

THE PENINSULA CHITTAGONG LIMITED



ANNUAL
Report
2020-2021



The Peninsula Chittagong

(Best Business Hotel in Town)

www.peninsulactg.com

THE FOUNDER



LATE DR. GOLAM ARSHAD
FOUNDER CHAIRMAN
1927-2011

Dr. Golam Arshad and Salima Begum **Founders of The Peninsula Chittagong Limited**

Back in the nineties, Dr. Golam Arshad and his wife Salima Begum dreamed of converting their property into something that would give maximum benefit to society. They envisioned a facility that provided employment and assistance for people throughout our country to thrive on.

My mother, being the philanthropist she was, wanted to employ as many people as possible so that they could sustain their families as well as live comfortable lives with their hard earned-pay. My father never spoke much, but when he did, there was volumes of wisdom in his words. It was he who gave us the idea of building a hotel like none other in our hometown of Chittagong.

In August of 2001, my mother passed away in a tragic car accident enroute from Canada to New York, and my heartbroken father decided to leave North America for good and come back home to his beloved country Bangladesh. Not soon after, I followed his footsteps and moved back here with my family. Upon my return, my father disclosed his and my mother's dream of using their property for the good of society, and how he thought that the hospitality business would be the best way to do this. He asked me and my brother-in-law (Engr. Mosharraf) to help him accomplish his dream by appointing us as the main investors for the project. Almost immediately, we began working on his dream hotel.

After 27 long months of hard work and dedication, The Peninsula Chittagong Hotel was officially opened on 17th February 2006. In case any of you were wondering why the unofficial name for this building is Bulbul Center, the reason is that my father had named the establishment in memory of his late wife with whom he had envisioned this dream.

Throughout his career, my father prioritized the needs of his patients above all. It did not matter to him if the patient was wealthy or poor, he administered treatment equally, and more often than not, free of cost to those who could not afford to pay him. He regularly gave away medical samples to those who needed it, and often bought medicine for his less fortunate patients. He lived to the ripe old age of 82 before he passed away due to a relapsing throat cancer. However, he had lived life to the fullest, having experienced a number of amazing adventures throughout his lifetime. He lived through the British regime, where he often hunted and explored the jungle, and assisted the tribal inhabitants of Chittagong Hill tracks. He researched and studied new fields such as microbiology, something which was unheard of at the time. He pursued knowledge until the very end, constantly studying and keeping up with the latest scientific breakthroughs. He had started his medical studies in Kolkata, but had to shift to Chittagong Medical School just before the partition in 1942. He encouraged his children and grandchildren to further their education as much as possible, and inspired them to follow his footsteps and become doctors and engineers as well.

My mother was also well-educated, and loved a good book with a hot cup of tea. Along with handling housework, she always made time to read, embroider and knit, and she loved to socialize. She was always looking out for others, and helped people however she could. She was an excellent cook, and always made delicious meals and savory snacks for the constant stream of guests and well-wishers who came to visit us in our home, which used to be where The Peninsula is currently standing!

Statement from Managing Director (Son of Founder Chairman)



The Peninsula Chittagong
(Best Business Hotel in Town)





MISSION

"Service with **Zero** defects"

VISION

The long range vision of "The Peninsula Chittagong Limited" is to become one of the leading establishments in the regional hotel industry. We aim to develop and operated several categories of hotel, motel and resorts across the country with a seamless quality of service and standard. We provide a comfortable, service-driven, modernized facility to ensure a comfortable stay for visiting tourists and business delegations visiting the country.



Letter of Transmittal

All Shareholders of The Peninsula Chittagong Limited
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Sub: Annual Report for the year ended 30 June 2021

Dear Sir(s),

We are pleased to enclose a copy of the annual report containing the notice of the 19th Annual General Meeting, directors' report, certificate of corporate governance compliance auditors, statutory auditors' report along with the audited financial statements including statement of financial position as at 30 June 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021 together with notes thereon and proxy form for your kind information & records.

Thanking you.

Yours faithfully,

Mohammad Nurul Azim
Company Secretary

N.B: The Annual Report of 2020-2021 is also available in the website of the company at www.peninsulactg.com





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Notice of The 19th Annual General Meeting

Notice is hereby given that the 19th Annual General Meeting (AGM) of The Peninsula Chittagong Limited will be held On **Monday, 13 December 2021**, at 11:00 A.M at Digital Platform through the link <https://peninsula.bdvirtualagm.com> to transact of the following business:

Agenda:

1. To receive, consider and adopt the audited financial statements of the company for the year ended June 30, 2021 together with the report of the directors' and the auditors' thereon.
2. To approve proposed dividend for the year ended June 30, 2021.
3. To Appointment of New Directors.
4. To election/re-election of Directors.
5. To appoint auditors for the year ended June 30, 2022 and to fix their remuneration.
6. To appoint corporate governance code auditors for the year ended June 30, 2022 and to fix their remuneration

By order of the Board of Directors

Sd/-

(**Mohammad Nurul Azim**)

Company Secretary

Date: 15 November 2021

Notes:

- ❖ Shareholders, whose names appear on the Members/Depository Register on the Record Date i.e. on November 15, 2021, shall be eligible to attend the 19th AGM of the Company and to receive the Dividend.
- ❖ The concerned brokerage houses & merchant bankers are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. The brokerage houses & merchant bankers are also requested to provide us with their Bank Account Name, number, routing number etc. on or before November, 28, 2021.
- ❖ The concerned trusty board of approved superannuation fund or pension fund or gratuity fund or recognize provided fund or workers participation fund are requested to provide us update tax rebate certificate on or before November, 28, 2021.
- ❖ Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated 08 July 2020; the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using digital platform-<https://peninsula.bdvirtualagm.com>.
- ❖ The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the link: -<https://peninsula.bdvirtualagm.com>
- ❖ A shareholder may, as per Article of the Articles of Association of the Company, appoint Proxy to attend and on a pool, to vote instead of him/her. The instrument appointing a proxy and the Power of Attorney, where applicable, must be sent through email to Registered Office at ipoinfo@peninsulactg.com at least 72 hours before the time of holding the meeting. The Proxy Form must be affixed with revenue stamps of Tk. 20.00
- ❖ The members whose BO Accounts are not furnished with 12 digits e-TIN number before the Record Date, disbursement of his/her dividend will be subject to deduction of Advance Income Tax (AIT) 15% instead of 10% (for individual) as per Section 54 of the amended Income Tax Ordinance, 1984.
- ❖ Pursuant to the clause 9(1) of the BSEC notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June, 2019, the soft copy of Annual Report 2021 will be sent through e-mail as per registered e-mail ID received from CDBL. The soft copy of the Annual Report 2021 will also be available on the company's [website at: www.peninsulactg.com](http://www.peninsulactg.com)==>investors ==>investor-info-documents==>financial-statements==>Annual-Report-2020-2021.



১৯ তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা জানানো যাচ্ছে যে, দি পেনিনসুলা চিটাগং লিমিটেড এর শেয়ারহোল্ডারগণের ১৯তম বার্ষিক সাধারণ সভা নিম্নলিখিত বিষয়াদি সম্পাদনকল্পে আগামী ১৩ই ডিসেম্বর ২০২১ ইংরেজি রোজ সোমবার বেলা ১১:০০ ঘটিকায় ডিজিটাল প্রাটফর্মে-<https://peninsula.bdvirtualagm.com>, অনুষ্ঠিত হবে :

আলোচ্য সূচী :

১. ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের নিরীক্ষিত লাভ লোকসান হিসাব ও স্থিতিপত্র এবং সেই সঙ্গে নিরীক্ষক ও পরিচালকমণ্ডলীর প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন।
২. ৩০ জুন ২০২১ তারিখে সমাপ্ত বছরের লভ্যাংশ ঘোষণা ও অনুমোদন।
৩. কোম্পানীর আর্টিকলস্ অব অ্যাসোসিয়েশনের সংশ্লিষ্ট ধারা অনুযায়ী নতুন পরিচালক নিয়োগ ও অনুমোদন।
৪. কোম্পানীর আর্টিকলস্ অব অ্যাসোসিয়েশনের সংশ্লিষ্ট ধারা অনুযায়ী পরিচালকবৃন্দের নির্বাচন।
৪. ৩০ জুন ২০২২ তারিখে সমাপ্তব্য বছরের জন্য নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৫. ৩০ জুন ২০২২ তারিখে সমাপ্তব্য বছরের জন্য কর্পোরেট গভর্ন্যান্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।

পরিচালকমণ্ডলীর আদেশক্রমে

তারিখ: ১৫ নভেম্বর, ২০২১

স্বাক্ষরিত
(মোহাম্মদ নুরুল আজিম)
কোম্পানী সচিব

নোট :

- ❖ ১৫ই নভেম্বর ২০২১ তারিখে রেকর্ড ডেটে যে সকল সদস্যের নাম কোম্পানীর শেয়ার রেজিস্টারে লিপিবদ্ধ থাকবে কেবল তাঁরাই ১৯ তম বার্ষিক সাধারণ সভায় উপস্থিত হওয়ার এবং লভ্যাংশ পাওয়ার যোগ্য বলে বিবেচিত হবেন।
- ❖ সংশ্লিষ্ট ব্রোকারহাউস ও মার্চেন্ট ব্যাংকারস তাদের মার্জিন লোনধারীদের বিশদ (শেয়ারহোল্ডারদের নাম, বিও আইডি নম্বর, ই-টিন নম্বর, গ্রহনযোগ্য মোট লভ্যাংশ, প্রযোজ্য করের হার, গ্রহনযোগ্য নীট লভ্যাংশ) বিবৃতি আমাদের কাছে প্রদানের জন্য অনুরোধ করা যাচ্ছে যারা রেকর্ড ডেট এর ভিত্তিতে কোম্পানীর শেয়ার ধারণ করে। ব্রোকারহাউস ও মার্চেন্ট ব্যাংকারসরা তাদের ব্যাংক একাউন্টসের নাম ও নম্বর এবং রাউটিং নম্বর ২৮ নভেম্বর ২০২১ তারিখের মধ্যে আমাদের কাছে পাঠানোর অনুরোধ করা যাচ্ছে।
- ❖ সংশ্লিষ্ট অনুমোদিত তহবিল, পেনশন ফান্ড, গ্র্যাচুইটি ফান্ড, রেজিস্টার্ড প্রভিডেন্ট ফান্ড, শ্রমিক কল্যাণ তহবিলের বোর্ডকে তাদের ট্যাক্স অব্যাহতির সার্টিফিকেট ২৮ নভেম্বর ২০২১ তারিখের মধ্যে আমাদের কাছে পাঠানোর অনুরোধ করা যাচ্ছে।
- ❖ বাংলাদেশ সিকিউরিটি অ্যান্ড এক্সচেঞ্জ কমিশনের আদেশ নং এসইসি/এসআরএসআইসি/৯৪-২৩১/২৫ তারিখ ১৮ জুলাই ২০২০ মোতাবেক এজিএম ভার্চুয়ালি হবে, যা ডিজিটাল প্রাটফর্ম ব্যবহার করে লাইভ ওয়েবকাস্টের মাধ্যমে পরিচালিত হবে:-<https://peninsula.bdvirtualagm.com>
- ❖ শেয়ারহোল্ডারগণ এজিএম শুরু ২৪ ঘণ্টা আগে আপনাদের প্রশ্ন/মন্তব্য জমা দিবে এবং বৈদ্যুতিনভাবে ভোট দিতে সক্ষম হবে। সিস্টেমে লগ ইন করার জন্য শেয়ারহোল্ডারগণ দরকার তাদের ১৬ ডিজিটের বিও আইডি নম্বর এবং লিঙ্কটিতে গিয়ে তাদের পরিচয় প্রমাণ হিসেবে অন্যান্য প্রমাণপত্রাদি :-
<https://peninsula.bdvirtualagm.com>
- ❖ একজন শেয়ারহোল্ডার, কোম্পানী অ্যাসোসিয়েশন এন্ড আর্টিকেল অনুসারে তার পরিবর্তে ভোট দেওয়ার জন্য একজন প্রক্সি নিয়োগ করতে পারবে, সভা অনুষ্ঠিত হওয়ার কমপক্ষে ৭২ ঘণ্টা পূর্বে নিবন্ধিত অফিসে ipoinfo@peninsulactg.com, প্রক্সি ফরমে অবশ্যই ২০ টাকার রেভিনিউ স্ট্যাম্প লাগাতে হবে।
- ❖ লভ্যাংশযোগ্য বিও অ্যাকাউন্টধারী শেয়ারহোল্ডার রেকর্ড তারিখের আগে ১২ ডিজিটের ই-টিআইএন নম্বর অপ্রদানকৃত শেয়ারহোল্ডারগণ হতে, তার লভ্যাংশ বিতরণে সংশোধিত আয়কর অধ্যাদেশের ১৯৮৪ এর সেকশন ৫৪ মোতাবেক অগ্রিম আয়কর ১০% এর পরিবর্তে ১৫% (ব্যক্তিক) কেটে যাবে।
- ❖ বাংলাদেশ সিকিউরিটি এক্সচেঞ্জ কমিশনের নটিফিকেশন নং : BSEC/CMRRCD/2006-158/208/Admin /81 dated 20 June 2019, অনুযায়ী বার্ষিক প্রতিবেদন ২০২১ এর পিডিএফ কপি বিত্তে উল্লেখিত ই-মেলের ঠিকানায় পাঠানো হয়েছে। আমাদের ওয়েবসাইটে বার্ষিক প্রতিবেদন ২০২১ পাওয়া যাবে:-
[website at: www.peninsulactg.com](http://www.peninsulactg.com)==>investors==>investor-info-documents==>financial-statements==>Annual-Report-2020-2021.





Corporate Information



Board of Directors

Mr. Mahboob-Ur- Rahman
Chairman
Mr. Mustafa Tahseen Arshad
Managing Director
Mrs. Ayesha Sultana, Director
Mrs. Bilkis Arshad, Director
Mr. Mustafa Tahir Arshad, Director
Professor Dr. Sultan Ahmed
Independent Director
Mr. Md. Abul Hossain
Nominated Director (ICB)
Dr. Sheikh Md. Shafiul Azam
Independent Director



Company Secretary

Mr. Mohammad Nurul Azim



Auditor

Hoda Vasi Chowdhury & Co.
Chartered Accountants
Delwar Bhaban, 4th floor
104 Agrabad C/A, Chittagong-4100
Tel: 4-88 031 716305 & 723391
Fax: +88 031 2512485
E-mail: hvc@globalctg.net



Corporate Governance Code Auditor

S. Ahmed & Co,
Chartered Accountants
151 S.K. Mujib Road, Agrabad C/A
Chittagong. Tel: +88-031-721485
Fax: +88-031-2510817
E-mail: s.ahmed_co@yahoo.com



Tax Consultant

Subhash Dutta & Associates
Hasnu Hena, Flat # B-4, A-4 17
Larmini Street, Wari Dhaka-1203
Bangladesh. Tel: 9576277, 9590594



Bankers

AB Bank Limited
Brac Bank Limited
The City Bank Limited
Eastern Bank Limited
Prime Bank Limited
Standard Bank Limited
The Premier Bank Limited
IFIC Bank Limited
Bank Alfalah Limited
Mutual Trust Bank Limited
United Commercial Bank Limited
Dutch-Bangla Bank Limited



Registered & Share Office

The Peninsula Chittagong Limited
Bulbul Center, 486/B O.R. Nizam Road
CDA Avenue, Chittagong-4100
Tel: +88-031-2850860-9
Fax: +88-031-632506
E-mail: ipoinfo@peninsulactg.com
Website: www.peninsulactg.com



Dhaka Office

The Peninsula Chittagong Limited
8/A, Chandrashila Suvastu Tower
69/1 Green Road, Panthapath
Dhaka-1205, Tel: 02-9641311-13



Audit Committee

Professor Dr. Sultan Ahmed
(Independent director), Chairman
Mr. Mahboob-Ur-Rahman
(Chairman), Member
Mrs. Bilkis Arshad (Director), Member
Mr. Mohammad Nurul Azim,
(Company secretary), Member Secretary



Nomination and Remuneration Committee (NRC)

Dr. Sheikh Mohammed Shafiul Azam- Chairman
(Independent Director)
Mrs. Bilkis Arshad -Member,
(Director)
Professor Dr. Sultan Ahmed- Member,
(Independent Director)
Mr. Mohammed Nurul Azim- Member Secretary
(Company Secretary)



COMPANY *Profile*

The Company has been converted to public Limited Company on November 30, 2010. At present, the authorized capital of the Company stands at Tk. 300 Crore (Three Hundred Crore) and paid-up capital stands at Tk. 118.66 Crore.



THE PENINSULA CHITTAGONG LIMITED-WHERE HOSPITALITY IS CULTURE

The Company has been incorporated as a private limited company on July 25, 2002 under the companies Act 1994 vide registration no C-46488 (2961)/2002 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on June 07, 2010 vide special resolution of the shareholders in the Extra Ordinary General meeting (EGM) and Registrar of Joint Stock Companies & Firms, Dhaka & approved the same accordingly. The company offloaded 55,000,00 shares after getting approved from Bangladesh Securities And Exchange Commission (BSEC) on 19 February 2014 through initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014. The Company started its commercial operation from February 17, 2006.

The Peninsula Chittagong Limited is situated at the bustling center of Chittagong GEC circle. The hotel provides superior services combining western sophistication and Chittagonian hospitality in a scenic and convenient location. Tourists can discover this unique retreat for business or pleasure just minutes from the commercial center surrounded by famous retail shops, restaurants and corporate office.

The registered office & Business Project (4 Star Hotel premises) located at Bulbul Center, 486/B, O.R. Nizam Road, CDA Avenue, Chittagong-4100, Bangladesh and The Dhaka Office of the company is located at 8A, Chandrashila Suvastu Tower, 69/1 Green Road, Panthapath, Dhaka-1205.

The Company has been converted to Public Limited Company on November 30, 2010. At present, the authorized capital of the Company stands at Tk. 300 Crore (Three Hundred Crore) and paid-up capital stands at Tk. 118.66 Crore.

Nature of Business

The Peninsula Chittagong Limited is a service oriented hotel combining business with comfort. The Company offers premier setting for conferences, meetings and corporate events. Our guests are treated in a gracious environment, where personalized service is the standard. For important events, there is a wide range of meeting rooms and venue options to choose from.



Profile of the Directors



Mr. Mahboob Ur Rahman (Ruhel)

Chairman

Mr. Mahboob ur Rahman has been the Chairman of The Peninsula Chittagong Limited since 2014. He has joined the company in 2004 as the Executive Director.

Mr. Mahboob ur Rahman is an innovative entrepreneur running four leading companies in entertainment, hospitality, construction and information technology sector in Bangladesh. Educated in the United States of America in Information Technology and earned his Executive MBA from Helsinki School of Economics in Finland. Mr. Rahman is leading changes and creating values with innovative business ideas and technologies in Bangladesh.

Mr. Rahman is the Founder and Chairman of Show Motions Limited, the first modern multiplex cinema theater in Bangladesh under the STAR Cineplex brand. Besides cinema exhibition, he is has established film production and distribution business within the company. Under his leadership STAR Cineplex will have four branches with 15 screens by end of 2019. He has also founded BASE Limited, a leading ITES company providing information technology solutions, IT consulting services, and technical training to enterprises and government in Bangladesh. Since 1999, in the capacity of Managing Director, Mr. Rahman has been leading GasMin Limited, one of the largest Gas Pipeline Construction firm in the country completing many large projects in Gas Pipeline, Drill Pad Development and Civil Structures. Mr. Rahman founded Sayeman Holding Limited with a vision to build, operate and own several destination resorts in

Bangladesh. He is also the Managing Director of Sayeman Beach Resort Limited, Cox's Bazar which was awarded as the leading beach resort in South Asia in 2019. In 2017, Mr. Rahman co founded SBG Economic Zone Limited to develop, market and operate a land area of 550 Acres of Economic Zone in Mirsarai in the capacity of Managing Director.

As the Chairman of The Peninsula Chittagong Limited, Mr. Rahman introduced Saint's Café, a 24-hour cafe and Ozone Lounge, a rooftop restaurant & bar by extensively renovating existing facilities which is now set to increase overall revenue of the company. Further Mr. Rahman is introducing innovation and exciting outlets into the upcoming Peninsula Airport Garden Hotel which will give the property an unparalleled competitive edge.

Mr. Rahman earned his Bachelor Degree in Interdisciplinary Studies in Information Systems and Computer Science from the University of Texas at Arlington, USA and an Executive M.B.A from Helsinki School of Economics, Finland. As an avid environmentalist Mr. Rahman continues to create awareness against plastic pollution and planted over 100,000 trees.

