinental Dhaka hotel would work whole heartedly to bring out the mission of the present government inspired by the values and spirits acquired through our great liberation war under the leadership of the Greatest Bengali Ever, Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

Taking the opportunity, I would like to thank the Board of BSL, the rank and file of the BSL and Hotel on the eve of 49th Annual General Meeting (AGM).

I wish the 49th Annual General Meeting a great success.

**Joy Bangla, Joy Bangabandhu
May Bangladesh Live Forever.**

(Md. Maabub Ali, MP)



Md. Mokammel Hossain

Chairman

Bangladesh Services Ltd.

CHAIRMAN'S STATEMENT

Assalamu Alaikum

On behalf of the Board, I welcome you all to the 49th Annual General Meeting of Bangladesh Services Ltd. (BSL).

I am happy to report that despite the adverse situation that prevailed almost throughout the year under review, we have been able to present ourselves with a much

better result for your Company than that of the last year. Though it is not the desired result under a normal situation, considering the year marred with Covid-19 related disruptions and the Russia-Ukraine war, your Company has made remarkable progress by registering more than 100% growth in revenue. Although the Company has incurred a loss, it is less than that of the previous year.

Our close monitoring of the situation and adoption of adaptive strategies ushered enhanced business for the Company. Given the decrease of foreign guests in the Hotel which constitute 80% of our room guests i.e., room revenue, we gave more focus on the domestic market. We launched several offers which were well-received by our valued local customers. The same strategy was taken to increase sales of venues and restaurants, which also yielded a good return.

You will be delighted to know that in recognition of our efforts for delivering the best to our customers, InterContinental Dhaka has won the "Bangladesh's Leading Hotel 2022", "Bangladesh's Leading Hotel Suite 2022" and "World Luxury Hotel" awards.

Our major concern is the burden of the loan on the Company, which was taken for the renovation of the Hotel. You are aware that due to the disruption of the business due to Covid-19, the Company could not make payment of the loan. Now, we are taking measures as to how the loan can be serviced smoothly.

We are also working side by side with the Government to help achieve the SDG target in the tourism sector. Accordingly, we provide the students of tourism and hospitality education and training institutes with the opportunity to do their internships in our Hotel to develop their skills. You will be glad to know that after the opening of InterContinental Dhaka, almost one thousand students have done their internship in this Hotel.

You are aware that the Government is taking various initiatives for our tourism to flourish and expand. As a part of those initiatives, the Government has launched a new tourism brand name and logo titled "Mujib's Bangladesh" for the year 2022. In line with that, we also have taken many initiatives for the growth of tourism in our country.

As a part of our social responsibility, we are committed to protecting the environment so that we can leave a livable planet to the next generation. Keeping that in view, we arrange awareness-raising training programs, and discussions to educate our personnel on the protection of the environment. While taking decisions, we always keep in mind that the decisions do not impact our environment adversely. Further, we have taken several steps concerning ensuring a safer environment for our society.

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

It is worth mentioning that despite the adverse situation due to Covid-19, our employees put in their level best in rendering their services to the valued guests, which has been appreciated by guests.

I would like to express my sincere gratitude for your confidence in us and continued support throughout the year. I am also thankful to our valued customers, shareholders, clients, well-wishers, and partner organizations in various areas for their continued guidance and support.


(Md. Mokammel Hossain)
Chairman



Mohammad Atiqur Rahaman
Managing Director
Bangladesh Services Ltd.

MANAGING DIRECTOR'S STATEMENT

Dear Shareholders,

I am delighted that your Company made a significant growth in the year 2021-2022 despite the Covid-19 situation. InterContinental Dhaka experienced rise in its occupancy from 16.37% to 42.20%. As a result, the room revenue increased significantly from that of the previous year. The restaurants also saw increase in

the number of guests. As a result, Food & Beverage revenue also experienced a big leap from the last year. The combined effect of rise in occupancy of both rooms and restaurants, your Company earned revenue of Tk.110.21 crore against Tk.49.83 crore of the last year.

We have been successful in controlling the cost and expenses. But, due to interest on bank loan and huge amount of depreciation, the overhead remained high. Therefore, though the Company's revenue increased significantly, due to interest on bank loan and huge amount of depreciation, the Company incurred loss. However, the loss was less than that of the last year as the revenue and Gross Profit increased significantly. In the year under review, loss before tax was Tk.94.29 crore against Tk.168.15 crore of the last year.

We are continuously exploring different alternatives to lessen the burden of loan on BSL.

The lease contract for management, maintenance and operation of BICC expired on 30th June 2022. As per mutual discussion between Public Works Development and Bangladesh Services Ltd., we shall continue management of BICC till a new operator is appointed for its operation.

We have identified new markets, and hopefully, we shall be able to generate significant revenue from there. Discussion is going on with various local associations, international agencies, etc. for securing more business for your Company. We have written to different ministries, government agencies, Embassies,/High Commissions and International bodies for creating business relations with us. You will be able to see the result of our effort in the next year's performance of your Company, if the situation does not deteriorate further.

I am extremely happy to share with you the information that as a testament to our relentless efforts for delivering world-class services to the guests, InterContinental Dhaka has won prestigious awards 'the World Travel Award 2022 for Bangladesh's Best Hotel and Bangladesh's Best Hotel Suite (Presidential Suite category)'. We also won the prestigious World Luxury Hotel Award 2022 in the Asia Continent Luxury Hotel category.

Though the Company's retained earnings is negative, it has the ability to turn this loss into profit, However, the amount of the negative retained earnings being very large, it will take some time for the Company to make its retained earnings positive.

It is imperative to mention, while we are striving to increase the wealth of the shareholders, we are also focusing on sustainability of the growth. Keeping that in view, we have been trying to practise good governance as well as integrity in our activities in compliance with our policies and procedures, laws of the regulatory bodies and the Government, where applicable.

We are hopeful, your Company will do much better in the coming years.

Mr. Mohammad Atiqur Rahaman
Managing Director



S. M. Tarikul Islam PAA
Company Secretary
Bangladesh Services Ltd.

COMPANY SECRETARY'S STATEMENT

We, at Bangladesh Services Ltd ("BSL"/"the Company"), are committed to ensuring transparency, accountability, efficiency in all our activities. In order to ensure those, we have different policies to regulate the activities of the Company. We have internal audit department to evaluate whether the internal control system is in order, whether it requires improvement or not.

In order to establish good governance, we have defined levels of authority for approval of various matters. We have a professional management team to execute the approvals and decisions of the Board in an orderly manner, to ensure application of policies and procedures of the Company appropriately to the activities, to abide by the rules and regulations of the regulator bodies.

Our Board consists of the members of diverse disciplines. As a part of ensuring good governance, we regularly hold Board meetings to decide the matters which are not within the purview of the authority of the management.

In order to establish good governance, we follow the guidelines of Corporate Governance Code of Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, etc. As per requirement of the Corporate Governance Code, we have Audit Committee and Nomination and Remuneration Committee.

Audit Committee regularly holds meetings to oversee the financial reporting process, audit process, internal controls system of the Company, whether the Company complies with the policies and procedures of the Company and laws and regulations of the regulatory bodies. The Committee examines also, at regular intervals, whether the policies and procedures of the Company require improvement or not.

Our Nomination and Remuneration Committee also is active in ensuring the compliance of the Company with the Corporate Governance conditions. It also holds meetings regularly to ensure good governance in relevant areas.

In compliance with the laws, we hold our AGM timely and disclose all relevant information in the Directors' report as are required to be communicated to the stakeholders.

In order to facilitate the application of good governance in our activities, we impart trainings to our employees regularly on laws related to prevention of corruption, right to information of the stakeholders, integrity, accountability, transparency, etc.

Our efforts to ensure good governance in our organization will continue.

(S. M. Tarikul Islam PAA)
Company Secretary



Ashwani Nayar
General Manager
InterContinental Dhaka

GENERAL MANAGER'S STATEMENT

Our vision is to positioning InterContinental Dhaka as the iconic luxury brand hotel having a distinct service style offering bespoke experiences for domestic and international travelers served by a team of passionate colleagues creating market leading returns for stakeholders.

We firmly believe that the current macro economic factors prevalent in the country, the strong GDP growth in both nominal values and purchasing power parity is indicative of a resilient and robust market growth. The consistent growth of the middle income group, country's young workforce and the government backed projects in massive infrastructural development, technology innovations and IT will create opportunities for business demand and positive impact on the hospitality sector. Whilst the country's GDP growth has been very robust in recent years and currently trending at 7.25%, the current global economic and energy crises is expected to create some short term concerns in the near future. This however is expected to be unwavering to the long term growth projections and as per a recently published BCG (Boston Consulting Group) report, the Bangladesh economy is on track towards \$1 trillion by 2040.

This optimism will continue to flow through to the InterContinental Dhaka's performance. In 2022 post pandemic the hotel has witnessed some unprecedented financial achievements, with a very strong recovery trend.

In this achievement, significantly mentionable is our sales teams efforts in generating new business opportunities for the hotel. Strategic actions in maintaining key customer relationships with world bodies, various ministries and secretariat offices, diplomatic missions, global and domestic corporate clientele whilst simultaneously increasing our market share of business from pharmaceutical, IT, infrastructure, energy, FMCG, automotive, trade associations, RMG companies for both rooms, meetings and catering.

We have found excellent traction with the domestic clientele for our 'staycation packages', food & beverage outlets, catering and banquets especially the wedding segment which support our premium pricing strategy for revenue enhancement. Our sales efforts are also exploring new market opportunities such as airline contracts, sports bodies, NRB's diaspora settled in various countries and RFP based contract signings with global key accounts managed with collaborative support from IHG global salesforce.

The hotels marketing efforts have created a 360 degree outreach via digital, press communication, events activation, packages and promotions, partnerships with local and international banking institutions, airlines, food festivals. Similarly leveraging on IHG's loyalty program 'IHG One Rewards', food & beverage 'Dining Deals', 'IHG Business Rewards', 'IHG Business Edge', direct website and online marketing, online distribution and marketing programs for OTA, GDS and other distribution channels including search engine marketing and optimization.

Our efforts have been innovative and collaborative for our food & beverage revenues through promoting food festivals and events, creating an Outdoor Catering unit and food delivery niche. Our chauffeured food delivery for Iftar and Suhoor became aspirational and this premium product achieved unprecedented success with over 8500 deliveries. Our unique partner programs and MOUs with trade associations, banks and airlines drives

food & beverage revenues at the hotel restaurants and more significantly at the Balaka Lounge that has also witnessed unprecedented revenue growth and customer footfalls in 2022 as we have managed to capture >65% market share in the airline lounge business. We also successfully bid and gained the catering for a fourth lounge with City Bank Amex at the domestic terminal earlier this year.

The innovative efforts were also extended to other hotels revenue departments as we opened The Spa earlier in the year. Launched swimming lessons and select health club membership uniquely bundled with our new spa to create a highly premium and aspirational product.

We have prudently maintained a consistent focus on our non financial goals and metrics which we believe will fuel our future growth and sustainability to achieve our vision. In terms of our targets for overall guest satisfaction, guests satisfaction with critical touch points i.e. breakfast and cleanliness, sustainability measures, manpower rationalization, colleagues heartbeat have all been exceeded and continue to trend positively. In 2022 annual IHG audit on brand standards and brand safety standards by a third party company Deloitte, the hotel successfully scored 100% on both measures.

Our efforts in 2022 have been internationally recognized as we received the World Travel Award 2022 for Bangladesh's Best Hotel and Bangladesh's Best Hotel Suite (Presidential Suite category). We also won the prestigious World Luxury Hotel Award 2022 in the Asia Continent Luxury Hotel category. We were also awarded as Bangladesh's Best Hotel by British Curry Life at the awards ceremony held in London.

We would definitely like to acknowledge that the active guidance and support of the management and colleagues of our parent company Bangladesh Services Ltd has been critical in achieving the various milestones. The advantageous niche that we have gained from this collaboration has made crucial inroads into business generation, prudent management of resources and costs plus various innovative new ideas and products emerging from 'brain storming' and 'collective thought and action' sessions.

With a firm belief and pride in our historically significant and iconic hotel, we are confident and optimistic for the coming years and ready to compete on an international level with global luxury hotels whilst achieving our goals and targets consistently.



Ashwani Nayar
General Manager
InterContinental Dhaka



INTERCONTINENTAL
DHAKA

Elements
GLOBAL DINING

A FLAVOR-PACKED MORNING WITH A SPLASH OF JOY!

WEEKEND BRUNCH WITH COMPLEMENTARY SWIMMING AT ELEMENTS

BDT 5,000 NET.
PER PERSON



***BOGO AVAILABLE WITH SELECTED BANK CARDS**



Corporate Information

Board of Directors

Mr. Md. Mokammel Hossain <i>Secretary, Ministry of Civil Aviation & Tourism</i>	Chairman
Mr. Abu Hena Md. Rahmatul Muneem <i>Senior Secretary, IRD & Chairman NBR</i>	Independent Director
Mr. Masud Bin Momen <i>Foreign Secretary (Senior Secretary), Ministry of Foreign Affairs</i>	Director
Mr. K M Ali Azam <i>Member, Bangladesh Public Service Commission (BPSC)</i>	Director
Mr. Md. Moinul Kabir <i>Secretary, Lugislative & Parliamentary Affairs Division</i>	Director
Mr. Md. Mustafizur Rahman PAA <i>Secretary, Ministry of Land</i>	Director
Air Vice Marshal M Mafidur Rahman, BBP, BSP, BUP, ndu, afwc, psc <i>Chairman, Civil Aviation Authority of Bangladesh</i>	Director
Mr. Md. Ali Kadar <i>Chairman, Bangladesh Parjatan Corporation</i>	Director
Mr. Biswajit Bhattacharya Khokon, ndc <i>Additional Secretary, Finance Division, Ministry of Finance</i>	Independent Director
Ms. Tahmina Yeasmin <i>Joint Secretary, Ministry of Civil Aviation & Tourism</i>	Independent Director
Mr. Mohammad Atiqur Rahaman <i>Joint Secretary, Ministry of Civil Aviation & Tourism</i>	Managing Director

Company Secretary

Mr. S. M. Tarikul Islam PAA

Audit Committee

Mr. Abu Hena Md. Rahmatul Muneem	:	Chairman
Mr. Biswajit Bhattacharya Khokon, ndc	:	Member
Mr. Md. Ali Kadar	:	Member
Mr. S. M. Tarikul Islam PAA	:	Member Secretary



Nomination and Remuneration Committee

Mr. Abu Hena Md. Rahmatul Muneem	:	Chairman
Mr. Md. Mustafizur Rahman PAA	:	Member
Ms. Tahmina Yeasmin	:	Member
Mr. S. M. Tarikul Islam PAA	:	Member Secretary

Finance & Administrative Committee

Mr. K M Ali Azam	:	Convenor
Mr. Md. Ali Kadar	:	Member
Mr. Mohammad Atiqur Rahaman	:	Member
Mr. S. M. Tarikul Islam PAA	:	Member Secretary

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.

