

Annual Report 2017



Bangladesh Services Limited

(Owner of InterContinental Dhaka)



43rd Annual General Meeting of Bangladesh Services Limited



Board of Directors' Meeting of Bangladesh Services Limited

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Our Vision

Be a leader of upscale hospitality industry in Bangladesh.

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Our Mission

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

About Us

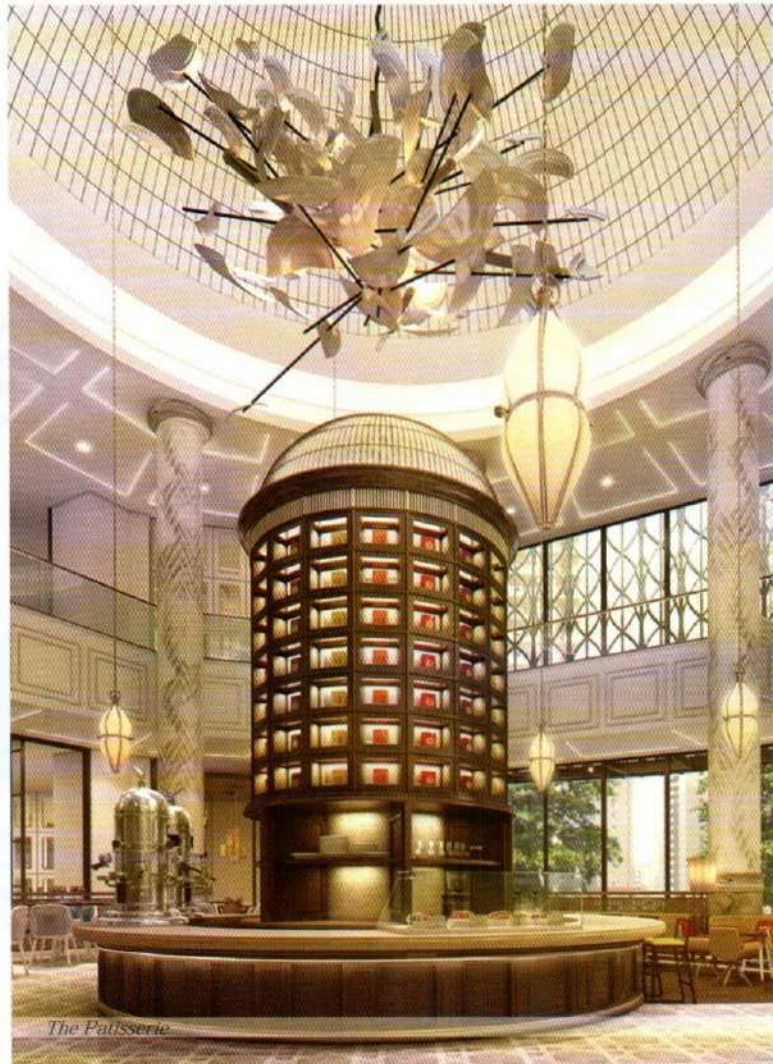
Bangladesh Services Limited (BSL) is a Public Limited Company which came into operation in the year 1973. The Government of the People's Republic of Bangladesh owns 99.6% of its capital. The Board of Directors of the company consists of nine members. The Secretary of the Ministry of Civil Aviation & 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 40 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 InterContinental Dhaka from 1973 to 1983 under an agreement with InterContinental 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 is now doing an extensive renovation of its hotel to meet the brand standard of InterContinental for rebranding it as InterContinental Dhaka.

After successful deal with IHG, BSL has achieved another milestone by getting the award for management, maintenance and operation of Bangabandhu International Conference Centre (BICC), the prestigious conference centre of the country, for the next 10 (ten) years. In this regard, a contract (lease) agreement has been signed between BSL and Public Works Department (PWD) of Ministry of Housing and Public Works on 17 June 2012. BSL has taken over the possession of the site on 1st July 2012 for operation and management of BICC.



InterContinental Dhaka at a Glance

Background

The first five star hotel of the country, owned by Bangladesh Services Ltd, started its journey in the name of Hotel InterContinental Dhaka back in the mid sixties, subsequently operated as Dhaka Sheraton Hotel, and of late as Ruposhi Bangla from May 2011 to 31st August 2014 after the expiry of the contract with Starwood, the parent company of Sheraton.

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.

As per the agreement, the hotel shall have to be renovated as per brand standards of IHG. Thereafter, on completion of the renovation works, the hotel shall be rebranded as InterContinental Dhaka. The renovation has commenced in March 2015 and is scheduled to be completed by January, 2018. A brief overview of the proposed "InterContinental Dhaka" is given below:

Location

The Hotel stands proudly in the city's most prestigious location, near the lush green surroundings of Dhaka's famous Ramna Park, and close proximity to the downtown business district. It is only 16 km away from Hazrat Shahjalal International Airport.

Scope of Renovation

Hotel Façade

It is essential that refurbished hotel has a completely new and stylish look whilst retaining key important elements of the original historical design in that,

- All windows to be changed to double glazed units with full height.
- Introduction of decorative screens to various areas of the facades.
- Illumination of building and mood lighting
- Construction of new porch for arrival and departure.



Guest Room

Guest Room will be enlarged to 40sqm from the present 26sqm along with latest Furniture, Fixture and Equipment to meet the InterContinental requirements. The different categories of rooms of the hotel are as follows:



Types & No. of Rooms

Diplomatic suite	05
Executive suites	20
Deluxe twin	05
Deluxe rooms	61
King rooms	135
Total	226



Lobby & Front Desk

The front desk and reception will be relocated to the east wing as it was when the Hotel first opened.

The previous atrium lounge will be redesigned. The floor of the atrium lobby will be elevated up to surrounding level and converted into Food & Beverage outlets.



Meeting Room

Conference and Banqueting

The Meeting rooms, the Winter Garden and the Ballroom will be renovated and upgraded as per the design of the interior designer to include latest audio visual projections, sound systems and lighting.



The Board Room



Banquet Hall



All Day Dining

Food & Beverage

The previous All-Day Dining restaurant, Bithika was outdated and had a temporary style buffet that is not in keeping with IHG compliance. The all-Day Dining will be relocated to west wing and will have live cooking areas.

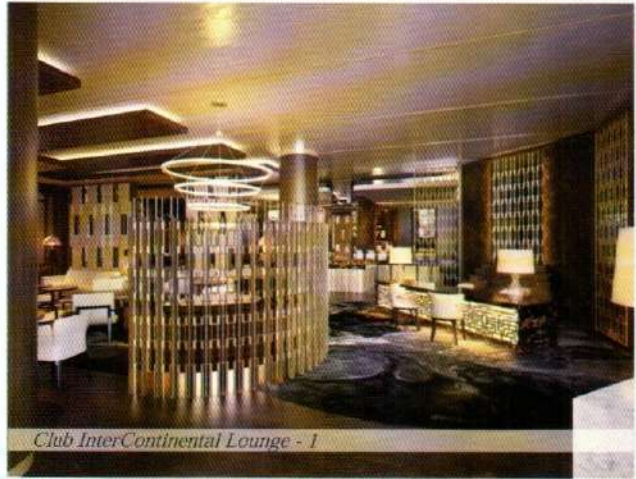
Specialty restaurant, Bar and Lounge will be new built with contemporary design.



All Day Dining

Club InterContinental Lounge

A Club InterContinental Lounge will be purpose-built as the old club lounge will be turned into guestrooms. The new lounge will be built above the current reception desk on the 1st floor incorporating the pre-function area and combining the two meeting rooms.



Swimming Pool

The Swimming pool and the pool deck will be elevated from its present ground location to a higher height. New meeting rooms and pre-function area for Winter Garden will be constructed at the existing Swimming pool area. The relocation of the pool and desk will provide greater pool experience to our valued customers.



Spa and Gym

Gym will be upgrade as per evaluation of the interior designer, Spa will be added to the present health club facilities.

Other Facilities

Business Centre : The Business Centre will provide a range of services including web browsing & e-mail, telex, fax, spiral binding, word processing, photocopy and secretariat services.

Welcome to BICC

Bangabandhu International Conference Center (BICC) is the only multi-purpose convention facility in the country, having 17 (seventeen) venues for holding small to large scale events, i.e, state functions, social events, seminars, conferences, product launches, annual general meetings, fairs, exhibitions, cultural programs, reality shows, etc. BICC has been the venue for many renowned economic, social and cultural events. It has proudly hosted a number of international conferences and summits.



Major Venue & Services

Milky Way



The 'Milky Way' with its large open space and ground terrace is ideal to hold large conventions, fairs, expo, etc. Convention or exhibition, anything that involves a huge number of visitors, can be adequately accommodated in this large open space. The big space with a natural inflow of air and easy elevation to the Celebrity by escalator makes it the perfect setting for any kind of public event.

Hall Of Fame



From State programs to music concerts, BICC Hall of Fame is ideal to host large scale events. A circular dome with dazzling lighting and seating arrangement reminds a gala concert in a broad way theatre. The spacious Hall of Fame lobby portrays the beauty of a 21st century auditorium of Bangladesh.

Carnival & Harmony



The versatile 'Carnival' & 'Harmony' consist of two identical halls. 450 people in theatre style or 350 people in round table style can be accommodated for a conference or seminar in both the halls. It can also complement as the auxiliary venues to Milky Way to hold big fair, expo or convention. Any sort of dinner function is possible at this posh venue.

Celebrity



The 'Celebrity' is the epicenter, a unique and purpose built architecture. The superb and spacious Celebrity has the world class amenities. This grand hall with its beautiful chandelier is suitable for dinners, parties, seminars, corporate get-togethers or any grand occasion. A complete kitchen facility is also available.

Legendary, Eternity, Elegant & Milestone



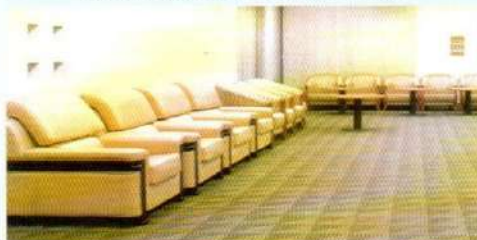
In business you never get what you deserve; you get what you negotiate for. Negotiation requires cool nerve and the BICC 'Legendary, Eternity, Milestone & Elegant' give you that fresh and soothing feeling of a place where you can rediscover the strength of your mind. We have created an ambiance in all 4 meeting rooms i.e. Legendary, Eternity, Milestone and Elegant that makes your mind speak.

Media Bazaar & Windy Town



The amenities of international standard media meetings with all significant facilities are available on both the venues. Bright lighting with sound facilities and special podium will elevate your media meet to a new height. It can also be used for small parties, get-togethers, cocktails etc.

Green View & Executive Lounge



The BICC Green View & Executive Lounge room has a capacity of accommodating around 120 people for meetings, business discussions, get-togethers etc. The green environment on the way to Green View & Executive Lounge touches the heart with freshness. It is ideal to cater for VIP guests, business executives etc.

NOTICE OF THE FORTY-FOURTH ANNUAL GENERAL MEETING

Notice is hereby given that the **Forty-Fourth** Annual General Meeting of the Shareholders of Bangladesh Services Limited will be held at Bangabandhu International Conference Centre on Thursday, the **28th December 2017 at 6:30 p.m.** to transact the following business:

Agenda

1. To place the minutes of the 43rd Annual General Meeting held on 29th December 2016 for information;
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended on 30 June, 2017 together with the report of the Auditors thereon and the report of the Directors;
3. Election of Directors;
4. To appoint Auditors for the year 2017-2018 and fix their remuneration;
5. To transact any other business which may legally be transacted at the Annual General Meeting.

Dated : 07 December 2017

By order of the Board



(Md. Abul Monsur)
Secretary

Notes :

1. The Record date was 4th December, 2017 which was notified earlier. The Shareholders whose names appeared in the register of members on the record date will be eligible to attend the meeting.
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.
- 2.
3. Members are requested to notify change of address, if any, to the Company.