Profile of the Directors



Mr. Mustafa Tahseen Arshad
Managing Director/CEO

Mr. Mustafa Tahseen Arshad received a Bachelor of Science in Electronic Engineering Technology from Southeastern Oklahoma State University, USA. He also specialized in Industrial Technology and Management System under the direct supervision of University of Oklahoma, USA.

Mr. Arshad ran an IT-based company in New York City and had clients like Scientific America, Bedford St. Martin Press, WH Freeman, Worth Publishers and Boardman Publishing under his supervision. He also worked closely with the famous Hollywood producer Scot Rudin, as well as the reputed office and designer furniture company Knoll, Inc. The company helps his clients adapt to 21st century technology by providing the latest online and e-commerce solutions to their systems.

Mr. Arshad attended an International Training Course called 'Natural Gas Pipeline Construction and Management' conducted by the Canadian Petroleum Institute (CPI), Canada under the Canadian International Development Agency (CIDA) Development Fund. He attended a special seminar on Waste Management in Industrial Area and Surroundings, Industrial Gas Recovery and Management. This course was organized by the Environmental Protection Agency (EPA), USA, and Occupational Safety and Health Administration (OSHA), USA.

In 2003 he decided to move back to his roots in Bangladesh after spending over two decades in the USA. In

his pastime, Mr. Arshad enjoys cooking, and has a great appreciation for the food industry. Having great passion for multi-ethnic cuisine, he decided to enter a new dimension by changing careers completely, and has set up this prestigious institution you see today, proving his incredible adaptability into any field. Within a few years, he has become a renowned hotelier, both at home and abroad, and has a number of awards in his name.

Always striving for excellence, Mr. Arshad plays a vital role in his current project and spends a good number of hours every week with the F&B team and Executive Chef to design and implement new lines and wide varieties of International menus along cultural fusions for the hotel food outlets. His favorite hobby of cooking different styles of international fusions became very handy in his practical life. In addition to his present job responsibilities, he is currently working on the new Spa and Wellness Center on the 4th floor of the hotel as well as a new fine dining restaurant on the 15th floor. He is also deeply involved in the construction of the new five-star Airport Garden hotel, which will have 200 rooms, a larger outdoor recreational space, and exciting new entertainment outlets.

Bringing his customers the utmost satisfaction is his daily motto, and Mr. Arshad constantly works on an equal footing with all his employees, calling them his teammates and motivating them to give their all in their work and help the Peninsula become the number one hotel in the city as well as the leading hotel in the country, setting standards for the rest of the nation to follow.

Profile of the Directors

Mrs. Ayesha Sultana is the Executive Director of the Peninsula Chittagong Limited since its Inception. Mrs Sultana completed her Higher Secondary School Certificate (HSC) from Chittagong college in 1966. She is the daughter of Founder–Chairman of The Peninsula Chittagong Limited, Late Dr Golam Arshad and mother of current Chairman, Mr. Mahboob ur Rahman.

Mrs. Ayesha Sultana holds positions and shares in several leading companies in Bangladesh. Mrs Sultana is the Chairman of Gasmin limited a leading construction company and director of Sayeman Beach Resort Limited and the Peninsula Holdings Limited. Mrs. Sultana is a shareholder of Republic Insurance Company Limited. Besides business Mrs. Ayesha Sultana is involved in several social works and philanthropic services in Chittagong. Mrs. Ayesha has been supporting and assisting her husband, Engr Musharraf Hossain M.P, & former Minister of Housing and Public Works throughout his political career for last 50 years. She has raised four children. Her three sons are engaged in family businesses and several social and cultural activities while her only daughter is working as successful medical doctor in the United states of America.



Mrs. Ayesha Sultana
Executive Director



Mrs. Bilkis Arshad
Director

Profile of the Directors

Mrs. Bilkis Arshad, a graduate of Chittagong College, is a Director of The Peninsula Chittagong Limited. She is an ex-Director of VOYAGER COMPUTER & COMMUNICATIONS, NY, an IT Company based in Long Island, NY from 1993 to 2001. She manages total inventory, ordering required equipment for various jobs, managing shipments, warranties and related issues.

She also acted in place of the Managing Director during his long time absence from the country in 2008-09. She assists in managing the F&B ideas, as well as all events taking place throughout the year. She worked closely with the Executive Chef on rolling out new menus and popular new lines of food to enhance the palette of the regular guests and customers.

Currently, she shares various ideas regarding the new additions to the Peninsula and also adds insight to the Airport Garden project, especially regarding menu creations and exciting new cuisines from across the globe. Both she and her husband are well-versed in multi-national dishes which are a delightful addition to the Peninsula's already diverse restaurant lines.



Mr. Mustafa Tahir Arshad
Overseas Director

Profile of the Directors



Mustafa Tahir Arshad has been appointed as an director of the company on 25th October 2021. He was born in a prestigious Muslim family at Chittagong in Bangladesh on 25th December 1958. Mr. Mustafa Tahir Arshad, achieved BFA Honors from Chittagong University and Associate of the Fashion Art Institute, Dallas, Texas. He served as main designer for a leading sign company. Since 1997 he is successfully running a sign designing and manufacturing company based in Woodside, New York, USA. He is a Fine Arts and Music lover. He has hosted numerous art exhibitions in New York and in Bangladesh. He was the convener for Chittagong Art Exhibition Forty Years Celebration held at Chittagong on January 2012. He also has large collection of Painting and Artifacts in his New York residence. He has been selected as the Overseas Director of The Peninsula Chittagong Limited since 2006. He is the President of Sign Media International, New York and awarded for his contribution for the Bangladeshi community and the first Bangladeshi Digital Sign Maker in Tri-State Area of the New York and vicinity states for a long time. He designed and made the first Shahid Minar in New York City for the Bangladesh Associate of New York.

Mr. Mustafa Tahir Arshad is engaged in various social welfare organizations and world famous foreign artists who work with Bangladesh.

Profile of the Directors



Professor Dr. Sultan Ahmed has been appointed as an independent director of the company on 8th march 2021. He was born in a prestigious Muslim family at Chittagong in Bangladesh on 8th November 1956. He has been engaged in teaching and research profession for more than 39 years. Currently he is working as a professor and chairman in department of Banking and Insurance University of Chittagong. He obtained post doctorate from Sheffield hallam University (England) in 2002 and PhD from University of Kalyani (India) in 1992. Dr. Ahmed obtains his Master's degree (M.Com) in accounting with first class and first position from Chittagong University in 1978. He has published 30 research articles in reputed journals of the home and abroad. Dr. Ahmed is the member of various professional Organizational like Finance committee in Chittagong University, Advisory Council in Raozan Upazila Awamileague, and Finance committee in Chittagong independent University, Board of Advanced Studies, Board of governors, Board of Health and discipline committee in Chittagong University. He is also involved in different examination committee in University of Chittagong and University of Dhaka University, Rajshahi University, Kushtia University, Khulna University and Comilla University. Dr. Ahmed Achieved various award from Bangladesh, India and England. He get merit scholarship on SSC, HSC, B.Com and M.Com examination and Indian Government scholarship and Commonwealth fellowship from England. During his profession he visit various countries Like UK, France, Netherlands, Germany, Belgium, Denmark, Austria ,Italy ,India, UAE, Saudi Arabia, Malaysia, Srilanka and Nepal.



Professor Dr. Sultan Ahmed
Independent Director



Profile of the Directors



Dr. Sheikh Md. Shafiu Azam Independent Director

Dr Sheikh Mohammed Shafiu Azam was born in a well known Muslim family in a village of Urkirchar, Raozan on 5th September ,1958. He obtained MBBS degree from Chittagong Medical College, C.U. in 1990. After passing MBBS, he joined Chittagong Medical College Hospital (CMCH) and worked there as Medical Officer in different departments. He also passed LLB from Chittagong University in 1983, MSS (Sociology) from Chittagong University in 1984 and M.Sc(Food & Nutrition) in 1992 from Dhaka University. Dr Sheikh Shafiu Azam has passed the Bar Vocational Examination in 1988 and is a member of Bangladesh Bar Council, Chittagong. In 1997, he completed FRSH(Accredited) from Royal Society Hospital London, FCCP(Chest Disease Internal Medicine) from American College of Chest Physician(USA) in 2006, FMD(Family Medicine) from USTC in 2007 and FCGP(Post Graduate Diploma in Medicine) From Bangladesh College of General Practitioners.

He is a Freedom Fighter and from His student life he was involved in Political Activities and hold several posts like Executive Member of Bangladesh Chhatro League (BSL), Central Committee (Jalal-Jahangir Committee), President-Bangladesh Chhatro League, Ctg. North District, President- Bangladesh Chhatro League, Ctg Medical College Branch. He was also the Organising Secretary of Bangladesh Awami League, Ctg.

North District for a long period of time and President of Bangladesh Medical Association (B MA),Ctg . Currently he holds many positions including Vice President, Bangladesh

Medical Association (BMA), Central Committee, Managing Board Member-Bangladesh Red Crescent Society, Chairman (Acting) Bangladesh Red Crescent Society, Ctg District unit, President- Swadhinata Chikitshok Parishad (SWACHIP), Ctg & Managing Board Member, Chittagong WASA.

During his long career in medical service, he gathered vast knowledge and experience on hospital industry. Dr. Sheikh Mohammed Shafiu Azam has also been associated with different welfare organizations by his active participation and generous donations and is the Director of Ekushey Hospitals PVT Limited & Sheba Hospital PVT Limited. He travelled many countries of Asia, Europe and America attending several international conferences and seminars on Medical Science and Social Welfare Programmes.

He Achieved many Awards including UNESCO GOLD MEDAL for the Contribution in the field of Medical Science for the year 2010, Gold Medal from Bangabandhu Academy, Dhaka, Life time Achievement Award from SAARC CULTUREAL FORUM and Achievement Letter from Bangabandhu Sk. Mujib Memorial Trust for conducting free Health Camp in different Upazilla of Chittagong in Bangladesh. In short, Dr.Sheikh Mohammed Shafiu Azam is a renowned Doctor, Social Worker & Political leader of Bangladesh.

Profile of the Directors



Md. Abul Hossain
Director (ICB Nominated)

Md. Abul Hossain has joined as Managing Director of Investment Corporation of Bangladesh (ICB) on 21 August, 2019. He started his career as a System Analyst/Senior Principal Officer in ICB on 19-02-1998 and served different position in the same organization. Before his joining he acted as Managing Director at Karmasangsthan Bank (KB), During his service life, he served different Banks and Financial Institutions. He served as Managing Director (Additional Charge) and Deputy Managing Director at Bangladesh Krishi Bank (BKB). In addition to that Md. Abul Hossain served as System Manager/Deputy General Manager and General manager at Investment Corporation of Bangladesh (ICB). He completed his B.Sc (Hon's) and M.Sc degree in Statistics from Jahangirnagar University.

He has over 29 years of diversified experience in investment banking, specialized and commercial banking, Islamic banking, Asset management and ICT works. He were always instilled by the changed and research oriented, dynamic management that focused innovations, creativity and organizational increased efficiency and effectiveness, resulted in higher value addition to the organizational, stakeholders and the society as well.

During the long journey, he served 16 (sixteen) organizations with different capacities. He served as a chairman of 03 (three) organizations before of which two are the subsidiaries of ICB (ICB Asset Management Company Limited & ICB Securities Trading Company Limited) and the others is Aziz Pipes Limited. In addition to this, he served as a Director to a number of

organizations like Islami Bank Bangladesh Limited, The Farmers Bank Limited (Now Padma Bank), Nitol Insurance Company Limited, AllTex Industries Limited, ICB Securities Trading Company Limited, Aramit Limited, Kay & Que (Bangladesh) Limited, Business Automation Limited, DNS Satcomm Limited and Upload Yourself Systems Limited.

He has been contributing his professional expertise as the Chairman of ICB Capital Management Ltd. Apart from that he is now serving as the Director of British American Tobacco Bangladesh Co. Ltd. (BATBC), Linde Bangladesh Limited, GlaxoSmithKline Bangladesh Ltd. (GSK), Renata Limited, Bangladesh Krishi Gobeshona Endowment Trust (BKGET), Credit Rating Information and Services Ltd. (CRISL), Standard Bank Limited, National Tea Company Limited(NTC), Apex Tannery Limited, Central Depository Bangladesh Ltd. (CDBL), United Power Generation & Distribution Company Limited(UPGDCL), Aramit Limited, Industrial Infrastructure Development & Finance Company Limited(IIDFC), Bangladesh Institute of Capital Market(BICM), Apex Footwear Limited, Aramit Thai Aluminum Limited, The Peninsula Chittagong Limited, Lafarge Surma Cement Limited, Standard Bank Securities Limited, SBL Capital Management Limited, Ratanpur Steel Re-rolling Mills Limited(RSRM), Heidelberg Cement Bangladesh Limited, Padma Bank Limited and some other Directorships.



Chairman's Letter to the Shareholders

Dear Shareholders,

Assalamu Aalykum

I hope this letter finds you and your families safe and in good health. It goes without saying that we have gone through extraordinary times and faced challenges we could never fathom. Our heart goes out to everyone affected by COVID-19 and our enormous gratitude to the COVID-19 frontline workers from medical field to law enforcement department. We are ever so grateful to the government of Bangladesh lead by our Honorable Prime Minister for successfully tackling the pandemic and getting the country back on its track.

As our lives are getting back to somewhat normalcy in recent months, we are still recovering from the after-effect of the pandemic. These difficult times have taught us to be more agile, strategic, and cautious on how we function as a team. Just as last year, we are happy to inform you that we have managed to keep our employees and our customers safe during the worst time of pandemic with strong health and safety protocols and measures. We always prioritize the health and safety of our employees, their families and our customers.

Thanks to the dedication, courage and perseverance of our employees faced during the Corona Virus Pandemic, the Peninsula Chittagong continued to provide excellent services to our customers without compromising on health and safety issues. Furthermore, due to quick and pragmatic decision from our board of directors and management we have achieved net revenue of TK. 254,200,403 and managed to reduce overall expenses which resulted in better than expected profit margin of TK.48,746,486.

We are pleased to share our financial report for the year ending 2021. Even under the lockdown and Covid-19 Pandemic we have increased profit after tax by more than 650% in 2020 compared to previous year. We focused mainly on our newly launched outlets and successfully operated other outlets from rooms division, banquet to food & beverage sales under strict colts control and much leaner manpower maintains safety standards to achieve this remarkable revenue and profit margin in this trying time.

As we the world is opening and travel restrictions are lifted, we are experiencing a surge in business travelers and airline crew visiting Chittagong. At the same time economic activities related to Chittagong Port, Economic Zones, large infrastructure projects have restarted. These positive changes will be reflected in this fiscal year as well as following year. Our new outlets: Saint's Café, Ozone Lounge and Sirius Dining are fully operational and as promised, all outlets have performed excellently contributing large amount of revenue to the company. We are also planning to open up a brand-new fitness center which will be five times larger than the previous one with modern equipment. At the same time, we will open a new spa and salon on the wellness floor.

The new Peninsula Airport Garden Hotel at Patenga, Chittagong structure has been completed and we hope to complete the project and start our operation by December 2022. We are eagerly awaiting the launching of this property as we firmly believe that it will be a game changer where we hope to gain larger market share through unique design, space and location of the property.

Even in such difficult times we have tried our best to uphold our commitment to our shareholders, customers, employees and to the community with ethical and legal business practices, human rights and sustainable growth. Under the new normal life we plan to continue to do our business and provide the excellent service with increased attention to health and safety of all employees and customers. We wish you a good and healthy year ahead and hope that we will all get back to our normal life in 2022.

Mahboob ur Rahman
Chairman





Managing Director's Letter to the Shareholders

Respected Shareholders, Ladies and gentlemen

Assalamu Alykum.

Over the last 16 years, The Peninsula Chittagong Limited has offered best in-class, fully serviced hotels that are backed by the highest standards of service excellence and, thus, created memorable hotels experiences for its members. It gives me immense pleasure to share with you that your Company achieved two important milestones during the year.

Bangladesh witnessed a significant slowdown in economic activity during the year. The growth outlook for 2020-2021 remains even more subdued due to the COVID-19 crisis. Although a sharp turnaround is expected when the restrictions on economic activity are lifted, there is considerable uncertainty around the timeline for normalcy and the extent of impact. But our Company's financial performance during the year was also creditable. Our Turnover Tk. 25.20 Crore, Gross Profit Tk. 10.03 Crore, and Profit from Operation Tk. 5.79 Crore, Net Profit before Tax Tk. 6.30 Crore, and Net Profit after Tax Tk. 4.87 Crore, EPS 0.41 due to effective Cost Control measures and good governance of Management and HOD's

The COVID-19 pandemic is causing tremendous disruption, exposing economies and businesses to levels of uncertainty that make it difficult to assess the eventual impact or to chalk-out the timeline for normalcy. However, what is clear is that businesses today face enormous risks, affecting immediate Day-to-day operations as well as longer term planning and strategy

TPCL has taken a holistic approach to mitigate these risks. The Company is using best-in-class technology to interact within the organization, ensure business continuity under lockdown as well as align business processes to remotely service and acquire customers through digital interventions. Measures that ensure readiness to resume operations at hotels when

restrictions were lifted. The Company is also gearing itself to possible changes in travel preferences: now greater demands are for domestic holidays, especially those with shorter, drivable distances; minimize physical contact; best in class safety and hygiene protocols and preference for outdoor activities with physical distancing types features will be seen more and will be expectations from a post-COVID world guest.

Mustafa Tahseen Arshad
Managing Director





Audit Committee Report

The Board of Directors of 'The Peninsula Chittagong Limited' has constituted an Audit Committee as per Bangladesh Securities and Exchange Commission's (BSEC) guidelines which is appended at the Compliance Report enclosed with the Directors' Report. The Committee consists of Professor Dr. Sultan Ahmed, Dr. Sheikh Mohammed Shafiu Azam, Mrs. Bilkis Arshad, Mr. Mohammad Nurul Azim. Mr. Professor Dr. Sultan Ahmed is an Independent Director and also the Chairman of the Committee. Mr. Mohammad Nurul Azim, Company Secretary, is also the Secretary of the Audit Committee. The Audit Committee is appointed by the main Board. All members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee.

Purpose of Audit Committee

The role of the Audit Committee is to scrutinize and monitor the authenticity of the financial statements of the Company and review and, where appropriate, make recommendations to the main Board as per Terms of Reference given by the Board. The Audit Committee review on business risks, internal controls and compliances.

The Committee satisfies itself, by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the company's business is conducted in a proper and economically sound manner. The key responsibilities of the Audit Committee include:

- Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, Standard Operating Procedure (SOP) and principles defined by the Company.
- Exercise its oversight of Internal Audit. Review the effectiveness of Internal Audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of Audit action plans.
- Oversee hiring and performance of external auditors.
- Other matters as per Terms of Reference of the Audit Committee.

Authority

The Audit Committee is authorized by the Board to review

any activity within the business as per its Terms of Reference. It is authorized to seek any information it requires from, and require the attendance at any of its meetings of, any Director or member of management, and all employees are expected to co-operate with any request made by the Committee.

The Committee is also authorized to refer any matter to the Board.

Meeting Attendance

The Audit Committee met four times during the year 2021. The details of attendance of each member at the Audit Committee meetings during 2020-2021 are as follows:

No. of Meeting of Audit Committee	Attended
Professor Dr. Sultan Ahmed (Independent director), Chairman	1/4
Professor Dr. Md. Fashiul Alam (Independent director), Chairman (Retired from the committee)	3/4
Dr. Sheikh Mohammed Shafiu Azam Member	4/4
Mrs. Bilkis Arshad, Member	2/4
Mr. Mohammad Nurul Azim Member Secretary	4/4

The Audit Committee Meeting is attended by Chief Financial Officer, Head of Internal Audit as permanent invitees and all the above Members of the Audit Committee appointed by the Board. From time to time, the Managing Director also joins the Meeting.

Summary of Activities 2021

In 2021, the Audit Committee reviewed its Terms of Reference in line with requirements of BSEC notification on Corporate Governance. The Committee carried out its duties in accordance with the Terms of Reference of the Audit Committee.

1. Internal Control and Business Risk management

The Board has established a process designed to provide reasonable assurance by the Management regarding the achievement of objectives relating to effectiveness and efficiency of operations, reliability of the information and reporting, compliance with applicable laws, regulation and policy, procedures and safeguarding company assets. The internal control system of the company has been working through five components.