Registered office

InterContinental Dhaka
1 Minto Road, Dhaka.

Board of Directors



From Right to Left –

Ms. Tahmina Yeasmin, Air Vice Marshal M Mafidur Rahman, BBP, BSP, BUP, ndu, afwc, psc
Mr. Biswajit Bhattacharya Khokon, ndc, Mr. Md. Ali Kadar, Mr. Md. Moinul Kabir, Mr. Masud Bin Momen
Mr. Md. Mokammel Hossain (Chairman), Mr. Abu Hena Md. Rahmatul Muneem, Mr. K M Ali Azam
Mr. Md. Mustafizur Rahman PAA, Mr. Mohammad Atiqur Rahaman (Managing Director)
Mr. S. M. Tarikul Islam PAA (Company Secretary)



BOARD OF DIRECTORS



Mr. Md. Mokammel Hossain
Chairman



Mr. Abu Hena Md. Rahmatul Muneem
Independent Director



Mr. Masud Bin Momen
Non-Executive Director



Mr. K M Ali Azam
Non-Executive Director



Mr. Md. Moinul Kabir
Non-Executive Director



Mr. Md. Mustafizur Rahman PAA
Non-Executive Director



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



Mr. Md. Ali Kadar
Non-Executive Director



**Mr. Biswajit Bhattacharya
Khokon, ndc**
Independent Director



Ms. Tahmina Yeasmin
Independent Director



Mr. Mohammad Atiqur Rahaman
Managing Director



Mr. Md. Mokammel Hossain
Chairman

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. Hossain joined 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) at the SDG Co-ordinator's Office in 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 office of 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 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) and Executive Education Program from Harvard University 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 a 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.

He joined as the Chairman of Bangladesh Services Limited in January 2021.



Mr. Abu Hena Md. Rahmatul Muneem
Independent Director

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.

In his academic attainments, he realized his Bachelor and Master degree in Geology from the University of Dhaka. Later on, he did Diploma in Development Planning degree under Academy for Planning and Development and an MBA (Finance) under Northern University 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.

He joined as a Director of the Board of Directors of Bangladesh Services Limited in January 2020.



Mr. Masud Bin Momen
Non-Executive Director

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.

Mr. Masud holds a Master's degree in International Relations from Fletcher School of Law and Diplomacy, Tufts University, Boston, USA with GPA 4.0. He received Robert B. Stewart Prize for All Round Excellence from Tufts University. He holds another Master's degree in Economics from University of Dhaka. He also received Bachelor's degree in Economics from University of Dhaka. He achieved 'First Class First' position in both Bachelor's and Master's degrees from his Alma Mater. He went to Dhaka College for his Higher Secondary Certificate and to University Laboratory School for his Secondary School Certificate.

Ambassador Masud achieved Chancellor's Award for securing First Class First position in Master's Degree from University of Dhaka. He was also awarded with Rector's Medal from Bangladesh Public Administration Training Centre (BPATC) as the best trainee Officer of the foundation training course.

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

He joined as a member of the Board of Directors of Bangladesh Services Limited in February 2020.



Mr. K M Ali Azam
Non-Executive Director

Mr. K M Ali Azam, a career bureaucrat, was born in 1963 in Bagerhat district of Bangladesh. After completing Masters in Economics from Rajshahi University, he joined Bangladesh Civil Service in 1992 as an Assistant Commissioner and Magistrate in Chattogram Collectorate. With wide range of variety during his career, he was posted as Deputy Commissioner & District Magistrate in Chapainawabganj district. He also served as Joint Secretary of Ministry of Home Affairs and Director General of Prime Minister's Office. During the National Election of 2018, he was posted as Divisional Commissioner, Dhaka Division and performed his responsibility as the Returning officer of 15 constituencies of Dhaka City.

He was promoted to Secretary to the Government in 2019 and rendered his service in Ministry of Labor & Employment and Ministry of Industries as well.

Since 16 May 2021, he had worked as the Senior Secretary of Ministry of Public Administration till 31st October 2022.

Now, he is working as a learned member of Bangladesh Public Service Commission (BPSC). He leads a happy family life with 2 (two) children.

He joined as a member of the Board of Directors of Bangladesh Services Limited in June 2021.



Mr. Md. Moinul Kabir
Non-Executive Director

Mr. Md. Moinul Kabir was born on January 1, 1965. He hails from the district of Narsingdi. He passed SSC from Mohammadpur Government High School, Dhaka, HSC from Dhaka College and LLB (Honors) and LLM from University of Dhaka successfully. 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.

He joined as a member of the Board of Directors of Bangladesh Services Limited in April 2022.



Mr. Md. Mustafizur Rahman PAA
Non-Executive Director

Mr. Md. Mustafizur Rahman PAA was born in 1964 in Khulna district of Bangladesh. He completed his masters in physics from Rajshahi University. In 1991 he joined Bangladesh Civil Service 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), 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, 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 Secretary, Ministry of Land.

He joined as a member of the Board of Directors of Bangladesh Services Limited in March 2021.



AIR VICE MARSHAL M MAFIDUR RAHMAN

BBP, BSP, BUP, ndu, afwc, psc

Non-Executive Director

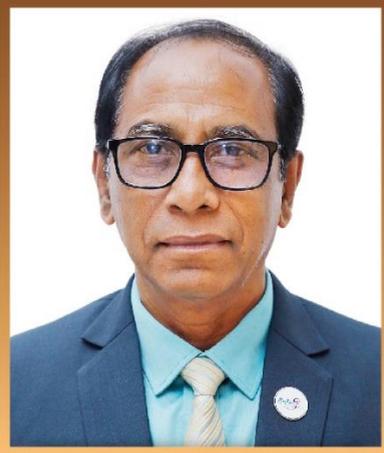
Air Vice Marshal (AVM) M Mafidur Rahman was born in 1964. He joined Bangladesh Air Force (BAF) in 1983 and was commissioned in 1985 from BAF Academy in General Duties (Pilot) branch. He obtained his Master's Degree in National Security Strategy from National Defence University, Washington DC, USA

He 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 in two Main Operational BAF Bases as Air Officer Commanding (AOC), namely BAF Base Bangabandhu, Kurmitola, Dhaka and BAF Base Zahurul Haque, Patenga, Chattogram.

AVM M Mafidur Rahman 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 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 Rahman and Ramisa Rahman.

He joined as a Director of the Board of Bangladesh Services Limited in March 2021.



Mr. Md. Ali Kadar
Non-Executive Director

Mr. Md. Ali Kadar is the Chairman of Bangladesh Parjatan Corporation. He joined Bangladesh Parjatan Corporation on 18th January 2022. He is a grade-1 officer of the Bangladesh Government and a member of the Bangladesh Civil Service (Administration) 11th batch. Before joining Bangladesh Parjatan Corporation, he worked at the Ministry of Public Administration. He started his career as an assistant commissioner in the office of the Divisional Commissioner, Dhaka. Besides that, he has fulfilled his duty at the field level in various posts and places including assistant commissioner and Class-1 Magistrate (Manikganj, Rajbari), Upazilla Nirbahi Officer (Debhata, Satkhira) and Additional District Magistrate in Narail. Besides, he worked as Senior Assistant Secretary at the Finance division, National Pay Commission in 2009 and Director at the Bangladesh Board of Investment.

He participated in numerous professional trainings, workshops, seminars, inspection, and official meetings in various countries such as the USA, Australia, Japan, Thailand, Germany, Switzerland, Malaysia, China, Vietnam, Indonesia, and Myanmar.

His origin is associated with Jhenaidah District and later he pursued his honors and master's degree in Finance from the University of Dhaka.

He joined as a member of the Board of Directors of Bangladesh Services Limited in February 2022.



Mr. Biswajit Bhattacharya Khokon, ndc
Independent Director

Mr. Biswajit Bhattacharya Khokon, ndc, Additional Secretary, Finance Division, Ministry of Finance joined as a director of the Board of Directors of Bangladesh Services Ltd (BSL) on 10 April 2022. He is also one of the members of the Board of Agrani Bank Limited, Dhaka Mass Transit Company Ltd. (DMTCL) and Wage Earners Board. Prior to joining Agrani, he was a Director of IPDC Finance Limited from 20.06.2019 to 12.12.2021

Mr. Bhattacharya, son of late Rash Mohon Bhattacharya and late Shadhona Rani Bhattacharya was born in 1964. He obtained B. Com (Hons.) & M. Com from Govt. Jagannath University College, Dhaka.

He joined Bangladesh Civil Service (administration) in 1991. He worked in different capacities in his long Government service career. Mr. Bhattacharya was Assistant Commissioner & Magistrate in Magura, Cox's Bazar, Laxmipur, Cumilla, Banderban. He also served as AC(land) in Banskhali, Chattogram and Ramu, of Cox's Bazar District. Mr. Bhattacharya was posted as Magistrate of the Speedy Tribunal in Banderban. He also served as Upazilla Nirbahi Officer (UNO) in Nakla, Sherpur and Debhata under Shatkhira District. Later on he was Additional Deputy Commissioner (ADC) of Rangamati, CHTs District; Chief Executive Officer (CEO) of Feni, Rajbari, Cox's Bazar, Laxmipur; Zilla Parishad (District Council) and Deputy Managing Director (DMD) of Chattogram WASA,.

Mr. Bhattacharya participated in many trainings at home and abroad on various professional courses like Survey and Settlement Training from Dept. of Land Records & Survey; Foundation Training course, Managing At The Top-II (MATT-II), 91st Advance Course on Development Administration (ACAD), 81st Senior Staff Course (SSC), 20th Policy Planning and Management Course (PPMC) from Bangladesh Public Administration Training Centre (BPATC), Savar; Law & Administration from BCS (Admin) Academy, Shahbagh, Dhaka, Bangladesh Military Academy (BMA) Orientation Course from Bangladesh Military Academy, Bhatiary, Shitakunda, Chattogram and National Defence Course (NDC-2018) from National Defence College, Mirpur Dhaka.

He also received training on professional development program from Indian Institute of Public Administration (IIPA), India and travelled to Thailand, Sri Lanka, Malaysia, The Netherlands, France, Germany, Belgium, Maldives, Uzbekistan, the United Kingdom, Turkey, Greece and Australia on the occasion of various study tours.

He was awarded best Assistant Commissioner (land) of Cox's Bazar for Land Administration & Land Development Tax collection in 1997.

Mr. Bhattacharya is married to Ms. Tishon Bhattacharya and blessed with two children.



Ms. Tahmina Yeasmin
Independent Director

Ms. Tahmina Yeasmin, joint secretary at the Ministry of Civil Aviation and Tourism, joined the Board of Bangladesh Services Limited (BSL) as a Director in 02 June 2022. She is also affiliated with the company as a member of its Nomination and Remuneration Committee.

Throughout her journey in civil service, Tahmina has worked in various capacities at different ministries including the Ministry of Agriculture, Power Division, and Cabinet Division.

Alongside performing the responsibilities associated with her roles, Tahmina also completed quite a few training - both at home and abroad - which has helped her develop essential skills in leadership, problem-solving, negotiation, communication, teamwork, and networking while helping her develop a better understanding of good governance, information and communication technology, administration and law, among others. For various work purposes, she also has had the opportunity to travel around the world, which she truly cherishes.

Born in Narshingdi, Tahmina completed her primary and secondary education in the district before pursuing higher education at Jahangirnagar University where she completed her BSc and MSc in Geography. Later in 2007, she completed her MPhil, also in Geography, from the University of Dhaka.

When not working, Tahmina loves spending time with her family and taking care of her plants. She always has a love for reading, albeit she cannot manage as much time to read as she once could - however, she is slowly but surely making her way back to books.



Mr. Mohammad Atiqur Rahaman
Managing Director

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

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 of 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. Recently, 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. He joined as the Managing Director of Bangladesh Services Limited in May, 2022.

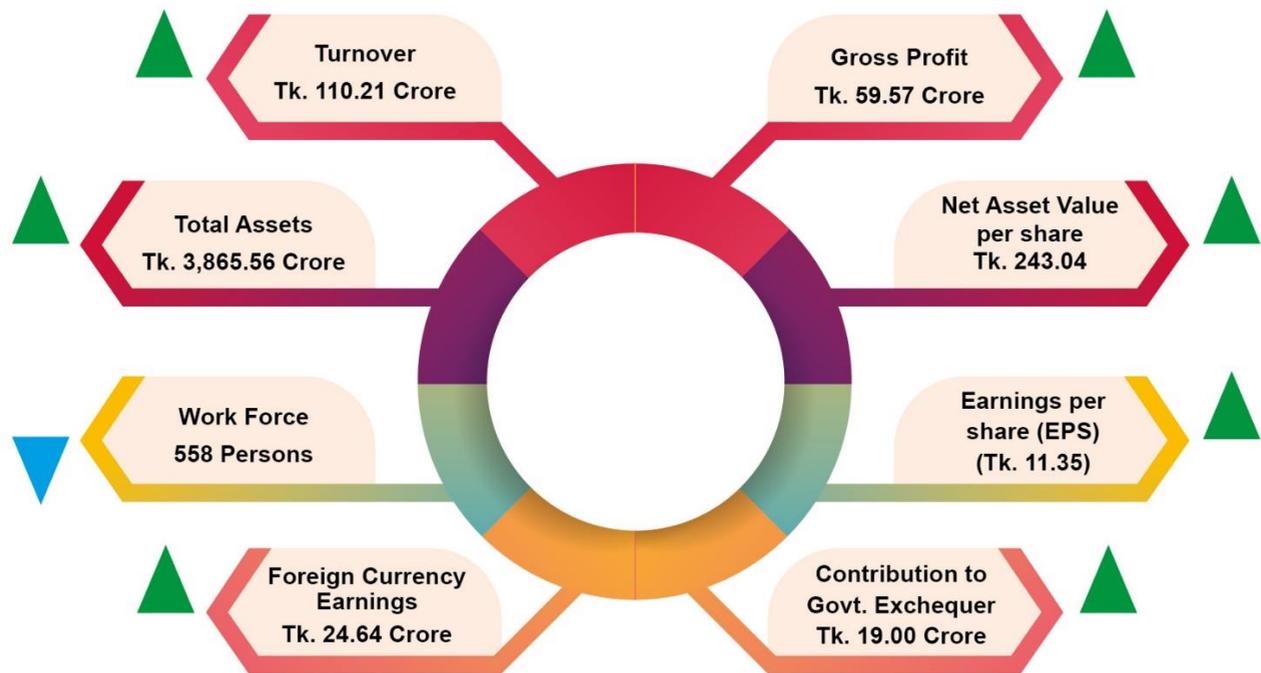


Board of Directors' Meeting of Bangladesh Services Limited





Performance Highlights 2021-22





Directors' Report

Dear Shareholders

Assalamu alaikum

It is a privilege for me and the Directors to welcome you all to this Forty-Ninth Annual General Meeting (AGM) of your Company, Bangladesh Services Ltd ("BSL"/"the Company"). 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 2022, on behalf of the Board.