Corporate Information

Board of Directors

Mr. S. M. Ghulam Farooque <i>Secretary, Ministry of Civil Aviation & Tourism</i>	:	Chairman
Mr. Md. Nojibur Rahman <i>Chairman, National Board of Revenue (NBR)</i>	:	Independent Director
Mr. Jalal Ahmed <i>Additional Secretary, ERD, Ministry of Planning</i>	:	Independent Director
Air Vice Marshal M Naim Hassan, BBP, OSP, afwc, psc <i>Chairman, Civil Aviation Authority, Bangladesh</i>	:	Director
Mr. Md. Emran <i>Additional Secretary, Ministry of Civil Aviation & Tourism</i>	:	Director
Mr. Ataul Haq <i>Shareholder</i>	:	Director
Mr. Md. Ahsanul Haque Khan <i>Chief Architect (Retd), Department of Architecture Ministry of Housing & Public Works</i>	:	Director
Kazi Golam Nasir <i>Chief Architect, Department of Architecture Ministry of Housing & Public Works</i>	:	Director
Air Cdre. Lutfur Rahman, ndu, psc (Retd)	:	Managing Director

Company Secretary

Mr. Md. Abul Monsur

Audit Committee

Mr. Md. Nojibur Rahman	:	Chairman
Mr. Jalal Ahmed	:	Member
Mr. Md. Emran	:	Member
Md. Abul Monsur	:	Member Secretary

Finance & Administrative Committee (FAC)

Mr. Md. Nojibur Rahman	:	Convenor
Mr. Jalal Ahmed	:	Member
Mr. Md. Emran	:	Member
Air Cdre. Lutfur Rahman, ndu, psc (Retd)	:	Member

Project Evaluation & Negotiation Committee (PENC)

Mr. Md. Ahsanul Haque Khan, <i>Director, BSL</i>	Convenor
Mr. Ataul Haq, <i>Director, BSL</i>	Member
Mr. Kazi Golam Nasir, <i>Director, BSL</i>	Member
Air Cdre. Lutfur Rahman, <i>ndu, psc (Retd), Managing Director, BSL</i>	Member
Prof. Dr. Aminul Hoque, <i>Dept. of Electrical & Electronics Engg., BUET</i>	Member
Prof. Dr. Ishtiaque Ahmed, <i>Dept. of Civil Engineering, BUET</i>	Member
Prof. Dr. Md. Ehsan, <i>Dept. of Mechanical Engineering, BUET</i>	Member
Md. Ruhul Amin, <i>Assistant Professor, Dept. of Architecture, BUET</i>	Member
Md. Abul Monsur, <i>Secretary, BSL</i>	Member Secretary
Mr. James McDonald, <i>General Manager, InterContinental Dhaka (pre-opening office)</i>	Member
Mr. Nisar Ahmed, <i>Chief of Accounts & Finance, BSL</i>	Member
Engr. Ashrafur Rahim, <i>Chief of Planning & Engineering, BSL</i>	Member

Auditors

Hoda Vasi Chowdhury & Co, Chartered Accountants

Compliance Auditor of Corporate Governance

ARTISAN, Chartered Accountants

Bankers

Agrani Bank Ltd.
 Sonali Bank Ltd.
 Standard Chartered Bank Ltd.
 Janata Bank Ltd.
 Uttara Bank Ltd.
 Pubali Bank Ltd.
 Bangladesh Krishi Bank Ltd.
 Bangladesh Commerce Bank Ltd.
 IFIC Bank Ltd
 First Security Bank Ltd.

Registered office

InterContinental Dhaka
 1 Minto Road, Dhaka.

Board of Directors



Mr. S.M Ghulam Farooque
Chairman



Mr. Md. Nojibur Rahman
Independent Director



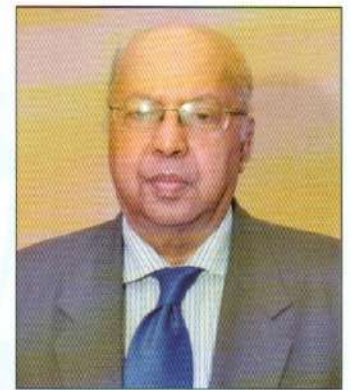
Mr. Jalal Ahmed
Independent Director



**Air Vice Marshal
M Naim Hassan,
BBP, OSP, afwc, psc**
Non-Executive Director



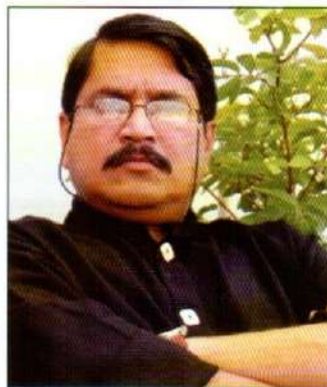
Mr. Md. Emran
Non-Executive Director



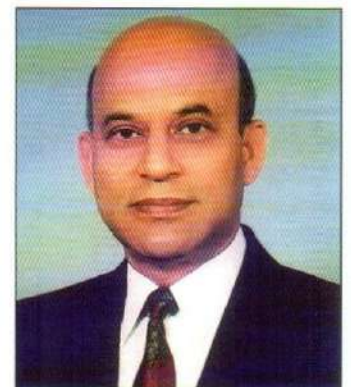
Mr. Ataul Haq
Non-Executive Director



**Architect
Md. Ahsanul Haque Khan**
Non-Executive Director



Architect Kazi Golam Nasir
Non-Executive Director



**Air Cdre Lutfur Rahman,
ndu, psc (retd)**
Managing Director



Directors' Profile

Mr. S.M Ghulam Farooque
Chairman

S.M. Ghulam Farooque was appointed as Director in the Board of Directors of Bangladesh Services Limited (BSL) in March 2016. Mr Farooque holds the position of Secretary of the Govt. of Bangladesh and currently located as Secretary at the Ministry of Civil Aviation and Tourism. He obtained BSS (Honours) degree in 1981 and MSS degree in 1982 from the Sociology Department of University of Dhaka. He is enriched with many local and foreign professional training such as Law & Administration training from Civil Officer's Trainings, Academy, Foundation training, Advanced Course on Administration & Development, Senior Staff Course from Public Administration Training Centre, Savar, Dhaka. Besides these, he also participated in the MATT training course held in Civil Service College, Singapore & Bradford University, UK, and was a participant in the training programs conducted by World Bank institute, Washington, National School of Administration, China and Harvard University, Boston, USA.

Mr Farooque joined Bangladesh Civil Service Administration cadre in 1983. He worked as a Magistrate, Assistant Commissioner, Upazila Nirbahi Officer and Additional Deputy Commissioner in the field administration. He worked as Senior Assistant Secretary in the Ministry of Defence, as Director in Prime Minister's office, as Joint Secretary in the Ministry of Industries & Ministry of Public Administration, as Additional Secretary in Ministry of Public Administration & Ministry of Education. He served as a Member (Secretary to the Govt.) in Planning Commission of Bangladesh. He joined as the Secretary of Ministry of Civil Aviation and Tourism on 21 March, 2016. Mr Farooque is also holding the position of Chairman of Bangladesh Tourism Board, Hotels International Limited and member of Biman Bangladesh Airlines Board of Directors.

During long service career, Mr. Farooque visited different countries, namely Indonesia, Malaysia, The Philippines, Vietnam, Cambodia, Singapore, China, South Korea, USA, UK, Canada, Sweden, Saudi Arabia, Japan, Thailand, etc.

In personal life, Mr. Farooque is married and blessed with two children.



Mr. Md. Nojibur Rahman
Independent Director

Mr. Md. Nojibur Rahman was born on December 31, 1960 in a respectable Muslim family in Sunamganj. He did his Bachelor of Social Science (BSS) and Master of Social Sciences (MSS) in Sociology in 1982 and 1984, respectively from the University of Dhaka. He joined in 1982 regular Batch of Bangladesh Civil Service Administration Cadre. He studied at the Australian National University (ANU) under the prestigious Commonwealth Scholarship and Fellowship Plan (CSFP) and obtained Graduate Diploma and Masters in Development Administration in 1998 and 1999 respectively. He also undertook a Parliamentary Internship during March-May 1999 in the Australian Parliament.

He assumed the office of Senior Secretary, Internal Resources Division (IRD) and Chairman, National Board of Revenue, Ministry of Finance on April 11, 2016. Prior to this appointment, he worked as Secretary, IRD and Chairman, NBR since 12 January 2015, Ministry of Finance and also as Secretary of the Ministry of Environment and Forests (MOEF). He also served as Secretary, Statistics and Informatics Division, Ministry of Planning. Earlier, he was posted as the Economic Minister (Additional Secretary to the Government) in Bangladesh Permanent Mission to the UN Headquarters in New York from July 2009 to September 2012. He previously worked as the Director General (Additional Secretary) of the Department of Environment (DOE), Joint Secretary in Local Government Division (LGD), Deputy Secretary (UN) in ERD and Private Secretary to the Hon'ble Speaker of Bangladesh National Parliament. He got the experience of working in the Field Administration, Foreign Office, Economic Relation Division (ERD), Bangladesh Secretariat and the Bangladesh's Embassies in Myanmar and Vietnam. During 2004-2005, he served as the first Project Manager of UNDP-DFID Funded Comprehensive Disaster Management Programme (CDMP). During 2005-2007, he served as the Assistant Resident Representative and Assistant Country Director in UNDP Bangladesh Country Office and led the Governance Unit which was facilitating many reforms programmes.

Mr. Rahman has a number of publications to his credit. His book on 'Protocol Management and International Etiquette' (1997) had been well acclaimed among others by the Parliamentarians and the Public Servants. His other books titled 'Independence of the Speaker: Westminster Model and the Australian Experience'(2000) and 'Ombudsman in Bangladesh a step towards good governance'(2001) were published respectively by the Institute of Parliamentary Studies (IPS) of Bangladesh Parliament and the UBS Publishers and Distributor Ltd in New Delhi, India.

He visited many countries in the Asia, Europe, Africa, Australia, North America and South America to lead Bangladesh and UN delegations and to participate in numerous seminars and conferences held under the aegis of the United Nations(UN), Commonwealth Secretariat, Inter-Parliamentary Union (IPU), Commonwealth Parliamentary Association (CPA), 'Colombo Plan', and SAARC Secretariat. He was Bangladesh's lead delegate to UN ECOSOC during 2009-2012. He also served as the Vice President of UNDP-UNFPA-UNOPS Executive Board in New York in 2011. Later he became the Alternate Member of Green Climate Fund (GCF) in Gongdu, Republic of Korea in 2015.

Mr. Rahman joined to the Board of Directors of Bangladesh Services Limited (BSL) in October 2016 as Independent Director and then he has been appointed as Chairman of Audit Committee (AC) and Finance & Administrative Committee(FAC) of BSL Board.



Mr. Jalal Ahmed
Independent Director

Mr. Jalal Ahmed obtained his Honours and Master's degree in Public Administration from the Dhaka University in 1981 and 1982 respectively. He has joined Bangladesh Civil Service(Administration) in 1983 and serving the government for last 34 years in different positions.

Some of the notable positions he held are Deputy Commissioner in the districts of Thakurgaon and Faridpur, Joint Secretary Energy and Mineral Resources Division, Chief Metropolitan Magistrate Dhaka; Chairman, Petrobangla (BOGMC); Vice Chairman, Export Promotion Bureau(EPB) and Additional Secretary, Finance Division, Ministry of Finance. He joined ERD, Ministry of Planning as an Additional Secretary in September 2017. Mr. Ahmed represents Government in different companies which include Bangladesh Submarine Cable Company Ltd (BSCCL), British American Tobacco (BAT) and IFIC Bank Ltd as Director in the Board. Moreover, he is Chairman of Nepal Bangladesh Bank Ltd, Kathmandu, Nepal and IFIC Money Exchange UK Ltd.

Mr. Ahmed joined the Board of Directors of Bangladesh Services Limited (BSL) in October 2012 and continuing as Independent Director till date. He had been serving as Chairman, Audit Committee (AC) and the Convener of Finance and Administrative Committee(FAC) of BSL Board till September 2016 and he has been serving now as member of AC and FAC.



**Air Vice Marshal M Naim Hassan,
BBP, OSP, afwc, psc
Non-Executive Director**

Air Vice Marshal(AVM) M Naim Hassan was born in 1960. He joined BAF in 1980 and was commissioned in 1982 from BAF Academy in General Duties (Pilot) branch. He has attended a number of professional courses both at home and abroad including Staff Course from Defence Services Command and Staff College, and Armed Forces War Course from National Defence College, Mirpur, Dhaka. He has completed Bachelor of Social Science (BSS) from National University and also completed Master of Security Studies (MOSS) from Bangladesh University of Professionals. AVM Naim has served in various command, instructional and staff appointments in different flying Squadrons, BAF Academy, Flying Instructor School and other sister and civil services.

Some of key appointments he held are Officer Commanding of 25 Squadron, BAF & Flying Training Wing, BAF Academy; Director, Special Security Force, Prime Minister's Office; Directing Staff, Armed Forces War Course Wing, NDC; Deputy Commandant, BAF Academy; Member (Ops & Plg), Civil Aviation Authority of Bangladesh; Director (Trg), Armed Forces Division, Prime Minister's Office; Air Officer Commanding, BAF Base Bashar, Dhaka Cantt. and Assistant Chief of Air Staff (Operations & Training), Air Headquarters, Dhaka Cantt.

He did peacekeeping Mission in Rwanda in 1993-94. He is a fighter pilot who has flown various types of fighter aircrafts of BAF including Mi-17 and Bell-212 helicopter. Presently, he is serving as Chairman, Civil Aviation Authority of Bangladesh. His hobbies include walking, traveling, playing card in computer and enjoying cricket in television. AVM Naim is married to Runa Yasmin and has one daughter.

He joined the Board of Directors of Bangladesh Services Limited (BSL) as its member in September 2017.