To further strengthen the controls, the company has introduced and consistently complying the following international standards and guidelines –





- ❑ Laws and regulations relating to business and internal policies / guidelines have been complied with.
- ❑ Financial Statements for the year ended 30 June 2021 contained full disclosures and these are prepared in accordance with international Accounting Standards (IAS) and international –financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh.
- ❑ Appropriate Management Information Systems (MIS) are in place and in effect.
- ❑ Existing risk management procedures are effective to capture and mitigate risk.
- ❑ Adequate internal control systems are put in place to detect, correct and prevent fraud and errors on timely manner.
- ❑ The Committee considered the recommendations made by the statutory and internal auditors of the Company in their respective reports.

Business Risk Management is an ongoing process in The Peninsula Chittagong Limited where strategic business units identify the risk, recognize risk factors, review and evaluate risks to the achievement of business objectives.

The Managing Director has to satisfy the Board adequacy on assigned Business Risk Management and Internal Control Process. Internal Audit is dedicated in a pivotal role into Risk Management Process. As such, Risk Management and Internal Audit department conducts yearly review focusing on to the risk indicators, where a detailed risk map is prepared.

Audit Committee and Managing Director review this risk map periodically.

2. Internal Audit

Audit activities play an essential and useful role in the conduct of successful operations. These activities serve to examine and evaluate financial, administrative and operational activities of the company, supplying management personnel at all levels with information to assist in their control of the assets and operations and their attainment of objectives for which they are responsible.

The internal audit activity is established to provide independent, objective assurance and consulting services designed to add value and improve the company's operation. It helps the SBU's achieving its objective by bringing a systematic, disciplined approach to evaluate risk management, control and governance process. It performs ongoing evaluations of internal controls, advises the audit committee, management and the statutory auditors of the result of their evaluations and makes recommendation to improve risk management, control

and governance process. A comprehensive internal audit plan is prepared on yearly basis and Internal Audit activity is always conducted with the highest standards of business ethics, integrity and honest dealings in all areas and functions within the company and with all outside stakeholders. Internal Audit mainly concentrates on risk-based audit approach, and that allows Internal Audit to provide assurance to the Board that risk management processes are managing risk effectively, in relation to the risk appetite.

Statutory Auditor

M/S. Hoda Vasi Chowdhury, Chartered Accountants shall retire in 19th AGM, being eligible, M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants offered themselves for appointment and the Board also recommended to appointing M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants for the year 2021-2022. Remuneration of the auditor will be fixed by the shareholders at this Annual General Meeting.

Financial Management

The –financial management/activities of the Company are running under the supervision head of –finance & Accounts of the Company. The Audit Committee has satisfied itself that the Appropriate expertise and knowledge to ful–fill his role efficiently.

Annual Financial Statements

The Committee has tabled the fi–nancial statements for approval by the Board. The Board has subsequently approved the fi–nancial statements which will be opened for discussion at the Forthcoming annual general meeting.

Appreciation

The Audit Committee expressed their sincere thanks to the members of the Board, Management and the statutory auditors for their support in carrying out its duties and responsibilities effectively.

Professor Dr. Sultan Ahmed

Chairman of the Audit Committee
The Peninsula Chittagong Limited





Directors' Reports

TO THE SHAREHOLDERS OF THE PENINSULA CHITTAGONG LIMITED

FOR THE YEAR ENDED JUNE 30, 2021

Welcoming Shareholders,

Assalamu Alaikum

The Directors have pleasure in presenting the 19th Annual General Meeting of our company together with its Audited financial statement for the financial year ended June 30, 2021. It is a great pleasure and privilege on the part of the Board of Directors of The Peninsula Chittagong Limited to welcome you all to this occasion of the 19th Annual General Meeting of the Company and to place before you the Annual Report together with the Audited Financial Statements and the Auditors' Report thereon for the year ended 30 June 2021.

Industry outlook & possible future developments:

Peninsula commenced operation on 17 February, 2006 and is the only four- star luxury business Hotel in Chittagong, Bangladesh. It is located in the heart of prestigious GEC circle of the port city. The Peninsula Chittagong provides the highest benchmark for the Hotels of Chittagong & Bangladesh, combining western sophistication and Chittagonian hospitality in a scenic but convenient location.

The travel and tourism sector worldwide will be affected, and Bangladesh will not be an exception. However, it is reasonable to expect that the occupancies at Hotels will begin to improve through its loyal member base, once the travel restrictions are eased off. New member additions will be dependent on consumer sentiment which should gradually improve post the lockdown restrictions getting lifted and resumption of general economic activity in post COVID phase. Although a sharp turnaround is expected when the restrictions on economic activity are lifted, there is considerable uncertainty around the timeline for normalcy and the extent of impact.

Segment-wise or Product wise performance

Particulars	Taka (2020-2021)	Taka (2019-2020)
Rooms	10,85,90,477	11,86,61,604
Food & Beverages	14,00,63,934	15,22,55,181
Minor Operating Departments	44,29,363	1,07,91,320
Space Rental	11,16,629	10,73,385
Total	25,42,00,403	28,27,81,490

Risks and concerns

The detail of risks and concerns of the Company is discussed in Managing Risks in this annual report.

The company has established an effective compliance mechanism to mitigate the risk and will be reviewed by the Board. The company has identified various risks and also has mitigation plans for each risk identified and reviewed. Risk management at TPCL is concerned with earning competitive returns from the company's various business activities at acceptable risk level. It support company's competitiveness by developing a culture, practice and structure that systematically recognizes and addresses future opportunities whilst managing adverse effects (i.e. threats) through recognizing risk and acting appropriately upon it. The Company has well defined risk management manual and processes to mitigate strategic and enterprise level risks.

Business risks refer to the impact that the country's industrial policy can have on the performance of a specific industry. Increased competition from foreign and domestic sources can lead to lower prices, revenues, profit margins, market share etc. which can adversely affect the business.





Discussion on Cost of Sales, Gross Profit Margin and Net Profit Margin

Particulars	Taka (2020-2021)	Taka (2019-2020)
Revenue	25,42,00,403	282781,490
Cost of Sales	(15,38,58,981)	(20,45,99,341)
Gross Profit/ (Loss)	10,03,41,422	7,81,82,148
Operating Profit	5,79,76,697	1,92,36,669
Net Profit after Tax	4,87,46,486	65,06,542
Gross Profit ratio	39.47%	27.65%
Net Operating Profit ratio	22.81%	6.80%
Net Profit ratio	19.18%	2.30%

*comparative figures have been restated to give the effected in deferred tax due to change in tax base of property, plant and equipment.

Continuity of Extra-Ordinary Gain or Loss:

During the year, the company earned Tk. 3,90,00,571/- as interest income by depositing into bank.

Basis for related party transactions

The detail list of the related parties with whom transactions have been taken place and their relationship as identified and certified by management is disclosed in related party disclosures under IAS-24 this annual report.

Statement of Utilization of Proceed

The Peninsula Chittagong Limited issue 55,000,000 number of shares by IPO in the year 2014. Hence, total 55,000,000 numbers of ordinary shares of Taka 10 each at a offer price taka 30/- including premium of Tk.20/- per share was increased in the paid up capital due to IPO. Total IPO proceeds of Taka 1,650,000,000.

Balance IPO proceeds amounting to Taka 51,75,27,374/- remain unutilized as on 30 June 2021.

Significant variance between Quarterly Report and Audited Financial Statement

That, the Company prepared and submitted quarterly report as per applicable rules and regulations and there were no significant differences between quarterly report and annual audited financial statements.

Director Remuneration

During the year under review, Managing Director, Chairman and Executive director are not drawing for the remuneration. The company has not paid remuneration to them. The Director of The Company were paid taka 2500/- per meeting as fee for attending board meetings during the year. Details of Director Remuneration paid during the period are as follows:

Name	Designation	Board Meeting
Mr. Mahboob Ur Rahman	Chairman	17,500
Mr. Mustafa Tahseen Arshad	Managing Director	17,500
Mrs. Ayesha Sultana	Director	15,000
Mrs. Bilkis Arshad	Director	17,500
*Dr. Md. Fashiul Alam	Independent Director	10,000
Dr. Sheikh Md. Shafiul Azam	Independent Director	17,500
Mr. Md. Abul Hossain	Nominated Director	17,500
*Professor Dr. Sultan Ahmed	Independent Director	2,500
Total		1,15,000

*Dr Md. Fashiul Alam Retired in the from The post of independent director due to finished his tenure and Professor Dr. Sultan Ahmed joint in 08/03/2021 in the pleace of Dr.Md Fashiul Alam.

Financial reporting standards/ Directors Declaration as to Statutory Information

In connection with preparation and presentation of the financial statements, the Directors also report that:

- The financial statements prepared by the management of Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.





- b. Proper books of accounts of the Company have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts of the Company's ability to continue as a going Concern.
- g. The significant Deviations from the last year's operating results of the Company have been highlighted in the report and reasons thereof have been explained.

A statement that minority shareholders have been protected from abusive actions By, or in the interest of, controlling shareholders acting either directly or indirectly And have

effective means of redress:

As a Public Limited Company, it does have to comply with the Corporate Governance Code guided by Bangladesh Securities and Exchange Commission. In this respect, our aim to meet best practice and the highest standards of Corporate Governance; the board is committed to complying with this Code and applicable provisions of the laws.

We are fully committed to the fair and equal treatment to all kind of shareholders we deal with it is because we see diversity as an asset that helps deliver our vision of a service that meets the needs of all our customers and stakeholders. Throughout our visionary and missionary process, we make every effort to ensure that minority shareholders are fairly treated focusing their influence and interest for the company. We are always active to create a culture so that the minority shareholders shall have the right to propose items in the agenda of the General Meeting, provided that the items in the agenda are for genuine business purposes. The minority shareholders have access to any and all information relating to matters for which the management is accountable for and should disclose to the shareholders. All these activities are taken for ensuring the lawful interest of minority shareholders along with ensuring their compensation as per the requirement.

Key Operating and Financial data of preceding Five years

Particulars	Taka (2020-2021)	Taka (2019-2020)	Taka (2018-2019)	Taka (2017-2018)	Taka (2016-2017)
Authorized Capital	3,00,00,00,000	3,00,00,00,000	3,00,00,00,000	3,00,00,00,000	3,00,00,00,000
Paid Up Capital	1,18,66,68,000	1,18,66,68,000	1,18,66,68,000	1,18,66,68,000	1,18,66,68,000
Total Shareholders' Equity	3,59,28,06,152	3,662,726,466	3,753,635,837	*3,709,412,728	3,640,884,829
Net Asset Value Per Share	30.28	30.87	31.63	*31.26	30.68
Earnings per Share	0.41	0.05	0.87	*0.56	0.53
Operating Cash Flow Per Share	0.93	0.69	0.69	0.85	0.74

Particulars	Taka (2020-2021)	Taka (2019-2020)	Taka (2018-2019)	Taka (2017-2018)	Taka (2016-2017)
Revenue	25,42,00,403	28,27,81,490	316,142,601	264,285,245	268,789,109
Vat Expense	-	-	-	-	(30,652,108)
Cost of Sales	(15,38,58,981)	(204,599,342)	(184,132,085)	(189,133,140)	(172,253,226)
Gross Profit/ (Loss)	10,03,41,422	78,182,148	132,010,516	75,152,105	65,883,775
Administrative Expenses	(4,14,57,010)	(58,505,795)	(59,652,112)	(54,204,699)	(50,912,458)
Selling & Distribution Expenses	(9,07,715)	(439,684)	(820,858)	(940,120)	(1,130,026)
Operating Profit	5,79,76,697	19,236,669	71,537,546	20,007,286	13,841,291
Financial Expenses	(3,92,43,757)	(33,652,179)	(15,042,044)	(7,028,997)	(16,661,887)
Other Income	3,90,00,571	56,252,888	82,046,886	93,641,248	92,514,147
Non-Operating Income/(loss)	86,07,973	(39,63,875)	1,225,776	(1,780,082)	1,729,404





Workers Profit Participation Fund (WPPF)	(33,17,074)	(1,893,675)	(6,988,408)	(5,241,973)	(4,571,148)
Net Profit before Tax	6,30,24,410	35,979,828	132,779,756	99,597,482	86,851,807
Provision for Tax	(1,42,77,924)	(29,473,286)	(29,223,247)	*(33,004,806)	(24,526,170)
Net Profit after Tax	4,87,46,486	6,506,542	103,556,509	*66,592,676	62,325,637

*To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/ reclassified wherever considered necessary to conform to current period's presentation.

Financial results and appropriations

for the year 2020-2021 and recommend the following appropriations:

The Directors are pleased to report the financial results

Particulars	Taka (2020-2021)	Taka (2019-2020)
Net Profit before Tax	6,30,24,410	35,979,828
Net Profit after Tax	4,87,46,486	6,506,542
Add: Un-appropriated profit brought forward	19,66,86,340	27,91,79,898
Profit available for distribution	24,54,32,826	28,56,86,440
Less: Appropriation of Dividend	11,86,66,800	8,90,00,100
Un-appropriated profit	12,67,66,026	19,66,86,340
Earnings per Share	0.41	0.05
Operating Cash Flow Per Share	0.93	0.69

Dividend

The Board of Directors of the Company is pleased to recommend dividend @10 percent in cash for the year 2020-2021. The Company paid dividend @ 10 percent in cash for the year 2019-2020 also. History of dividend payment for the last Five years is as follows:

Years	Dividend Payout (%)
2016-2017	5% Cash
2017-2018	5% Cash
2018-2019	7.50% Cash
2019-2020	10% Cash
2020-2021	10 % Cash (Proposed)

Attendance status of Directors in Board Meetings

During the year ended 30 June 2021, Six (06) board meetings were held. The attendance status of all the meetings are as follows:

Name of the Director	Position	Meetings Held	Attendance
Mr. Mahboob Ur Rahman	Chairman	06	06
Mr. Mustafa Tahseen Arshad	Managing Director	06	06
Mrs. Ayesha Sultana	Director	06	05
Mrs. Bilkis Arshad	Director	06	06
Dr. Md. Fashiul Alam	Independent Director	06	03
Dr. Sheikh Md. Shafiul Azam	Independent Director	06	06
Dr. Sultan Ahmed	Independent Director	06	01
Mr. Md Abul Hossain	Nominated Director	06	06

Pattern of Shareholding

Name of Shareholder	Designation	2020-2021		2019-2020	
		No. of Share	%	No. of Share	%
Mr. Mustafa Tahseen Arshad	Managing Director	14,620,032	12.32	14,620,032	12.32
Mr. Mahboob- Ur- Rahman	Chairman	3,675,840	3.10	3,545,840	2.99
Mrs. Ayesha Sultana	Director	5,873,344	4.95	5,673,344	4.78



Mrs. Bilkis Arshad	Director	9,137,520	7.70	9,137,520	7.70
Engineer Mosharraf Hossain	Sponsor	8,660,016	7.30	8,360,016	7.04
Mr. Aminur Rahman	Sponsor	3,045,840	2.57	3,045,840	2.57
Mrs. Mirka Rahman	Sponsor	3,045,840	2.57	3,045,840	2.57
ICB (Mr. Md. Abul Hossain)	Director (ICB Nominated)	6,449,447	5.43	6,449,447	5.43
Professor Dr. Md. Fashiul Alam	Independent Director	Nil		Nil	
Dr. Sheikh Mohammed Shafiul Azam	Independent Director	Nil		Nil	
Dr. Sultan Ahmed	Independent Director	Nil		Nil	
GasMin Limited	Shareholder	15,00,000	1.26	15,00,000	1.00

Shareholding Ten Percent (10%) or more voting interest

Name of Shareholders who hold 10% or more shares is Mr. Mustafa Tahseen Arshad; Managing Director of the company holds number of shares 14,620,032/- and percentage of share is 12.32%.

Appointment/Re-appointment of Director

As per the Company's Articles of Association in the BoD of

the meeting decided about the retired & re-appointed of Mr. Mahboob- Ur- Rahman, and Mrs. Bilkis Arshad from the post of Chairman and Director respectively as per Article & Association will retire by rotation from the directors and being eligible for re-elected unanimously at 19th AGM. Their brief resume and other information are appended in the Director Profile of the report.

Shares held by Director, Chief Executive Officer, Company Secretary, Head of Internal Audit and Their Spouse:

Name of Shareholder	Designation	2020-2021		2019-2020	
		No. of Share	%	No. of Share	%
Mr. Mustafa Tahseen Arshad	Managing Director	14,620,032	12.32	14,620,032	12.32
Mr. Mahboob- Ur- Rahman	Chairman	3,675,840	3.10	3,545,840	2.99
Mrs. Ayesha Sultana	Director	5,873,344	4.95	5,673,344	4.78
Mrs. Bilkis Arshad	Director	9,137,520	7.70	9,137,520	7.70
ICB (Mr. Md Abul Hossain)	Director (ICB Nominated)	6,449,447	5.43	6,449,447	5.43
Professor Dr. Md. Fashiul Alam	Independent Director	Nil		Nil	
Dr. Sheikh Mohammed Shafiul Azam	Independent Director	Nil		Nil	
Dr. Sultan Ahmed	Independent Director	Nil		Nil	
Mohammed Nurul Azim	Company Secretary	Nil		Nil	
Mohammad Nurul Haider	Head of Internal Audit	Nil		Nil	
Mr. Md.Shamsul Arefin Maruf	CFO	Nil		Nil	

Nomination and Remuneration Committee (NRC)

Mohammad Nurul Azim acts as the secretary of NRC. In 2021 one NRC meeting held.

Name of the Member Number of Meeting attended:

Dr. Sheikh Mohammed Shafiul Azam- Chairman
 Professor Dr. Sultan Ahmed - Member
 Mrs. Bilkis Arshad -Member
 Mr. Mohammed Nurul Azim- Member Secretary

The NRC noted the remuneration governance ensuring the standards and compliance accordingly. The activities of NRC

during the year were as follows:

1. Recommend To appointment new member Professor Dr. Sultan Ahmed - Member
2. Consider the terms of reference of energy as a group by the board of director
3. Formulate a policy relating to the remuneration of the director and top level executive of the company
4. Formulate the criteria for determining qualification positive attributes and independence of the director and top executive





5. Formulate the criteria for evaluation of performance of independent directors and the board
6. Developing recommending and reviewing annually the company's human resources and training policies
7. Adopt a code of conduct for chairman directors and top executive of the company
8. Yearly review of all employees' salary and 5% increment.

The Chairperson of the NRC Dr. Sheikh Mohammed Shafiul Azam, (Independent director) was present in the 18th AGM held on 14 December 2020 and gave his valued speech. Since the shareholders attended in that meeting did not raise any specific question to him he was not required to reply to any query.

Share Capital

Authorized capital and paid up capital of the Company stood at Tk.300.00 crore and Tk. 118.66 crore respectively in 2021.

Fixed assets additions

During the year 2020-2021 total additions to the fixed assets was Taka 2,51,63,29,861/- and additional Taka 7,18,60,186/-.

Reserve and surplus

Retained earnings of the Company in 2020-2021 stood at Taka 12,67,66,026/- against Taka 19,66,86,340/- in 2019-2020. Revaluation Surplus Taka 1,228,413,842/-.

Statutory Auditors

M/S. Hoda Vasi Chowdhury, Chartered Accountants shall retire in 19th AGM, being eligible, M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants offered themselves for appointment and the Board also recommended to re-appointing M/S. Hoda Vasi Chowdhury & Co, Chartered Accountants for the year 2021-2022. Remuneration of the auditor will be fixed by the shareholders at this Annual General Meeting.

Internal control

The Board has the ultimate responsibility of establishing

effective systems of internal control. To ensure the internal control regarding risk management, financial control and compliance legislation, the Company follows the principle of decentralization. It has been designed to manage the risk of failure to achieve the objectives of the Company. The Company has established internal audit department and appointed Head of internal Audit to ensure internal control and compliances in place.

The scope of Internal Control over Financial Reporting (ICFR) includes Company Level Control (CLC-Policies & Manuals) along with General Computer Control (GCC) and Transactional Controls to ascertain operational efficacy, consistent and dependable financial reporting, information security and legal compliance. This reasonable assurance has become even more crucial after being a listed company in the country's Stock Exchanges.

Post balance sheet events

There is no material events occurred after the balance sheet/reporting date, non disclosure of which could affect the ability of the users of these financial statements to make an appropriate evaluation.

Appreciation

The Directors express their deep sense of appreciation for the contribution made by the employee to the significant improvement in the operation of the company. The Board also tanks all the stakeholders including Members, customers, lenders, vendors, investors, governments of Bangladesh for their continued co-operation and support.

The Board would like to take this opportunity to thank the Government bodies, its shareholders, investors, bankers and employees for their continuous commitment, cooperation, confidence and support in achieving the Company's objectives.