Dear Shareholder

As you know, BSL is engaged mainly in the hospitality business. The majority of its revenue comes from the hotel operations, now InterContinental Dhaka (here-in-referred to as "the Hotel" also). In addition to revenue from the Hotel, though income is generated from renting of spaces in Office Complex and through operation and management of Bangabandhu International Conference Centre (BICC), those are not significant.

Business performance

The global pandemic which started in the latter part of 2019 is still continuing, but with less severity. As a result, revenue of the Company which was less in the first part of the year under review, increased gradually.

Majority of our room business is generated from international guests. Though, covid-19 situation gradually improved, the international guests were less. Majority of room revenue came from local guests. Sales in the restaurants and venues also increased from that of the room.

The Company earned a revenue of Tk.110.21 crore in the year under review against Tk.49.83 crore in 2020-21 with a growth of 121%.

Rental income from BSL office complex comprising three multi-storied buildings adjacent to the Hotel for the year under review increased to Tk. 4.58 crore from Tk. 3.08 crore of the previous year, as most of the spaces had been rented out.

BICC, the other source of revenue, also registered growth in revenue which increased from Tk.5.34 crore in the last year to Tk. 30.19 crore in 2021-2022. As a result, BICC has earned profit of Tk. 3.20 crore against loss of Tk.88.00 lac in the previous year.

Administrative expenses were well controlled. Major items of the expenses are interest on loan and depreciation. As a result, due to significant increase of revenue, less proportionate increase in expenses and profit made by BICC, the loss of the Company was less than that of the last year.

Due to significant increase of revenue and less proportionate increase of expenses, the loss of the Company before tax has decreased from Tk.168.15 crore in 2020-2021 to Tk.94.29 crore and net loss after tax decreased from Tk.180.65 crore in 2020-2021 to Tk.110.96 crore in 2021-2022. As a result of decrease of net loss, Earnings Per Share (EPS), though negative, has improved from Tk.(18.47) in the last year to Tk. (11.35) in 2021-2022.

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

Segment-wise performance

The Hotel owned by the Company is its main revenue generating source. 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.26.53 crore (24%), Tk.75.21 crore (68%) and Tk.8.47 crore (8%) respectively against that of Tk.9.07 crore (18%) and Tk.37.11 crore (75%) and Tk.3.64 crore (7%) respectively of the previous year. As a result of different promotional offers launched by the Hotel to attract local customers, room revenue increased. As regards sale of Food & Beverage and venue, relaxation of different Covid-19 related restrictions, business of the Hotel 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.50.64 crore against Tk.32.38 crore of the previous year. In 2021-2022, operating cost has increased by 56.4% against increase of revenue



of 121%. For the same reason, operating cost percentage to revenue was 46% against 65% of the last year.

Gross Profit for the year under review stood at Tk.59.57 crore which is higher by TK.42.12 crore i.e., 241% from that of the last year of Tk.17.45 crore. The Gross Profit percentage to revenue is 54% against 35% 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 significant.

Although, the Company earned Gross Profit, it incurred loss mainly due to huge interest of Tk.73.36 crore on long term loan and depreciation of Tk.57.54 crore. As a result, the loss before and after tax is Tk.94.29 crore and Tk.110.96 crore respectively against Tk.168.15 crore and Tk.180.65 crore respectively of the previous year.

Extra-Ordinary Event

Due to closure of the Hotel (the-then Ruposhi Bangla Hotel) for 4 (four) years from 01.09.2014 to 30.11.2018 for renovation for rebranding as InterContinental Dhaka, and subsequent outbreak of Covid-19, the global pandemic in late 2019, severity of which continued almost till first quarter of 2021-2022, the revenue of the Hotel i.e., the Company was very low till 30 June 2021. On the other hand, the fixed expenses of the company like payroll expenses, utilities expenses and other fixed expenses continued. As a result, the Company has been incurring losses from 2015-2016 since closure of the Hotel and since then the Company's EPS has been negative. Moreover, due to loss, the Net Asset Value/Equity of the Company has become negative in 2018-2019 which is continuing till date.

As the Net asset value per share (NAVPS) and Earnings per share (EPS) of BSL for the year ended on 30th June 2021 were Tk. (25.24) and Tk.(18.47) respectively, it was observed by the Board of Directors that the balance sheet of the Company based on historical cost does not reflect the current value of the Company. The Board especially consider the fact that the Hotel and Office Complex of the Company are situated on a parcel of land which is a landmark location of Dhaka city. However, the land portfolio of the Company has been disclosed in the financial statements on historical cost basis and the current value of those land increased manifold. Therefore, for the fair representation of the Company's net assets and to reflect the true value of the Company, the Board considered that it is more appropriate to change the measurement basis of land from historical cost to fair value model. Moreover, as the Company is listed in Dhaka Stock Exchange the negative net asset value on historical cost basis may provide wrong signal to the market which could be detrimental to the interest of the shareholders. On the other hand, if the revaluation model is considered the Net Asset Value will reflect the current valuation which will give a proper message to the stakeholders about the strength of the Company.

Accordingly, as per approval of the Board, valuation of lands of BSL have been done by a Chartered Accountants firm ("the Valuer") enlisted with Bangladesh Securities and Exchange Commission. The Board has approved the valuation and also approved inclusion of value of the land as determined by the Valuer on the basis of market value. Accordingly, the value of the land has been incorporated into the financial statements of the Company in the year 2021-2022. As a result of valuation, there is revaluation surplus of Tk.Tk.2734.38 crore.

As a result, Net Asset Value per share of the Company has increased from Tk. (25.24) to Tk.243.04.

Lease Contract for BICC

Lease contract between BSL and Public Works Development (PWD) for management, maintenance and operation of Bangabandhu International Conference Centre has expired on 30th June 2022. Upon expiry of the Contract, PWD has, in the meantime, floated tender for appointment of an operator for management, maintenance and operation of BICC. As per mutual understanding between both the parties, BSL is carrying out the management, maintenance and operation of BICC on the basis of sharing of net rent revenue from sale of venues and will continue till appointment of an operator by PWD.

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 broken out earlier in other countries of the world earlier. 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, repayment of the interest during construction period and regular installment could not be made.

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.

BSL is also in discussion with Agrani Bank Ltd., the financier of hotel renovation project of BSL, regarding the terms and conditions of the loan, like extension of the repayment period, reduction of interest rate, etc. facilitating BSL to repay its loan.

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

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 more than 100 (one hundred) years' experience of operating and managing hotels. Therefore, with such a long experience and expertise, the Board is confident that InterContinental Dhaka will take 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.

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.

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.

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. The Company is following up the matter regularly with the lawyers whether those matters can be placed before the Learned Courts in a more convincing manner with more strong justifications.

- (3) It is observed that holding taxes are paid for availing the facilities provided by the City Corporation. Moreover, VAT is imposed on the room tariffs of the guests. Therefore, imposition of additional tax in the name of City tax in addition to VAT will increase the room tariff. The matter has been raised with Dhaka South City Corporation that the hospitality industry has already suffered a severe setback due to Covid-19. Discussions have been going on with the City Corporation for waiver of the tax in the interest of flourishing tourism.

Transfer of unclaimed dividend to Capital Market Stabilization Fund

In accordance with the Directive No. BSEC/CMRRCD/2021-386/03, dated 14 January 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules issued on 1st June 2021, the Company has transferred the unclaimed cash dividend of Tk.3,07,688.00 (Taka three lac seven thousand six hundred eighty-eight) only to the Capital Market Stabilization Fund (CMSF) Account No. SND A/C 0010311521301 Community Bank Bangladesh Ltd., Gulshan Corporate Branch, Dhaka.

Key Operating and Financial data

Key operating and financial data for the year ended on 30 June 2022 along with those of preceding four years are mentioned below as per the requirement of Bangladesh Securities and Exchange Commission:

Particulars	Unit	July, 2021- June, 2022	July, 2020- June, 2021	July, 2019- June, 2020	July, 2018- June, 2019	July, 2017- June, 2018
Occupancy	%	42.20%	16.37%	28%	23%	-
Revenue from hotel operation*	Tk	110,21,27,200	498,296,066	978,831,861	71,03,70,575	26,87,79,298
Gross profit	Tk	59,57,24,597	174,452,018	47,52,91,886	33,49,26,315	11,47,66,728
Adm. & Non-operating expenses	Tk	102,76,46,417	105,92,69,032	98,41,30,218	59,95,02,012	43,69,71,731
Profit/(Loss) from operation	Tk	(43,19,21,820)	(88,48,17,014)	(50,88,38,332)	(26,45,75,697)	(32,22,05,002)
Revenue from BSL Office Complex	Tk	9,87,30,735	69,095,514	8,18,90,549	8,77,22,942	9,22,96,464.00
Profit from BSL Office Complex	Tk	4,58,29,873	30,763,982	4,88,06,296	5,50,55,009	5,97,34,988
Profit/(Loss) before Tax	Tk	(94,29,00,899)	(1,681,467,261)	(36,43,07,801)	(36,36,99,451)	(55,45,04,987)
Provision for Tax	Tk	16,66,68,944	125,079,199	9,86,37,393	693,626	1,25,39,555
Profit/(Loss) after Tax	Tk	(110,95,69,843)	(1,806,546,459)	(46,29,45,19)	(36,43,93,077)	(55,45,04,987)
Shareholders' Equity*	Tk	2376,63,36,347	(2,467,855,878)	(66,13,09,418)	(19,83,64,224)	4,07,35,997
Earnings per share (EPS)	Tk	(11.35)	(18.47)	(4.73)	(3.73)	(5.67)

*Revenue from Hotel operation- For the year 2017-2018, this represents the revenue from Balaka lounge at Hazrat Shahjalal International Airport only which is an outlet of the Hotel (then Ruposhi Bangla Hotel). As the Hotel was undergoing renovation, its operation was closed. Therefore, there was no occupancy in the Hotel.

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.

Significant variance with third quarterly statement

Due to incorporation of valuation of land on the basis of current market value in the financial statements for the year ended on 30th June 2022, a revaluation surplus of Tk.2734.38 crore has arisen. As a result, net asst value per share of the Company as on 30 June 2022 was Tk.243.04 against that of Tk.(32.89) as on 31 March 2022.

Contribution to National Exchequer

During the period under review, the company contributed Tk.19.00 crore to the Government exchequer in terms of income tax, VAT, etc. against TK.14.70 crore of the previous year.



Foreign currency earning

The Company earned foreign currency equivalent to Tk.24.64 crore in the year 2021-2022 against TK.6.63 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 2022 to 31st August 2023.

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

Out of 11 (eleven) Directors, as per Companies Act 1994 and Clause 84 of Articles of Association of the Company, Mr. Masud Bin Momen, Mr. Md. Mustafizur Rahman PAA and Mr. K M Ali Azam being the longest in the office from their last appointment, will retire in this 49th 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 Ms. Tahmina Yeasmin and Mr. Biswajit Bhattacharya Khokon, ndc as the Independent Directors subject to approval of the AGM. Their appointments will be placed in this 49th AGM for approval. Resumes of the Independent Directors are given under Directors' profiles in the Annual Report.

Statutory Auditor

The present auditors, Hoda Vasi Chowdhury & Co. Chartered Accountants, will retire in the 49th AGM. They have completed one year as auditors of the Company. Therefore, as they can be re-appointed for two more terms as per provisions of BSEC, BSL approached them whether they are willing to be reappointed for the year 2022-2023. 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 2022-2023 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 FAMES & R, Chartered Accountants for reappointment as compliance auditor of the Company for the year 2022-2023 at a fee of Tk.42,000/- (Forty-two thousand) only plus VAT



same as that of the year last year.

Board of Directors

The Board of BSL comprises 11 (eleven) members. Out of them, three directors are Independent Directors. The Board met 9 (nine) times in the year 2021-2022. Attendances of the Board members in the Board meetings are given in **Annex-A**.

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 has been 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. Ali Kadar and Mr. Biswajit Bhattacharya, Khokon, ndc as members. All the directors are non-executive directors. Chairman and Mr. Biswajit Bhattacharya, Khokon, ndc are Independent Directors. Mr. S. M. Tarikul Islam PAA, Company Secretary acts as the Member Secretary to the Committee. The Committee met 5 (five) 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 2021-2022 on its activities during that year is included in the Annual Report.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) has been formed on 02-08-2018 as per BSEC's Notification dated 03 June 2018. NRC consists of Mr. Abu Hena Md. Rahmatul Muneem, as Chairman; Mr. Md. Mustafizur Rahman PAA and Mrs. Tahmina Yeasmin as members. All the directors are non-executive directors and Chairman and Mrs. Tahmina Yeasmin are Independent Directors. The Committee held 4 (four) meetings 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. Details of the activities of NRC 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. K M Ali Azam as Convener; Mr. Md. Ali Kadar 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 are not in the scope 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 accountability, transparency, efficiency and work-friendly environment in all its activities. 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**.