Mr. Md. Emran
Non-Executive Director

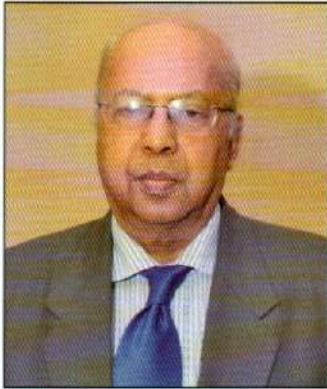
Mr. Md. Emran, Additional Secretary, Ministry of Civil Aviation & Tourism obtained his honors and Master's degree in Economics from the University of Dhaka. He joined Bangladesh Civil Service (Administration) Cadre as an Assistant Commissioner in 1988 in Madaripur District. He discharged his responsibilities in different capacities in Field Administration, Attached Department and Secretariat. He worked in Economic Relation Division under Ministry of Finance, Ministry of Fisheries & Livestock, Department of Primary Education under Ministry of Primary and Mass Education. He worked as Project Director of Skill & Training Enhancement Project funded by the World Bank & Canada under the Ministry of Education.

He efficiently handled the Rohingya Refugee Repatriation issue as Camp-In-Charge at Cox's Bazar in collaboration with UNHCR during 1992-93. He worked for Japan International Co-operation Agency (JICA) as Economic Co-operation Advisor from 2001-2005 on secondment from the Government.

Mr. Emran got various professional trainings at home and abroad, namely Orientation Course at Bangladesh Military Academy, Foundation Course, Law and Administration Course, Survey & Settlement Course, Management, Accounting, Auditing & Budget Course, Senior Staff Course and Policy Planning & Management Course. He studied in development studies and obtained Post Graduate degree under Overseas Fellow Program (1999-2000) in Japan. He participated Management at Top (MATT-2) course at Civil Service College, Singapore and Bedford University, UK. He completed strengthening Public policy, Service delivery and Negotiation capacity course at Duke University, USA.

During long carrier, he visited different countries, namely India, Malaysia, Sri Lanka, Singapore, China, USA, UK, Japan, Thailand, Turkey, KSA, South Korea, Cambodia, Philippine etc. for attending training, seminar, negotiation, policy issues and other government purposes.

He is a life member of Bangladesh Economic Association. He has some publications on the contemporary development issues. He joined the Board of Directors of Bangladesh Services Limited (BSL) in February 2017 as a Director and then he has been appointed as member of Finance & Administrative Committee and Audit Committee of BSL Board.



Mr. Ataul Haq
Non-Executive Director

Mr. Ataul Haq obtained his Honor's and Masters Degree in English Literature from the University of Dhaka. He also received a post graduate Diploma in Development Administration and Management from the USA.

He joined erstwhile Civil Service of Pakistan in 1963. He served as Secretary to the office of the President of Bangladesh and also as Principal Secretary to the Prime Minister. He retired as Cabinet Secretary.

He joined as a Director of the Board of Bangladesh Services Limited (BSL) in September 2013.



Architect Md. Ahsanul Haque Khan

Non-Executive Director

Architect Md. Ahsanul Haque Khan obtained Bachelor of Architecture (B. Arch.) in the Late 70's from Bangladesh University of Engineering and Technology (BUET). He earned Masters in Arts on Health Facility and Planning from Council for National Academic Awards (MARU-Medical Architecture Research Unit), PNL, London, U.K. He completed Post Graduate Diploma in Procurement Management (P. G. Dip.) in the Public Sector from the International Training Centre, ITC (ILO), Turin, Italy. He was involved in the "Preparation and Procurement of Projects in Prescribed Proforma" by the Academy of Planning and Development (APD), Ministry of Planning, Government of Bangladesh from 1986-1989. He also took further certificate courses on Urban Sustainability Programme Collaborative for ecosystem services governance in the context of poverty alleviation from Gotland University, SWEDESD, Sweden; "Facility Modernization and Strategy of Facility Upgrade" from Centre for Extension, Entrepreneurship and Professional Advancement (APEEC) from Faculty of Medicine and Health Services, University of Putra, Malaysia and also a Country Focused Program in Building Administration from JICA, Japan. He joined in additional programs that included the exchange of views and group training on World Bank Funded Project to Pro Poor Slum Integration in Sri Lanka, Thailand and Cambodia. He was also a Government delegate/representative to cross-exchange ideas and views on various modern architectural works covering Housing, Health Facilities, Construction Material and Technology, Landscaping, etc. in UK, France, China, Singapore, India, Australia and USA.

He was the Chief Architect of the Government of People's Republic of Bangladesh, holding office from December 2011 to January 2015. He has designed and supervised over fifty large/mega - scale Government Hospital & Medical College projects across all districts of Bangladesh. Sheikh Fazilatunnessa Mujib Memorial Specialized 500 Bedded Hospital and Nursing College at Gazipur, Bangabondhu Sheikh Mujibur Rahman Medical University, Shahbag, Modernization and Extension of Dhaka Medical College & Hospital (600 Bed) in Dhaka, Shahid Ziaur Rahman Medical College and Hospital in Bogra (500 Bed), National Institute of Neuro Sciences (NINS) (300 Bed), Agargaon, Dhaka, are only a few of his long list of completed projects. He is a Fellow of Institute of Architects, Bangladesh (IAB). He has been actively participating and presiding in different professional specialized committees for Eg. He was the Convener of the Steering Committee of Bangladesh National Building Code (BNBC), the Convener of Heritage Committee, Convener of Nagar Unnayan Committee, VP of Greater Bogra District Samity, VP of North Bengal Kalyan Samity, Ex VP. Of Central Student's Union, Sohrawardi Hall & Member, Central Student's Union BUET Member, Governing Council, House Building Research Institute (HBRI) and many more. He has also founded/led/participated different cultural societies & movement like Moumachi Khelaghor, Bogra, Udichi, Bogra, Bogra Natto Goshti and Shommilito Shanskritic Joat, and many more.

He joined as Director of the Board of Bangladesh Services Ltd in October, 2012 and has been appointed as the Convener of the Project Evaluation and Negotiation Committee of BSL for hotel renovation project of BSL.



Architect Kazi Golam Nasir Non-Executive Director

Architect Kazi Golam Nasir was born in 1958 at Barisal, Bangladesh. After completion of BArch from BUET in 1983, he was engaged in architecture profession in the private sector. In 1987, Ar. Kazi Golam Nasir started his professional career in the public sector by joining Department of Architecture, Ministry of Housing and Public Works as Assistant Architect. In 1992 he completed his Post Graduation in Interior Design from Japan. After Post graduation, he came to Bangladesh with the desire to serve this country and joined back in the Department of Architecture. His relentless and sincere contribution to the profession has rewarded him the top-most position in the Department of Architecture as the Chief Architect of Government of Bangladesh.

During his 34 years of professional journey, he has been actively involved with various professional organizations, regulatory bodies, both in public and private sector. He is the Convener of steering committee of Upgradation of Bangladesh National Building Code 2006, Member of Urban Development Committee (Ministry of Housing and Public Works), Member of Governing Council of Housing and Building Research Institute (HBRI), Director of Bangladesh Services Ltd. (owner of InterContinental Dhaka Hotel). He is also co-author of "Dhaka Mohanagar Imarot (construction, Development, Conservation & Demolition) Nirman Bddhimala 2008" and Revised "Private Residential Land Development Rules 2004". He has served as member of BC Committee and Special Project Committee of RAJUK for about 2 decades. He was also the member of "Chittagong Nopor Unnoyon Committee".

His active professional life is multi-faceted. He takes greater interest in knowledge sharing. Apart from his busy work schedule, he always manages to fetch time for teaching and lecturing at several renowned universities, namely Bangladesh University of Engineering and Technology (BUET), BRAC University, University of Asia Pacific (UAP), State University, Stamford University. His active involvement in academia has simultaneously enriched both his work and his passion for architecture. He is the Pioneer academician who has introduced Interior Design in the conventional academic curriculum.

His professional and academic experience has persuaded him to publish several articles related to Building Construction rules, in national and international journals, magazines and newspapers as well as his interior projects were published in National and International journals and magazine.

Contd.....

This talented architect is equally endowed with organizational capability. He has been involved with IAB for the last 17 years and played pivotal roles for development of professional communities. He was several times elected as Member, Joint Secretary, General Secretary, and Vice President National in Executive Council of Institute of Architects Bangladesh (IAB). During his tenure he contributed significantly for development of IAB. He was also the honorable juror for IAB Berger Award for Excellence in Architecture, ICE Today IAB Award for Interior Design. Several times He has represented IAB in the international congregation of Architects Regional Council Asia (ARCAAsia), South Asian Association for Regional Cooperation of Architects (SAARCH) and Commonwealth Association of Architects (CAA) as councilor.

Apart from his work life, he is a socially responsive citizen by being involved in social welfare activities. For the last 21 years, he has been actively working with Society for the welfare of Autistic Children (SWAC). He is also an active Member of Officers' Club, Trustee of Association of BUET Alumni (ABUETA), Member of Osaka Foundation of International Exchange (OFIX) Club, Osaka, Japan, life member of Japan International Cooperation Agency (JICA) Alumni.

His passion for Art, Culture & Literature and Architecture has nurtured his gift as a poem writer. This Globe-trotter has international experience in the field of design competitions, both in architecture and interior designing.

Moreover, his current administrative job description is loaded with enormous responsibilities. He is the Government's appointed Authorized Officer for approval of the Buildings constructed in the public sector all over Bangladesh. Despite of the huge responsibilities bestowed upon him, he still finds time to get involved in design details of all most all the projects that are done in The Department of Architecture. His knack for detailing and perfection is remarkable and praiseworthy. His work experience, genuine persuasion for professional skill development and enrichment will encourage and inspire the next generation architects to follow his path.



Air Cdre Lutfur Rahman, ndu, psc (retd)
Managing Director

Air Commodore Lutfur Rahman did his flying training at the prestigious Royal Air Force College, Cranwell in the United Kingdom and later MI-8 Helicopter Conversion Course at Frunze Academy in the former Soviet Union. He served the initial years of his career in No.501 Squadron of Bangladesh Air Force in different capacities with VVIP Category Operational Flying Status. Later, he took over the command of the same squadron in 1977. In 1979 he graduated from the UH-1 Helicopter Instructor Pilots' Course from the United States Army Aviation Center, Fort Rucker, Alabama, USA with distinctions. Later, he completed Bell-212 Helicopter Pilot Transition Training Course at Bell Textron, Dallas, USA. In 1982, he attended the Air Staff Course in Defence Service Command and Staff College, Mirpur, Dhaka. On completion of the same, he took over the command of a No.1 Squadron, BAF. During his tenure in the Air Headquarters he held the appointments of Director of Welfare and Ceremony, Director of Air Training and Director of Flight Safety.

In 1983, he attended the Higher Command Course at the Overseas Students Department of the National Defence University of PLA, Beijing, China and on completion, assumed the command of BAF Base Paharkanchanpur. In 1995 he took over as the Air Officer Commanding of BAF Base Matiur Rahman, Jessore and Commandant of Bangladesh Air Force Academy. Air Cdre Rahman is a graduate of the College of Security Studies. He attended the Senior Executive Course at the Asia Pacific Centre for Security Studies, Hawaii, U.S.A. Thereafter he served as Deputy Commandant of the Defence Services Command and Staff College, Mirpur.

During his career in Bangladesh Air Force, Air Cdre Rahman was awarded Chief of the Air Staff's Commendation Certificate for devotion to duty and valuable services rendered to Bangladesh Air Force, Flying Efficiency Badge for flying over 4000 hours in UH-1, Bell-212 and MI-8 Helicopters and other fixed wing aircraft. He is also a recipient of Certificate of Appreciation and Commendation from United States Army Aviation Center, Fort Rucker, Alabama, USA.

Prior to his appointment as Managing Director, Bangladesh Services Ltd, he served as Chairman, Civil Aviation Authority of Bangladesh and Managing Director, Biman Bangladesh Airlines Ltd.

Audit Committee Report

The Board of Directors of Bangladesh Services Limited (BSL) has constituted an Audit Committee as per instruction of Bangladesh Securities and Exchange Commission (BSEC). The committee consists of Mr. Md. Nojibur Rahman, Director, BSL Board and Chairman, NBR, Mr. Jalal Ahmed, Director, BSL Board and Additional Secretary, Finance Division, Ministry of Finance, Mr. Md. Emran, Director, BSL Board and Additional Secretary, Ministry of Civil Aviation and Tourism and Md. Abul Monsur, Company Secretary (Joint Secretary), BSL. The committee met 3(three) times in the year ended 30 June 2017. All the members have tried to discharge their duties and responsibilities effectively.

Purpose of Audit Committee

The role of the Audit Committee is to monitor and review the integrity of the financial statements of the company and make recommendations when appropriate to the Board on the business risk, internal control and compliances. The committee shall also report immediately to the Board on the following findings, if any:

- a. On the conflict of interest;
- b. Suspected or presumed fraud or irregularity or material defect in the internal control system;
- c. Suspected infringement of laws, including securities related laws, rules and regulations;
- d. Any other matter as per terms of reference and which shall be disclosed to the Board of Directors immediately.