Mahboob-Ur-Rahman
Chairman





CORPORATE *Governance* Code





Annexure-A [As per condition No. 1(5) (xxvi)]

The Peninsula Chittagong Ltd

Declaration by CEO and CFO

Date: 25 October 2021

The Board of Directors

The Peninsula Chittagong Ltd

Subject: Declaration on Financial Statements for the year ended on 30 June 2021.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/8 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of The Peninsula Chittagong Limited for the year ended on 30 June 2021 have been prepared in compliance with International Accounting Standards(IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a Prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a System of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related To events or conditions that may cast significant doubt on the Company's ability to Continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 30 June 2021 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's Affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Mustafa Tahseen Arshad
Chief Executive Officer

Md. Shamsul Arefin Maruf
Chief Financial Officer



S AHMED & CO.

Chartered Accountants

Annexure-B

**Certificate as per condition No. 1(5) (xxvii)
Report to the Shareholders of The Peninsula Chittagong Limited
On Compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by The Peninsula Chittagong Limited., for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities & Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as Stipulated in the above mentioned corporate Governance Code issued by the Commission, subject to the remarks and observation as reported in the attached compliance status.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries Bangladesh (ICSB) as required by this code.
- (c) Proper books and records have been kept by the company as required under the Companies Act.1994, the securities laws and other relevant laws: and
- (d) The Governance of the company is satisfactory.

Chattogram, November 2021

Md. Eradat Ullah, FCA

Enrolment No. 692

S. Ahmed & Co.

Chartered Accountants





Annexure-C

As per condition no. 1(5)(xxvii)

Status of the compliance with the conditions imposed by the Notification No. BSEC/CMRRCD/2006-158/207Admin/80, dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969
(report Under Condition No.9)

Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (If any)
		Complied	Not complied	
1	2	3	4	5
1.0	Board of Directors:			
1.1	Size of the Board of Directors: The total number of the Board members of Company's Board of directors (herein after referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The Board of The Peninsula Chittagong Limited (TPCL) is comprised of 07 (Seven) Directors.
1.2	Independent Directors: All companies should have effective representation of independent directors on their Boards, so that the board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the company shall compliance with following:			
1.2 (a)	at least 1/5 of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		TPCL Board comprised of 07 (Seven) Directors out of them 02 (Two) are Independent Directors.
1.2 (b)	For the purpose of this clause "independent director" means director-			
1.2 (b) (i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1.2 (b) (ii)	Who is not sponsor of the Company and is not connected with any sponsor or director or shareholder or nominated shareholder who holds or any associates, sister concerns, subsidiaries and parents or holding entities who holds one percent or more shares of the Company. : Provided that spouse, son, daughter, father, mother, son-in-law and daughter-in law shall be considered as family members;	✓		The Independent directors have declared their compliances.
1.2 (b) (iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		Do
1.2 (b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		Do
1.2 (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
1.2 (b) (vi)	Who is not a shareholder, director excepting independent director or officer of any member stock exchange or TREC holder an intermediary of the capital market;	✓		Do
1.2 (b) (vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	✓		Do
1.2 (b) (viii)	Who shall not be an independent director in more than 5 (five) in listed companies;	✓		Do



Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.2 (b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a non-Bank Financial Institution (NBF)	✓		Do
1.2 (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		Do
1.2 (c)	The independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1.2 (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		There was no such vacancy has occurred during the year.
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		Dr. fashiul Alam Retired from the post & Professor Sultan Ahmed join in 08.03.2021
1.3	Qualification of Independent Director (ID)			
1.3 (a)	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 Qualifications and background of ID justify their abilities.
1.3 (b)	Independent director should have following qualification:			
1.3 (b) (i)	Business Leader who is or was a promotor or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1.3 (b) (ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or company Secretary or Head of Internal Audit and Compliance or Head of Legal service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of 100.00 million or of a listed company; or			N/A
1.3 (b) (iii)	Former official or Government or statutory or autonomous or regulatory body in the position not below 5th grade of the national pay scale, who has at least educational background of bachelor degree in economics or business or Law, or	✓		The Qualifications and background of ID justify their abilities.
1.3 (b) (iv)	University teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1.3 (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or cost and management accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered management Accountant or Chartered Secretary or equivalent qualification.			N/A
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b).	✓		
1.3 (d)	In special cases the above qualifications or experiences may be relaxed subject to prior approval of the commission.	✓		N/A. No such matter arised during the year.





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-			
1.4 (a)	The positions of the chairperson of the board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1.4 (c)	The Chairperson of the board shall be elected from among the non-executive directors of the company;	✓		
1.4 (d)	The board shall clearly define respective rules and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1.4 (e)	In absence of the Chairperson of the Board, the remaining members may elect one of themselves from non executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		No such matter arised during the year.
1.5	The directors report to shareholders: The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act no. XVIII of 1994)			
1.5 (i)	An industry outlook and possible future developments in the industry;	✓		The Directors report represent compliance of this guideline
1.5 (ii)	The segment-wise or product-wise performance	✓		Do
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Do
1.5 (iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Do
1.5 (v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	✓		Do
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, natur of transactions and basis of transactions of all related party transactions;	✓		Do
1.5 (vii)	A statement of Utilization of proceeds raised through public issues, rights issues and/or through any other instruments	✓		Do
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights share Offer, Direct Listing, etc.;	✓		No such matter during the year
1.5 (ix)	An explanation on any significant variance that occurs between quarterly financial performances and annual financial statements;	✓		Do
1.5 (x)	A statement of remuneration paid to the directors including independent directors;	✓		
1.5 (xi)	A statement that the financial statements prepared by the management of the issuer company presents fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5 (xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		
1.5 (xiii)	A statement appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓		
1.5 (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1.5 (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1.5 (xvi)	A statement that minority shareholders have been protective from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1.5 (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	✓		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained.	✓		
1.5 (xix)	A statement where key operating and financial data of at least preceding 5(five) years shall be summarized;	✓		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		Dividend has been declared
1.5 (xxi)	Board statements to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A.
1.5 (xxii)	The total number of board meetings held during the year and attendance by each director;	✓		
1.5 (xiii)	A report on the pattern of shareholding disclosing the aggregated number of shares (along with name-wise details where stated below) held by:-			
1.5 (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1.5 (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name-wise details);	✓		
1.5 (xxiii) (c)	Executives; and	✓		
1.5 (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); Explanation: for the purpose of this clause, the expression "Executive" means top 5(five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	✓		Mr. Mustafa Tahseen Arshad is holding 12.32% shares
1.5 (xxiv)	In case of the appointment or reappointment of a Director, a discloser shall disclose on the following information to the shareholders:			
1.5 (xxiv) (a)	A brief resume of a director;	✓		
1.5 (xxiv) (b)	Nature of his / her expertise in specific functional areas; and	✓		





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5 (xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	✓		
1.5 (xxv)	A management's discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on;			
1.5 (xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓		
1.5 (xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1.5 (xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results on financial position as well as cash flows for current financial year with immediate preceding 5(five) years explaining results thereof;	✓		
1.5 (xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;			Financial Performance of peer company in similar location are not available.
1.5 (xxv) (e)	Briefly explain the financial and economic scenario of the country and globe;	✓		
1.5 (xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1.5 (xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition no.3 (three) shall be disclosed as per annexure-A; and	✓		
1.5 (xxvii)	A report as well as certificate regarding compliance of conditions of this Code as required under condition no.9 shall be disclosed as per Annexure-B and Annexure-c.	✓		
1.6	Meetings of the Board of Directors			
	The company shall conduct its board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a Code of conduct, based on the recommendation of the nomination and remuneration committee (NRC) at condition no.6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the company;	✓		
1.7 (b)	The Code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behaviour, confidentiality, conflict of interest; compliance with laws, rules and regulation; prohibition of insider trading; relationship with environment, employees, customers and suppliers, and independency.	✓		Available in website.





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
2.0 Governance of Board of Directors of subsidiary company:-				
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the board of the subsidiary company;	✓		TPCL does not have any subsidiary company.
2 (b)	at least 1(one) Independent Director on the board of the holding company shall be a director on the board of the subsidiary company;	✓		Do
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following board meeting of the holding company;	✓		Do
2 (d)	The Minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		Do
2 (e)	The Audit Committee of the holding company shall also review the financial statement, in particular investments made by the subsidiary company.	✓		Do
3.0 Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer(CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)				
3.1 Appointment				
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), A Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), A Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3.1 (d)	The Board shall clearly define respective roles, reasonabilities and duties of the CFO, the HIAC and the CS;	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the board as well as immediate dissemination to the commission and stock exchange(s).	✓		
3.2 Requirement to attend Board of Director's meetings				
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the board: Provided that the CS, CFO and/ or the HIAC shall not attend such part of the meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3.3 Duties of Manging Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)				
3.3 (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	✓		
3.3 (a) (i)	These statements do not contain any materially untrue statements or ommit any material fact or contains statements that might be misleading; and	✓		
3.3 (a) (ii)	These statements together present a true and fair view of the companies affairs and are in compliance with existing accounting standards and aplicable laws;	✓		





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Code of conducts for the company's Board or its members;	✓		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the annual report.	✓		
4	Board of Directors Committee:-For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee; and	✓		
4 (ii)	Nomination and remuneration committee	✓		
5	Audit Committee:			
5.1	Responsibilities to the Board of Directors:			
5.1 (a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		In Practice, TOR is available
5.1 (c)	The audit committee shall be responsible to the Board; the duties of the audit committee shall be clearly set forth in writing.	✓		In Practice, The Duties are clearly written in the TOR of the Audit committee
5.2	Constitution of the Audit Committee:			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		The audit committee is comprised of 4 (Four) members
5.2 (b)	The Board shall appoint members of the Audit Committee who shall be Non-Executive Directors of the company excepting Chairperson of the Board and shall include at least 1(one) Independent Director;	✓		List Obtained
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; Explanation: The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	✓		The board have appointed members in due time and no vacancy occurred.





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.2 (e)	The company secretary shall act as the secretary of the Committee;	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) Independent Director.	✓		
5.3	Chairman of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
5.3 (b)	In the absence of the chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition no. 5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓		
5.3 (c)	Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM): provided that in absence of chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the Annual General Meeting (AGM) and reasons for absence of the chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		Present in 18th AGM Held on December 14, 2020
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year; provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the committee;	✓		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit committee, whichever ever is higher, where presence of an Independent Director is a must.	✓		
5.5	Role of Audit Committee: The Audit Committee shall:			
5.5 (a)	Oversee the financial reporting process.	✓		
5.5 (b)	Monitor choice of accounting policies and principles.	✓		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the internal audit and compliance plan and review of the internal audit and compliance report;	✓		
5.5 (d)	Oversee hiring and performance of external auditors.	✓		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	✓		
5.5 (h)	Review the adequacy of internal audit function.	✓		
5.5 (i)	Review the managements discussion and analysis before disclosing in the annual report	✓		





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
5.5 (j)	Review statement of all related party transactions submitted by the management.	✓		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the commission; provided that the management shall disclosed to the Audit Committee about the users or applications of the proceeds by major category (Capital expenditure, Sales and Marketing expenditure, Working Capital etc.), on a quarterly basis, as a part of there quarterly declaration of financial results; provided further that on an annual basis, the company shall prepare statement of the proceeds utilized for the purposes other than those stated in the offered document or prospectus for publication in the annual report along with the comments of the Audit Committee.	✓		Revised utilization plan of IPO fund has been approved by shareholders in EGM held on 02/03/2015, 04/12/2016 & 30/10/2018.
5.6	Reporting of the Audit Committee:			
5.6 (a)	Reporting to the Board of Directors:			
5.6 (a) (i)	The Audit Committee shall report on its activities to the Board.	✓		
5.6 (a) (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5.6 (a) (ii) (a)	Report on conflicts of interests;	✓		"There was no reportable case of conflict of interest matter arised during the year."
5.6 (a) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance Process or in the financial statements;	✓		No such matters has arised during the year
5.6 (a) (ii) (c)	Suspected infringement of laws, regualtory compliances including securities related laws, rules and regulations; and	✓		DO
5.6 (a) (ii) (d)	Any other matter which one Audit Committee deems necessary shall be disclosed to the Board of Directors immediately;	✓		DO
5.6 (b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6(six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5.7	Reporting to the Shareholders and General Investors: report on the activites carried out by the audit Committee, including any report made to the Board under condition no. 5(6)(a)(ii) above during the Audit committee and the annual report of the issuer company.	✓		The Audit committee Report is disclosed in the annual report and signed by the Chairman of the said Committee





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
6	Nomination and Remuneration Committee (NRC):			
6.1	Responsibilities to the Board of Directors			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b)	✓		
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		The NRC is comprised of 4 (Four) members including 2(Two) independent Director.
6.2 (b)	All members of the company shall be non-executive directors;	✓		NRC was formed on 6th september 2018 and all requirements shall be complied with subsequent to the formation of NRC
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		Do
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		Do
6.2 (e)	In case of death, resignation, disqualification or removal of any member of the Committee or in an other cases of vacancies, the board shall fill the vacancy within 180 (one hundred and eighty) days of occurring such vacancy in the Committee;	✓		
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of the staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from the external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than the director's fees or honorarium from the company.	✓		No remuneration received.
6.3	Chairperson of the NRC			
6.3 (a)	The board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		N/A. No such matters has arised during the year





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence in the annual general meeting(AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		Attend at 18th AGM Held on December 14, 2020.
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in the financial year	✓		Held 01 (One) meeting
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.	✓		N/A. No such matters has arised during the year
6.4 (c)	The quorum of the meeting of the NRC shall duly be constituted in presence of either two members of the Committee, whichever is higher, where presence of an independent director is must as required under condition. 6(2)(h);	✓		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6.5	Role of the NRC			
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6.5 (b) (i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy t the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6.5 (b) (i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6.5 (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6.5 (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6.5 (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6.5 (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6.5 (b) (iv)	formulating the crieteria for evaluation of performance in independent directors and the Board;	✓		
6.5 (b) (v)	identefying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6.5 (b) (vi)	developing, recomending and reviewing annually the company's human resources and trainig policies;	✓		
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation crieteria and activities of NRC during the year at a glance in its annual report.	✓		





Condition No.	Title	Compliance status (Put Pin the appropriate column)		Remarks (if any)
		Complied	Not complied	
7	EXTERNAL / STATUTORY AUDITORS: The issuer company should not engage its external / statutory auditors to perform the following services of the company; namely:-			
7.1 (i)	appraisal or valuation or fairness opinions	✓		The Statutory Auditor have declared their Independence Confirmation.
7.1 (ii)	financial information systems design and implementation.	✓		DO
7.1 (iii)	book keeping or other services related to the accounting records and financial statements	✓		DO
7.1 (iv)	broker-dealer services.	✓		DO
7.1 (v)	actuarial services.	✓		DO
7.1 (vi)	internal Audit service or special audit services;	✓		DO
7.1 (vii)	any services that the Audit Committee determines.	✓		DO
7.1 (viii)	audit or certification on services on compliance of corporate governance as required under condition no. 9(1); and	✓		DO
7.1 (ix)	any other services that creates conflict of interest.	✓		DO
7.2	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		The Statutory Auditor have declared their compliances.
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting) to answer the queries of the shareholders.	✓		Present in 18th AGM Held on December 14, 2020.
8	Maintaining a website by the company			
8.1	The company shall have an official website linked with the website of the stock exchange.	✓		
8.2	The company shall keep the website functional from the date of listing.	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE			
9.1	The Company shall obtain a certificate from a practicing Professional Accountant / Secretary (Chartered Accountant / Cost and Management Accountant / Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the annual report. Explanation: "Chartered Accountant" means Chartered Accountant as defined in the Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); "Chartered Certified Secretaries Act, 2010.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		Appointed 18th AGM Held on December 14, 2020.
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2021/198

BAPLC

Date of issue : April 6, 2021

Renewed Certificate

This is to certify that

THE PENINSULA CHITTAGONG LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2021.




Secretary-General



Financial Statements



Hoda Vasi Chowdhury & Co

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To The Shareholders Of The Peninsula Chittagong Limited

Opinion

We have audited the accompanying financial statements of THE PENINSULA CHITTAGONG LIMITED (the Company), which comprise the Statement of Financial Position as at 30 June 2021, the Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, together with the notes numbering 01 to 45 annexed thereto.

In our opinion and to the best of our information and according to explanations given to us, the accompanying Financial Statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the company as at 30 June 2021 and of its financial performance and cash flows for the period from 1 July 2020 to 30 June 2021 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

Basis of opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs) as adopted by the Institute of

Chartered Accountants of Bangladesh (ICAB). Our responsibilities under those standards are further described in "Auditors responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Key Audit Matters

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

SL	Key Audit Matters	How our audit addressed the key audit matter
1.	<p>Revenue</p> <p>Revenue of TK.254,200,404 is recognized in the Statement of Profit or Loss and Other Comprehensive Income of The Peninsula Chittagong Limited for the year ended 30 June 2021. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicator of the company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As described in the accounting policy 3.14 to the financial statements, the company recognizes revenue upon rendering services to the customers/clients as per IFRS 15 – Revenue from Contract with Customers.</p>	<p>In light of the fact that the high degree of complexity we assessed the Company's processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this area, our audit approach included testing of the controls and the substantive audit procedure, including:-</p> <ul style="list-style-type: none"> ○ We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of IFRS 15 – Revenue from Contracts with Customers. ○ We identified and tested controls related to revenue recognition and our audit procedure focused on assessing the invoicing and measurement systems up to entries in the general ledger. Examining customers invoices and receipts of payment on a sample basis.



		<ul style="list-style-type: none"> ○ We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customers' receivable balances at the reporting date, selected on a sample basis by considering the amounts outstanding with those customers. ○ Furthermore, we tested the sales transactions recognized shortly before and after the reporting date, including the sales returns recorded after that date, to examine whether sales transactions were recorded in the correct recording periods.
<p>2.</p>	<p>Inventories</p> <p>Inventories represent about 12.72% of the total revenue of the Company; inventories are thus a material item to the financial statements. Please refer to note 09 to the financial statements.</p> <p>As described in the accounting policy note 3.06 to the financial statements, inventories are valued at the lower of the cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued, and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the Company at the reporting date and complexities involved in the accounting and presentation thereof, inventories has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> ○ Tested the operating effectiveness of key controls over inventories; including observing the process of management's year-end inventory count. ○ Verified a sample of inventory items to ensure that costs have been appropriately recorded. ○ Tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. ○ Assessed whether appropriate provision have been recognized for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories. ○ Performed cut-off tests to determine that the purchase and sales of the inventories have been considered in the correct accounting period. ○ Reviewed the historical accuracy of inventory provision and the level of write downs.
<p>3.</p>	<p>Property Plant and Equipment</p> <p>The company has a large number of Property, Plant and Equipment items. In view of availability of latest machinery due to improve technology, the obsolescence & impairment may be noticed in existing machineries.</p> <p>Management has concluded that there is no impairment in respect of all assets. This conclusion required significant management judgment. Hence we considered this to be key audit matter.</p>	<p>Our audit procedure in this area included, among others;</p> <ul style="list-style-type: none"> ○ Assessing the consistency of methodologies use for depreciating the assets; ○ Checking on a sample basis, the accuracy and relevance of the accounting of PPE by management; and ○ For selected samples, performing physical observation to assess management's determination on whether the equipment is obsolete, and testing the assumptions used in estimating recoverable amount, such as estimated useful life and replacement cost. <p>Examine management's periodic review of Property, Plant and Equipment for determination of impairment and obsolescence.</p>

Amber





<p>4.</p>	<p>Measurement of Deferred Tax</p> <p>The Company recognizes deferred taxes relating to property, plant and equipment, investment in associates and employee benefits (Gratuity), which are very complex in nature.</p> <p>As such accounting for deferred taxes involves management judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision. Hence, we considered this to be a key audit matter.</p>	<p>Our audit procedures in this area included, among others.</p> <ul style="list-style-type: none"> ○ Assessed the design, implementation and operating effectiveness of key controls in respect of the company and the process of recognition of deferred taxes. ○ Using our own tax specialists to evaluate the tax bases and company tax strategy. ○ Assessed the accuracy and completeness of deferred tax, and ○ Evaluating the adequacy of the financial statements disclosures, including disclosures of assumptions, judgments and sensitivities. We involved tax specialists to assess key assumptions, control recognition and measurement of deferred tax liabilities (Assets).
<p>5.</p>	<p>Implementation of IFRS 16 -Leases</p> <p>With reference to Note 3.05 to the financial statements, 'IFRS 16 – Leases' becomes effective for annual reporting beginning on or after 01 July 2019 which replaces the existing standard IAS 17. The Peninsula Chittagong Limited decided to adopt the modified retrospective approach for the transition accounting. The application of the new lease standard resulted in the recognition, for the 01 July 2019 opening balance sheet, of right of use of asset of BDT 75.79 million (net value) and an increase in lease liabilities of BDT 87.45 million, the impact of the adaptation of the new standard is disclosed in Notes 5,16,24 of the notes to the financial statements.</p> <p>We considered the implementation of IFRS 16 Leases as a key audit matter, since the balances recorded are material, management had to apply several judgements and estimates such as lease term, discount rates, measurement basis among others and undertake a significant data extraction exercise to summaries the lease data for input into their lease calculation model.</p>	<p>—We obtained an understanding of the management's process for implementing IFRS 16 including financial controls designed by the management to mitigate the risks assessed by us independently. We tested those relevant controls and adopted a control rely strategy. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> ○ Obtained and read the accounting policy for compliance with IFRS 16. ○ Obtained listing of all contracts from the management and tested the contracts on a sample basis for impact under IFRS 16. In respect of the contracts selected for testing ○ Obtained and read bank borrowing rates correspondences. ○ Tested the assumptions used in the calculation model for the sample contracts selected for testing. ○ Performed test of details on a sample basis on different categories of lease for valuation of the right of use of asset and lease liability. ○ Assessed the disclosures within the financial statements.