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 obligation towards the society to contribute positively and also to take such decisions that do not affect the environment adversely.

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

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

BSL is contributing to the development of tourism industry by giving opportunity to the students of hotel and tourism training institutes to do their internship in the hotel to develop their skills through application of their knowledge in real world.

BSL takes part in tree plantations to conserve the nature.

Industry outlook and Possible Future Development in the Industry

Due to Russia-Ukraine war, the world is facing inflation. With the current worldwide economic instability, the business organizations are likely to reduce their expenses. In doing so, they may reduce their overseas travels to the minimum level, which will affect the inbound international guests and thus room business of the Hotel from foreign guests. Besides, holding of seminar, conferences, etc. may also decrease.

On the other hand, GDP growth target of 7.5% set by the Government will accelerate the economic activities resulting in increase in the overall business of the country, which will also have positive impact on the hospitality sector.

Keeping all the above factors in view, we are also formulating our strategies to secure our businesses and position in the market.

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 commensurate with the expectation 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 risks, both internal and external and their impact on the business. Still, your Company regularly monitors the macro-economic situation of the country, global economy, change in technology whether any change in those is going to have any effect on the business. Taking all the aforesaid factors into account, the Company undertake precautionary measures and follow effective risk management processes for mitigation or avoidance of the risk. The Company has an internal audit department which facilitates identify internal risks, if any and recommends measures accordingly to avoid, mitigate the risks.

Going Concern

The Board of Directors is of the opinion that the Company has adequate resources and ability 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, some of the proactive measures taken by the Company to reduce the carbon footprint from the environment are listed below:

- Installation of energy saving LED bulbs at the Hotel.
- Installation of lighting auto-motion system for Indoor and outdoor lighting.
- Installation of Effluent Treatment Plant (ETP) for laundry to neutralize chemical impact on our environment.
- Use of Eco-friendly bulk amenities for the hotel's guest instead of single use plastic tube amenities.
- Use of paper straws and paper cups instead of plastic cups in F&B section.
- Use of Building Management System (BMS) to save energy on day-to-day operation for the machinery.
- Strict waste management policy to reduce waste to landfill.
- Eliminating unnecessary single-use plastic packaging for laundry and garbage by using reusable and recyclable materials.
- Judicious investment on machinery and equipment to increase their efficiency for saving utilities.

Furthermore, the Hotel has received a yearly energy reduction target of -3.3% in comparison to the year of 2019 (the earlier two years being under Covid) and has so far achieved -23% through its various green initiatives, which include but are not limited to proper staff trainings, regular monitoring, and by implementing best green initiatives suggested by world-renown InterContinental Hotels Group ("IHG").

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



Declaration by Managing Director and Chief of Accounts and Finance

BSL-404/2022-683a

8 November 2022

The Board of Directors
Bangladesh Services Limited
1, Minto Road
Dhaka-1000

Subject: Declaration on Financial Statements for the year ended on 30 June 2022.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRC/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 2022 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 2022 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

Corporate and Operation Management



From left - Ashwani Nayar (General Manager), Mohammad Atiqur Rahaman (Managing Director) and S. M. Tarikul Islam PAA (Company Secretary)



Management Team



Management Discussion and Analysis

Another year under Covid-19 situation with intermittent restrictions on movement of people, holding of social gathering, meetings, conferences. Covid-19, movement of international flights, the global pandemic which broke out in late-2019 is over. However, this time, severity was significantly less than that of the previous year. It started slowing down from the 1st quarter of the year under review. Though, the new wave of Omicron in January 2022 affected the business of the Hotel i.e., the Company adversely, its severity being much less than those of the previous waves, the impact did not last long and the Company started turning around. As a result, with relaxation/withdrawal of covid-19 related restrictions, the movement of people increased, holding of social events, seminars, meetings, etc. outside started resuming.

As the global economy started recovering from the loss resulted from Covid-19, the outbreak of Russia-Ukraine war in late February 2022 hit another blow to the world economy. Increase of price of the goods world-wide slowed down the economy. However, due to close monitoring of the situation by our Government and time-to-time decisions taken by the Government, the country, one of the fastest growing economies in the world, registered growth in GDP. As per Bangladesh Bureau of Statistics, the GDP growth in 2021-2022 was 7.5% (provisional estimate) which was higher by 0.05% from that of the target and 0.03% from that of the previous year.

Growth in the economy of the country had a positive impact on the hospitality industry as well, which started recovering in the year under review. Business of the Hotel i.e., the Company was better in the year under review than that of the previous year.

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

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"). Revenue of the Hotel generates mainly from rooms, food and beverage and venues. 80% of the room guests are foreigner while 20% are local guests. Though, Covid-19 situation improved, arrival of foreign guests did not increase to that extent. On the other hand, room is the highest margin generating segment of the Hotel.

The management, therefore, focused on the local guests and introduced different attractive promotional offers for them. The offers were well received by the local guests, and the room business started increasing. As a result, rooms revenue in the year was Tk.26.53 crore against Tk.9.07 crore of the previous year registering 192% growth from the last year. Increase of rooms revenue from the last year was TK.17.46 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 compensate that. As a result, the F&B revenue increased by Tk.38.10 crore i.e., 103% from Tk.37.11 crore of the last year to Tk.75.21 crore in the year under review.

Venue rent is the third major source of revenue of the Hotel i.e., the Company. As mentioned earlier, due to withdrawal of Covid-19 related restrictions, holding of conferences, meetings, social events increased. As a result, revenue from venues increased from Tk.3.64 crore to Tk.8.47 core by Tk.4.83 crore i.e., 133%.

The operating cost (Cost of goods sold) of the Company during the year under review was Tk.50.64 crore against Tk.32.38 crore of the previous year. This cost consists of variable cost which include direct cost associated with sale of rooms, sale of Food & Beverage and venues, and fixed cost like employees' expenses. Therefore, it is understood that more the revenue, more the less proportionate increase in operating cost as the fixed cost remains static irrespective of the increase of revenue up to a relevant range. In 2021-2022, operating cost has increased by 56.4% against increase of revenue of 121%. For the same reason, operating cost percentage to revenue was 46% against 65% of the last year.

Gross Profit for the year under review stood at Tk.59.57 crore which is higher by TK. 42.12 crore (241%) from that of



the last year of Tk.17.45 crore. The Gross Profit percentage to revenue is 54% against 35% 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 2021-2022 when Covid-19 was still 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



Board Meetings

No. of Board meetings held

The Board met 9 (Nine) times during the year 2021-2022.

Attendances of the Directors in the Board meeting

All Directors except the independent directors are nominated by the Government. Attendances of the Directors in the Board Meetings of the Company are given below. The Company Secretary, Chief of Accounts & Finance and Head of Internal Audit and Compliance were also present in the meetings.

Sl.	Name	Date of Joining	Meetings attended
1	Mr. Md. Mokammel Hossain	12.01.2021	9
2	Mr. Abu Hena Md. Rahmatul Muneem	30.01.2020	8
3	Mr. Masud Bin Momen	30.01.2020	8
4	Mr. K M Ali Azam	01.06.2021	7
5	Mr. Md. Mustafizur Rahman PAA	31.03.2021	9
6	Mr. Md. Moinul Kabir	04.04.2022	3
7	Air Vice Marshal M Mafidur Rahman BBP, BSP, Bup, NDU, afwc, PSC	04.04.2022	2
8	Mr. Md. Hannan Mia	15.03.2021	2
9	Mr. Md. Ali Kadar (In place of Mr. Md. Hannan Mia)	15.02.2022	5
10	Ms. Mahmuda Khatun	03.03.2021	7
11	Mr. Biswajit Bhattacharya Khokon, ndc (In place of Ms. Mahmuda Khatun)	28.04.2022	1
12	Dr. Mallick Anwar Hossain	13.09.2020	7
13	Ms. Tahmina Yeasmin (In place of Dr. Mallick Anwar Hossain)	22.06.2022	1
14	Mr. Md. Ahsanul Haque Khan (Retired in last AGM)	30.01.2020	3
15	Mr. Md. Abdul Quaiyum	28.06.2020	8
16	Mr. Mohammad Atiqur Rahaman (In place of Mr. Md. Abdul Quaiyum)	22.06.2022	1

**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 2022.

This Code relates to the Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

This is a 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 13, 2022
Place : Dhaka





Annex-C

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80; dated: 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No.9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Compl ied	Not Comp lied	
1.0	BOARD OF DIRECTORS:			
1.1	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	Independent Directors:			
1.2(i)	Independent Directors: At least one fifth (1/5) of the total number of Directors in the Company's Board shall be as Independent Directors;	✓		There are three Independent Directors in Bangladesh Services Limited's Board, namely: Mr. Abu Hena Md. Rahmatul Muneem, Mr. Biswajit Bhattacharya Khokon, ndc. and Ms. Tahmina Yeasmin.
1.2(ii)	For the purpose of this clause "independent director" means a director.	✓		The Independent Directors have declared their compliances.
1.2(ii)a)	Independent Director does not hold any share or holds less than one percent (1%) shares of the total paid -up Capital of the Company;	✓		
1.2(ii)b)	Independent Director or his family members are not connected with the company's any sponsor or Director or Shareholder who holds 1% or more shares;	✓		
1.2(ii)c)	Does not have any other relationship, whether pecuniary or otherwise, with the Company or its Subsidiary or Associated Companies;	✓		
1.2(ii)d)	Independent Director is not a member, Director or Officer of any Stock Exchange;	✓		
1.2(ii) e)	Independent Director is not a shareholder, Director or officer of any member of Stock Exchange or an intermediary of the Capital Market;	✓		
1.2 (ii) f)	Independent Director is not a partner or an executive or an executive during the preceding 3 (three) years of any Statutory Audit Firm ;	✓		
1.2 (ii) g)	Independent Director is not Independent Director in more than 3 (Three) Listed Companies;	✓		
1.2 (ii) h)	Independent Director 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);	✓		
1.2 (ii)i)	Independent Director has not been convicted for a criminal offence involving moral turpitude;	✓		



1.2 (iii)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days;	√		There has been no vacancy in the position of Independent Directors.
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		Every director has signed a confirmation as to its compliance.
1.2(vi)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	√		
1.3	Qualification of Independent Director (ID):			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		The qualification and background of Independent Directors justify their ability as such.
1.3 (ii)	Independent Director should be a Business Leader/Bureaucrat/University teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Chartered Secretaries. The independent Director must have at least 12(twelve)years of corporate management/professional experiences.	√		Existing Independent Directors are Bureaucrats having more than 12 (twelve) years of experience.
1.3 (iii)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such incidents
1.4	Chairman of the Board or Chief Executive Officer			
1.4(i)	Chairman and Chief Executive Officer (CEO) of the Company shall be filled by different individuals. The Chairman of the Board shall be elected from among the Directors;The Board of directors shall clearly define respective roles and responsibilities of the Chairman and the CEO	√		Chairman of the Board and CEO are different individuals. The roles and responsibilities of the Chairman and the CEO are approved in Board meeting.
1.5	The Directors' Report to Shareholders:			
1.5(i)	An Industry outlook and possible future developments in the industry.	√		The Directors report complies with the guidelines.
1.5(ii)	Segment -wise or product -wise performance.	√		
1.5 (iii)	Risks and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross profit Margin and Net Profit Margin;	√		
1.5 (v)	A discussion on continuity of any extraordinary gain or loss.	√		No such incidents
1.5(vi)	Basis for related party transactions along with a statement all of related party transactions should be disclosed in the annual report.	√		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or any other instruments;	√		No such incidents
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 incidents



1.5(ix)	If significant variance occurs between Quarterly Financial performances and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to the Directors including Independent Directors.	√		
1.5 (xi)	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)	Proper books of account of the Issuer Company have been maintained.	√		
1.5 (xiii)	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)	International Accounting Statement (IAS)/Bangladesh Accounting Statement (BAS)/International Financial Reporting standard (IFRS)/ Bangladesh Financial Reporting standard (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5(xvi)	There are no significant doubts 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 thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the Issuer Company shall be highlighted and the reasons thereof should be explained.	√		
1.5 (xviii)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized.	√		
1.5 (xix)	Reasons for non- declaration of dividend.	√		Due to loss incurred by the Company in the year under review, Board of Directors of the Company did not propose any Dividend for that year which has been disclosed in the Annual report.
1.5 (xx)	The number of Board Meetings held during the year and attendance by each Director shall be disclosed;	√		Attached in the Annexure along with Statement Copy in the Annual Report.
1.5 (xxi)	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 (xxi) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1.5 (xxi) (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);	√		Disclosed in Pattern of shareholdings in the Annual Report
1.5 (xxi) (c)	Executives;	√		
1.5 (xxi) (d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	√		
1.5 (xxii)	In case of the appointment or re-appointment of a Director, a disclosure on the following information to the Shareholders: a) a brief resume of the Director; b) nature of his/her expertise in specific functional areas; c) names of Companies in which the person also holds the Directorship and the Memberships of Committees of the Board.	√		
2.0	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):			
2.1	Company shall appoint a, Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Director should clearly define respective roles, responsibilities and duties of CEO, the Head of Internal Audit and the CS.	√		
2.2	Attendance of CFO and the Company Secretary in the Board Meeting.	√		
3.0	AUDIT COMMITTEE:			
3 (i)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	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;	√		
3 (iii)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of the Audit Committee:			
3.1 (i)	The Audit Committee shall be composed of at least 3 (Three) members;	√		The Audit Committee is composed of 3 (Three) members.
3.1 (ii)	The Board of Directors 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;	√		The members of the Audit Committee are appointed by the Board who are Directors and which includes 2 (Two) Independent Directors.