Authority

The audit Committee is authorized by the Board to review activities within the business as per its terms of reference. Among the activities, the important one is the authorization to review the integrity of quarterly, half-yearly and annual financial statements and to send quarterly, half-yearly and annual financial statements to the regulatory bodies and publish the quarterly report in the national daily newspapers.

Summary of the Audit Committee's activities

The key responsibilities carried out by the Audit Committee were as follows:

1. Monitoring the integrity of the financial reporting process ensuring compliance to accounting policies, standards and principles;
2. Reviewed the quarterly status of the recovery of receivables;
3. Monitoring the internal control system and risk management process of the company;
4. Reviewed the findings and adjustments arising from the company statutory audits, commercial audit and ensure that the statutory auditors are not engaged in any alongside involvement in the company;
5. suggested for maintaining communication during renovation period to valued ex customers like International development Organizations, Embassy, Multinational companies and Government Organizations for the purpose of keeping in touch with them;
6. Suggested for taking precautionary measures while considering extension of credit to the customers of BICC who have long outstanding dues to the company;
7. Reviewed the cash management of the company and suggested for ensuring proper cash management;
8. Reviewed the status of legal action for disputed demand of tax authority for VAT and supplementary duty and suggested to follow up the matter with NBR;
9. Suggested to review the Internal Audit Manual and whistleblowing Policy prepared for monitoring the internal audit function by the professional experts;
10. Other activities as per terms of reference.



Md. Nojibur Rahman
Chairman
Audit Committee



Cafe Social : Patisserie

Directors' Report

Dear Shareholders:

Assalamu Alaikum,

It is a privilege for me and the Directors to welcome you all to this Forty-Fourth Annual General Meeting (AGM) of your Company. It also gives us immense pleasure to place before you the reports together with the audited accounts of Bangladesh Services Limited (BSL) for the year ended on 30th June, 2017.

As per Bangladesh Securities and Exchange Commission (BSEC) vide its Directive dated 27-04-2016 and Section 9 of Finance Act, 2015, audited accounts of BSL have been prepared for the year from July, 2016 to June, 2017.

Business Activities

BSL is engaged mainly in hospitality business. BSL's major revenue generates from its hotel business. Besides, BSL Office complex and Bangabandhu International Conference Centre (BICC) are also contributing to its revenue. Incomes from these two sources are shown under separate heads in Statement of Comprehensive Income.

We would like to inform that the operation of hotel has been closed from September, 2014 for renovation to achieve the brand standard of InterContinental. Only Balaka Lounge at Hazrat Shahjalal International Airport, Dhaka is operating. As a result, total revenue shown in the accounts was the revenue earned by Balaka Lounge. Further, as the previous audited accounts were for 6 (six) months from 1st January to 30th June, 2017, therefore, the accounts for the year under review is not comparable with that of the previous year. Total revenue for the period under review was Tk. 24,16,92,546.00 (Twenty-four crore sixteen lac ninety-two thousand five Hundred forty-six) only and net loss before tax was Tk.42,71,59,977 (Forty-two crore seventy-one lac fifty-nine thousand nine hundred seventy-seven). Less revenue from BICC and increase of its lease rent have added to the loss.

Business of BICC suffered due to low growth of business for quite a long time. Further, for providing venue support for the 9th Global Forum on Migration and Development (GFMD) held in BICC during 8-12 December, 2016, BICC had been closed for renovation from July, 2016 to the end of November, 2016. Though, the GFMD was held in December, 2016, it was free of charge. As a result, there was no revenue from BICC during the 1st half of the year 2016-2017. Due to long closure of BICC for renovation, next 6 (six) months' (Jan-Jun'17) revenue was not satisfactory. Because, majority of the fixed clients of BICC shifted their businesses to other venues due to closure of BICC. Further, BICC earned revenue of Tk.27,71,13,612 (Twenty-seven crore seventy-one lac thirteen thousand six hundred twelve) only during the last half of the year, whereas the expenses charged were for the full year. All the above led to the loss of BICC, which was Tk.27,29,05,097 (Twenty-seven crore twenty-nine lac five thousand ninety-seven) only.

BSL earned Tk.7,96,59,211.00 (Seven crore ninety-six lac fifty-nine thousand two hundred eleven) only as rental revenue from BSL Office. It may be mentioned that the revenue would be more, if two floors covering total area of 10,000 sft (5000 sft each) of 5-storied Health club building were not vacated for accommodating offices of BSL and RBH due to renovation of the hotel, which were earlier in the main hotel building. Profit in the period was Tk.4,72,46,089.00 (Four crore seventy-two lac forty-six thousand eighty-nine) only. This profit has been shown under separate head in the Statement of Comprehensive Income.

Shareholders' equity has decreased by Tk. 49.28 crore in the present period against decrease of Tk. 49.83 crore in the last period.

In view of the loss incurred due to closure of the hotel, the major source of revenue of BSL, for renovation, the Board of Directors have not recommended declaration of any dividend for the year ended on 30th June 2017.

Key Operating and Financial data

Key operating and financial data for the year ended on 30 June 2017 along with those of immediate preceding four years are mentioned below as per Securities and Exchange Commission's order:

Particulars	Unit	July, 2016- June, 2017	Jan'2015- Jun'2016	2014 Jan-Dec	2013 Jan-Dec	2012 Jan-Dec
Occupancy	%	-	-	-	30.16%	51.61%
Revenue from hotel operation	Tk	24,16,92,546	28,53,75,295	77,70,05,464	94,50,24,283	125,25,79,518
Gross profit	Tk	10,34,39,110	10,71,51,942	42,58,21,526	49,78,50,367	76,28,50,128
Adm. & Non-operating expenses	Tk	35,31,66,779	46,98,88,860	43,62,71,860	43,78,02,117	47,84,07,745
Remuneration to Directors	Tk	47,84,800	58,58,957	45,08,250	36,05,750	22,09,500
Profit/(Loss) from operation	Tk	(24,97,27,669)	(36,27,36,918)	11,50,86,735	18,23,33,995	35,29,98,982
Revenue from BSL Office Complex	Tk	7,96,59,211	11,73,61,653	6,91,51,908	6,23,80,951	7,00,29,308
Profit from BSL Office Complex	Tk	4,72,46,089	8,30,79,899	3,42,83,841	2,77,19,465	2,20,66,288
Profit/(Loss) before Tax	Tk	(42,71,59,977)	(51,50,68,156)	5,09,13,080	8,94,92,609	34,66,12,507
Provision for Tax	Tk	(5,85,52,002)	(1,67,27,343)	1,87,95,217	6,52,28,378	11,39,72,183
Profit/(Loss) after Tax	Tk	(49,27,56,005)	(48,83,40,812)	3,21,17,863	2,42,64,231	23,26,40,324
Proposed Dividend	Tk	-	-	12,75,50,750	11,09,13,700	12,32,37,440
Shareholders' Equity*	Tk	59,52,40,984	108,79,96,989	158,63,37,803	144,33,06,240	140,67,18,269
Earnings per share (EPS)	Tk	(5.04)	(5.10)	0.38	0.33	3.78

*After appropriation of profit in the form of proposed dividend.

Contribution to National Exchequer

During the period under review, the company contributed TK.9.10 crore to the Government exchequer in terms of income tax, VAT, etc. as compared with last period contribution of Tk.17.34 crore. As a result of less revenue in the current period due to closure of hotel for renovation, turn-over taxes were also less, thus resulting in lower contribution to Govt. exchequer.

Auditors

The existing auditors, Hoda Vasi Chowdhury & Co., Chartered Accountants, expressed their willingness to be re-appointed as the auditors of BSL. Therefore, the Board of Directors have recommended Hoda Vasi Chowdhury & Co., Chartered Accountants for appointment as auditors of the company for the year 2017-2018 at a fee of Tk. 2,00,000 (two lac) only plus VAT plus out-of-pocket expenses same as that of the last year.

Statutory information on the financial statements

As per Securities and Exchange Commission's order, the Directors also report 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 CEO and CFO have certified to the Board that they have reviewed the 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,

- These statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws, and
 - To the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal, or in violation of the company's code of conduct.
- 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.
 - Details about Board meetings, Audit Committee meetings, Shareholdings and the Compliance report as per Securities and Exchange Commission's Notification are enclosed herewith as Annex-A, Annex-B and Annex-C respectively.

Renovation of the Hotel

Dear Shareholders,

As informed earlier in the previous AGMs, as per requirement of the management agreement between BSL and InterContinental Hotels Group (IHG), BSL has undertaken a major renovation of its hotel to achieve the brand standard of IHG for rebranding it as 'InterContinental Dhaka'.

As informed in earlier AGMs, considering the scope of the renovation work and to achieve the most cost-effective and speedy renovation, the operation of the hotel has been closed from September 2014 as per decision of the Board of Directors of BSL.

inProjects Ltd., a Hong Kong based international Project Management Company (PMC), was appointed from the recommended list of IHG to manage the renovation project by supervising and coordinating the works of different consultants and contractors. They terminated their agreement with effect from 30th June, 2016 on security ground.

Later on, Vistar Interior LLP, based in India, has been appointed as the project management company in 2017 as per recommendation of IHG. They have been managing the project since April, 2017. It may be mentioned that after departure of the inProjects Ltd. a considerable time was required to appoint a new PMC which is mandatory as per provision of the Management Agreement between BSL and IHG.

In addition to PMC, a technical committee of BSL known as Project Evaluation and Negotiation Committee, headed by the former Chief Architect of the Government, who is also the member of Board of Directors of BSL, is assisting the Board in the approval process of the matters relating to renovation. Technical Committee, among others, includes 4 (Four) Professors of Bangladesh University of Engineering and Technology (BUET) of different disciplines.

As mentioned in the previous AGM, due to extension of submission dates of offers under tender for various works for wider participation and to have competitive price; and retender of some works due to high prices received in earlier tender, renovation works could not be started until March, 2015. Execution of renovation work was disrupted due to structural issues, extension of volume of works, change in design, constraint in timely shipment of materials, termination of the agreement by the project Management Company in June, 2016, etc.

The revised date of completion of renovation has been fixed on 31 January, 2018. After that, the hotel will be handed over to IHG for testing, balancing and commissioning. Thereafter, the hotel will be open for business. The Parliamentary Standing Committee for Ministry of Civil Aviation and Tourism in its meeting also endorsed the above date.

A high-level IHG team while visiting the site to see the progress of renovation have also assured BSL of their all-out cooperation for completion of the renovation of the hotel by the newly targeted date.

Till 30th June, 2017, Tk. 441.52 crore has been spent for renovation, majority of which is being financed by the loan from Agrani Bank Ltd. and the balance from internal source.

Corporate Culture and Social responsibility

We are following strong corporate culture by complying with Securities and Exchange Commission's Notification dated 20 February 2006 and subsequent Notification dated 7 August 2012 and have been upgrading skills of our employees and developing them with a view to creating a controlled and conscious environment for the efficient management of the company.

The Hotel used to collect voluntary donations through IHG foundation to support distress people across the world and for the sustainable socio-economic welfare, especially, children-welfare oriented activities organized by UNICEF in Bangladesh. Both BSL and the hotel put their significant efforts at the time of national emergencies like flood, cyclone and other natural calamities. BSL recognizes its responsibility to the society by way of extending financial supports at the time of national disasters. During winter seasons, blankets are distributed among the under-privileged. Every year during Ramadan, BSL hosted Iftar party for the under-privileged at the hotel premises, which, after closure of the hotel, is now hosted in BICC. BSL is contributing to the development of tourism industry by giving opportunity to the students of National Hotel and Tourism Training Institute to do their internship in the hotel.

Business Plan

BSL, since its inception, has been in the continuous process of developing the quality of its products and services with a view to offering and satisfying its valued customers. Our management strategy is to conduct continuous evaluation of existing products and services, monitor closely the ever-changing requirements of the customers, determining the future demands of customers and analysis of competitors' position to shape the products and services commensurate with the requirements of the customers. Keeping these in view, BSL undertook renovation of the hotel time to time to offer a better property and a better service to the valued customers. Moreover, BSL has built up a professionally competent management team to compete and formulate strategic plan to cope up with the changes developed and to be developing in future in the hospitality industry.

Risk and Concern

The Company is aware of its various risks and their impact on the business. The management has been trying to manage those risks by developing effective risk management process and introducing internal audit department who will facilitate risk management process in the organization through monitoring and ensuring that the adequate action plans are in place to mitigate the risks.

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 that the company interacted in the process of business for their co-operation, understanding and support.

While we conclude, we seek your guidance and co-operation for ensuring the continued progress and prosperity of the company.



(S. M. Ghulam Farooque)
Chairman
on behalf of the Board of Directors

Annex-A

Board Meetings, Audit Committee meetings and shareholdings of the Company for the year ended 30 June 2017 are mentioned below in compliance with Securities and Exchange Commission's Notification No.SEC/CMRRCD/2006-158/admin/02-08 dated 20 February 2006 and subsequent Notification No.SEC/CMRRCD/ 2006/158/134/Admin/44 dated 07 August 2012.