Reporting on other information

Other information consists of the information included in the Company's 30 June 2021 year ended Annual Report other than the financial statements and our auditor's report thereon. We obtained the Director's Report, Management Discussion and Analysis, Financial information, and Corporate Governance report prior to the date of our auditor's report, and we expect to obtain the remaining reports of the Annual Report after the date of our auditor's report. Management is responsible for the other information.

Our opinion on the financial statements does not cover

the other information and we do not express any form of assurance conclusion thereon.

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

Based on the work we have performed, we conclude that we have nothing to report in this respect.





Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

(a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) obtain an understanding of internal control relevant to

the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

(c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

We determine those matters, from the matters communicated with those charged with governance that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,





we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

i) we have obtained all the information and explanations which to the best of our knowledge and

belief were necessary for the purposes of our audit and made due verification thereof;

ii) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of these books and;

iii) the statement of financial position and statement of Profit or Loss and Other comprehensive income dealt with by the report are in agreement with the books of account and returns.

iv) the expenditure incurred was for the purposes of the Company's business.

Chattogram, 25 October 2021

For and on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants

Showkat Hossain, FCA

Senior Partner

Enrollment No: 0137

DVC: 2110250137A5936280

National Office: BTMC Bhaban (7th & 8th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka-1215, Bangladesh

Chittagong Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chittagong-4100, Bangladesh






The Peninsula Chittagong Limited
Statement of Financial Position
 As at 30 June 2021

	Note(s)	30 June 2021 Taka	30 June 2020 Taka
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4.00	2,516,329,861	2,477,806,302
Right of use assets	5.00	75,878,598	79,377,134
Capital work in progress	6.00	671,112,034	615,911,576
Intangible assets	7.00	644,979	977,398
Investments	8.00	6,125,000	6,125,000
		3,270,090,472	3,180,197,410
CURRENT ASSETS			
Inventories	9.00	32,330,145	46,633,838
Accounts receivable	10.00	35,335,180	42,366,406
Interest receivable	11.00	5,607,146	4,190,004
Advances, deposits and prepayments	12.00	205,517,752	214,065,716
Short term investments	13.00	55,715,068	49,302,943
Cash and cash equivalents	14.00	553,276,470	606,836,795
		887,781,761	963,395,702
TOTAL ASSETS		4,157,872,233	4,143,593,112
SHAREHOLDERS' EQUITY & LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	15.00	1,186,668,000	1,186,668,000
Retained earnings	16.00	126,766,026	196,686,340
Share premium		1,050,958,284	1,050,958,284
Revaluation surplus	17.00	1,228,413,842	1,228,413,842
		3,592,806,152	3,662,726,466
NON CURRENT LIABILITIES			
Deferred tax liabilities	18.00	47,584,315	41,232,339
Lease Liabilities-non current portion	24.00	80,528,075	79,453,841
		128,112,390	120,686,180
CURRENT LIABILITIES			
Accounts payable	19.00	52,558,902	61,616,994
Short term borrowings	20.00	358,640,598	272,589,899
Provision for income tax	21.00	7,258,256	9,827,814
Unclaimed dividend	22.00	8,224,689	7,297,912
Provision for WPPF and Welfare Fund	23.00	3,317,074	1,893,675
Lease Liabilities-current portion	24.00	6,954,172	6,954,172
		436,953,691	360,180,466
TOTAL LIABILITIES		565,066,081	480,866,646
TOTAL EQUITY AND LIABILITIES		4,157,872,233	4,143,593,112
Contingent Liabilities and Commitments		-	-
Net Asset Value (NAV) Per Share	34.00	30.28	30.87

The annexed notes from 01 to 46 are an integral part of these financial statements.
 These financial statements should be read in conjunction with annexed notes and were approved by the
 Board of Directors on **25.10.2021** and were signed on its behalf by:


 Company Secretary


 Managing Director


 Director



 Chairman

Signed in terms of our separate report of even date annexed

Chattogram, 25 October 2021

For and on behalf of
Hoda Vasi Chowdhury & Co
 Chartered Accountants


 Showkat Hossain, FCA
 Senior Partner
 Enrollment No: 0137
 DVC: 2110250137A5936280






The Peninsula Chittagong Limited
Statement of Profit or Loss and Other Comprehensive Income
 For the year ended 30 June 2021

	Note(s)	30 June 2021 Taka	30 June 2020 Taka
Revenue	25	254,200,403	282,781,490
Cost of sales	26	(153,858,981)	(204,599,342)
Gross profit		100,341,422	78,182,148
Administrative expenses	27	(41,457,010)	(58,505,795)
Selling and distribution expense	28	(907,715)	(439,684)
		(42,364,725)	(58,945,479)
Operating Profit		57,976,697	19,236,669
Finance costs	29	(39,243,757)	(33,652,179)
Finance income	30	39,000,571	56,252,888
Non-operating profit/(loss)	31	8,607,973	(3,963,875)
Profit before tax and WPPF and Welfare Fund		66,341,485	37,873,503
Contribution to WPPF and Welfare Fund	23	(3,317,074)	(1,893,675)
Profit before tax		63,024,411	35,979,828
Income tax expenses:			
Current tax			
Current year	21	(7,925,948)	(9,827,814)
Deferred tax	18	(6,351,976)	(19,645,472)
		(14,277,924)	(29,473,286)
Net profit after tax for the year		48,746,486	6,506,542
Other comprehensive income			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income		48,746,486	6,506,542
Earnings Per Share (Basic)	33	0.41	0.05

The annexed notes from 01 to 46 are an integral part of these financial statements.
 These financial statements should be read in conjunction with annexed notes and were approved by the
 Board of Directors on **25.10.2021** and were signed on its behalf by:



 Company Secretary



 Managing Director



 Director




 Chairman

Signed in terms of our separate report of even date annexed

Chattogram, 25 October 2021

For and on behalf of
Hoda Vasi Chowdhury & Co
 Chartered Accountants


 Showkat Hossain, FCA
 Senior Partner
 Enrollment No: 0137
 DVC: 2110250137A5936280



The Peninsula Chittagong Limited
Statement of Changes In Equity
 For the year ended 30 June 2021

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2019	1,186,668,000	1,050,958,284	1,228,413,842	287,595,711	3,753,635,837
Cash dividend for the year ended 30 June 2019	-	-	-	(89,000,100)	(89,000,100)
Adjustment for adoption of IFRS 16 : Lease	-	-	-	(8,415,813)	(8,415,813)
Net Profit for the year ended 30 June 2020	-	-	-	6,506,542	6,506,542
	-	-	-	(90,909,371)	(90,909,371)
Balance as at 30 June 2020	1,186,668,000	1,050,958,284	1,228,413,842	196,686,340	3,662,726,466
Balance as on 01 July 2020	1,186,668,000	1,050,958,284	1,228,413,842	196,686,340	3,662,726,466
Cash dividend for the year ended 30 June 2020	-	-	-	(118,666,800)	(118,666,800)
Net Profit for the year ended 30 June 2021	-	-	-	48,746,486	48,746,486
	-	-	-	(69,920,314)	(69,920,314)
Balance as at 30 June 2021	1,186,668,000	1,050,958,284	1,228,413,842	126,766,026	3,592,806,152

The annexed notes from 01 to 46 are an integral part of these financial statements.
 These financial statements should be read in conjunction with annexed notes and were approved by the
 Board of Directors on **25.10.2021** and were signed on its behalf by:

Company Secretary

Managing Director

Director

Chairman

Signed in terms of our separate report of even date annexed

Chattogram, 25 October 2021

For and on behalf of
Hoda Vasi Chowdhury & Co
 Chartered Accountants

Showkat Hossain, FCA
 Senior Partner
 Enrollment No: 0137
 DVC: 2110250137A5936280






The Peninsula Chittagong Limited
Statement of Cash Flows
For the year ended 30 June 2021

	Note(s)	30 June 2021 Taka	30 June 2020 Taka
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers against revenue	46.01	261,297,211	285,933,019
Receipts from other sources	46.02	643,242	5,352,218
Cash paid to suppliers	46.03	(121,736,010)	(171,248,743)
Cash paid for administrative, selling and distribution expenses	46.04	(26,025,293)	(50,803,737)
Cash generated by operations	32.00	114,179,150	69,232,757
Receipts from interest-Net	46.05	5,964,971	27,500,768
Income Tax paid	46.06	(9,925,948)	(14,746,503)
Net cash inflow/(outflow) from operating activities (A)		110,218,173	81,987,022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	46.07	(127,060,644)	(216,394,007)
Proceeds from sale of property, plant and equipment	46.08	800,000	1,500,000
(Increase)/decrease in investments	46.09	(162,573)	(130,872)
Dividend received (net of tax)	46.10	885,106	979,661
Net cash inflow/(outflow) from investing activities (B)		(125,538,110)	(214,045,218)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts /(repayments) of short term borrowings	46.11	86,050,699	74,259,789
Right of Use Assets(lease payment)	46.12	(6,555,000)	(6,555,000)
Dividend paid	46.13	(117,740,023)	(88,183,353)
Net cash inflow/(outflow) from financing activities (C)		(38,244,324)	(20,478,564)
Net increase/(decrease) of cash and cash equivalents for the year before considering gain/loss on foreign currency fluctuation (A+B+C)		(53,564,261)	(152,536,760)
Cash and cash equivalents at the beginning of the year		606,836,795	759,373,872
Adjustment for foreign currency fluctuation gain/(loss) during the year		3,936	(317)
Cash and cash equivalents at the end of the year	14.00	553,276,470	606,836,795
Net Operating Cash Flow Per Share	35.00	0.93	0.69

The annexed notes from 01 to 46 are an integral part of these financial statements.
These financial statements should be read in conjunction with annexed notes and were approved by the Board of Directors on **25.10.2021** and were signed on its behalf by:


Company Secretary


Managing Director


Director



Chairman

Signed in terms of our separate report of even date annexed

Chattogram, 25 October 2021

For and on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants


Showkat Hossain, FCA
Senior Partner
Enrollment No: 0137
DVC: 2110250137A5936280



The Peninsula Chittagong Limited

Notes to the Financial Statements

As at and for the year ended at 30 June 2021

1.00 THE REPORTING ENTITY

1.01 Legal form of Enterprise

The company was formed on 25 July 2002 under The Companies Act 1994 vide registration no. C-46488 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on 7 June 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM). The company converted from Private Limited Company to Public Limited Company on 30 November 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM) and obtained approval of Registrar of Joint Stock Companies & Firms accordingly. The company offloaded 55,000,000 shares after getting approval from Bangladesh Securities and Exchange Commission (BSEC) on 19 February 2014 through initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014.

1.02 Registered Office of the Company

The registered office of the company is located at Bulbul Center, 486/B, O.R. Nizam Road, CDA Avenue, Chattogram 4100, Bangladesh.

1.03 Nature of the Business

The principal activities of the company includes carrying of business of modern hotel, restaurants, etc. In this context the company has established a hotel named "The Peninsula Chittagong Limited" which offers a range of hotel facilities including fitness centre, a luxurious oasis within the hotel with gymnasium, swimming pool, sauna, steam bath and massage treatments etc. The company started its commercial operation on 17 February 2006.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements". The financial statements comprise of :

- a) A statement of financial position as at 30 June 2021.
- b) A statement of financial position as at 30 June 2021.
- c) A statement of changes in equity for the year ended 30 June 2021.
- d) A statement of cash flows for the year ended 30 June 2021.
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- i) The Income Tax Ordinance, 1984
- ii) The Income Tax Rules, 1984
- iii) The Value Added Tax Act, 2012
- iv) The Value Added Tax Rules, 2016
- v) The Securities and Exchange Rules, 1987
- vi) The Securities and Exchange Ordinance, 1969
- vii) The Customs Act, 1969
- viii) Bangladesh Labour Law, 2006 (as amended in 2013)

2.04 Authorization for Issue

These financial statements have been authorized for issue by the Board of Directors on 27 October 2020.





2.05 Basis of Measurement

These financial statements have been prepared on going concern basis under the historical cost convention except for land and land development of property, plant and equipment and Investment in quoted shares which are measured at fair value.

2.06 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT) which is the company's functional currency. All the financial information presented in Bangladesh Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.07 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method as per requirement of Securities and Exchange Rules 1987. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per BSEC Notification No BSEC/CMRRED/2006-158/208/Admin /81 dated 20 June 2018.

2.08 Going Concern

The Company has adequated resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per managements' assessment there are no material uncertainties related to events or conditions (effects of COVID-19) which may cast significant doubt upon the company's ability to continue as a going concern.

2.09 Applicable Accounting Standards

The following IASs and IFRSs are applicable for preparation and reporting of the Financial Statements for the year under review:

IAS-1 Presentation of Financial Statements

IAS-2 Inventories

IAS-7 Statement of Cash Flows

IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors

IAS-10 Events after the Reporting Period

IAS-12 Income Taxes

IAS-16 Property, Plant and Equipment

IAS -19 Employee Benefits

IAS-21 The Effects of Changes in Foreign Exchange Rate

IAS-23 Borrowing Costs

IAS-24 Related Party Disclosures

IAS-33 Earnings Per Share

IAS-36 Impairment of Assets

IAS-37 Provisions, Contingent Liabilities and Contingent Assets

IAS-38 Intangible Assets

IFRS-7 Financial Instruments: Disclosures

IFRS-9 Financial Instruments

IFRS- 13 Fair Value Measurement

IFRS- 15 Revenue from Contract with Customers

IFRS- 16 Leases

2.10 Changes in significant accounting policies - Financial year 2019-2020

The Company initially applied IFRS 16 Leases from 01 July 2019.

The Company applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 01 July 2019. Accordingly, the comparative information presented for 2019 is not restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in IFRS 16 have not generally been applied to comparative information.





a) As a lessee

As a lessee, the Company recognized leases land as a Right of Use (RoU) assets. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under IFRS 16, the Company recognises right-of-use assets and lease liabilities for all of these leases – i.e. these leases are on-balance sheet. At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

Leases classified as operating leases under IAS 17

Previously, the Company classified leases land as operating leases under IAS 17. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate. Right-of-use assets are measured at either:

— their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the Company's incremental borrowing rate at the date of initial application: the Company applied this approach to its largest property lease; or

— an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments: the Company applied this approach to all other leases. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Company used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. In particular, the Company:

"— did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;

— did not recognise right-of-use assets and liabilities for leases of low value assets;"

2.11 Use of Estimates and Judgments

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note: 4 Property, plant and equipment

Note: 7 Intangible assets

Note: 9 Inventories

Note: 10 Accounts receivable

Note: 18 Deferred tax liabilities

Note: 21 Provision for income tax

2.12 Comparative Information and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/ reclassified wherever considered necessary to conform to current periods presentation.

2.13 Reporting Period

The financial statements of the company covers one year from 01 July to 30 June and is followed consistently.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.





For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 “Presentation of Financial Statements”. The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Consistency
- 3.02 Property, Plant and Equipment (PPE)
- 3.03 Intangible Asset
- 3.04 Capital Work-in-Progress
- 3.05 Lease
- 3.06 Inventories
- 3.07 Financial Instruments
- 3.08 Impairment
- 3.09 Transactions with Related Parties
- 3.10 Share Capital
- 3.11 Employee Benefit Schemes
- 3.12 Income Tax Expenses
- 3.13 Provisions and Contingencies
- 3.14 Revenue Recognition
- 3.16 Other Income and Expenses
- 3.17 Borrowing Costs
- 3.18 Foreign Currency Transactions
- 3.19 Earnings Per Share (EPS)
- 3.20 Measurement of Fair Values
- 3.21 Events After the Reporting Period

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the period ended on 30 June 2021 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended on 30 June 2020.

3.02 Property, Plant and Equipment (PPE)

Items of property, plant and equipment are stated at cost and re-valued amount less accumulated depreciation and accumulated impairment losses, if any.

3.02.01 Recognition and Measurement

The cost of an item of property, plant and equipment comprises its purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates) and any cost directly attributable to the acquisition of the assets. The cost of self constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognised under other income/expenses in the statement of profit or loss and other comprehensive income.

3.02.02 Subsequent Costs

The cost of replacing or upgrading 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 costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income.





3.02.03 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited useful life. In respect of all other property, plant and equipment, depreciation is recognised in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of property, plant and equipment. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

CATEGORY OF ASSETS	RATE OF DEPRECIATION (%)
Hotel Building	2%
Plant and Machineries	5%
Equipment and Appliance	5% - 10%
○ Office Equipment	10%
○ Electrical Equipment	10%
○ Air Conditioner	5%
○ Kitchen Equipment	5%
○ House Keeping Equipment	10%
○ Bar Equipment	10%
○ Security Equipment	10%
○ Linen	10%
○ SPA	5%
○ Wooden Floor	5%
○ Tumbler Drier	5%
Motor Vehicles	10%
Furniture & Fixtures	5%
Office Decoration	5%

Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is credited or charged to statement of profit or loss and other comprehensive income.

3.02.04 Revaluation of Property, Plant and Equipment

Since inception, the company revalued its non-current assets for the 1st time in the year 2010-2011 by Syful Shamsul Alam & Co, Chartered Accountants. Reserve was created by the sum of revaluation surplus as per the provision of IAS-16.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant & equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. During the year the management of the company did not notice any significant changes in the fair value of the revalued land.

3.03 Intangible Asset

3.03.01 Recognition and Measurement

Intangible assets that are acquired by the company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38: "Intangible Assets" are met. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

3.03.02 Subsequent Costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in statement of profit or loss and other comprehensive income as incurred.

3.03.03 Amortisation

The intangible assets of the company are ERP (Tally) and Hotel Management software which are amortised every month following straight line method for 10 (ten) years. The amortisation cost is charged in statement of profit or loss and other comprehensive income.





Amortisation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

3.04 Capital Work-in-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.05 During the year 2020 the Company has applied IFRS 16 using the modified retrospective approach and therefore ceased continuation of reporting under IAS 17.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable before 1 January 2019

All the lease transactions have been classified based on the extent to which risks and rewards incidental to ownership of the assets lie with the lessor or lessee. According to this classification, all the Company's lease transactions have been identified as operating lease as per IAS 17: Leases based on the substance of the transactions, not merely on the legal form.





3.06 Inventories

Nature of inventories

Inventories comprise of food & beverage, house keeping materials, printing & stationary, hard drinks, stores & spares etc.

Valuation of the inventories

Inventories are measured at lower of cost and net realizable value (NRV). The cost of inventories include expenditure incurred in acquiring these inventories, and other costs incurred in bringing them to their existing location and condition in accordance with IAS 2 "Inventories".

Category	Valuation	Valuation
Food	Weighted average cost	Lower of cost & NRV
Beverage	Weighted average cost	Lower of cost & NRV
House Keeping Materials	Weighted average cost	Lower of cost & NRV
Printing & Stationary	Weighted average cost	Lower of cost & NRV
Store & Spares	Weighted average cost	Lower of cost & NRV

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

3.07 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.

3.07.01 Financial Assets

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

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

Financial assets are classified into the following categories: financial assets at fair value through profit or loss, held to maturity, loans and receivables and available-for-sale financial assets.

At fair value through profit or loss

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

Held to maturity

These assets are initially recognised at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost.

Loans and receivables comprise cash and cash equivalents, loans, accounts receivables and deposits.

(a) Account receivable

Account receivable are initially recognised at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognised. There is no fixed company policy regarding provision for impairment loss on receivables, if any receivables are not realized within the credit period. It has been dealt with on case to case basis.