3.1 (iii)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background: the term "financially literate" means the ability to read and understand the financial statements i.e. Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if (s) he possesses professional qualification or Accounting / Finance Graduate with at least 12 (twelve) years of corporate management / professional Experiences.	√		Based on the academic qualification and professional experiences, the Board reviewed and considered that all the existing members of the Audit Committee are "Financially Literate" and they have "Related Financial Management experience" as per BSEC notification.
3.1 (iv)	Casual vacancy in Audit Committee shall be filled by the Board.	√		The Board appointed Audit Committee members in due time.
3.1 (v)	The Company Secretary shall act as the Secretary of the Audit Committee;	√		
3.1 (vi)	The quorum of Audit Committee meeting shall not constitute without at least 1 (One) Independent Director.	√		
3.2	Chairman of the Audit Committee:			
3.2 (i)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director;	√		
3.2 (ii)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
3.3	Role of Audit Committee			
3.3 (i)	Role of Audit Committee: Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk Management Process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the Annual Financial Statements before submission to the Board for approval;	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly Financial Statements before submission to the Board for approval;	√		
3.3 (vii)	Review the adequacy of internal audit function;	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management;	√		
3.3 (ix)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		



3.3 (x)	When money is raised through Initial Public Offering (IPO)/ Repeat Public Offering (RPO)/ Rights issue the company shall disclose to the audit committee above the uses / applications of funds by major category (Capital Expenditure, sales and marketing Expenses, working capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes stated other than those stated in the offer documents / prospectus.	√		No such incidents
3.4	Reporting of the Audit Committee			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board.	√		In Practice
3.4.1 (ii) a)	Report on conflicts of interests to the Board Directors.	√		There was no reportable case of conflict of interest.
3.4.1 (ii) b)	Will report any suspected or presumed fraud or irregularity or material defect identified in the internal control system to the Board;	√		There was no such case in the year.
3.4.1 (ii) c)	Will report any suspected infringement of laws, regulatory compliance including securities related laws, rules and regulation to the Board.	√		
3.4.1 (ii) d)	Will report any other matter which shall be disclosed to the Board of Directors immediately;	√		
3.4.2	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.	√		
3.5	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. 3.4.1 (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.	√		The Audit Committee report is disclosed in the Annual Report and signed by the Chairman of the Audit Committee.
4.0	EXTERNAL/STATUTORY AUDITORS:			
4(i)	Non-engagement of external/statutory auditors in appraisal or valuation services or fairness opinions;	√		
4(ii)	Non-engagement of external/statutory auditors in Financial Information Systems design and implementation;	√		
4(iii)	Non-engagement of external/statutory auditors in Book-keeping or other services related to the accounting records or Financial Statements;	√		
4(iv)	Non-engagement of external/statutory auditors in Broker-dealer services;	√		



4 (v)	Non-engagement of external/statutory auditors in Actuarial services;	√		
4(vi)	Non-engagement of external/statutory auditors in Internal audit services or special audit services;	√		
4(vii)	Non-engagement of external/statutory auditors in any service that the Audit Committee determines;	√		
4(viii)	Audit/certification services on compliance of Corporate Governance as required under Condition No. 9(1).	√		
4(ix)	Any other service that creates conflict of interest	√		
4 (2)	No partner or employees of the External or Statutory Auditors 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 share in the said Company.	√		
4(3)	Representative of external or statutory auditors shall remain present in the Shareholder' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		
5.0	SUBSIDIARY COMPANY:			
5(i)	Provisions relating to the composition to the Board of Directors of the holding company shall be maid applicable to the composition of the Board of Directors of the subsidiary company.	Not applicable		Bangladesh Services Limited does not have any subsidiary company.
5(ii)	At least 1 (one) Independent Director on the Board of the holding Company shall be a Director on the Board of the Subsidiary Company;	Not applicable		Do
5(iii)	The minutes of the Board Meeting of the Subsidiary Company shall be placed for review at the following Board meeting of the Holding Company;	Not applicable		Do
5(iv)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the Subsidiary Company also;	Not applicable		Do
5(v)	The Audit Committee of the Holding Company shall also review the Financial Statements in particular the investments made by the Subsidiary Company.	Not applicable		Do
6.	NOMINATION AND REMUNERATION COMMITTEE (NRC).			
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;	√		The Nomination and Remuneration Committee is composed of 3 (Three) members.
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		



6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an Independent Director;	√		The Nomination and Remuneration Committee is composed of 3 (Three) members, of which two members are Independent Directors.
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;	√		
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 another cases of vacancies the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
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;			No such requirement has arisen in the year under review.
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 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 form 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;	√		
6(3)(c)	The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders.	√		
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 any emergency meeting upon request by any member of the NRC;	√		
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 NRC:			
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 qualification, positive attributes and independence of a Directors and recommend a policy to the Board, relating to the remuneration of the Directors, top level executives 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;	√		
6(5)(b)(i)(c)	The remuneration to Directors, top level executive involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to 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 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 Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
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;	√		
7.0	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIFE FINANCE OFFICER (CFO):			
7(i)(a)	The CEO and CFO will certify to the Board that they have reviewed Financial Statements and believe that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		CEO and CFO certified to the Board during finalization of Financial Statement which is stated in the "Directors' declaration as to financial statements in the Directors' Report."
7(i)(b)	The CEO and CFO will certify to the Board that they have reviewed Financial Statements and believe that 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;	√		Do
7(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.	√		Do
8.	MAINTAINING A WEBSITE BY THE COMPANY:			
8.1	The Company shall have an official website linked with website of the stock exchange.	√		
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.	√		
9.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
9.1	The company shall obtain a certificate from practicing Professional Accountant or Secretary (Chartered Accountant/Cost and Management Accountant/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 Annual Report.	√		Required Certification has been obtained from FAMES & R Chartered Accountants for the year ended on 30 th June, 2022 which is published in Annual Report.
9.2	The Professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		Status of compliance is published with the Directors report as required.
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.	√		



Annex-D

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 holds 10% or more	9,74,70,791	99.68%
v.	Other Shareholders, who hold less than 10%	3,17,404	More than 0.31%
	Grand Total	9,77,88,913	100.00%

Audit Committee



From Left to Right –

Mr. Md. Ali Kadar (Member), Mr. Biswajit Bhattacharya Khokon, ndc (Member)
Mr. Abu Hena Md. Rahmatul Muneem (Chairman), Mr. S. M. Tarikul Islam PAA (Member Secretary)



REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2022

It's my immense pleasure to present the Report of the Audit Committee for the year ended on 30 June 2022 before the valued shareholders. The Audit Committee Report presented under condition No.5(6)(a) of the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code provides an insight on the functions of the Audit Committee for during the year ended 30 June 2022.

COMPOSITION OF THE AUDIT COMMITTEE:

The Board has formed the Audit Committee ("the Committee") in compliance with the conditions of BSEC Corporate Governance Code which is appended with the Compliance Report and also enclosed with the Directors' Report. The Committee is comprised of 03 (three) members of the Board of Directors. All the Members are Non-Executive Directors and Chairman of the Audit Committee and another member of the Committee are Independent Directors.

MEMBERS OF THE COMMITTEE

Mr. Md. Ali Kadar, Director, BSL was appointed as a member of the Audit Committee on 15th February 2022 in replacement of Mr. Md. Hannan Mia and Mr. Biswajit Bhattacharya Khokon, ndc, Director was appointed as a member of the Audit Committee on 22nd June 2022 in replacement of Ms. Mahmuda Khatun. Mr. S.M Tarikul Islam, PAA, Company Secretary started his responsibilities as Member Secretary to the Audit Committee from 10.02.2022 in replacement of Mr. Md. Nazmus Sadat Salim. Following the changes, the Committee has been reconstituted as below:

Name	Representation in the Board	Status in the Committee
Mr. Abu Hena Md. Rahmatul Muneem	Independent Director	Chairman
Mr. Md. Ali Kadar	Non-executive Director	Member
Mr. Biswajit Bhattacharya Khokon, ndc	Independent Director	Member
Mr. S.M Tarikul Islam, PAA	Company Secretary	Member Secretary

MEETING AND ATTENDANCES:

The Committee held five meetings to carry out its business during the period under review. Records of attendance in the meetings are as below:

Name and Designation	Status in the Committee	Attendance/Total Meetings
Mr. Abu Hena Md. Rahmatul Muneem	Chairperson	5/5
Ms. Mahmuda Khatun	Member	5/5
Mr. Md. Hannan Mia	Member	3/5
Mr. Md. Ali Kadar	Member	2/5

Mr. Md. Abdul Quaiyum, former Managing Director, BSL was present in 3 (three) meetings of the Audit Committee as special invitee.

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 as follows:

a) 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.

b) 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.

c) 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.

d) Review and Ensure Internal Control

- (i) 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.
- (ii) To review the extent of compliance with established internal policies, standards, guidelines and procedures.
- (iii) To obtain assurance that proper control has been designed and implemented prior to the commencement of major change within the Company.

e) Monitoring Internal Audit

- (i) 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 records of personnel for Internal Audit.
- (ii) To be satisfied that the plan, methodology and resource of Internal Audit are adequate before approving the internal audit plan.
- (iii) To ensure that appropriate actions have been taken to implement the audit recommendations.
- (iv) 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

- (i) 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.
- (ii) To hold meeting with the External Auditors to review Financial Statements, audit findings and recommendation before submitting to the Board for approval or adoption.
- (iii) 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.
- (iv) To review External Auditor's assessment on the Statement on Risk Management and Internal Control.
- (v) To review any matters concerning the appointment and reappointment, audit fee and resignation or dismissal of the external auditor.
- (vi) To review and evaluate factors related to the independence of the external auditor and assist them in preserving their independence.
- (vii) 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.
- (viii) Besides all of the above 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.

Summary of the Activities

i) Review of Financial Statements

- a) Audit Committee reviewed the annual audited financial statements of the Company for the year 2021-22. The Committee had detailed discussion with the representative of the management on different aspects of the financial statements, particularly on compliance with IFRS/IAS, adequacy of disclosures made, consistency of the accounting policies applied and prudence of the estimates and judgements made in preparation of the financial statements. The Committee evaluated the report of the independent auditor on the annual financial statements and found no material audit observation.
- b) Reviewed the valuation done by the Chartered Accountants firm of the land and other fixed assets of the Company as per suggestion of BSEC to convey the message to the stakeholders that the value of the property of the Company is much more than its book value.
- c) Reviewed the implication of valuation in the financial statements of the Company.
- d) Carried out in-depth review of each of the quarterly financial statements with due care to ensure that the financial statements give a true and fair view of the state of affairs of the company and are free from any material error.
- e) Reviewed the long-term loan liability of the company and advised management to explore different options for reducing the burden of liability of the interest of moratorium period and examining options to repay the instalment (principal and interest) without putting too much burden on the company.
- f) Reviewed the position of overdue receivables of the Company, monitored the status of recovery and the periodical targets and achievements.

ii) Monitoring internal control

- a) Reviewed approval process of different matters of the Company.
- b) Reviewed the cash management of the company and suggested for ensuring proper cash management



iii) External audit

- a) Reviewed the process for appointment of statutory and compliance auditors along with fixing of their remuneration.
- b) Reviewed the scope, strategies plans, etc, of the external auditors.
- c) Ensured that the external auditors conduct their audit works independently.

iv) Ethical and Integrity Areas

Audit Committee carefully reviewed security and safety matters. They also periodically reviewed the health and hygiene of food preparation and food safety conditions of hotel.

v) 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 2022 for inclusion in the Annual Report, 2022, and recommended their adoption to the Board.

vi) Internal Audit

- a) Reviewed the internal audit plan.
- b) Reviewed the internal audits carried out by the internal audit team and recommended for taking appropriate actions, where necessary.

vii) Performed other activities as per terms of reference and assignments entrusted by the Board time to time.

(Abu Hena Md. Rahmatul Muneem)
Chairman
Audit Committee

Nomination and Remuneration Committee



From Right to Left –

Ms. Tahmina Yeasmin (Member), Mr. Md. Mustafizur Rahman PAA (Member)
Mr. Abu Hena Md. Rahmatul Muneem (Chairman), Mr. S. M. Tarikul Islam PAA (Member Secretary)



Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee (NRC) has been formed on 02-08-2018 as per Securities and Exchange Commission's Notification dated 03 June 2018. The NRC consists of the following members:

Mr. Abu Hena Md. Rahmatul Muneem, Independent Director	Chairman
Mr. Md. Mustafizur Rahman PAA, Director	Member
Ms. Tahmina Yeasmin, Independent Director	Member

Company Secretary acts as the Member Secretary to the Committee.

Functions

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.

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. In fact, 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 and 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'.

Activities during the year under review

During the year under review, major activities of the NRC included recommendation for termination of the contract of the expatriate, and appointment of expatriates in a senior position of the Hotel for approval of the Board, reviewing Service Rule of the Company, and recommending certain changes therein.

No. of Meetings held

During the year 2021-2022, total 4 (four) meetings of the NRC were held.



Auditors' Report and Financial Statements FOR THE YEAR ENDED 30 JUNE 2022





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 2022, 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 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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) and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is 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. 4,816,278,065 and current assets deficit of Tk. 2,849,933,886 as at 30 June 2022 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 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.

Other Matters

The financial statements of the Company as at and for the year ended 30 June 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 29 November 2021.