Board Meetings

The Board met 11 (Eleven) times during the year ended 30 June 2017. All Directors are nominated by the Government. Attendance of the Directors in the Board Meetings of the Company is given below. The Company Secretary and Chief of Accounts & Finance were also present in all the meetings.

Name of Directors	Date of Joining	Meetings Attended
Mr. S.M. Ghulam Farooque	23.03.16	11
Mr. Md. Nojibur Rahman (Independent Director)	01.09.16	7
Mr. Jalal Ahmed (Independent Director)	03.10.12	8
Mr. Md. Ahsanul Haque Khan	11.10.12	11
Mr. Ataul Haq	04.09.13	11
Mr. Md. Enayet Hossain (Independent Director)	04.09.13	2
Mr. Md. Rafiquzzaman	30.03.15	2
Mr. Kazi Golam Nasir	07.09.15	8
Air Vice Marshal Ehsanul Gani Choudhury Gup, ndc,psc	12.04.16	5
Mr. Md. Emran	20.02.17	4
Air Cdre. Lutfur Rahman ndu,psc (Retd.), Managing Director	01.01.04	11
Mr. Swapan Kumar Sarker	01.09.16	5

Audit Committee

The Audit Committee was formed first on 30-09-2007 as per Securities and Exchange Commission's Order. The existing Audit Committee has been constituted on 3rd October 2016. The committee consists of the following members:

Mr. Md. Nojibur Rahman, Independent Director	: Chairman
Mr. Jalal Ahmed, Independent Director	: Member
Mr. Md. Emran, Director	: Member
Md. Abul Monsur	: Member Secretary

During the year ended 30 June 2017, a total of 3 (three) meetings of the Audit Committee were held.

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. As per recommendation of the Audit Committee, the Internal Audit department has been created in BSL and a draft Audit Manual has been prepared to regulate internal Audit of the Company. The Audit Committee is also working as a watchdog in looking after the performance of the company.

Pattern of Shareholdings

The pattern of the Shareholders along with the position of their shares are listed below:

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%

Annex-B

**Status of compliance with the conditions imposed by BSEC's Notification
on Corporate Governance (Report under Condition No. 7.00)**

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1.1	The number of the Board members of the company shall not be less than 5(five) and more than 20(twenty).	✓		The board of Bangladesh Services Limited is comprised of 9 (nine) 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 Independent Directors.	✓		There are two Independent Directors in Bangladesh Services Limited's Board, namely: Mr. Md. Nojibur Rahman and Mr. Jalal Ahmed.
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 1% shares of the total paid-up capital.	✓		Do
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.	✓		Do
1.2 (ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	✓		Do
1.2 (ii) d)	Independent Director is not a member, Director or officer of any Stock Exchange.	✓		Do
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.	✓		Do
1.2 (ii) f)	Independent Director is not a partner or an executive or was not a partner or an executive during the preceding 3(three) years of any statutory audit firm.	✓		Do
1.2 (ii) g)	Independent Director shall not be an Independent Director in more than 3(three) listed companies.	✓		Do
1.2 (ii) h)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI).	✓		Do
1.2 (ii) i)	Independent Director has not been convicted for a criminal offence involving moral turpitude.	✓		Do
1.2 (iii)	Independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the AGM.	✓		In Practice
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) term 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, regulatory and corporate laws and can make meaningful contribution to business.	✓		The qualification and background of Independent Directors justify their ability as such.
1.3 (ii)	Independent Director should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost and Management 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 may be relaxed subject to prior approval of the Commission.	Not Applicable		
1.4	Chairman of the Board and Chief Executive Officer			
1.4	Chairman and CEO shall be filled by different individuals. Chairman shall be elected from among the Directors. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the CEO.	✓		Chairman of the Board and CEO are different individuals. The roles and responsibilities of Chairman and the CEO are approved in Board meeting.
1.5	The Directors' Report to Shareholders:			
1.5 (i)	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.	✓		Do
1.5 (iii)	Risks and concerns.	✓		Do
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		Do
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	Not Applicable		Do
1.5 (vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓		Do
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	Not Applicable		Do
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public offering (RPO), Rights offer, Direct Listing, etc. (IPO), Repeat Public Offering (RPO), Rights Offer, Direct	Not Applicable		Do
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	Not Applicable		Do
1.5 (x)	Remuneration to Directors including Independent Directors.	✓		Do
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.	✓		Do
1.5 (xii)	Proper books of account of the issuer company have been maintained.	✓		Do
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 prudent judgments	✓		Do
1.5 (xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓		Do

1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		Do
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.	✓		Do
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.	✓		Do
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		Do
1.5 (xix)	Reason for non Declaration of Dividend	✓		Due to suspension of operation from September 2014, Board of Directors of the Company did not propose any Dividend for the current year which has been disclosed in the 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 in the Annual Report.
1.5 (xxi)	The pattern of shareholdings shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:			
1.5(xxi) a)	Parent/Subsidiary/Associated companies and other related parties (name wise details);	✓		Disclosed in Pattern of shareholding in the Annual Report.
1.5(xxi) b)	Directors, Chief Executive Officer, Company Secretary, and Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	✓		Do
1.5(xxi)	Executives	✓		Do
1.5(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		Do
1.5(xxii)	In case of the appointment/re-appointment of a Director the company shall disclose 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 the companies in which the person also holds the Directorship and the membership of committees of the Board.	✓		Do
2	Chief Financial Officer, Head of Internal Audit and Company Secretary			
2.1	The 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 Directors should clearly define respective roles, responsibilities and duties of CFO, The Head of Internal Audit and the CS.	✓		The Company has appointed CFO, CS and Head of Internal Audit. There are clearly defined roles, responsibilities and duties which have been approved by Board as per requirement of BSEC notification.
2.2	Attendance of CFO and the Company Secretary in the Board meeting.	✓		In Practice
3	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 of Directors 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.	✓		In Practice
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		In Practice
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 Directors of the company 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 experience: the term financially literate means the ability to read and understand the financial statement 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 member in due time.
3.1 (v)	The Company Secretary shall act as the Secretary of the committee.	✓		In Practice
3.1 (vi)	The quorum of the Audit Committee (AC) meeting shall not constitute without at least 1 (one) Independent Director.	✓		In Practice
3.2	Chairman of the Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairmen of the Audit Committee, who shall be an Independent Director.	✓		Mr. Md. Nojibur Rahman has been appointed as Independent Director from 3rd October, 2016 who is also Chairman of Audit Committee.
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		In Practice
3.3	Role of the Audit Committee			
3.3 (i)	The role of Audit Committee: Oversee the financial reporting process.	✓		In Practice
3.3 (ii)	Monitor choice of accounting policies and principles	✓		In Practice
3.3 (iii)	Monitor Internal Control Risk Management process	✓		In Practice
3.3 (iv)	Oversee hiring and performance of external Auditors.	✓		In Practice
3.3 (v)	Review along with the management, the annual financial statements before submission the Board for approval.	✓		In Practice
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	✓		In Practice
3.3 (vii)	Review the adequacy of Internal Audit functions.	✓		In Practice
3.3 (viii)	Review statement of significant related party transaction submitted by the management.	✓		In Practice
3.3 (ix)	Review Management letters/Letter of Internal Control weakness issued by statutory auditor.	✓		In Practice
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 there quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other that those stated in the offer documents/ prospectus.	Not Applicable		There was no IPO/RPO/Rights Issue during the period.
3.4	Reporting of the Audit Committee			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		In Practice

3.4.1 (ii) a)	Report on conflicts of interest to the Board of Directors.	Not Applicable		There was no reportable case of conflict of interest in 2017.
3.4.1 (ii) b)	Will report any suspected or presumed fraud or irregularities or material defect in the internal control system to the Board.	Not Applicable		There was no such case in the year.
3.4.1 (ii) c)	Will report any suspected infringement of laws, including securities related laws, rules and regulations to the Board.	Not Applicable		Do
3.4.1 (ii) d)	Will report any other matters which shall be disclosed to the Board of Directors immediately.	Not Applicable		Do
3.4.2	Reporting to the Authorities: If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors 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 findings to the commission, upon reporting of such matters to the Board of Directors for 3 (three) times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	Not Applicable		
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 of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman 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	External/Statutory Auditors			
4 (i)	Non-engagement of external/statutory auditors in appraisal or valuation services or fairness opinions.	✓		In Practice
4 (ii)	Non-engagement of external/ statutory auditors in Financial Information Systems Design and implementation.	✓		In Practice
4 (iii)	Non-engagement of external/statutory auditors in Book-keeping or other services related to the accounting records or financial statements.	✓		In Practice
4 (iv)	Non-engagement of external/statutory auditors in Broker-dealer services.	✓		In Practice
4 (v)	Non-engagement of external/statutory auditors in Actuarial Services.	✓		In Practice
4 (vi)	Non-engagement of external/statutory auditors in Internal Audit services.	✓		In Practice
4 (vii)	Non-engagement of external/statutory auditors in any other service that the Audit Committee determines.	✓		In Practice
4 (viii)	No partner or employees of the external audit firm's shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		In Practice
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7.	✓		In Practice
5	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 Directors on the Board of Directors of the holding company shall be a Director on the Board of Directors 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	Duties of Chief Executive Officer(CEO) and Chief Financial Officer(CEO)			
6 (i) a)	The CEO and CFO will certify to the Board that they have reviewed the 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."
6 (i) b)	The CEO and CFO will certify to the Board that they have reviewed the 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
6 (ii)	There are, to the best knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		Do
7	Reporting and Compliance of Corporate Governance			
7 (i)	The company shall obtain a certificate from a professional Chartered Secretary/ Accountant (Chartered Accountant/ Cost and Management Accountant/ Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall sent the same to the Shareholders along with the Annual Report on an yearly basis.	✓		Required Certification has been obtained from ARTISAN-Chartered Accountants for the year ended on 30 th June, 2016 which is published in annual Report.
7 (ii)	The Directors of the company shall state, in accordance with the Annexure attached, in the Directors' report whether the company has complied with these conditions.	✓		Status of compliance is published with the Directors' report as required.

ARTISAN
CHARTERED ACCOUNTANTS

BSEC BHABAN (Level-10)
102, Kazi Nazrul Islam Avenue
Kawran Bazar, Dhaka-1215
Tel: 028189883-7
Cell: 01922 797 851
e-mail: info@artisan-ca.com

**CERTIFICATE OF COMPLIANCE TO THE SHAREHOLDERS
OF
BANGLADESH SERVICES LIMITED
On the Conditions of Corporate Governance Guidelines**

We have reviewed the statement of compliance of conditions of Corporate Governance Guidelines prepared by the management of **Bangladesh Services Limited** to comply with the Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012 of Bangladesh Securities and Exchange Commission (BSEC), where the company is listed.

The responsibility for compliance with the conditions of Corporate Governance Guideline is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the statement of compliance reflects the status of the Company's compliance with the provisions of the conditions of Corporate Governance guidelines and report if it does not.

Based on our review, we certify that nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Conditions of Corporate governance as applicable to the Company for the year ended on 30th June, 2017.

Dhaka, 30 November, 2017



Md. Selim Reza FCA FCS
Partner
ARTISAN
Chartered Accountants

Auditors' Report and Financial Statements FOR THE YEAR ENDED 30 JUNE 2017



Auditors' Report

We have audited the accompanying financial statements of Bangladesh Services Limited (the "Company") which comprise the statement of financial position (balance sheet) as at 30 June 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2017 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

Emphasis of matter

We draw attention to note 33 to the financial statements where management explains the circumstances of various contingencies and additional claims of value added tax (VAT) and supplementary duty from Large Taxpayers Unit (VAT) and additional tax demand from Income Tax Assessing Authority, the uncertainties of getting judgment in favor of the Company and Management's position on the same. Our opinion is not qualified in respect of this matter.

We also draw attention to note 2.1 to the financial statements where it has been explained that to comply with the Finance Act 2016 requirement of changing the year-end of the Company from 31 December to 30 June, the comparative information used in statement of profit or loss and other comprehensive income and cash flow statement are for the half year ended 30 June 2016. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the Company's balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred were for the purpose of the Company's business.