3.06 Inventories

(b) Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.





Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognised in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognised in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

3.07.02 Financial Liabilities

The company initially recognises all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

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

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

Other financial liabilities comprise loans and borrowings, bank overdrafts and accounts payable.

(a) Accounts payable

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 company of resources embodying economic benefits.

b) Interest-bearing borrowings

Interest-bearing borrowings comprise loans and operational overdraft.

3.08 Impairment

3.08.01 Financial Assets

Financial assets are impaired if objective evidence indicates that a loss event has occurred after initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.

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

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor
 - restructuring of an amount due to the company on terms that the company would not consider otherwise
 - indications that a debtor or issuer will enter bankruptcy
 - adverse changes in the payment status of borrowers or issuers
 - the disappearance of an active market for a security, or
 - observable data indicating that there is a measurable decrease in expected cash flows from a group of financial assets
- For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

3.08.02 Financial Assets Measured at Amortised Cost

The company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Collective assessment is carried out by grouping together assets with similar risks characteristics.



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

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

3.08.03 Available for Sale Financial Assets

Impairment losses on available for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through other comprehensive income.

3.08.04 Non Financial Assets

"The carrying amounts of the company's property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the property, plant and equipment's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss, other comprehensive income and equity as applicable.

Due to Covid-19 pandemic situation impairment test of property, plants and equipment could not be carried out and the Company Management has decided to carry out such impairment test as per provision of IAS-36. "

3.09 Transactions with Related Parties

The objective of IAS 24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [IAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

3.10 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.11 Employee Benefit Schemes

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.11.01 Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amount. The company maintains the Provident Fund for all permanent employees at which both the company and employees contribute @ 7% of basic salary. The Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose in IAS-19.





Obligation for contribution to defined contribution plan is recognised as provident fund (PF) contribution expenses in profit or loss in the year during which services are rendered by employees. Advance against PF is recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.11.02 Defined Benefit Plan

Workers' Profit Participation and Welfare Funds

The company also recognises a provision for Workers' Profit Participation and Welfare Funds @ 5% of net profit before tax in accordance with the provision of Section 234 (Kha), Chapter 15 of Bangladesh Labour Law 2006.

3.12 Income Tax Expenses

Income tax expenses comprise current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

3.12.01 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

3.12.02 Deferred Tax

Deferred tax is recognised in compliance with IAS 12: Income taxes, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and amount used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the authority on the same taxable entity.

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

Deferred tax on revaluation surplus of land and land development has not been recognised in the financial statements on the ground that income tax payable at source on capital gain during registration of sale of land are generally borne by the buyer. Hence, possibility of having any income tax implications on land is very remote.

3.13 Provisions and Contingencies

A provision is recognised in the Statement of Financial Position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognised.

3.14 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises sale of rooms, foods, beverages and allied services relating to hotel operations. Revenue is recognised upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain. Revenue recognised is net of indirect taxes, returns and discounts.

Revenue from rendering services shall be recognized in compliance with the requirements of IFRS 15 "Revenue from Contract with Customers".

The company maintains its position that all Vatable sales are legitimate, relevant requirements of the VAT Act 2012 have been appropriately followed and deposited to the Government exchequer and some non Vatable sales have been shown at taka 251,78,759 in the financial statements.

3.15 Non operating income

Non operating income includes gain / (loss) on sale of non-current assets and miscellaneous receipts. Non operating income is recognised as revenue income as and when realised.

3.16 Other Income and Expenses

3.16.01 Other Income

Interest income on Fixed Deposit Receipts (FDR) and Short Term Deposits (STD) account has recognised when received or accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

3.16.02 Finance Expenses

Interest expenses except expenses related to acquisition/construction of assets, incurred during the year are charged to Statement of Profit or Loss and Other Comprehensive Income on accrual basis.





Interest income/expenses on amount due to/due from inter companies, if any, has been recognised periodically.

3.17 Borrowing Costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognised as expense in the year in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs". Borrowing cost incurred against loan for BMRE project has been capitalised under effective interest rate method.

3.18 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

3.19 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

This represents profit for the year attributable to ordinary shareholders. As there is no preference dividend, non-controlling interest or extra ordinary items, the net profit after tax for the year has been considered fully attributable to the ordinary shareholders.

3.19.01 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.19.02 Diluted Earnings Per Share:

Diluted earnings per share is required to be calculated for the year when scope for dilution exists.

3.20 Measurement of Fair Values

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Property, plant and equipment

The fair value of land and land development of property, plant and equipment has been determined based on Net Realisable Value Method/ Market Value Method depending on the nature and corresponding circumstances.

Equity and debt securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorised under 'Level 1' of the fair value hierarchy.

3.21 Events After the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.22 Restatement

The financial statements have been restated for the effect of certain adjustments for the adopted of IFRS-16 in this year (refer to Note-5,16,24)

3.23 Finance Cost

Finance Cost mainly increased due to increase of long term borrowings.





30 June 2021
Taka

30 June 2020
Taka

4.00 PROPERTY, PLANT AND EQUIPMENT

Details of Property, Plant & Equipment and Depreciation as on 30 June 2021 are shown in notes 4.01 & 4.02.

A. Cost with revaluation

Opening Balance	3,034,040,014	2,989,685,802
Add: Addition during the year	71,860,186	47,052,712
	<u>3,105,900,200</u>	<u>3,036,738,514</u>
Add: Increase due to Revaluation	-	-
	<u>-</u>	<u>-</u>
Less: Deletion during the year	(2,198,512)	(2,698,500)
Less: Revaluation Adjusted during the year	-	-
	<u>-</u>	<u>-</u>
Closing Balance	<u>3,103,701,688</u>	<u>3,034,040,014</u>

B. Accumulated Depreciation

Opening Balance	556,233,712	524,907,173
Add: Depreciation for the year	33,079,841	32,857,723
	<u>589,313,553</u>	<u>557,764,896</u>
Less : Adjustments during the year	-	-
Less : Adjustment for disposals during the year	(1,941,726)	(1,531,184)
	<u>(1,941,726)</u>	<u>(1,531,184)</u>
Closing Balance	<u>587,371,827</u>	<u>556,233,712</u>
	<u>587,371,827</u>	<u>556,233,712</u>
Written Down Value (WDV) [A-B]	<u>2,516,329,861</u>	<u>2,477,806,302</u>



4.01 Property, plant and equipment - at revalued model

Amount in Taka

Particulars	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
At revalued amount								
Balance as on 01 July 2019	1,527,367,698	793,414,868	86,722,692	386,126,750	38,448,145	96,717,454	60,888,195	2,989,685,802
Additions during the year	150,000	13,564,617	129,773	19,722,977	4,700,000	436,889	8,348,456	47,052,712
Disposals/Adjustments during the year	-	-	-	-	(2,698,500)	-	-	(2,698,500)
Balance as at 30 June 2020	1,527,517,698	806,979,485	86,852,465	405,849,727	40,449,645	97,154,343	69,236,651	3,034,040,014
Balance as on 01 July 2020	1,527,517,698	806,979,485	86,852,465	405,849,727	40,449,645	97,154,343	69,236,651	3,034,040,014
Additions during the year	170,000	19,655,953	816,310	51,148,448	-	14,750	54,725	71,860,186
Disposals/Adjustments during the year	-	-	-	-	(2,198,512)	-	-	(2,198,512)
Balance as at 30 June 2021	1,527,687,698	826,635,438	87,668,775	456,998,175	38,251,133	97,169,093	69,291,376	3,103,701,688
Accumulated depreciation								
Balance as on 01 July 2019	-	173,319,379	44,545,139	217,309,539	17,547,715	36,630,671	35,554,730	524,907,173
Depreciation Rate		2%	5%	5%-10%	10%	5%	5%	
Charged for the year	-	12,660,237	2,168,513	11,605,764	1,873,402	3,113,079	1,436,728	32,857,723
Adjustment for disposals during the year	-	-	-	-	(1,531,184)	-	-	(1,531,184)
Balance as at 30 June 2020	-	185,979,616	46,713,652	228,915,303	17,889,933	39,743,750	36,991,458	556,233,712
Balance as on 01 July 2020	-	185,979,616	46,713,652	228,915,303	17,889,933	39,743,750	36,991,458	556,233,712
Depreciation Rate		2%	5%	5%-10%	10%	5%	5%	
Charged for the year	-	12,571,842	1,976,920	11,965,224	2,155,392	2,805,897	1,604,566	33,079,841
Adjustment for disposals during the year	-	-	-	-	(1,941,726)	-	-	(1,941,726)
Balance as at 30 June 2021	-	198,551,458	48,690,572	240,880,527	18,103,599	42,549,647	38,596,024	587,371,827
Carrying amount								
As at 30 June 2020	1,527,517,698	620,999,869	40,138,813	176,934,424	22,559,712	57,410,593	32,245,193	2,477,806,302
As at 30 June 2021	1,527,687,698	628,083,980	38,978,203	216,117,648	20,147,534	54,619,446	30,695,352	2,516,329,861
Depreciation allocated to:	Note(s)	30 June 2021	30 June 2020					
Cost of sales	26 01	Taka	Taka					
Administrative expenses	27 00	26,877,371	26,696,900					
		6,202,470	6,160,823					
		33,079,841	32,857,723					



4.02 Property, plant and equipment - at cost model

Amount in Taka

Particular	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
At cost								
Balance as on 01 July 2019	298,953,856	793,414,868	86,722,692	386,126,750	38,448,145	96,717,454	60,888,195	1,761,271,960
Additions during the year	150,000	13,564,617	129,773	19,722,977	4,700,000	436,889	8,348,456	47,052,712
Disposals/Adjustments during the year	-	-	-	-	(2,698,500)	-	-	(2,698,500)
Balance as at 30 June 2020	299,103,856	806,979,485	86,852,465	405,849,727	40,449,645	97,154,343	69,236,651	1,805,626,172
Balance as on 01 July 2020	299,103,856	806,979,485	86,852,465	405,849,727	40,449,645	97,154,343	69,236,651	1,805,626,172
Additions during the year	170,000	19,655,953	816,310	51,148,448	-	14,750	54,725	71,860,186
Disposals/Adjustments during the year	-	-	-	-	(2,198,512)	-	-	(2,198,512)
Balance as at 30 June 2021	299,273,856	826,635,438	87,668,775	456,998,175	38,251,133	97,169,093	69,291,376	1,875,287,846
Accumulated depreciation								
Balance as on 01 July 2019	-	173,319,379	44,545,139	217,309,539	17,547,715	36,630,671	35,554,730	524,907,173
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,660,237	2,168,513	11,605,764	1,873,402	3,113,079	1,436,728	32,857,723
Adjustment for disposals during the year	-	-	-	-	(1,531,184)	-	-	(1,531,184)
Balance as at 30 June 2020	-	185,979,616	46,713,652	228,915,303	17,889,933	39,743,750	36,991,458	556,233,712
Balance as on 01 July 2020	-	185,979,616	46,713,652	228,915,303	17,889,933	39,743,750	36,991,458	556,233,712
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,571,842	1,976,920	11,965,224	2,155,392	2,805,897	1,604,566	33,079,841
Adjustment for disposals during the year	-	-	-	-	(1,941,726)	-	-	(1,941,726)
Balance as at 30 June 2021	-	198,551,458	48,690,572	240,880,527	18,103,599	42,549,647	38,596,024	587,371,827
Carrying amount								
As at 30 June 2020	299,103,856	620,999,869	40,138,813	176,934,424	22,559,712	57,410,593	32,245,193	1,249,392,460
As at 30 June 2021	299,273,856	628,083,980	38,978,203	216,117,648	20,147,534	54,619,446	30,695,352	1,287,916,019





5.00 Right of use assets

A. Cost

Opening Balance

Add: Addition during the year

Less: Deletion during the year

Closing Balance

B. Accumulated Depreciation

Opening Balance

Prior year Adjustment

Adjusted Opening Balance

Add: Depreciation for the year

Less : Adjustments during the year

Closing Balance

Written Down Value (WDV) [A-B]

	30 June 2021 Taka	30 June 2020 Taka
Opening Balance	90,502,051	90,502,051
Add: Addition during the year	-	-
	<u>90,502,051</u>	<u>90,502,051</u>
Less: Deletion during the year	-	-
Closing Balance	<u>90,502,051</u>	<u>90,502,051</u>
Opening Balance	11,124,917	-
Prior year Adjustment	-	7,537,621
Adjusted Opening Balance	11,124,917	7,537,621
Add: Depreciation for the year	3,498,536	3,587,296
	<u>14,623,453</u>	<u>11,124,917</u>
Less : Adjustments during the year	-	-
Closing Balance	<u>14,623,453</u>	<u>11,124,917</u>
Written Down Value (WDV) [A-B]	<u>75,878,598</u>	<u>79,377,134</u>

5.01 The Make-up

	Land		Total
	Lease from (BWDB)	Lease from (CPA)	
Right of use assets			
Cost			
Balance at 01 July 2020	2,099,800	88,402,251	90,502,051
Additions	-	-	-
Disposals/transfers	-	-	-
Balance at 30 June 2021	2,099,800	88,402,251	90,502,051
Balance at 30 June 2020	2,099,800	88,402,251	90,502,051
Accumulated depreciation/ Amortization			
Balance at 01 July 2020	1,548,006	9,576,912	11,124,918
Depreciation/Amortization for the period	551,794	2,946,742	3,498,536
Adjustment for disposals/transfers	-	-	-
Balance at 30 June 2021	2,099,800	12,523,654	14,623,454
Carrying amounts			
Balance as on 30 June 2021	-	75,878,597	75,878,597
Balance as on 30 June 2020	551,794	78,825,340	79,377,134





	30 June 2021 Taka	30 June 2020 Taka
6.00 Capital Work in Progress		
Opening balance	615,911,576	446,570,281
Add: Addition during the year	74,856,411	169,341,295
Less: Capitalized during the year	(19,655,953)	-
Closing balance	671,112,034	615,911,576

6.01 Details of capital work-in-progress

Particulars	Opening Balance	Additions during the year	Capitalized during the Year	Balance as on 30 June 2021	Balance as on 30 June 2020
A. Peninsula Airport Garden:					
Civil Works	558,985,567	40,691,295	-	599,676,862	558,985,567
Lift and Generator	712,808	-	-	712,808	712,808
Machineries and Equipment	9,438,759	2,201,659	-	11,640,418	9,438,759
Interior Decoration	-	9,669,367	-	9,669,367	-
Parking	15,187,008	-	-	15,187,008	15,187,008
Sub-total	584,324,142	52,562,321	-	636,886,463	584,324,142
B. Existing Hotel Renovation					
Interior Decoration	15,380,899	18,844,672	-	34,225,571	15,380,899
Hotel Building	16,206,535	3,449,418	19,655,953	-	16,206,535
Sub-total	31,587,434	22,294,090	19,655,953	34,225,571	31,587,434
Grand Total (A+B)	615,911,576	74,856,411	19,655,953	671,112,034	615,911,576

	Note(s)	30 June 2021 Taka	30 June 2020 Taka
7.00 Intangible assets			
Software (ERP Tally)	7.01	-	9,939
Hotel Management Software	7.01	644,979	967,459
		644,979	977,398

7.01 Intangible assets schedule

	Software (ERP Tally)	Hotel Management Software	30-Jun-2021 Taka	30-Jun-2020 Taka
Cost				
Opening balance	100,000	3,471,560	3,571,560	3,571,560
Add: Addition during the year	-	-	-	-
Closing balance	100,000	3,471,560	3,571,560	3,571,560
Accumulated amortisation				
Opening balance	90,061	2,504,101	2,594,162	2,261,730
Add: Charged during the year	9,939	322,480	332,419	332,432
Closing balance	100,000	2,826,581	2,926,581	2,594,162
Carrying amount	-	644,979	644,979	977,398

8.00 Investments

Investments in non-tradable shares at cost-note 8.01	6,125,000	6,125,000
	6,125,000	6,125,000

8.01 Investments in non-tradable shares at cost-note 8.01

	Quantity	30 June 2021 Taka	30 June 2020 Taka
Lanka Bangla Securities Limited	73,370	3,750,000	3,750,000
Energy Prima Limited	25,000	2,375,000	2,375,000
		6,125,000	6,125,000

9.00 Inventories

Food-note 9.01	6,262,575	18,321,177
House keeping materials-note 9.02	6,660,685	6,384,910
Printing and stationeries-note 9.03	1,870,662	1,765,236
Beverage - note 9.04	14,613,040	18,002,564
Stores and spares	2,923,183	2,159,951
	32,330,145	46,633,838



	30 June 2021 Taka	30 June 2020 Taka
9.01 Food		
Opening balance	18,321,177	18,241,905
Add: Purchased during the year	43,221,521	72,819,850
Available for consumption	61,542,698	91,061,755
Less: Consumed during the year	(55,280,123)	(72,740,578)
Closing balance	6,262,575	18,321,177
9.02 House keeping materials		
Opening balance	6,384,910	6,116,052
Add: Purchased during the year	5,914,393	13,748,630
Available for consumption	12,299,303	19,864,682
Less: Consumed during the year	(5,638,618)	(13,479,772)
Closing balance	6,660,685	6,384,910
9.03 Printing and stationeries		
Opening balance	1,765,236	1,609,736
Add: Purchased during the year	575,595	1,119,989
Available for consumption	2,340,831	2,729,725
Less: Consumed during the year	(470,169)	(964,489)
Closing balance	1,870,662	1,765,236
9.04 Beverage		
Opening balance	18,002,564	3,041,958
Add: Purchased during the year	-	15,879,060
Available for consumption	18,002,564	18,921,018
Less: Consumed during the year	(3,389,524)	(918,454)
Closing balance	14,613,040	18,002,564
10.00 Accounts receivable		
Opening Balance	42,366,406	45,517,934
Add: Addition during the year	92,097,908	158,423,452
Add: Other Receivable (WPPF & Pf)	4,889,639	-
Less: Realised during the year	(103,551,243)	(160,881,993)
Less: Bad debt expenses	(467,530)	(692,987)
Closing Balance	35,335,180	42,366,406
10.01 Ageing of accounts receivable		
Dues within 6 Months	28,749,481	35,780,707
Dues over 6 months	6,585,699	6,585,699
	35,335,180	42,366,406
11.00 Interest receivable		
Interest receivable on Fixed Deposits Receipts (FDR)	5,607,146	4,190,004
	5,607,146	4,190,004
12.00 Advances, deposits and prepayments		
Advances -note 12.01	189,122,068	200,318,127
Deposits- note 12.02	12,102,654	12,102,655
Prepayments-note 12.03	4,293,030	1,644,934
	205,517,752	214,065,716
12.01 Advances		
Advance income tax - note 12.01.01	90,556,582	91,126,140
Advance to suppliers	95,845,992	55,750,766
Lankabangla securities Limited	43,061	43,061
ICB Securities Trading Company Limited	14,381	68,885
Advance for Supplementary Duty	68,480	68,480
VAT current account	1,840,317	1,840,317
Advance against salary	728,324	864,590
L/C in Transit	24,931	50,555,888
	189,122,068	200,318,127
12.01.01 Advance income tax		
Opening balance	91,126,140	91,580,283
Add: Paid/deducted during the year	9,925,948	10,495,506
Less: Adjusted during the year	(10,495,506)	(10,949,649)
Closing balance	90,556,582	91,126,140





	30 June 2021 Taka	30 June 2020 Taka
12.02 Deposits		
Bangladesh Telecommunications Company Limited	140,000	140,000
Karnaphuli Gas Distribution Company Limited	1,445,212	1,445,212
Bangladesh Power Development Board	285,000	285,000
House rent deposit	89,000	89,000
Rainbow CNG service station	25,000	25,000
Chittagong Port Authority	5,000,000	5,000,000
Bangladesh Water Development Board	4,986,225	4,986,225
Shah Amanat International Airport	52,217	52,218
Chittagong WASA	80,000	80,000
	12,102,654	12,102,655
12.03 Prepayments		
Prepaid insurance	1,834,905	1,644,934
Prepaid rent (CPA)	2,458,125	-
	4,293,030	1,644,934

The directors consider that all the above advances and deposits are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage.