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
Valuation of property, plant and equipment (PP&E) including revaluation of land and impairment assessment of other items of PP&E	
<p>During the 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.</p> <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 waves of COVID 19, current ongoing macro-economic situation and 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&E under IAS 36.</p>	<p>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.</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 expected recovery time from impacts of post COVID 19 and 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 & 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>
See note 3 for details	
Revenue recognition and valuation of receivables	
<p>The Company has diversified revenue streams such as hotel operation (room, F&B and other), 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>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Understanding of various revenue streams and related operational matters; • 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. • Periodic balance confirmation from debtors; • Monitoring process for overdue receivables; and • Company's policy of creating provision against overdue receivables and periodic write off in line with IFRS 9. <p>Our substantive procedures in relation to the assessing valuation of receivables comprises the following:</p> <ul style="list-style-type: none"> • Reconciliation of debtors ageing to general ledger; • Conducting cut-off testing at the year-end; • Reviewing subsequent receipt of receivables balance;



<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>	<ul style="list-style-type: none"> Recalculation of provision for trade receivables as required by IFRS 9 and compared against actual write off/loss on repossession in prior periods. <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>See note number 8 for details</p>	
<p>Income tax matters</p>	
<p>The Company being a listed company is subject to lower corporate tax rate. However, as per 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 disputes 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 reports net deferred tax liabilities where significant judgment is required in relation to deferred tax assets and liabilities as their settlement is dependent on various factors as detailed in notes 2.7, 14 and 34 to the financial statements.</p>	<p>Our audit approach included a combination of controls testing, data analytics and substantive procedures covering the following:</p> <ul style="list-style-type: none"> obtaining an understanding, evaluating the design and testing the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and liabilities; assessing the completeness and accuracy of the data used for the estimations of future taxable income; 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; assessing the adequacy of the Company's disclosures setting out the basis of deferred tax assets and liabilities balances and the level of estimation involved; assessing the appropriateness and presentation of disclosures under IAS 12 "Income Taxes". obtaining an understanding, evaluating the design and testing the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and liabilities;
<p>Defined benefits plan</p>	
<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. This results in the Company having a constructive obligation to pay the benefit. Consequently, the Company is required to recognise the liability related to such benefits. At the year end, the Company reported a net funded gratuity liability of BDT 55.35 million. During the year an amount of Tk. 12.7 crore has been transferred to separate gratuity fund.</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"> obtaining sufficient audit evidence to conclude that the inputs and methodologies used to determine the liability for defined benefit plan; 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;



<p>Methodologies applied in the calculation of the benefits payable to members are disclosed in notes 2.5 and 20 to the financial statements which include liability for gratuity provision. Therefore, defined benefits payable provision is considered as a key audit matter.</p>	<ul style="list-style-type: none"> • examining the basis on which gratuity 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; • ensuring that the basis of computing gratuity is valid; verify the computation of liability on aggregate basis; • checking the amount of gratuity paid to employees who retired during the year with reference to the number of years of service rendered by them; • testing the employees data used in calculating obligation, assessing the appropriateness and presentation of disclosures against IAS 19 "Employee Benefits". • The Company has not conducted any actuarial assessment of its gratuity obligation. However as per internal assessment management consider that the current liability will be adequate to cover its obligation.
Loans and borrowings	
<p>As at reporting date, the Company had total loans and borrowings of BDT 9,553,671,094 representing 64% 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 disclosure 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.</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 and Covid 19 impact the Company's Hotel operation suffered and as a result it could not able to pay all loan installments.</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 3, 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:

- (i) 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;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- (iii) the statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account; and
- (iv) the expenditures incurred were for the purpose of the Company's business.

The engagement partner on the audit resulting in this independent auditor's report is Sabbir Ahmed, FCA.

Dhaka, 09 November 2022
DVC No: 2211090770AS464414

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



BANGLADESH SERVICES LIMITED
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS AT 30 JUNE 2022

	Notes	30 June 2022 BDT	30 June 2021 BDT
Assets			
Non-current assets			
Property, plant and equipment	3	36,812,136,562	8,869,045,955
Capital works-in-progress	4	10,322,094	-
Guarantee deposits	5	160,000,000	160,000,000
		36,982,458,656	9,029,045,955
Current assets			
Inventories - spares and general stores	6	25,176,323	14,800,220
Inventories - food and beverage	7	59,214,711	56,145,171
Accounts receivable	8	539,200,731	294,647,237
Other receivables	9	5,011,361	17,037,256
Advances, deposits and prepayments	10	374,920,119	332,364,188
Cash and cash equivalents	11	669,575,447	792,284,868
		1,673,098,691	1,507,278,939
		38,655,557,346	10,536,324,894
Total assets			
Equity and liabilities			
Equity			
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	200,963,215	162,213,126
Retained earnings/(accumulated losses)		(4,816,278,065)	(3,667,958,133)
Equity without revaluation		(3,577,425,720)	(2,467,855,877)
Revaluation surplus	14	27,343,762,067	-
Equity with revaluation		23,766,336,347	(2,467,855,877)
Non-current liabilities			
Deferred tax liability	15	1,467,317,329	235,148,167
Loans and borrowings non current portion	16.1	8,898,871,094	8,158,614,791
		10,366,188,423	9,895,304,520
Current liabilities			
Loans and borrowings current portion	16.2	654,800,000	736,471,429
Accounts payable	18	2,616,798,322	2,543,726,475
Advance rent, security deposits and earnest money	19	147,039,909	176,368,225
Unpaid dividend		-	307,688
Deferred customs tariff	17	765,070,133	765,070,133
Provision for taxation	20	95,586,053	21,762,852
Provision for supplementary duty		188,390,998	188,390,998
Liability for gratuity	21	55,347,161	178,320,014
		4,523,032,577	3,108,876,252
		38,655,557,346	10,536,324,894
NAVPS with revaluation		243.04	(25.24)
NAVPS without revaluation		(36.58)	(25.24)

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


Tahmina Yeasmin
 Director


S. M. Tarikul Islam, PAA
 Company Secretary

See annexed report of the date

Dhaka, Bangladesh
 Dated: 09 November 2022
 DVC No: 2211090770AS464414


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



BANGLADESH SERVICES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	30 June 2022 BDT	30 June 2021 BDT
Revenue	22	1,102,127,200	498,296,066
Operating cost	23	(506,402,603)	(323,844,049)
Gross profit		595,724,597	174,452,018
Hotel administrative and other expenses	24	(381,325,532)	(237,666,700)
BSL administrative and other expenses	25	(646,320,885)	(821,602,332)
		(1,027,646,417)	(1,059,269,032)
Profit/(loss) from operations		(431,921,820)	(884,817,014)
Interest income	26	144,753,191	43,822,363
Rental income from BSL office complex	27	45,829,873	30,763,982
Income/(loss) from BICC	28	32,022,731	(88,464,185)
Finance cost		(733,584,874)	(782,772,408)
Profit/(loss) before tax		(942,900,899)	(1,681,467,262)
Income tax expense			
Current tax	20	73,823,201	(17,647,373)
Deferred tax	15	92,845,743	142,726,571
		166,668,944	125,079,199
Profit/(loss) for the year		(1,109,569,843)	(1,806,546,459)
Other comprehensive income			
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	
Total comprehensive income/(loss) for the year		26,234,192,224	(1,806,546,459)
Earnings per share (EPS)	36	(11.35)	(18.47)

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


Tahmina Yeasmin
 Director


S. M. Tarikul Islam, PAA
 Company Secretary

See annexed report of the date

Dhaka, Bangladesh
 Dated: 09 November 2022
 DVC No: 2211090770AS464414


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



BANGLADESH SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

Particulars	Share capital BDT	General reserve BDT	Reserve for replacements BDT	Retained earnings/ (accumulated losses) BDT	Revaluation surplus BDT	Total BDT
Balance at 01 July 2021	977,889,130	60,000,000	162,213,126	(3,667,958,133)	-	(2,467,855,878)
Net profit/(loss) for the year	-	-	-	(1,109,569,843)	-	(1,109,569,843)
Allocation for replacement reserve	-	-	44,085,089	(44,085,089)	-	-
Utilisation of replacement reserve	-	-	(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)
Balance at 30 June 2022	977,889,130	60,000,000	200,963,215	(4,816,278,065)	27,343,762,067	23,766,336,347
Balance at 01 July 2020	977,889,130	60,000,000	152,868,726	(1,852,067,274)	-	(661,309,418)
Total comprehensive income/(loss) for the year	-	-	-	(1,806,546,459)	-	(1,806,546,459)
Allocation for replacement reserve	-	-	9,344,400	(9,344,400)	-	-
Balance at 30 June 2021	977,889,130	60,000,000	162,213,126	(3,667,958,133)	-	(2,467,855,878)

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


Mohammad Atiqur Rahaman
 Managing Director


Tahmina Yeasmin
 Director


S. M. Tarikul Islam, PAA
 Company Secretary

Dhaka, Bangladesh
 Dated: 09 November 2022
 DVC No: 2211090770AS464414



BANGLADESH SERVICES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	30 June 2022 BDT	30 June 2021 BDT
A. Cash flows from operating activities		
Cash receipts from customers	1,193,074,913	630,156,398
Cash paid to suppliers, employees and administrative purpose	(2,045,102,099)	(1,614,737,552)
	(852,027,186)	(984,581,153)
Cash received from tenants	143,275,532	61,884,206
Cash received from other income	(31,371,002)	(24,938,445)
Bank interest receipt	120,504,031	35,778,323
	232,408,562	72,724,083
	(619,618,624)	911,857,070
Income tax paid	(41,589,745)	(26,441,805)
Gratuity paid	(127,270,129)	-
Net cash from/(used in) operating activities	(788,478,498)	(938,298,875)
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(35,452,430)	(5,016,721,681)
Capital works-in-progress	(39,034,798)	5,098,027,567
Net cash from/(used in) investing activities	(74,487,228)	81,305,886
C. Cash flows from financing activities		
Borrowings from bank	740,256,304	782,812,412
Net cash from/(used in) financing activities	740,256,304	782,812,412
D. Net changes in cash and cash equivalents (A+B+C)	(122,709,422)	(74,180,578)
E. Opening cash and cash equivalents	792,284,868	866,465,446
F. Closing cash and cash equivalents (D+E)	669,575,447	792,284,868
Closing cash and cash equivalents have been arrived at as follows:		
Bank balance	664,948,687	787,658,108
Cash in hand	4,626,760	4,626,760
	669,575,447	792,284,868

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

Tahmina Yeasmin
Director

S. M. Tarikul Islam, PAA
Company Secretary

Dhaka, Bangladesh
Dated: 09 November 2022
DVC No: 2211090770AS464414



BANGLADESH SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 30 JUNE 2022

1. 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 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 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 09 November 2022.

1.5 Reporting period

The current financial period of the Company covers one year from 1 July 2021 to 30 June 2022 with the corresponding period 1 July 2020 to 30 June 2021.

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 2022 the Company's current liabilities exceeded its current assets by BDT 2,849,933,886 (2021: BDT 1,435,289,377). In addition, the Company has incurred a net loss of BDT 1,109,569,843 for the year ended 30



June 2022 (2021: BDT 1,806,546,459) and net operating cash flow deficit is BDT 788,478,497 (2021: BDT 938,298,875) due to COVID 19 which has impacted the hospitality industries like ours, 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. 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 carrying value of property, plant and equipment, valuation of receivables, income tax provision (both current and deferred tax) and other provisions and accruals.

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.

2. 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	2.50
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. In respect of engineering stores, items having unit cost up to BDT 250, expecting electric bulbs, which are directly charged as consumption.

2.3 IFRS 16: Lease

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant rate of interest on the remaining balance of the liability.

Leases that are not finance lease are considered as operating leases and the leased assets are not recognised in the Company's statement of financial position for operating lease not more than one year period. Payments made under this lease are recognised in profit or loss. Whereas operating lease for more than one year period, Company measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. As a consequence, a lease recognises depreciation of the right-of-use asset and interest on lease liability. The depreciation would usually be on a straight-line basis with the period of lease term or the life of underlying asset.

Currently the Company does not have any kind of lease.

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 Bangla-



desh 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.

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 Finance Act 2022. Tax assessments of the Company have been finalised up to the assessment year 1999-2000. Assessment for the years 2000-2001 and 2001-2002 have been completed at the first level of assessment where additional amounts of BDT 9,544,689 and BDT 10,507,313 respectively were claimed which the Company initially disputed. In respect of the assessment years 2000-2001 and 2001-2002, the Company has filed an appeal with the Hon'ble High Court Division of the Supreme Court. However, as these appeals have been dismissed by the Appellate Division of Supreme Court the Company has made required provision for these disputed tax claims in current year. Assessments for the assessment years 2003-2004; 2005-2006 and 2006-2007 have been completed. Moreover an additional claim for the assessment years 2007-2008 and 2008-2009 amounting to BDT 5,954,210 and BDT 9,340,009 respectively have been claimed by the assessing officer against which the Company made appeals to relevant appeal authority which are still pending. 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.

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 when there is an indication that the recoverable amount or a portion thereof has been impaired.

(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 2022, 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

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

New standards or interpretations that have been adopted by the Institute of Chartered Accountants of Bangladesh and effective from 1 July 2021 are duly adopted by the Company and none of these new adoptions has material impact on stated numbers of these financial statements.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2021 and earlier application is permitted; however, the Company has not early applied these new or amended standards in preparing these financial statements.



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

Particulars	Cost					Depreciation			Amount in BDT		
	At 01 July 2021	Addition/Transfer during the year	Revaluation	Disposal/Adjustment during the year	Total at 30 June 2022	Rate %	Up to 01 July 2021	Charge for the year	Disposal/Adjustment during the year	Total to 30 June 2022	Written down value at 30 June 2022
BSL Operations											
Land-Minto Road (Hotel)**	1,874,514	-	26,998,125,486	-	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	5,495,261,011	1,708,909	-	-	5,496,969,920	2.5%	557,432,773	137,424,248	-	694,857,021	4,802,112,899
Admin office furniture and equipment	75,406,854	298,000	-	-	75,704,854	10%	8,114,032	7,570,485	-	15,684,517	60,020,337
Electrical fitting and general equipment	852,751,179	-	-	-	852,751,179	10%	85,275,118	85,275,118	-	170,550,236	682,200,943
Elevators	203,088,121	-	-	-	203,088,121	10%	20,308,812	20,308,812	-	40,617,624	162,470,497
Air-conditioning plant	504,631,746	-	-	-	504,631,746	10%	50,463,176	50,463,175	-	101,275,531	403,356,215
Hotel furniture and equipment	1,081,599,799	5,037,000	-	-	1,086,636,799	10%	108,663,680	108,663,680	-	217,022,411	869,614,388
IT and telecom equipment	499,142,894	12,763,860	-	-	511,906,754	10%	49,914,289	51,190,875	-	101,104,964	410,801,790
Kitchen equipment	202,525,943	-	-	-	202,525,943	10%	20,252,594	20,252,594	-	40,505,188	162,020,755
Laundry equipment	441,031,454	-	-	-	441,031,454	10%	44,103,145	44,103,145	-	88,206,290	352,825,164
Special equipment and fire alarms	202,822,343	-	-	-	202,822,343	10%	20,282,234	20,282,234	-	40,564,468	162,257,875
Health club equipment	197,469,344	-	-	-	197,469,344	10%	19,746,934	19,746,934	-	39,493,868	157,975,476
	9,757,605,202	19,807,769	28,483,085,486	-	38,260,498,457		984,601,020	565,281,102	-	1,549,882,120	36,710,616,337
BSL Office Complex											
Building on leasehold land	181,678,955	-	-	-	181,678,955	2.5%	112,562,193	4,541,974	-	117,104,167	64,574,788
Admin office furniture and equipment	1,647,897	-	-	-	1,647,897	10%	1,106,600	164,790	-	1,271,390	376,507
Electrical fittings and general equipment	47,221,945	-	-	-	47,221,945	10%	4,722,194	4,722,194	-	47,221,945	-
Elevators	12,872,456	90,250	-	-	12,962,706	10%	12,872,456	-	-	12,872,456	90,250
Air-conditioning plant	84,118,406	-	-	-	84,118,406	10%	8,411,840	-	-	8,411,840	-
Special equipment and fire alarms	25,388,546	-	-	-	25,388,546	10%	2,538,854	-	-	25,388,546	-
Motor vehicles	39,040,050	15,554,411	-	-	54,594,461	10%	12,656,336	5,459,446	-	18,115,782	36,478,679
	391,968,255	15,644,661	-	-	407,612,916		295,926,482	10,166,210	-	306,092,692	101,520,224
Bangabandhu International Conference Center											
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	-
Total 30 June 2022	10,213,836,675	35,452,430	38,372,374,591	-	38,812,663,696		1,344,790,720	575,447,311	-	1,920,238,029	36,812,136,562
Total 30 June 2021	5,200,438,655	5,016,721,681	10,217,160,336	-	20,434,326,672		776,014,211	572,100,170	-	1,348,114,381	8,869,045,955

* 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 16 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).