Dhaka, 12 November 2017

Hoda Vasi Chowdhury
Hoda Vasi Chowdhury & Co
Chartered Accountants


BANGLADESH SERVICES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	30 June 2017 Taka	30 June 2016 Taka
Assets			
Non-current assets			
At cost less accumulated depreciation	3	396,525,366	411,073,173
Capital work in progress	4	4,415,219,771	1,776,115,236
Guarantee deposits	5	160,000,000	160,000,000
		1,307,037,141	1,284,053,799
Current assets			
Cash and cash equivalents	6	960,894,306	1,042,421,994
Inventories	7	3,186,919	5,437,837
Food and beverage	8	56,417,215	60,048,012
Accounts receivable	9	178,775,148	87,411,039
Other receivable	10	3,700,935	3,222,498
Advances, deposits and prepayments	11	104,062,619	85,512,418
		6,278,782,279	3,631,242,208
Total assets			
Equity and liabilities			
Shareholders' equity			
Share capital	20	977,889,130	977,889,130
General reserve		60,000,000	60,000,000
Retained earnings/(accumulated losses)		(442,648,146)	50,107,859
		595,240,984	1,087,996,989
Non current liabilities			
Deferred tax liability	15	14,305,661	7,261,635
Long term secured loan	18	3,760,716,136	1,436,975,163
Deferred tariff	19	142,896,606	-
Reserve for replacements, substitutions and additions to furniture and equipment	16	114,541,841	104,820,367
		4,032,460,244	1,549,057,165
Current liabilities			
Accounts payable	12	1,191,275,694	774,397,264
Advance rent, security deposits and earnest money	13	151,946,493	85,125,042
Unpaid dividend		307,688	307,688
Provision for taxation	14	5,655,585	(20,080,374)
Deferred liability for gratuity	17	146,608,342	154,438,434
Loan against FDR		155,287,250	-
		1,651,081,051	994,188,053
		6,278,782,279	3,631,242,208
Total equity and liabilities			


These financial statements should be read in conjunction with annexed notes


 Air Cdre. Lutfur Rahman, ndu, psc (Retd)
 Managing Director


 Md. Emran
 Director


 Md. Abul Monsur
 Company Secretary

See annexed report of even date



 Hoda Vasi Chowdhury & Co
 Chartered Accountants


Dhaka, 12 November 2017


BANGLADESH SERVICES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017 (CORRESPONDING PERIOD FOR HALF YEAR)

	Notes	30 June 2017 Taka	Half year to 30 Jun 2016 Taka
Revenue	21	241,692,546	103,686,331
Less: operating cost	22	138,253,437	68,867,573
Gross profit		103,439,110	34,818,758
Less: Hotel administrative and other expenses	23	110,158,529	54,657,049
BSL administrative and other expenses	24	243,008,250	108,706,613
		353,166,779	163,363,662
Profit/(loss) from operation		(249,727,669)	(128,544,904)
Other income	25	48,226,700	35,171,445
Rental income from BSL office complex	26	47,246,089	28,696,605
Income/(loss) from BICC	27	(272,905,097)	(122,542,122)
Net profit before tax		(427,159,977)	(187,218,977)
Less: Income tax expense			
Current tax	14	58,552,002	2,400,000
Deferred tax	15	7,044,026	843,384
		65,596,028	3,243,384
Net profit/(loss) after tax		(492,756,005)	(190,462,361)
Other comprehensive income		-	-
Total comprehensive income/(loss)		(492,756,005)	(190,462,361)
Earnings per share (EPS) for the year	35	(5.04)	(1.95)

These financial statements should be read in conjunction with annexed notes



 Air Cdre. Lutfur Rahman, ndu, psc (Retd)
 Managing Director


 Md. Emran
 Director


 Md. Abul Monsur
 Company Secretary

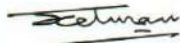
See annexed report of even date

Dhaka, 12 November 2017


 Hoda Vasi Chowdhury & Co
 Chartered Accountants

BANGLADESH SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

Particulars	Share capital Taka	General reserve Taka	Retained earnings Taka	Total Taka
Balance at 01 July 2016	977,889,130	60,000,000	50,107,859	1,087,996,989
Net profit/(loss) for the year	-	-	(492,756,005)	(492,756,005)
Balance at 30 June 2017	977,889,130	60,000,000	(442,648,146)	595,240,984
Balance at 1 January 2016	977,889,130	60,000,000	240,570,221	1,278,459,351
Net profit/(loss) for the half year	-	-	(190,462,361)	(190,462,361)
Balance at 30 June 2016	977,889,130	60,000,000	50,107,859	1,087,996,989



Air Cdre. Lutfur Rahman, ndu, psc (Retd)
 Managing Director




Md. Emran
 Director



Md. Abul Monsur
 Company Secretary

See annexed report of even date

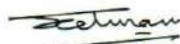
Dhaka, 12 November 2017


 Hoda Vasi Chowdhury & Co
 Chartered Accountants

BANGLADESH SERVICES LIMITED**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 30 JUNE 2017 (COMPARATIVE PERIOD FOR THE HALF YEAR)

	30 June 2017 Taka	Half year to 30 Jun 2016 Taka
A. Cash flows from operating activities		
Cash receipts from customers	432,768,466	326,176,369
Cash paid to suppliers, employees and administrative purpose	(474,306,220)	(240,169,162)
	<u>(41,537,755)</u>	<u>86,007,207</u>
Cash received from tenants	85,641,399	46,675,014
Cash received from other income	2,251,758	3,775,113
Cash received from Bank interest	36,555,159	26,028,269
	<u>124,448,316</u>	<u>76,478,396</u>
Cash flow before gratuity and tax	82,910,562	162,485,602
Tax paid	(32,622,425)	(21,740,525)
Gratuity paid	(18,854,344)	(6,406,042)
Net cash operating activities	<u>31,433,792</u>	<u>134,339,035</u>
B. Cash flows from investing activities		
Acquisition of asset	(4,948,717)	(54,750)
Capital work-in-progress	(2,574,650,343)	(728,258,995)
Net cash used in investing activities	<u>(2,579,599,060)</u>	<u>(728,313,745)</u>
C. Cash flows from financing activities		
Proceeds from borrowings	2,466,637,580	899,346,105
Net cash used in financing activities	<u>2,466,637,580</u>	<u>899,346,105</u>
D. Net increase in cash and cash equivalents (A+B+C)	(81,527,688)	305,371,395
E. Opening cash and cash equivalents	1,042,421,994	737,050,599
F. Closing cash and cash equivalents (D+E)	<u>960,894,306</u>	<u>1,042,421,994</u>



Air Cdre. Lutfur Rahman, ndu, psc (Retd)
Managing Director




Md. Emran
Director



Md. Abul Monsur
Company Secretary

See annexed report of even date

Dhaka, 12 November 2017


Hoda Vasi Chowdhury & Co
Chartered Accountants

BANGLADESH SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1. Nature of the business

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 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 (formerly Sheraton Overseas Management Corporation) and Bangladesh Services Ltd on 30 April 2011, the Company had taken over management of its Hotel Operation and had been operating the Hotel in the name of "Ruposhi Bangla Hotel" until closure of the hotel in September, 2014 for renovation as per provision of the management agreement with InterContinental Hotels Group (Asia Pacific) Pte Ltd (IHG) on 19 February 2012. As per the management agreement an extensive renovation work is going on to achieve the brand standard of IHG. Therefore, Hotel's operation is closed from 31 August 2014. After completion of the renovation, IHG will brand the Hotel as "InterContinental Dhaka". The Company has also signed a lease agreement with Public Works Department on 17 June 2012 for management, maintenance and operation of Bangabandhu International Conference Centre (BICC) and commenced the same on 01 July 2012. The Company also operates an office complex and rent out it's spaces to tenants. All financial information of BICC has been consolidated into the Company's financial statements.

2. Significant accounting policies

2.1 Basis of preparation of financial statement

The financial statements have been prepared on a going concern concept under historical cost convention in accordance with Bangladesh Financial Reporting Standards ("BFRS"), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulation in Bangladesh. Consistent with the business plan approved by the Board of Directors, the Company has incurred net loss for the year ended 30 June 2017 due to the ongoing renovation work for which the Company's Hotel operation is temporarily suspended. The Board and Management of the Company are closely reviewing the ongoing renovation work as well as other business matters and satisfied that the Going Concern assumption is appropriate.

To comply with the requirements of the Finance Act 2016, the Company has changed its year-end from 31 December to 30 June and as the previous financial statements of the Company covered the reporting period from 1 January 2016 to 30 June 2016, comparative amounts disclosed in statement of profit or loss and other comprehensive income and cash flow statement reflects those for the half year ended 30 June 2016.

2.2 Use of estimates and judgement

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

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

2.3 Functional and presentation currency

The financial statements are prepared in Bangladesh BDT, which is the Company's functional currency.

2.4 Total revenue

Hotel

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.

Rent

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

2.5 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 BAS 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 work 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 these are stated at cost. Borrowing costs associated directly with financing of construction costs are capitalized as per BAS 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.

2.6 Depreciation

Depreciation is charged on fixed assets following straight-line method at the rates as stated below except on leasehold land which is amortized at the rate of BDT 60,908 per annum which will be fully amortized within lease period:

Category of asset	Rate (%)
Building on leasehold land	2.50
Other operating property, plant and equipment	10
Addition during the year	5

2.7 Inventories

Inventories are valued at lower of cost and net realizable 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.

2.8 Employee retirement benefits

The Company operates a gratuity scheme which is a defined benefit plan, covering all its eligible permanent employees. Provision is made 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 requirements. The Company has not undertaken an actuarial assessment of its gratuity obligation as it considers that existing provision which has been calculated on the assumption that all employees are made redundant at year end as more appropriate in this circumstances. The Company also operates a contributory provided fund for its employees. The provided fund is administered by a board of trustees and is funded by contribution partly from the employees and partly from the Company at a predetermined rate. The contributions are kept separate from the Company's assets and are being invested under its own Scheme. In addition, a provision for termination benefit has also been made during the year to cover staff entitlements at the time of termination.

2.9 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.

2.10 Taxation

Current tax

Provision for corporate income tax is made following income tax laws. The applicable rate of income tax for the Company is 25% of taxable profit as the Company is a publicly-traded company. However, as the Company is making losses a provision has been made for minimum tax as per the Finance Act 2017. Tax assessments of the Company have been finalized 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 5,945,210 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.

2.11 Provision

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.

2.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments of the Company comprise accounts and other receivables, cash and cash equivalents and payables and are shown at transaction cost.

(a) Financial assets

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

The Company derecognises a financial asset when the contractual rights or probabilities of receiving 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 asset are transferred.

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

A financial liability is recognised when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the Company of resources embodying economic benefits. The Company initially recognises financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

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

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.

2.13 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.

3. Property, plant and equipment

Name of the asset	Cost				Depreciation				Written down value at 30 June 2017	
	At 01 July 2016	Addition during the year	Disposal/ Adjustment during the year/	Total at 30 June 2017	Rate %	At 01 July 2016	Charge for the year	Disposal/ Adjustment during the year/		Total at 30 June 2017
	Taka	Taka	Taka	Taka	%	Taka	Taka	Taka		Taka
BSL Operation										
Leasehold land	5,198,175	-	-	5,198,175	-	3,019,121	60,908	-	3,080,029	2,118,146
Building on leasehold land	575,346,013	-	-	575,346,013	2.5	259,775,898	13,840,916	-	273,616,814	301,729,199
Admin office furniture and equipment	210,948	12,992	-	223,940	10	16,989	21,744	-	38,733	185,207
	580,755,136	12,992	-	580,768,128		262,812,008	13,923,568	-	276,735,576	304,032,552
BSL Office Complex										
Building on leasehold land	181,678,955	-	-	181,678,955	2.5	89,852,323	4,541,974	-	94,394,297	87,284,658
Admin office furniture and equipment	907,897	740,000	-	1,647,897	10	394,859	73,228	-	468,087	1,179,810
Electrical fittings & general equipment	47,221,945	-	-	47,221,945	10	47,221,945	-	-	47,221,945	-
Elevators	12,872,456	-	-	12,872,456	10	12,082,082	757,372	-	12,839,454	33,002
Air-conditioning plant	83,913,206	205,200	-	84,118,406	10	83,913,206	855	-	83,914,061	204,345
Special equipment and fire alarms	25,388,546	-	-	25,388,546	10	25,388,546	-	-	25,388,546	-
Motor vehicle	-	3,990,525	-	3,990,525	10	-	199,526	-	199,526	3,790,999
	351,983,005	4,935,725	-	356,918,730		258,852,961	5,572,955	-	264,425,916	92,492,814
Bangabundhu International Conference Centre										
Office furniture and equipment	64,263,218	-	-	64,263,218	100	64,263,218	-	-	64,263,218	-
	64,263,218	-	-	64,263,218		64,263,218	-	-	64,263,218	-
Total 30 June 2017	997,001,359	4,948,717	-	1,001,950,076		585,928,187	19,496,523	-	605,424,710	396,525,366
Total 30 June 2016	996,946,609	54,750	-	997,001,359		576,292,724	9,635,462	-	585,928,186	411,073,173