13.00 Short term investments

Investment in Fixed Deposit Receipts (FDR)-note 13.01	1,885,958	1,777,439
Investment in tradable securities at fair value - note 13.02	53,829,110	47,525,504
	55,715,068	49,302,943

13.01 Investment in Fixed Deposit Receipts (FDR)

Name of banks	Purpose	Tenure	Rate of interest		
AB Bank Limited	Investment	12 Months	6.50%	1,885,958	1,777,439
				1,885,958	1,777,439

13.02 Investment in tradable securities at fair value

Opening balance	47,525,504	58,398,856
Add : Purchase of tradable securities	7,332,097	-
less: Sale of tradable securities	(7,278,043)	-
Add: Gain on sales during the year	1,500,175	-
Net purchase during the year	1,554,229	-
Add/(less): Changes in fair value of tradable securities -note 13.02.01	4,749,377	(10,873,352)
Closing balance	53,829,110	47,525,504

Fair value of tradable securities

13.02.01 Particulars	30 June 2021				30-Jun-2020
	Quantity	Purchase/ (Sales)	Increase/ (Decrease) in Fair value	Fair value	Fair value
ACI Limited	23,762	-	1,854,911	6,266,039	4,411,128
Fas Finance Limited	157,500	-	393,750	1,023,750	630,000
Premier Bank Limited	-	(2,286,900)	-	-	2,286,900
SSSteel	190,000	3,841,129	(60,129)	3,781,000	
Rangpur Foundry Limited	329,263	-	2,535,325	41,816,401	39,281,076
Unique Hotel & Resort Limited	23,200	-	25,520	941,920	916,400
		1,554,229	4,749,377	53,829,110	47,525,504

Investments in tradable securities have been classified as held for trading and changes in fair value of these tradable securities has been charged to the statement of profit or loss and other comprehensive income.

14.00 Cash and cash equivalents

Cash in hand	571,769	1,115,547
Cash at banks - note 14.01	51,962,574	32,398,583
Fixed Deposit Receipts - note 14.02	500,742,127	573,322,665
	553,276,470	606,836,795



14.01 Cash at banks

			30 June 2021	30 June 2020
			Taka	Taka
Name of the Banks	Branches	Account Type		
AB Bank Limited 4110-753162-000	CDA Avenue	CD	738,085	368,205
AB Bank Limited 4110-761221-430	CDA Avenue	SND	77,661	109,067
AB Bank Limited 4110-776797-000	CDA Avenue	CD	685	685
AB Bank Limited 4110-776797-430	CDA Avenue	SND	1,401,689	1,211,647
AB Bank Limited 4110-753033-000	CDA Avenue	CD	243,213	828,942
Bank Al-falah Limited 03700249	Agrabad	MPA	3,490,007	3,437,751
Brac Bank Limited	Kazir Dhewri	Credit Card	4,170	-
Brac Bank Limited 02019912560-01	Kazir Dhewri	CD	168,826	173,464
Dutch Bangla Bank Limited 102.110.33675	Agrabad	CD	62,943	63,632
Eastern Bank Limited	Agrabad	Credit Card	23,369	19,893
Eastern Bank Limited 0013050813341	Agrabad	FCY	202,937	203,070
Eastern Bank Limited 0013060813352	Agrabad	FCY	32,711	29,090
Eastern Bank Limited 0013070813363	Agrabad	FCY	5,718	5,407
Eastern Bank Limited 0011360813331	Agrabad	HPA	27,300,920	15,557,218
Eastern Bank Limited 0051350196584	O.R Nizam Road	STD	863,956	149,693
Mutual Trust Bank Limited 0009-0320001771	CDA Avenue	SND	2,159,716	2,147,550
Prime Bank Limited 13411030000449	O.R Nizam Road	CD	4,342	5,032
The City Bank Limited 1101238038001	O.R Nizam Road	CD	531,736	283,947
The City Bank Limited	O.R Nizam Road	Credit Card	131,265	84,190
The Premier Bank Limited 012311100008242	O.R Nizam Road	CD	40,752	(385,893)
The Premier Bank Limited 012313100000647	O.R Nizam Road	CD	9,598,396	5,171,520
United Commercial Bank Limited 002313200000490	Jubilee Road	SND	618,534	18
United Commercial Bank Limited 06513010000053		Credit Card	290,083	-
United Commercial Bank Limited 06513010000053	Kamal Bazar	SND	3,970,860	2,934,455
			51,962,574	32,398,583

14.02 Fixed Deposits Receipts (FDR)

Name of banks	Purpose	Tenure	Rate of interest		
The Premier Bank Limited	Investment	3 months	4.00% to 6.00%	500,742,127	573,322,665
				500,742,127	573,322,665

15.00 Share capital

Authorised capital:

300,000,000 Ordinary Shares of Tk. 10 each	3,000,000,000	3,000,000,000
	3,000,000,000	3,000,000,000

Issued, Subscribed and Paid-up capital:

250,000 Ordinary Shares of Tk.10 each as at 25 July 2002	2,500,000	2,500,000
9,000,000 Ordinary Shares of Tk.10 each as at 20 June 2010	90,000,000	90,000,000
23,125,000 Ordinary Shares of Tk.10 each as at 10 October 2011	231,250,000	231,250,000
12,950,000 Ordinary Shares of Tk.10 each as at 31 December 2011	129,500,000	129,500,000
12,691,000 Ordinary Shares of Tk.10 each as at 31 January 2013	126,910,000	126,910,000
55,000,000 Ordinary Shares of Tk.10 each as at 30 April 2014	550,000,000	550,000,000
5,650,800 Ordinary Shares of Tk.10 each as at 08 December 2015	56,508,000	56,508,000
118,666,800 Ordinary Shares of Tk 10 each	1,186,668,000	1,186,668,000





		30 June 2021 Taka	30 June 2020 Taka
15.01	Classification of shares by holding		
	Class by number of shares	No. of Holders	No. of Shares
		Holding (%)	
	Less than 500	12,349	2,281,603
	From 500 to 5,000	3,081	5,471,094
	From 5,001 to 10,000	517	4,014,029
	From 10,001 to 20,000	270	3,953,953
	From 20,001 to 30,000	117	2,917,856
	From 30,001 to 40,000	48	1,671,618
	From 40,001 to 50,000	40	1,845,618
	From 50,001 to 100,000	42	3,087,753
	From 100,001 to 1,000,000	53	15,405,093
	From 1,000,001 to above	19	78,018,183
		16,536	118,666,800
			100%

Name of shareholders	30-Jun-2021		30-Jun-2020	
	Percentage of holding	Number of shares	Percentage of holding	Number of shares
Mr. Mustafa Tahseen Arshad	12.32%	14,620,032	12.32%	14,620,032
Mrs. Bilkis Arshad	7.70%	9,137,520	7.70%	9,137,520
Engineer Mosharraf Hossain	7.30%	8,660,016	7.04%	8,360,016
Mrs. Ayesha Sultana	4.95%	5,873,344	4.78%	5,673,344
Mr. Mahboob Ur Rahman	3.10%	3,675,840	2.99%	3,545,840
Mrs. Mirka Rahman	2.57%	3,045,840	2.57%	3,045,840
Mr. Aminur Rahman	2.57%	3,045,840	2.57%	3,045,840
Investment Corporation of Bangladesh	5.43%	6,449,447	5.43%	6,449,447
General Shareholders	54.06%	64,158,921	54.60%	64,788,921
	100%	118,666,800	100%	118,666,800

	30 June 2021 Taka	30 June 2020 Taka
16.00		
Retained earnings		
Opening balance	196,686,340	287,595,711
Prior year adjustment for adoption of IFRS-16:Lease	-	(8,415,813)
Adjusted Opening Balance	196,686,340	279,179,898
Add: Net profit after tax for the year	48,746,486	6,506,542
Less: Dividend paid	(118,666,800)	(89,000,100)
	126,766,026	196,686,340
17.00		
Revaluation surplus	1,228,413,842	1,228,413,842

17.01 Revaluation of company's assets were carried out by, an independent valuer, Syful Shamsul Alam & Co., Chartered Accountants, following Estimated Net Realisable Value Method of Valuation based on the nature of the assets as on 30 April 2011 and submitted their report on 23 June 2011. Revaluation surplus has been credited to Revaluation Surplus Account and treated as per IAS and IFRS and other applicable laws, regulations and guidelines.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

18.00 Deferred tax liabilities

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position method for investment in tradable securities.

Opening balance	41,232,339	21,586,867
Add: Provision made during the year	6,351,976	19,645,472
Closing balance	47,584,315	41,232,339



18.01 Reconciliation of deferred tax liabilities/ (assets)

	As at 30 June 2021				
	Carrying amount	Tax base	Tax rate	Taxable/ (Deductible) temporary difference	Deferred tax Liabilities/ (Assets)
	Taka	Taka	Percentage	Taka	Taka
Freehold Assets					
Property, plant and equipment (except land)	988,642,163	786,555,690	22.5%	202,086,473	45,469,456
Intangible assets	644,979	20,777	22.5%	624,202	140,445
Investment in tradable securities	53,829,110	47,525,504	15%	6,303,606	945,541
Leasehold Assets					
Right of use (Assets)	11,127,770	6,555,000	22.5%	4,572,770	1,028,873
Total deferred tax liabilities					47,584,315

	As at 30 June 2020				
	Carrying amount	Tax base	Tax rate	Taxable/ (Deductible) temporary difference	Deferred tax Liabilities/ (Assets)
	Taka	Taka	Percentage	Taka	Taka
Freehold Assets					
Property, plant and equipment (except land)	950,288,604	783,676,054	25%	166,612,550	41,653,138
Intangible assets	977,398	41,554	25%	935,844	233,961
Investment in tradable securities	47,525,504	58,398,856	15%	(10,873,352)	(1,631,003)
Leasehold Assets					
Right of use (Assets)	11,100,528	7,195,554	25%	3,904,973.81	976,243
Total deferred tax liabilities					41,232,339

19.00 Accounts payable

	30 June 2021 Taka	30 June 2020 Taka
Opening balance	61,616,994	39,374,509
Add: Addition during the year	285,615,522	472,415,659
Add: Govt. Welfare Foundation Fund	4,824,056	
Less: Paid during the year	(299,497,670)	(450,173,174)
Closing balance	52,558,902	61,616,994

20.00 Short term borrowings

Cash credit (Hypo) and overdraft-note 20.01	358,640,598	272,589,899
	358,640,598	272,589,899

20.01 Borrowings against CC (Hypo) and overdraft

Name of the Banks	Branches	Types		
IFIC Bank Limited	Agrabad	OD	238,581	215,426
The Premier Bank Limited	O.R Nizam Road	OD	91,057,657	
The Premier Bank Limited	O.R Nizam Road	OD	267,344,360	272,374,473
			358,640,598	272,589,899

21.00 Provision for income tax

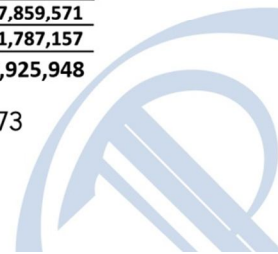
Opening balance	9,827,814	15,200,646
Provided during the year		
Against current year	7,925,948	9,827,814
	7,925,948	9,827,814
Less: Paid/adjusted during the year	10,495,506	15,200,646
Closing balance	7,258,256	9,827,814





21.01 Computation of Income & Tax Liability thereon

		30 June 2021
		Taka
Net profit before Income Tax as per Audited Financial Statements		63,024,411
Less: Items for separate consideration		
Dividend income (Gross)		(1,106,382)
Other income (Sale of wastage & Income from Forfeiture Account of PF)		(708,825)
Unrealized profit/(loss) on tradable shares		(4,749,377)
Gain (loss) on sale of tradable securities		(1,500,175)
Gain (loss) on sale of property, plant and equipment		(543,214)
Finance income		(39,000,571)
		(47,608,544)
		15,415,866
Add: Accounting depreciation for separate consideration		33,079,841
Amortization cost		3,830,955
Interest expenses on lease liabilities		7,629,234
		59,955,896
Add: Other Inadmissible Allowances		
Entertainment expenses added back for separate consideration		120,745
Provision for WPPF and WF		3,317,074
		3,437,819
		63,393,715
Less: Allowable expenses		
Tax depreciation u/s 29 (1) (viii) of the ITO, 1984		66,615,673
Lease payment		6,555,000
WPPF and WF paid		1,893,675
		75,064,348
		(11,670,633)
Business Income before separate consideration of Entertainment Expenses		
Less: Entertainment Allowance as per Sec. 30(f)(i) & Rule 65 of ITO & ITR 1984		
(Since there is no business income entertainment allowance will not be allowed)		
Business Income for the current year		(11,670,633)
Revenue gain on sale of Non-current Assets		543,214
Dividend Income (Gross)		1,106,382
On gain sale of listed securities (assumed, Cost > Sales)		1,500,175
Finance income		39,000,571
Other Income		708,825
Taxable income		31,188,535
Tax Payable on Taxable Income:		
	Rate	Taxable Income
On gain sale of listed securities	10%	1,500,175
On Dividend Income (Gross)	20%	1,106,382
On Business & Other Income	22.5%	28,581,978
Tax payable as per calculation		6,802,239
Calculation of minimum tax:		
a) Tax payable as per calculation		6,802,239
b) As per section 82C (2) (b)		
On Local Sales U/S 52		4,765,851
On Interest Income on FDR U/S 53F		3,127,604
On Interest of STD account U/S 53F		32,493
		7,925,948
c) As per section 82C (4) (a)		
Gross sales		254,200,403
Dividend Income (Gross)		1,106,382
Gain (loss) on sale of tradable securities		1,500,175
Gain (loss) on sale of property, plant and equipment		543,214
Finance income		39,000,571
Other income (Sale of wastage)		708,825
Proceeds from sale of non-current assets		800,000
		297,859,571
Tax liability @ 0.60 on gross receipts		1,787,157
Therefore, tax liability, the higher of above three		7,925,948





22.00 Unclaimed dividend

Opening balance
Add: Provision made during the year

Less: Paid during the year

Year	Balance as on 01 July 2020	Provision	Payment
2013-2014	2,806,730	-	-
2014-2015	1,853,852	-	11,390
2015-2016	732,249	-	-
2016-2017	448,309	-	-
2017-2018	640,025	-	179
2018-2019	816,747	-	47,374
2019-2020	-	118,666,800	117,681,080
	7,297,912	118,666,800	117,740,023

30 June 2021 Taka	30 June 2020 Taka
7,297,912	6,481,165
118,666,800	89,000,100
(117,740,023)	(88,183,353)
8,224,689	7,297,912
2,806,730	2,806,730
1,842,462	1,853,852
732,249	732,249
448,309	448,309
639,846	640,025
769,373	816,747
985,720	-
8,224,689	7,297,912

23.00 Provision for WPPF and Welfare Fund

Opening Balance
Add: Provision made for the year

Less: Paid during the year
Closing Balance

1,893,675	6,988,408
3,317,074	1,893,675
5,210,749	8,882,083
1,893,675	6,988,408
3,317,074	1,893,675

24.00 Lease Liabilities

Opening Balance
Add: Prior year Adjustment
Adjusted Opening Balance as on 01 July 2019
Add: Addition during the year (Interest)

Less: Paid/Adjusted during the year
Closing Balance
Non-current portion
Current portion

86,408,013	90,502,051
-	(4,411,716)
86,408,013	86,090,335
7,629,234	7,513,232
94,037,247	93,603,567
6,555,000	7,195,554
87,482,247	86,408,013
80,528,075	79,453,841
6,954,172	6,954,172
87,482,247	86,408,013

25.00 Revenue

Rooms
Food & beverages
Minor operating departments
Space Rent

108,590,477	118,661,604
140,063,934	152,255,181
4,429,363	10,791,320
1,116,629	1,073,385
254,200,403	282,781,490

26.00 Cost of sales

Cost of sales -note 26.01

153,858,981	204,599,342
153,858,981	204,599,342

26.01 Cost of sales

Cost of materials
Complementary guest service
Depreciation - note 4
Function and amenities
House keeping expenses
Packet and packing materials
Purchased services
Repair and maintenance
Salary, wages, bonus and benefits
Staff uniform
Utility and fuel expenses

58,669,647	73,659,032
162,759	790,146
26,877,371	26,696,900
369,953	539,939
5,638,618	13,792,752
804,561	709,997
322,160	465,187
4,660,788	5,757,789
36,038,609	55,434,307
117,398	3,303,558
20,197,117	23,449,735
153,858,981	204,599,342



26.02 Cost of sales

Particulars	Note(s)	30 June 2021					30 June 2020
		Room	Food & Beverage	Minor Operating Department	Rental	Total	
		Taka	Taka	Taka	Taka	Taka	
Cost of materials		-	57,202,906	1,466,741	-	58,669,647	73,659,032
Complementary guest service		113,931	48,828	-	-	162,759	790,146
Depreciation - note 4		19,641,156	5,375,474	1,860,741	-	26,877,371	26,696,900
Function and amenities		-	369,953	-	-	369,953	539,939
House keeping expenses		3,903,658	1,409,655	325,305	-	5,638,618	13,792,752
Packet and packing materials		804,561	-	-	-	804,561	709,997
Purchased services		322,160	-	-	-	322,160	465,187
Repair and maintenance		2,868,178	717,044	179,261	896,305	4,660,788	5,757,789
Salary, wages, bonus and benefits	26.04	19,821,235	15,136,216	1,081,158	-	36,038,609	55,434,307
Staff uniform		63,395	42,263	11,740	-	117,398	3,303,558
Utility and fuel expenses		14,743,894	2,019,713	3,433,510	-	20,197,117	23,449,735
Total		62,282,168	82,322,052	8,358,456	896,305	153,858,981	204,599,342

26.03 Repair and maintenance

Particular	30 June 2021			30 June 2020	
	Opening Inventory of Stores & Spares	Purchase	Closing inventory of Stores & Spares	Expenses	Total
	Taka	Taka	Taka	Taka	Taka
Building	581,524	654,303	481,524	754,303	191,640
Machineries	834,877	1,529,718	1,434,878	929,717	2,461,815
General	563,550	1,845,725	1,006,781	1,402,494	1,238,156
Kitchen equipment		157,163	-	157,163	493,234
Vehicles	180,000	545,425	-	725,425	965,570
Lifts	-	225,247	-	225,247	139,850
Computers	-	726,394	-	726,394	678,666
Electrical goods	-	145,332	-	145,332	89,535
Total	2,159,951	5,829,307	2,923,183	5,066,075	6,258,466

26.04 Allocation of Repair and Maintenance Expense

	30 June 2021	30 June 2020
	Taka	Taka
Cost of sales - note 26.02	4,660,789	5,757,789
Administrative expenses - note 27	405,286	500,677
	5,066,075	6,258,466





27.00 Administrative expenses

	30 June 2021 Taka	30 June 2020 Taka
Salaries and allowances	13,329,349	20,503,099.00
Directors' remuneration - note 27.01	115,000.00	6,790,000.00
Annual general meeting expenses	688,950.00	801,625.00
Association and membership fees	27,400.00	83,000.00
Audit fee	300,000.00	345,000.00
Conveyance expenses	155,155.00	127,965.00
Depreciation - note 4	6,202,470.00	6,160,823.00
Amortisation - note-5.01 and 7.01	3,830,955.00	3,919,728.00
Provision for Bad debt - note 10	467,530.00	692,987.00
Lease expense (CPA)	855,000.00	-
Dhaka office expenses	-	1,380,000.00
Entertainment expenses	120,745.00	1,148,712.00
Fees and renewals	1,197,999.00	967,807.00
Gift and donation	-	76,328.00
Insurance expenses	2,230,908.00	1,908,129.00
Legal fees and other professional charges	1,522,674.00	1,581,524.00
Medical expenses	-	41,130.00
Office expenses	111,617.00	167,941.00
Printing and stationery	470,169.56	964,489.00
Rating fee	200,000.00	186,916.00
Regulatory fees	1,280,668.00	1,074,668.00
Rent, rate and taxes	1,038,327.00	1,100,728.00
Repair and maintenance	405,286.00	500,677.18
Staff uniform	13,044.00	367,062.00
Telephone and communication	923,148.00	928,429.00
Tours and travel expenses	921,336.00	824,594.00
Utility and fuel expenses	5,049,279.20	5,862,433.60
	41,457,010	58,505,795

27.01 Directors' remuneration

Details of Directors' remuneration paid during the period are as follows:

(As per Schedule XI, Part II, Para 4 of Company Act 1994)

Directors' Name	Relationship	Remuneration	Board Meeting Fee	Gross Remuneration
		Taka	Taka	Taka
Mr. Mahboob Ur Rahman	Chairman	-	17,500	17,500
Mr. Mustafa Tahseen Arshad	Managing Director	-	17,500	17,500
Mrs. Ayesha Sultana	Executive Director	-	15,000	15,000
Mrs. Bilkis Arshad	Director	-	17,500	17,500
Dr. Md. Fashiul Alam	Independent Director	-	10,000	10,000
Dr. Sheikh Md. Shafiul Azam	Independent Director	-	17,500	17,500
Dr. Sultan Ahmed	Independent Director	-	2,500	2,500
Mr. Md. Abul Hossain	Director	-	17,500	17,500
		-	115,000	115,000