***The Company has executed a lease deed on 4th August 1975 for 24,000 square yard of land at Mirpur under Senpara Paribata Mujib 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.



	30 June 2022 BDT	30 June 2021 BDT
4. Capital works-in-progress		
Other renovation related works	10,322,094	-
	10,322,094	-
5. Guarantee deposit		
Guarantee deposit for BICC (*)	160,000,000	160,000,000
	160,000,000	160,000,000
<p>(*) 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 2021 is 580,569,558 (BDT). Since, the guarantee obligation is sixteen crore, the remaining amount 420,569,558 (BDT) of that FDR being freely convertible into cash has been presented in cash and cash equivalents (note-11).</p>		
6. Inventories - spares and general stores		
Hotel Operation		
Stores and spares in hand		
Merchandise in transit	295,861	295,861
Linen - in use	24,880,461	14,504,359
General and other stores	25,176,323	14,800,220
7. Inventories - food and beverage	59,214,711	56,145,171
8. Accounts receivable		
Accounts receivable - trade, considered good	458,250,965	281,501,223
Accounts receivable-BICC	466,832,899	465,078,396
Accounts receivable - trade, considered doubtful	21,371,198	21,371,198
Rent receivable	85,429,104	51,826,009
Rent receivable from BICC	508,969,750	508,969,750
Receivable for VAT and tax	19,670,594	19,670,594
Expenses incurred by ICD for renovation works on behalf of BSL	936,116,396	936,116,398
Receivable from employees	69,187,398	34,986,742
Gross balance	2,565,828,303	2,319,520,309
Less: Provision for bad and doubtful debts on accounts receivables-trade (note 8.1)*	114,708,528	114,708,528
	2,451,119,775	2,204,811,781
Less: Contra items (note 17.1)		
Accounts receivable-BICC	466,832,899	465,078,396
Rent receivable from BICC	508,969,750	508,969,750
Expenses incurred by ICD for renovation works on behalf of BSL	936,116,396	936,116,398
	1,911,919,045	1,910,164,544
	539,200,731	294,647,237

* Management has reviewed the above receivables balances and satisfied that the provision for doubtful debts recognised at 30 June 2022 is adequate to cover any potential impairments.



	30 June 2022 BDT	30 June 2021 BDT
8.1 Provision for bad and doubtful debts on account receivable-trade		
Opening balance	114,708,528	115,408,528
Add: Provision made during the year for ICD	-	(700,000)
Closing balance	114,708,528	114,708,528
9. Other receivables		
Cash margin against guarantee issued by bank in favour of court relating to Mir Akhter Hossain Ltd	920,015	920,015
Receivable of ICD from BSL against retirement benefit	-	13,450,285
Receivable of ICD from BICC for rental	67,500,572	44,666,202
Receivable from Hotel	3,521,573	2,059,061
IHG reward club charges / reimbursement	1,368,335	1,286,035
Interest receivable	2,705,311	1,363,221
Sundry debtors	17,699	17,699
	76,033,506	63,762,519
Less: Contra items (note 17.1)		
Receivable of ICD from BICC for rental	67,500,572	44,666,202
Receivable from Hotel	3,521,573	2,059,061
	5,011,361	17,037,256
10. Advances, deposits and prepayments		
Advances		
Advance tax for employees taxation	34,681,716	34,681,716
Income tax deducted at source - BSL	166,668,944	125,079,199
Advance to Depa (Renovation)	7,487,792	7,487,792
Advance against income tax	4,274,391	4,274,391
Advance to suppliers	6,759,113	6,809,113
VAT and supplementary duty - BSL	58,842,080	58,842,080
Advances to General Manager (ICD)	-	62,409
Advance to employees	3,533,430	2,670,870
Advances to others	12,731	12,731
	282,260,197	239,920,301
Deposits		
L/C and BG margin	87,726,658	86,598,698
Security/guarantee deposit - BSL	936,600	936,600
	88,663,258	87,535,298
Prepayments		
Prepaid insurance	805,203	678,298
Licenses and permits	2,849,288	1,827,687
Other expenses	68,250	2,141,433
Security expense (Ansar-VDP)	-	-
Workmen's compensation	273,921	261,169
	3,996,662	4,908,587
	374,920,119	332,364,188



11. Cash and cash equivalents

	30 June 2022 BDT	30 June 2021 BDT
Cash in hand	4,626,760	4,626,760
Bank balances		
Short term deposit with		
Agrani Bank Limited (reserve fund for replacement)*	14,128,111	3,257,347
Agrani Bank Limited (gratuity and termination benefit- Hotel)	2,967,837	3,407,431
Agrani Bank Limited	22,119,114	12,355,199
Sonali Bank Limited	4,403,459	4,279,771
Agrani Bank Limited (BSL complex rental account)	68,131,797	5,489,893
Standard Chartered Bank (Hotel)	7,958,551	7,958,551
	119,708,869	36,748,191
Fixed deposit with		
Agrani Bank Limited	385,047,054	636,760,329
Bangladesh Commerce Bank Limited	9,225,005	48,085,256
	394,272,059	684,845,585
Current accounts with		
	150,967,759	66,064,331
Agrani Bank Limited-(A/C nos. 1905, 9051, 1998, 5711 & 7325)	150,686,784	65,782,516
Agrani Bank Limited - dividend account	280,975	281,815
	669,575,447	792,284,868

*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	2,500,000,000	2,500,000,000
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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
	977,889,130	977,889,130

12.3 Shareholding position at 30 June 2022 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
		97,788,913	977,889,130	100



12.4 Classification of shareholders by holding:

Holding of shares	2022	2021
	No. of shareholders	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
50001 – 100000	0	0
100001 1000000	1	1
1000001 and above	1	1

13. Reserve for replacements, substitutions and additions to furniture and equipment

	30 June 2022 BDT	30 June 2021 BDT
Opening balance	162,213,126	152,868,726
<u>Add:</u> Charged to operation during the year	44,085,089	18,642,932
<u>Less:</u> Amount utilisation during the year	5,335,000	9,298,532
Closing balance	<u>200,963,215</u>	<u>162,213,126</u>

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

14 Revaluation surplus

	30 June 2022 BDT	30 June 2021 BDT
Opening balance	-	-
Revaluation of land during the year	28,483,085,486	-
Less: Related deferred tax (expense)/income on revaluation surplus	1,139,323,419	-
	<u>27,343,762,067</u>	<u>-</u>

As mentioned in note 3 during the 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.

15. Deferred tax liability/ (asset)

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.

	30 June 2022 BDT	30 June 2021 BDT
Opening balance	235,148,167	92,421,596
Deferred tax expenses/(income) recognised in profit or loss	92,845,743	-
Deferred tax expenses/(income) recognised in other comprehensive income	1,139,323,419	142,726,571
Closing balance	<u>1,467,317,329</u>	<u>235,148,167</u>



Deferred tax liability is arrived at as under:

	Carrying amount	Tax base	Taxable / (deductible) temporary difference
30 June 2022			
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)-A			1,467,317,329
30 June 2021			
Property, plant and equipment	88,869,045,955	7,645,622,981	1,223,422,974
Deferred liability for gratuity	(178,320,014)	-	(178,320,014)
Taxable/ (deductible) temporary difference	4,259,966,526	3,890,280,146	1,045,102,961
Applicable rate			22.50%
			235,148,167
Deferred tax liability/ (asset)-B			235,148,167

	30 June 2022 BDT	30 June 2021 BDT
16. Long term secured loan		
Agrani Bank- renovation loan	5,739,025,000	5,613,920,000
Interest during construction period	3,814,646,094	3,281,166,220
	9,553,671,094	8,895,086,220
16.1 Non-current loans and borrowings		
Agrani Bank- renovation loan	8,898,871,094	8,158,614,791
16.2 Non-current loans and borrowings		
Agrani Bank- renovation loan	654,800,000	736,471,429
<p>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.</p>		
17. Deferred customs tariff		
Chittagong Customs	544,578,675	544,578,675
ICD Kamalapur Customs	43,638,152	43,638,152
Dhaka Airport Customs	173,410,209	173,410,209
Beanpole Customs	3,443,097	3,443,097
	765,070,133	765,070,133
<p>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.</p>		
18. Accounts payable		
For goods	74,845,235	144,583,974
Liquidated damage for renovation works	150,524,109	150,524,109
For expenses (note 18.1)	1,847,820,271	1,714,584,028
For other finance (note 18.2)	543,608,708	534,034,363
	2,616,798,322	2,543,726,475



18.1 Accounts payable for expenses

	30 June 2022 BDT	30 June 2021 BDT
BICC rent payable to BSL*	508,969,750	508,969,750
Expenses incurred by ICD for renovation works on behalf of BSL	936,116,396	936,292,802
Provision for retirement benefits	73,385,899	66,113,905
Salaries, wages, bonus gratuity and other benefits	73,395,790	74,694,123
Accrued expenses	100,923,935	96,623,935
Accrual for BICC rent payable to PWD*	1,038,350,000	1,038,350,000
Accrual for BICC profit share payable to PWD	145,611,625	86,206,403
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	16,068,414
Indebtness to operator and its affiliates	48,577,967	25,376,738
Utility service for Hotel operation	9,328,680	8,305,559
Utility bills for BSL Office Complex	40,125	40,125
Other professional services fee	(195,000)	250,000
Software maintenance fee	289	289
Legal and professional charges	450,000	450,000
Consultancy fee	464,950	758,200
VAT payable	480	480
Crew allowance	800,000	800,000
Dues and subscription	280,973	280,973
Payable to ICD by Hotel	3,521,573	2,059,060
Payable to BICC by BSL	466,832,899	465,078,396
Other payable	67,500,569	44,666,202
Taxes, deposits and other creditors-ICD	170,782,177	120,523,034
Advance from clients ICD	4,957,767	3,403,123
Other current liabilities ICD	154,082,276	168,857,496
	3,830,761,457	3,671,473,834
<u>Less: Contra items (note 8)</u>		
BICC rent payable to BSL	508,969,750	508,969,750
Expenses for renovation made by ICD on behalf of BSL	936,116,396	936,116,398
Payable to BICC by BSL	466,832,899	465,078,396
Payable to ICD by Hotel	3,521,573	2,059,060
Accrual for BICC rent payable to PWD	67,500,569	44,666,202
	1,982,941,187	1,956,889,806
	1,847,820,271	1,714,584,028

(*) Confirmation from BICC for this amount could not be provided to the auditor.



18.2 Creditors for other finance

	30 June 2022 BDT	30 June 2021 BDT
VAT and supplementary duty *	285,025,673	279,846,967
Lease and other security deposit	14,796,482	15,121,482
Service charge unadjusted with project cost	224,030,904	219,016,420
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	(151,369)	(149,972)
Tips payable	147,883	147,883
UNICEF donation received from guests	4,971	4,971
Union subscription	30,200	30,200
Other finance creditors	(165,632)	(43,403)
Liabilities for LOC	704,591	704,591
Other creditors	(79,919)	90,310
	543,608,708	534,034,363

* 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	1,149,132	3,300,275
Retention money received	7,885,713	8,496,973
Rental security deposit	7,163,390	5,627,858
Security money received from contractors	130,441,674	158,543,119
	147,039,909	176,368,225

20. Provision for taxation

Opening balance	21,762,852	39,410,224
Add: Provision made during the year	73,823,201	(17,647,373)
	95,586,053	21,762,852
Less: Payments made during the year	-	-
Closing balance	95,586,053	21,762,852
*Calculation of tax liability		
A. 0.60% of gross receipt	7,948,398	
B. 22.5% on profit before tax	None, since loss	
C. AIT paid during the year	166,668,944	
Tax liability (higher of A, B and C)	166,668,944	125,079,199
Current tax	166,668,944	125,079,199
Deferred tax	-	-



21. Deferred liability for gratuity

Opening balance	
Add: Provision made during the year	
Less: Payment made during the year to outgoing members	
Closing balance	

30 June 2022
BDT

30 June 2021
BDT

178,320,014	164,457,918
4,297,276	13,862,096
182,617,290	178,320,014
127,270,129	-
55,347,161	178,320,014

During the year the Company has created a separate fund for its Gratuity and accordingly a portion of Fund has been transferred.