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

4. Capital work in progress

Interest on renovation loan

	30 June 2017 Taka	30 June 2016 Taka
Loan against land mortgage	337,998,272	36,960,163
Loan against FDR	6,093,900	806,650
S.S.B Enterprise (rubbish removing contractor)	181,365	-
Other renovation related works	58,415	33,415
Preliminary expenses for site preparation	30,000	30,000
Chada Pty Ltd.	159,822,194	108,524,276
Element Design Studio Pte Ltd.	13,315,772	10,535,815
IMpossible	6,889,932	5,842,120
inProjects Ltd.	257,098,370	241,640,953
inProjects Ltd.,Vistar Interior LLP	61,284,200	47,632,146
PPS Consultancy	163,314	-
ADG Sumavi Technical Services Pvt. Ltd(MEP)	52,880,103	38,911,566
Anan Construction	4,613,304	-
Bengal Technological Corp. Ltd.	44,109,233	4,216
Broadway Malayn	5,038,497	4,298,207
Charuta Pvt. Ltd.	289,916,196	17,617,517
Charuta-Norinco JV	597,736,739	488,166,845
Creative Engineers Ltd.	5,972,500	-
Currie & Brown(India) Pvt. Ltd.(QS)	20,577,651	16,195,894
Depa Interiors LLC	1,414,733,019	373,219,727
Energypac Eng. Ltd.	177,560,337	35,798,721
Esadore International	6,348,695	5,609,679
Hotel Consult Orient	7,091,030	5,502,202
Intercontinental Hotel Group	11,662,001	11,662,001
LW Design Group LLC	31,769,230	27,239,786
ORACLE Corporation Singapore Pvt. Ltd.	666,500	-
PPS Consultancy	9,006,146	7,756,638
Pro Visual Audio Pvt. Ltd.	35,161,292	-
Tech Valley Networks Ltd.	34,956,953	7,299,203
The Parker Company (Middle East)	17,009,392	9,331,473
Unity Services Ltd.	260,340,888	-
Vistar Interior LLP	7,482,128	-
WSP Buildings Pty. Ltd	8,942,902	8,942,902
WSP NG Pte. Ltd.	9,984,526	9,984,526
	<u>3,896,494,998</u>	<u>1,519,546,643</u>

Advance payment to contractors (hotel renovation)

Charuta-Norinco JV	64,981,513	-
Charuta Pvt. Ltd.	66,116,007	16,526,259
Bengal Technological Corp. Ltd.	23,823,692	9,533,985
Energypac Eng. Ltd.	903,987	8,722,853
Tech Valley Networks Ltd.	10,912,174	16,459,991
Unity Services Ltd.	89,502,249	7,157,281
Depa Interiors LLC	171,623,421	171,623,421
	<u>427,863,044</u>	<u>230,025,789</u>

Goods in transit (hotel renovation)

Alifurn Outdoor Living	270,392	270,392
Atlier N5 LLC	4,336,293	2,917,939
IM Interior Decoration LLC	1,962,225	1,855,508
L'Anees Furniture & decore	677,761	435,393
Lux Light Pte. Ltd.	9,672,558	4,503,680
Senyun Furniture Group	68,192,891	11,976,297
Tai Ping Carpets Ltd.	5,210,364	4,055,363
Warps & Wefts	539,244	528,232
	<u>90,861,729</u>	<u>26,542,804</u>
Total	<u>4,415,219,771</u>	<u>1,776,115,236</u>

	30 June 2017 Taka	30 June 2016 Taka
5. Guarantee deposits		
Guarantee deposits for BICC (*)	160,000,000	160,000,000
	<u>160,000,000</u>	<u>160,000,000</u>

(*) 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 2017 is taka 217,533,693. Since, the guarantee obligation is sixteen crore, the remaining amount (Tk 57,533,693) of that FDR being freely convertible into cash has been presented in cash and cash equivalents (note-6).

6. Cash and cash equivalents

Cash in hand		
Local currency	2,206,535	1,996,535
Bank balances		
Short term deposits with		
Agrani Bank Limited (reserve fund for replacement, substitution and addition to furniture and equipment) (Hotel)	582,273	565,089
Agrani Bank Limited (gratuity & retirement account-Hotel)	275,824,976	263,687,385
Agrani Bank Limited	172,495,312	319,607,544
Sonali Bank Limited	3,927,796	5,161,005
Agrani Bank Limited (BSL complex rental account)	37,217,766	6,926,933
Standard Chartered Bank (Hotel)	7,798,043	7,749,718
	497,846,166	603,697,674
Fixed deposits with		
Agrani Bank Limited	284,581,790	272,161,390
IFIC Bank Limited	38,322,526	36,493,777
Bangladesh Krishi Bank	2,675,835	2,630,235
Uttara Bank Limited	1,005,791	959,254
Pubali Bank Limited	426,357	407,448
Bangladesh Commerce Bank Limited (see note 5 above)	57,533,693	45,372,378
Sonali Bank Limited	12,964,692	31,507,630
	397,510,684	389,532,112
Current accounts with		
Agrani Bank Limited-1905 (*)	1,791,810	1,841,237
Agrani Bank Limited	27,851,823	32,013,220
Agrani Bank Limited (no actual overdraft)	(1,537,754)	(46,982,996)
Agrani Bank Limited (BICC account)	9,466,088	35,639,941
	37,571,966	22,511,402
Agrani Bank Limited - gratuity & retirement account	25,472,859	24,396,526
Agrani Bank Limited - dividend account	286,095	287,745
	<u>960,894,306</u>	<u>1,042,421,994</u>

(*) The above account is being used by the Contractors of the Hotel renovation work to import construction materials through Letter of Credit.

	30 June 2017 Taka	30 June 2016 Taka
7. Inventories		
Hotel Operation		
Stores and spares in hand		
Merchandise in transit	-	2,865,906
General and other stores	2,891,057	2,451,880
	2,891,057	5,317,786
BSL Office Complex		
In good condition	295,861	120,051
	<u>3,186,919</u>	<u>5,437,837</u>
8. Food and beverage	56,417,215	60,048,012
	<u>56,417,215</u>	<u>60,048,012</u>

Food and beverage will be utilized to generate revenue from Balaka and BICC. A portion of food and beverage will be utilized by the employees of Ruposhi Bangla Hotel and Bangladesh Services Limited.

9. Accounts receivable

Accounts receivable - trade, considered good	227,602,460	133,139,156
Accounts receivable - trade, considered doubtful	21,371,198	21,371,198
Rent receivable	17,900,727	12,574,311
Receivable from Ruposhi Bangla Hotel for BICC	437,629,510	433,969,750
Receivable for renovation expenses	436,568,790	254,921,115
Receivable from employees	258,025	283,636
Gross balance	1,141,330,709	856,259,165
Less: Provision for bad and doubtful debts on accounts receivable-trade (note 9.2)	88,357,261	79,957,261
	<u>1,052,973,448</u>	<u>776,301,904</u>
Less: Contra item	874,198,300	688,890,865
	<u>178,775,148</u>	<u>87,411,039</u>

9.1 Ageing of accounts receivable - trade considered good

Overdue for less than five months	156,890,460	52,570,807
Overdue for more than five months	70,712,001	80,568,349
	<u>227,602,460</u>	<u>133,139,156</u>

9.2 Provision for bad and doubtful debts on account of receivable-trade

Opening balance	79,957,261	75,757,261
Add: Provision made during the year (note: 23)	8,400,000	4,200,000
Closing balance	<u>88,357,261</u>	<u>79,957,261</u>

10. Other receivables

Cash margin against guarantee issued by bank in favor of court relating to Mir Akhter Hossain Ltd
Interest receivable
Receivable from Employees' Provident Fund
Sundry debtors

30 June 2017
Taka**30 June 2016**
Taka

920,015	920,015
1,363,221	784,784
1,400,000	-
17,699	1,517,699
<u>3,700,935</u>	<u>3,222,498</u>

11. Advances, deposits and prepayments**Advances**

Advance tax for employees taxation	19,121,244	10,615,328
Income tax deducted at source - Hotel	21,994,641	20,668,735
Income tax deducted at source - BSL	24,221,642	34,232,615
Advance against income tax	4,274,391	4,288,857
Advance to suppliers	2,316,414	431,182
VAT and supplementary duty	19,774,259	4,080,181
Advances to General Manager	129,757	-
Advance to employees	1,078,109	763,358
<u>92,910,458</u>	<u>75,080,257</u>	

Deposit

Security/guarantee deposits - Hotel	10,215,561	9,495,561
Security/guarantee deposits - BSL	936,600	936,600
<u>11,152,161</u>	<u>10,432,161</u>	
<u>104,062,619</u>	<u>85,512,418</u>	

12. Accounts payable

For goods	47,680,092	23,086,983
For expenses (note 12.1)	799,982,066	515,767,172
For other finance (note 12.2)	343,613,536	235,543,109
<u>1,191,275,694</u>	<u>774,397,264</u>	

12.1 Creditors for expenses

	30 June 2017 Taka	30 June 2016 Taka
Payable for BICC	437,629,510	433,969,750
Payable for renovation expenses to RBH	436,568,790	254,921,115
Provision for termination benefits	117,402,424	123,273,044
Salaries, wages, bonus gratuity and other benefits	47,871,195	30,576,294
Accrued expenses	117,831,650	126,664,093
Accrual for BICC rent payable to PWD	453,350,000	80,000,000
Accrual for Balaka Rent	14,573,178	14,696,398
Accrual for insurance	1,740,240	-
Municipality tax	19,277,511	19,277,511
Indebtness to operator and its affiliates	11,608,681	9,490,674
Utility service for Hotel operation	4,521,192	4,521,192
Utility bills for BSL Office Complex	495,489	(113,815)
Other professional services fees	250,000	250,000
Software maintenance fee	59,703	65,364
Legal and professional charges	450,000	-
Audit fee	879,000	820,000
VAT payable	480	480
Accrual for social sports	4,311,017	4,000,000
Accrual for OPERA and Platinum	4,560,307	2,000,000
Crew Allowance	800,000	-
Payable for foreign travel (general manager)	-	245,937
	<u>1,674,180,366</u>	<u>1,204,658,037</u>
Less: Contra item	874,198,300	688,890,865
	<u>799,982,066</u>	<u>515,767,172</u>

12.2 Creditors for other finance

VAT and supplementary duty	183,230,033	100,640,740
Lease and other security deposit	13,967,541	13,195,234
Service charge unadjusted with project cost	132,472,328	97,948,399
Service charge payable to employees	2,865,324	1,754,018
Income tax deduction from staff salaries	8,754,978	3,824,476
Provident fund loan deduction	1,579,522	1,727,867
Tax deducted but not deposited	39,625	7,032,414
Tips payable	147,883	147,883
UNICEF donation received from guests	4,971	33,904
Union subscription	35,300	36,800
VAT payable	84,836	7,811,823
Liabilities for LOC	292,935	1,217,444
Suspense A/C	138,260	172,108
	<u>343,613,536</u>	<u>235,543,109</u>

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 Hajrat Shahjalal International Airport. The Company has disputed imposition of VAT on this outlet and hence not paying the disputed claim of VAT.

13. Advance rent, security deposit, earnest and retention money

	30 June 2017 Taka	30 June 2016 Taka
Earnest money	250,000	250,000
Advance rent	18,091,741	15,724,483
Retention money	7,994,822	9,473,673
Rental security deposit	6,489,083	6,489,083
Security money	119,120,846	53,187,803
	<u>151,946,493</u>	<u>85,125,042</u>

14. Provision for taxation

Opening balance	(20,080,374)	(22,480,374)
Add: Provision made during the year	58,552,002	2,400,000
	<u>38,471,628</u>	<u>(20,080,374)</u>
Less: Payments made during the year	32,816,043	-
Closing balance	<u>5,655,585</u>	<u>(20,080,374)</u>

15. Deferred tax liability/ (asset)

Deferred tax liability has been recognized in accordance with the provision of BAS 12 based on temporary difference arising due to difference in the carrying amount of the assets/liabilities and its tax base.

Opening balance	7,261,635	6,418,251
Deferred tax (income)/expense for the year (A-B)	7,044,026	843,384
Closing balance	<u>14,305,661</u>	<u>7,261,635</u>

Deferred tax liability is arrived at as under:

	Carrying amount Taka	Tax base Taka	Taxable / (deductible) temporary difference Taka
30-Jun-17			
Property, plant and equipment (DTL)	396,525,366	192,694,382	203,830,984
Deferred liability for gratuity (DTA)	(146,608,342)	-	(146,608,342)
Taxable/ (deductible) temporary difference	<u>249,917,024</u>	<u>-</u>	<u>57,222,642</u>
Applicable rate			25%
Deferred tax liability/ (asset)-A			<u>14,305,661</u>
30-Jun-16			
Property, plant and equipment (DTL)	411,073,173	227,588,200	183,484,973
Deferred liability for gratuity (DTA)	(154,438,434)	-	(154,438,434)
Taxable/ (deductible) temporary difference	<u>256,634,739</u>	<u>227,588,200</u>	<u>29,046,539</u>
Applicable rate			25%
Deferred tax liability/ (asset)-B			<u>7,261,635</u>

	30 June 2017 Taka	30 June 2016 Taka
16. Reserve for replacements, substitutions and additions to furniture and equipment		
Opening balance	104,820,367	100,622,559
Add: Charged to operation during the year @4% of total revenue of Ruposhi Bangla Hotel	9,700,548	4,188,273
Interest accrued from replacement reserve account	20,926	9,535
Closing balance	<u>114,541,841</u>	<u>104,820,367</u>
17. Deferred liability for gratuity		
Opening balance	154,438,434	153,373,183
Add: Provision made during the year	11,024,252	7,471,293
	<u>165,462,686</u>	<u>160,844,476</u>
Less: Payment made during the year to outgoing members	18,854,344	6,406,042
Closing balance	<u>146,608,342</u>	<u>154,438,434</u>
18. Long term secured loan		
Agrani Bank- renovation Loan	3,400,030,000	1,400,015,000
Interest during construction period	360,686,136	36,960,163
	<u>3,760,716,136</u>	<u>1,436,975,163</u>

The loan was drawn under the Borrowing Facilities agreement executed by the Company on 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 11.50% for total taka 574 core facility. Leasehold land and building of the Company are mortgaged/hypothecated against this loan.