28.00 Selling and distribution expense

	30 June 2021 Taka	30 June 2020 Taka
Advertisement	907,715	439,684
	907,715	439,684

29.00 Finance costs

	30 June 2021 Taka	30 June 2020 Taka
Interest on overdraft	29,014,778	23,808,546
Foreign currency exchange (gain)/loss - note 29.01	(3,935)	317
Bank charges	2,603,680	2,330,084
Interest for adoption of new IFRS-16:Lease	7,629,234	7,513,232
	39,243,757	33,652,179

29.01 Foreign currency exchange (gain)/ loss

	30 June 2021 Taka	30 June 2020 Taka
Unrealized foreign currency translation (gain)/ loss	(3,935)	317
	(3,935)	317

30.00 Finance income

	30 June 2021 Taka	30 June 2020 Taka
Interest on fixed deposit receipts	38,220,237	55,377,334
Interest on bank deposits	780,334	875,554
	39,000,571	56,252,888





	30 June 2021 Taka	30 June 2020 Taka
31.00 Non-operating income / (loss)		
Dividend income on non-tradable securities	-	45,000
Dividend income on tradable securities	1,106,382	1,179,576
Sale of wastage	643,242	5,311,862
Gain (loss) on sale of tradable securities	1,500,175	-
Gain (loss) on sale of property, plant and equipment	543,214	332,684
Unrealized profit/(loss) on tradable shares	4,749,377	(10,873,352)
Income from Forfeiture Account of PF	65,583	40,355
	8,607,973	(3,963,875)

32.00 Reconciliation of Net profit with cash flow from operating activities

(Notification No BSEC/CMRRED/2006-158/208/Admin /81 dated 20 June 2018)

Reference Note-5(e)

Profit before income tax	63,024,411	35,979,828
Depreciation charged	33,079,841	32,857,723
Amortization charged	3,830,955	3,919,728
Income from Forfeiture Account of PF	(65,583)	(40,355)
Gain (loss) on sale of tradable securities	(1,500,175)	-
Adjustment for adoption of new IFRS-16:Lease	-	1,623,443
Gain on sale of property, plant and equipment	(543,214)	(332,684)
Changes in fair value of tradable securities	(4,749,377)	10,873,352
Dividend income	(1,106,382)	(1,224,576)
Finance Cost	39,243,757	33,652,178
Interest income on bank deposits	(780,334)	(875,554)
Interest income on Fixed Deposits Receipts (FDR)	(38,220,237)	(55,377,334)
(Increase)/ decrease in Inventory	14,303,693	(15,588,785)
(Increase)/ decrease in Accounts receivable	7,096,808	3,151,528
(Increase)/decrease in Advances, Deposits and Pre-payments	8,199,682	3,466,513
Increase / (decrease) in Accounts payables	(9,058,092)	22,242,485
Increase/(decrease) in provision of WPPF and WF	1,423,399	(5,094,733)
	114,179,150	69,232,757

33.00 Earnings per share

33.01 Basic earnings per share (EPS)

Profit attributable to the ordinary shareholders	48,746,486	6,506,542
Weighted average number of shares outstanding during the year	118,666,800	118,666,800
Basic earnings per share (EPS)	0.41	0.05

33.02 Reason for significant deviation in Earning Per Share (EPS):

During this year core business of the company also interrupted due to COVID-19 pandemic. However, management has taken some improvised steps to reduce avoidable cost. As a result, cost of sales and administrative expenses decreased by 24.80% & 29.14% respectively in compare with previous year. Moreover, current tax rate is also reduced to 22.50% from 25%.

34.00 Net asset value per share (NAV)

Total Assets	4,157,872,233	4,143,593,112
Less: Liabilities	(565,066,081)	(480,866,646)
Net asset value (NAV)	3,592,806,152	3,662,726,466
Number of ordinary shares outstanding during the year	118,666,800	118,666,800
Net Asset Value (NAV) per share	30.28	30.87

35.00 Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flows (from statement of cash flows)	110,218,173	81,987,022
Number of ordinary shares outstanding during the year	118,666,800	118,666,800
Net Operating Cash Flow Per Share (NOCFPS)	0.93	0.69

35.01 During the year payment made to suppliers are reduced by Tk. 49,512,733 i.e 28.91% is compare with previous year. As a result net operating cash flow per share increased significantly (NOCFPS)

36.00 Employees Information

(As per schedule XI, Part II note 5 , para 3 of Company Act 1994)

The number of employees with an agreement annual remuneration not more less than Tk.3,000 monthly & Tk 36,000 yearly

30 June 2021 Taka	30 June 2020 Taka
216	306
216	306

As on 30 June 2021, total 191 (235 during 2020) number of employees were in the permanent payroll of the company.



37.00 Aggregate amount of remuneration paid to all Directors & Employees

(As per Schedule-01, part II, Para 4(i) of the Securities and Exchanges Commission Rules, 1987))

Particulars	Payment Type	30-Jun-2021 Taka	30-Jun-2020 Taka
Chairman & All Directos	Board Meeting Fees	115,000	70,000
	Remuneration	-	6,720,000
Officers & Others	Salary & Benefits	49,367,958	75,937,408
Total		49,482,958	82,727,408

38.00 Service rendering capacity and current utilization

(As per Schedule XI, para 7 of Company Act 1994)

Description	01 July 2020 to 30 June 2021			01 July 2019 to 30 June 2020		
	Capacity (Room per year)	Utilization during the year	Utilization (%)	Capacity (Room per year)	Utilization during the year	Utilization (%)
Guest Room	52,560	26,885	51.15%	52,704	33,118	62.84%

39.00 Attendance status of Directors in Board Meetings

During the year ended 30 June 2021, 06 (Six) board meetings were held. The attendance status of all the meetings are as follows:

Name of the Director	Position	Meetings Held	Attendance
Mr. Mahboob Ur Rahman	Chairman	06	06
Mr. Mustafa Tahseen Arshad	Managing Director	06	06
Mrs. Ayesha Sultana	Director	06	05
Mrs. Bilkis Arshad	Director	06	06
Dr. Md. Fashiul Alam	Independent Director	06	03
Dr. Sheikh Md. Shafiul Azam	Independent Director	06	06
Dr. Sultan Ahmed	Independent Director	06	01
Md. Abul Hossain	Director	06	06

40.00 Contingent liabilities and Commitments

40.01 Contingencies

An Appellee (no. VAT-177/2019) was filed before the Customs, Excise and VAT Appellate Tribunal against the Demand No. 102/2019 dated 15 May 2019 for Tk. 2,992,725.00.

40.02 Capital expenditure commitment

The company has no capital expenditure commitment at the reporting date.

40.03 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.

41.00 Segment reporting

As there is a single business and geographic segment within which the company operates no segment reporting is felt necessary.

41.01 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2021 other than trade credit available in the ordinary course of business.

42.00 Events after reporting period

The Board of Directors at the meeting held on 25 October 2021 has recommended dividend for the year ended 30 June 2021.





43 RELATED PARTY TRANSACTIONS

In accordance with IAS-24 : Related Party Disclosures, key management personnel of the company are those persons having the authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly

	30 June 2021 Taka	30 June 2020 Taka
a) Key Management Personnel Compensation		
Short term employee benefits	115,000	6,790,000
Post employment benefits	-	-
Other benefits	-	-
Termination Benefit	-	-
Share-based Payment	-	-
	<u>115,000</u>	<u>6,790,000</u>

During the year ended 30 June 2021 , the company carried out a number of transactions with related party in the normal course of business on 'Arms Length Basis'. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: Related party disclosures:

Make Up

Short Term Employee Benefits		
Remuneration*	-	6,720,000
Board meeting Fees	115,000	70,000
	<u>115,000</u>	<u>6,790,000</u>

*Hon'ble Chairman, Managing Director & Executive Director has opted not to draw any remuneration during the year due to Covid-19 Pandemic situation.

b) Transaction with Related Companies

Name of Party/Company	Relation	Nature of Transaction	30 June 2021 Taka	30 June 2020 Taka
Sayeman Beach Resort Limited	Common Directorship	Revenue	4,777,976	3,036,676
Gesmin Limited	Common Directorship	Expense	(473,600)	(449,920)
			<u>4,304,376</u>	<u>2,586,756</u>



44.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Note ref.	Carrying amount						Total
	Fair value through profit or loss	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Total	
	Taka	Taka	Taka	Taka	Taka		
30 June 2021							
Financial assets measured at fair value							
13.02	53,829,110	-	-	-	-	-	53,829,110
Financial assets not measured at fair value							
8.01	-	-	-	6,125,000	-	-	6,125,000
10 & 11	-	-	40,942,326	-	-	-	40,942,326
12.02	-	-	12,102,654	-	-	-	12,102,654
13.01 & 14.02	-	-	-	502,628,085	-	-	502,628,085
14.01	-	-	51,962,574	-	-	-	51,962,574
			105,007,554	508,753,085			613,760,639
Financial liabilities not measured at fair value							
19	-	-	-	-	52,558,902	-	52,558,902
20	-	-	-	-	358,640,598	-	358,640,598
22	-	-	-	-	8,224,689	-	8,224,689
23	-	-	-	-	3,317,074	-	3,317,074
					422,741,263		422,741,263
30 June 2020							
Financial assets measured at fair value							
13.02	47,525,504	-	-	-	-	-	47,525,504
Financial assets not measured at fair value							
8.01	-	-	-	6,125,000	-	-	6,125,000
10 & 11	-	-	46,556,410	-	-	-	46,556,410
12.02	-	-	12,102,655	-	-	-	12,102,655
13.01 & 14.02	-	-	-	575,100,104	-	-	575,100,104
14.01	-	-	32,398,583	-	-	-	32,398,583
			91,057,648	581,225,104			672,282,752
Financial liabilities not measured at fair value							
19	-	-	-	-	61,616,994	-	61,616,994
20	-	-	-	-	272,589,899	-	272,589,899
22	-	-	-	-	7,297,912	-	7,297,912
23	-	-	-	-	1,893,675	-	1,893,675
					343,398,480		343,398,480





45.00 Financial instruments- Financial risk management

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

45.01 Credit risk

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

45.01.01 Exposure to credit risk

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

		30 June 2021	30 June 2020
		Taka	Taka
Investments in FDRs	13.01 & 14.02	502,628,085	575,100,104
Advances and deposits	12.01 & 12.02	201,224,722	212,420,782
Accounts and other receivables	10 & 11	40,942,326	46,556,410
Cash at banks	14.01	51,962,574	32,398,583
		796,757,707	866,475,879

(i) Accounts receivable

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate.

Ageing of accounts receivable

The ageing of gross value at the reporting date that was not impaired was as follows:

		30 June 2021	30 June 2020
		Taka	Taka
Dues within 6 Months		28,749,481	35,780,707
Dues over 6 months		6,585,699	6,585,699
		35,335,180	42,366,406

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Cash at banks

The company held cash at banks of Tk. 51,962,574 at 30 June 2021 (30 June 2020: Tk. 32,398,583), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.

45.01.02 Impairment losses

Impairment loss at the reporting date

	30 June 2021	30 June 2020
	Taka	Taka
Impairment loss at the reporting date	Nil	Nil
	-	-



45.01.03 Credit exposure by credit rating

	As at 30 June 2021		
	Credit rating	Amount	(%)
Accounts receivable	NR	35,335,180	11.82%
Other receivables	NR	5,607,146	1.88%
Advances, deposits and prepayment	NR	205,517,752	68.74%
Cash and cash equivalents			
Cash in hand		571,769	0.19%
Cash at banks		51,962,574	17.38%
AB Bank Limited	AA3	2,461,333	4.74%
Bank Al Falah Limited	AA+	3,490,007	6.72%
Brac Bank Limited	Ba3	172,996	0.33%
Dutch Bangla Bank Limited	B1	62,943	0.12%
Eastern Bank Limited	B1	28,429,611	54.71%
Mutual Trust Bank Limited	AA	2,159,716	4.16%
Prime Bank Limited	AA	4,342	0.01%
The City Bank Limited	AA2	663,001	1.28%
The Premier Bank Limited	AA+	9,639,148	18.55%
United Commercial Bank Limited	AA	4,589,394	8.83%

All bank balances are reconciled with bank statements.

45.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			
			Within 12 months	1 to 5 years	More than 5 years	Total
			Taka	Taka	Taka	Taka
As at 30 June 2021						
Accounts payable	52,558,902	N/A	52,558,902	-	-	52,558,902
Short term borrowings	358,640,598	9.00%	358,640,598	-	-	358,640,598
Unclaimed dividend	8,224,689	N/A	8,224,689	-	-	8,224,689
	419,424,189		419,424,189	-	-	419,424,189

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			
			Within 12 months	1 to 5 years	More than 5 years	Total
			Taka	Taka	Taka	Taka
As at 30 June 2020						
Accounts payable	61,616,994	N/A	61,616,994	-	-	61,616,994
Short term borrowings	272,589,899	9.5%-11%	272,589,899	-	-	272,589,899
Unclaimed dividend	7,297,912	N/A	7,297,912	-	-	7,297,912
	341,504,805		341,504,805	-	-	341,504,805

45.03 Market risk

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

(a) Currency risk exposure and its management

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company. To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

The Company is only exposed to in foreign currency risk relating to Tk. 241,366 in its Foreign Currency Account relating IPO applications.





(b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.

(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to re-pay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows.

	30 June 2021 Taka	30 June 2020 Taka
Fixed- rate instruments		
Financial assets	502,628,085	575,100,104
Financial liabilities	(358,640,598)	(272,589,899)
	<u>143,987,487</u>	<u>302,510,205</u>
Variable- rate instruments		
Financial assets	Nil	Nil
Financial liabilities	Nil	Nil
	<u>-</u>	<u>-</u>

(e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.





Related Notes for Statement of Cash Flows

	Note(s)	30 June 2021 Taka	30 June 2020 Taka
46.00 Cash flows from operating activities			
46.01 Receipts from customers against revenue			
Revenue	25.00	254,200,403	282,781,490
(Increase)/ Decrease - Trade Receivables (Gross)	10.00	7,096,808	3,151,528
		261,297,211	285,933,018
46.02 Cash received from other source			
Sale of wastage	31.00	643,242	5,311,862
Income from Forfeiture Account of PF	31.00	-	40,355
		643,242	5,352,217
		643,242	5,352,217
46.03 Cash Paid to Suppliers			
Cost of sales	26.00	(153,858,981)	(204,599,342)
(Increase)/Decrease in Inventory	9.00	14,303,693	(15,588,785)
Increase /(Decrease) in Trade payables	19.00	(9,058,092)	22,242,485
Depreciation - Cost of sales	26.01	26,877,371	26,696,900
Cash paid to suppliers		(121,736,009)	(171,248,743)
46.04 Cash paid for Operating and Other Expenses			
Selling and distribution costs	28.00	(907,715)	(439,684)
Administrative costs	27.00	(41,457,010)	(58,505,795)
Depreciation - Administrative expenses	27.00	6,202,470	6,160,823
Amortization	27.00	3,830,955	3,919,728
WPP and WF paid during the year	23.00	(1,893,675)	6,988,408
Adjustment for changes in accounting policy		-	(12,393,730)
Adjustment for TDS on dividend income		221,276	244,915
		(34,003,699)	(54,025,335)
(Increase) / Decrease in Advances, Deposits & Prepayment			
Advances, Deposits & Prepayment	12.00	8,547,964	3,675,741
Advance Income tax	12.01	(569,558)	(454,143)
		7,978,406	3,221,598
		(26,025,293)	(50,803,737)
46.05 Interest paid (Net)			
Interest received on FDR			
Interest on Fixed Deposits Received (FDR)	30.00	38,220,237	55,377,334
(Increase)/ decrease Interest receivable	11.00	(1,417,142)	4,900,059
		36,803,095	60,277,393
Finance costs (Interest paid during the year)			
Discounting Expense	29.00	(39,247,692)	(33,652,179)
Interest on bank deposits	29.00	7,629,234	-
	30.00	780,334	875,554
		5,964,971	27,500,768
46.06 Income Tax Paid			
Increase/(decrease) in Provision for tax	21.00	(2,569,558)	(5,372,832)
Provided during the period	21.00	(7,925,948)	(9,827,814)
(Increase)/decrease in advance for tax	12.01	569,558	454,143
		(9,925,948)	(14,746,503)
Net cash (used in)/generated by operating activities		110,218,174	81,987,021





	Note(s)	30 June 2021 Taka	30 June 2020 Taka
Cash flows from investing activities			
Addition of Property, plant and equipment during the year	4.02	(71,860,186)	(47,052,712)
Capital work-in-progress capitalized	6.01	19,655,953	-
Capital work-in-progress	6.01	(74,856,411)	(169,341,295)
Right Of Use Assets			
46.07 Acquisition of non-current assets		(127,060,644)	(216,394,007)
Disposal during the year	4.02	2,198,512	2,698,500
Adjustment for depreciation	4.02	(1,941,726)	(1,531,184)
Gain/(loss) on sale of non-current assets	31.00	543,214	332,684
46.08 Proceeds from sale of property, plant and equipment		800,000	1,500,000
Gain on sale of tradable securities	31.00	1,500,175	-
(Increase)/decrease in investments in tradable securities	13.00	(6,303,606)	10,873,352
Changes in fair value of tradable securities	13.02	4,749,377	(10,873,352)
		(54,054)	-
Investment in FDR (Short Term)	13.00	(108,519)	(130,872)
46.09 (Increase)/decrease in investments		(162,573)	(130,872)
46.10 Dividend received (net of tax)			
Dividend Income	31.00	1,106,382	1,224,576
Less: Tax deducted at source		(221,276)	(244,915)
		885,106	979,661
Net cash (used in)/generated by investing activities		(125,538,111)	(214,045,218)
Cash flows from financing activities			
46.11 (Repayment) / Receipt of short term borrowings	20.00	86,050,699	74,259,789
		86,050,699	74,259,789
46.12 (Repayment) / Receipt of lease finance	24.00	(6,555,000)	(6,555,000)
Cash dividend declared & disbursed		(118,666,800)	(89,000,100)
Increase/(decrease) in Unclaimed dividend	22.00	926,777	816,747
46.13 Dividend paid during the year		(117,740,023)	(88,183,353)
Net cash provided by /(used in) financing activities		(38,244,324)	(20,478,564)
Net increase/(decrease) in cash and cash equivalent		(53,564,260)	(152,536,760)
Opening cash and cash equivalents	14.00	606,836,795	759,373,872
Effect of foreign exchange rate changes		3,935	(317)
Closing cash and cash equivalents		553,276,470	606,836,795

Company Secretary

Managing Director

Director

Chairman

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The Peninsula Chittagong Limited

(Best Business Hotel in Town)

Registered & Share office: Bulbul Centre, 486/B, O.R. Nizam Road, CDA Avenue, Chattogram-4100

PROXY FORM

I / We(Name)

of(Address)

being a shareholder of the Peninsula Chittagong Limited hereby appoint,

Mr./Ms.(Name)

of(Address)

as my / our / proxy to attend on my / our behalf at the 19th Annual General Meeting (AGM) of the Company to be held on 13 December 2021 and at any adjournment there of any poll that may be taken in consequence there of and to vote on dated this day of2021

.....
Signature of this Shareholder

Folio / BO ID No:

Number of Share

Dated

.....
Signature of the Proxy

Folio / BO ID No:

Dated

.....
Signature of witness

Note: The proxy form, dully filled in and stamped, must be deposited at the Registered & Share Office of the company, Bulbul Centre, 486/B, O.R. Nizam Road, Chattogram CDA Avenue, not later than 72 hours before the time fixed for the holding of the meeting.

Stamp
20Tk

Signature Verified

.....
Authorized Signature

The Peninsula Chittagong Limited



The Peninsula Chittagong Limited

(Best Business Hotel in Town)

Registered & Share office: Bulbul Centre, 486/B, O.R. Nizam Road, CDA Avenue, Chattogram-4100

ATTENDANCE SLIP

I hereby record my presence at the 19th annual general meeting of the Peninsula Chittagong Limited on 13 December 2021

Name

BO ID

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

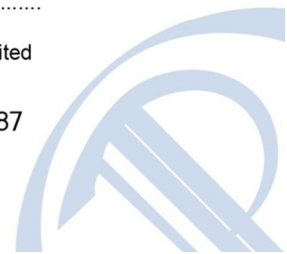
Signature Verified

.....
Signature

.....
Authorized Signature

The Peninsula Chittagong Limited

Note: Please complete this attendance slip and deposit at the registration counter on the day of the meeting.





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REGISTERED & SHARE OFFICE

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