22. Revenue

Rooms	
Food and beverage	
Rental and others	

265,283,705	90,722,290
752,113,735	371,129,304
84,729,760	36,394,473
1,102,127,200	498,296,066

23. Operating cost

	Rooms	Food and beverage	Minor operating departments	Total 30 June 2022 BDT	Total 30 June 2021 BDT
Salaries, wages, bonus, gratuity and other benefits	47,534,783	84,658,862	6,264,797	138,458,443	106,089,701
Decoration and other expenses	398,263	705,970	5,433	1,109,666	1,159,094
Operating supplies	-	242,837,840	2,860,282	245,698,121	127,262,548
Menus cost	12,069,480	16,718,074	112,601	28,900,156	19,165,004
Postage and courier	-	68,700	-	68,700	-
Balaka restaurant rent & uniforms	-	-	-	-	(15,000)
Limousine expenses	-	44,468,202	-	44,468,202	43,750,969
Complimentary guest services	4,147,243	2,589,666	15,591	6,752,499	3,326,668
Printing and stationery	303,293	-	-	303,293	85,901
Entertainment	3,185,223	-	2,052	3,187,275	1,037,038
Contract service	991,242	3,446,146	11,176	4,448,565	2,796,230
Equipment rent	387,847	73,528	-	461,375	594,373
In-house TV, video, music, etc.	-	-	-	-	-
Room commission	4,698,732	41,875	-	4,740,607	5,264,381
Travel and communication	4,199,848	1,114,035	-	5,313,883	3,457,493
Fuel and power	12,139,916	-	-	12,139,916	3,562,112
Training	70,791	217,559	-	288,349	157,445
Unif	-	5,916,980	-	5,916,980	3,925,425
Permits and licenses	-	-	-	-	(110,000)
Others	388,064	725,463	50,422	1,163,949	987,447
	2,063,589	505,096	-	2,568,685	1,155,191
	66,403	343,585	3,952	413,940	192,029
	92,644,717	404,431,579	9,326,306	506,402,603	323,844,049



	30 June 2022 BDT	30 June 2021 BDT
24. Hotel administrative and other expenses		
Operators and its affiliated company fees (note 24.1)	47,407,280	9,965,921
Heat, light and power (note 24.2)	75,040,026	77,427,495
Administrative and general expenses (note 24.3)	90,961,574	70,214,282
Advertising, promotion and public relations (note 24.4)	41,269,671	29,229,211
Repairs and maintenance (note 24.5)	52,644,198	32,413,045
Information and telecomm (note 24.6)	22,933,080	18,416,746
RBH hotel expenses (note 24.7)	51,069,702	-
	381,325,532	237,666,700
24.1 Operators and its affiliated company fees		
License fee	25,960,649	9,965,921
Incentive management fee	21,446,631	-
	47,407,280	9,965,921
24.2 Heat, light and power		
Utilities	75,040,026	77,427,495
	75,040,026	77,427,495
24.3 Administrative and general expenses		
Salaries, wages, bonus, gratuity and other benefits	53,892,350	37,706,737
Credit card commission	8,205,391	4,685,659
Security	3,673,393	11,389,174
Bad debts	-	(700,000)
Operating supplies	82,166	527,333
Travelling expenses	1,016,591	182,618
Legal and professional charges	1,042,539	1,050,950
Printing and stationery	1,852,692	1,747,629
Entertainment	701,721	1,908,218
Professional services fee	468,768	203,800
Uniforms	231,458	194,132
Dues and subscriptions	97,500	314,144
Training and training related expenses	2,173,896	3,096,815
Relocation expenses	5,116,226	1,680,288
Licenses and taxes	6,714,150	1,711,002
Ownco expenses	5,692,733	4,520,777
	90,961,574	70,214,282
24.4 Advertising, promotion and public relations		
Salaries, wages, bonus, gratuity and other benefits	15,688,212	12,651,897
Signage, events and functions	6,320,691	7,878,550
Entertainment	2,793,801	1,794,954
Travelling	317,984	368,822
Print newspapers	554,671	225,714
Marketing assessment fees	4,914,548	1,593,717
IHG rewards club assessment	8,364,325	3,811,018
Others	2,315,439	904,539
	41,269,671	29,229,211



24.5 Repair and maintenance

Salaries, wages, bonus, gratuity and other benefits
Removal of waste
IT - repair and maintenance
Water treatment
Electric bulbs/electrical
Uniforms
Licenses and taxes
Pest control
Operating supplies
Travelling - local
Others

30 June 2022
BDT

23,524,908
25,077
22,708,758
316,916
2,565,731
164,466
562,283
1,050,100
1,359,218
54,498
312,243
52,644,198

30 June 2021
BDT

18,236,005
645,889
10,044,485
345,751
400,692
141,473
598,411
745,124
974,136
23,455
257,625
32,413,045

24.6 Information and telecomm

IT direct expenses
Salaries, wages, bonus, gratuity and other benefits
Operating supplies
Entertainment
Licenses and taxes
Travelling and conference
Printing and stationery
Operating supplies
Others

17,331,761
4,991,908
383,675
15,382
72,350
-
24,695
329
112,981
22,933,080

13,989,859
4,070,703
94,379
5,817
73,423
100,000
23,619
20,329
38,618
18,416,746

24.7 RBH hotel expenses

Salaries, wages, bonus, gratuity and other benefits

51,069,702

-

25. BSL administrative and other expenses

Depreciation
Rates and taxes
Insurance
Other expenses BSL (note 25.1)

575,447,311
16,403,091
9,489,414
44,981,069
646,320,885

572,100,170
427,440
11,048,849
238,025,873
821,602,332

25.1 Other expenses BSL

Salaries, wages, bonus, gratuity and other benefits
Entertainment
Directors' remuneration
Bank charge and levy
Legal and consultancy fee
CDBL expenses
Advertisement
Auto maintenance
Cable and postage
Stock exchange listing fee
Subscripstin to BAPLC
Donation
Office maintenance
Printing and stationery
Medical expenses
AGM expenses
Tourism related expenses
Training expense
Others
Supplementary duty charge

30,825,922
500,240
2,125,600
1,968,531
799,900
165,800
2,513,397
2,697,652
957,062
488,945
50,000
173,412
515,888
134,664
403,392
244,730
33,986
650,500
(268,552)
-
44,981,069

40,376,610
15,730
1,962,000
1,516,586
1,408,485
170,400
1,527,066
21,787
637,347
488,945
150,000
49,653
404,800
106,474
426,145
146,878
5,800
303,410
(83,241)
188,390,998
238,025,873



	30 June 2022 BDT	30 June 2021 BDT
26. Interest income		
Interest on bank deposits	120,504,031	35,778,323
Rental income from staff quarter	9,406,170	5,887,235
Income from sale of scraped items of fixed assets	14,620,990	1,916,000
Non-operating income	222,000	240,805
	144,753,191	43,822,363
27. Rental income from BSL office complex		
Rental income	98,730,735	69,095,514
<u>Less:</u> Expenses on complex		
Electricity and fuel	16,771,165	14,618,785
Salaries, wages, bonus, gratuity and other benefits	13,641,584	12,213,319
Cleaning and maintenance	21,210,468	11,041,734
Conveyance and medical expenses	1,277,646	457,695
	52,900,863	38,331,532
	45,829,873	30,763,982
28. Income/(loss) from BICC		
Revenue	301,898,112	53,442,960
Cost of sales	84,413,539	20,885,693
	217,484,573	32,557,267
<u>Less:</u> Expenses		
Utility	24,631,283	15,064,667
Maintenance	16,639,335	14,400,584
Administrative and general	84,041,564	90,627,810
Advertisement	744,438	605,864
	126,056,620	120,698,924
	91,427,953	(88,141,657)
<u>Less:</u> Share of profit/(loss) to PWD	59,405,223	322,528
Net profit for the year	32,022,731	(88,464,185)
29 Finance cost		
Interest expenses	733,584,874	782,772,408
*The Company has calculated the finance expenses on accrual basis which has not been done in prior years.		
30. Remuneration to directors		
Board meeting	1,032,000	840,000
FAC meeting	228,000	96,000
Audit committee	291,000	192,000
PENC committee	215,000	230,000
Other meetings	119,600	292,000
Nomination & Remuteration Committee (NRC)	240,000	312,000
Fee to directors	2,125,600	1,962,000
31. Salaries, wages, bonus, gratuity and other benefits		
Salaries, wages, bonus, gratuity and other benefits of 2022 is BDT 461,488,755 (2021: BDT 233,306,973) appearing in these financial statements of various departments.		



32. Capacity

32.1 Capacity of the hotel

Total rooms available to the customers during the month of June 2022	6780
Total % of actual occupancy of rooms during the month of June 2022	55.70%
Total actual % of occupancy of rooms during the year to 30 June 2022	42.20%

32.2 Capacity of BSL office complex

Total area of space available to let out at 30 June 2022	77,892	77,892
Total area in use as of 30 June 2022	72,892	53,692

30 June 2022
Sft.

30 June 2021
Sft.

33. Remittance of foreign currency

	2022 USD	2021 USD	2022 BDT	2021 BDT
Expatriates salaries and benefits	63,785	123,195	5,960,753	10,493,974
IHG fees	480,835	90,909	44,934,012	10,206,915
Training fee	1,647	-	153,870	-
Travel agent fee	12,775	18,652	1,193,870	2,154,323
Software maintenance fee	54,128	47,593	5,058,268	5,824,184

34. Contingent liabilities and claims

A. Letter of guarantees

9,200,346

9,200,346

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:

- 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.
- 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 tax authority has made an additional claim for the assessment years 2007-2008 and 2008-2009 amounting to BDT 5,954,210 and BDT 9,340,009 respectively against which the Company has made appeals to relevant appeal authority which are still pending. 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 558 among which who received a total monthly remuneration of BDT 36,000 and above were 68.



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

	30 June 2022 BDT	30 June 2021 BDT
Earnings attributable to the ordinary shareholders	(1,109,569,843)	(1,806,546,459)
Weighted average number of shares outstanding	97,788,913	97,788,913
Basic earnings per share	(11.35)	(18.47)

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."

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 2022.

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:

	30 June 2022 BDT	30 June 2021 BDT
Cash and cash equivalents	669,575,447	792,284,868
Accounts receivable	539,200,731	294,647,237
Other receivables	5,011,361	17,037,256
Advances, deposits and prepayments	374,920,119	332,364,188
	1,588,707,657	1,436,333,548

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 2022	Within 12 months	More than 12 months	Carrying amount as on 30 June 2021
	BDT	BDT	BDT	BDT
Long term loan	9,553,671,094	654,800,000	8,898,871,094	8,895,086,220
Accounts payable	2,616,798,322	2,616,798,322	-	2,543,726,475
Provision for income tax	95,586,053	95,586,053	-	21,762,852
Liability for gratuity	55,347,161	55,347,161	-	178,320,014
Deferred customs tariff	765,070,133	765,070,133	765,070,133	765,070,133
Advance rent, security deposits	147,039,909	147,039,909	-	176,368,225
Unpaid dividend	-	-	-	307,688
Total	13,233,512,673	4,334,641,579	9,663,941,226	12,580,641,606

As at 30 June 2022, 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.

39 Other information

39.1 Reconciliation of operating cash flows to net profit

Profit/(loss) before tax

30 June 2022
BDT

30 June 2021
BDT

(942,900,899)

(1,681,467,261)

Adjustment for non-cash items :

Depreciation

575,447,311

572,100,170

Gratuity provision made/(reversed)

4,297,276

13,862,096

Reserve for replacements, substitutions and additions to furniture and equipment

38,750,089

9,344,400

Provision for bad and doubtful debts

-

(700,000)

618,494,676

594,606,666



	30 June 2022 BDT	30 June 2021 BDT
Changes in working capital components:		
(Increase)/Decrease in inventories - spares and general stores	(10,376,103)	(9,996,912)
(Increase)/Decrease in inventories - food and beverage	(3,069,540)	11,292,844
(Increase)/Decrease in accounts receivable	(244,553,494)	91,588,813
(Increase)/Decrease in other receivable	12,025,895	15,197,057
(Increase)/Decrease in advances, deposits and prepayments	(42,555,931)	(74,040,991)
Increase/(Decrease) in accounts payable	(81,671,429)	62,816,943
Increase/(Decrease) in advance rent receipt	73,452,667	(110,318,127)
Increase/(Decrease) in rental security deposit receipt	1,535,532	72,900
Increase/(Decrease) Provision for supplementary duty	-	188,390,998
	<u>(295,212,402)</u>	<u>175,003,526</u>
Operating cash flow before gratuity and tax payments	(619,618,624)	(911,857,070)
Income tax paid	(41,589,745)	(26,441,805)
Gratuity paid	(127,270,129)	-
Net cash inflow/(outflow) from operating activities	<u>(788,478,497)</u>	<u>(938,298,875)</u>
39.2 Net operating cash flows per share (NOCFPS)		
Net operating cash flows	(788,478,497)	(938,298,875)
Weighted average number of ordinary shares outstanding	97,788,913	97,788,913
Net operating cash flows per share	<u>(8.06)</u>	<u>(9.60)</u>
39.3 Net assets value (NAV) per share		
Net assets as at 30 June 2021 (represented by equity)	(3,577,425,720)	(2,467,855,878)
Weighted average number of ordinary shares outstanding	97,788,913	97,788,913
Net assets value per share	<u>(36.58)</u>	<u>(25.24)</u>

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.

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


Mohammad Atiqur Rahaman
Managing Director


Tahmina Yeasmin
Director


S. M. Tarikul Islam, PAA
Company Secretary

Dhaka, Bangladesh
Dated: 09 November 2022

THE BENEFITS FEATURES



THE SPA



BALAKA EXECUTIVE LOUNGE



LAUNDRY



RESTAURANT



LUXURY SEDAN SERVICE



BEST AVAILABLE RATES (INDIVIDUAL ONLY)



BANGLADESH SERVICES LIMITED

(Owner of InterContinental Dhaka)

PROXY FORM

I, the undersigned being a member of the above-named Company, hereby appoint
.....
whom failing
of
as my proxy, to vote and act for me and on my behalf, at the 49th Annual General Meeting of
the Company, to be held on the 21st December, 2022 and at any adjournment thereof.
As witness my/our hand this.....day of 2022

Revenue
Stamp of
Tk. 20

Signature of Proxy

Name & Signature of Shareholder(s)

Folio/BO ID No :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held

Notes :

1. A member entitled to attend and vote in the AGM may appoint a proxy to attend and vote on his / her behalf.
2. The Proxy Form, duly filled and stamped must be deposited at registered office of the company not later than 72 hours before the time fixed for Annual General Meeting.
3. Signature of the member(s) must be in accordance with the specimen signature recorded with the company.



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DHAKA