19. Deferred tariff

Chittagong Customs	135,663,355	-
Dhaka Airport Customs	7,076,632	-
Beanpole Customs	156,619	-
	<u>142,896,606</u>	<u>-</u>

The Company has obtained an approval for deferral of tariffs imposed on importation of equipment and materials for renovation work of the Hotel.

20. Share Capital

20.1 Authorized:

250,000,000 ordinary shares of Taka 10 each	<u>2,500,000,000</u>	<u>2,500,000,000</u>
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20.2 Issued and paid up:

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

30 June 2017
Taka30 June 2016
Taka

20.3 Shareholding position at 30 June 2017 is as under:

<u>Allocation of shares</u>	<u>Nationality</u>	<u>Number of shares</u>	<u>Face value BDT</u>	<u>Percentage of shares (%)</u>
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
		<u>97,788,913</u>	<u>977,889,130</u>	<u>100</u>

20.4 Classification of shareholders by holding:

<u>Holding of shares</u>		<u>30 June 2017 No. of Shareholders</u>	<u>30 June 2016 No. of Shareholders</u>
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
	100001 & above	1	1

21. Revenue

Food and beverage
Rental and others

30 June 2017
Taka

227,419,606
14,272,941
241,692,546

30 June 2016
Taka

97,029,048
6,657,283
103,686,331

22. Cost of sales and operating cost

	Rooms	Food and Beverage	Minor Operating Departments	30 June 2017 Total	30 June 2016 Total
	Taka	Taka	Taka	Taka	Taka
Salaries, wages, bonus, gratuity and other benefits	10,796,516	37,675,501	8,226,174	56,698,191	26,049,619
Cost of materials and other expenses	-	39,534,592	3,206,967	42,741,559	17,388,787
Operating supplies	1,133,728	5,859,430	164,500	7,157,658	2,929,254
Balaka restaurant rent	-	21,670,765	-	21,670,765	17,684,855
Linen, china glass, silver, etc.	-	138,602	-	138,602	-
Laundry, dry cleaning & uniforms	2,522,553	3,704,881	-	6,227,434	2,443,745
Limousine expenses	-	-	915,677	915,677	501,259
In-house TV, video, music, etc.	110,400	-	-	110,400	55,200
Travelling and communication	242,262	279,750	-	522,013	282,075
Fuel and power	-	1,617,174	-	1,617,174	1,051,906
Training	-	49,984	-	49,984	72,912
Others	-	-	330	330	4,311
Permits and license	-	403,650	-	403,650	403,650
	<u>14,805,458</u>	<u>110,934,330</u>	<u>12,513,648</u>	<u>138,253,437</u>	<u>68,867,573</u>

23. Hotel administrative and other expenses

Heat, light and power (note 23.1)	7,431,620	7,437,594
Administrative and general expenses (note 23.2)	42,839,561	23,819,069
Advertising, promotion and public relations (note 23.3)	5,025,686	2,777,266
Repairs and maintenance (note 23.4)	23,667,572	12,054,848
Provision for VAT & supplementary duty	12,733,543	-
Provision made during the year for reserve for replacement	9,700,548	4,188,273
Audit fee	360,000	180,000
Provision for bad and doubtful debts on accounts receivable - trade (note 9.2)	8,400,000	4,200,000
	<u>110,158,529</u>	<u>54,657,049</u>

23.1 Heat, light and power

Utilities	7,425,269	7,428,995
Salaries, wages, bonus, gratuity and other benefits	6,351	8,599
	<u>7,431,620</u>	<u>7,437,594</u>

23.2 Administrative and general expenses

	30 June 2017 Taka	30 June 2016 Taka
Salaries, wages, bonus, gratuity and other benefits	29,779,579	19,771,423
Credit card commission	218,268	196,330
Security	4,509,405	75,820
Communication	1,021,994	471,413
Operating supplies	1,815,689	660,686
Travelling expenses	867,128	912,060
Legal and professional charges	2,100,000	920,000
General manager's expenses	281,365	164,449
Dues and subscriptions	65,996	-
Fees and purchased services	1,305,594	536,662
BSL expenses	5,283	28,703
Uniforms	23,620	-
Training and training related expenses	757,429	-
Others	88,211	81,523
	<u>42,839,561</u>	<u>23,819,069</u>

23.3 Advertising, promotion and public relations

Salaries, wages, bonus, gratuity and other benefits	2,402,445	1,439,591
Signage, events and functions	778,480	-
Entertainment	123,018	62,356
Travelling	507,353	123,614
Print Newspapers	278,600	-
Training expense	-	10,000
Communication	331,809	588,456
Operating supplies	603,982	553,250
	<u>5,025,686</u>	<u>2,777,266</u>

23.4 Repair and maintenance

Salaries, wages, bonus, gratuity and other benefits	4,485,778	3,674,795
Removal of waste	293,652	337,435
Communication costs	40,218	30,172
Heating, ventilation and air-conditioning	2,449,619	416,413
IT - Repair & Maintenance	9,511,891	6,021,936
Other equipment and machinery supplies	1,372,241	282,921
Furnishing, painting, decoration and sign	297,533	47,822
Laundry equipment	195,358	177,840
Water treatment	163,500	249,380
Plumbing	70,144	13,248
Radio and television	60,595	6,058
Elevators	650,500	264,000
Refrigeration	25,368	8,580
Fire, light and safety equipment	47,970	162,790
Electric bulbs/electrical	114,384	76,484
Kitchen equipment	68,281	26,400
Boiler room	10,000	5,400
Balaka restaurant	3,459,742	142,771
Building	104,754	44,490
Uniforms	18,400	-
Swimming pool	-	450
Office equipment	-	20,480
Operating supplies	209,896	29,070
Travelling - local	1,500	720
Vehicles	870	3,320
Others	15,378	11,873
	<u>23,667,572</u>	<u>12,054,848</u>

24. BSL administrative and other expenses

	30 June 2017 Taka	30 June 2016 Taka
Depreciation	13,923,568	6,950,717
Rates and taxes	3,209,097	-
Insurance	1,659,057	1,659,057
Project related expenses made by Hotel (note 24:1)	180,702,475	78,726,378
Other expenses BSL (note 24:2)	43,514,053	21,370,461
	<u>243,008,250</u>	<u>108,706,613</u>

24.1 Project related expenses made by Hotel

Service charges	136,084,730	67,835,287
Utility	17,468,854	20,941,687
Furniture, fixture & equipment	740,000	-
Accounts and general expenses	3,374,029	1,492,189
Repair and maintenance	11,601,611	916,440
Housekeeping and laundry expenses	286,563	20,300
Food and beverage department expenses	490,864	-
Front office expenses	1,024,498	595,127
Consultancy accommodation and meal expenses	7,385,064	(13,122,756)
Sales and marketing expenses	2,246,261	48,105
	<u>180,702,475</u>	<u>78,726,378</u>

24.2 Other expenses BSL

Salaries, wages, bonus, gratuity and other benefits	26,467,546	13,467,150
Entertainment	2,243,148	1,217,127
Directors' remuneration	4,784,800	2,228,500
Bank charge and levy	124,325	728,514
Legal and consultancy fee	589,000	194,500
Staff quarter expenses	2,040,231	84,308
Other professional services fee	645,000	140,000
Advertisement	712,430	366,121
Auto maintenance	660,320	503,647
Software maintenance	236,869	-
Company cable and postage	579,586	317,959
Stock exchange listing fee	488,945	518,945
Office supplies	614,716	339,339
Donation	134,800	5,000
Office maintenance	880,173	204,765
Printing and stationery	12,740	33,480
Land Development Tax	135,000	135,000
Medical expenses	143,229	738,620
Conveyance	73,764	39,865
Website maintenance costs	15,000	7,000
Tourism related expenses	1,296,115	78,399
CDBL expenses	262,600	19,722
AGM expenses	272,167	-
Others	101,549	2,500
	<u>43,514,053</u>	<u>21,370,461</u>

25. Other income

	30 June 2017 Taka	30 June 2016 Taka
Interest on bank deposits	36,555,159	24,850,227
Rental income from staff quarter	11,308,604	6,546,105
Income from sale of scraped items of fixed assets	-	1,962,000
Sale of tender schedule	-	45,000
Non operating income	362,937	1,768,113
	<u>48,226,700</u>	<u>35,171,445</u>

26. Rental income from BSL office complex

Rental income	79,659,211	40,128,910
Less: Expenses on complex		
Electricity and fuel	6,062,964	973,590
Salaries, wages, bonus, gratuity and other benefits	14,514,214	5,321,991
Cleaning and maintenance	3,348,762	2,042,427
Depreciation on building, equipment and elevators	5,572,955	2,684,745
Water and sewerage	2,630,288	226,502
Conveyance and medical expenses	283,939	183,051
	<u>32,413,122</u>	<u>11,432,305</u>
	<u>47,246,089</u>	<u>28,696,605</u>

27. Income/(loss) from BICC

Revenue	277,113,612	218,171,394
Cost of sales	<u>72,777,153</u>	<u>49,937,234</u>
	204,336,459	168,234,160
Less: Expenses		
Lease rental	273,350,000	180,000,000
Wages and benefits	143,767,136	59,954,320
Utility	18,754,496	15,125,185
Maintenance	5,214,610	9,101,737
Administrative and general	15,955,695	8,084,003
Cleaning	-	87,500
Security	8,555,049	3,563,652
Supplies	4,005,702	11,442,621
Insurance	3,600,000	1,724,000
Travel	12,100	81,400
Advertisement	2,038,747	359,500
Communication	257,984	171,100
Decoration	1,207,901	713,373
Linen china silver glass	472,035	-
Uniform	-	246,040
Signage	50,100	119,900
Depreciation	-	-
Others	-	1,950
	<u>477,241,555</u>	<u>290,776,282</u>
	<u>(272,905,097)</u>	<u>(122,542,122)</u>

	30 June 2017 Taka	30 June 2016 Taka
28. Auditors' remuneration		
Audit fee	360,000	180,000
	<u>360,000</u>	<u>180,000</u>
29. Remuneration to directors		
Fee to directors	4,784,800	2,228,500
	<u>4,784,800</u>	<u>2,228,500</u>
30. Salaries, wages, bonus, gratuity and other benefits		
Salaries, wages, bonus, gratuity and other benefits of Taka 414,205,970 (30 June 2016 six months: Taka 197,522,775) appearing in these financial statements of various departments.		
31. Capacity		
31.1 Capacity of the hotel		
Due to renovation, Ruposhi Bangla Hotel is closed from 31 August, 2014. Therefore, there were no rooms available to rent at 30 June 2017.		
31.2 Capacity of BSL office complex		
Total area of space available to let out at 30 June	61,879	61,879
Total area in use as of 30 June	61,406	61,406
32. Remittance of foreign currency		
Operator and its affiliated company fees	US\$ -	-
Expatriates salaries and benefits	US\$ 31,238	131,238
33. 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:

- i. The Company shall refund the entire amount of VAT amounting to Taka 7,003,669 to the contractor as deducted from the invoices.
- ii. The contractor is also entitled to claim damages to the extend of Taka 2,196,677 for payment of its invoices by the Company.

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

in favor of the court amounting to Taka 9,200,346 which has been shown as contingent liability being letter of guarantee in the books of the Company. Against the guarantee, the Company has paid a sum of Taka 920,215 as margin against bank guarantee and the amount is shown under sundry debtors in these financial statements.

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

B. Income tax pending matters

The income authority has made an additional claim for the assessment years 2007-2008 and 2008-2009 amounting to BDT 5,945,210 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 Ruposhi Bangla Hotel) 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. 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 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.

34. Number of employees

The aggregate number of employees during the year 2017 was 443 (2016: 467).

35. Earnings per share (EPS)

35.1 Basic earnings per share

	30 June 2017 Taka	30 June 2016 Taka
Earnings attributable to the ordinary shareholders	(492,756,005)	(190,462,361)
Weighted average number of ordinary shares outstanding	97,788,913	97,788,913
Basic earnings per share	(5.04)	(1.95)

Earning per share (EPS) has been computed by dividing the basic earnings by the weighted average number of ordinary shares outstanding as of 30 June 2017 in terms of BAS-33 "Earnings Per Share."

35.2. Diluted earnings per share

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

36. Events after the reporting period

The Board of Directors of the company has not recommended any dividend for the year ended 30 June 2017.

37. Others

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

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

37.3 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.

Dhaka, 12 November 2017

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 44th Annual General Meeting of
the Company, to be held on the 28th December, 2017 and at any adjournment thereof.
As witness my/our hand this.....day of 2017

Revenue
Stamp of
Tk. 20

.....
Signature of Proxy

.....
Name & Signature of Shareholder(s)

Folio/BO ID No :

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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.

